U. S. Congress

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE SEVENTY-SECOND CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME 75—PART 8

APRIL 14, 1932, TO APRIL 30, 1932

(Pages 8175 to 9356)

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1932

Congressional Record

SEVENTY-SECOND CONGRESS, FIRST SESSION

SENATE

THURSDAY, APRIL 14, 1932

(Legislative day of Monday, April 11, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 826. An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon;

S. 1719. An act amending the act of Congress entitled "An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924; and

S. 3655. An act to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Nations, in Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2405. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emmigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; and

S. 3569. An act to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 208. An act to authorize transfer of the abandoned Indian-school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians;

H. R. 3637. An act to authorize the sale, on competitive bids, of unallotted lands on the Lac du Flambeau Indian Reservation, in Wisconsin, not needed for allotment, tribal, or administrative purposes;

H. R. 8898. An act authorizing the deferring of collection of construction costs against Indian lands within irrigation projects, and for other purposes;

H. R. 8918. An act to authorize the collection of penalties, damages, and costs for stock trespassing on Indian lands;

H. R. 10086. An act to amend the act of February 14, 1920, authorizing and directing the collection of fees for work done for the benefit of Indians;

H. R. 10161. An act amending the act of May 25, 1918, with reference to employing farmers in the Indian Service, and for other purposes;

H. R. 10419. An act to permit relinquishments and reconveyances of privately owned and State school lands for the benefit of the Indians of the Acoma Pueblo, N. Mex.; and

H. R. 10884. An act to authorize the Secretary of the Interior to adjust reimbursable debts of Indians and tribes of Indians.

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Monday, Tuesday, and Wednesday, April 11, 12, and 13, respectively.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. BINGHAM obtained the floor.

Mr. FESS. Mr. President, will the Senator yield to enable me to make the point of no quorum?

The VICE PRESIDENT. Will the Senator from Connecticut yield for that purpose?

Mr. BINGHAM. I yield.

Mr. FESS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Johnson	Reed
Austin	Couzens	Jones	Robinson, Ark.
Bailey	Cutting	Kean	Robinson, Ind.
Bankhead	Dale	Kendrick	Sheppard
Barbour	Dickinson	Keyes	Shipstead
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Thomas, Idaho
Blaine	Frazier	McGill	Thomas, Okla.
Borah	George	McKellar	Townsend
Bratton	Glass	McNary	Trammell
Brookhart	Glenn	Metcalf	Tydings
Bulkley	Goldsborough	Morrison	Vandenberg
Bulow	Hale	Moses	Wagner
Byrnes	Harrison	Neely	Walcott
Capper	Hastings	Norbeck	Walsh, Mass.
Caraway	Hatfield	Norris	Walsh, Mont.
Carey	Hayden	Nye	Waterman
Connally	Hebert	Oddie	Watson
Coolidge	Howell	Patterson	Wheeler
Copeland	Hull	Pittman	White

Mr. SHEPPARD. I wish to announce that the senior Senator from Louisiana [Mr. BROUSSARD] is necessarily detained from the Senate.

I also wish to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

I also desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness.

Mr. BYRNES. I desire to announce that my colleague the senior Senator from South Carolina [Mr. SMITH] is necessarily detained by serious illness in his family.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is still detained from the Senate because of illness. I will let this announcement stand for the day.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

PAN AMERICAN DAY

Mr. BINGHAM. Mr. President, last year on the recommendation of the governing board of the Pan American Union, the chief executives of the 21 Republics of the American Continent by special proclamation designated April 14 as Pan American Day. Throughout the continent appropriate ceremonies are to-day being held. In a very real sense the celebration of this day is destined to become

the outward symbol of the increasing unity of purpose and ideals of the nations of America. I deem it eminently fitting, Mr. President, that here in the Senate of the United States we take cognizance of this fact and especially that we visualize its deeper spiritual and moral significance.

As we review the period that has elapsed since the American Republics achieved their independence, we can not help but be impressed by one notable and outstanding fact. In spite of the temporary setbacks that have occurred from time to time, the century has brought a constantly broadening basis of inter-American good will and understanding.

I desire in the first place to call your attention to the notable record that has been made in the peaceful settlement of inter-American disputes. At this moment there is sitting at the Pan American Union an arbitral tribunal, presided over by the Chief Justice of the United States, to which has been intrusted the settlement of a long-standing and irritating boundary dispute between Guatemala and Honduras. The representatives of five countries of the American Continent are serving as intermediaries between Paraguay and Bolivia in the settlement of a boundary dispute between those two countries. Peru and Chile have settled their long-standing and difficult controversy relative to Tacna and Arica; Colombia and Peru have finally eliminated a long-standing and irritating boundary dispute. The citizens of all the republics of America may well be proud of the fact that the 21 Republics of America are rapidly approaching the point at which every pending international question will have been settled by the orderly procedure of mediation, conciliation, and arbitration.

As regards our own relations with the nations of Latin America, it is a source of real gratification to be able to say that the feeling of distruct which the Latin American Governments have from time to time manifested toward the Government of the United States has been in considerable measure allayed. But what is even more important is the fact that the people of our country are becoming better acquainted with the culture and ideals of the nations of Latin America, and, conversely, the Latin American peoples are moving toward a better appreciation of the purposes and ideals of the United States. Currents of intellectual understanding, to which the Pan American Union has contributed so much, have been established and the foundations thus laid for a continental system free from rivalries, jealousies, and antagonisms. By giving to the world the inspiring example of an international system resting on the idea of cooperation and mutual service the American Republics will best be able to fulfill the high mission which they are called upon to perform.

CONSTITUTIONAL AMENDMENT CHANGING DATE OF INAUGURATION

The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of South Carolina ratifying the proposed amendment of the Constitution fixing the commencement of the terms of the President and Vice President and Members of Congress, which was ordered to lie on the table and to be printed in the RECORD, as follows:

A joint resolution ratifying a proposed amendment to the Constitution of the United States of America fixing commencement of the terms of the President and Vice President and Members of Congress

I hereby certify that the within originated in the house of representatives.

J. WILSON GIBBES,
Clerk of the House.

Correctly enrolled.

CARTER TO CALLISON.

Delivered to the governor this 25th day of March, A. D. 1932.

JAS. H. FOWLES,
Clerk of the Senate.

THE STATE OF SOUTH CAROLINA.

At a general assembly begun to be holden at Columbia, on the second Tuesday in January, A. D. 1932, and thence continued by divers adjournments to the ——— day of ———, A. D. 1932, a joint resolution ratifying a proposed amendment to the Constitution of the United States of America fixing commencement of the terms of the President and Vice President and Members of Congress.

Whereas the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein) propose the following amendment to the Constitution of the United States of America, to become valid as part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution in words as follows, to wit:

"SECTION 1. *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission." Therefore,

SECTION 1. *Be it resolved by the General Assembly of the State of South Carolina*, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the General Assembly of the State of South Carolina.

SEC. 2. That certified copies of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State, at Washington, to Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

In the senate house the 25th day of March, A. D. 1932.

JAMES O. SHEPPARD,
President of the Senate.
JOHN K. HAMBLIN,
Speaker of the House of Representatives.

Approved the 26th day of March, 1932.

I. C. BLACKWOOD, *Governor.*

STATE OF SOUTH CAROLINA,
EXECUTIVE DEPARTMENT.

This is to certify the foregoing and hereto attached typewritten copy of a joint resolution, entitled, "A joint resolution ratifying a proposed amendment to the Constitution of the terms of the President and Vice President and Members of Congress," to be true and correct as taken from and compared with the original joint resolution so entitled now on file in this office.

Given under my hand and the great seal of the State, at Columbia, this 31st day of March, 1932.

[SEAL.] I. C. BLACKWOOD, *Governor.*

By the governor:

CHARLES H. GERALD, *Private Secretary.*

———

STATE OF SOUTH CAROLINA,
EXECUTIVE DEPARTMENT.

This is to certify the foregoing and hereto attached typewritten copy of a joint resolution entitled, "A joint resolution ratifying a proposed amendment to the Constitution of the terms of the President and Vice President and Members of Congress," to be true and correct as taken from and compared with the original joint resolution so entitled now on file in the office of the secretary of state.

Given under my hand and the great seal of the State, at Columbia, this 31st day of March, 1932.

[SEAL.] W. P. BLACKWELL,
Secretary of State.

CLAIM OF GEORGE H. HANSEN

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of George H. Hansen against the United States, which, with the accompanying report, was referred to the Committee on Claims.

MINNESOTA CONTESTED ELECTION—PETITION OF EINAR HOIDALE (S. DOC. NO. 81)

Mr. WALSH of Montana. Mr. President, I present a document in the nature of a petition from Hon. Einar Hoidale, being a contest of the election of Hon. Thomas D. Schall as Senator from the State of Minnesota for the term beginning March 4, 1931, and praying other relief. I ask that it be referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. The petition will be referred to the Committee on Privileges and Elections and printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a cablegram from the Speaker of the House of Representatives of Porto Rico, San Juan, P. R., stating that "the House of Representatives of Porto Rico resolved to respectfully request that Congress approve the bill for full payment of certificates of soldiers who served in World War," which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Senate of the State of Michigan, favoring the use of the emergency powers of tariff adjustment in favor of American-grown cane and beet sugars, for the immediate restoration of farm and factory business by giving to it the American home sugar market, etc., which was referred to the Committee on Finance. (See resolution printed in full when presented by Mr. VANDENBERG on April 11, 1932, p. 7864, CONGRESSIONAL RECORD.)

He also laid before the Senate resolutions adopted at a joint convention of the Rural Letter Carriers Association and the National League of District Postmasters of the Seventh Congressional District of Kansas, urging postal employees to do their utmost to help the return of better times and to encourage the American Legion in its plans to increase the confidence of the American people in the soundness of the policy of the Government; also, expressing confidence in and appreciation to the President of the United States, the Vice President, and the Cabinet members, and pledging loyalty to their administration, etc., which were referred to the Committee on Post Offices and Post Roads.

Mr. DILL presented memorials of sundry banking and brokerage firms, numerously signed by officers and employees of the firms, all of Seattle, Wash., remonstrating against the imposition of a tax on sales of securities, which were referred to the Committee on Finance.

Mr. SHIPSTEAD presented petitions of sundry citizens of Hawley and Montevideo, Minn., praying for the passage of Senate bill 1197, known as the Frazier farm relief bill, which were referred to the Committee on Agriculture and Forestry.

Mr. ROBINSON of Arkansas presented a letter from William C. Fordyce, of St. Louis, Mo., giving his views on some features of the pending tax bill, which was referred to the Committee on Finance.

He also presented a letter from J. O. Downey, of New York City, N. Y., relative to finance, the investigation of the stock exchange, and European governmental debts, which was referred to the Committee on Finance.

He also presented a telegram, in the nature of a petition, from W. M. Harrison, manager Long Bell Lumber Sales Corporation, of Pine Bluff, Ark., praying for the imposition of an import duty on lumber in the pending tax bill, which was referred to the Committee on Finance.

He also presented telegrams, in the nature of memorials, from the Hope Chamber of Commerce, of Hope; W. W. Campbell, Ed. Ash, E. P. Taylor, Gazzola Vaccaro, and John W. Anderson, all of Forrest City; the Blackrock Pearl Button Co., of Blackrock; the Chamber of Commerce, G. B. Shafer, Dick Simson, Fayetteville Lions' Club, and Dan T. Gray, all of Fayetteville; Mrs. Frank H. Dodge, of Little Rock; and F. A. Rodgers, W. L. Yowell, W. H. Lowery, and Mrs. A. E. Pearson, all of Mansfield, all in the State of Arkansas, remonstrating against reducing or eliminating the appropriations for agricultural experiment stations and extension work, which were referred to the Committee on Agriculture and Forestry.

Mr. ASHURST presented a telegram, in the nature of a memorial, from Grady Watson (Inc.), Ford and Lincoln dealer, of Phoenix, Ariz., remonstrating against the imposition of a tax on the motor industry, which was referred to the Committee on Finance.

He also presented telegrams, in the nature of memorials, from E. W. Montgomery, superintendent Union High Schools and Junior College, and A. M. Davis, State director of vocational education, both of Phoenix, Ariz., remonstrating against reducing or eliminating the appropriations for Federal vocational educational work, which were referred to the Committee on Appropriations.

He also presented a telegram, in the nature of a memorial, signed by Helen J. Stark, secretary Local No. 1750, National Federation of Postal Clerks, of Williams, Ariz., remonstrating against the proposed reduction in the compensation of postal workers, which was referred to the Committee on Civil Service.

He also presented telegrams, in the nature of memorials, from Frank Luther, secretary Typographical Union No. 352, of Phoenix, and R. L. Yates, president, etc., H. R. Voncolbitz, secretary, etc., of Tucson, Ariz., remonstrating against proposed reductions in the compensation of Federal employees, which were referred to the Committee on Civil Service.

Mr. JONES presented a resolution adopted by the town council of Elma, Wash., favoring the passage of legislation providing for payment of World War adjusted-compensation certificates (bonus), which was referred to the Committee on Finance.

He also presented a resolution of the Monroe (Wash.) Commercial Club, favoring a plan submitted for stabilizing the United States currency, which was referred to the Committee on Banking and Currency.

He also presented a letter from the Washington Bankers Association, of Seattle, Wash., relative to the so-called Glass bill, being Senate bill No. 4115, and legislation for the improvement of banking conditions, which was referred to the Committee on Banking and Currency.

He also presented a letter, in the nature of a petition, from the Men's Club of the West Seattle Congregational Church, of Seattle, Wash., praying that loans of the Government to foreign governments be used as a security reserve against which to issue notes sufficient to overcome present deflation, which was referred to the Committee on Banking and Currency.

Mr. TYDINGS presented resolutions adopted by the Twenty-seventh Annual Conference of the Maryland Society, Daughters of the American Revolution, protesting against the admission of communists into the United States and favoring the deportation of all alien communists, etc., which were referred to the Committee on Immigration.

He also presented a memorial of sundry citizens of Baltimore, Md., remonstrating against the passage of legislation providing for the payment of World War adjusted-compensation certificates (bonus) and favoring the repeal of provisions for free hospitalization of veterans whose disabilities are in no way connected with their service, and also the discontinuance of disability compensation to veterans who are holding salaried positions at the same time, which was referred to the Committee on Finance.

He also presented petitions and papers, in the nature of petitions, of Flanders Post, No. 65, American Legion, of Baltimore; Laurel Post, No. 60, American Legion, of Laurel; The General Joseph Haller Post, No. 95, American Legion, of Baltimore; and sundry citizens of Baltimore, Chestertown, and Point Perry, all in the State of Maryland, praying for the prompt passage of legislation providing full cash payment of World War adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

Mr. WALSH of Massachusetts presented letters, in the nature of memorials, from 200 citizens of the State of Massachusetts, remonstrating against a proposed 50 per cent increase in first-class postage rates, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from 300 citizens of the State of Massachusetts, remonstrating against the imposition of a tax on sales of securities and subjecting dividend income to the normal tax, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from 200 citizens of the State of Massachusetts, remonstrating against the proposed reduction in the compensation of postal and other Federal employees, which were referred to the Committee on Civil Service.

He also presented petitions of 350 citizens of the State of Massachusetts, praying for the passage of the bill (H. R. 9891) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pensions board, and for other purposes, which were referred to the Committee on Interstate Commerce.

TARIFF ON COPPER

Mr. HAYDEN. Mr. President, I ask leave to have inserted in the CONGRESSIONAL RECORD and referred to the Committee on Finance an editorial appearing in the Deseret News, of Salt Lake City, Utah, entitled "Protect Copper with a Tariff."

There being no objection, the editorial was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[From the Deseret News, Salt Lake City, Utah, Tuesday, April 12, 1932]

PROTECT COPPER WITH A TARIFF

Interesting and sound was the appeal for a tariff on copper made yesterday to President Hoover by governors of 11 Western States and Tennessee, 5 of whom are Democrats. The petition was given the President in the presence of three Democratic and one Republican Senators. The tariff is becoming happily less and less a partisan issue. Both parties have always agreed on import duties for revenue, and practically every Democratic Member of Congress has exerted his influence to make that duty protective on commodities, raw or fabricated, in which his constituents are interested.

If the world desired to produce the goods it needs with the least amount of useless effort, the formula would be that every place should be protected in manufacturing what it is adapted to produce at less man hours' effort than are required not only to produce but to transport the same commodity from elsewhere to said place. But a great variety of reasons interfere with this, such as capital investment and the necessity of a nation's fostering certain basic industries. As a result this country and others have built up complicated tariff systems, the sudden removal of which would disorganize our economic life.

For many years this Nation protected copper ore and ingots with a tariff; but as our production grew into a competitive situation with the rest of the world, the tariff was withdrawn. It was always maintained, however, on fabricated copper to protect our manufacturers against the cheaper labor of Germany and other countries. At present this amounts to a 45 per cent import duty.

The justice of beginning again to protect the ingot copper is that in the last few years the world has developed vast bodies of copper ore in Mexico, Canada, South America, and Africa. This has changed the whole situation. We have in this country copper-ore reserves of 1,676,000,000 tons of 1.19 per cent grade. Of this, 640,000,000, or more than one-third, is held by the Utah Copper Co. The foreign copper reserves, which have increased since this tabulation was made, are 2,359,000,000 tons of 3.09 per cent grade. With limitless ore bodies and higher grade ore, besides cheap Indian peon and black labor the mines of Chile, Katanga, and Rhodesia have, of course, a great advantage over our own.

Copper tariff is not being urged by the larger copper producers of the United States. It would appear the reason is that they are owners of foreign copper to such an extent that their interests are more or less balanced. The Anaconda Copper Co. is heavily interested in the Chilean production as well as in the Greene Cananea mines of Mexico. The Kennecott Copper Co., besides controlling the Utah Copper, owns a considerable part of the Chile mines, and the capitalists who control both of these great corporations are associated in the ownership of the Rhodesian mines of Africa.

As Senator SMOOT remarked some time ago, automobile owners who formerly were strongly in favor of tariff said that they did not care whether tariff was put on automobiles or not. They are among those who sent $19,000,000,000 of American capital into foreign countries to operate factories. This same situation appears to apply to some of the larger copper producers.

If we are to live under a system of duties, then it would seem logical to protect a basic industry like copper, just as it is logical to protect sugar. Both of these in time of war must be available within the country that is at war. This applies, of course, particularly to copper, without which modern warfare could hardly be carried on. We now protect iron, lead, and zinc.

But from the standpoint of industrial prosperity this State and other Western States are actually dependent upon the copper industry for their economic life. This is not only because of the great copper mines but also because the red metal is an ingredient in many ores and its fair price would make their extraction profitable.

It is manifest that American copper mines must be protected in the future by tariff or by trade agreements between the owners of the world's copper production. Until we have developed further along the route of trade regulation it would seem safer to depend upon tariff.

VOCATIONAL EDUCATION

Mr. NEELY. Mr. President, I ask to include in the RECORD and have referred to the Committee on Appropriations letters and telegrams protesting against any reduction in the Budget estimate for Federal vocational education, under the Office of Education, from the following persons who are citizens and voters, all in the State of West Virginia:

J. H. Hickman, secretary West Virginia State Education Association, of Charleston; Leona Tracewell, secretary, and E. E. Church, president, Parkersburg Teachers Association, of Parkersburg; Fred Holbert, Upshur County High School, of Buckhannon; H. H. Summerville, of Lost Creek; R. R. Stout, of Lost Creek; A. F. Millander, of Weston; John I. Altman, superintendent of schools, of Janelew; J. V. Ankeney, State director of vocational education, of Morgantown; M. T. Morrison, president board of education, of Sutton; F. C. Waggoner, superintendent, and A. R. Parrish, president, board of education of Belington; J. D. May, president board of education of Sistersville; Mr. and Mrs. Dick Hayes, Mr. and Mrs. W. G. Moore, and Mr. and Mrs. J. W. Wilson, of South Charleston; J. B. McLaughlin, member of State board of education, of Charleston; M. C. Cook, superintendent of free schools, of Charleston; W. E. Hunt, president Elk district board of education, of Charleston; vocational teachers, Sistersville High School, of Sistersville; George O. Mullan, of Martinsburg; A. G. Snyder, president West Virginia vocational teachers association, of St. Marys; C. E. Lawall, of Morgantown; Pleasants Post, No. 79, the American Legion, of St. Marys; George T. Rowe, of Elkview; W. H. H. Douglas, of Elkview; Otto Cantley, president Elk Chapter Future Farmers of America, of Elkview; and Lena M. Charter, State supervisor of home economics, State department of education, vocational division, of Charleston.

I have a number of others, which I shall present at a later hour.

The VICE PRESIDENT. The papers, in the nature of memorials, presented by the Senator from West Virginia will be received and referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

Mr. WHITE, from the Committee on Claims, to which was referred the bill (H. R. 3580) for the relief of Clara E. Wight, reported it with amendments and submitted a report (No. 555) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 660. An act for the relief of Hamilton Grounds (Rept. No. 556);

H. R. 3909. An act for the relief of Helen Patricia Sullivan (Rept. No. 557); and

H. R. 5259. An act for the relief of Steve Fekete (Rept. No. 558).

Mr. BROOKHART, from the Committee on Claims, to which was referred the bill (H. R. 4868) for the relief of George E. Casey, reported it with an amendment and submitted a report (No. 559) thereon.

He also, from the same committee, to which was referred the bill (H. R. 3265) for the relief of W. J. Shirley, reported it without amendment and submitted a report (No. 560) thereon.

Mr. COOLIDGE, from the Committee on Claims, to which was referred the bill (S. 1271) for the relief of the estate of George B. Spearin, deceased, reported it without amendment and submitted a report (No. 561) thereon.

Mr. NYE, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 5484) extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation, reported it without amendment and submitted a report (No. 562) thereon.

He also, from the same committee, to which was referred the bill (S. 3638) to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases, reported it with amendments and submitted a report (No. 565) thereon.

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 8914) to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway, and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation in the State of Montana, reported it without amendment and submitted a report (No. 563) thereon.

He also, from the same committee, to which was referred the bill (S. 2144) authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton, reported it with an amendment and submitted a report (No. 566) thereon.

AMENDMENT OF RADIO ACT OF 1927

Mr. DILL. Mr. President, from the Committee on Interstate Commerce I report back favorably, with amendments, the bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, and I submit a report (No. 564) thereon.

Let me say that the bill as amended contains two provisions which are in accordance with the economy program that is being discussed at the White House. One is to combine the agencies relating to radio in the Commerce Department and the Radio Commission, and the other is to raise the fees to be paid for regulation of radio. The bill as drawn will, it is estimated, raise $670,000 per year.

The VICE PRESIDENT. The bill will be placed on the calendar.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 13th instant that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 1769. An act to authorize pay patients to be admitted to the contagious-disease ward of the Gahinger Municipal Hospital;

S. 2078. An act to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan Police Force and Fire Departments of the District of Columbia, and for other purposes,' approved May 11, 1892";

S. 2496. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 3222. An act to amend an act approved March 3, 1917, known as the District of Columbia appropriation act for the year ending June 30, 1918;

S. 3634. An act to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122); and

S. J. Res. 4. Joint resolution to provide for the naming of Montgomery Blair Portal.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

A bill (S. 4390) authorizing the exchange of certain patented lands;

A bill (S. 4391) to authorize appropriations for the completion of the public high school at Frazer, Mont.; and

A bill (S. 4392) authorizing an appropriation for reimbursement of Cascade and Hill Counties, Mont., for care of certain Indians; to the Committee on Indian Affairs.

A bill (S. 4393) granting an increase of pension to Mary Coleman; to the Committee on Pensions.

By Mr. NYE:

A bill (S. 4394) to aid in the reduction of taxes on farm lands and to promote elementary education in rural areas of the United States, and to cooperate with the States in the promotion of these objectives; to the Committee on Education and Labor.

By Mr. TYDINGS (by request):

A bill (S. 4395) to provide medical services after retirement on annuity to former employees of the United States disabled by injuries sustained in the performance of their duties; to the Committee on the Judiciary.

By Mr. CAPPER:

A bill (S. 4396) to provide for readjustment of street lines and the transfer of land for school, park, and highway purposes in the northeast section of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. THOMAS of Oklahoma:

A bill (S. 4397) conferring jurisdiction on the Court of Claims to adjudicate the rights of the Otoe and Missouria Tribes of Indians to compensation on a basis of guardian and ward; to the Committee on Indian Affairs.

By Mr. BROOKHART:

A bill (S. 4398) granting an increase of pension to William Blades; to the Committee on Finance.

By Mr. SMOOT:

A bill (S. 4399) granting a pension to Abram S. Workman; to the Committee on Pensions.

By Mr. McNARY:

A joint resolution (S. J. Res. 145) providing for financing sales of wheat and cotton in foreign markets; to the Committee on Agriculture and Forestry.

REVENUE AND TAXATION—AMENDMENT

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed, as follows:

At the proper place in the bill insert the following:

"SEC. —. That hereafter deputy collectors of internal revenue shall be appointed by the Secretary of the Treasury in accordance with the provisions of the civil service act of January 16, 1883, and the rules promulgated thereunder, and they shall hold office without term."

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Indian Affairs:

H. R. 208. An act to authorize transfer of the abandoned Indian-school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians;

H. R. 8637. An act to authorize the sale, on competitive bids, of unallotted lands on the Lac du Flambeau Indian Reservation, in Wisconsin, not needed for allotment, tribal, or administrative purposes;

H. R. 8898. An act authorizing the deferring of collection of construction costs against Indian lands within irrigation projects, and for other purposes;

H. R. 8918. An act to authorize the collection of penalties, damages, and costs for stock trespassing on Indian lands;

H. R. 10086. An act to amend the act of February 14, 1920, authorizing and directing the collection of fees for work done for the benefit of Indians;

H. R. 10161. An act amending the act of May 25, 1918, with reference to employing farmers in the Indian Service, and for other purposes;

H. R. 10419. An act to permit relinquishments and reconveyances of privately owned and State school lands for the benefit of the Indians of the Acoma Pueblo, N. Mex.; and

H. R. 10834. An act to authorize the Secretary of the Interior to adjust reimbursable debts of Indians and tribes of Indians.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States submitting a nomination was communicated to the Senate by Mr. Latta, one of his secretaries.

CLAIMS OF CERTAIN CHEROKEE INDIANS

Mr. THOMAS of Oklahoma. Mr. President, I ask that the Chair may lay before the Senate the amendment of the House of Representatives to Senate bill 2405.

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2405) to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes, which was, on page 2, line 23, to strike out "two years" and insert "six months."

Mr. THOMAS of Oklahoma. I move that the Senate agree to the House amendment.

The motion was agreed to.

ROAD ON SHOSHONE INDIAN RESERVATION, WYO.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3569) to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo., which was to strike out all after the enacting clause and insert:

That the act entitled "An act authorizing reconstruction and improvement of a public road in Wind River Indian Reservation, Wyo.," approved May 27, 1930 (46 Stat. 430), is hereby amended by adding the following sections:

"SEC. 2. In connection with the construction of such road, payment may be made for rights of way across Indian lands and also of the total irrigation construction costs and accrued operation and maintenance charges on affected lands.

"SEC. 3. Any funds provided by the State of Wyoming shall not be subject to the requirement in section 1 hereof for the employment of Indian labor."

Mr. KENDRICK. I move that the Senate concur in the House amendment.

The motion was agreed to.

PROPOSED COMMITTEE ON VETERANS' AFFAIRS—AMENDMENT OF THE RULES

Mr. BROOKHART entered a motion to discharge the Committee on Rules from the further consideration of the resolution (S. Res. 26) changing the name of the Committee on Pensions to the Committee on Veterans' Affairs, and defining its jurisdiction (submitted by Mr. BROOKHART on December 9, 1931).

The PRESIDING OFFICER. The motion will be received.

PRECONVENTION ACTIVITIES—CAMPAIGN EXPENDITURES

Mr. ROBINSON of Indiana. Mr. President, yesterday I had occasion to make some observations with reference to press reports regarding what appeared to be excessive expenditures of money in connection with certain presidential campaigns. To-day I find quoted in the press additional matter on this subject, which I desire to bring to the attention of the Senate at this time. I ask particularly for the attention, if I may have it, of the junior Senator from Iowa [Mr. DICKINSON], who is the author of the proposed resolution to investigate campaign expenditures.

There appears this morning an Associated Press dispatch reported in the Baltimore Sun, which I read as follows:

MURRAY REPEATS CHARGE OF VOTES BEING BOUGHT

DENVER, April 13.—Gov. W. H. Murray, of Oklahoma, charged here to-day that money was being spent to "buy" Democratic convention votes for Gov. Franklin D. Roosevelt, of New York, and spiked reports he was abandoning his own campaign for the Democratic presidential nomination.

"I have made statements about the buying of votes," Murray told newspaper men. "I made them in private conversations. I did not intend for them to be made public at the moment.

"However, I did say that money was being spent in North Dakota to buy the State's delegation for Roosevelt, and I said, also in private conversations, that some money was spent for this purpose in Iowa."

REFUSES TO GIVE DETAILS

Murray said he did not wish to go into detail about these charges at the present.

"I'll take them up later, you may be sure," he added. "As for myself, I would rather go down to defeat in a righteous cause than ride the band wagon into Wall Street."

Murray was quoted last Friday as saying in a speech at Norfolk, Nebr., that $50,000 in eastern money had been sent into Nebraska to win delegates for Roosevelt. He explained the next day he had not intended to convey that idea, but realized later the audience had misunderstood him.

"I intended to convey," he said, "that Arthur Mullen, of Omaha, Democratic national committeeman, had $50,000 for the Al Smith campaign four years ago, and I was wondering if he had the same amount for Roosevelt."

Mullen stated at the time that less than $200 had been spent in Nebraska for Roosevelt and that he had paid it personally.

Mr. President, I respectfully invite the attention of the junior Senator from Iowa [Mr. DICKINSON] to these additional reasons for hastening the adoption of this resolution in order that these charges may be gone into thoroughly by the proper Senate committee.

Mr. DICKINSON. Mr. President, I solicit the cooperation of the Senator from Indiana in assisting me to get the committee to act upon the resolution at the earliest possible moment.

Mr. ROBINSON of Indiana. I should be glad to cooperate with the Senator from Iowa.

Mr. BLAINE. Mr. President, I have just listened with interest to the colloquy between the Senator from Indiana [Mr. ROBINSON] and the Senator from Iowa [Mr. DICKINSON] respecting their pledge to support each other to obtain a report on the resolution introduced by the Senator from Iowa providing for an investigation of expenditures during the campaign that will be conducted in 1932. I want to say to both of them very frankly that that committee is composed of a majority of Republicans, that the committee is controlled by this side of the Senate. The chairman of the committee is a Republican. The resolution has been brought up in the committee. So far as I am concerned, I have been anxious and ready and willing to have the resolution reported out. If I may indulge some advice to the two Senators who have pledged each other their mutual cooperation, it is that they persuade the chairman of the committee to call the committee together for the purpose of reporting out the resolution.

Mr. ROBINSON of Indiana. I am not a member of the Committee on Privileges and Elections, but I shall be very glad to do all I agreed to do and that is everything within my power to hasten the adoption of the proposed resolution.

WOMEN'S ORGANIZATION FOR NATIONAL PROHIBITION REFORM

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Mrs. Charles H. Sabin, New York City, chairman of the Women's Organization for National Prohibition Reform, April 14, before the Senate Judiciary Committee, setting forth very briefly the principles for which that organization stands.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the Judiciary Committee, I am here to represent the Women's Organization for National Prohibition Reform, of which I have the honor to be chairman.

This organization is composed of 631,537 women, coming from every walk of life, representing every field of endeavor and activity in every State of the Union.

We are both nonpartisan and nonsectarian.

May I call your attention to the fact that the members of our organization have each personally signed a card pledging themselves to work for a change in the national prohibition law? In other words, gentlemen, I am not here delivering the sentiments of over 600,000 women, as many organizations do, merely because of the action of a small executive committee. I am authorized to represent each and every member of this organization.

Our organization was started on the 28th day of May, 1929, as a result of the realization that the prohibition law was a curse to the social and governmental structure, to the family, and to the home. For, after all, women know the conditions of the family and the home perhaps better than anyone, as they are affected by the atmosphere in which their children are growing up.

The following declaration of principle submitted by the committee on platform and resolutions was unanimously adopted at our first national conference in Cleveland, Ohio, on April 24, 1930—just two years ago:

"1. We are convinced that national prohibition is fundamentally wrong—

"(a) Because it conflicts with the basic American principle of local home rule and destroys the balance, established by the

framers of our Government, between powers delegated to the Federal authority and those reserved to the sovereign States or to the people themselves.

"(b) And because its attempt to impose total abstinence by national governmental fiat ignores the truth that no law will be respected or can be enforced unless supported by the moral sense and the common conscience of the communities affected by it.

"2. We are convinced that national prohibition, wrong in principle, has been equally disastrous in consequences in the hypocrisy, the corruption, the tragic loss of life, and the appalling increase of crime which have attended the abortive attempt to enforce it; in the checking of the steady growth of temperance which had preceded it; in the shocking effect it has had upon the youth of the Nation; in the impairment of constitutional guaranties of individual rights; in the weakening of the sense of solidarity between the citizens and the Government, which is the only sure basis of a country's strength.

"The Women's Organization for National Prohibition Reform records these convictions and declares: That 11 years' experience of national prohibition has demonstrated its adoption to have been a grievous mistake, persistence in which will constitute a continuing threat to our country's well-being.

"That in the removal from the Federal Constitution of a provision which should never have been put into it lies the only reasonable hope of relief from conditions which have become intolerable.

"That the Federal Government, exercising its power to regulate interstate and foreign commerce, should protect each State in the enforcement of its State laws according to its true function.

"That the people of the United States who have never had the opportunity to pass judgment upon this question should be given such an opportunity and that therefore, that this may be accomplished in an orderly way and in accord with constitutional procedure, we urge the Congress to submit to conventions of the people in the several States, rather than to the legislatures thereof, a resolution for the repeal of the eighteenth amendment."

Mr. Chairman and members of the Judiciary Committee, this is a time for plain speaking. The prohibition amendment, however noble in purpose, has failed. It has made our Government authorities, Federal, State, and local, powerless to control the liquor traffic by license and regulation. It has deprived the Federal Government of hundreds of millions of dollars of needed revenue, and diverted these funds into illegal channels, through which crime of all kinds has been enabled to organize and finance itself on a scale hitherto unknown in the history of the world. These criminal organizations live and thrive in defiance of governmental authority, and their activities threaten, in constantly growing measure, our most sacred institutions and our homes.

Prohibition has not created crime; it has financed crime.

No one can pretend any longer that the prohibition amendment is effective to promote temperance or to stop the sale or consumption of intoxicating beverages. It has had 13 years of trial and the Government has spent millions of dollars in a sincere but fruitless effort to enforce it. It has utterly failed of the purposes for which it was originally intended and it is gradually destroying the authority of Government and undermining our institutions.

It has become the great resource of the criminal class and it provides the capital of the outlaw and the bootlegger. Those churches and the dry organizations which still support it have become, all unconsciously, the chief allies and friends of the outlaw classes, and the time has come to end this unholy alliance.

The question is not one of drink. This is a national emergency, in which the security of our institutions is at stake, and the choice is between law and order and organized crime.

These are the facts, and we must face them. The prohibition amendment is poisoning our national life, and it must be repealed.

Gentlemen of the committee, our organization is very, very earnest about this matter. We intend to strive unceasingly to bring about this great reform.

We all know that in every great movement of history the apparent cause has never been the real one.

If this were a question of more or less liquor, I, for one, would not lift a finger to change the situation. But we, of our organization, know that when history is written it will be recorded that this was a fight for good government.

My purpose, gentlemen, is to appeal to you to make it possible, through your great influence, to end a situation which is making of us a nation of hypocrites and demoralizing our moral fiber.

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS

The Senate proceeded to consider the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, which had been recommitted to the Committee on Appropriations and reported back with amendments.

Mr. JONES. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be considered first.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. JONES. Mr. President, the Senate has heretofore directed a 10 per cent reduction in the appropriations carried by two of the appropriation bills. In the discussion of the motion directing that such a reduction be made with reference to the bill affecting the State, Justice, Commerce, and Labor Departments, I announced at that time that if the motion was adopted I would consider that to be a declaration of the policy of the Senate to be followed thereafter with reference to all other appropriation bills.

The Post Office and Treasury Department appropriation bill has been considered by the subcommittee of the Committee on Appropriations. That bill involves over a billion dollars. On the basis of 10 per cent the cut would amount to $105,000,000.

The full committee met yesterday morning, and in view of the fact that the Treasury bill involves at least $108,000,000 for public buildings, a question was raised as to whether the Senate desires a 10 per cent cut to be made in that item. Also the Post Office Department appropriations involve a number of contracts for carrying the mails involving over $100,000,000. The items referred to involve altogether about $230,000,000.

The committee thought it wise to submit this question again to the Senate, in order that it might be disposed of. The subcommittee has held its hearings, and is ready to begin the writing of the bill. The Senator from Tennessee is ready to submit a motion that the 10 per cent cut shall apply to the Post Office and Treasury Department appropriation bill. So, Mr. President, I am perfectly willing, if it be agreeable to the Senate, to have the pending business laid aside temporarily in order to allow the Senator from Tennessee to make his motion, and to have it considered and disposed of.

The VICE PRESIDENT. Is there objection to laying aside temporarily the pending appropriation bill for the purpose stated by the Senator from Washington? The Chair hears none, and the Senator from Tennessee is recognized.

POLICY OF SENATE IN REDUCTION OF APPROPRIATIONS

Mr. McKELLAR. Mr. President, I will explain to the Senate that on yesterday, when the Appropriations Committee had its meeting as stated by the chairman of the committee, this question arose. It seemed to me that it was unnecessary to adopt a resolution directing a 10 per cent reduction in the Post Office and Treasury appropriation bill; but the committee, by a large vote, decided it wise that such a resolution should be submitted, and directed me to submit the following resolution (S. Res. 197):

Resolved, That it is the sense of the Senate that the Committee on Appropriations, in its consideration of the bill (H. R. 9699) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes, should observe the policy adopted by the Senate in the cases of the Interior Department and the State, Justice, Commerce, and Labor Departments appropriations bills, and report the said bill back to the Senate with amendments providing an aggregate reduction of 10 per cent in the amount of the appropriations contained in the bill as received from the House of Representatives.

Accordingly, in carrying out the wishes of the committee, I have offered that resolution and I want to make——

Mr. COPELAND. Mr. President, if the Senator will permit me, I should like to say a word about the action of the committee.

Mr. McKELLAR. I ask the Senator to let me say just a word about it; then I shall be very happy to yield to him.

The VICE PRESIDENT. The Senator from Tennessee declines to yield at this time.

Mr. McKELLAR. As I said before, when the Commerce, Labor, State, and Justice Departments bill came up on March 22, the Senator from Washington [Mr. JONES], the chairman of the Committee on Appropriations, made the situation very clear. He stated that if the motion to cut down appropriations for those departments 10 per cent should be adopted by the Senate he would consider, and the committee would probably consider, it a mandate to proceed in exactly the same way as to the other appropriation bills before the committee. I thought that settled it, and I was perfectly content with that; but the committee feels that a

resolution specifically adopting the same course in reference to the Post Office and Treasury Department appropriation bill should come before the Senate, and I am perfectly content that that course should be pursued. So I hope that the Senate will approve the resolution which is now offered, declaring it to be the sense of the Senate that a 10 per cent reduction should likewise be made in the appropriations carried by the Treasury and Post Office bill, just as was ordered in the case of the other two bills on March 22.

Why should there be objection to that being done? The situation in reference to the Post Office and Treasury bill was exactly the same as in the case of the others. The chairman of the committee has written to the heads of the departments involved; he wrote to the Postmaster General and to the Secretary of the Treasury asking them to outline how the 10 per cent cut could best be made. That information has been furnished; we have the views of the Postmaster General as to how the reduction may be made, and his views are before the committee. We have the views of the Secretary of the Treasury, and they are before the committee. The committee has taken testimony on all these questions; that testimony is now before the committee; and I think the subcommittee is ready to act, because the hearings have been printed.

It seems to have been suggested that we ought not to cut appropriations for public buildings. In my opinion, we ought to cut the appropriations for public buildings if it is found that that is the best way to make the reductions; in other words, the committee ought to take, it seems to me, exactly the same course with reference to the Post Office and Treasury appropriation bill that it has taken with reference to the other two bills. Let the subcommittee first go over the items and then submit its conclusions to the full committee, making an aggregate cut of 10 per cent; and then, when the committee reports to the Senate, let the Senate pass upon the measure in that form. I see no reason in the world why these two departments should not be put upon the same basis as the other five departments.

Mr. President, I want to call attention to the claimed difference——

Mr. JOHNSON. Mr. President, will the Senator yield or would he prefer to proceed?

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from California?

Mr. McKELLAR. Just a moment. I will have to yield first to the Senator from New York, who asked me to yield a few moments ago. It seems to me that, if anything, it would be easier to cut the appropriations for the Treasury and Post Office Departments than it was to cut the appropriations for the five departments which have already been cut by the committee and one of them by the Senate.

There are in the Treasury bill some tremendous items, some very extravagant expenditures. I have gone over that bill and I do not think there will be a particle of trouble in readjusting it so as to take care of the 10 per cent reduction and provide just as efficient an administration for the department as we have now. I think there are extravagances in that department that could easily be cut out.

When it comes to the Post Office Department I think that we can proceed in the same way. There ought not to be any difference. It may be that the public-building items will have to be cut a little, and I am not sure but that they ought to be cut a little. I am not inclined to the view that we must go on with the construction of all the public buildings. There are several public buildings in Washington for which appropriations have been asked that ought not to be remodeled at this time; there is no necessity for it; and I have no doubt but that first the subcommittee and then the full committee can, by equitable and fair adjustments, bring about the 10 per cent reduction.

As to the Post Office Department appropriations it is said that a very large proportion of them go for salaries, and that is true, but there are many extravagant appropriations. Senators, that department is paying out enormous sums in subsidies. Many of our people are in distress and some of them it is said are hungry and starving; and yet this Government is paying out to some of the richest of our corporations vast sums in the way of subsidies. I will call to the attention of the Senate one of these concerns, which for carrying inconsequential quantities of mail on three routes receives therefor a subsidy of about $1,200,000. The vice president of this corporation which is receiving this enormous gratuity from the Government stated that his corporation was worth $250,000,000; that it did not have a bond resting on it in any way; that it was amply able financially to carry on its own transactions, and yet, under this bill, it is proposed to continue, under a void contract, in my judgment, a subsidy of $1,200,000 a year to a corporation that says on the stand under oath that it is worth $200,000,000 to $250,000,000 and owes no debts. It seems to me it is a matter that this committee ought to look into and ought to pass upon, and ought to pass upon in the same just, fair way that the committee has passed and is going to pass upon these other matters.

So I ask the Senate to vote this resolution through and make it certain that exactly the same course will be pursued as to the Post Office Department and as to the Treasury Department that has been pursued in these other departments.

I now yield to the Senator from New York.

Mr. COPELAND. I thank the Senator, but I will speak in my own time.

Mr. McKELLAR. Very well. Now I yield to the Senator from California.

Mr. JOHNSON. Mr. President, the thought that was agitating my mind during the progress of what the Senator from Tennessee was saying—and I am not speaking now in controversy with him as to his resolution—is this:

I labored under the delusion that the present administration had a perfectly definite idea in one single direction respecting unemployment, and that it had suggested that we embark upon a building program in order to relieve unemployment. I may be in error in that; but, at any rate, I have heard it stated again and again and again and again that we should give employment upon public buildings, and thus do what lay in our power to alleviate in some degree the great amount of unemployment that existed in this country—a curse to the country, as we all know.

Now it is sought by this resolution, as I follow it, to affect that building program, and at least eliminate 10 per cent of it.

Mr. McKELLAR. Oh, no, Mr. President! The intention of this resolution is to submit that question to the Committee on Appropriations, and let it examine into all the facts, and determine what, if any, cuts shall be made on this matter as well as any other matter. There is no direction to the committee to cut a certain per cent or any per cent off the building program if the committee is of the opinion that it ought not to be done. The resolution merely refers it to the committee for action; that is all.

Mr. JOHNSON. Yes; but may I be permitted to suggest that the necessary result of what is attempted to be accomplished by the resolution will be the affecting of the building program?

Mr. McKELLAR. It may affect it to some extent. I do not know. I can not say in advance what the committee will do.

Mr. JOHNSON. That is the point.

Mr. McKELLAR. But it will be submitted to the committee, just as the appropriations for the other departments have been submitted to the committee, and I believe a fair and just and equitable report will be made in reference to all of them.

Mr. JOHNSON. Does it not demonstrate, then, the mode of action that we are adopting to-day? Here all of us, or practically all—perhaps not myself, because I have not been vocal very often during this session of Congress—but all who have been descanting upon the horrible conditions that exist to-day in this country, and particularly unemployment, have been crying aloud for a building program which will take care of our unemployed; and that is one of the solutions suggested by the administration for this terrible distress of

unemployment. Now we are going to work to eliminate some of that building program and increase the unemployment; so that while we talk one day about curing unemployment, the next day, by the elimination of a building program that will cure it in part, we increase unemployment. Are we not, therefore, in something of a paradoxical position and one that we ought not to occupy?

Mr. McKELLAR. I do not think so, Mr. President. I want to call the Senator's attention to two instances that fell under my own observation in reference to employment and unemployment in my own State.

A building was erected in a certain part of my State last year. It was let to a contractor who did not live in the State. I went out there with another gentleman one day to see what progress was being made, and my recollection is that of the 114 or 115 men at work on the job there were only 6 Tennesseans in all. I recall that in another part of my State a contract is about to be let. The lowest bidder happened to be a Tennessean. He would employ Tennessee labor and all that, but apparently the powers that be do not thing he ought to have the contract. He does not come up to some technical requirement that has been made; so the contract will be let to somebody else, and labor in my own State will not be employed.

I merely call the Senator's attention to the fact that if we have to make the employment feature the main feature I do not know where we are going; for, with the enormous deficit that now exists in the Treasury, where in the world are we going to continue to get the money to pay for these extravagant projects?

Mr. JOHNSON. I am not questioning, of course, what the Senator says about Tennessee, nor do I assert that the entire cure of unemployment is a great building program.

Mr. McKELLAR. I do not know. We tried it out, but I do not think it has been very effective.

Mr. ASHURST. Mr. President——

Mr. JOHNSON. But the fact of the matter is, that is the position which the majority of the Congress and the administration maintained for a considerable period—that a building program would relieve unemployment.

Mr. McKELLAR. Yes; I think that was the case for quite a while.

Mr. ASHURST. Mr. President——

Mr. JOHNSON. Pardon me just one sentence. Now, after we have reached that conclusion, we take another course, wholly at variance. There is not anything wrong in that, so far as that is concerned; but instead of aiding employment we are sending more men into the ranks of the unemployed. Let us not, then, talk about the relief of unemployment by any building program if we are going to pursue the policy that has been adopted and is here suggested.

Mr. McKELLAR. No, Mr. President; I do not think the Senator states it exactly as I understand it, at all events. He may be entirely right, and I may be entirely wrong. There is not any purpose of overturning that program. The only purpose here is to cut down slightly the expenditures of our Government.

I now yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, I would not rise at this time except for the fact that the able Senator from Tennessee [Mr. McKELLAR] has said we do not know where we are going.

I am able to say where the Nation is going unless some statesmanship is disclosed in Congress. We are going toward, and we will soon occupy, the narrow strip of land that lies between the devil and the deep blue sea. [Laughter.]

December is gone; January is gone; February is gone; March is gone; half of April is gone, and not one single bit of legislation has been passed looking toward relieving unemployment.

Mr. President, the Government of the United States owes no man a living, but it owes every citizen of the United States a fair chance to earn a decent living; and a government that does not afford that chance will soon disintegrate and fall, and ought to fall and decay.

Not a single constructive measure has been passed looking toward putting men to work. The Senator from California [Mr. JOHNSON] frequently rises to great heights of statesmanship; but he has risen to no greater height than the one he rose to this morning when he pointed out that it would be a reactionary, backward, foolish step to weaken our building program. The greatest economists of to-day say that a bond issue of two or three billion dollars would be easily absorbed. In fact, men by the thousands are looking for tax-exempt securities; and with the avails derived from the bond sales our road-building program could be speeded. Aye, sirs, we are six or seven years behind with the building program.

In my own State—I mention it because I am more familiar with that State than with others—public buildings are needed. Last summer I visited New York City to investigate the necessity for public buildings. I found there clerks crowded together in a small building. Valuable records, involving millions of dollars of Government money, I found boarded up and stored in places highly inflammable. This Government needs a building program. Instead of taking a backward, reactionary step and cutting off 10 per cent of the building program, we ought to add 100 per cent to it and set artisans to work everywhere in speeding up the program.

The Government in many places is paying extortionately high rentals for quarters now. Nothing is needed so much as public buildings. Now is the time to build them. The road program ought to be speeded up; and all of the silly, of all the reactionary things I ever heard of, it is now proposed to cripple the parcel post! About the only thing we have done for the farmer in 30 years was to give him the parcel post; and now it is proposed, in the interest of penny-pinching economy, to cripple the parcel post!

Mr. President, if this Congress keeps on with the course it has been pursuing, it will become not only the most unpopular Congress that ever assembled but an object of ridicule and contempt in the eyes of every American citizen.

I repeat, what did we do in December? Nothing. What did we do in January? Talk. What did we do in February? Spin words and weave language. What did we do in March? Talk some more. What have we done up to date? Talk some more; and now we are asked to make a 10 per cent cut in the salaries of our faithful employees, and a 10 per cent reduction in our building program. At a time when courage ought to infuse the souls of men, when they ought to say that America is sound, and the American working man has a right to earn his daily bread, and the right to demand the chance to earn it, here are men penny pinching and cheeseparing around to cut 10 per cent off somebody's salary, to cut the building program, to cut the parcel post! To say the least, it is ridiculous.

Mr. McKELLAR. Mr. President, I am just wondering where my good friend from Arizona would get the money.

Mr. ASHURST. Will the Senator let me answer that?

Mr. McKELLAR. In one moment. We are $2,000,000,000 in the hole already—the greatest deficit that any government in all the history of time ever had in its running expenses. We are facing an empty treasury. I am just wondering where the Senator from Arizona is going to get the money.

I now yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, it is so easy to tell the Senator where to get the money that it seems like folly for me to say it.

First, stop this insane desire to retire the public debt at such a heavy pace. Do not retire the public debt in 20 years or 30 years, but in 70 years. That will please all the nations, and the bondholders besides. I have never been one of the men who have always brought an anvil chorus against Mr. Mellon. The greatest criticism I had of him was that he insisted on paying off the public debt too rapidly. There is $600,000,000 a year of saving.

Mr. McKELLAR. Before the Senator leaves that, does he understand that under the present arrangement as passed by the House it is proposed to quit paying on the public debt?

Mr. ASHURST. Very well. That is one evidence of statesmanship that I am tickled to death to see.

Secondly, Mr. President, the national income of our people is $60,000,000,000 a year. What is a deficit of two billions? I repeat that I can number and name the men by the thousands and the tens of thousands whose vaults are filled with gold who are anxious to buy bonds if the Government will only issue them. They are anxious to find some place for their excess and surplus moneys. If the Government would issue, say, four or five billion dollars of bonds they would be absorbed at par within a period of 12 days, and then the public-building program of our country could be speeded. Then we could give hope and assurance and courage to the people who are now plunged all too deeply into the slough of despondency and despair.

So, Mr. President, it seems to me a backward step, an extremely reactionary step to take, to begin to talk about whittling away and penny pinching and cheeseparing with respect to saving 10 per cent, and throwing some more men out of employment. I have heard enough of the philosophy of despair, gloom, and defeat. Let us have a note now of victory, progress, and success.

Mr. JOHNSON, Mr. VANDENBERG, and Mr. SHIPSTEAD addressed the Chair.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I yield first to the Senator from California, then I will yield to the Senator from Michigan and the Senator from Minnesota.

Mr. JOHNSON. May I compliment the Senator from Arizona? He said some things here this morning which I think ought well to be said in this body, and I am delighted that he has said them.

We speak of the building program. If the Senator from Tennessee will permit me, I want to query him on another part of this.

Mr. McKELLAR. As to anything the Senator asks, if I have the information, I will be glad to give it to him.

Mr. JOHNSON. I realize that. First, we are going to recant, at least in part, the avowed purpose we had of curing, at least in part, unemployment by a building program.

Next, let me speak to the Senator, because he is much more familiar than I am with the Post Office Department, of the fact that 70 per cent of the men in the Post Office Department are upon salaries which can not be touched, are they not?

Mr. McKELLAR. There is quite a large number. I think it is in that neighborhood—65 or 70 per cent.

Mr. JOHNSON. What you are going to do, then, is to make your 10 per cent cut upon 30 per cent of the expenditure; that is, I mean if a cut is made.

Mr. McKELLAR. I just want to explain my position very fully to the Senator. I am wholly opposed to cutting off the salaries of the lower-paid employees. Instead of doing it we might easily make this cut by reducing the enormous subsidies which are paid by that department, and for one I am in favor of making the reduction by cutting off subsidies rather than cutting off salaries of employees. That suggestion will go to the committee, of course.

Mr. JOHNSON. If that be so, may I suggest to the Senator that there is no necessity for passing a 10 per cent resolution?

Mr. McKELLAR. Oh, yes.

Mr. JOHNSON. If there are specific items which are excessive, they can be taken care of, and upon the floor the reductions can be made.

Mr. McKELLAR. As to making them on the floor, the Senator will remember the fate of the bureau for the eradication of the Mediterranean fruit fly and the microscopic insects and the birds of paradise and other bureaus which have been established. It is a hard thing to do, I will say to the Senator. If he does not think so, let him try it. He will find out how hard it is.

Mr. JOHNSON. The Senator is right; it is a difficult thing to do.

Returning to the Post Office Department now, about 30 per cent of the expenditures will have to stand the 10 per cent reduction that is made. In that 30 per cent of the expenditures, as I understand it, are salaries of certain employees and the building program of the Post Office Department. Is that true?

Mr. McKELLAR. I do not remember the exact percentage, but I want to say to the Senator that if we cut off the subsidies alone, if we do not change another item but cut off the unjust, the illegal, and improper subsidies which are now being granted by that department to people who do not need them, people who are not entitled to them, we will account for every dollar of the 10 per cent reduction.

Mr. ASHURST. Mr. President, the Senator does not say anything but about cutting off the subsidies. Name the men to whom these unlawful and improper moneys are going. We are anxious to vote with him, but these large, vapid mouthings about cutting off the subsidies do not get us anywhere. Tell us who they are, and I will vote with the Senator. But stop this mouthing about cutting off subsidies. Name them.

Mr. McKELLAR. It is difficult for anybody to do that while the Senator from Arizona is on his feet, because he makes so much noise.

Mr. ASHURST. When I talk I not only get on my own feet but I get on some other people's feet which ought to be trodden on.

Mr. McKELLAR. I think that is a very unfair and improper way of legislating. It is wholly unnecessary. I think we ought to keep our tempers.

Mr. ASHURST. Mr. President, the man who, in the peril of his country, keeps his temper, is a moral coward.

Mr. McKELLAR. I decline to yield to the Senator longer.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me now?

Mr. McKELLAR. I will yield in just a moment. I promised to yield to the Senator from Michigan, but I will ask him to permit me to make just one statement about those who are getting subsidies.

I found that 44 shipping lines are getting subsidies amounting to $37,000,000. If the Senator from Arizona wants the names, I will give him some of them. There is the United Fruit Co., a corporation which has no debts, with two hundred and fifty millions of assets. There is the Munson Line. There is the International Mercantile Marine. Many of these lines fly foreign flags, some of them flying more foreign flags than American flags, not needing the money, getting their subsidies by way of loans from the Government. I am delighted to give the names, and if the Senator from Arizona is interested in it, I refer him to Senate Document No. 69. He will find in that the report of the Postmaster General setting out the 44 companies, the amount given to each, and the contract.

Mr. ASHURST. Mr. President, will the Senator yield at that point?

Mr. McKELLAR. I yield.

Mr. ASHURST. Will the Senator move in the Senate to strike off those subsidies?

Mr. McKELLAR. I am not only going to move in the Senate, but I am going to move in the committee. I have already moved in the Senate.

Mr. ASHURST. I will take pleasure in supporting the Senator.

Mr. McKELLAR. I am glad to hear the Senator say that. Now I yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I would like to submit a thought to the Senator for his view. Yesterday I presented a letter to the chairman of the Committee on Appropriations suggesting a study of the possibility, if it might be advisable for 1 or 2 or 3 years to take all of the permanent improvements for which we are now proposing to pay by current taxes out of the Budget entirely and finance them on a long-time basis. I am not speaking at the moment of the

large program the Senator from Arizona has in mind; I am speaking solely of the items which are within the existing, authorized Budget.

Mr. McKELLAR. In other words, the capital items.

Mr. VANDENBERG. I am thinking of the entire $120,000,000 for the public-building program. I am thinking of the entire $40,000,000 for permanent development of rivers and harbors. I am thinking of the $10,000,000 contribution for this year to the construction of Boulder Dam. I am thinking of items of that character. Would it be unsound economy to take those capital items entirely out of the contemporary Budget and entirely out of the contemporary tax burden, except a share of the amortization of the prospective debt, and place them entirely upon a credit basis for the time being? Will the Senator make an observation upon that?

Mr. McKELLAR. Mr. President, the Senator from Michigan has made a very valuable suggestion. I am glad he has made it to the chairman of the Committee on Appropriations. I hope the chairman of the committee will invite him before the committee when the bill is returned to the committee for action, and that he be allowed to elaborate his plan.

The Senator from Michigan is a very thoughtful man, and I think there is much in the contention, and believe that when this matter is referred to the committee, under the direction of this resolution, the committee will give the most careful and painstaking consideration to a really constructive view.

Mr. JONES. Mr. President, I suggest that in order to carry out what the Senator from Tennessee suggests would take legislation. That is out of the jurisdiction of the Committee on Appropriations. We are dealing with appropriations as we have to deal with them now.

Mr. McKELLAR. That is true, and I call it to the attention of the Senator from Michigan, so that he can act accordingly.

Mr. SHIPSTEAD. Mr. President——

Mr. McKELLAR. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. May I offer another suggestion in addition to what the Senator from Michigan has said?

Mr. McKELLAR. I will be very happy if the Senator will do so.

Mr. SHIPSTEAD. Let me call the Senate's attention to this fact, that we are trying to save the taxpayer now.

Mr. McKELLAR. We are trying to save the taxpayer now.

Mr. SHIPSTEAD. His income in going, and is there any reason why the burden of these permanent improvements, for instance, the building program of $105,000,000, to erect buildings which we expect to stand for 150 or 200 and 300 years, should be placed upon the taxpayers this year, when the future generations will have the benefit of these capital investments in permanent improvements? It seems to be an indefensible proposition to saddle these taxes upon the taxpayer at the present time. I believe the running expenses of the Government come properly within the purview of the present tax program, but certainly the program of making permanent improvements in the vast amount the Congress has authorized, and paying for them out of appropriations now, when the taxpayer has such a hard time to pay the taxes at all, seems to me to be indefensible.

Mr. McKELLAR. Mr. President, there is much in what the Senator from Minnesota has said. I think that when the program was begun, the income of the Government was so great that it was thought that these unusual expenditures could be absorbed out of the revenues of the Government. But in the last two years especially the income of the Government has dropped so considerably, from something like $5,000,000,000 to probably half that sum, that these unusual expenditures prove a very great hardship on the Treasury at this time.

However, it will take legislation, as the Senator from Washington pointed out a few moments ago, which can not be enacted upon an appropriation bill, but would have to be enacted as a result of bills coming from other committees, before a plan of that kind could be adopted.

I suggest to the Senator from Minnesota that he and the Senator from Michigan get together on a plan which both of them seem to have thought about and see how it can be worked out.

I agree with the Senator that as to permanent improvements, such as many of those we are making, it might be very wise to bring about a different method of financing them, rather than appropriating for them out of a Treasury which has no money in it. We just have not the money. There is a $2,000,000,000 deficit, and it seems to me that as sensible men, as reasonable men, we must look facts in the face. There is nothing mysterious about it. The United States Government has spent all of its money and $2,000,000,000 more, and we can only raise money by taxation. In my judgment the best way to balance the Budget is by cutting down taxation to the last cent possible, without interfering with the proper functions of the Government.

Mr. SHIPSTEAD. Mr. President, may I offer the Senator another suggestion?

Mr. McKELLAR. Certainly.

Mr. SHIPSTEAD. The Senator speaks of extraordinary expenditures. We have appropriated $500,000,000 to take care of the Reconstruction Finance Corporation.

Mr. McKELLAR. Yes; and we have authorized bonds in the amount of $1,500,000,000. I am not sure that even those which have been authorized can be floated at par; I do not know whether they are salable or will be salable. That is hard to tell. But we have appropriated $500,000,000 from the Treasury for that purpose.

Mr. SHIPSTEAD. The moratorium will cost us another $250,000,000.

Mr. McKELLAR. That is $250,000,000.

Mr. SHIPSTEAD. That makes $750,000,000 of extraordinary expenditures this year.

Mr. McKELLAR. There is a great deal more than that. There is $125,000,000 of aid to farmers. In this bill there is an appropriation of $108,000,000 for public buildings. In addition to that there are subsidies amounting to some $60,000,000.

In addition to that my recollection is that for air mail routes there is an expenditure of something like $35,000,000, which is purely an investment, if it can be so called. It is not an ordinary appropriation. Under these circumstances the Senator can see what a large field he and the Senator from Michigan have before them in which to reduce Government expenditures and help relieve the financial situation.

Mr. SHIPSTEAD. If the Senator will yield further, I would like to invite his attention to the fact that the $500,000,000 appropriated for the Reconstruction Finance Corporation is to be loaned to corporations giving security.

Mr. McKELLAR. That is true.

Mr. SHIPSTEAD. We expect or hope to get that money back in five years.

Mr. McKELLAR. I did not vote for the Reconstruction Finance Corporation bill.

Mr. SHIPSTEAD. I did not, either.

Mr. McKELLAR. I am afraid we have not a very good chance for getting it back, but we live in hopes.

Mr. SHIPSTEAD. If that $500,000,000 comes back after five years, as we hope it will, it can be used at that time to apply on the retirement of bonds which may be issued now to take care of permanent capital investment.

Mr. McKELLAR. Yes; that would be the theory of the Senator who offered the suggestion.

Mr. SHIPSTEAD. Generations to come, who will have the benefit of the permanent investments, should pay their share for the benefits received and the tax burden in these amounts would be lifted during the depression.

Mr. McKELLAR. There is much in what the Senator has said.

Mr. THOMAS of Oklahoma. Mr. President, I desire to say in the time of the Senator from Tennessee——

Mr. McKELLAR. I have concluded and will yield the floor.

Mr. THOMAS of Oklahoma. I hope the Senator will not do so. I prefer to say it in the time of the Senator from

Tennessee, and I desire to invite the attention of the junior Senator from Michigan [Mr. VANDENBERG] to what I am about to say.

We are proceeding upon the theory of postponement of the debts due from Europe, which they should have paid us during the past year. We are in effect being compelled to raise money by taxation to make up that loss. That in effect is an unjust tax to put upon our people at this particular time, if it could be avoided.

The second thing is that we made an appropriation of $125,000,000 to be given to the land-bank system for a capital investment also. That sum must be raised by taxation. That is likewise an unjust burden to be placed upon the taxpayers at this particular time.

The third thing that we did was to appropriate $500,000,000 to place in the Reconstruction Finance Corporation treasury. That money is to be loaned. That is likewise capital investment. I hold it is unjust and unfair to tax the people at this particular time to raise that fund. I only use this for an illustration.

On the 9th of December last I introduced a Senate concurrent resolution covering this identical point. If I may have the further attention of the Senator from Tennessee in his time, I desire to read the concurrent resolution. It may offer even yet the basis for some constructive legislation. The concurrent resolution offered on the 9th of December reads as follows:

Resolved, etc., That in the preparation of the several appropriation bills the respective Committees and Subcommittees on Appropriations be, and they are hereby, authorized and requested to follow the procedure herein outlined:

1. Each regular appropriation bill shall be prepared to embrace and carry only essential and nonavoidable items.

2. All items for equipment, repairs, extensions, and new construction shall be placed in a separate and special bill to be known as an emergency relief bill.

At that time I could not foresee any of these items, but now it occurs to me that the items I have mentioned should be placed or could have been placed in this kind of a measure.

3. Funds for the purpose of meeting the cost of such equipment, repairs, extensions, and new construction, as estimated for and as appropriated, shall be raised by a special issue and sale of bonds to be known as emergency relief bonds.

If I may, I desire to ask the Senator from Michigan whether or not this is in line with the thought he expressed on the floor a short time ago?

Mr. VANDENBERG. Mr. President, I think it is precisely in line so long as the Senator is discussing authorized projects.

Mr. THOMAS of Oklahoma. I had nothing else in mind when I introduced the resolution.

Mr. McKELLAR. I will say to the Senator from Oklahoma that he probably realized then and, of course, realizes now that whatever is done along that line will have to be done through legislation somewhat on the order of that which he has proposed. The Committee on Appropriations have the duty imposed upon them to appropriate under the law, and so any action would not affect the present situation unless it became the law before the committee acts.

Mr. THOMAS of Oklahoma. Frankness causes me to state that the concurrent resolution was referred to what is known on our side of the aisle as the policy committee. For some reason it did not meet with action at the hands of that committee. It not having appealed to those on my side of the aisle, I did not see fit to call it to the attention of the Senate.

Mr. McKELLAR. I hope the Senator from Oklahoma will confer with the Senator from Michigan and propose some plan that might be very helpful in the emergency.

I hope the Senate will vote, as it has done on two former occasions, to pass the resolution recommitting the Post Office and Treasury appropriation bill.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on the resolution of the Senator from Tennessee.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Johnson	Reed
Austin	Couzens	Jones	Robinson, Ark.
Bailey	Cutting	Kean	Robinson, Ind.
Bankhead	Dale	Kendrick	Sheppard
Barbour	Dickinson	Keyes	Shipstead
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Thomas, Idaho
Blaine	Frazier	McGill	Thomas, Okla.
Borah	George	McKellar	Townsend
Bratton	Glass	McNary	Trammell
Brookhart	Glenn	Metcalf	Tydings
Bulkley	Goldsborough	Morrison	Vandenberg
Bulow	Hale	Moses	Wagner
Byrnes	Harrison	Neely	Walcott
Capper	Hastings	Norbeck	Walsh, Mass.
Caraway	Hatfield	Norris	Walsh, Mont.
Carey	Hayden	Nye	Waterman
Connally	Hebert	Oddie	Watson
Coolidge	Howell	Patterson	Wheeler
Copeland	Hull	Pittman	White

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

Mr. ODDIE. Mr. President, I intend to discuss the resolution introduced by the Senator from Tennessee [Mr. McKELLAR] providing for a cut of 10 per cent below the House figures in the Treasury and Post Office appropriation bill. I would like to go into the discussion in more detail than will be possible at this time.

The Subcommittee on Appropriations having this bill in hand, of which I am chairman, has been holding hearings upon it for several weeks. I invite the attention of the Senate to the fact that the hearings are very thorough and extensive. I wish the Senators would examine them. There are about 1,200 pages containing a great deal of valuable data on the Post Office Department and the Treasury Department in relation to the appropriation measure.

The subcommittee having this matter in charge has not yet met to write up the bill. We have recently completed the hearings. In the meantime the full committee was called yesterday to consider the question of the effect of a 10 per cent cut on this bill. A request was made by a majority of the committee that the Senator from Tennessee [Mr. McKELLAR] introduce the resolution which is now before us. It is necessary that the situation be clarified.

Mr. President, I oppose the resolution very strongly. I have many reasons for opposing it. In the first place, I am convinced that it will result in increasing the army of the unemployed to a large extent. It will result in much suffering and distress. It will result in prolonging the period of depression that is upon us now and in delaying the time of recovery.

The bill is the largest of the major appropriation bills, carrying nearly $1,100,000,000. A 10 per cent cut in this bill will mean considerably over $100,000,000. Before we take the step committing us to that policy we should study the situation more in detail, reason it out, and study the effects pro and con.

I am, as strongly as anybody in the Senate, in favor of reduction of Government expenditures where such reductions can be made without doing serious harm. I am for economy in governmental expenditures as much as any Senator on this floor can be, but I am not for false economy, and I contend that to make this 10 per cent cut would be not only false economy but in many ways hurtful to the Government. It would take us years to get over the effect of such a cut.

The House has studied this bill carefully. It spent weeks on the hearings, and I refer Senators to those hearings, which are very complete and voluminous. The House cut the appropriations to the bone. After working weeks and weeks, it cut these appropriations as far as it dared to cut them—way below the Budget figures, and further below the figures which the departments themselves originally requested.

I feel that the House will not look with favor on this cut. We are an independent body, it is true; but we must give consideration to the coordinate body at the other end of the Capitol, particularly after its serious study of this problem and after it has decided that further cuts can not be made without injuring the public service to a serious extent.

Mr. President, I am going to give a few reasons——

Mr. ASHURST. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Arizona?

Mr. ODDIE. I yield.

Mr. ASHURST. I ask the Senator if it is not a fact that it is proposed to cut 10 per cent the appropriations for the carrying and delivery of the mails, especially for the parcels post and the rural free delivery, which are carried in this bill?

Mr. ODDIE. Yes.

Mr. ASHURST. The Senator is chairman of the Committee on Post Offices and Post Roads and has performed his duties well. I will ask him if it is not a fact that the parcels post and the rural free delivery come into more intimate touch with the people of this country than does any other agency of government?

Mr. ODDIE. There is no question about that, Mr. President. The department has notified me that if this cut is made, about 17,000 rural routes will be either consolidated or abolished. This will be of such damage to the farmers of the country that we will not hear the end of it for many a year.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Tennessee?

Mr. ODDIE. I yield.

Mr. McKELLAR. I presume that the Postmaster General is still willing to obey the law of Congress; and unless the Congress, acting on the recommendations of the committee, cuts out those rural carriers they will not be cut out, and the Postmaster General will not have to cut them out and will not be permitted to cut them out.

Mr. ODDIE. But, Mr. President, if we reduce the appropriations for the Post Office Department as much as it is proposed to do in this resolution, the department will not have the money with which to continue them.

Mr. McKELLAR. Just a moment. The Senator was on the committee and, of course, read the letters which were received from the heads of the departments. I remember when the committee had under consideration the bill making appropriations for the Departments of State, Justice, Commerce, and Labor the other day, the Secretary of State, Mr. Stimson, wrote to the committee and, as I recall, said that if that bill should pass in the form suggested, there would have to be cut out six or seven legations and embassies. Well, the committee——

Mr. JONES. Mr. President, he hardly stated that. He suggested that if the cut had to be made, it would be necessary to eliminate some of them.

Mr. McKELLAR. That was the diplomatic statement he made to the committee, but the newspapers carried the story that that was the way in which it was proposed to be done. The committee, however, cut the appropriations 10 per cent, and not an embassy or legation is interfered with in any way.

Mr. ASHURST. Mr. President, will the Senator from Nevada yield to me?

Mr. ODDIE. I yield.

Mr. ASHURST. I would not at this juncture have the Senator from Tennessee or any other Senator feel that I had derided his efforts in behalf of economy. So, far from casting any opprobrium upon the efforts of the Senator from Tennessee, I admire his efforts, but they are in the wrong direction. He asks us, forsooth, to consider a 10 per cent reduction willy-nilly, whether the items should be reduced or not.

Mr. McKELLAR. Mr. President, oh, no. I know the Senator from Arizona does not wish to do me an injustice. I never made any such statement as that. All that is proposed by the resolution or that has been proposed by any previous resolution submitted by me is that the entire appropriations be referred to the Committee on Appropriations, the duty of which is to pass upon them, but to pass upon them with the limitation expressed. They can cut out one item, they can leave in another, they can increase one, and they can reduce another. They have exactly the same freedom of action which they now possess under the law, with the single exception that they are asked to reduce the aggregate 10 per cent.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield further to the Senator from Arizona?

Mr. ODDIE. Yes.

Mr. ASHURST. But my observation is that if that duty is cast upon the committee, items which, in my judgment, ought not to be cut will be cut. The Senator from Tennessee mentioned subsidies to certain shipping companies. I have never been in favor of subsidies; I shall vote with the Senator in that regard; and I do not want to remit that question to the committee. I think, however, if the Senator would direct his effort to individual items he would get somewhere. Criticisms of Congress never improve Congress, but criticisms of Mr. A improve Mr. A; criticisms of Mr. B improve Mr. B. We will never get anywhere and never make any advance by criticising Congress as a body. Such criticisms must be made with the gun aimed at a particular person. We will never achieve any economy simply by talking about excessive expenditures; it is necessary to name the items. Ita lex scripta est—"To such effect is the law written." Let the Senator direct his remarks to particular items.

If the Senator from Nevada will yield further to me——

Mr. ODDIE. I yield.

Mr. ASHURST. I do not want to interrupt the thread of his speech.

Mr. ODDIE. I am glad to yield to the Senator.

Mr. ASHURST. But I am really concerned about this question, and I hope this bill will not be remitted to the committee. I fear, if it shall be, that the parcels post and the rural free delivery will be the items that will bear the brunt of the reductions, and especially the appropriation for the rural free delivery is the one item that ought not to be reduced at this time.

I repeat, if the Senator will permit me—and he is doing a great service in the stand he is taking—whatever we may have done for the farmer or tried to do for the farmer is past history. I contend that we have done but very little for the farmer except possibly to lend him money, and I doubt very much if a man was ever helped by lending him money. With the exception of good roads, the one thing in 25 years that has brought the farmer into communication with the outside world, that has made his life freer, easier, and better, if such could be, is the rural free delivery; and it would be a most reactionary step at this time or at any time to reduce the appropriations necessary for carrying on the rural free delivery, the one thing that brings the farmer into touch with his Government.

The ordinary citizen, Mr. President, the farmer, asks and expects but little from his Government. He may go to the post office and may serve on juries, but those are about the only real contacts he has with his Government. The rural free delivery brings him, isolated on his farm or on his ranch as he is, into direct communication with his Government or its agencies. I think the Senator from Nevada is doing a splendid work in resisting any attempt looking toward a further reduction of the facilities of the Post Office Department.

Mr. ODDIE. Mr. President, in line with the suggestion of the Senator from Arizona, the department has stated that a reduction of 10 per cent will mean not only the elimination and consolidation of many thousands of rural free delivery routes but the cutting of the service from daily to possibly two or three times a week. The farmers will be heard from if such a thing as that shall be done.

Mr. President, I address myself first to the Treasury Department appropriation bill:

The amount of permanent annual appropriations for the Treasury Department for the fiscal year 1933, as stated in the Budget, is $1,161,522,917. The corresponding amount for the fiscal year 1932 is stated at $1,042,821,384. The estimated increase for 1933 over 1932 is $118,701,533. Aside from minor items, this increase occurs in four principal amounts. The interest on the public debt is estimated to increase from $605,000,000 to $640,000,000, or by $35,000,000; the automatic increase in the sinking fund is $14,-

718,300, raising it from the estimated figure of $411,771,300 to $426,489,600; the sum of $69,138,878, estimated as a new item in 1933, represents the retirements of principal of debt from cash repayments of principal by foreign governments; and $1,000,000 estimated in 1933, with no corresponding figure in 1932, for the retirement of debt from Federal reserve bank franchise tax receipts. A comparison of the permanent appropriations for 1932 and 1933 will be found at the end of the tabulation in this report.

The Budget estimates for the Treasury Department for the fiscal year 1933 for regular annual appropriations called for an increase of $7,313,305 over the appropriations for similar purposes for 1932, including for the latter year the amount carried in the first deficiency act. Eliminating from the totals for both years the appropriations for public buildings and the Supervising Architect's department, in which there is necessarily a net increase due to the construction program—and further eliminating the item of $26,000,000 for tax refunds from the 1932 appropriations for which there is no corresponding direct appropriation for 1933—the remainder of Treasury Department activities supported from regular annual appropriations showed a net decrease of approximately $5,000,000. Of this latter sum approximately $3,000,000 represented items of construction and other purposes which do not recur for 1933, so that the total net reduction in Budget estimates for all other items as presented to Congress was about $2,000,000.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Michigan?

Mr. ODDIE. I yield.

Mr. VANDENBERG. Before the Senator leaves the question of the sinking fund, do I understand that the bill now contains a $500,000,000 item for the 1933 contribution to the sinking fund?

Mr. ODDIE. The present bill does not contain that item.

Mr. VANDENBERG. In other words, it is not contemplated providing the annual contribution to the sinking fund as required by law under the Budget as it is now pending?

Mr. ODDIE. No; the estimates do not contain that $500,000,000 item.

Mr. JONES. Mr. President, I suggest to the Senator that that item is provided for by permanent legislation; it is permanently provided for, and Congress does not have to provide for it each year.

Mr. ODDIE. Mr. President, the chairman of the Committee on Appropriations [Mr. JONES] wrote the Secretary of the Treasury asking for a statement as to the effect of this proposed 10 per cent cut. In his answer the Secretary made several very important statements that the Senate should hear before deciding in this matter finally. He states where the cuts can possibly be made and where they positively can not be made. He says:

For the purposes covered by Treasury appropriations in the pending bill, heads of bureaus and offices submitted estimates aggregating $320,411,077. After examination by the Budget and Improvement Committee and the Budget officer, items aggregating $22,196,218 were deducted before the estimates were submitted to the Bureau of the Budget.

That in itself is a very substantial reduction made by the department before the figures were submitted to the Bureau of the Budget.

That bureau made further reductions before submitting the estimates to the Congress, and the bill as passed by the House is in the aggregate amount of $254,311,988, or $66,099,089 less than the original estimates submitted by heads of bureaus and offices

That shows a very earnest and effective attempt on the part of the bureau heads of the Treasury Department to effect every saving that could possibly be made without doing great injury and harm to the Government finances and the operation of the Government itself.

In my letter of March 8, 1932, in response to your letter of February 27, 1932, with respect to the Treasury appropriation bill, I requested a few increases in appropriations as passed by the House of Representatives.

Those are minor matters that have been taken up and discussed before the committee. I will not go into them here.

If a further arbitrary reduction of over $25,000,000 is to be made, I am at a loss to point out where (except for one appropriation, hereinafter mentioned) such a reduction, or any substantial part of it, can be made without curtailing and seriously hampering essential activities of the Government. The appropriations for the Customs and Internal Revenue Services have already been reduced to the point where any further reduction will imperil the collection of the revenues. The appropriations for the various fiscal offices are principally for personal services, and any further reduction therein must result in dismissing necessary employees and very seriously hampering the prompt and efficient performance of their duties by those offices.

A further curtailment of expenses of the Coast Guard—

And so on. He mentions the Public Health Service and Coast Guard, which are not under discussion now, so I will not discuss them at this time. The committee will consider them at the proper time.

With the public-buildings program in full operation a large number of new buildings have been completed, many of them in advance of the scheduled time, but these buildings can not be occupied until provided with furniture and other equipment and the necessary personnel and supplies to operate them.

If in the circumstances an arbitrary reduction of over $25,000,000 in the amount of Treasury appropriations is to be made, there remains for consideration only the appropriation for sites and construction of public buildings. The pending bill provides $108,000,000 for this purpose. In this connection, however, I must invite the attention of your committee to the fact that the House of Representatives reduced this appropriation item $12,000,000, or 10 per cent under the amount included in the Budget for the fiscal year 1933, and also point out that the effect of the further reduction of $25,000,000 will mean the deferment of at least 250 authorized public-building projects, all of which could be placed under contract during the fiscal years 1932 and 1933.

There is the crux of this whole situation, Mr. President. These buildings in 250 cities of the United States have been planned. The people in those cities have looked forward with pride to the erection of those buildings. The workingmen who expect employment have been looking forward to substantial employment on them, so that they could feed their families and help out in this period of distress and unemployment. The patriotic pride of these various cities has had much to do with securing the appropriations for these buildings. The plans have been made for practically all of them, and the department is ready to go ahead with the contracts for construction.

If this cut is made, construction of those 250 buildings, or nearly all of them, will have to stop indefinitely, as the Secretary of the Treasury has announced. He has given careful and thorough study to this matter, and his figures can not be controverted.

Mr. President, the Senator from California [Mr. JOHNSON] has recently stated very emphatically the importance of continuing this employment program. The Senator from Arizona [Mr. ASHURST] has made a very strong and effective statement regarding it. These men and others in the Senate see the dangers at hand if we stop this building program. We do not want the dole and hope it will not be necessary. We hope that our depression is near the end. It will not be near the end if we pass this resolution and other similar legislation. What we need is more constructive optimism.

I made a statement on this very question on the floor of the Senate on April 6. I went into the problem of the Treasury Department construction program and of the Post Office Department program and the serious effects the proposed 10 per cent cut would have on them. I am hearing from that statement from cities throughout the United States that want this building program to continue. The Government has given its word, if word can be given, that these buildings will be constructed. The architects have finished their drawings, and the contracts are about to be let. These men who expect the work are eagerly looking for it. They have had plenty of troubles in the last year or more because of the unemployment problem, and this program promises them some relief. Many of them are in want. They are looking forward eagerly to this building program. We can not afford to stop it at this point.

What we need is to resume. This question is largely psychological. This period of depression has frightened many people in this country. I know it will not frighten the Senate when it really studies the question and understands it as it should. I know the Senate will have the courage to go through with this building program and resist this cut.

Mr. President, it is not alone the men who will be employed on these 250 buildings who must be considered.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Arizona?

Mr. ODDIE. I yield.

Mr. ASHURST. I think I am creating an anticlimax in interrupting the Senator, but I crave his permission to say that I heartily agree with what he says.

Mr. President, a situation as grave as the situation that existed during the war confronts us. Suppose, forsooth, during the war Senators, like birds of ill omen, had risen and said, "We must reduce Government expenses 10 per cent. There must be no public buildings. We must cheese pare. We must penny pinch." That would have disheartened and discouraged many good men.

The people are depending upon us for leadership, light, hope, and courage. If we sound a note of pessimism, it will reflect itself into the uttermost ends of our country. We should convince the country that we are not afraid, we are not frightened, we know the heart of the country is sound, its resources vast and illimitable, its piled-up wealth greater than the piled-up wealth of all the nations of Europe; and yet we sound a note of pessimism!

The Senator from Nevada is correct in his statement that nothing would be of more practical utility at this time than to say, "Yes, indeed; so far from being frightened, we are going to build public buildings for the benefit of the public in every city and town where they are justified, and carry out our program. We will not reverse our forward step."

I believe that when the country learns that Congress is frightened, that Congress has refused to proceed with its own program, and has begun to negative good roads and negative public buildings, it will bring a note of pessimism, I repeat, where there should be one of optimism.

Mr. President, I consider that we have reached more or less of a crisis in the affairs of the country in this way: If Congress and the Executive refuse to be leaders, who will be? We are the chosen, paid, and sworn servants of the people. We are supposed to be upon the watchtowers informing them. If we tell them that the situation is fraught with so much peril that we can not build public buildings, that we can not go ahead with our road program, I can foresee that the reaction will not be at all pleasant.

So I again commend the Senator from Nevada in his effort to sound a note of optimism and of hope and illumination, rather than to adopt the attitude of a croaking bird of ill omen sitting on the fence, predicting national disaster.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Utah?

Mr. ODDIE. I do.

Mr. SMOOT. I desire to make just a short statement.

The other day I gave an interview to the New York Times. As a result of the interview I received a letter from one of the companies of the United States, in which the writer says:

> I note with much interest the report in Sunday's New York Times of what that paper termed your address to the public. What you had to say about pessimism appealed to me especially, and particularly the example which you set out of a stock selling on the Stock Exchange for $4 a share that has many times that amount on hand over every obligation.

Then this company called my attention to the fact that they have in cash and receivable assets at inventory cost or market value, whichever is the lower, $13,044,879.52, and current liabilities of only $603,457. They have only 317,875 shares of stock, which is now selling on the New York Stock Exchange for $4.50, though the market value of the stock, as shown by their report, is $40. In actual cash and in goods the stock is worth $40, but yesterday it was selling for $4.50.

I call this matter to the attention of the Senate to show just where pessimism is leading the American people. They ought to know it; and this is only one of hundreds of stocks just exactly like it.

I desire to say to the American people now, if there is any earthly way in which you can hold your stock, hold it, because there is more intrinsic value back of all stocks than is shown upon the stock market to-day.

Mr. FLETCHER. Mr. President, will the Senator from Nevada yield to me?

Mr. ODDIE. I yield.

Mr. FLETCHER. I desire to ask the Senator from Utah if that is the result of any bear raid or organized short selling forcing these stocks down.

Mr. SMOOT. No; I do not think it is.

Mr. FLETCHER. It could hardly be called liquidation.

Mr. SMOOT. As far as the company are concerned, I want to say that there is no idea on their part to withhold from the public just exactly what their statements are, because they publish them. Anyone can see them; and yet we have gotten in such a mood in the United States, in the Government as well as anywhere else, that the stock of a company that has cash, available assets, and goods to the amount of $40 a share is selling for $4.50.

Mr. ODDIE. Mr. President, the statement just made by the Senator from Utah is very apropos at this time. There is too much pessimism everywhere, and we are being thrown into a panic. I hope by the time the Senate studies the problem that is before us to-day pessimism will end.

As has been said repeatedly, the way to resume is to resume. If we take a note of optimism, follow a path of optimism, and defeat this measure, which will stop the construction of 250 public buildings, we will be furnishing employment and keeping in employment tens of thousands of American workingmen. They and their families will benefit.

If we pass this resolution, what will happen? Where can those who will be thrown out go to find work? They have been planning on this campaign of work on these public buildings. They have been looking forward to this work, expecting it, feeling sure that the Government would go through with the plan it has outlined and not go back on the encouragement it has given them.

The Senate has led many movements of importance in national affairs. It has taken the lead time and again. Let us take the lead to-day and stop this attack on American employment, American building, and start the wheels turning once more. The working people of our country need help. We can help them by maintaining the building program already authorized. It may be a comparatively small start, but it will be a beginning.

If we defeat this resolution it will mean that the building trades will be assured of millions of dollars worth of customers. Sixty million dollars' worth of buildings will be affected at least, and I think much more than that.

Think of the different basic products which will have to be furnished for the construction of these buildings. Many of the Senators here represent States where cement, for instance, is manufactured. Brick and building tile will be used in large quantities. I know of numbers of the buildings which are contemplated in this program where the contracts have practically been let for the various building materials. Think of the thousands of men who will be given work in these building-material industries if this work is allowed to go through, as we hope it will be.

Think of the gravel which will be used. Think of the employment that will be given in furnishing gravel for the buildings.

Then there is lime and numerous other basic products. I have a list of the States where various of these materials are produced, which I will place in the RECORD. I ask permission that it be inserted in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MATERIALS ENTERING INTO THE CONSTRUCTION OF FEDERAL BUILDINGS, WITH THE NAMES OF STATES WHERE THEY ARE PRODUCED

BASIC PRODUCTS AND WHERE PRODUCED

Cement: Alabama, California, Colorado, Kansas, Missouri, Maryland, Michigan, Nebraska, New York, Ohio, Pennsylvania, Tennessee, Texas, West Virginia, and Wisconsin.

Brick and building tile: Practically every State in the Union.

Gravel and aggregate: Practically every State in the Union.

Lumber: Produced in the majority of the States, including practically all Southern States and California, Oregon, Washington, Minnesota, Wisconsin, Michigan, Maine, New Hampshire, and Vermont.

Lime: Alabama, California, Connecticut, Kansas, Iowa, Michigan, Minnesota, Montana, Missouri, New York, Ohio, Oklahoma, New Jersey, Texas, Virginia, and Wyoming.

Limestone: Alabama, Arkansas, Colorado, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Michigan, Minnesota, Missouri, Nebraska, Nevada, New York, North Carolina, Montana, Ohio, Pennsylvania, Tennessee, Texas, South Dakota, Virginia, Wyoming, and New Jersey.

Sandstone: Alabama, Arizona, California, Colorado, Connecticut, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New York, North Carolina, Ohio, Oregon, Pennsylvania, Texas, Utah, Virginia, Washington, and West Virginia.

Marble: Alabama, Arkansas, California, Colorado, Georgia, Maryland, Massachusetts, Missouri, Nevada, New York, Tennessee, Texas, Utah, and Vermont.

Granite: California, Colorado, Connecticut, Georgia, Maine, Massachusetts, Maryland, Minnesota, Missouri, Montana, New Hampshire, North Carolina, New York, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin.

Terra cotta (ornamental): California, Colorado, Georgia, Illinois, Missouri, New York, New Jersey, Pennsylvania, and Washington.

Iron, steel, and metal products: Principally from mills in Alabama, California, Colorado, Connecticut, Arkansas, Illinois, Missouri, New York, and Pennsylvania. (Affects operation of mines and furnaces in a large number of other States.)

Slate: New York, Pennsylvania, Maine, Vermont, and Virginia.

Glass: California, Illinois, Indiana, Missouri, New York, Ohio, Pennsylvania, Tennessee, and West Virginia.

Paints and painting materials: California, Colorado, Illinois, Kentucky, Louisiana, Georgia, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New York, New Jersey, Ohio, Pennsylvania, Rhode Island, Connecticut, Texas, Washington, and Wisconsin. (Affects lead mines in Missouri, Oklahoma, Wyoming, Illinois, and Idaho.)

Roofing (composition) and waterproofing materials: Alabama, California, Connecticut, Indiana, Illinois, Missouri, New Jersey, New York, Minnesota, Ohio, Pennsylvania, and West Virginia.

Mr. ODDIE. I referred to lime. That, for instance, is produced in the States of Alabama, California, Connecticut, Kansas, Iowa, Michigan, Minnesota, Montana, Missouri, New York, Ohio, Oklahoma, Nevada, Texas, Virginia, and Wyoming.

This list shows the States where limestone is produced, and the same as to sandstone. Marble is produced in a number of States of the Union. Then there are granite, terra cotta, iron and steel, and other metal products. Think of the amount of these materials which will go into these buildings. Every line of industry will benefit. The coal and oil industry, the iron-mining industry, the steel-producing industry, the steel-fabricating industry, will benefit, and so on down the line. Think of the States where slate is produced, which is used in these buildings. Then there are glass, paints and painting materials, roofing, and the metals. Think of the thousands of men employed in these various industries.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Maryland?

Mr. ODDIE. I yield.

Mr. TYDINGS. I appreciate very much what the Senator is saying, and I know that what I am about to say is not in conflict with what he has already said.

It strikes me that at a time when there is a tax bill pending before Congress to tax the American people further $1,250,000,000 annually, when we could raise at least half of that amount by a simple tax on bottled beer at the rate of 3 cents a pint, and put 300,000 men to work, use 200,000 freight cars and several hundred locomotives annually, furnish a market for 3,000,000 tons of coal, furnish a market for 64,000,000 pounds of sugar, and for 38,000,000 bushels of grain; and we sit here and appropriate money to enforce prohibition when, with this simple expedient, we could do away with this huge burden of taxation and furnish employment for so many, and markets for so much of our commodities which are now stagnate, it does seem to me that we deserve the criticism of many people who look upon us as a body which can not rise to the occasion. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. The occupants of the galleries must abide by the rules of the Senate.

Mr. BROOKHART. Mr. President, the applause came from a couple of wets up in the galleries. Let them make a little noise. Another bubble has burst.

The Director of Prohibition has just reported that the receipts from the operation of the Prohibition Department are greater than the expenses. That is about the only department of our Government, I suppose, that is profitable in these times.

Mr. ODDIE. Mr. President, this question of the revenues of our Government, of course, is paramount. The receipts have dropped to an enormous extent; we want to stop that right here. We want to put an end to this depression if we can. We may contribute in a small way by this action of ours to-day one way or the other.

What will bring back the receipts of our Government? Start the wheels of industry by giving employment to men who are out of work, so that they can buy goods in the stores. This will result in increasing the purchasing power of our people again. This will help the farmer; will put money in the farmer's pocket. The farmer will then turn right around and buy goods in the stores, and industry generally will start to gain. In this way revenues will start again to flow into our Treasury.

Mr. President, we can not do it by one heroic effort; we can not end this depression all at once, but we have an obligation to do our best, and by exempting the building program from this 10 per cent cut we will be going a long way toward starting the wheels of industry and bringing back normal times.

I would like to discuss the building program further. The statement I received from the Secretary of the Treasury, who has studied this matter carefully, says that 250 Federal buildings will have to be indefinitely postponed if this 10 per cent cut is made. He can not put the cut anywhere else in the Treasury Department without seriously crippling the department itself and crippling our Government. It will deprive us of the means of collecting the necessary revenues. We have only one course open to us to-day, to stop the building program or defeat this resolution, which provides for a 10 per cent cut in the Treasury Department appropriations.

Mr. President, I have stated numbers of times, and I want to state again, that the way to stop this depression is to stop it, to start the wheels going again, and end this cursed pessimism and fear that have crept all over the country.

We must do what we can to put men to work here, there, and everywhere. The 250 cities in this list which will be benefited are seriously affected. The wheels of industry will start once more if this resolution is defeated.

I would like to read the list of these cities which will be affected, but have not time now. I have the list here. I included in the list a statement that I made on the floor of the Senate on April 6, showing the list of completed buildings and a list of those which are under construction to-day. This list of 250 buildings, which are to be found in cities in practically every State of the Union, is well worthy of consideration.

Do we, as representatives from our States, want to cripple industry in our various States? I think that when the Members of the Senate study this list they will see that it can not be done if they are to do their duty here.

Wise economy is necessary, cutting expenses is necessary where it does not work injury, but starting the money flowing back into the channels of trade again is more necessary.

Mr. COPELAND. Mr. President, I hope the Senator will have that list inserted in his speech at this point, so that we may be able to read it.

Mr. ODDIE. I ask permission to place this list in the RECORD.

Mr. JONES. I understood it had been placed in the RECORD.

Mr. ODDIE. It was printed in the RECORD on the 6th of April.

Mr. JONES. That is what I thought.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

List of authorized public-building projects not yet placed under contract but for which drawings either have been completed or are in process of completion as of March 24, 1932

	Limit of cost
Alabama:	
Athens	$90,000
Auburn	90,000
Total	180,000
Arizona:	
Douglas, border station	65,000
Phoenix	1,080,000
Yuma	190,000
Total	1,335,000
Arkansas:	
Blytheville	95,000
Jonesboro	110,000
Pine Bluff	55,000
Total	260,000
California:	
Alameda	75,000
Beverly Hills	300,000
Calexico, border station	73,000
El Centro	140,000
Glendale	455,000
Marysville	150,000
Merced	180,000
Modesto	195,000
Monterey	180,000
Napa	140,000
Oroville	145,000
Palo Alto	210,000
Petaluma	165,000
Porterville	150,000
Redlands	170,000
San Diego	775,000
San Francisco, Federal office building	3,050,000
San Francisco, post office, etc	750,000
San Jose	455,000
San Ysidro, border station	105,000
Tecate, border station	59,500
Vallejo	185,000
Ventura	200,000
Visalia	150,000
Total	8,457,500
Colorado: Greeley	50,000
Connecticut:	
Bridgeport	1,200,000
New London	420,000
Putnam	115,000
Total	1,735,000
Delaware:	
Dover	100,000
Reedy Island quarantine station	14,500
Total	114,500
Florida:	
Bradenton	155,000
Clearwater	150,000
Daytona Beach	285,000
Fort Lauderdale	175,000
Fort Myers	210,000
Jacksonville, courthouse	2,000,000
Miami, quarantine station	65,000
Palm Beach	200,000
Sarasota	175,000
Total	3,415,000
Georgia:	
Columbus	410,000
Macon	395,000
Savannah, marine hospital	18,000
Thomaston	95,000
Total	918,000
Idaho: Weiser	110,000
Illinois:	
Chicago, appraisers' stores	1,150,000
Chicago, marine hospital	610,000
East Moline	105,000
Hillsboro	75,000
Joliet	185,000

Illinois—Continued.	Limit of cost
Lake Forest	$160,000
Lawrenceville	100,000
Morris	115,000
Oak Park	600,000
Peru	100,000
Rockford	735,000
Waukegan	335,000
Wheaton	140,000
Total	4,310,000
Indiana:	
Auburn	115,000
French Lick	85,000
Hagerstown	80,000
Plymouth	80,000
Salem	80,000
Terre Haute	600,000
Vincennes	145,000
Winchester	95,000
Total	1,280,000
Iowa:	
Council Bluffs	160,000
Des Moines	775,000
Dubuque	675,000
Sioux City	1,025,000
Spencer	105,000
Total	2,740,000
Kansas:	
Holton	85,000
Manhattan	77,000
Total	162,000
Kentucky:	
Ashland	200,000
Lexington	760,000
Louisville, marine hospital	460,000
Total	1,420,000
Louisiana:	
Alexandria	350,000
Baton Rouge	465,000
Monroe	390,000
Total	1,205,000
Maine:	
Fort Fairfield, border station	63,000
Houlton, border station	65,000
Limestone	31,500
Orono	80,000
Portland, post office	850,000
Presque Isle	105,000
Sanford	100,000
Total	1,294,500
Maryland:	
Baltimore, appraisers' stores	1,000,000
Baltimore, marine hospital	1,620,000
Crisfield	105,000
Total	2,725,000
Massachusetts:	
Brockton	345,000
Cambridge	755,000
Easthampton	100,000
Gloucester	350,000
Lynn	700,000
Norwood	130,000
Provincetown	105,000
Quincy	240,000
Rockland	115,000
Salem	360,000
Waltham	220,000
Williamstown	96,000
Total	3,515,000
Michigan:	
Alma	115,000
Detroit, Immigration Service	115,000
Iron Mountain	170,000
Jackson	515,000
Lansing	850,000
Lapeer	100,000
Marshal	130,000
Port Huron	115,000
South Haven	115,000
Total	2,225,000

	Limit of cost
Minnesota:	
Austin	$75,000
Fergus Falls	150,000
Hopkins	85,000
Mankato	300,000
Minneapolis	4,150,000
Northfield	125,000
Pipestone	90,000
Rochester	360,000
St. Paul	2,700,000
Total	8,035,000
Mississippi:	
Columbia	70,000
Hattiesburg	245,000
Jackson	555,000
Meridian	555,000
Winona	75,000
Total	1,770,000
Missouri:	
Jefferson City	450,000
St. Louis, courthouse	3,825,000
Trenton	100,000
Total	4,375,000
Montana:	
Billings	240,000
Roosville, border station	59,000
Sweetgrass, border station	61,000
Total	360,000
Nebraska:	
David City	75,000
Omaha	740,000
Sidney	80,000
Total	895,000
Nevada:	
Elko	140,000
Ely	95,000
Las Vegas	320,000
Reno	565,000
Total	1,120,000
New Hampshire:	
Littleton	265,000
Manchester	450,000
Total	715,000
New Jersey:	
Bloomfield	335,000
Freehold	135,000
Jersey City	455,000
Newark	6,150,000
Paterson	800,000
Phillipsburg	155,000
Princeton	95,000
Somerville	135,000
Union City	375,000
West New York	375,000
Total	9,010,000
New Mexico:	
Gallup	125,000
Silver City	115,000
Total	240,000
New York:	
Albany	3,325,000
Binghamton	625,000
Catskill	110,000
Chateaugay, border station	59,100
Dansville	143,000
Endicott	190,000
Flushing	700,000
Fort Covington, border station	56,000
Freeport	215,000
Glen Cove	160,000
Hempstead	315,000
Herkimer	120,000
Jamaica	375,000
Lockport	80,000
Malone	175,000
Mooers, border station	59,300
New York City—	
Courthouses	10,700,000
Marine hospital	2,500,000
Post-office annex	9,500,000

	Limit of cost
New York—Continued.	
Niagara Falls	$200,000
Norwich	130,000
Nyack	150,000
Patchogue	200,000
Port Chester	320,000
Rochester	1,700,000
Rouses Point, border station	153,000
Schenectady	370,000
Seneca Falls	115,000
Total	33,247,400
North Carolina:	
Charlotte	525,000
Durham	550,000
High Point	400,000
Mount Airy	145,000
Rockingham	120,000
Wadesboro	90,000
Total	1,830,000
North Dakota: Carrington	90,000
Ohio:	
Barberton	175,000
Bucyrus	140,000
Canton	725,000
Cincinnati, public parks building	3,000,000
Cleveland	5,275,000
Columbus	2,275,000
Delphos	98,000
Dover	110,000
Fostoria	160,000
Galion	140,000
Mount Vernon	135,000
Oberlin	105,000
Painesville	180,000
Ravenna	145,000
Shelby	105,000
Urbana	130,000
Total	12,893,000
Oklahoma:	
Ada	250,000
Duncan	125,000
Miami	235,000
Ponca City	250,000
Stillwater	135,000
Total	995,000
Oregon:	
Marshfield	140,000
Oregon City	115,000
St. Johns	60,000
Total	315,000
Pennsylvania:	
Ambridge	145,000
Bellefonte	125,000
Bloomsburg	140,000
Bryn Mawr	175,000
Chester	515,000
Coatesville	165,000
Ellwood City	135,000
Greenville	175,000
Grove City	120,000
Jeannette	155,000
Lansdale	120,000
Lewisburg	255,000
McKeesport	90,000
Milton	110,000
Nanticoke	70,000
New Castle	525,000
New Kensington	285,000
Norristown	490,000
Philadelphia, customhouse and appraisers' stores	4,200,000
Stroudsburg	130,000
Waynesboro	145,000
Wilkes-Barre	395,000
Williamsport	240,000
Total	8,905,000
Rhode Island: East Greenwich	95,000
South Carolina: Cheraw	75,000
South Dakota:	
Hot Springs	90,000
Watertown	120,000
Total	210,000

	Limit of cost
Tennessee:	
Chattanooga	$1,435,000
Cleveland	90,000
Jackson	350,000
Knoxville	1,575,000
Memphis, marine hospital	175,000
Nashville	1,565,000
Total	5,190,000
Texas:	
Beaumont	680,000
Big Spring	165,000
Breckenridge	140,000
Cisco	130,000
Fort Worth, courthouse	1,215,000
Harlingen	170,000
Jacksonville	135,000
McAllen	180,000
Pampa	135,000
Plainview	152,000
San Angelo	200,000
Stephenville	90,000
Tyler	360,000
Total	3,752,000
Utah:	
Bingham Canyon	75,000
Cedar City	150,000
Ogden, Federal stores building	300,000
Tooele	75,000
Total	600,000
Vermont:	
Alburg, border station	56,000
Beecher Falls, border station	56,000
Canaan, border station	56,000
Highgate Springs, border station	60,000
Middlebury	90,000
Norton Mills, border station	56,000
Richford, border station	59,000
Springfield	135,000
West Berkshire, border station	59,500
White River Junction	125,000
Total	752,500
Virginia:	
Bristol	210,000
Cape Charles	77,500
Culpeper	80,000
Danville	500,000
Lynchburg	948,000
Norfolk, marine hospital	800,000
Norfolk, post office	1,925,000
Total	4,440,500
Washington:	
Chehalis	$150,000
Longview	210,000
Oroville, border station	59,000
Total	419,500
West Virginia:	
Beckley	145,000
Huntington	390,000
Princeton	130,000
Weston	150,000
Total	815,000
Wisconsin:	
Kenosha	300,000
Sheboygan	295,000
Two Rivers	130,000
Wausau	280,000
Total	1,005,000
Wyoming:	
Cheyenne, Federal office building	200,000
Newcastle	60,000
Torrington	90,000
Total	350,000
District of Columbia:	
Central heating plant	5,749,000
Coast Guard Building	3,000,000
Department of State Building	3,000,000
Total	11,749,000
Hawaii: Honolulu, Immigration Service	415,000
Grand total	152,120,400

TREASURY DEPARTMENT,
Washington, April 6, 1932.

Hon. TASKER L. ODDIE,
United States Senate.

MY DEAR SENATOR ODDIE: Attached please find statement requested by you, showing, by States, the different projects under the public-building program which were completed or under contract, in whole or in part, as of March 24, 1932.

The date of March 24, 1932, is used to conform to a previous statement submitted by the Secretary of the Treasury to the chairman of the Senate Appropriations Committee, wherein was listed all the projects under the public-building program which were on the market, in the specification stage, or in the drawing stage, as of that date.

The amounts set opposite the projects on both the statement submitted by the Secretary of the Treasury and the inclosed statement represent the total authorized limits of cost for the projects and include expenditures for land.

I trust this information is what you desire.

Very truly yours,

FERRY K. HEATH,
Assistant Secretary.

List of projects completed and under contract in whole or in part under the public-building program as of March 24, 1932

State	Completed project	Limit of cost	Under contract	Limit of cost
Alabama	Birmingham	$425,000.00	Albertville	$70,000.00
	Sheffield	95,000.00	Attalla	70,000.00
	Union Springs	50,000.00	Greenville	75,000.00
			Mobile, marine hospital	450,000.00
			Montgomery	1,045,000.00
			Sylacauga	75,000.00
Total		570,000.00		1,785,000.00
Arizona	Globe	165,000.00	San Luis, border station	58,500.00
	Prescott	235,000.00		
	Tucson	540,000.00		
Total		940,000.00		58,500.00
Arkansas	Conway	90,000.00	Brinkley	65,000.00
	El Dorado	425,000.00	Forrest City	85,000.00
	Prescott	60,000.00	Little Rock	1,435,000.00
			North Little Rock	110,000.00
			Stuttgart	95,000.00
			Texarkana	790,000.00
Total		575,000.00		2,580,000.00
California	Red Bluff	95,200.00	Berkeley	190,000.00
			Long Beach	725,000.00
			Oakland	1,510,000.00
			Pomona	175,000.00
			Sacramento	1,300,000.00
			San Bernardino	325,000.00
			San Francisco, marine hospital	1,640,000.00
			Santa Ana	245,000.00
			Stockton	695,000.00
Total		95,200.00		6,805,000.00

List of projects completed and under contract in whole or in part under the public-building program as of March 24, 1933—Continued

State	Completed project	Limit of cost	Under contract	Limit of cost
Colorado	Denver Customhouse	$1,235,000.00	Boulder	$140,000.00
	Durango	150,000.00	Canon City	120,000.00
			Monte Vista	120,750.00
			Montrose	141,750.00
			Sterling	225,000.00
Total		1,385,000.00		747,500.00
Connecticut	Branford	65,400.00	Derby	125,000.00
	Milford	140,000.00	Hartford	2,000,000.00
			Manchester	135,000.00
			New Britain	250,000.00
			Waterbury	570,000.00
Total		205,400.00		3,080,000.00
Delaware	Newark	60,000.00	Georgetown	75,000.00
Florida	Lakeland	90,000.00	Jacksonville P. P. B	575,000.00
	Marianna	116,000.00	Key West, marine hospital	25,000.00
	Tampa	560,000.00	Key West, post office	525,000.00
			Kissimmee	80,000.00
			Lake City	125,000.00
			Miami	2,080,000.00
Total		756,000.00		3,410,000.00
Georgia	Canton	55,000.00	Americus	100,000.00
			Atlanta	2,975,000.00
			Eatonton	50,000.00
			Fort Valley	85,000.00
			Madison	55,000.00
			Monroe	60,000.00
			Rossville	70,000.00
			Sandersville	70,080.00
			Savannah	900,000.00
			Thomson	70,000.00
			Toccoa	65,000.00
			Waynesboro	60,000.00
			West Point	65,000.00
Total		55,000.00		4,625,000.00
Idaho	Boise	440,000.00	Caldwell	110,000.00
	Coeur d'Alene	250,000.00	Pocatello	220,000.00
	Nampa	110,000.00		
	Sandpoint	80,000.00		
Total		880,000.00		330,000.00
Illinois	Batavia	80,000.00	Aurora	395,000.00
	Bloomington	325,000.00	Carbondale	125,000.00
	Chicago, marine hospital	233,000.00	Carlinville	75,000.00
	do	200,000.00	Carrollton	65,000.00
	Metropolis	90,000.00	Chicago, post office	24,725,000.00
	Mount Carmel	100,000.00	Cicero	165,000.00
	Ottawa	75,000.00	Freeport	275,000.00
	Paxton	95,000.00	Harvey	160,000.00
	Pekin	60,000.00	Havana	70,000.00
	Springfield	850,000.00	Highland	70,000.00
			Maywood	160,000.00
			Mendota	75,000.00
			Spring Valley	60,000.00
			Woodstock	90,000.00
Total		2,108,000.00		26,510,000.00
Indiana	Anderson	165,000.00	Connersville	70,000.00
	Decatur	85,000.00	Evansville, marine hospital	160,000.00
	East Chicago	185,000.00	Fort Wayne	1,150,000.00
	Hammond	155,000.00	Greenfield	100,000.00
	Rushville	100,000.00	Greensburg	85,000.00
			Kokomo	175,000.00
			La Fayette	375,000.00
			Lebanon	90,000.00
			Linton	60,000.00
			Mount Vernon	75,000.00
			Muncie	180,000.00
			Noblesville	80,000.00
			South Bend	1,100,000.00
			Warsaw	95,000.00
			Whiting	130,000.00
Total		690,000.00		3,865,000.00
Iowa	Des Moines, courthouse	665,000.00	Albia	75,000.00
	Fairfield	110,000.00	Cedar Rapids	725,000.00
	Newton	125,000.00	Davenport	665,000.00
			Iowa City	190,000.00
			Marengo	65,000.00
			Mason City	385,000.00
			Oelwein	85,000.00
Total		900,000.00		2,190,000.00
Kansas	Dodge City	140,000.00	Pittsburg	85,000.00
	Junction City	100,000.00	Topeka	1,065,000.00
	Lawrence	120,000.00	Wichita	1,200,000.00
Total		360,000.00		2,350,000.00
Kentucky	Shelbyville	70,000.00	Barbourville	65,000.00
			Central City	70,000.00
			Elizabethtown	70,000.00
			Falmouth	60,000.00
			Harlan	110,000.00
			Harrodsburg	95,000.00
			Louisville, post office	2,985,000.00
			Madisonville	90,000.00
			Murray	90,000.00
			Paintsville	70,000.00
			Pikeville	93,000.00
			Prestonsburg	70,000.00
Total		70,000.00		3,868,000.00

List of projects completed and under contract in whole or in part under the public-building program as of March 24, 1932—Continued

State	Completed project	Limit of cost	Under contract	Limit of cost
Louisiana	Bogalusa	$130,000.00	New Orleans, marine hospital	$2,000,000.00
	Mansfield	75,000.00	Morgan City	75,000.00
	New Orleans, quarantine station	455,000.00	Opelousas	85,000.00
			Shreveport	350,000.00
Total		660,000.00		2,510,000.00
Maine	Caribou	70,000.00	Brunswick	90,000.00
	Fort Fairfield	90,000.00	Eustis, border station	59,100.00
			Hallowell	75,000.00
			Portland court house	400,000.00
Total		160,000.00		624,100.00
Maryland			Baltimore, post office	3,300,000.00
			Cumberland	540,000.00
			Westminster	120,000.00
Total				3,960,000.00
Massachusetts	Boston, immigration station	90,000.00	Andover	115,000.00
	Fitchburg	150,000.00	Boston, post office	6,000,000.00
	Haverhill	250,000.00	Fall River	995,000.00
	Leominster	125,000.00	Framingham	170,000.00
	Lowell	500,000.00	Lawrence	210,000.00
	Malden	140,000.00	Middleboro	105,000.00
	Newburyport	102,000.00	Palmer	115,000.00
	Pittsfield	195,000.00	Springfield	1,450,000.00
	Southbridge	110,000.00	Taunton	215,000.00
	Winchester	75,000.00	Winthrop	63,000.00
			Worcester	800,000.00
Total		1,737,000.00		10,238,000.00
Michigan	Battle Creek	230,000.00	Ann Arbor	75,000.00
	Benton Harbor	120,000.00	Bay City	475,000.00
	Flint	650,000.00	Boyne City	65,000.00
	Pontiac	200,000.00	Detroit, marine hospital	1,200,000.00
	Wyandotte	140,000.00	Detroit	5,650,000.00
			Ironwood	185,000.00
			Ludington	135,000.00
			Sturgis	125,000.00
Total		1,340,000.00		7,910,000.00
Minnesota	Duluth	1,200,000.00		
	Montevideo	75,000.00		
	Noyes, border station	78,000.00		
	South St. Paul	160,000.00		
Total		1,513,000.00		
Mississippi	Corinth	75,876.04	Greenwood	90,000.00
	Kosciusko	60,000.00	Aberdeen	122,000.00
	Lumberton	60,000.00		
Total		195,876.04		212,000.00
Missouri	Aurora	70,000.00	Caruthersville	80,000.00
	Sedalia	170,000.00	Centralia	70,000.00
	Westplains	70,000.00	Framington	90,000.00
			Kansas City	4,500,000.00
			Lamar	70,000.00
			Lebanon	70,000.00
			Mountain Grove	70,000.00
			Sikeston	70,000.00
			Unionville	65,000.00
Total		310,000.00		5,085,000.00
Montana	Lewistown	165,000.00	Anaconda	140,000.00
	Missoula	400,000.00	Babb-Piegan, border station	59,000.00
			Butte	295,000.00
			Havre	250,000.00
			Helena	357,000.00
Total		565,000.00		1,101,000.00
Nebraska	Central City	65,000.00	Beatrice	50,000.00
			Broken Bow	85,000.00
			Crete	65,000.00
			Norfolk	145,000.00
			Scottsbluff	125,000.00
Total		65,000.00		470,000.00
Nevada	Fallon	90,000.00		
New Hampshire	Hanover	100,000.00	Claremont	95,000.00
			Exter	90,000.00
			Somersworth	75,000.00
Total		100,000.00		260,000.00
New Jersey	Bayonne	230,000.00	Camden	1,100,000.00
	East Orange	285,000.00	Hoboken	250,000.00
	Elizabeth	175,000.00	Passaic	340,000.00
	Millville	90,300.00	Red Bank	140,000.00
	Montclair	295,000.00	Salem	80,000.00
			Trenton	1,650,000.00
Total		1,075,300.00		3,570,000.00
New Mexico	East Las Vegas	151,000.00	Albuquerque	900,000.00
	Santa Fe, courthouse	270,000.00	Clovis	130,000.00
Total		421,000.00		1,030,000.00

List of projects completed and under contract in whole or in part under the public-building program as of March 24, 1932—Continued

State	Completed project	Limit of cost	Under contract	Limit of cost
New York	Dunkirk	$100,000.00	Bath	$105,000.00
	Elmira	265,000.00	Brooklyn	2,700,000.00
	Long Island City	475,000.00	Champlain, border station	56,000.00
	Niagara Falls	75,000.00	Fort Plain	87,800.00
	Plattsburg	120,000.00	Lyons	75,000.00
	Syracuse	1,500,000.00	Medina	115,000.00
	Utica	800,000.00	Newburgh	340,000.00
	Watertown	275,000.00	New York City, appraisers' stores	600,000.00
	White Plains	250,000.00	New York City, assay office	3,765,000.00
	Yonkers	530,000.00	New York City, P. P. B	11,000,000.00
			Oneida	145,000.00
			Peekskill	165,000.00
			Potsdam	135,000.00
			Staten Island	345,000.00
			Trout River, border station	60,000.00
			Wellsville	145,000.00
Total		4,480,000.00		19,838,800.00
North Carolina	Asheville	650,000.00	Edenton	70,000.00
	Lenoir	75,000.00	Greensboro	600,000.00
	Wilson	205,000.00	Lumberton	105,000.00
			Mount Olive	75,000.00
			Rutherfordton	70,000.00
			Salisbury	182,500.00
Total		930,000.00		1,402,500.00
North Dakota	Fargo	600,000.00	Ambrose, border station	59,000.00
	Jamestown	200,000.00	Grafton	85,000.00
			Pembina	115,000.00
			Portal, border station	74,200.00
			St. Johns, border station	59,000.00
Total		800,000.00		392,200.00
Ohio	Akron	565,000.00	Conneaut	105,000.00
	Lima	475,000.00	Findlay	230,000.00
	New Philadelphia	100,000.00	Fremont	240,000.00
	Sandusky	40,000.00	Hamilton	410,000.00
	Wilmington	130,000.00	Jackson	100,000.00
	Wooster	80,000.00	Millersburg	70,000.00
			Napoleon	90,000.00
			Niles	130,000.00
			Norwalk	150,000.00
			Springfield	740,000.00
			Toledo	960,000.00
			Troy	150,000.00
			Youngstown	585,000.00
			Zanesville	150,000.00
Total		1,390,000.00		4,110,000.00
Oklahoma			Bartlesville	310,000.00
			Frederick	95,000.00
			Hobart	90,000.00
			Norman	160,000.00
			Oklahoma City	1,100,000.00
			Okmulgee	330,000.00
			Sapulpa	150,000.00
			Tulsa	1,160,000.00
Total				3,395,000.00
Oregon	Klamath Falls	255,000.00	Astoria	250,000.00
			Bend	155,000.00
			Corvallis	190,000.00
			Portland, courthouse	1,950,000.00
Total		255,000.00		2,545,000.00
Pennsylvania	Donora	65,000.00	Allentown	820,000.00
	Kittanning	145,000.00	Altoona	775,000.00
	Lancaster	500,000.00	Clearfield	145,000.00
	Lewistown	108,500.00	Erie	555,000.00
	McKees Rocks	55,000.00	Philadelphia, post office	9,750,000.00
	Olyphant	70,000.00	Pittsburgh	7,902,000.00
	Philadelphia, marine hospital	75,000.00	Rochester	105,000.00
	Sayre	100,000.00	Scranton	1,475,000.00
	Tarentum	70,000.00	Tamaqua	125,000.00
	Tyrone	125,000.00	Uniontown	265,000.00
	Waynesburg	100,000.00	Warren	290,000.00
			Wellsboro	80,000.00
Total		1,472,500.00		22,287,000.00
Rhode Island			Pawtucket	460,000.00
			Warren	75,000.00
			West Warwick	140,000.00
			Woonsocket	173,250.00
Total				848,250.00
South Carolina	Dillon	60,000.00	Hartsville	75,000.00
	Lancaster	75,000.00	Rock Hill	300,000.00
	Spartanburg	420,000.00		
Total		555,000.00		375,000.00
South Dakota	Chamberlain	54,000.00	Milbank	65,000.00
	Mitchell	70,000.00	Sioux Falls	300,000.00
	Vermilion	75,000.00	Winner	100,000.00
Total		199,000.00		465,000.00
Tennessee	Athens	90,000.00	Elizabethton	122,500.00
	Kingsport	215,000.00	Huntingdon	70,000.00
	McMinnville	85,000.00	Memphis, post office	900,000.00
	Memphis, subpost office	325,000.00	Rogersville	70,000.00
	Paris	50,000.00		
Total		765,000.00		1,162,500.00

List of projects completed and under contract in whole or in part under the public-building program as of March 24, 1932—Continued

State	Completed project	Limit of cost	Under contract	Limit of cost
Texas	Corsicana	$90,000.00	Atlanta	995,000.00
	Greenville	80,000.00	Brownsville	430,000.00
	Mexia	100,000.00	Coleman	100,000.00
	Paris	84,000.00	Crockett	85,000.00
	Taylor	115,000.00	Dallas	1,305,000.00
			Fort Worth, post office	1,445,000.00
			Galveston, immigration station	375,000.00
			Galveston, marine hospital	740,000.00
			Georgetown	80,000.00
			Houston	615,000.00
			Huntsville	75,000.00
			Lubbock	335,000.00
			Memphis	80,000.00
			San Benito	125,000.00
			Sweetwater	130,000.00
			Texas City	80,000.00
			Wichita Falls	725,000.00
Total		469,000.00		6,790,000.00
Utah	Price	96,000.00	Nephi	57,750.00
			Ogden	365,000.00
			Salt Lake City	1,340,000.00
Total		96,000.00		1,762,750.00
Vermont	Bellows Falls	90,000.00	Derby Line, border station	93,000.00
			East Richford, border station	59,100.00
			Rutland	330,000.00
Total		90,000.00		482,100.00
Virginia	Buena Vista	70,000.00	Alexandria	280,000.00
			Manassas	60,000.00
			Portsmouth	140,000.00
			Richmond, post office	900,000.00
			Roanoke	560,000.00
			West Point	65,000.00
			Woodstock	58,000.00
				2,160,000.00
Washington	Blaine, border station	158,000.00	Colfax	80,000.00
	Pullman	107,000.00	Hoquiam	141,750.00
			Metaline Falls, border station	56,500.00
			Pasco	65,000.00
			Port Angeles	190,000.00
			Seattle, Federal office building	2,375,000.00
			Seattle, immigration station	585,000.00
			Seattle, marine hospital	1,725,000.00
			Sumas, border station	65,000.00
Total		265,000.00		5,285,250.00
West Virginia	Morgantown	125,000.00	Clarksburg	475,000.00
	Williamson	195,000.00	Elkins	120,000.00
			New Martinsville	75,000.00
			Parkersburg	315,000.00
Total		320,000.00		985,000.00
Wisconsin	Madison	635,552.00	Appleton	260,000.00
	Tomah	72,000.00	Beloit	270,000.00
			La Crosse	225,000.00
			Marshfield	120,000.00
			Menasha	120,000.00
			Milwaukee	1,850,000.00
			Monroe	85,000.00
			Oshkosh	420,000.00
			Racine	320,000.00
			South Milwaukee	120,000.00
			Waupun	85,000.00
			Wisconsin Rapids	125,000.00
Total		707,552.00		4,000,000.00
Wyoming	Buffalo	85,000.00	Casper	400,000.00
	Cody	90,000.00	Green River	75,000.00
			Thermopolis	90,000.00
Total		175,000.00		565,000.00
Alaska	Juneau	795,000.00	Fairbanks	450,000.00
			Ketchikan	10,000.00
Total				460,000.00
Hawaii	Honolulu, customhouse	400,000.00		
Porto Rico			Ponce	300,000.00
District of Columbia	Administration Building, Department of Agriculture.	2,000,000.00	Extensible building, Department of Agriculture	12,900,000.00
	Government Printing Office Building	1,250,000.00	Archives Building	3,750,000.00
	Internal Revenue Building	10,000,000.00	Commerce Department Building	17,500,000.00
	Liberty Loan Building	375,000.00	Connecting wing, Labor-Interstate	2,000,000.00
	Power plant, Department of Agriculture	85,000.00	Interstate Commerce Building	4,500,000.00
			Justice Building	12,000,000.00
			Labor Building	4,750,000.00
			Post Office Building	10,300,000.00
			Public Health Service Building	908,250.00
			Water mains, etc	525,000.00
Total		13,710,000.00		74,033,250.00
Grand total		45,826,828.04		252,760,200.00

Mr. ODDIE. To show the seriousness of this thing, the following is a list of the cities in New York which would be affected:

New York:	
Albany	$3,325,000
Binghamton	625,000
Catskill	110,000
Chateagay, border station	59,100
Dansville	143,000
Endicott	190,000
Flushing	700,000
Fort Covington, border station	56,000
Freeport	215,000
Glen Cove	160,000
Hempstead	315,000
Herkimer	120,000
Jamaica	875,000
Lockport	80,000
Malone	175,000
Mooers, border station	59,300
New York City—	
Courthouses	10,700,000
Marine hospital	2,500,000
Post-office annex	9,500,000

I think that some of the large contracts in New York City should not be included in this list—

Niagara Falls	$200,000
Norwich	130,000
Nyack	150,000
Patchogue	200,000
Port Chester	320,000
Rochester	1,700,000
Rouses Point, border station	153,000
Schenectady	370,000
Seneca Falls	115,000
Total	33,247,400

I could go through the list and give the statistics as to every State, and I know that when the Members of the Senate look over this list carefully they will hesitate about voting for this 10 per cent reduction.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ODDIE. I yield.

Mr. VANDENBERG. As I understand it, the Senator has just read a list of $33,000,000 worth of projects in New York State alone.

Mr. ODDIE. Yes.

Mr. VANDENBERG. Which would be abandoned?

Mr. ODDIE. I stated that some of the larger projects in the city of New York would be excluded from this list.

Mr. VANDENBERG. For instance, how much of the building in that list does the Senator think would be abandoned in toto?

Mr. ODDIE. I should say about ten to twenty million. I would have to figure these items up.

Mr. VANDENBERG. Suppose it is twenty million; that is practically the entire 10 per cent, is it not?

Mr. ODDIE. Twenty-five million dollars would be practically 10 per cent.

Mr. VANDENBERG. Does the Senator mean they are going to take it all out of the State of New York?

Mr. ODDIE. Oh, no; it can not all come out of the State of New York. That is a very large State. These other items are smaller in proportion.

Mr. VANDENBERG. What I am trying to find out is this: How is it possible that all those items are going to be called off if they total twenty million, and twenty-five million is all that is to be saved?

Mr. ODDIE. The Secretary of the Treasury has said that the twenty-five million cut will make it necessary for him to indefinitely postpone at least $60,000,000 worth of building; that he will have to indefinitely postpone that program for 250 buildings.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. ODDIE. I yield.

Mr. BLACK. The Senator is a member of the Committee on Appropriations?

Mr. ODDIE. Yes.

Mr. BLACK. Can the Senator inform us why there are States which have such large appropriations for public buildings, while others have practically none?

Mr. ODDIE. Mr. President, there are two lists, which I have in my hand, which were put into the RECORD on April 6. One of them shows the program of completed projects and others under construction. I am reading now from a list of the uncompleted ones, the projects for which plans are completed and that are not quite ready for contract. The others have been authorized and are ready to be submitted to contract.

Mr. BLACK. I was interested to know whether the list to which the Senator is referring now contains the entire proposal for buildings in the various States for the next year.

Mr. ODDIE. Not altogether, but the buildings which are ready for contract; in the contract stage, we might say.

Mr. BLACK. I have found that some States with very small populations have several million dollars for buildings, and others, with probably twenty-five or thirty times as many people, do not have as much as $200,000 worth of buildings. I am interested to know whether I am correct in the deduction that this program is sent to the committee by the Treasury Department.

Mr. ODDIE. Yes; it has been worked out by the Supervising Architect's Office in the Treasury Department. It has been under consideration for a long time.

Mr. JONES. Mr. President, may I state to the Senator that, as I understand it, Congress itself has already authorized these buildings? That program is largely the result of congressional action, if not entirely.

Mr. BLACK. I am very much interested, because of the fact that I have found several times that it is impossible to get an authorization through Congress unless there is some kind of a recommendation from the Secretary of the Treasury. So that as I understand it—and I am really asking for information—it is not congressional action, for we can not get congressional action unless a project has been recommended by the Secretary of the Treasury.

Mr. JONES. Of course Congress is pretty powerful. Congress usually follows, however, the recommendations of the Secretary of the Treasury. It could overturn his recommendations if it desired to do so. But the Senator will remember that from time to time we have passed bills approving certain buildings and providing for their construction. The Secretary can not proceed to the construction of buildings which are not authorized by law, and in order to have them authorized by law he must come to Congress.

Mr. BLACK. Is it true or not that it is out of order to offer an amendment to the bill, with reference to any particular building of that character, unless it has been recommended by the Secretary of the Treasury?

Mr. JONES. If it is out of order it has been made so by the Senate itself.

Mr. BLACK. But I was inquiring if that is not correct?

Mr. JONES. I think so. I do not know just what proposition the Senator has in mind.

Mr. McKELLAR. Mr. President, on the original public buildings bill it will be in order to offer such an amendment as I believe the Senator from Alabama has in mind.

Mr. ODDIE. Mr. President, if the Senator from Alabama will look at the list he will find the projects which have already been completed in his State and those which are under construction now.

Mr. BLACK. I was not only looking at the list with reference to the State which I have the honor to represent in part, but I had reference to a number of others. It does so happen that in the bill there is provision for a total building program in Alabama for the next year of $180,000, while at the same time it provides in the Senator's State of Nevada, for which I congratulate the Senator, a building program of $1,120,000. As I understand it, the other list refers merely to those buildings which have heretofore been completed. This list refers to those which are hereafter to be built, probably in the next year as I understand it. Is that correct?

Mr. ODDIE. Yes; but if the Senator will look further, he will see that my own State has had practically nothing up to the present time. Certain buildings have been under contemplation for a long time. In the State of Alabama

the completed projects amount to $570,000 and those under contract amount to $1,785,000 in addition to the list to which I previously referred.

Mr. President, once more, before I leave the subject of unemployment, let me say that we have millions of men out of employment to-day. Distress is abroad in our country. We want to find a way to end unemployment and here is a way to start. I hope that when the matter is voted on in the Senate, it will be after Senators have given it most careful consideration.

Mr. President, I should like to say something about the Post Office Department feature of the bill, but I understand the Senator from New York [Mr. COPELAND] must leave the city very shortly and desires to say something before he leaves, so I will defer what I have to say with reference to the post-office portion of the bill until a later time.

I should like to add, however, that I have just received a letter from W. C. Roberts, chairman of the legislative committee of the American Federation of Labor, inclosing a statement issued by President William Green, of the American Federation of Labor. The statement reads as follows:

APRIL 14, 1932.

William Green, president of the American Federation of Labor, issued the following statement to-day regarding the campaign in the United States Senate to arbitrarily reduce the appropriation measures 10 per cent:

"Labor is greatly aroused over the attempt which is being made in the United States Senate to arbitrarily reduce appropriation measures 10 per cent. This cut in appropriations will be in addition to reductions made by the Bureau of the Budget and the reductions imposed by the House of Representatives.

"If the proposal to reduce appropriations 10 per cent is favorably acted upon, many building and construction projects authorized by Congress will fail. This in turn will mean that thousands of building-trades workers will be added to the army of unemployed. In addition, it will mean that thousands of Government employees will be discharged from the service. To stop building construction authorized by the Government and to add thousands of Government workers to the number already unemployed would serve to aggravate an already serious condition.

"Instead of taking action that would tend to increase unemployment, Congress ought to, in the opinion of labor, support and encourage an economic program providing for the creation of work opportunities so that employment may be increased. The country needs the constructive help of Congress. Instead of curtailing public employment and the construction of Government buildings, it ought to take action which would stimulate public works and enlarge its building program and in this way help relieve the distressing unemployment situation which prevails throughout the Nation.

"Congress ought to know that the unemployment situation is becoming desperate. Men and women are begging for work. At the present time community relief funds are becoming exhausted. Work must be provided for the unemployed if hunger and distress resulting from long-continued unemployment are to be overcome.

"The arbitrary reduction of appropriations 10 per cent, with the resulting industrial and social consequences, represents an unwise policy of economy which Congress at this serious point in the unemployment situation should not approve. Besides, it represents a most unsound and unscientific method of dealing with appropriations. It is arbitrary in character and should be defeated.

"Labor protests most vigorously against this policy of false economy, this proposal to arbitrarily reduce the appropriation measures 10 per cent. We earnestly hope this attempt will fail and the proposal will be defeated."

I strongly indorse every word of the statement.

Mr. COPELAND obtained the floor.

Mr. JONES. Mr. President, will the Senator from New York yield to enable me to suggest the absence of a quorum?

Mr. COPELAND. I feel this way about calling a quorum at this time. I have no desire for an audience, so far as I am personally concerned, and yet it seems to me that the subject before us is one of the most important matters that can be considered by the Senate. Whether we could keep any kind of an audience after we got it I do not know, but let us see, anyway.

Mr. JONES. If the Senator will yield for that purpose, I will make the point of no quorum.

Mr. COPELAND. Very well; I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Bankhead	Bingham	Borah
Austin	Barbour	Black	Bratton
Bailey	Barkley	Blaine	Brookhart
Bulkley	Glass	McGill	Smoot
Bulow	Glenn	McKellar	Steiwer
Byrnes	Goldsborough	McNary	Thomas, Idaho
Capper	Hale	Metcalf	Thomas, Okla.
Caraway	Harrison	Morrison	Townsend
Carey	Hastings	Moses	Trammell
Connally	Hatfield	Neely	Tydings
Coolidge	Hayden	Norbeck	Vandenberg
Copeland	Hebert	Norris	Wagner
Costigan	Howell	Nye	Walcott
Couzens	Hull	Oddie	Walsh, Mass.
Cutting	Johnson	Patterson	Walsh, Mont.
Dale	Jones	Pittman	Waterman
Dickinson	Kean	Reed	Watson
Dill	Kendrick	Robinson, Ark.	Wheeler
Fess	Keyes	Robinson, Ind.	White
Fletcher	La Follette	Schall	
Frazier	Lewis	Sheppard	
George	Logan	Shipstead	

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness.

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present.

Mr. TYDINGS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TYDINGS. Is there an amendment now pending to the resolution offered by the Senator from Tennessee?

The PRESIDING OFFICER. There is not.

Mr. TYDINGS. I would like to offer an amendment to his resolution, and I would like to have the amendment considered as pending. My amendment is in line 10 of the resolution, after the words "per centum," to insert a comma and the words "exclusive of provisions for building and construction," so it would read, beginning in line 9:

With amendments providing an aggregate reduction of 10 per cent, exclusive of provisions for building and construction, in the amount of the appropriation contained in the bill as it came from the House of Representatives.

I ask that the amendment be considered as pending.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Maryland [Mr. TYDINGS] to the resolution submitted by the Senator from Tennessee [Mr. MCKELLAR].

Mr. COPELAND. Mr. President, I realize that there are now in session a great many committees and that Senators who are absent are engaged on public business. Nevertheless it is discouraging when a question so important as the policy involving the whole future of our country is under discussion in the Senate that there will remain in the Chamber only 24 Members of this body—one-quarter of the Senators. I speak of this because I think that there is resting upon us a responsibility to the country. I know when I visit my constituents how anxious they are about the situation and about the future.

Frankly, I am out of patience with what we have attempted to accomplish at this session. We shall be very seriously blamed by the country if we do not finish our deliberations and adjourn early in June. If there is any thought in the mind of any Senator that we are going to be here all summer and all fall discussing matters while the Nation is in distress, he should get that out of his mind, because, if I know anything about the feeling of the people of America, I know they want early action upon all pending measures.

The resolution of the Senator from Tennessee [Mr. MCKELLAR] embodies a proposal to commit the Senate to a policy of radical and arbitrary reduction in the appropriations contained in the pending bill as it came from the House of Representatives. I want it clearly understood by the Senate that when the Senator from Tennessee was invited to submit this resolution it was not because the committee indorsed it, but it was merely that the question might be presented to the Senate in order that the Senate might determine the policy and share the responsibility.

The President of the United States, time and time again, has called upon the business men of America to go forward in their activities, particularly in the line of construction. That was his demand. He called together in Washington a large group of industrial leaders and urged upon them the importance of construction in order that there might be employment.

I was amazed beyond words when the report of the Budget Bureau was submitted that it revealed such a material reduction in the program which had been presented only a year ago. Here we have before us this very much abbreviated program, still further abbreviated by the action of the House which cut $12,000,000 from the Budget estimate of $120,000,000. That was a 10 per cent cut. Now, on top of that, it is proposed, although it may not necessarily affect the item to which I am now referring, that we make a further cut of 10 per cent.

If I am correctly advised, there are certain mandatory provisions of the law which would make it impossible to reduce the salary item. So the major reductions which may be made will be made in relation to items having to do with the construction of public buildings and possibly those having to do with mail contracts. As regards the mail contracts, if the Senator from Tennessee had his way, he would put the shipping industry of America into bankruptcy; he would throw out of employment thousands of sailors and would turn over to our rivals in international trade the carriage of commerce upon the ocean. If the Senate desires to do that, that is the privilege of the Senate; but, so far as I am concerned, if that proposal shall come before us, I will resist to the very last any such action on the part of the Congress of the United States.

Mr. ODDIE. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER (Mr. DICKINSON in the chair). Does the Senator from New York yield to the Senator from Nevada?

Mr. COPELAND. I yield.

Mr. ODDIE. The Senator is familiar, no doubt, with the fact that our Government has made positive mail contracts for terms of years?

Mr. COPELAND. I thank the Senator. I am familiar with that fact. I was one of the enthusiastic supporters of the Jones-White law when the measure was before us and took pride as an American in seeing the American flag put upon the seven seas. I know that from the happy operation of the Jones-White law we have an American merchant marine. But if the plans of the Senator from Tennessee shall end in success the American flag abroad will be swept off the ocean; and we shall be at the mercy of the competing steamship lines of England, Germany, Italy, Holland, and other foreign nations which operate ocean carrying vessels.

Just now, however, I do not care to discuss that particular subject. I want to direct my remarks to the question of the construction of public buildings. I am in harmony with every project which has any hope of economy, provided it is not a foolish economy and provided it does not impair the welfare of the American people. But in the case of our public-building program we have provided the sites; the plans have been drawn and, in many instances, the contracts have been put out for bids. What would it mean to carry out this program? It would mean that we would increase our capital investment and build structures which would be used to carry on the Government and, which at the same time would lessen the rentals which we now pay in many instances to private owners of property.

No Member of the Senate need fear facing the financiers of America provided we present projects which are self-liquidating. I have listened to the presentation of many plans for the issuance of bonds to provide for the spending of large sums of money. I could not vote for one of those projects unless it had in it a definite means of retirement when the bonds should come due. There must be some means of liquidation in all such legislation.

So far as public buildings are concerned, as I have said, in many instances we are renting space, and by erecting new buildings we would be saving money to the Government. I have no estimate as to how much of a saving would be made, but I know it would be a very material sum. However, outside of all that, how are we going to put plasterers to work, how are we going to put bricklayers, stonemasons, painters, carpenters, and metal craftsmen to work unless we construct buildings?

I talked the other night for two or three hours with Mr. William Green, President of the American Federation of Labor, than whom there is not a more intelligent man in our country. Certainly nobody in America has greater knowledge than has he of what is going on in labor circles. It was distressing to me to learn that it is his conviction that next winter will be infinitely worse than the past winter so far as employment is concerned. Think of it, Mr. President! There are now, to our knowledge, 8,300,000 men out of employment, and what will it mean if that number be increased 50 or 100 per cent?

I was humiliated beyond words the other day, Mr. President, to read that within a few weeks in the hospitals of New York 20 persons had died of starvation. Hundreds of them were brought into hospitals in a starving condition and 20 of them died, and that, too, in the richest city in America. Mr. President, I realize that 20 persons are not a great army; but if 20 persons were discovered in a starving condition and taken to hospitals, how many others in this country may have died while we may not have known the cause of death? That is not a handsome tribute to our country. I know that in my city private individuals have contributed generously.

During the last drive they contributed $18,000,000, and the city itself gave as much as the banks would let them give, but yet how are we going to take care of people in distress after next month when the money will be gone? We do not want people in America to be fed by charity; we do not want them to have to come with tin pans and get food at the back doors of our homes. We want the people in America to be employed so that they may earn money, so that they may preserve their self-respect, and so that the country may be prosperous because its people are employed.

Here we have a building program involving, as it came from the House, $108,000,000. Are we going to reduce that sum ten or twelve or fifteen million dollars or some other amount? The Senator from Nevada in his very interesting and instructive address a few moments ago said that such a reduction would mean that buildings in 250 cities of America will not be constructed. That means that in 250 communities in America craftsmen, stone masons, bricklayers, painters, carpenters, and many others who might be employed upon projects, which represent an addition to the national wealth, will be deprived of such employment. It is an amazing situation.

Oh, Mr. President, why do we not take a more sensible stand in these matters? We seem to think that every time a Budget estimate comes to us it must be paid in cash during the current year. I have taken pains to investigate the Budget statements relating to the appropriation bills now before the Congress. I wanted to find out how many of the proposed appropriations related to capital investment, to permanent improvements. You will be amazed, Mr. President, to find how many of these appropriations are for projects which will be in use by the American people for a generation, at least, and, in some instances, perhaps for a hundred years. Yet under the policy imposed upon us it is the purpose to pay for these projects out of current funds.

Listen, Mr. President. There was a time when, by reason of war and for other reasons, we had a public debt of twenty-six and a half billion dollars. I will ask the Senator from Florida if that is not correct?

Mr. FLETCHER. That is my recollection of the amount.

Mr. COPELAND. We had a public debt of twenty-six and a half billion dollars. We have reduced that debt to sixteen and one-half billion dollars. We have paid on the national debt since the war $10,000,000,000.

So, since the war, we have reduced the national debt $10,000,000,000—$10,000,000,000! Would it hurt us any to increase the national debt just a little bit over its present minimum of sixteen and a half billions? Would it? It would if we were doing it for some wasteful purpose; if we were proposing to throw the money into the ocean; yes.

But if we are going to increase the debt a little bit in order that the national wealth may be increased by the capital investment which we have acquired by this increase in the debt, that is good business, as I see it.

In the present Budget estimate—I should like to have the attention of the chairman of the Appropriations Committee in this matter—we find, in the legislative appropriation bill, the site and construction of the House Office Building. There is a sum there which is to be added this year. We have made the authorization, but we have not appropriated all the money. That is a permanent improvement. No one can question that Members of the House—not alone of this House, but of the next House, and of Houses for the next 50 or 100 years—will be taken care of in that building.

Then there is the completion of the Senate Office Building, which involves $3,000,000. I am not quite so sure that that was a wise appropriation of money. However, we have made it.

Then we come to the Executive Office and other offices, which I will not go into in detail, although I should like to have this table—not in detail, but simply the appropriations of 1932 for these items—included in my remarks at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Summary of appropriations for public works for fiscal year 1932

Appropriation	Nature of construction	Appropriations, 1932
LEGISLATIVE		
Site and construction, House Office Building.	Office building	$3,400,000.00
Enlarging and improving Capitol Grounds.	Grading, planting, concrete walks, terrace, fountain, garage, etc., and purchase of additional property.	
Completion of Senate Office Building.	Erection of wing, completion of approaches, C Street façade, etc.	3,079,350.00
Approach to Senate Office Building.	Granite terraces, balustrades, etc.	
Enlarging and relocating Botanic Garden, including new conservatory.	Purchase of site, razing of buildings, conservatory building, residence for director.	576,398.00
Site for additional buildings, Library of Congress.	Purchase of lands, and improvements.	
New buildings, Library of Congress.	Library buildings equipped with book stacks.	1,000,000.00
Extension of Capitol	Revision of preliminary plans for completion of building.	
Total, legislative		8,055,748.00
EXECUTIVE OFFICE AND INDEPENDENT ESTABLISHMENTS		
Maintenance, Executive Mansion and grounds.	Reconstruction of west terrace and remodeling offices.	3,000.00
American Battle Monuments Commission.	Memorial chapels in the cemeteries and monuments on the battlefields of Europe.	198,659.00
Arlington Memorial Bridge Commission.	Bridge across Potomac River at Washington, D. C.	1,000,000.00
George Rogers Clark Sesquicentennial Commission.	Monument	800,000.00
Mount Rushmore National Memorial Commission.	Carving of heroic figures and improvement of grounds, Mount Rushmore, S. Dak.	
National Advisory Committee for Aeronautics.	Full-scale wind tunnel; hangar	
Porto Rican Hurricane Relief Commission.	Construction and repair of hurricane damage to insular and municipal roads in Porto Rico (exclusive of maintenance).	1,000,000.00
	Construction and repair of schoolhouses in Porto Rico.	
Public warehouse site and building.	Warehouse	1,310,000.00
American Red Cross Building.	Monumental building	
General expenses, public parks.	Road construction	100,000.00
Heating plant, West Potomac Park.	Heating plant	
Smithsonian Institution	Construction of gallery, fireproofing interior of Aircraft Building and alterations in Industrial Arts Building.	
Supreme Court Building	Court and office building	3,750,000.00
Hospital and domiciliary facilities and services.	Hospital, homes, and other buildings for care of veterans.	11,350,000.00
Total, Executive Office and independent establishments.		19,511,659.00

Summary of appropriations for public works for fiscal year 1932—Continued

Appropriation	Nature of construction	Appropriations, 1932
DEPARTMENT OF AGRICULTURE		
Salaries and expenses, Office of Experiment Stations.	Farm buildings, offices, and living quarters at insular and Alaskan experiment stations.	$16,255.00
Salaries and expenses, Weather Bureau.	Offices and living quarters at field stations; rip-rap work at Cape Henry station.	53,276.00
Salaries and expenses, Bureau of Animal Industry.	Farm and laboratory buildings; clearing and fencing land.	55,405.00
Salaries and expenses, Bureau of Animal Industry, emergency construction.	Clearing and fencing land	
Experiments in livestock production in southern United States.	Water system at field station	
Salaries and expenses, Bureau of Dairy Industry.	Farm and laboratory buildings; water, sewer, and electric systems; clearing, fencing, and draining land.	27,500.00
Salaries and expenses, Bureau of Dairy Industry, emergency construction.	Farm, shop, and laboratory buildings; well and reservoir; clearing, fencing, and draining land.	
Salaries and expenses, Bureau of Plant Industry.	Farm buildings, greenhouses, field laboratories, shop buildings, garages, and fences.	70,523.00
Salaries and expenses, Bureau of Plant Industry, emergency construction.	do	
Salaries and expenses, Forest Service.	Roads and trails; telephone lines, firebreaks, lookout structures, dwellings, barns, latrines, fences; water development; office and laboratory buildings.	2,256,700.00
Salaries and expenses, Forest Service, emergency construction.	Roads and trails	
Forest Products Laboratory, Madison, Wis.	Laboratory building	800,000.00
Improvement of Oregon caves.	Lighting system and stairways	
Roosevelt Memorial	Road memorial monument	
Insect infestations, Forest Service, emergency construction.	Telephone lines, firebreaks, dwellings, offices, fences, and water development.	
Cooperative work, Forest Service.	Roads, trails, fences, and water development.	1,124,000.00
Roads and trails for States, national forest fund.	Roads and trails	415,000.00
Forest roads and trails	do	11,010,000.00
Salaries and expenses, Bureau of Chemistry and Soils.	Naval stores research laboratory; sheds, etc.	40,000.00
Salaries and expenses, Bureau of Biological Survey.	Water development; fences, barns, corrals, pens, and hutches; slaughterhouse; headquarters building.	7,885.00
Salaries and expenses, Bureau of Biological Survey, emergency construction.	Telephone and power lines; water development; roads, fences, sheds, pens, and bunk houses; slaughterhouse; headquarters building; cold-storage plant; garage.	
Upper Mississippi River Wild Life Refuge.	Boathouse	
Bear River Migratory Bird Refuge.	Spillways, dikes, and dams	3,450.00
Cooperative construction of rural post roads.	Highway construction; laboratory building.	125,000,000.00
Federal-aid highway system, advances to States, emergency construction.	Highway construction	
Public lands highways, emergency construction.	do	
Highways within national forests, emergency construction.	do	
Mount Vernon Memorial Highway.	do	
Flood relief, Vermont, New Hampshire, and Kentucky.	do	
Flood relief, Missouri, Mississippi, Louisiana, and Arkansas.	do	
Flood relief, Alabama	do	
Flood relief, South Carolina and Georgia.	do	
Investigations of cotton ginning.	Laboratory buildings	
Salaries and expenses, Plant Quarantine and Control Administration.	Fumigation house and inspection stations.	37,500.00
Total, Department of Agriculture.		140,917,584.00
DEPARTMENT OF COMMERCE		
Air navigation facilities	Construction of airways, buildings and stations, and installing equipment and apparatus.	1,441,500.00
Enforcement of wireless communication laws.	Purchase and installation of power equipment.	
Equipment, Bureau of Standards.	Dynamometer laboratory, alteration of north building, etc.	38,000.00
Improvement and care of grounds, Bureau of Standards.	Roads, grounds, and drains	5,000.00

Summary of appropriations for public works for fiscal year 1932—Continued

Appropriation	Nature of construction	Appropriations, 1932
DEPARTMENT OF COMMERCE—continued		
Hydraulic laboratory, Bureau of Standards.	Laboratory building, flume and fixed equipment.	
Additional land, Bureau of Standards.	Addition to present site	
General expenses, Lighthouse Service.	Lighthouse depots, light stations, other aids to navigation, and purchase and installation of equipment.	$325,000.00
Aids to navigation, Lighthouse Service.	Lighthouse depots, light stations, other aids to navigation, roads, and purchase and installation of equipment.	920,000.00
Staten Island Lighthouse depot, N. Y. (machine shop).	Lighthouse depot	
Light station, Cleveland, Ohio.	Boathouse	
Party expenses, magnetic work, Coast and Geodetic Survey.	Alterations and additions to buildings at Cheltenham, Md., and rebuilding variation observatory at San Juan, P. R.	3,500.00
Construction at Fairport, Iowa, station, Bureau of Fisheries.	Buildings and water supply	
By-products plant, Pribilof Islands, Alaska, Bureau of Fisheries.	Machine sheds, etc	
Propagation of food fishes	Buildings and water supply	20,000.00
Protecting seal and salmon fisheries of Alaska.	Buildings	12,350.00
Construction of stations	Land, buildings, and other structural improvements for fish-cultural stations.	448,500.00
Investigating mine accidents	Replacement of building at experimental mine, Bruceton, Pa.	
Helium plants	Continuation of construction of Amarillo helium plant.	
Total, Department of Commerce.		3,213,850.00
DEPARTMENT OF THE INTERIOR		
Indian agency buildings	Employees' cottages, water and sewerage systems, etc.	61,000.00
Telephone lines, Southern Navajo Reservation, Ariz.	Telephone lines	
Telephone lines from Hoopa Valley Agency to Korvel, Calif.	do	
Telephone line from Tularosa, N. Mex., to Mescalero Agency.	Telephone lines	
Telephone line from Nespelem to Wilbur, Wash., and from Wellpenit to Reardon, Wash.	do	
Telephone lines, Southern Navajo Reservation, Ariz., emergency construction.	do	
Developing water supply (gratuity).	Drilling wells and improving springs	110,750.00
Developing water supply (tribal funds).	do	11,000.00
Irrigation, Indian reservations (reimbursable).	Irrigating works on Indian reclamation projects.	1,766,173.00
Indian school buildings	School buildings, dormitories, heating plants, employees' quarters, etc.	575,000.00
Public-school buildings, Indian reservations, Arizona.	Public-school buildings	6,500.00
Indian boarding schools	School buildings, dormitories, heating plants, employees' quarters, etc.	895,500.00
Education of natives of Alaska.	School buildings, dormitories, and teachers' residences.	146,000.00
Industrial boarding school, Shoemaker Bay, Alaska.	Clearing and grading grounds and erection of buildings.	100,000.00
Conservation of health among Indians.	Hospitals, sanatoria, employees' quarters, heating plants, etc.	184,000.00
Medical relief in Alaska	Hospital buildings	26,000.00
Roads, Indian reservations	Roads, bridges, etc	600,000.00
Roads, Indian reservations, emergency construction.	do	
Road, Wind River Reservation, Wyo., emergency construction.	Road	
Miscellaneous tribal funds	Roads, water and sewer systems, etc	50,000.00
Reclamation fund, special fund.	Dams, reservoirs, carriage and distribution canal and laterals, drains, pumping and power plants, buildings, etc., incidental to irrigation systems.	5,420,100.00
Boulder Canyon project	Hoover Dam and incidental features	15,000,000.00
National Park Service	Employees' quarters, comfort stations, water and sewer systems, camp ground development, fire lookout stations, etc.	922,450.00
Roads and trails, national parks.	Roads and trails	5,000,000.00
Roads and trails, national parks, emergency construction.	do	

Summary of appropriations for public works for fiscal year 1932—Continued

Appropriation	Nature of construction	Appropriations, 1932
DEPARTMENT OF INTERIOR—continued		
Alaska Railroad fund	Construction and improvement of railroad roadway, buildings, stations, etc.	$268,908.22
Medical and surgical building, St. Elizabeths Hospital.	Buildings for the care of mental patients.	
Male receiving and continuous-treatment buildings, St. Elizabeths Hospital.	do	1,575,000.00
Repairs to buildings, St. Elizabeths Hospital, emergency construction.		
Dormitory buildings, Howard University.	Dormitory	
Chemistry building, Howard University.	Chemistry laboratories and classrooms.	
Educational classroom building, Howard University.	Building for new classrooms	260,000.00
Heat, light, and power system, Howard University.	For reconstructing and improving underground system.	225,000.00
Library building, Howard University.	New library	400,000.00
Power plant, Howard University.	For development of Howard University and Freedmen's Hospital.	
Howard University, emergency construction.	Improving grounds	
Freedmen's Hospital	Hospital addition for obstetrical patients and hospital addition for clinical patients.	97,000.00
Total, Department of the Interior.		34,400,381.22
DEPARTMENT OF JUSTICE		
United States penitentiary, Leavenworth, Kans.	Buildings and equipment	
United States penitentiary, Atlanta, Ga.	Buildings and equipment and farm improvements.	100,000.00
United States penitentiary, McNeil Island, Wash.	Buildings and equipment	214,135.00
United States Northeastern Penitentiary.	Site and construction	
Federal Industrial Institution for Women.	do	
United States Industrial Reformatory, Chillicothe, Ohio.	Construction of buildings	1,000,000.00
United States Southwestern Reformatory.	Site and construction	500,000.00
United States Hospital for Defective Delinquents.	Site and construction	
Federal jails	Buildings and equipment	500,000.00
Prison camps	do	
National Training School for Boys, Washington, D. C.	Construction and equipment	200,000.00
Total, Department of Justice.		2,514,135.00
NAVY DEPARTMENT		
Naval hospital fund	Extension of existing hospital facilities.	350,000.00
Public works, Bureau of Yards and Docks.	Barracks, shop buildings, hangars, storehouses, and other buildings, floating dry dock, sea walls, piers, power-plant equipment, etc.	12,164,000.00
Public works, Navy, emergency construction.	do	
Aviation, Navy	Improvements to roads, railroads, walks, landing fields, seaplane runways and grounds, extension to heating, electrical, and other systems, dredging, etc.	125,000.00
Total, Navy Department.		12,639,000.00
DEPARTMENT OF STATE		
Foreign Service buildings fund.	Acquisition by purchase or construction of embassy, legation, and consular grounds and buildings.	2,000,000.00
TREASURY DEPARTMENT		
Establishing Coast Guard stations.	Coast Guard stations, new	83,500.00
Rebuilding and repairing stations, etc., Coast Guard.	Rebuilding and improvements of stations.	300,000.00
Rebuilding and repairing stations, Coast Guard, emergency construction.	do	
Coast Guard Academy	New Academy building	1,640,000.00
Post office, courthouse, and customhouses, etc.	Acquisition of sites, construction of buildings, and extension and remodeling.	60,000,000.00
Quarantine stations	Acquisition of sites and construction of buildings, etc.	55,000.00
Marine hospitals	do	
Triangle property	Purchase of sites in the triangle, etc	5,000,000.00

Summary of appropriations for public works for fiscal year 1932—Continued

Appropriation	Nature of construction	Appropriations, 1932
TREASURY DEPARTMENT—continued		
Narcotic farm, Lexington, Ky.	Acquisition of site, etc.	
Marine hospital (new), Cleveland, Ohio, special fund.	Acquisition of site and construction of buildings.	
Treasury Building vault, Washington, D. C.	Construction of vault	$1,250,000.00
Total, Treasury Department.		68,328,500.00
WAR DEPARTMENT		
Military activities		
Construction of buildings, utilities and appurtenances at military posts.	Barracks, quarters, hospitals, technical buildings, and other buildings for troops.	20,695,990.00
Construction of buildings, utilities and appurtenances at military posts, emergency construction.	do	
Construction and repair of hospitals, emergency construction.	Alterations and improvements	
Repair of dock, Fort Screven, Ga.	Repairs to dock	
Revetment wall, Fort Moultrie, S. C.	Revetment wall	
Acquisition of land	Sites and enlargement of reservations at Fort Lewis, Wash.; Bolling Field, D. C.; Fort Bliss, Tex.; Maxwell Field, Ala.; West Point, N. Y.; Fort Ethan Allen, Vt.; and Pedricktown, N. J.	
Air Corps, Army	Technical buildings, construction of landing field, runways, etc.	
Air Corps, Army, emergency construction.	do	
Seacoast defenses, Engineers, emergency construction.	Magazine facilities, Fort Tilden, N. Y.	
Seacoast defenses, Engineers, 1930-31.	Shore protection, Fort Screven, Ga.	
Repairs of arsenals	Heating plant, high-pressure water system, powder-blending unit.	170,000.00
Repairs of arsenals, emergency construction.	Improvements	
Ammunition storage facilities, Army.	Construction of magazines and purchase of land.	500,000.00
Chemical Warfare Service, Army, emergency construction.	Improvements	
U. S. Military Academy, emergency construction.	Buildings, roads, sewer systems, etc.	
Arming, equipping, and training the National Guard, emergency construction.	Buildings and utilities at camps	
Total, military activities.		21,165,990.00
Nonmilitary activities		
Cemeterial expenses	Superintendents' lodges, outbuildings, and roads.	171,655.00
Cemeterial expenses, emergency construction.	do	
National military parks and monuments.	Buildings, roads, land, etc.	250,744.00
National military parks and monuments, emergency construction.	do	
Lincoln Birthplace Memorial, emergency construction.	Improvements	
Construction and maintenance of roads, bridges, and trails, Alaska.	Constructing roads, bridges, and trails (exclusive of maintenance).	144,000.00
Interoceanic canals	Survey of Nicaraguan Canal	
Maintenance and improvement of existing river and harbor works.	Dredging channels, construction of breakwaters, jetties, and other works for improvement of navigation (exclusive of maintenance).	47,000,000.00
Maintenance and improvement of existing river and harbor works, emergency construction.	do	
Dam No. 2, Muscle Shoals, Ala.	Hydroelectric plant	
Flood control, Mississippi River and tributaries.	Construction of levees, revetments, and other flood-control works.	31,000,000.00
Flood control, Mississippi River and tributaries, emergency construction.	do	
Emergency fund for flood control on tributaries of Mississippi River.	Levees	400,000.00
Flood control, Sacramento River, Calif.	Dredging channels, building levees, bank protection, and by-pass weirs.	600,000.00
Operating and care of canals, etc.	Reconstruction of dam	

Summary of appropriations for public works for fiscal year 1932—Continued

Appropriation	Nature of construction	Appropriations, 1932
WAR DEPARTMENT—contd.		
Nonmilitary activities—Con.		
Funds contributed and advanced for river and harbor improvements.	Dredging channels, construction of breakwaters, and other improvements of navigable waters.	3,000,000.00
Funds contributed for flood control, Mississippi and Sacramento Rivers.	Building levees	450,000.00
Miscellaneous appropriations for rivers and harbors.	Dredging channels and other improvements to navigable waters.	
Funds contributed for roads, bridges, and trails, Alaska.	Constructing roads, bridges, and trails (exclusive of maintenance).	
Wagon roads, bridges, and trails, Alaska.	do	
Protective works and measures, Lake of the Woods and Rainy River, Minn.	Flowage easements and bank protection.	
Protective works and measures, Lake of the Woods and Rainy River, Minn. (contribution by Canada).	do	
Total, nonmilitary activities.		83,316,399.00
Total, War Department, exclusive of Panama Canal.		104,482,389.00
Panama Canal: Maintenance and operation.	Continuation of construction of Madden Dam; permanent quarters for American employees; enlargement of Cristobal Dry Dock; Home for Superannuated Alien Employees, Corozal Hospital; Corundu Fill; La Boca Road and grading.	1,720,394.00
Total, War Department, including Panama Canal.		106,202,783.00
DISTRICT OF COLUMBIA		
Public works, total of all appropriations.	Public-school buildings, highways, water, and sewer construction.	12,899,554.00
Total, public works		410,683,194.22

Mr. COPELAND. Mr. President, how much does that amount to? In the appropriation bills as prepared, it amounts to $410,683,194—$410,000,000 for what? Permanent improvements; capital investments; additions to the national wealth—$410,000,000. Will you tell me why, in the name of common sense, the taxpayers, already overloaded this year, should not be relieved to the extent of $410,000,000 which might be taken care of when we have another period of prosperity? Why should we not do that?

When we had prosperity and collected a lot more money than the Government needed, we used it to reduce the public debt; and from the sinking-fund operation we reduced the public debt. In these 10 years we have reduced it $10,000,000,000. A billion dollars a year is the amount by which this debt has been reduced in the past 10 years, because we had prosperity, and we could afford to do it. Now, when we have adversity and economic depression, why do we not reverse the process?

Suppose we were to add $500,000,000 to the public debt by a bond issue, and take care of these permanent improvements, many of them self-liquidating, but which add to our national wealth. Why not issue this $500,000,000 of bonds and take care of those capital improvements?

I spoke of that immediately after Christmas. I have spoken of it two or three times in the Senate; but all the time we think that in this time of depression we must find new means of taxation, even to taxing the poor through a sales tax. We must find taxes not only to carry on the current expenses of government but also to make these permanent investments.

There is not a prudent business man in the world who would conduct his business in that way—not one. So the practical suggestion I make to the Senate is this: The matter probably would have to originate in the House; would it

not? May I ask some parliamentarian whether a plan like this could originate in the Senate?

Mr. FLETCHER. We could amend the appropriation bill.

Mr. COPELAND. The appropriation bill could be amended? That is fine. If it is possible, then, to amend an appropriation bill so as to authorize the issuance of Government bonds for the payment of these permanent improvements in the appropriation bill before us, amounting to $410,000,000, certainly no wiser thing could be done, in my judgment.

It is not right to put a tremendous burden of taxation upon the people at a time when they can not bear it. Let no one fancy that if his name is not on the tax roll, if he is not directly assessed, he is not paying taxes. When a rich man is taxed he does not go out in the orchard, under the third tree in the fourth row, dig down and get a tin box, and take out the money to pay his taxes. He adds to the rents and to the price of the products or commodities that he sells enough to pay his tax. It is a tax upon the whole people, no matter what sort of a tax it is. Everybody pays the tax; and this is not the time, when we have economic depression and discouragement in every home in America, to talk about imposing heavier taxes. This is a time when we should have retrenchment, as the Senator from Tennessee [Mr. MCKELLAR] has wisely suggested; but in making that retrenchment we must find a way to preserve the structure and fabric of government and not to sacrifice those things which have to do with our welfare.

I was much chagrined to find that in the Commerce Department appropriation bill it was found necessary to decrease the appropriation for the Bureau of Foreign and Domestic Commerce. The Senator from Iowa, now in the chair [Mr. DICKINSON], was much concerned about that—an item which has to do with building up the commerce of our country with foreign nations—and yet, in the interest of economy, we found it necessary to cut off many of those activities which have to do with our industrial and commercial and agricultural welfare.

My friends, I think we ought to use some common sense in this matter. That is the growing conviction of the business world.

I desire to read a telegram which was given me by a very prominent citizen of my city the other day, signed by a man whose name, because it is a private telegram, I can not reveal. I want Senators to get the spirit of it, however, because it shows what the industrial world, the business world, the financial world are thinking. It shows the new thought that has come to those great groups that have not been entirely sympathetic to the downtrodden farmer and to those who are out of employment, but they see now what is coming to the country, and I want you to hear this telegram. I quote in part:

> The gap between bankers and industry is widening, due to a lack of market for industry. Congress has taken very much-needed steps through the Reconstruction Finance Corporation to correct and help the banking situation. Nothing of a similar nature has thus far been done for industry and the unemployed.
>
> Supreme Court Justice Brandeis recently declared the present economic situation worse than war. It must be evident to leaders in Government that only emergency measures on the part of the Government will meet the situation. This power is no longer within the scope of business. Emergency measures are expensive and sometimes wasteful; but, notwithstanding, if unemployment can be relieved and industry revived the Government should lend its credit, regardless of the expense.
>
> Our Government has loaned $15,000,000,000 to foreign nations to assist their economic needs. It would seem that it could very properly embark on a great emergency public-works program in its own interest at home and give industry an opportunity to put its house in order and relieve unemployment.
>
> People on all sides lament the lack of governmental leadership. Six months or a year ago business men and business interests generally would have been unwilling to give their support to any measure that would have affected the Government's credit. It was their belief that the general situation would gradually right itself, as in the case of previous depressions. We did not reckon the fact that this country in 20 years has practically developed from an agricultural to an industrial Nation. The enormous development of industrial enterprises as a result of the war, and the consequent pyramiding and unnatural expansion of same in its aftermath, never permitted industrialists to reckon the effect of sudden cessation of their production.
>
> We are, therefore, dealing with an entirely new experience, which is confusing and becoming daily more difficult of solution. Industry and business interests generally are so concerned about their immediate desperate situations that they are unable to collectively think, much less act. The added fact that the gap between business and banking is measurably widening causes further confusion and helplessness. No bank or group of banking interests will dare risk freezing their assets in an emergency relief program to any community. Fortunately, the Government and its credit are still intact; and it is felt by business men and business interests generally that in the circumstances the Government is the one and only agency that can now act effectively.
>
> Every business man and banker with whom I have discussed this subject agrees with the expressions herein and would support a great emergency public-works program by the Government 100 per cent.
>
> We must realize that if this Nation were engaged in a war of bloodshed, our people and Government would again concentrate on one effort to stamp it out quickly. The people and industry generally are baffled by lack of concentration and leadership on the part of our Government to lead it out of the despondency resulting from what is the greatest industrial experiment ever undertaken in history. We need a breathing spell for readjustment; and a great emergency public-works program, wasteful as it may seem, is the only thing that will prevent the dole and, ultimately, the full payment of the veterans' adjusted-service certificates. The choice is apparent.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. Do I understand that the program which is outlined in that telegram is a program of voting bonds with which to construct public buildings, and so forth?

Mr. COPELAND. Yes. I may say to the Senator that this man is willing and anxious to go further than I would wish to go, but he thinks that we ought to engage extensively in a public-works program. To-day, if the Senator heard me, I have been pleading that we might take from the pending bill these projects which are permanent in their nature. They amount to a little less than half a billion dollars; but this man is willing to go further than that, because he says the banks are failing to make use of their funds; and unquestionably that is the fact. When a bank boasts that it is 85 per cent liquid, it is like a business man boasting that he has no goods on his shelves. The banks are not loaning any money for industry. There is no opportunity for private industry to develop in a normal way; so this man's plea is that there should be a large building project on the part of the Government, in order that there may be a resumption of employment and industrial activity until, as he says, they can have a breathing spell and find themselves.

Mr. BORAH. I believe the Senator did not make known the name of the sender of the telegram.

Mr. COPELAND. I did not. I hesitated to do it, may I say, because it is a telegram which was loaned me by a friend in New York, a prominent man.

Mr. BORAH. I thought I recognized the same sentiment that I heard last night over the radio. [Laughter.]

Mr. COPELAND. It seems to me I heard the speech, but I have forgotten the name. [Laughter.]

But I may say to the Senator seriously that it does not come from that source. This comes from a man actually engaged in industry and very much worried because of the situation.

Mr. BORAH. Not in politics?

Mr. COPELAND. Not in politics. My plea is that in dealing with these appropriation bills before us we take from them those items which are permanent in their nature, the use of which will continue over years to come, and limit our appropriations to items which are current, which have to do with the operation of government to-day.

It would be better if we were to take $500,000,000 from these appropriation bills in that way, and let posterity pay some of the bills, or let the rich pay them when they have money again, as they had in 1928 and 1929 but have not now. If we have to take 10 per cent ruthlessly from every single item of every single bill, the practice is bound to result in harm to the Government.

When it comes to the matter of salary cuts and we think of taking large sums from those who are given the smaller payments—I have not anything to say about those in the upper brackets—does it not seem a crime to think that these people, who never had the opportunity other people had who were in business and industry, should have money taken away from them because we are so afraid to meet facts as they are and take these permanent improvements from the Budget and let another generation pay for them?

I do not want to see these cuts made; but if we are going to balance the Budget, we have to follow the Senator from Tennessee, and we have to follow those who wish to slice all the salaries. We have to do it. We can not balance the Budget unless we do something different from our ordinary practice in making up our tax bills and our appropriation bills.

Ah, Senators, what are we afraid of? We are afraid that some reactionary newspaper will run an editorial and say that we have set the printing presses at work, or that we have done some other absurd economic thing. We are afraid our bankers will criticize us. I am willing to be criticized by any banker in the United States, because if there is any one class on the face of the earth that has failed in its job it is the superbankers of America.

Mr. VANDENBERG. Mr. President, before the Senator leaves that comment, I hope he will make it very plain that there is no remote or possible connection, direct or indirect, between so-called printing-press money and a funding of these permanent public improvements.

Mr. COPELAND. No; I agree with the Senator, and I will say a word about that. I had in mind what was suggested by the Senator from Idaho about these very large appropriations. I am sure the Senator from Michigan will say that if we do that we will have to go a little farther than we have ever gone before, in view of the gold reserve. But there is no printing-press proposition about this bond proposal or any flat money suggestion in it. There is nothing that any prudent business man in America would not say was good sense if we issued $500,000,000 or $400,000,000 worth of bonds to pay for permanent improvements which were going to add to the worth of the country, and not going to be thrown into the ocean.

Mr. President, I have spoken too long, much longer than I had intended to. I did want to say that after the Civil War in the city of New York one of the things they did to give employment was to develop Central Park, a place where goats roamed and tin cans were common. It was an activity which, compared with our present necessity, was miniature and infinitesimal in its significance. But if we could spend this money and go ahead with our building programs throughout this country we would put thousands upon thousands of men to work, and when we put them to work they would have a chicken in the pot. We want the people of our country to be fed, and we want them to be able to earn money to feed themselves.

We do not want to have to resort to a dole; to engage in any extraordinary financial scheme of doubtful propriety. But what is there wrong about taking $400,000,000 from these appropriation bills, putting out a bond issue, to be paid for in 10 or 15 years, or at some time in the future? Then more calmly and more decently we may proceed with the balancing of the Budget along perhaps less severe lines than suggested by the Senator from Tennessee, and yet in the direction of real economy.

Mr. JONES. Mr. President, as I take it, the Senator would be in favor of reserving these permanent improvements from the bill and making the application of the 10 per cent reduction. I do not remember what the attitude of the Senator was with reference to the 10 per cent proposition; but if we take out these public-building propositions, these permanent propositions, there will still be seven or eight hundred million dollars in the bill. That would mean that if we applied the 10 per cent cut we would have to cut off fifty or sixty or seventy million dollars from the bill.

Mr. COPELAND. Mr. President, let me say, preliminary to my answer, that I have never known a man who worked harder than has the Senator from Washington [Mr. JONES] in connection with these appropriation bills. He has had no easy time, and he deserves great credit and the thanks of the Senate for what he has done.

This is what I would do, in answer specifically to the Senator's question: I think that before we proceed with our arbitrary cut of 10 per cent we ought to establish the attitude of the Senate regarding the permanent improvements. If we could get the Senate to agree to a bond issue of $400,000,000, or whatever is needed, the Committee on Appropriations would have to pass its eagle eye over the list to see what really is permanent.

Mr. JONES. Some other committee would probably have to deal with the bond proposition first.

Mr. COPELAND. Undoubtedly that is true. If we decided to take out these permanent improvements, I would then have the Senate abandon the 10 per cent cut and have the committee proceed in the normal and usual way in dealing with the bill.

Mr. JONES. I am glad to hear the Senator say that, because to take any other course would disrupt our rural delivery service; in fact, our whole mail service, and all things like that, and would probably put as many people out of employment as would be employed by the public-building program.

Mr. COPELAND. Yes; and let me say, Mr. President, that if these mail contracts were to be dealt with in the ruthless fashion proposed, it would kill the American merchant marine and put thousands of sailors on their uppers, to walk about the port cities of the world. We can not do it. It is unthinkable that we should do these things.

Mr. JONES. It would be a repudiation of contracts deliberately made.

Mr. COPELAND. It would be a violation of the moral law and a violation of contract law.

Mr. McKELLAR. Mr. President——

Mr. COPELAND. I am not interested in whether the Government can do it or not. I realize that often the Government can do things. It was one of the Louises who said that the same moral obligation that rests on individuals does not rest on sovereigns. We can say, perhaps, that the Government can do this, it can violate contracts, it can wipe out contracts. I recognize that. Nevertheless, there is a moral obligation resting upon the American people. We entered upon the plan of mail subventions and loans to shipping, and the shipping interests of this country poured millions in to assist in the enterprise, and if we propose, on top of that, to say, "Oh, those contracts we made with you do not mean anything, we are going to wipe them out," and do it, then the shipping will be in bankruptcy and we will have some great disaster, and after a while we will not have any country at all. That is the way I look at it.

Mr. McKELLAR. Mr. President, I just want to make this observation to my friend, the Senator from New York. I called his attention to a letter the Postmaster General wrote me just a day or two ago. I have not the letter before me, but I recall the statement.

A portion of the men who are laboring under these subvention contracts, as the Senator calls them, to the extent of a little over 5,000, are foreigners, not American citizens at all. They have a plan which, in my judgment, is a fraudulent plan, under the law, by which a foreigner would ask for his first papers, and be employed, contrary to the provisions of the act.

Mr. JOHNSON. Mr. President, there is no people on earth perhaps so fond of expression as Americans. There are catchwords and watchwords that take us again and again and sometimes have a very decided influence upon our activities. We love those expressions. We love them so much that we thrust ourselves oftentimes in gatherings, political and otherwise, into repetition of them in order to win, of course, an applause which would be ours under any

circumstances, but which becomes more enthusiastic when we use the expressions that are so common among us.

Only a brief period ago all that was necessary for any one to do to win the title of "statesman" was to stand before an audience and weep great salty tears over peace, and tell how we were going to cease forever warfare in the future, and how we stood, stood as never before had a people stood, for peace for all the world. Then without amplifying the statement and indulging merely in generalities the applause would be unanimous and particularly women would leave the audience saying, "What a marvelous statesman! What a wonderful man the individual who addressed us, because he is for peace"—just as if there were any person on the face of the earth who wanted war or who would advocate war under any circumstances.

To-day we have another shibboleth, and in the use of that shibboleth administration and Congress have become hysterical. To-day it is "Economy!" We are all for economy. I take it there is not a man on the floor of the Senate but would go any length in economy in an endeavor to curtail expenditures of government, and in an endeavor to eliminate expenditures that might be deemed in the slightest degree extravagant. To-day, sir, we have added to that other shibboleth which enabled us to become great statesmen, "Peace," by standing before audiences now and with two expressions win the enthusiastic approval of all those who sit in front of us, "For peace we are, and for economy, everyone of us." That is all we need do—just stand before an audience of our fellows and say, "For peace am I, and for economy am I," and the audience rises upon its hind feet and cheers to the echo every utterance of generalities of that kind.

Where we differ, of course, is in the application of either the one or the other. I repeat, that in talking of economy we have become a bit intoxicated with our own voices in the last month or two. We have become so intoxicated that we imagine an incense burns in front of us that rather benumbs our mental faculties. Economy! Economy! Economy!

"Where are we going to get the money?" asks my very dear friend from Tennessee [Mr. McKELLAR] when the Senator from Montana [Mr. WALSH] asks for $20,000 for some men, women, and children who are on a reclamation project in Montana and require a little relief under a bill. Twenty-odd thousand dollars; that is all. But the Senator from Tennessee inquires, "Where are we going to get the money? We must make our economies." He is right, of course. I am not questioning him in that regard. I admire the pertinacity and perseverance and sincerity with which he has made his fight upon this floor. But I submit, sir, there are some kinds of economy that are dearer than the dearest extravagance. When we deny to a little band of people upon a reclamation project like the Senator from Montana [Mr. WALSH] had in mind $27,000 that is absolutely essential for their well-being and their welfare and their very life, then we practice an economy that no government can practice and that no government ought to practice.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. JOHNSON. I yield.

Mr. McKELLAR. Of course, it is a very small matter that is involved in the particular case to which the Senator refers, but I invite his attention to the fact that the undisputed evidence in the record shows that there were no people waiting for water out there.

Mr. JOHNSON. Upon that matter there was a sharp dispute between the Senator from Montana and the Senator from Tennessee. I concede anything the Senator may desire in that regard, but that it was necessary for the well-being of those people is what I said, and being necessary there should not have been any question in relation to its being granted.

But economy, sir, takes different forms. Economy, sir, in many different phases is stalking through this Chamber and stalking through the other parts of the Government of the United States, the executive departments. Economy was not thought of at the beginning of this year when a moratorium was granted, but it is all-important now when, with $27,000 items and putting men upon the streets without work, we are to pay in this bill and in tax bills the amount we gave to Europe then. Economy then was in a different guise; and economy, sir, I venture the prediction, will be in a different guise in this Hall and in a different guise in the administration when June next comes and the period has arrived for another moratorium to be granted, for the granting of one means the granting of more, and it is the beginning of the end for the debts that were due to the United States. We gave $250,000,000 at the beginning of the year; we will give $270,000,000 in the middle of the year—$520,000,000 in all, that our people were entitled to and that was their due.

Throw it away, will we, and have naught to do with it? We will make it up by taking a few men off of public buildings and having them walk the streets and pound the pavements without work and without food. We will make it up by taking $27,000 from a wee bit of a reclamation project when men and women and children require it. We will make it up, sir, for what? For what? For our people? Not a bit of it, sir, not a bit of it. For our people? No, sir. We will make it up for others beyond the seas, and we make it up for those who ultimately receive the money that thus we give to Europe.

I spoke with some degree of feeling concerning the moratorium in the beginning of this year and concerning the question of cancellation of debts to this country. The subject apparently seems now to be a very live subject. Some would cancel outright. Some would revise. Some would grant another moratorium. Some would grant a moratorium during the lifetime of all the rest of us or for a period of a great number of years. All, however, who are for a moratorium, all, however, who talk of revision, in reality mean, whether they desire to mean it or not, cancellation of the indebtedness that is due to this country from European countries.

My words will be of little effect, of course, upon the debt situation. But I was very much interested in reading the remarks of a distinguished financier of this country in a statement that he made not very long ago, and his words may carry more weight. Mr. Bernard M. Baruch, in expressing himself concerning the war debts due to us, said:

> I am opposed to cancellation on our part. In the first place, our Government should only cancel its assets—that is, what the Allies owe us—but could not or would not cancel its liabilities which are owned by its own Liberty bondholders.

What we forget in talking of debts that are due us from foreign countries, when we talk of postponing them for one period or another period, revising them or canceling them, is that every penny that is lost in the process has to be made up by Americans and American taxpayers, has to be made up in exactly the way that with such care the distinguished Senator from Tennessee [Mr. McKELLAR] is endeavoring to make up various sums from the different appropriation bills. Every dollar of it, remember that! Talk of the terrible fix in which this country finds itself! Tell us we can not balance the Budget! Say to us we stand upon the brink of financial ruin! And then in the very beginning of the year, where that sort of thing is obvious and is known, give $250,000,000 to Europe that is paid to international bankers upon short-term credits and get ready, as I believe those who are in control of us are getting ready, to give another moratorium on $270,000,000 in the middle of this year—$520,000,000 in all!

Into what insignificance fade the various cuts that are made in appropriation bills when we prepare to do this sort of thing unto the American taxpayer, for, I repeat—and I can not say it too often—for every dollar whose payment we have thus postponed, for every penny that we fail to collect, we have got to go down into the pockets of American people and pick those pockets to make it up—every single solitary penny of it.

To resume with Mr. Baruch's statement:

> To cancel, in order indirectly to relieve Germany of further costs of the war, would be to take $300,000,000 a year from the backs of their industries and put it on ours, thus saddling us with

a handicap of $400,000,000 a year on our industries, as compared with German industries in the international struggle for trade.

Some of the debtor nations say they can only pay in goods and services. Well, that is not an insuperable obstacle. Our Government might accept cash or partly commodities or partly foreign exchange.

Mr. Baruch concludes his statement by saying:

Foreign debts have a real value, one that we should not pass up too lightly. The $270,000,000 which the associated powers owe the United States for the next fiscal year is a small item compared with the whole of international payments, and it has been grossly exaggerated for propaganda purposes.

We could have collected, sir, our $250,000,000 at the end of last year or the beginning of this year if we had desired. We can collect the $270,000,000 which is due us in the middle of this year if we desire. The only problem is whether or not those who are striving now for revision or cancellation shall prevent that collection.

I read on April 5 in the press of this country how the Britons—and I honor them for the fashion in which they have faced their financial difficulties and practically solved them—repaid before it was due; and I hold in my hand the dispatch respecting that item—the $200,000,000 debt represented by the big credit received from American banks. It was repaid by them before it became due.

Repaid to whom? Why, repaid, of course, to our masters—Morgan & Co. They repaid the debt that they owed to Morgan & Co., and Britain would have paid the debt she owed to us on the 1st day of January last or in the latter part of December if we had chosen to insist upon the payment of that debt; and Britain and other countries will, in the middle of this year, pay the debts they owe us if we desire to insist upon the payment of their debts.

It is one thing to forgive a debtor the payment of his debt; it is another thing, though, by pretense to go to your people and assert that you are forgiving that debt by a moratorium or by revision, and that it is being applied to other purposes, when it could just as well be put to purposes for which it was contracted and be paid to those to whom it was due.

There is the vice of the present situation and of the propaganda that is in vogue for cancellation, for revision. Most of our friends said, "Oh, I oppose cancellation"; but they are careful always to leave open room for revision; and revision means in reality, first, reduction, then cancellation, just as the first moratorium meant other moratoria, and just as they will be followed by other moratoria in the days to come. There are $520,000,000 that we, in our hysteria of to-day, have forgotten all about, and about which we do not like to talk at all; but, sir, remember that $520,000,000 of the last year and of the middle of this year must, if its payment be postponed, come out of the pockets of American taxpayers, for whom we have heard pleas made in the Senate so often and in such lachrymose style; remember that every dollar and every penny of it must come out of these taxpayers of ours and must be paid by the American people.

I will stand for economy—economy that I can justify as a legitimate, logical reduction of what should be provided in any appropriation bill; I will stand for reduction in any salaries Congress wants to reduce except the reduction of the salary of those who receive $1,500, $2,000, $2,500, $3,000, and the like. I think, sir, reductions in salaries of people who have little to live upon to-day is the cruelest, the wickedest, and the meanest thing that could be done by the Congress of the United States. If we want to reduce salaries, let us do it on a wholesale scale; if we are going to reduce salaries, let us make no gesture to the American people. Let us say to the American people that no man with a salary of $10,000 or upward henceforth shall receive more than a dollar a year; then let us prove our economy, and let us go forward with an economy that will be of some value to the people of the United States.

I will not vote for 10 per cent reductions that will keep men out of employment and put them in the street; I do not believe in it. I will not vote for a 10 per cent reduction that will stop the building program which we ourselves induced and, inducing it ourselves, put men to work upon and now would snatch them from the work which we gave them under our promise and send them out in the streets to starve and, it may be, to die. For that sort of economy program I will not vote; for any real economy program I will be very glad to stand.

Mr. FESS. Mr. President, I am not going to address myself now to the question of the 10 per cent reduction in appropriations further than to say that I think it is a very unscientific method of procedure. There is a method which is scientific and which I think Congress could agree upon, and if it should agree to give the President the necessary authority I am certain we could achieve satisfactory results.

I have had it in mind for some time to take an opportunity to say something about the situation which produced the moratorium. I have never taken any time to discuss that subject, but following the address of the Senator from California is a good opportunity to do it.

In 1924, after Germany had run the course of issuing fiat money until the German mark was absolutely worthless, she undertook to pay her domestic debts by repudiating them. By one stroke all the internal debts of Germany were canceled, and that cancellation by the process of depreciation of her measuring unit was the cause of the drying up of all the financial resources of a domestic character in Germany. It not only destroyed the savings of the entire middle class of people who had lived upon their incomes and had invested their capital in German-mark securities, but it also destroyed all domestic capital which otherwise would have been used for the rehabilitation of Germany.

It was an easy way for her to get rid of her enormous obligations to her own people, but, in getting rid of those obligations, the Government also reduced to nothing the securities of domestic industries which had been issued and held by her own people, and which were payable in marks. But, despite the cancellation of all her domestic obligations, Germany still had an obligation owing by her to foreign countries, because her obligations to those countries were in gold. She had reached a point of such distress as to call forth the best thought in the world, and finally, through what we know as the Dawes Commission, in 1924 there was constituted a set-up by which it was thought Germany could again be refinanced and put on her feet and not only rebuild her own industries but enter into the export business and pay the reparations to be fixed by the commission.

The Dawes Commission recommended that in order to enable Germany to be put in such position that she could pay her obligations she would have to be refinanced by foreign countries. All the industrial plants of Germany were intact; the soil of Germany had not been overrun by armies; Germany's population had not been affected except for those who had been killed or permanently disabled in the war; and she had the basis of a comeback if she could only secure the capital.

The conditions thus briefly set forth appealed to capital in every country in the world. Other nations believed that Germany had the background of a recovery, and they began to invest their capital in order to refinance Germany. In four years the enormous amount of $4,500,000,000 of foreign capital was invested in Germany for the rehabilitation of her railways, for the installation of new machinery, and equipment in her factories, for the rebuilding of her merchant marine, for the development of social-service work, and for manufactures for export business. In a brief period Germany's export business increased 45 per cent, while our export business increased but 17 per cent, and Great Britain's less than 6 per cent. Germany was in the heyday of production and also of distribution of goods with which she was paying her reparations. This brings us up to 1928. Germany had reached the high-water mark of her business in that year. Then the slump came in Germany 18 months before it began in the United States. In one year's time she dropped from that high mark to such an extent that she lost 44 per cent in her exports, 30 per cent in her imports, and had an unemployment of 4,866,000 men. That was in 1928, at least 18 months before we felt anything like an economic breakdown.

With this there naturally came a great fright; for as soon as the breakdown came in Germany, with this large proportion of unemployment, foreign capital that had been flowing to Germany ceased to flow there. Then the repercussion came where the outflow took place; and instead of the capital remaining in Germany it was withdrawn, and in a short time Germany lost $250,000,000 in withdrawals of gold, and the reserves went $111,000,000 below the safety mark.

This naturally produced fright in all Europe, and not only affected Germany but affected France and Great Britain. With that fright there naturally was a withdrawal or a refusal on the part of the short-term credit creditors to renew the obligations of Germany, and she faced what seemed to be a financial cataclysm.

That was not all. About this time a situation occurred in Austria that was equally serious.

Prior to the war Austria was a country of 55,000,000 people. After the war she was a country of only 7,000,000 people. Austria had three great banks which were the reliance of the business transactions of the dual monarchy; but when a country of 55,000,000 was reduced to a country of 7,000,000, of which Vienna was once the capital, the continued progress of this particular people and her financial institutions became an impossibility.

It was noted along in 1927 that the famous bank known as the Kreditanstalt, the famous Rothschild bank, was being embarrassed. That bank was established in 1855. It was not only the reliance of the financial needs of the dual monarchy, but it served all the surrounding countries; and when this pressure came upon Germany and Austria, as you will recall, there was an effort to establish a customs union. There was an effort to bring Germany and Austria under a financial agreement whereby Austria would have the support of the trade and finances of Germany.

That proposal was offered by the Foreign Minister of Austria, who stated that they could not afford to wait for the union of the united states of Europe, which Briand had already recommended, and therefore, as a sectional or regional plan, this was the first step to the Briand union, and was not to be regarded as antagonistic to the plan. However, the subject was very much overstimulated with excitement when the German Foreign Minister, speaking in the capital of Austria, referred to being again on the soil of the fatherland. That announcement was not whispered, but was quoted all over Europe, and the feeling that had existed between Germany and the Allies during the war was rapidly revived.

The result of this was that there was an effort on the part of both Germany and Austria to allay the bitterness in France, which claimed that the proposed customs union was a violation of four of the articles of the treaty of St. Germain. The Austrian people and the German people denied that it was a violation, but the feeling was so strong that the matter was taken up by England, and as a result of a visit to Paris it was recommended by the Foreign Minister of Great Britain that the matter be referred to the Council of the League of Nations to determine whether the proposed customs union was in violation of the treaty.

The subject was taken up by the council, and after some consideration it was unanimously agreed to refer it to the World Court. The World Court took up the matter, but feeling was running so high that even before a verdict was to be rendered by the World Court both Germany and Austria renounced the effort to establish the customs union. It had gone so far, however, that a fright came, and every Senator knows the result that came to the Kreditanstalt, the famous Rothschild bank.

That bank, in its effort to revive itself, had taken over the Anglo-Austrian Bank, which had affiliations in Great Britain, and on the directorate of this affiliated bank there were two British statesmen. Later on this bank also took over the famous Boden Anstalt, which was the rival of the original bank. In the process of time the whole institution suffered severe embarrassment, if not bankruptcy, although through these affiliations with the Boden bank and the Anglo-Austrian Bank it had been the banking center not only of Austria but of Czechoslovakia, Poland, Yugoslavia, and Switzerland, and did business in Great Britain, France, Germany, and Russia, having its ramifications in all of those countries.

When that bank became embarrassed, our country was notified by the press. As I recall, it was on the 6th of May, 1931, that this notice came here. On the 11th of May it was verified by our ambassador at Berlin. Before the middle of the month Germany, having superimposed upon her not only the breakdown of this bank but also the burden of paying reparations, faced dire calamity. Reparations had absorbed almost her entire current resources. I have here figures which indicate that to cover her adverse balances in commerce when she started on the downward road 6.3 per cent of all her revenues was required to cover adverse balance of trade; interest on credits from foreign countries, 2.5 per cent; to cover reparations, 10.3 per cent; and to increase the gold reserve, 2.1 per cent—meaning that of the entire income of the German Government, 21.2 per cent was going out of the country to satisfy charges which had been fixed upon her by the war.

It was these withdrawals of the credits that had been established that made it impossible for Germany to proceed further. She did not have the capital herself. She could not borrow it from foreign countries. The short-term credits as well as the long-term credits already established were withdrawn, and Germany was facing a situation where it was impossible for her to meet the demands upon her. She paid reparations under the Young plan for three years, and in 1931 she made these payments for three months, and was approaching the payment due in July, which was the fourth payment, when she finally made the announcement that it was simply impossible for her to pay.

Gilbert, who was the financial agent under these commissions, in his report on reparations made the startling announcement of the financial situation of Germany. Her long-term debts to private creditors were $2,272,000,000. Her debts to citizens of the United States were 55.2 per cent of this amount; to Great Britain, 12.3 per cent; to Holland, 8.3 per cent; to Switzerland, 5.4 per cent; to France, 5 per cent. These were the obligations that Germany owed outside of reparations. These obligations were not to governments. They were to private citizens. They totaled almost two and a half billion dollars.

The long-term debt in the way of government reparations under the Young plan was to be paid in annuities from 1929 to 1988. That was rather a dark picture, stretching out to 1988. During the first seven months of 1929 Germany paid $776,800,000 in reparations. In the second year she paid $406,600,000. In the third year she made monthly payments amounting to $401,000,000. The payments due in April, May, and June were also made; but when it came to the fourth payment, that of July, Germany took the position that it was not possible for her to make it, which meant that she was ready to default.

The total payments that were due, that Germany said she could not make, were as follows: To France, $199,706,880; to Great Britain, $86,228,400; to Italy, $45,448,560; to others, $54,190,500; making a sum total of $385,574,240 that was due to be paid in July.

She owed something to us, not very much. All Senators will recall that we never asked for any reparations. In fact, President Wilson made it distinct in the discussion of the treaty that the United States wanted no indemnity, asked for no reparations. For that reason we are justified in taking a firm stand, as we always have done, that those loans which were made to these countries were made in good faith, that they are solemn obligations and can not be canceled. If those countries want to default, that is a different thing, but as to our voluntarily saying "We forgive the debt," I do not think the American people will ever agree to such a position as that.

The German short-term debts to private citizens, to say nothing about reparations or the debts to the governments,

in December, 1930, amounted to $2,450,000,000. In July the amount had been reduced to $1,900,000,000.

I have here the Wiggin report of the allotment of these private debts in percentages. I will not read them, but ask that they be inserted in the RECORD. Of the amount due at this particular time, two billion four hundred and fifty millions—37.1 per cent—is due to the United States.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Ohio yield to the Senator from California?

Mr. FESS. I yield.

Mr. JOHNSON. Can the Senator state what amount of short-term credits were paid by Germany between July, 1931, and January, 1932?

Mr. FESS. I do not have the figures as late as that.

Mr. JOHNSON. Doctor Melchoir made the statement, as it was published in the press dispatches, that she paid $250,000,000 of short-term credits during that period. Does the Senator know whether that be accurate or not?

Mr. FESS. I should think that is rather an enormous sum for that period.

Mr. JOHNSON. I simply quote what he stated.

Mr. FESS. I would state to the Senate and to my friend from California that my data are largely, so far as the British situation is concerned, the McMillan report, and as to the German situation, the Wiggin report, and then the publication of facts as I get them from the press, especially the New York Times.

I ask unanimous consent that some figures I have which I have not read may be inserted in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

German short-term debts to private citizens:

December, 1930	$2,450,000,000
July	1,900,000,000

(Wiggin report)

Mar. 31, 1931:	Per cent	
United States	37.1	
Britain	20.4	
Switzerland	13.9	
Netherlands	9.7	
France	6.5	
Sweden	2.2	
Others	10.2	
	100	
Total due France, Britain, Italy, and others		385,574,240
Due United States	$15,745,120	
Service of Dawes commission	20,723,400	
Special to Belgium	5,121,300	
		41,589,820
Total		427,164,060

	Due to her	Due by her	
Italy:			
From Germany	$45,448,860	Britain	$22,819,560
From Britain	1,214,820	United States	14,601,660
Net			9,242,460
France:			
From Germany	199,706,880	Britain	64,700,400
From others	1,834,140	United States	39,993,780
Net			96,756,840
Great Britain:			
From Germany	86,228,400	United States	139,927,488
From France	64,700,400	Italy	1,214,820
From Italy	22,819,560		
From others	6,960,160		
Net			19,556,228
United States:			
From Britain	139,927,488		
From France	39,943,780		
From Germany	15,745,020		
From Italy	14,601,660		
From others	5,670,480		

Opening of short-term debts of $2,500,000,000

United States	$925,000,000
Britain	510,000,000
Switzerland	350,000,000
Netherlands	$245,000,000
France	160,000,000
Sweden	55,000,000
Others	255,000,000

	Long term	Short term	Private	Reparations receipts
	Per cent	*Per cent*	*Per cent*	*Per cent*
United States	55.2	37.1	68.2	38.8
Britain	11.5	20.4	14.8	4.5
Netherlands	12.3	9.7	11.3	———
Switzerland	5.4	13.9	8.5	———
France	5	6.5	3.5	23.8
Sweden	3.3	2.2	6.6	———
Italy	.5	———	.3	2.3
Others	1.8	10.2	4.8	10.3

Mr. FESS. The financial situation which I have detailed here by these figures would indicate the very serious situation in Germany the first half of last year. The loss to the Reichsbank caused when the announcement was made that Germany could not meet its obligations, the first week of June, was $21,000,000 of gold. By the end of the second week of June it lost $126,000,000, and by the end of the third week it had lost $227,000,000. In other words, in three weeks the German bank which is the basis of German finance lost 40 per cent of all its holdings. By another week it would have been totally gone.

Between April and July, 1928, banks paid in short-term credits $310,000,000. Americans called home $160,000,000. The British withdrew $25,000,000. The Dutch withdrew $50,000,000. The Swiss withdrew about the same sum, and the French withdrew $18,000,000.

I do not want the Senate to overlook these figures; the private investments in Germany by 1930 were $6,000,000,000 plus. That is the amount of money that investors in America and elsewhere having confidence in German industry poured into Germany, and the obligations were held by the purchaser with no security except the German good name and the financial stability of her industries.

The Young Commission divided the German payments into two classes, as the Senate will recall, the unconditional payments and the conditional payments. If in June, 1931, Germany had sought relief through postponement of the payment due, it could not have been done under the Young plan short of 90 days, because that was the condition on which a withdrawal of the payment should be made.

That made it impossible for Germany to meet the payments, if, in the first place, she was not permitted to withdraw the unconditional at any rate; and if she could not withdraw the conditional except in 90 days' time, within another week's time after the announcement that she could not pay she would collapse.

The Government desired to save the American investor, who in good faith had purchased German securities, whereupon his money went to Germany, for which he received German paper, and then with this German paper in hand he borrowed from American banks with the German paper as security. If Germany collapsed, it would have meant a loss of not only the $4,000,000,000 invested in Germany, but it would have meant a loss in addition to the borrower, to the banker, who loaned to the investor upon the collateral of the German industrial securities.

What would be the result in the United States of a sudden announcement that in a week's time six billions of securities had become worthless? What would be the result to the banks which had loaned to the holders that amount of money, or whatever they could borrow with such security? If anyone could conceive of the fatal results of such a collapse to all America he would readily appreciate the necessity of quick action.

It involved not only the loss to the American purchaser of that enormous amount of money, but it meant the derangement of the banker who held that worthless paper as security behind the borrowings which had been made by the people who had purchased the German securities. How many banks would have been crippled and how seriously would be difficult to say. The matter was first the subject

of interviews in Germany with our Ambassador Sackett. It was also a matter of conference with other statesmen in France and Britain. It just so happened that at that particular time Mr. Mellon was in Europe. On the 5th of June, 1931, the situation facing Germany, and especially American investors in German securities, was presented to the officials of the Government in the capital here in Washington. About the 8th of June a Cabinet meeting was held, and the matter was laid before the Cabinet. In direct, constant communication not only with the American ambassador at Berlin but also with the President of Germany, the situation was reported here, and in communication with two Americans in Europe, Secretary Stimson and Secretary Mellon, the matter was reported in outline.

On the 16th of June, while the President was at Marion, Ohio, on the occasion of the dedication of the Harding memorial, the word came from Germany privately that Germany might collapse by Monday, the 20th. The matter was discussed that day between the President, General Dawes, and others, and the President suggested that if Congress would agree he would recommend without delay that we postpone the payments of the allied obligations for one year, provided they would postpone the demands on Germany for one year, giving Germany that time to adjust her situation. The President was so impressed by what had been represented to him officially from Europe that he decided that as soon as he returned to Washington, which would be on the 18th of June, as he was to be in Springfield, Ill., the 17th, the matter should be taken up with the leaders of all political parties for consultation and approval if they agreed with him on the gravity of the situation.

It was on the 18th day of June that conferences were held here in the Capital; the matter was laid before the Republican and Democratic leaders of the Congress, together with others, with the result that a proposal was made in an effort to prevent the collapse of Germany, not primarily for the benefit of Germany, although that was in mind, but primarily to protect those Americans who, believing in German stability, invested in German securities through representations made, some of which, I think, were indefensible. Those securities were sold to people in every part of the United States, who purchased them because the purchasers believed in the stability of Germany. If they were rendered worthless by one announcement, that the Government backing them had gone into bankruptcy, no one could tell the far-reaching effect it would have, not only on the holders of the securities, but on the institutions which held the worthless securities as collateral for the loans they had made. No one could have predicted what would have been the financial fatality if that thing had been permitted. So far as I know, without a single exception among those who were consulted—and the President undertook to consult everybody who was here and many who were at their homes—there was universal approval that this was the thing to do. When it was done and made public it struck a note of enthusiasm throughout the world which I in my lifetime have never been duplicated. It was pronounced the world over as a master stroke, a very wise course for America to pursue.

Mr. HOWELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. FESS. I would prefer not to yield until I get through with my statement.

I am considerably disturbed over the statement that this is cancellation of the debt.

Mr. HOWELL. I just want to ask the Senator if there were not seven nations which were indebted to the United States, which were to receive nothing from Germany, and yet a moratorium was granted to them also.

Mr. FESS. That perhaps is true.

Mr. HOWELL. Why should it have been done?

Mr. JOHNSON (in his seat). For good measure.

Mr. FESS. The Senator from California says "for good measure."

Mr. HOWELL. Was it not for good-fellowship?

Mr. FESS. I will permit the statement of the Senator from California to stand, because I am talking about what we have done.

Mr. HOWELL. Mr. President——

Mr. FESS. I hope the Senator from Nebraska will please permit me to finish what I have to say.

The VICE PRESIDENT. The Senator from Ohio declines to yield.

Mr. FESS. Mr. President, I am disturbed because sincere and honest men throughout the United States, and some in this body, jump to the conclusion that because of the postponement for a year cancellation is meant. The President knew that statement would be made. That matter had been talked over with him, and he understood there would be charges that this was the first step to cancellation.

It might be possible that there will be a default in Europe on the payment of these loans. No one can tell. I can not imagine how any nation with any self-respect for its future could under any circumstances willingly default a solemn obligation, for what would its credit be in the future if such a thing were done? I know they have tried to argue that they do not owe us the debt. They have tried to put it upon the ground that they are not defaulting. But I resent the insinuation that this was a gift and that it is not a debt. This is as solemn a debt as ever was contracted by one nation to another. If Europe decides to default it, we can not collect it, of course. She must pay the penalty that goes with a bankrupt credit, but it certainly can not be charged that we are doing it. It might result in that, but it will not be the result of this debt.

Then, of course, everybody knew that when we said, "If you will defer your exactions on Germany for a year, we will postpone the collection of your debt to us for a year," people would say that mixes German reparations with our loans. In a way it does, because the two are mentioned together, but it should not. The President on his proposal categorically stated the contrary. We never under any circumstances had considered for one second the allegation of Europe that they should pay provided Germany pays them; that their payment to us depends upon whether Germany pays them or not. Great Britain has never taken that view, but other countries have taken it. In season and out of season, first announced by President Wilson, and reannounced by Harding and Coolidge and the present President, we have refused to make our collections upon these loans dependent upon whether Germany pays them reparations or not.

The two are entirely different, for, as I have stated, we did not claim any indemnity, we asked for no territory, we demanded no reparations. The only thing we did demand from Germany was that when, at her request, we kept our Army over there in occupation for a time, we said it could be done provided they would pay the expense of keeping the Army there for a specified length of time. Repayment of that expense is the only thing this Government took from Germany, and that was not in the form of reparations or indemnity. Therefore for those countries to claim that they owe us and will pay on the condition that reparations are paid is all a one-sided matter. It is not our position at all. It never was and is not now.

What I had in mind was that when knowledge of this serious situation reached us and it was announced that Germany could not pay, the very announcement of Chancellor Bruening that Germany was not able to pay frightened every nation and all citizens holding German obligations.

Then we must not overlook the fact that the Nationalist Socialist Party, led by Mr. Hitler, had one year received less than 1,000,000 and in two years' time the vote jumped to 6,000,000. What did he represent? He called upon Germany to repudiate every financial obligation of the treaty and to announce to all Europe that they were through for all time with the payment of reparations. With such an appealing plea of a brilliant leader there was a tremendous growth of support. Then the communist party grew pretty rapidly. Business Germany, stable Germany, the people who believed in the integrity of their Government, became

frightened at what might be the outcome of a contest of that kind. Consequently there was a great flight of gold from Germany and it looked as if there was going to be a total collapse. When the President, with the approval of the leaders of Congress—not of the Congress itself but the leaders of Congress—made a proposal, as I said before, it was pretty widely accepted, except in France.

It is sometimes a little difficult for me to see this problem with relation to France as I ought to see it. I know she is a wonderful country. Her conduct and ability demand the praise and commendation of all the world, and our sympathies were with her in her difficulties. But it has been difficult all along to deal with her. It might be that her sensitiveness is due to her suspicion that we have not been as cordial with her as we ought to be. I do not think that suspicion is well founded, but I know it is there. Consequently, when the proposal of a postponement for a year came up, it immediately produced almost universal approval except in France. There it was not favorably received, but, on the other hand, it provoked considerable criticism.

Finally there was an agreement, after considerable contention, in which two Cabinet members of the United States, who happened to be sojourning in Europe at the time, took part. There was finally an agreement in which differences were partially ironed out. France, as it appeared, at first did not want to agree to a moratorium at all, but ultimately was willing to agree to it provided that the postponed payments were to be made in the next two years. The United States asked that Germany be given 25 years to pay the postponed amount. France contended for two years. They finally agreed upon a compromise of 10 years. That was the first point of dispute upon which they finally agreed.

Then the United States wanted the moratorium to be complete and to include all that was owing from Germany to France, but France insisted that under no circumstances would she include the unconditional payments. Finally it was agreed that the payments should be made to the Bank for International Settlement which had been created under the Young plan and that when the money was paid by Germany to this bank it should be reloaned to Germany, and we agreed to that. That was the second point of difference between us and France upon which agreement was finally reached.

Then France insisted that if there be payment back to Germany, $25,000,000 of it should be paid to the Balkan States in the little Entente. The United States refused to agree to that and finally France yielded that point of contention. Also it was decided that there should be a conference later to determine what more could be done for Germany, for the simple reason that her short-term credits, which had been refused renewal and which were coming due and could not be paid, must of necessity be renewed so that the payment could be excused for the time being. It will be recalled that the Bank of International Settlement had agreed to recommend a renewal for a certain period of time, three months, on the short-term credits. When they could not agree as to what should be done with reference to the long-term credits they finally came to the recommendation that a committee of 10 representing the great banking institutions of 10 countries be created to study the problem and make recommendations to the respective governments. Up to that time all differences had been ironed out except as to the long-term credits; and the famous committee, known to-day as the Wiggin committee, was authorized to make a study of conditions and report as to what should be done with respect to long-term credits.

I have read that committee's report, which is exceedingly comprehensive, though I admit that it makes some recommendations which very much disturb me. It makes the statement very frankly that, beyond what has already been done, something additional must be done for the relief of Germany. However, the committee's work and the conclusions reached by it were to be reported to the various governments for future consideration.

Mr. President, that was the situation which faced our Government when the German collapse was announced, the announcement being made by the highest authority in the German Republic. Just as soon as the report of the Wiggin committee was made public, which indicated that Germany was still in danger, it frightened not only the financial organizations of Germany but the fright extended to France and also to Great Britain. Then followed what none of us believed would ever happen. I wish to take a little time to indicate the effect of this fright on Great Britain.

This marked the end of the international phase of the German crisis, which had hung like a pall over the world since June. German collapse was avoided; the gold standard was preserved, and the United States was looked upon as the hope of Europe.

The economic shock was not over in Germany when the storm broke upon England. The President's moratorium proposal deferred for one year the payment by Germany of more than $400,000,000, representing the payments she would have to have made for reparations according to the Young plan. Nevertheless the short-term credit situation required additional relief, as the standstill agreement imposed by the Government upon private creditors had sounded the note of alarm to investors the world over. The movement of securities and holdings into safety channels was an immediate result. Suspension by German banks of the payment of foreign obligations created a suspicion of all banks in all countries, including England, which was first evidenced by the flight of gold from Britain.

In early June, 1931, German gold had sought safety in England where the pound held steadily at $4.86. When it was known that Germany could not pay, fright encompassed the great banking houses in the world's financial stronghold. In a week's time $156,000,000 escaped from the Bank of England. The panic became so rampant that by the 1st of August Great Britain's gold reserve had fallen below the requirement of the law.

We are familiar with the titanic struggle Britain has waged against the forces of depression. The report of the Macmillan committee called attention to the peculiar situation of Great Britain in the world-wide depression. Being a small island country, with a crowded population, four-fifths of whom live in towns, she is dependent upon the outside for 60 per cent of what her people consume in the way of food products and other necessities. Her exports were gradually falling off; trade balances were becoming smaller, to be cared for by drawing upon past savings. Exports since 1913 had fallen off 32 per cent, and imports had increased 18 per cent. This trend toward an unfavorable balance of trade resulted in a falling off of commercial strength and a gradual diminution of position, due to constant drain upon past savings. The increase of production costs, together with an alarming growth of tax burdens in the face of constant changes in industrial position due to the employment of substitutes and the new competition abroad, offered a supreme test to Britain. So long as Britain was a creditor country, gold costs did not disturb her; but when she became a debt-paying country, the high-cost sterling was not to be regarded as an advantage.

One remedy looked toward a reduction of wages and a lowering of taxes as well as reduction of social-service activities and unemployment allowances. Such allowances were attacked as an unnecessary burden on the people and as an evil tending to the breakdown of character, which should be avoided.

Others assailed the moneyed class as an element made possible only by exploiting the laborer, and they demanded restitution in the form of an increase in the already high taxes and resisted the efforts to lower wages or curtail social-service activities. They also proposed the remedy of stabilizing the pound at a less figure, so as to increase price levels by those means and through international agreement. The specific remedy proposed by this element was the abandonment of the gold standard.

Such economists as Keynes of the Macmillan commission did not recommend against the gold standard, and, in fact, he favored it, but he did sound the alarm by calling attention to the steady decline of world prices and recommended

that the central banks take note and check this dangerous course, else the modern economic organization was destined to collapse. Banks were fearful of any managed credit or currency system, just as we are afraid of it, designed to force prices upward contrary to the recommendation and warning of a commission of distinguished bankers, economists, and statesmen. There is not a Senator here who does not know the danger of undertaking to enhance values by manipulating the currency. That is sometimes done, but it is generally done in emergencies, and it is a very serious undertaking.

During this period when British financial integrity was largely dependent upon assistance from New York and Paris, another report was made by Sir George May in which he declared that $600,000,000 in additional taxes would have to be collected in order to balance the budget. Such an increase in taxation would be serious in a country where such great unemployment existed. The commission recommended a reduction of 20 per cent in the unemployment allowance, which would save $400,000,000. Chancellor Snowden in August disclosed the alarming fact that the treasury would not have funds by November. This was sufficient to frighten capital, especially when the New York-Paris credit of $250,000,000 extended August 1 was gone by August 23, being entirely exhausted in 23 days, creating a situation which made impossible further foreign financing, because under the circumstances resort could not be had to borrowing.

To balance the budget was essential. To balance international payments by reducing costs of manufacturing pointed definitely to a reduction of wages and the cost of social service. This was the issue upon which the Labor government split, and an election was called. The new government, with MacDonald at its head, took the necessary steps to balance the budget. The process involved a reduction of the dole, of government salaries and wages, and of grants for social-service work, and also an increase of taxes.

Those are the issues on which MacDonald appealed to the people of England at an election in which he sought a vindication of his position. We, in this Chamber, to a large extent are talking of the same things every day—reducing the cost of government all down the line and at the same time undertaking to impose additional taxes.

Following the election a credit of $400,000,000 was extended to the British Treasury by private bankers in New York and Paris.

The action taken by the British Government appealed to banking houses in America and France, and they rendered support.

In spite of the steps taken, however, the flight of gold was unabated. The persistent attitude of the Labor element foreshadowed powerful opposition to the one of two alternatives, either a lower wage scale or a higher price level, the first resulting from reduced wages and unemployment allowances, and the second from an inflation of the pound.

On September 15, after the decision of the government, mutiny broke out in the British fleet. By the middle of September, or prior thereto, the credit supplied in August was exhausted, and gold was steadily flowing away from London—$1,000,000,000 having been lost since the middle of July.

Five days after its first meeting, the cabinet decided to suspend gold payments and on the following day, September 21st, Parliament passed the bill authorizing the abandonment of the gold standard.

Such a drastic and unexpected step by this historically stable country produced a profound impression in every financial center of the globe. The repercussion was felt in every industry and channel of trade, national and international, and called for concerted action to avoid commercial and financial collapse even affecting the economic and political integrity of governments, making advisable for mutual counsel and cooperation the part of stable countries. It was known that the action of Great Britain would carry with it the currencies of other nations. Norway, Sweden, and Denmark abandoned the gold standard within a week. In another week other nations would be affected, and most of the countries of South America had gone off the gold standard some time before.

It was known that this action would carry with it the currencies of other countries, and Senators know what followed. To-day in all Europe and Asia only France, Belgium, Holland, and Switzerland are on the gold basis. Every other country in the Old World is off the gold standard; and if France should go off, the other three would go off overnight. This is not only true of Europe; it is universally true all over the Western Hemisphere. There is not a gold-standard country in the Western Hemisphere but the United States and Canada, if we are to include Canada. All the rest have gone, and there are only four in Europe. Of course, Germany nominally is on the gold standard, but that is because of an executive order of Von Hindenburg forbidding the exportation of gold; so we may say that Germany is virtually off the gold standard.

Every country naturally turned to America and France, the two great nations with sound basis of credit and possessed of abundant gold reserves. Within our borders could be found half the known gold in the world. France was next in possession of the precious metal.

On September 25, four days after Great Britain abandoned the gold standard, it was announced in French official circles that France would be glad to consult with America on the problem of the gold standard. An invitation to this effect was immediately extended by President Hoover and was formally accepted and approved by the French Council of Ministers, over which the French President presided at the time of the meeting.

On October 22, M. Laval and party arrived in New York. Our fiscal records show that one month after Great Britain's suspension of the gold standard, when Laval reached America, all forms of money in circulation in the United States had increased in the year over $1,000,000,000, and the total amounted to $5,500,000,000, or more than was in circulation in 1928–29, at the height of business activity.

Senators, that is a remarkable record. With less work to do in 1930 and 1931, we had the largest circulation of money in the peace-time history of America—$5,500,000,000. That indicates that it is not want of money in the country but lack of the use of money, caused entirely by lack of confidence, that has caused money to hide and refuse to come out to work. That is the cause of our difficulty.

In spite of the fact that the 20 per cent lower wholesale price would call for less currency, there was in actual circulation 22 per cent more currency in 1931 than in 1930. The numerous bank failures decreased the use of credit and increased the employment of cash. Unwillingness of banks to continue usual loans to local industry, including retailers, retarded business sales on the one hand and created new demands for cash on the other. Here is the beginning of the double tragedy of runs on banks on the one hand and hoarding of cash on the other, and the result was the closing of banks with sound assets but in an unliquid condition.

With the credit breakdown a new fright for the gold standard appeared. This caused a scramble for the possession of gold, in which European banks made stupendous calls upon the world's greatest gold center, New York.

England's abandonment of the gold standard by Parliamentary action was on September 21. By the end of the week $160,000,000 of gold was withdrawn from New York. During the first two weeks of October over $300,000,000 more was withdrawn. Between September 21 and October 20 the net loss from the American gold reserve was $665,000,000.

This outward flow of gold, following the British assault on the gold standard, stimulated the fear in American circles which took the shape of hoarding money. The reserves were gradually declining from 82 per cent in 1930 to less than 60 per cent by October, 1931, a symptom of concern to the Federal reserve system. Soon after the abrupt and surprising step had been taken by England, the President had a conference of the leading bankers of the country, before whom he submitted a plan of a national credit corporation for the purpose of aiding banks to liquefy their assets to

avoid the necessity of voluntary closing because of frozen assets. Two days later he presented the plan to a group of Senators and leaders of both the Republican and Democratic Parties for their approval. Although the plan did not involve legislation, the chief purpose was to assure restoration of confidence in our credit facilities by securing the approval of bankers, business men, the Government, and political leaders in and out of Congress. The President referred to the European situation as affecting us, and the visit of Laval to talk over the problems of the two countries.

The belief was expressed that through the influence of political and banking circles, including the central banks of France, the newspaper propaganda against the American dollar would be ended if they desired to do so.

Every Senator here will recall that on the last day of last week there was an assault in Paris by a certain great leader on the American dollar by the announcement, which seemed to be official, that the National City Bank of New York had suspended gold payments; and it became a matter of necessity for the American Government, as I think, to take official recognition of this assault in Paris on the gold dollar. This was the second assault that had been made; and at the particular time of which I am speaking it required the Government's promise to punish any person undertaking in this method to frighten the two countries to such an extent that the gold standard would be lost by either. Soon afterwards this campaign ceased, and we were assured that France and her banking interests were not conspiring against the dollar but were quite anxious to maintain its position in their own interest.

It was made plain that the French Government was not a party to this movement. Quick action of the Federal reserve bank in adjusting rates to meet new conditions and the expressed willingness of American banks to pay gold on demand immediately stabilized the dollar, and relieved the gathering storm tending toward changes in our monetary system, the danger of which was removed in most financial circles both in Europe and in America.

The financial position in Europe occupied by France, and that of the United States in America, both almost alone in the maintenance of the gold standard, invited the two into community of action. They were the two creditor countries of the earth, one by the dictum of war and the other by business transactions. Within their strong boxes was found three-fourths of the monetary gold of the world. France, Switzerland, Holland, and Belgium were the only European countries which sustained the gold standard. The United States stood alone in the New World, unless Canada be excepted. The operation of the gold standard amid such transitions was a subject inviting consideration of the money powers; hence, the logic of the Laval visit. The joint statement made to the public by the President and Laval after the conference included the following:

> We are convinced of the importance of monetary stability as an essential factor in the restoration of normal economic life in the world, in which the maintenance of the gold standard in France and the United States will serve as a major influence. It is our intent to continue to study methods for the maintenance of stability in international exchanges.

This pronouncement of the policy of the two Governments continuing the gold standard quieted the persistent rumors in the foreign press that the United States would follow Great Britain or that any inflationary policy would be adopted. A declaration to remove all doubt was desired in France—a fact which disproved the allegation or suspicion that the French Government had any part in the campaign against the dollar.

The kaleidoscopic operations in economic values sent gold into hiding and seriously disturbed our own credit system. The constant lowering of commodity prices hopelessly interrupted normal borrowing, due to inability to pay, on the one hand, and refusal to renew loans on the same collateral, on the other. Banks with ample assets, but unliquid, were forced to close. Lowering of returns endangered the refinancing of major industries, which in case of default would be forced into bankruptcy or receivership, with loss to employment of labor and injury to the public interest; hence the Reconstruction Finance Corporation.

Mr. President, I have taken the time to give the result of a careful study of this particular period, to give the background from the standpoint of the condition of Austria through the breakdown of her greatest financial fabric, and the standpoint of the situation of Germany, which had issued through her industries $6,000,000,000 of securities, a large part of which were sold in America and are possessed by Americans, in order that we may understand why, in the conference of the President with the leaders of both sides of the aisle in this and another Chamber, the moratorium was decided upon.

I wish persons would discontinue their habit of constantly stating that we "gave" Europe $400,000,000. There is not a scintilla of foundation of fact in that statement. We simply excused these countries for one year from the payment of the amount they owed us, giving them 10 years in which to pay it piecemeal. Not a dollar was given to them, and not a dollar was ever intended to be given to them.

The President, with the cooperation of Democrats and Republicans, announced the moratorium primarily in the interest of American citizens rather than on behalf of foreign countries. The President, with the cooperation of Democrats and Republicans, brought about the creation of the National Credit Corporation to resist the trend in the closing of banks due to this situation. The President invited Laval here to understand, if possible, how we could maintain France and America on the gold standard and to express the hope that France would take the lead in the solution of Europe's problems. The President, with the cooperation of Democrats and Republicans, created the Reconstruction Finance program to prevent the industrial bankruptcy that was rapidly coming on us, because the depression that started in Germany, two years before we felt it, was covering the earth like a great eclipse and causing the overturn of governments throughout the world like a house of cards.

I, as a Republican, desire here and now publicly to thank the leadership of the Democratic Party for standing by this program of the President, by which he is trying to pull the Government out of the gloom which now enshrouds it.

Mr. FLETCHER. Mr. President, somewhat related to what the Senator from Ohio has been saying in reference to monetary reform, one of the important things we have to keep in mind is the necessity of building up our export trade so as to dispose of our surplus products in foreign markets.

Senate Resolution 156, as amended, which authorizes an investigation by a special committee of the Senate of depreciation of foreign currency values, has been agreed to.

I have received this morning from the American Manufacturers Export Association, whose membership seems to include all of the principal exporting manufacturers of the country, a most instructive and exhaustive survey of the effect upon our exports of the exchange control restrictions now in effect in some 29 foreign countries.

These facts coming from the exporters themselves seem to show rather conclusively that the slump in our export trade is due to the inability of our foreign customers to obtain dollar exchange with which to remit for goods shipped. No inducement by way of rebates on existing obligations could conceivably overcome this difficulty.

The question which the United States must answer is simply this: How long can we continue to pay our bills for imports without collecting from our debtors for exports?

I call the attention of the committee, which has been or will be appointed, to these facts, and ask that they consider this question and report on it.

For the information of the Senate, I should like to insert in the RECORD a part of the report of the American Manufacturers Export Association to its members.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

> 1. The converting of foreign exchange is the "key problem" confronting American exporters at the present time. Seventy per cent of the members replying indicate that longer credit

terms are being granted or taken because of delays encountered in converting foreign exchange into dollars.

2. Permits or "certificates of necessity for importation" when issued by the control boards provide the importer with foreign exchange to meet drafts. These permits when issued have so far been rarely revoked or altered. Sixty per cent of the replies regarding exchange conversion delays indicate that the buyers in foreign countries do not or can not obtain a "permit" or "certificate of necessity" for their importations.

3. Exchange difficulties are reported in 29 countries. The delays encountered are not uniform. Of course, what constitutes a necessity varies by countries and accounts partially for the varying experiences, but not all. Conditions seem to exist that indicate some importers are able to obtain exchange either through diligence or preference while another importer of the same type of product is confronted with difficulties of getting exchange in the same country. Exporters who are having difficulty in exchange conversion should insist that their foreign distributors or agents establish close contact with exchange control boards and to leave no stone unturned to expedite the issuance of import permits or official advice as to date of availability of exchange.

4. Only 35 per cent of those replying felt their sales could be increased if longer credit terms could be granted originally. They felt that the granting of such terms would not result in an unusual credit hazard and were justified because of exchange difficulties. Some exporters, particularly of consumable products, felt unwilling to give longer terms, because they thought the practice was unsound economically.

5. Those exporters leaving their receipts on deposit in foreign countries report no objections from any foreign government to using such proceeds to buy local products for export. Some members' agents or distributors are ready to make purchases in local currencies.

6. Many exporters are inquiring in the United States for importers who need local currencies in foreign countries for the purchase of their products for importing.

7. Exchange difficulties have caused American exporters to abandon wholly or temporarily many of their foreign markets. Of those replying, 55 per cent said they were not selling in countries at all where the exchange problems had forced them out. In the exchange control countries where sales are still being made about 45 per cent of the exporters replying stated the business done is for cash or "SD/BL." The volume of business in all such countries has been considerably reduced.

8. Estimates of requirements for use of approximately $25,000,000 of credit or collection assistance from the Reconstruction Finance Corporation have been received from members. Replies of others indicate that 65 per cent of all those who are interested in the financing facilities of the Reconstruction Finance Corporation are unable to estimate their requirements from data now in their files and are reluctant to canvass their oversea agents or distributors for such data until the Reconstruction Finance Corporation plan and its requirements for collateral or bank guaranties are available for detailed study. This would seem to indicate that the demand for financing be considerably larger once these conditions are known.

9. Those replying felt that the normal foreign demand for American products is not being filled by local manufacturers. Some felt that their European competitors' sales are less affected by the depreciation of foreign currencies, for, while the American dollar has not depreciated, currencies of several exporting European countries have been depreciated. England, many felt, had attempted to overcome exchange difficulties in her export trade by going off the gold standard. In Germany, various members advised, the Reichsbank has assumed all foreign-exchange risk and thus relieves German exporters of such risk. France seems to have helped her exporters to some extent by governmental purchases of both foreign exchange and all large quantities of foreign raw products for resale to French industry.

Some members felt that the recent prohibitive tariffs and customs quotas made effective in "debtor countries" were conceived as a protection against any further depreciation of their currencies through depletion of export exchange and gold reserves.

10. The experience of those reporting is that there is ample local credit and consumption capacity in 80 per cent of our foreign markets for all products that can be purchased there with local currency. They felt a solution of the exchange problem, therefore, might dispel the fear of further currency depreciations and bring about the lowering of tariff walls and the removal or liberalization of customs quotas.

11. The experiences of members reporting by countries having exchange difficulties are:

Experiences of members, by countries, having exchange difficulties

Name of country	Announced condition of exchange	Experience reported by members	Number
Australia	No governmental restriction, but conversion rate is high. No delay in obtaining payment for current collections.	Ship sight draft bill of lading	4
		Open account	1
		Delay 60-90 days	3
		Delay 90-120 days	1
		Prompt payment on drafts	6
		Indefinite delay in remittance	9
		Australian currency on deposit	4
Total replies covering Australia.			28
Argentina	Permits must be obtained for clean drafts for amounts in excess of 5,000 pesos. No permit necessary for time documentary drafts.	Ship sight draft bill of lading	4
		Delay 30-60 days	1
		Delay 60-90 days	3
		Delay 90-120 days	2
		Delay 4-6 months	3
		Delay over 6 months	1
		Prompt payment on drafts	8
		Indefinite delay in remittance	6
		Argentine currency on deposit	2
Total replies covering Argentina.			30
Austria	Permits obtainable only for approved commodities. Law permits payment of any draft to be made in Austrian schillings unless draft specifies dollars, but such specification is no assurance that dollars will be available.	Ship sight draft bill of lading	4
		Delay over 6 months	1
		Prompt payment on drafts	1
		Indefinite delay in remittance	8
		Austrian currency on deposit	4
Total replies covering Austria.			18
Bolivia	Permits issued at discretion of control commission which has no rules but approves certain commodities for import.	Delay 10-30 days	1
		Delay 30-60 days	1
		Delay 90-120 days	1
		Delay 4-6 months	1
		Delay over 6 months	1
		Prompt payment on drafts	5
		Indefinite delay in remittance	6
		Bolivian currency on deposit	1
Total replies covering Bolivia.			17
Brazil	No governmental restrictions, but Bank of Brazil has complete control over rates of exchange and payments in conversion. All export exchange must be sold to the Bank of Brazil. Exchange for conversion generally available.	Sight draft bill of lading	5
		Delay 10-30 days	1
		Delay 30-60 days	2
		Delay 60-90 days	4
		Delay 4-6 months	3
		Delay over 6 months	2
		Prompt payment on drafts	5
		Indefinite delay in remittance	4
		Brazilian currency on deposit	4
Total replies covering Brazil.			30
Chile	All exchange transactions under a control committee. Exchange very scarce and now obtainable at rate of 4 per cent of maturing collections every 2 months.	Ship sight draft bill of lading	4
		Delay 60-90 days	3
		Delay 4-6 months	1
		Delay over 6 months	8
		Prompt payment on drafts	4
		Indefinite delay in remittance	6
		Chilean currency on deposit	3
Total replies covering Chile.			29

Experiences of members, by countries, having exchange difficulties—Continued

Name of country	Announced condition of exchange	Experience reported by members	Number
Colombia	All exchange transactions under control committee. Bank desiring to convert exchange must apply to committee and if exchange is not available the drawee is permitted to make payment in local currency at rate quoted on date of application for exchange. All exchange on exports must be sold to the Bank of the Republic.	Ship sight draft bill of lading	6
		Delay 10–30 days	2
		Delay 30–60 days	2
		Delay 60–90 days	2
		Delay 90–120 days	1
		Delay 4–6 months	2
		Prompt payment on drafts	8
		Indefinite delay in remittance	3
		Colombian currency on deposit	1
Total replies covering Colombia.			28
Czechoslovakia	All exchange transactions controlled by national bank. Domestic banks may obtain permits for free exchange for any customer in amount not over 50,000 Rc. If amount desired is over 50,000 Rc. special permit necessary from National Bank, which has exclusive right to collect foreign exchange. Generally no delay in getting dollar exchange.	Ship sight draft bill of lading	3
		Delay 10–30 days	1
		Delay 60–90 days	2
		Delay 90–120 days	1
		Prompt payment on drafts	3
		Indefinite delay in remittance	5
Total replies covering Czechoslovakia.			15
Denmark	Exchange conversion prompt, although law now requires import permits which are issued by national bank if exchange is to be available on arrival of goods.	Ship sight draft bill of lading	4
		Open account	1
		Delay 10–30 days	2
		Delay 30–60 days	2
		Delay over 6 months	1
		Prompt payment on drafts	5
		Indefinite delay in remittance	4
		Currency on deposit	1
Total replies covering Denmark.			20
Ecuador	Collections have no governmental restrictions and no delay	Ship sight draft bill of lading	5
		Delay 30–60 days	1
		Delay 4–6 months	1
		Delay over 6 months	1
		Prompt payment on drafts	5
		Indefinite delay in remittance	6
		Currency on deposit	1
Total replies covering Ecuador.			20
Finland	Collections have no governmental restrictions since Nov. 9, 1931	Ship sight draft bill of lading	6
		Delay 10–30 days	1
		Delay 60–90 days	1
		Prompt payments on drafts	4
		Indefinite delay in remittance	5
		Currency on deposit	1
Total replies covering Finland.			18
Germany	All exchange transactions under Reichsbank or private banks under permits by Reichsbank. Banks make exchange available to recognized importers for normal trade requirements.	Sight draft bill of lading	6
		Open account	1
		Prompt payment on drafts	6
		Indefinite delay in remittance	6
Total replies covering Germany.			19
Greece	All exchange transactions under Bank of Greece which fixes rates and grants permits for exchange which are very scarce.	Ship sight draft bill of lading	3
		Delay 10–30 days	1
		Delay 4–6 months	1
		Delay over 6 months	1
		Prompt payment on drafts	1
		Indefinite delay in remittance	8
		Currency on deposit	3
Total replies covering Greece.			19
Hungary	All exchange transactions are under national bank and no exchange available, although bank authorized can grant permits for necessary imports. Law permits drawee to pay in pengös which must be kept on deposit in Hungary.	Ship sight draft bill of lading	3
		Prompt payment on drafts	1
		Indefinite delay in remittance	8
		Currency on deposit	5
Total replies covering Hungary.			17
Yugoslavia	All exchange transactions under national bank which grants permits. No delay if permit granted prior arrival of goods.	Ship sight draft bill of lading	3
		Prompt payment on drafts	4
		Indefinite delay in remittance	5
		Currency on deposit	1
Total replies covering Yugoslavia.			13
Latvia	All exchange transactions by Bank of Latvia which grants permits through exchange committee which approves only necessary imports.	Sight draft bill of lading	3
		Delay 60–90 days	1
		Prompt payment on drafts	1
		Indefinite delay in remittance	6
		Currency on deposit	1
Total replies covering Latvia.			12
Mexico	No restrictions, although law permits payment in silver pesos at current exchange rate. Exchange freely available at current rates.	Ship sight draft bill of lading	5
		Open account	1
		Delay 10–30 days	3
		Delay 30–60 days	1
		Delay 60–90 days	3
		Delay 90–120 days	2
		Delay 4–6 months	1
		Prompt payment on drafts	11
		Indefinite delay in remittance	3
		Currency on deposit	8
Total replies covering Mexico.			33

Experiences of members, by countries, having exchange difficulties—Continued

Name of country	Announced condition of exchange	Experience reported by members	Number
New Zealand	No restrictions announced	Ship sight draft bill of lading	6
		Delay 60–90 days	1
		Delay 90–120 days	2
		Prompt payment on drafts	5
		Indefinite delay in remittance	5
		Currency on deposit	2
Total replies covering New Zealand.			21
Nicaragua	All transactions under control board which fixes $250 limit for any import transaction against which weekly payments now permitted if importation has been approved.	Ship sight draft bill of lading	4
		Delay 10–30 days	1
		Delay 60–90 days	1
		Delay 90–120 days	1
		Prompt payment on drafts	6
		Indefinite delay in remittance	7
Total replies covering Nicaragua.			20
Norway	No restrictions, although import permits are required through exchange board, but no delay if permit granted.	Ship sight draft bill of lading	7
		Open account	1
		Delay 10–30 days	1
		Delay 60–90 days	3
		Prompt payment on drafts	5
		Indefinite delay in remittance	3
		Currency on deposit	1
Total replies covering Norway.			21
Persia	No governmental control, but exchange is scarce	Ship sight draft bill of lading	4
		Prompt payment on drafts	1
		Indefinite delay in remittance	4
Total replies covering Persia.			9
Portugal	No restrictions, although import permits are required. No delay if permit granted.	Ship sight draft bill of lading	3
		Delay 60–90 days	2
		Delay 4–6 months	1
		Prompt payment on drafts	5
		Indefinite delay in remittance	3
Total replies covering Portugal.			14
Portuguese possessions	Exchange control so tied up dollars available	Ship sight draft bill of lading	4
		Prompt payment on drafts	1
		Indefinite delay in remittance	3
		Portuguese currency on deposit	2
Total replies covering Portuguese possessions.			10
Salvador	No restrictions announced, but exchange scarce	Sight draft bill of lading	3
		Delay 90–120 days	1
		Delay 4–6 months	2
		Delay over 6 months	1
		Prompt payment on drafts	5
		Indefinite delay in remittance	5
		Currency on deposit	2
Total replies covering Salvador.			19
South Africa	No restrictions announced, but exchange scarce	Ship sight draft bill of lading	9
		Delay 60–90 days	3
		Delay 4–6 months	1
		Prompt payment on drafts	5
		Indefinite delay in remittance	3
		Currency on deposit	1
Total replies covering South Africa.			22
Turkey	All exchange transactions under control of committee which issues monthly schedules of approved imports. Collections slow even though imports approved.	Ship sight draft bill of lading	3
		Delay 30–60 days	1
		Delay 60–90 days	1
		Delay 90–120 days	2
		Prompt payment on drafts	1
		Indefinite delay in remittance	5
		Currency on deposit	3
Total replies covering Turkey.			16
Uruguay	All transactions under bank of republic. Permit issued for 20 per cent monthly of matured payments prior to Aug. 5, 1931, which schedule may be modified by the bank of republic and spread over year 1932 at rates at the discretion of bank of republic. Exchange is very scarce for obligations incurred after Aug. 5, 1931, although same are not affected by 20 per cent ruling.	Ship sight draft bill of lading	5
		Delay 30–60 days	1
		Delay 60–90 days	1
		Delay 90–120 days	1
		Delay 4–6 months	1
		Delay over 6 months	3
		Prompt payment on drafts	2
		Indefinite delay in remittance	7
		Currency on deposit	4
Total replies covering Uruguay.			25
Venezuela	No restrictions, but local banks have agreed not to accept drafts for collection unless they are payable in bolivars at rates current at maturity. Even then, exchange is made available in the order of the dates on which drafts are accepted. All exchange risks are for the account of the drawee. Payments nevertheless being made very slowly.	Ship sight draft bill of lading	4
		Delay 10–30 days	2
		Delay 30–60 days	3
		Delay 60–90 days	2
		Delay 90–120 days	1
		Prompt payment on drafts	4
		Indefinite delay in remittance	6
		Currency on deposit	2
Total replies covering Venezuela.			24

Experiences of members, by countries, having exchange difficulties—Continued

Name of country	Announced condition of exchange	Experience reported by members	Number
Miscellaneous other countries	Exchange under control of government available for permitted imports	Ship sight draft bill of lading	6
		Delay 60-90 days	1
		Delay 90-120 days	2
		Delay 4-6 months	1
		Prompt payment on drafts	3
		Indefinite delay in remittance	3
		Currency on deposit	3
Total replies covering miscellaneous			19

12. Summary of incomplete replies to questionnaires on February 6 and 20 and March 5, 1932

AUTOMOBILES (2 REPLIES)

Member	Need for terms over 6 months	Purpose and amount financing needed	Delay in exchange conversion	Selling in 29 countries where exchange delayed: Yes	Selling in 29 countries where exchange delayed: No
1	None where still selling	Not answered	None where still selling except in Chile and Ecuador	6	2
2	Not answered	do	Central Europe very slow; Latin America improving except Uruguay, Chile, and Ecuador.	16	12

AUTOMOBILE ACCESSORIES (3 REPLIES)

1	To finance sales and convert exchange	For credit, $50,000	None, but amounts very restricted; carries deposits	(1)	(1)
2	Not answered	Not answered	None, but amounts very restricted	15	13
3	do	do	None where still selling except in Greece		

AUTOMOTIVE EQUIPMENT (4 REPLIES)

1	To finance sales and convert exchange	Not answered	Not recent experiences; practically no business		29
2	do	do	Not answered	1	28
3	do	do	Indefinite delay everywhere	28	1
4	do	do	None except Chile and Ecuador	(1)	(1)

BUILDING MATERIAL (5 REPLIES)

1	To convert exchange	Can't estimate	None except in Latin America	16	13
2	Not answered	For credits $500,000	Not answered	17	12
3	To convert exchange	Not answered	None except where local deposits necessary	4	1
4	Not answered	do	None except Germany and Austria. Selling others small amounts for cash.	28	
5	do	do	No experience; affiliate sells	(1)	(1)

CHEMICALS (4 REPLIES)

1	Not answered	Not answered	Record not kept	(1)	(1)
2	To convert exchange	For credit $150,000	None where still selling except Costa Rica	3	0
3	Not answered	Not answered	All Latin America 90-180 days	4	2
4	do	do	Central Europe indefinite delay. Latin America not unusual except Uruguay.	27	1

DRUGS AND TOILET ARTICLES (9 REPLIES)

1	Not answered	Needed, but not estimated	Latin America and Australia indefinite delay	12	16
2	To convert exchange	Not answered	Not answered	(1)	(1)
3	To finance sales and convert exchange	None needed	Can not answer	12	0
4	Not answered	Not answered	None when certificate of necessity obtained. Otherwise indefinite delay and funds deposited.	10	3
5	To convert exchange	For collection, $893,000	Indefinite delay and funds deposited	21	5
6	To finance sales and convert exchange	None needed	Some delay in Latin America	28	0
7	None needed	do	Delay 2-3 months but Salvador prompt	14	1
8	To finance sales and convert exchange	Needed but not estimated	Delay 2 weeks to 2 months but deposits in many countries	28	0
9	Not answered	Not answered	Indefinite delay in all countries except Colombia and Mexico	5	24

FOODSTUFFS (4 REPLIES)

1	None needed	None needed	Selling SD/BL only. Amounts very small	(1)	(1)
2	To finance sales	For collections, but not estimated	Terms cash except in Egypt	(1)	(1)
3	None needed	do	Indefinite delay in Latin America	4	0
4	To finance sales and convert exchange	Not answered	Not answered	(1)	(1)

HARDWARE AND TOOLS (12 REPLIES)

1	Finance sales and convert exchange	Not answered	Terms cash only where still selling	1	27
2	Finance sales	For collections, but not estimated	Selling Latin America SD/BL only. Selling Central Europe 30-90 days. Restricted volume. Prompt remittances.	13	15
3	Finance sales and convert exchange	do	Varied experience including delays in countries usually reported good	11	0
4	do	do	Indefinite delay generally. Carries deposits in Canada and Mexico	5	0
5	None needed	Not answered	No unusual delay	(1)	(1)
6	Not answered	None needed. Business dead	Selling SD/BL only where business done	0	28
7	None needed	Not answered	Not answered	(1)	(1)
8	To convert exchange	For collection, $50,000	Indefinite delay; South Africa and Venezuela prompt. Other countries delayed.	13	12
9	Finance sales and convert exchange	For collection, $2,000	30-90 days delay generally	5	1
10	do	For credit, $700,000	No delay except Latin America where delay is 1-12 months	13	13
11	None needed	None needed	No unusual delay	(1)	(1)
12	Not answered	Not answered	No unusual delay where still selling	14	14

INSECTICIDES (FOUR REPLIES)

1	None where still selling	Not answered	Terms cash only where still selling	8	9
2	Not any where still selling	do	Terms SD/BL where still selling	(1)	(1)
3	None needed	None needed	No delay	3	25
4	To convert exchange	Not answered	Not answered	(1)	(1)

12. Summary of incomplete replies to questionnaires on February 6 and 20 and March 5, 1938—Continued

MACHINERY (14 REPLIES)

Member	Need for terms over 6 months	Purpose and amount financing needed	Delay in exchange conversion	Selling in 29 countries where exchange delayed	
				Yes	No
1	None needed	None needed	No delay where still selling	6	23
2	Cash, except Australia and New Zealand, where needed to convert exchange.	Collections, $100,000	Not answered	(1)	(1)
3	To finance sales and convert exchange	Not answered	do	(1)	(1)
4	Selling SD/BL only, but can increase business on longer terms.	Needed, but not estimated	Selling SD/BL only; volume slight	3	26
5	Not answered	Not answered	Practically no business account exchange difficulties	0	29
6	To convert exchange	For collection, but not estimated	do	(1)	(1)
7	Not needed where still selling	None at present	Not selling where exchange difficult	5	23
8	do	None needed	Selling SD/BL only; volume limited	0	28
9	To convert exchange	For collection, but not estimated	Delays and uncertainties in all countries	14	14
10	To finance sales and convert exchange	Not answered	Not answered	(1)	(1)
11	To convert exchange	For collection, $4,000	Delays generally; deposits in Australia	1	27
12	Selling SD/BL only	For collection, $1,000,000 on new business.	Not answered	(1)	(1)
13	Not answered	For collection, but not estimated	do	(1)	(1)
14	do	For credit, $1,000,000	Indefinite delay Latin America. Affiliate sells Europe	4	24

MISCELLANEOUS (10 PLIES)

1	To convert exchange	Not answered	Not answered	(1)	(1)
2	do	For collection, $38,000	2-6 months delay in Europe; no longer selling Latin America	5	23
3	To finance sales	For collection, but not estimated	Prompt remittance; long terms	(1)	(1)
4	To convert exchange	For collection, $500,000	Delay only in Venezuela, Brazil, Chile, Germany	10	3
5	do	Not answered	Not answered	(1)	(1)
6	To finance sales and convert exchange	For collection, but not estimated	SD/BL where selling, except Chile and South Africa	6	0
7	Terms cash only. Volume very limited.	For collection, several million dollars	Practically no business because of exchange difficulties	16	13
8	To finance sales	For collection, but not estimated	Indefinite delay generally	10	19
9	do	For credit, $25,000	Not answered	2	25
10	Not answered	Not answered	Record not kept	9	19

OFFICE EQUIPMENT (4 REPLIES)

1	None needed	Not answered	Not answered	(1)	(1)
2	Finance sales and convert exchange	For credit, $200,000	Indefinite delay generally	14	1
3	None needed	For credit, but not estimated	No delay over 120 days	3	0
4	Terms SD/BL where selling	do	SD/BL volume very limited	3	6

PAINT (3 REPLIES)

1	To finance sales and convert exchange	For collection, but not estimated	No delay where certificates of necessity obtained; volume very limited	12	16
2	do	For collection, $250,000	Indefinite delay and carries deposits	0	28
3	do	For collection, but not estimated	No delay where still selling	8	0

PETROLEUM (3 REPLIES)

1	To convert exchange	For collection, no estimate	Not answered	(1)	(1)
2	Not answered	Not answered	Indefinite delay in Latin America; sales very limited	6	23
3	do	do	Indefinite delay and deposits carried in Latin America	10	0

RADIOS (3 REPLIES)

1	To finance sales and convert exchange	For credit, $75,000	Indefinite delay; sales limited	10	18
2	do	For credit, $175,000	Indefinite delay	2	4
3	do	For credit, $100,000	Delay 2 months to 1 year	6	6

RUBBER (4 REPLIES)

1	To convert exchange	$50,000 for collection	Delay 1-9 months; deposits carried	13	15
2	Not answered	Not answered	Cash only where still selling. In some countries still carrying old deposits.	9	19
3	To convert exchange	do	Indefinite delay Argentine, Brazil, Persia, South Africa; exchange available except Venezuela, Chile, Latvia, and Greece.	24	4
4	do	For collection, $60,000	No delay in collecting documentary time drafts except in central Europe, where delay is making sales impossible.	18	11

SPECIALTIES (8 REPLIES)

1	None needed where still selling	For credit, but not estimated	No delay where still selling	4	0
2	Business gone	Not answered	Not answered	(1)	(1)
3	To finance sales and convert exchange	For collection, but not estimated	No record; affiliate sells	17	0
4	Not answered	Not answered	Terms cash only; sales small	0	29
5	To convert exchange	For collection, but not estimated	Unless prompt remittance, deposits carried	22	7
6	None needed	None needed	Terms cash only. Volume small	11	16
7	To finance sales and convert exchange	For collection, $25,000	No delay except Australia. Volume generally small	4	2
8	Business almost gone	None needed	Cash only. Business practically gone	0	23

TEXTILES (6 REPLIES)

1	To convert exchange	For collection, but not estimated	No unusual delay except Nicaragua	2	2
2	Terms SD/BL where still selling. Volume small.	None needed	SD/BL only where still selling	6	21
3	To finance sales and convert exchange	Collection assistance needed but not estimated.	Varied experience from prompt to 6 months' delay	7	5
4	Convert exchange	Not answered	Not answered	(1)	(1)
5	To convert exchange	do	do	1	27
6	To finance sales and convert exchange	For credit, $100,000	Unless prompt remittance, deposits carried	4	7

[1] Not answered.

FRANCIS T. COLE, *General Manager.*

COLOMBIAN GOVERNMENT DECREE RELATIVE TO FOREIGN EXCHANGE AND REQUIRING REGISTRATION OF CERTAIN FOREIGN CLAIMS WITH THE "CONTROL BOARD"

Question. Please let us have information regarding the Colombian Government decree covering foreign exchange and requiring registration of certain foreign claims with the "control board."

Answer. The Colombian Government has just enacted Emergency Decree No. 421, with reference to the use of foreign exchange for the payment of foreign claims for merchandise imported into Colombia prior to September 24, 1931. This decree provides that for the payment of such claims foreign exchange may be obtained only in periodical installments of 20 per cent of the amount of such claims. The decree further provides that all such claims must be duly proved and registered with the control board prior to April 6, 1932. A further decree dated April 5 extended the time in which to file such claims to May 6, 1932.

Inasmuch as debtors can not be relied upon to register the claims with the control board, we are recommending to clients who have such claims: (1) That they issue immediate cable instructions to local representatives or to local banks to attend to the registration required by this decree, and (2) that they also send by the next mail (air mail, if necessary) to the local representative or local bank the following supporting documents: Statement of account, duplicate bill of lading, and duplicate commercial and consular invoices.

(Prepared by Marvin & Bergh, general counsel for American Manufacturers Export Association.)

Mr. FLETCHER. Mr. President, I had intended to go in some detail into the pending resolution and to submit some views on the general problem of the practice of economy and reduction of expenditures, but the hour is so late I will not attempt to do so now.

I hesitate, however, to let this day pass without reference to a situation in connection not only with our foreign commerce but with our merchant marine, our facilities for reaching the markets of the world.

Last Saturday a statement was issued at the White House setting forth a proposal to suspend for one year the operation of all Shipping Board lines, at an estimated saving of $7,500,000. That figure, incidentally, is incorrect, because the fact is that the Shipping Board proposes to operate those lines now operated by it for the coming year at a cost of $5,000,000.

The estimate in this statement was that we would save $7,500,000 by discontinuing the operation of the lines for one year. In the first place, what an absurd thing that would be. What sort of a merchant would venture to set up business and get established, and then suddenly give notice, "I have so much overhead here, expenses are so high, and rents are so heavy that I am going to close my store for a year and then come back and resume business."

That is the situation we would be in. We have spent millions of dollars to establish an American merchant marine, we have these lines and these services now being rendered, and the proposal is to suspend operations for one year in order to save this estimated amount of $7,500,000, which would probably be $5,000,000 instead.

Of course, it would mean that we might just as well scrap our merchant ships, just as well give up the idea, which has been emphasized over and over again by Congress, and the people of the country have demanded that we establish and maintain an adequate American merchant marine to serve American commerce overseas. We might just as well give up the idea if we are going to suspend operations for a year.

What would the foreigner do? He would come right in and take our place on the high seas. We would never get back our custom, our business, our trade. We could not make headway any more.

As indicating that, I have word here now that the tentative proposal to suspend the Shipping Board lines is causing irreparable damage, that foreign lines are taking full advantage of that situation by again stating that American services are temporary and unreliable. That is what they have said from the start. They have said, "Do not patronize American ships, because this is only an experiment and a temporary arrangement. Soon they will be off the seas. Keep your connections with our ships, our foreign lines. We are here forever. We have been here since the year one, and we are going to continue here."

They have been saying all along that we did not mean what we said when we proclaimed our intention to the world, and made the appropriations, and spent $4,000,000,000 building ships, that we did not mean that seriously at all, that we were only doing it for the war, and that then we were going to quit. That is what they are saying to-day, after this statement or suggestion proposing that we temporarily give up these services, surrender these routes, and tie up our ships for one year, in order to save this amount of money.

It is perfectly absurd, it seems to me, and, I repeat, it plays into the hands of our competitors. Such a policy would mean absolutely the scrapping of these ships.

I would like to have the Government save money, have it economize. I commend the senior Senator from Tennessee [Mr. McKELLAR] for his splendid work in the direction of reducing governmental expenses. I think it has been clearly demonstrated that he was wise and patriotic in proposing the resolution with reference to the Interior Department appropriation bill, sending it back with a direction to the committee to cut the aggregate 10 per cent. That was done; it was found possible, and it did not destroy the Interior Department or any of its bureaus or any of its essential activities.

We must not go too far in that direction, I grant. There is such a thing as economizing too much, like the horse that learned to do without hay, and then died. We can not abandon departments or bureaus or activities which are needed for the country, those services which are required. I do not think we ought to abandon any building project. I would not stop the construction of a single building to-day, not one. I do not know what the fact is about that. On the one side we have the statement that if this reduction is made it will mean the abandonment or 20 or 30 buildings. I do not know whether that is the case or not. I understand it is denied on the other side, contended that it will not mean the abandonment of any building, though it may mean a little slowing down; but I think the work of construction of these buildings ought to go on.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. McKELLAR. People do more work on buildings in the second six months of the year than in the first six months, I suppose because of weather conditions, but during the last six months of last year, with virtually an unlimited amount of money to draw from, $42,000,000 was spent on the construction of public buildings. Let us assume for a moment that the committee would cut this appropriation 10 per cent. That would mean a cut of from $108,000,000 to about $98,000,000. That could be done, and still they would have more than double the amount of money for the ensuing year than they have spent in the present year.

Mr. ODDIE. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield; but I want to hurry through.

Mr. ODDIE. I stated a short time ago that from the statement of the Secretary of the Treasury, who has made a careful study of this matter of the building projects, if the 10 per cent cut is made in this bill, it will have to stop 250 building operations.

Mr. FLETCHER. Stop them, or slow them down?

Mr. ODDIE. Indefinitely postpone them. Among those are the following in Florida:

Florida:	
Bradenton	$155,000
Clearwater	150,000
Daytona Beach	235,000
Fort Lauderdale	175,000
Fort Myers	210,000
Jacksonville, courthouse	2,000,000
Miami, quarantine station	65,000
Palm Beach	200,000
Sarasota	175,000

The Senator knows what a serious thing that would be to the State of Florida if those building operations were suspended.

Mr. FLETCHER. Those building operations have been agreed on for a year or more. In the case of Jacksonville, the appropriation was made two years ago.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. McKELLAR. It is fair to say that the Secretary of the Treasury is very much opposed to any cut in his department, just as the Secretary of State was very much opposed to a cut in his department. Both wrote threatening letters to the Congress that great injury would be done if these cuts were made. The Treasury Department has charge of the construction of all these buildings. It is perfectly absurd to say that a cut of $10,000,000 out of $108,000,000 would stop 250 buildings, as the Secretary suggested. It was also an absurd statement from the Secretary of State to report that if the cuts were made in his department as suggested it would necessitate the cutting off of a number of foreign legations, and I believe he included some foreign embassies. The cuts have been made, and no embassies have been cut off and no legations have been cut off.

Mr. ODDIE. Mr. President, will the Senator yield for just another interruption?

Mr. FLETCHER. I would like to go ahead.

The VICE PRESIDENT. The Chair desires to suggest that the Senator can yield for only a question.

Mr. ODDIE. Mr. President, will the Senator yield for a question?

Mr. FLETCHER. Yes.

Mr. ODDIE. I want to ask the Senator what he thinks of this statement of the Secretary of the Treasury:

> In this connection, however, I must invite the attention of your committee to the fact that the House of Representatives reduced this appropriation item $12,000,000, or 10 per cent under the amount included in the Budget for the fiscal year 1933, and also point out that the effect of further reduction of $25,000,000 will mean the deferment of at least 250 authorized public-building projects, all of which could be placed under contract during the fiscal years 1932 and 1933.

Mr. FLETCHER. I understand.

Mr. ODDIE. The 10 per cent cut will not mean just the 10 per cent of the $108,000,000; it will mean a $25,000,000 deduction from the appropriation, which will make it necessary to indefinitely postpone these 250 buildings.

I have discussed the Treasury part of the bill, and tomorrow I hope to discuss that portion of the bill relating to the Post Office Department.

Mr. JONES. Mr. President, will the Senator yield?

Mr. FLETCHER. For a question.

Mr. JONES. I do not want to ask a question exactly, but I thought I had better correct a statement made by the Senator from Tennessee.

Mr. McKELLAR. If I have made a mistake, I shall be very glad to have the Senator correct me.

Mr. JONES. In regard to the embassies and the Secretary of State asking us to give him authority to close several embassies, we did not see fit to do it, and so we did not give him the authority.

Mr. McKELLAR. That may be the way the Secretary of State stated the question. I think probably the chairman of the committee is right, but the effect was the same. It went out to the country that if the Congress did not immediately grant these appropriations which were demanded, they would have to cut off some legations and some embassies. It was a ridiculous statement.

Mr. FLETCHER. Mr. President, I have the impression that the work of the committee—and I commend the work of the committee—demonstrates clearly that it is possible without crippling or destroying the efficiency of the departments to make the necessary reduction in appropriations. I think the departments can very often bring about coordinations and reductions so that no Government employee need lose his job. But where there is need for some displacement or replacement, the changes can be made in some way to avoid hardships if the department heads will take the trouble to work out a plan.

I do not want to see any of the work stopped. I would like to see appropriations made for going on with the work which has been authorized running into millions of dollars, and for which no appropriation has yet been made. That work ought to proceed. Now is the time, when so many people have no work, to carry on such projects. People have been waiting for two years in Jacksonville to work on the building there. The appropriation was made two years ago and the department has been all this time getting plans and specifications ready and have not even started the work. The delays that have been allowed to take place are inexcusable.

Mr. McKELLAR. That is not due to lack of appropriation for the Jacksonville post office at all. It is due to other causes. There is provided in the $108,000,000 which is sought to be appropriated some 60 new projects and 50 new buildings, so by cutting down the appropriation it need not have any effect whatsoever on buildings already authorized and already begun. It might slow down some of the building for the future, but that would be the worst that could happen.

Mr. FLETCHER. I am glad to know that. The buildings mentioned in Florida are where the projects were adopted months and months ago and appropriations made for them. They do not fall within the category caused by this reduction. The only complaint I make is of the delay—inexcusable and no doubt avoidable—in going on with the work which has been authorized and for which the money has been furnished.

I claim that while we are talking about economizing and ought to be economizing in every direction we should not forget that we must not destroy efficiency in the departments. We must not cripple them to such an extent that we hurt the public business.

Going back to the question of ships, the President said in his statement:

> We now extend in aid and loans to the merchant marine service, directly and indirectly, about $100,000,000 per annum. We can not remedy the situation without legislation.

I do not know where the President got that information. The amount estimated for the next fiscal year for foreign mails is only $28,000,000. The amount estimated for the next fiscal year for expenses of the Shipping Board is only $5,000,000. I can not see how it can be concluded at all that the Shipping Board and its organization is costing us $100,000,000 this year. As I said, the foreign mail contracts total about $28,000,000. That should not be charged to the Shipping Board. The Shipping Board and the Post Office Department coordinate and cooperate in that connection. The Shipping Board certifies the routes available and the kind of service to be rendered. The Post Office Department then determines whether the mail should go over the routes; and if so, it then advertises for bids, and so forth.

I believe the Post Office Department ought to keep separate and apart in its accounts the expense account for foreign mails. They may call it what they like, but in effect it is to help the owners to operate ships under our flag. There is no doubt about that. We might as well state it. That provision in the law was not for the purpose of paying the absolute cost for carrying the mail but for the purpose of assisting the merchant marine, assisting people who had to bear the differential between the cost of building ships abroad and the cost of operating them under our flag. It was intended to help the American merchant marine—to favor them and to benefit them.

Evidently that was the case, because otherwise we would have based the compensation for carrying mail on the poundage basis. It is not upon that basis, but is upon the mileage basis. Ships have to be paid so much a mile, whether they carry one letter or thousands of letters. The compensation is upon the basis of mileage, and the intention was plainly enough that the contract should be of benefit to American shipping. It has been. It has enabled the Shipping Board to dispose of numerous lines and ships and services which they could not have disposed of but for the possibility of obtaining foreign mail contracts.

The Shipping Board is operating four lines to the south, to the Gulf, and three or four in the North Atlantic, seven lines in all. When those are disposed of the Shipping Board will be out of the shipping business. Private owners will own the ships under our flag. The provision for the carrying of

foreign mail helped to dispose of the ships. They could not have sold them if they had not had a contract to carry foreign mail. That is perfectly plain.

I do not favor abolishing the Shipping Board. There will be rate regulations to deal with. I think the present plan of selecting the Shipping Board from all regions—so many from the North Atlantic, so many from the South Atlantic, from the Gulf, and the Pacific—is a wise and proper way to constitute the board. I do not want to see that plan changed.

Mr. President, it is very late and I shall not go into further detail about the matter. I want to have it understood by our foreign competitors and by the world, so far as I am concerned, and, I believe, so far as Congress is concerned, that we are going to insist upon an adequate American merchant marine. We are not going to scrap our ships and we are not going to get out of the business. I think it is a wrong time to talk about scrapping ships. It would be a great mistake to suspend operations for a year in order to save a few dollars. The expenses and costs have been greatly overestimated in the statement which I have read.

ELECTION IN MINNESOTA

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I have written to Mr. Howard Williams, of Minneapolis, relative to my election to the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 14, 1932.

Mr. HOWARD WILLIAMS,
2616 Fifteenth Avenue South, Minneapolis, Minn.

MY DEAR WILLIAMS: Replying to yours of April 10. Controlled newspapers and politicians, editorials, and opinions are of little value to the public man who seeks to know what the people want.

I came to Congress 17 years ago and have stayed here despite the political bosses and their organized predatory backgrounds. I was reelected to the Senate in 1930 in the face of the most tremendous special-privilege opposition fight that was ever put on in the State of Minnesota. I want to thank those who believed in me and gave me their support when the State was maliciously saturated with lies as to my official record and slander of my character.

I want especially to hear from those who were misled in the last election. I want your opinion and your neighbor's opinion, both men and women, friends or foes, that I may know the consensus of the judgment of the citizens of my State upon any question that is before the Senate. I have been chosen your ambassador and I want to represent you and you must realize that the only way I can do it is by hearing directly from you. Your interest in our Government should be equal with mine, and whether you approve of me or not personally should not interfere in recording your opinion. Direct contact will avoid misunderstanding and misinformation.

The frank I am using was given for this purpose just as the frank was given to your newspaper which does to-day send free through the mails, to any subscriber within the county in which it is published, its message, false or true. Subserviency is essential to selfish control and independence of thought must not be tolerated. It is rank hypocrisy for these enemy newspapers to use their frank to circulate falsehoods and in the same paper condemn Congressmen for using their frank to get the facts to the people concerning the actions of their chosen officials.

Out of the six or seven hundred newspapers in the State last election 17 were not unfriendly to me. If I had not used the frank and the radio, the worst might have been made to seem the better reason.

I am especially indebted for my reelection to the rural districts, and I am deeply grateful.

I am inclosing you speech which I wish you would read whether you are a farmer, laborer, professional or business man. The success of agriculture enfolds us all.

Let me hear from you.

Cordially yours,

THOS. D. SCHALL.

EXECUTIVE SESSION

Mr. McNARY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting a judicial nomination, which was referred to the Committee on the Judiciary.

(For nomination this day received, see the end of Senate proceedings.)

REPORTS OF THE POST OFFICE COMMITTEE

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the calendar.

The VICE PRESIDENT. The calendar is in order.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

The legislative clerk read the nomination of W. Harry King to be a member of the Federal Board of Vocational Education.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ODDIE. I ask that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc. That completes the call of the calendar.

The Senate resumed legislative session.

RECESS

Mr. McNARY. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 15 minutes p. m.) took a recess until to-morrow, Friday, April 15, 1932, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 14 (legislative day of April 11), 1932

UNITED STATES DISTRICT JUDGE

George A. Welsh, of Pennsylvania, to be United States district judge, eastern district of Pennsylvania, to succeed J. Whitaker Thompson, appointed United States circuit judge.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 14 (legislative day of April 11), 1932

MEMBER OF THE FEDERAL BOARD FOR VOCATIONAL EDUCATION

W. Harry King to be member of the Federal Board for Vocational Education.

POSTMASTERS

ARIZONA

Blaine W. Hugo, Clarkdale.
June S. Haymond, Claypool.
Walter Runke, Flagstaff.
James A. Metzger, Grand Canyon.

ARKANSAS

Jewell I. Braswell, Green Forest.

FLORIDA

Gabriel I. Daurelle, Bowling Green.
Benjamin Burnett, Brewster.
Curtis W. Swindle, Chipley.
Emerson F. Ridgeway, Monticello.
Alice Wells, Port Orange.

IDAHO

Leslie A. Baskett, Nezperce.
Keith C. Merrill, Paul.

MAINE

Arthur A. Dinsmore, Dover-Foxcroft.
Francis L. Talbot, East Machias.
Louis F. Higgins, Ellsworth.
Henry W. Perry, Fort Fairfield.
Luther G. Cushing, Freeport.
Stella L. Hill, Northeast Harbor.
John W. Knapp, Stratton.
Linwood B. Jones, Winthrop.

MISSOURI

John M. Mathes, Aurora.
Myrtle E. Ryan, Barnard.
Lawrence J. Caster, Blythedale.
George T. Platz, Brashear.
Ethel M. Cozean, Elvins.
Thomas D. Purdy, Harris.
Ruby M. Ratcliff, Matthews.
Howard W. Mills, Mound City.
Anna Everett, Osborn.
Frank L. Mertsheimer, Pleasant Hill.
Ezra L. Plummer, Seneca.

OHIO

Ralph B. Troyer, Continental.
Irvin F. Sherman, Deshler.
Earl W. Starkey, Flushing.
Strawder W. McNeill, Frankfort.
David J. Thomas, Niles.
Mabel E. Dierker, Pemberville.
Ernest H. Ruffner, Williamsburg.

TEXAS

Herbert D. F. Nienstedt, Burton.
John L. Johnson, Caddo Mills.
Mike O. Sharp, Denison.
Ralph C. Owens, Dickinson.
Frances C. Elam, Edgewood.
Azro C. Oyler, Edinburg.
Charles W. Ford, Gatesville.
William A. Reese, Groveton.
E. Leon Donner, Hereford.
Thomas C. Hood, Lyford.
Robert W. Bourland, Marathon.
Dunn R. Emerson, Marlin.
Carroll T. Coolidge, Pasadena.
Charles A. Quails, Post.
Edgar W. Hargett, Richards.
Jesse P. Smith, Smiley.
Blanche L. Mullen, Taft.
Humphrey M. Fowler, West.

VIRGINIA

Charles J. Mullins, Clintwood.

WASHINGTON

William G. Meneice, Carson.
Lovilla R. H. Bratt, Richmond Beach.
Paul K. Walton, Veradale.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 14, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we would pray with the Psalmist, *Create in me a clean heart, O God, and renew a right spirit within me.* Thus prudence shall become righteousness and morality shall become goodness that is altogether noble before God. The Lord stimulate us to take our rightful place to-day, to do our part in making society more contented and inspire men and women to the best service of our country. Where frowns would gather, may we bring a smile; where discouragement threatens, may we evoke a faith; and where the load lies heavy, may we give a lift. As our Heavenly Father upon earth, full of grace and truth, take us by the hand and lead on and up to the higher planes of thought and life, until we reach the table-lands of God, where we shall lull the ills of time into forgetfulness and bury them without a sigh. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8397. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes.

The message also announced that the Senate has agreed to the amendment of the House to a bill of the Senate of the following title:

S. 3584. An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes.

FIVE CIVILIZED TRIBES IN OKLAHOMA

The SPEAKER. The unfinished business is the vote on the passage of the bill (H. R. 8750) relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma. The question is on the passage of the bill.

The question was taken, and the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CANNON, from the Committee on Appropriations, submitted a privileged report on the bill (H. R. 11361) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes (Rept. No. 1055), which was read the first and second times and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. HOLADAY reserved all points of order.

PROPOSED PAY-CUT PLANS

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, as gentlemen know, the Economy Committee had its schedule for the reduction of Federal salaries ready to present to the House to-day to be attached to the legislative appropriation bill which has already been under consideration.

The Economy Committee, which this House set up, has worked in season and out for seven weeks in an effort to intelligently reduce the expenses of the Federal Government. It is needless to say we have had difficulties in our procedure because of the fact that anything we do affects somebody or some group of men and women. We have been met with objections from many sources.

However, we were practically ready to present to this House an extended program which, if adopted, I am sure would save the taxpayers at least $150,000,000 to $200,000,000.

Some time ago the committee invited the President to send down his suggestions, the President having said time after time that he had suggestions, but not having detailed them. The committee wished to have them in detail for its consideration. The committee wrote a letter to the President inviting him to send his specific suggestions. The President immediately invited the committee to the White House. The committee gladly accepted because the committee feels that at this day and time, in this crisis, it is not necessary for this bill to be a Democratic bill or for the reduction to be a Democratic reduction or a Republican reduction. It is not essential that it should be anybody's bill. This committee will support anybody's bill that will reduce the expenses of the Federal Government [applause] and we wish to have, if you please, the thorough cooperation of the administration and anyone who can give us suggestions showing specific savings.

We went to the White House last Saturday for a meeting, at which we discussed both the committee's program and the President's program. The President's program was hurriedly drawn, doubtless, and was not in detail. Many things the committee had considered were on the President's program and vice versa. We made real progress Saturday.

In the meantime your Committee on Economy several weeks ago arrived at a definite conclusion as to what we should present to the House dealing with the salary-reduction problem. We were in agreement, and a record vote of 5 to 2 was had upon the schedule for reductions. There was agreement generally among the committee members, who suggested that I go to the Rules Committee and ask for a rule to place this program of salary reduction on the legislative appropriation bill, which you were considering when the House adjourned last Tuesday.

We were ready to proceed to-day, and I think the House is entitled to know, especially those gentlemen who are interested in this vital problem of curtailing Government expenses, and the country is entitled to know why we are asking to-day that the legislative bill be postponed and why we are not ready to present a bill to you to-day providing for a reduction of the salary of every man and woman who is on the Government pay roll or who receives money as an employee of the Government above $1,000 per annum.

I may say here that the plan, as you have seen it in the RECORD, does not mean 11 per cent on all salaries in excess of $1,000. The committee thought the fairest plan to all parties concerned was to have an exemption of $1,000 on every salary. For instance, under the committee's plan, the $1,200 man would have to live on $22 less during the fiscal year 1933, to which the proposal applies, than his present salary.

I am not going into the details of the other plan suggested by the President, because we do not have that plan here; but under the President's plan, which would mean a furlough of a month, the $1,200 man would give up $100. I prefer, and I think the committee prefers, as between the two, a flat reduction in salary, first exempting $1,000, but I want you to know why we are not ready to proceed to-day.

Mr. WOODRUM. Will the gentleman permit an interruption at this point?

Mr. McDUFFIE. I yield for a short question.

Mr. WOODRUM. I am interested in what the gentleman is saying about a $1,000 exemption. Personally, I have been one of the Members of the House who has advocated a reasonable salary reduction, but there are many Members who do not believe that the gentleman's proposed exemption of $1,000 is sufficient; that a person making $1,200 a year ought not to have any reduction, and what I want to ask the gentleman is this——

Mr. McDUFFIE. I hope the gentleman will let me proceed with my statement.

Mr. WOODRUM. May I ask the gentleman this question in connection with what he has just said? Will the House be given an opportunity to increase the exemption of $1,000?

Mr. McDUFFIE. We are not bringing the bill in now. The opposition to whatever we present will have an opportunity to express itself and to offer such an amendment as it may desire to submit.

When we left the White House Saturday it was the understanding that the Director of the Budget, Colonel Roop, would appear Monday with the President's plan outlined in detail, to present for the committee's consideration. We wished to be courteous to the administration, and especially to the President of the United States, who, we are informed, evidently knows much about organizing government. We wish the benefit of his suggestions. Up to this good hour we have not had them in detail as to salary reductions. Colonel Roop was to appear Monday. He did not appear on Monday, and on Tuesday he did not appear with the President's detailed plan.

On Wednesday morning Colonel Roop did appear and brought suggestions, such as you saw in the RECORD this morning, but not worked out in detail. About 10 o'clock this morning I called Colonel Roop and asked him how soon he could present a detailed plan, and he said he could have it here in an hour and a half. Within 30 minutes thereafter Colonel Roop called me and said it would take two days to get the detailed plan. I am not charging Colonel Roop with delay.

I wish the House and the country to know that the Economy Committee is committed to a reduction of Federal salaries. Ninety per cent of the taxpayers of the country are demanding a reduction of Federal salaries. We are trying to do something substantial along that line. I want to say incidentally to you gentlemen that unless salaries are reduced there are going to be new faces in Congress in the future. [Applause.]

I grant that on last Saturday at the White House there was a suggestion of an omnibus bill with the idea of putting all the propositions for savings, both of the committee and the President, under one bill. That, however, can well be done after we take care of the Federal salary reduction bill. We want to be courteous to the President and wait as long as we can before taking up the question of salary reductions, and so the committee asked the gentlemen to delay the legislative appropriation bill in order that we may have the President's views in detail and be able to present them to the House. It is hoped we may have his specific suggestion at on early date. We have been waiting since Saturday for his furlough plan.

I wanted you to know that your committee is not responsible this morning for the failure to proceed to offer a bill to reduce the Federal salaries of this country on the legislative bill to-day. [Applause.]

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes, or such time as I need, on Pan American Day.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. LaGUARDIA. Reserving the right to object, Mr. Speaker—and I shall not object—I am going to ask for 10 minutes to address the House on the subject upon which the gentleman from Alabama has just addressed the House.

Mr. CONNERY. Mr. Speaker, reserving the right to object, I am going to make a request to address the House for 10 minutes on the United States Steel Corporation making another 15 per cent cut.

Mr. UNDERHILL. Mr. Speaker, if we are to have all these requests, I am going to object to all of them. I think we ought to go ahead with the appropriation bill.

Mr. BYRNS. Mr. Speaker, may I remind gentlemen that it is the purpose, as soon as we can, to take up the District of Columbia appropriation bill, upon which there will be general debate, and every one of these gentlemen can be easily taken care of. I want to say that unless we get busy and pass the appropriation bills you need not expect to adjourn in June. [Applause.]

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11361) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes. Pending that I suggest that we proceed without any understanding as to any limit for general debate, except that we have an equal distribution of time.

Mr. HOLADAY. That is satisfactory.

The SPEAKER. The gentleman from Missouri moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the District of Columbia appropriation bill. Pending that he asks unanimous consent that the time for general debate be equally divided between himself and the gentleman from Illinois. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11361, the District of Columbia appropriation bill, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Maryland [Mr. LINTHICUM].

PAN AMERICAN DAY, APRIL 14, 1932

Mr. LINTHICUM. Mr. Chairman, this is Pan American Day throughout the United States, Central and South America. Early in 1931, at the suggestion of the Governing Board of the Pan American Union, the Presidents of the 21 Republics of the American Continents issued proclamations designating April 14 as Pan American Day and urging upon their respective peoples the observance of this day with due and appropriate ceremonies. April 14 was selected because it was on that day in 1890 that the First International Conference of American States adopted the resolution creating the Pan American Union.

As we look back upon the four decades that have elapsed since that time we can not help but feel gratified at the progress that has been made in the development of closer understanding between our own country and our neighbors to the south. The feeling of distrust toward the United States which prevailed for so many years is giving way to one of confidence. The successive Pan American conferences have contributed their share toward this great end. Their influence has been supplemented by the work of the Pan American Union. In addition to closer commercial and financial ties, new currents of intellectual intercourse have been established, all of which have contributed to better mutual understanding.

In fact, we have been slowly developing, through the Pan American Union, a league of the free nations of the Western Hemisphere. The basic idea of this union is not the establishment of a superstate. Nor is there any thought that compulsory process should be used against any member of the union. For over 40 years the union has devoted itself to developing a spirit of cooperation among the nations of America with the well-founded expectation that in this atmosphere of good will every difference that may arise would lend itself to the orderly processes of peaceful settlement.

Even if we limit ourselves to the last few years, the record of achievement in the settlement of difficult and delicate disputes is one of which the entire Pan American Union may well be proud. The long-standing difference between Chile and Peru has been happily settled and these two nations have resumed close and friendly relations. At the present moment there is sitting at the Pan American Union an arbitral tribunal, presided over by the Chief Justice of the United States, which is intrusted with the final settlement of a long-standing boundary dispute between Guatemala and Honduras. Recently a commission to settle claims between the United States and Panama began its sessions at the Pan American Union.

Thus, slowly but surely, the international questions that have arisen between the American Republics are being happily settled. In fact, it is no exaggeration to say that we may look forward to a time, in a not too distant future, in which the American Republics will be able to give to the world an example, unique in the history of the world, namely, an entire continent which has settled its major and minor disputes by means of conciliation, mediation or arbitration.

As another major contribution of very recent times, I need only call your attention to the notable Pan American Conference on Arbitration and Conciliation which was held at the Pan American Union in December, 1928, and January, 1929. At this conference a general convention on inter-American conciliation and a general treaty on inter-American arbitration were signed, both of which represent most important advances in giving the widest possible application of the principles of conciliation and arbitration to the settlement of all inter-American disputes.

I am not certain whether the people of this country realize the full significance of this Pan American movement which has been gaining steadily in strength since the establishment of the Pan American Union in 1890. It is most fitting that on the occasion of the celebration of Pan American Day we should keep before us the larger implications of this movement.

There is something inspiring in the thought that on this day throughout the Republics of America ceremonies are being held, all intended to emphasize the essential unity of ideals and unity of interests of the American Republics. It is a matter of no little significance that the most important celebrations are being held in the public schools of the United States, Mexico, Central and South America, for it is to the younger generation that we must look for the fuller realization of those ideals of continental solidarity for which we are to-day striving.

It has been my privilege to visit many Latin American countries, including a number of the Republics of South America. I have had the opportunity to meet some of their leading statesmen and to study their civilization. Their progress in economic well-being and the advance in their political development have made a deep impression upon me. Even to-day, when they are passing through a financial crisis more severe than our own, they are giving evidence of courage, self-sacrifice, and abnegation in the effort to place their finances on a sound and healthy basis. No one can witness these efforts without feeling convinced that in spite of all temporary setbacks the future of these nations is assured.

Viewing the situation from the standpoint of our own interests, I become more convinced with each year of the importance of cultivating the confidence, friendship, good will, and cooperation of our sister Republics of Latin America. As I attempt to visualize the future of international affairs I am impressed by the fact that our permanent interests are in this hemisphere rather than in other sections of the world. We have to the south of us 20 nations growing in economic strength and in consuming power; countries which can furnish to us all the raw materials that we need and which will become for us ever-expanding markets for our manufactures. Our capital investment in those countries to-day exceeds $5,000,000,000. Notwithstanding present unfavorable conditions, which prevail not only in Latin America but throughout the world, I have full confidence in the future economic progress of Latin America and am convinced that Latin America will not only completely recover her earlier prosperity but will steadily move forward to higher and higher levels of productivity. From the larger point of view of our future international influence, I can imagine no stronger position than that which will be given to us by the closest possible understanding with our sister nations of this hemisphere. Based upon a complete harmony of interests, dealing with them as equals, with no thought either of dictation or domination, we will best serve our own interests as well as the interests of humanity.

If we had paid more attention to the countries of our own hemisphere and less to the countries of Europe, we should be in a far better and happier state than we are to-day. We would not have squandered the billions of dollars we lost in our enterprises and associations with European nations.

I should like to see our business and social relations strengthened between the countries south of us and our means of transportation improved and enlarged. If we had better and quicker transportation, we would be able to do more business, better our social relations, and increase the prosperity of not only our own country but those of our associates of the Pan American Union. The vast possibilities of trade with the countries of our hemisphere are im-

mense. If we realize the large cities, fertile lands, great mines, and oil wells, we can readily perceive that these resources have scarcely been scratched over.

Pan American Day, therefore, assumes a deep significance for the present and the future of our country. In its celebration we must ever bear in mind that our major interests are on this hemisphere and that through the friendship and good will of our sister nations of America those permanent interests will best be served. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by including a letter I am addressing to the teachers of Baltimore.

The CHAIRMAN. Is there objection?

There was no objection.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

MY DEAR FRIEND: As you are aware, Thursday, April 14, was designated as Pan American Day throughout the entire United States, Central and South America. I am informed that celebrations were held in the schools and other places throughout this section of the world, which comprises practically the entire Western Hemisphere and all the nations parties to the Pan American Union.

I performed my part in this general celebration of Pan American Day by making the address, which I herewith inclose, before the House of Representatives of the United States. It occurred to me that you would like to have a copy of this address, perhaps, to read to the children or to keep, as this celebration is expected to be held annually during the years to come.

May I say at this time what I have been saying to the teachers of Baltimore for several years; to wit, that the teachers and their pupils, if possible, visit Washington during the spring season of the year to view the beautiful surroundings, especially the trees, shrubbery, and flowers throughout the Nation's Capital, and likewise to visit the wonderful buildings which we now have, and particularly to see the new buildings which have been constructed during the past few years.

Congress is now in session and many things of national interest and of particular interest to the teachers and pupils of the land are taking place in that, the greatest legislative body in the world. As I have said before, there is the Washington Monument, perhaps the most picturesque memorial to any man of history; the Lincoln Memorial, with its mirror lake and trees of cherry blossoms, is to my mind the most beautiful memorial existing. I have viewed the ruins of Athens, beheld the Forum of Rome, gazed upon the Pyramids of Egypt, but I know of no memorial more beautiful in its stately silence than this one erected to Abraham Lincoln.

I write to suggest that you visit Washington and if possible bring your class with you before the Congress adjourns. I tender my services to make your trip as pleasant and profitable as possible and will upon request forward gallery cards which will admit you to the Congress and a letter which will admit you to the White House.

As a former teacher, I am deeply interested in public schools, and I want them to have every advantage that can be had.

Do try to come and bring your pupils.

Very sincerely yours,

J. CHAS. LINTHICUM.

PROPOSED PAY-CUT PLANS

Mr. HOLADAY. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, the gentleman from Alabama [Mr. MCDUFFIE], chairman of the Economy Committee, made a very frank and fair statement. We all realize and understand the difficulties of that committee. They have my sympathy, but I must confess that I do not see how they fail to notice that a great deal of this economy talk is inspired for selfish purposes. They have been given a difficult task. Considerable comment has been heard throughout the country on what they should do by people who do not understand the budgetary condition of the country, advice by bankers and brokers and war profiteers who do not care about anything else but avoiding the payment of just taxes. Letters have been written, editorials have been written, statements have been made, speeches have been made by people clamoring for a reduction of the Budget without any knowledge of facts or figures by people who do not understand the budgetary conditions and ignore the best interest of the country. I make that statement without any reservation. I have already given this House documentary proof of large financial institutions demanding reduction of Government expenses and at the same time selling advice to their customers on how to avoid paying taxes. The gentleman from Alabama, I believe, is exceedingly fortunate that the rule was not presented this morning. If I understand the temper of this House, I say that if the rule had been called up under the conditions and surroundings that it was introduced and presented, it would have been overwhelmingly defeated.

Let us see what is back of all this movement. Back of this movement for a reduction of salaries and the so-called balancing of the Budget are two prime reasons. One is to obtain reductions in order to use that as an argument before the other body of Congress to reduce the income taxes in the revenue bill that it is now considering. The other is a movement throughout the country for a general reduction of the wage standard and the resultant lowering of the American standard of living, that in order the more easily to exploit their employees and the workers. There was no cry for balancing of the Budget when millions and millions of dollars were added to the Budget by the issuance of long-term bonds to meet current expenditures. Gentlemen will remember that in the latter part of 1931 nearly $1,000,000,000 of 24-year-term bonds were issued to meet the current expenditures. Yes; a billion at 3½ per cent.

There was no demand for balancing the Budget when $900,000,000 additional long-term bonds at high interest rate were issued in the early part of this year to meet current expenditure. Why? Because certain of the big bankers and financiers wanted some place to put the money they had obtained from the American people by selling them worthless securities. So the bankers got good money and the investors were stuck with worthless bonds and no-good stock. This money now the so-called financiers have invested in good United States bonds. The additional $1,900,000,000 of Government bonds just issued for these manipulators add from $50,000,000 to $60,000,000 annually on the Budget. We can not economize there. There was not one word said about balancing the Budget in the early part of the session when this House was called upon to ratify the moratorium, which added $250,000,000 to our budgetary requirements this year, and the next year will add $270,000,000 to our budgetary requirements. I submit in the face of this, is it fair to demand that the letter carrier and the clerk should pay for the moratorium or that the charwoman should pay for the deficit, for which they are not to blame? Why the very people who caused the deficit are the beneficiaries of our bonded indebtedness and are now clamoring to reduce wages.

I deny, and no one can prove, that a reduction of the salaries is necessary or is for the best interest of the country. There are two schools of economic thought. I concede that one school suggests for selfish individual purposes of an efficient, profitable industry controlled by a few privileged persons in this country the lowering of standards of living. For instance, if we should tear down the standard of wages and lower the standard of living, create a keen competitive labor market, a few individuals would profit by such a condition through cheap labor and greater exploitation, but that is not the American way of doing it. [Applause.] On the other hand, if, instead of lowering the scale of wages and the standard of living, we attempt to and we can bring up that scale, we thereby increase the purchasing power of the country, which means more consumption, more business, more employment, and more happiness. This country was most prosperous in those periods where wages were high and the American people had a high purchasing power.

Because, after all, the purchasing power is in the great masses of the American people; it is not concentrated in the hands of the few who are trying to ruin this country. Instead of meeting the situation, it is now suggested by a few selfish individuals to use the Federal Government as the pacemaker in this movement throughout the country to reduce the American scale of wages. The gentleman from New York [Mr. REED], who this House acknowledges is a very careful thinker and very conservative in his point of view, the other day revealed that in his district one of the largest manufacturers had informed him that as soon as the Federal pay cut goes into effect this manufacturer would

reduce his 1,200 employees 10 per cent. That is what is being attempted. That is why informed Members of this House will resist pay reductions.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. OLIVER of Alabama. Am I justified in concluding from what the gentleman states that he approves of the present schedule of salaries for Government employees?

Mr. LAGUARDIA. Certainly.

Mr. OLIVER of Alabama. Does the gentleman also approve of the increases given in the pay of Government employees over the period since 1923 or 1924?

Mr. LAGUARDIA. Certainly.

Mr. OLIVER of Alabama. Does the gentleman likewise approve of what has been done in reference to increasing the number of Government employees?

Mr. LAGUARDIA. Where the increases were necessary by reason of legislative enactment.

Mr. OLIVER of Alabama. What study has the gentleman made of the present schedule under which Government employees are paid?

Mr. LAGUARDIA. A very thorough study, as I will demonstrate before I finish. I will answer that question. The average Government salary, gentlemen, is around $1,440; and it is lower than the average salary paid in normal times throughout the country.

When the gentleman from Alabama asks me if I am in favor of the increases of salaries that have been brought about my answer is yes, because this country has been going forward economically. As the standard of living improved and the standard of wages increased in industry and in commerce the Government had to keep pace with that. I am sorry to say that in many instances the Government was slow by many years in keeping pace with increased wages in private industry.

I will only refer the gentleman from Alabama to the fact that during war days, when wages doubled and tripled throughout the whole country, all that the Government employees got was a bonus of $240 a year. So the increases in the Post Office and in the classified services were no less than seven or eight years behind the times, or seven or eight years too late.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. FITZPATRICK. Is it not a fact that during the war, when we were twenty-six billion in the red, that the men who are advocating wage cuts to-day charged the United States Government 400 per cent on everything they sold the Government?

Mr. OLIVER of Alabama. I have great respect for the opinions of the gentleman from New York, for usually I find he has been industrious and has made what he believes to be a careful study of questions before drawing conclusions therefrom. The question I asked him a few moments ago and which he said he would be glad to answer was, What study has the gentleman made of the increases made in Government salaries and the present schedules to justify his statement that he gives full approval thereto?

Mr. LAGUARDIA. If the gentleman will take any given industry and compare the wages of the skilled and unskilled trades with the wages paid by the Government for like services, the gentleman will find that the Government pay increases were several years behind those of private industry, and when the Government increased the salaries the increase did not come up to the prevailing rates.

Real earnings of Government employees declined almost steadily from 1914 to 1920. Increases in real earnings of Government employees since 1920 have resulted partly from salary increases, including bonuses, reclassification, and the Welch and Brookhart Acts, and partly from changes in the cost of living. Government employees' real earnings in 1930 were about equal to those of 1913–14, but even in 1931 were still substantially below the average for the 1890–1899 decade. On the other hand, industrial employees' real earnings in manufacturing and transportation have increased for the past 30 years and since 1915 have been on a distinctly higher plane than prevailed from 1890–1899. Even during extensive periods of business depression the average real earnings, after adjustments for unemployment are made, still remain well above the real earnings of Government employees.

This comparison, I am sure, fully answers the charge that Government employees are overpaid.

If the gentleman will take the technicians in the Government service—and that is a class that is being attacked by a number of ignorant tax dodgers as much as any other class in the Government service—he will find that their compensation is way below the compensation paid by private industry for like services.

Government scientific and professional employees are not as well paid as engineers in industry. A comparison of the salaries shows that the below-average man is paid about the same by Government and industry. The Government pays the average professional man from $500 to $2,000 less than industry. The more experience the average professional Government employee has the greater is the difference between his pay and that of the average engineer. The salary of the better-paid professional employee in the Government service is far below that of the better-paid engineers. So large is this difference that the Government can not hope to hold exceptional men except when such men are willing to make a large personal sacrifice. The proposed salary cut of Government employees will hit hardest the employees who for years have made big financial sacrifices by staying in Government service. Loyalty to the service, love of work, and security of salary and position have in the past caused many men to refuse attractive outside offers of more money. A salary cut will destroy the sense of security and wreck the morale, so that when economic conditions improve, the Government will have increasing difficulty in retaining high-quality men.

If the gentleman from Alabama is pleased to cite the fact that many industries have lowered their wages below the standard, then I say that we should do everything in our power to bring that standard back again and not to lower it further than it now is. That is our purpose here. May I quote the great Theodore Roosevelt, who said on a similar occasion, as I was reminded this morning by Tyler Page, our reliable historian, "Rather bring all men up than some down."

I want to say to the gentleman from Alabama that there is something more than just the year 1932 before us. There are the economic welfare and future of 126,000,000 people before us. I say that when we reduce the pay or wages in American industry and commerce we bring the whole structure down so that the standard of living will be lowered. We might find a few selfish individuals who would be satisfied with such a situation; but should that situation be brought about we will have failed miserably in performing our duty for the best interests of our country. [Applause.]

Mr. OLIVER of Alabama. Will the gentleman yield for one further question?

Mr. LAGUARDIA. I yield.

Mr. OLIVER of Alabama. I do not belong to the class who are persuaded by ad hominem arguments in support of conclusions announced. I feel it is important to ascertain whether the party who announces such conclusions has made a careful study of the facts pertinent thereto.

For that reason I inquired of the gentleman to know what study he had made of salary schedules of Government employees.

Mr. LAGUARDIA. I know every schedule of salary. I hope to convince the gentleman of that before we finish this pay-slash fight. During the last 20 years I have been through as many industrial troubles as any Member of this House.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. LAGUARDIA. I have seen the garment industry working in sweatshops only 20 years ago at $8 a week, and I have seen them lift themselves from sweatshops to sani-

tary, well-ventilated, and well-lighted shops, made mandatory by law, and working on a minimum of $30, $40, and $50 a week. [Applause.] I have seen the advance and betterment of truck drivers. I have seen them working in my city on $12 a week, 20 years ago, while now they are receiving $37.50 and $40 a week. I could cite a hundred instances of my own personal knowledge. Now, then, I want to say to the gentleman from Alabama that I will compare the study I have given to this question with his, and I have great regard for him, but in making my study I see one thing, and that is the welfare, the economic and spiritual welfare, of the human being as essential to our scheme of government and not a dividend for some exploiter of labor. [Applause.] That is the difference in our approach. I want to say this to the gentleman from Alabama, to get right down to the proposition: It would be dangerous and unfair if this Congress were to approve either to-day, to-morrow, or any time a percentage reduction of salaries. Why? I can not repeat it too often: Because the minute we do, industry and commerce will pick that up; it will make like reductions, and we will go back 50 years instead of advancing.

Mr. OLIVER of Alabama. Will the gentleman yield for another question?

Mr. LaGUARDIA. I yield.

Mr. OLIVER of Alabama. The ipse dixits of even the gentleman who has had time to study every pay schedule of the Government——

Mr. LaGUARDIA. Every one of them.

Mr. OLIVER of Alabama. That is very fine, but even his ipse dixits do not carry conviction. I would like here, without taking any further time, to call to the attention of all Members a concrete, well-assembled list of salary increases for study in order to ascertain whether they can concur in the broad approval that the gentleman has given of all pay schedules. I refer Members to the hearings before the District Committee, on pages 29 et sequitur, in connection with the bill now pending before the committee.

Mr. LaGUARDIA. Then let me also call the attention of the committee to the fact that when they read those hearings they also look back a few years when the school-teachers of the District of Columbia and the school-teachers of the country were paid a salary less than that paid to unskilled laborers, and that is only about 15 years ago, because I was confronted with that problem when I was in the city administration of my city. If the gentleman from Alabama or anyone else can take any satisfaction in attempting to confuse the figures in order to bring down the standard of wages, he is entitled to that satisfaction, but I will say this: That if there is a disparity at this time in any class of Government employees and the employees of commerce and industry, then we should do everything within our power by example to bring the standard of others up to ours, and not bring ours down to starvation wages and lower the standard of living.

This campaign against increased Government expenditure appears to be principally initiated and carried on by the leaders of banking and industry who, in searching for methods of extrication from the present predicament, look principally for the faults of others rather than for the faults of themselves. Considering only the basic fundamentals from a simple common-sense point of view, and brushing aside all the interaction of economic forces, which apparently are not understood, it would appear that a much greater economic waste is being permitted by failures in banking and industrial leadership than is being caused by the necessary expenditures of Congress. It seems to be simple common sense that if everybody in the country is working there would be a greater production of articles whose use or possession would make life easier for the multitude, if results of this production were properly distributed. In other words, the standard of living would be raised. The reduction in our standard of living, caused by a fourth of our people being idle, is surely greater than the reduction in the standard of living caused by Government expenditures, even including unnecessary ones. When commercial leadership can not provide for the employment of a larger per cent of our population than at present, there surely should be no objection to the provision of employment for our population by increased beneficial Government expenditures.

President Hoover, I believe, has hit upon one good idea, and that is his suggestion of a 5-day week. We must reduce the working week as well as the working day in order to give all of the people of this country the benefit of our improved and machine methods of production. When the President of the United States suggests a 5-day week I believe he is setting an example to industry and commerce which will bring up the standard that I have been trying to point out. I do not believe, though, and I do not agree with the President, that the entire cost of going on a 5-day week should be put on the Federal employee. We must adjust this matter so as not to put that entire burden on the employee. If industry would go on a 5-day week and a 6-hour day, several millions of the unemployed would go to work and our depression would soon be over.

Members of the House will remember that a few years ago the 60-hour week was considered a standard week. We are away from the 60-hour week, but unless we watch what we have obtained we may soon be back to a 60-hour week. It was not so long ago that we thought the 44-hour week was the ideal week. We are beyond that now and that is by reason of improved methods of production, which result in producing more than the people have the ability to purchase but not more than their ability to consume. There is a big difference between the purchase power and the normal consumption of a country. We have not arrived in this country at a time when we are really producing more than we can consume, but we have arrived at the time where we are producing more than the great masses of the American people have the ability to buy.

Mr. BANKHEAD. Will the gentleman yield for a short question?

Mr. LaGUARDIA. I yield.

Mr. BANKHEAD. The sum of the gentleman's statement is that he is absolutely opposed to the consideration of any salary reductions whatever.

Mr. LaGUARDIA. I am opposed to the lowering of the wage scale in this country and also the lowering of the American standard of living. I say this to the gentleman from Alabama: I think that if we do agree on a 5-day basis, that we can find a formula which would be acceptable without putting the entire cost and without putting all of the burden on the backs of the producers and the workers.

All this talk of high salaries of Government employees is not at all correct.

The Bureau of the Budget recently released detailed facts regarding the Federal pay roll. These facts were compiled in response to requests from many sources, including Congress.

The facts definitely refute the numerous wild statements now current as to the existence of a large number of Government employees drawing fat salaries. The outstanding facts revealed are the very small number of high-paid and surprisingly large number of low-paid Federal employees. In the three-fourths of a million civil employees of the Government only 3 in 500 received $5,000 or more per year. Included in this group are the Cabinet officers, assistant secretaries, bureau chiefs, and some of the leading scientists of the country. On the other hand, about 1 in 6 Government employees receives less than $1,000 a year, or $20 per week, and 3 out of every 4 receive less than $2,200, or $43 per week.

About 1 Government employee in every 4 receives $2,200 or more, but less than $5,000 per year. In this group are found many of the key people—professional men, doctors, engineers, lawyers, foresters, auditors, and highly trained specialized groups. They build your roads, collect your taxes, protect you from adulterated foods and fake medicines, control the flood of immigration, enforce laws, protect Government-owned lands from fire, and administer such lands so that they will give maximum service to all.

To make any substantial reduction in the Government pay roll it will be necessary to go far down in the salary scale. A cut in so-called higher-salary brackets—that is, above $2,700—will only reduce the civil pay roll about 1½ per cent and total expenditures about one-third of 1 per cent. No reduction of Government salaries will balance the Federal Budget, and any reduction will place an unfair proportion of the burden on an underpaid group. I refuse to be a party to any such plan.

Mr. BANKHEAD. The gentleman thinks that regardless of the depression we ought to continue upon the present $4,000,000,000 basis of Government expenditure.

Mr. LaGUARDIA. But analyze the $4,000,000,000. The gentleman from Alabama is too good a legislator to use a phrase that has been used by selfish individuals in this country. What is the $4,000,000,000? One billion one hundred million dollars goes to your debt service. One billion dollars goes to your Veterans' Administration. Seven hundred and fifty million dollars goes to your Army and Navy. Five hundred million dollars was appropriated for the Federal Reconstruction Finance Corporation. Two hundred million dollars we had to appropriate in the deficiency bill for the adjusted compensation. There is $3,000,000,000 right there. Then we lost $250,000,000 by reason of nonpayments by our foreign debtors.

In addition to these figures I will repeat other items to which I have often referred, which are included in our present annual expenditures. There is an item of $226,000,000 for roads—Federal-aid roads—and there was not a peep from big business, which is now clamoring for Budget balancing, when this appropriation was first recommended by the President. Added to this amount there is $13,325,000 for forest roads. A large amount of this goes for labor, it is true, but also for material. It requires banking, financing; it put money into circulation, and it was indorsed by both banking and industry.

Then there is an item of $132,000,000 for rivers and harbors and flood control. The whole country approved of this expenditure. Then there is an item of $63,000,000 for new naval construction, and my colleagues will remember that Congress was flooded with resolutions from chambers of commerce, boards of trade, bankers, patriotic organizations, large corporations, for this additional expenditure, the same people who are crying economy to-day. There is $121,000,000 of public buildings, and that, too, was indorsed universally throughout the country. Have these Budget balancers, clamoring for reduced taxes, protested against $53,800,000 of loans to private ship companies—now asking a 3-year moratorium—and over $40,000,000 in ship subsidies to private shipowners? And how about the subsidies to private operators of air mail lines amounting to $25,000,000? Any protest there from these tax dodgers? Not a word. All they can say is take it out of the wages of the clerk; reduce salaries of Government employees so we can reduce salaries in our factories, in our shops, in our offices, in order to make greater profits to make up losses during the orgy of wild speculation in worthless and inflated securities.

We can not blame this on the charwoman or the letter carrier or the departmental clerk. If the gentleman will take the normal expense of government, it is not much over $1,000,000,000, and $1,000,000,000 for the normal expenditures or the running expense of the greatest power in the world is not too large.

Mr. BANKHEAD. If the gentleman will permit, I agree, of course, with the gentleman's statement that there are certain fixed charges against the Treasury that are irreducible, but I do not at all agree with the gentleman's statement that within the limits of tolerance there should not be and ought not to be substantial reductions in the running expenses of the Government, particularly under present conditions.

Mr. LaGUARDIA. And I will say to the gentleman that under present conditions we dare not impair the normal functioning of the Government.

For instance, the Federal Trade Commission was created after years of bitter experience. The Interstate Commerce Commission was created after years of graft and abuse and exploitation of the American people. The Bureau of Mines, Labor Statistics, Bureau of Children, Women's Bureau, Education, Vocational Education, Steamboat Inspection, Efficiency, Classification, Health, Pure Food, Bureau of Standards are other instances of necessary Government activities that under the guise of economy have come under the wrath of certain interests who desire them eliminated.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman from New York five additional minutes.

Mr. LaGUARDIA. Every department of Government that we have created has not been the result of whim. It has been the result of years of bitter experience and on account of the necessity of having Government supervision and control over the very complex and intricate industrial and commercial system that we have evolved.

I know many people have pet aversions to some of these Government functions. I know there are people in this country who would want no control, but I submit, gentlemen, can we now eliminate necessary Government control after the dismal failure and the misery and the sorrow that have been brought about on the country and on the people of the country by the very people who would abolish all Government regulation and all Government control.

It is not the cost of government that has caused the deficit. The revenue of the Government has fallen off. Is the Government to blame that the American people have been mulcted of $2,000,000,000 in South American securities and of nearly $1,000,000,000 of European securities?

Are they to blame that banks in whom they had the right to confide and have confidence in advised them to buy their own securities that were artificially inflated, so that now they have lost their all? The banks have their money, and industry and commerce can not even get a loan to-day. Is the Government to blame for that? Not at all, but there are some people who are attacking Congress and criticizing Congress and want to take it out of the expense of government. They talk about a $4,000,000,000 Budget, when it is a $1,000,000,000 Budget. The other $3,000,000,000 is the direct result of the war. The Lord knows the American people did not demand that war, but we have to pay for it nevertheless.

I submit, gentlemen, we ought to look conditions squarely in the face. Only yesterday or the day before one of the leading New York papers, the Herald Tribune, I may say to my good friend from Alabama, printed an attack upon Congress and stated that Congressmen were not subject to the Federal income tax. The writer of that editorial must have known better, but that is the kind of vicious propaganda that is going on. The American people know better. Selfish bankers and big business and brokers can not draw a red herring across the path of their misconduct, of their larceny, in mulcting the people to such an extent that the entire revenue of the Government, practically, from income taxes has fallen off. This is not the fault of Congress.

The cost of the normal functions of government has not increased, and, gentlemen, for one, no matter what abuse I may get—and I know there are a great many others on both sides of the aisle who agree with me—I am going to stand up here and fight hard to maintain the American standard of living, which can only be made possible by a high wage scale, which will provide purchasing power that protects the farmer, protects the business man, and makes our country prosperous and happy. [Applause.]

Mr. CELLER. Will the gentleman yield for a brief question?

Mr. LaGUARDIA. Yes.

Mr. CELLER. I agree with the gentleman in his opposition to salary decreases, and will not the gentleman state that one of our present difficulties is deflation in commodity prices.

Mr. LaGUARDIA. Yes.

Mr. CELLER. And if we reduce salaries we reduce purchasing power and deflate such prices still further?

Mr. LaGUARDIA. I am pleased the gentleman has touched on that. I was going to refer to it.

Why, gentlemen, at this very time there is a demand for inflation. Under the Steagall-Glass bill our currency is now being inflated.

Why, gentlemen, just as sure as we are sitting here, if inflation is necessary, and almost every school of economic thought now thinks it is necessary, in order to give the farmer a chance to pay off his mortgage, in order to give the debtors a chance to pay up with the same kind of currency value as that with which the debt was incurred, then we will have to sit here and provide a compensating increase for all salaries, including our own, if you please, to meet the increased cost of living. Why? Because if you have inflation and increased cost of commodities and you do not increase wages, again, the working people will pay the whole cost, and I will resist that, too. [Applause.]

Mr. CANNON. Mr. Speaker, I yield 15 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, at the conclusion of the remarks of Mr. LaGUARDIA, the gentleman from New York, the outburst of applause from the gallery, which is forbidden by the rules of the House, is merely a spontaneous manifestation of the desire and wishes of the American people so well expressed by the gentleman from New York against wage reduction. [Applause.]

Mr. Chairman, I have been contending on the floor of this House since the Christmas recess that any reduction of salaries of Federal employees would be immediately followed by a reduction in the pay of all employees in private industry in the United States.

This morning, Thursday, April 14, the Journal of Commerce of New York, the business man's periodical, contains this article. Here are the headlines and the story:

NEW WAGE, SALARY CUTS ARE IMMINENT IN STEEL INDUSTRY—PITTSBURGH HEARS IT MAY BE 15 PER CENT ALL THROUGH THIS TIME—UNITED STATES STEEL NOT COVERING ITS OPERATING COSTS—REDUCTION OF OVERHEAD ANEW IS REGARDED URGENT SO LONG AS OUTPUT HOLDS PRESENT LEVEL

PITTSBURGH, April 13.—Active discussion of ways and means of reducing operating costs in the steel industry, most prominent among which is a new cut in wages, is going on among trade leaders here now. It is generally pointed out that the overhead cost of operation in the industry must be cut further as long as activity persists at the present low rate of capacity.

Pittsburgh industry has been particularly hard hit by the depression because of its concentration upon iron and steel and heavy manufacturing. The United States Steel Corporation and other major organizations have sought to spread work as much as possible and have made only one general wage cut of 10 per cent. It is now felt that an even more drastic cut of, perhaps, 15 per cent may be necessary all around in order to avoid heavy operating deficits under prevailing conditions.

SEE PROTRACTED INACTIVITY

The feeling here is rapidly developing that the present depression will prove protracted and that a major upturn in steel manufacture and similar activities may be a long time in coming. In the meanwhile industrial leaders face the problem of reducing the enormous burden of overhead costs built up in good times, and it is thought that further delay in doing so will merely eat further into reserves that are needed to face future uncertainties.

A number of other economies have already been made since the turn of the year by local industries. Rearrangement and concentration of plant operations in the most efficient available units, salary cuts, and eliminations and reduction in general office personnel are among the steps taken to cut costs, but this merely increases the relative burden of wage that must now be faced.

The United States Steel Corporation has under active discussion a further reduction of wage and salary scales, regarded as essential if further drain on the company's reserves is to be eliminated, it was reported in informed quarters here yesterday. There has been no decision on the size of the expected reductions, nor upon the date when they will be made effective, but the necessity of some move of the sort is recognized, it was said.

CUT LAST YEAR

Compensation adjustments made by the company in 1931, marking the fourth time in its history that the corporation was forced to cut wages or salaries, included three moves. On August 13 all salaried employees receiving over $1,800 per year were reduced from 10 to 15 per cent, depending upon the character of the service rendered, and on October 1 all salaried men not affected by the former readjustment were reduced 10 per cent, as were all wage earners, excepting in both cases transportation companies' employees, whose compensation is subject to statutory control, and a few others who were employed under service agreements.

The report of the corporation for 1931 stated that, based on the average general rates in effect immediately prior to the reductions, the curtailment in pay rolls arising therefrom to the close of December was approximately $3,991,000.

FIFTY-ONE CENTS AN HOUR WAS TOP

Wage scales of the corporation rose from 20 cents an hour in 1913 to a high point of 51 cents in 1921. Three successive cuts in that year reduced the scale to a basis of 30 cents an hour, from which it climbed in 1929 to 44 cents. The cut in 1931 brought it to 40 cents an hour.

The company had in 1931 an average of 203,674 employees.

Gentlemen, this is a conservative New York business man's paper, and you can have no doubt in your minds but what this proposition of the United States Steel Corporation putting into effect the 15 per cent cut on all wages is brought about by the belief that you, the Congress of the United States, are going to cut wages of the Federal employees.

I have said to you time and time again that they were only waiting for the alibi. When the United States Steel Corporation put through their first 10 per cent cut, they were immediately followed by the General Motors, they were followed by the General Electric, they were followed by all the big industries in the United States, and now they are waiting for you to put through your wage cut, so that they can slash the wages of their employees again and again.

They will say the Government has had to cut the wages of the Federal employees; they had to cut the letter carriers, who have been fighting for 25 years to get a living wage; they had to cut the wages of the charwomen and the little clerks, whom the gentleman from Georgia [Mr. LANKFORD] said took money out of their $1,440 per year salary and sent it back to the old father and mother in California, Massachusetts, Texas, Ohio, and all the other States of the Union—they sent money back to help the father and mother and the invalid sister who can not get work in Georgia or Massachusetts or Illinois or Mississippi or Pennsylvania or any other State.

You, the Congress of the United States, will serve as the alibi for these big corporations. You must face the facts. You must realize that when you vote for a cut in Federal salaries you are saying to these corporations, "You are right, we are going to help the propaganda of the big metropolitan newspapers, we are going to help the propaganda so smoothly, cleverly, and insidiously sent out by you big corporations to cut the wages of the American people and and pauperize them. [Applause.]

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Gladly.

Mr. FITZPATRICK. And that is the same corporation that received one quarter of a billion dollars in tax refunds during the past year?

Mr. CONNERY. Yes.

Mr. FITZPATRICK. And out of the last refund of $33,000,000, the attorney received a fee of $8,250,000 from this same corporation.

Mr. CONNERY. Mr. Chairman, last night at the Jefferson dinner the great leaders of Democracy of the United States, who were present, stressed the fact that what they want and what the people want is for the Democratic Party to legislate for the majority of the people, and not allow the individual selfishness of any member of the party to interfere with the best interests of the people.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. McCORMACK. They advocated a reorganization of the departments and of the bureaus, the elimination of unnecessary Federal activities, the restoration of our dual system of government, and a permanent reduction of Federal expenses through those means.

Mr. CONNERY. And not through pay cuts.

Mr. McCORMACK. The elimination of bureaucracy.

Mr. CONNERY. Yes; and not through pay cuts. The Democratic Party, as I repeated the day before yesterday, will succeed when it has the courage to be democratic, but

the Democratic Party of this House or of the United States can not elect a President of the United States and can not retain control of this House and obtain control of the United States Senate if it tries to play the game of the Republican Party.

Mr. McGUGIN. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield to the distinguished gentleman from Kansas.

Mr. McGUGIN. Does the gentleman from Massachusetts wish to stand on the floor to-day and recommend that, in keeping with the Democratic speakers last night, several hundred or a thousand employees of the Federal Government be laid off work entirely?

Mr. CONNERY. Oh, no; I never subscribed to that at all.

Mr. McGUGIN. The gentleman does not want anybody laid off?

Mr. CONNERY. No; whether it comes from the Democratic or from the Republican side. I do not follow out this propaganda they have been handing to us that you have to do away with your Army and Navy and cut them down so that you will have no national defense, or that you have to do away with your statutory award to the man who has tuberculosis, and who, if you send him out of the hospital, is going to die. I am not for taking away his $50 a month. I do not favor that sort of legislation, and I never will.

Mr. McGUGIN. Then I take it from that that the gentleman does not agree with the four great leaders of Democracy that Government expenses should be reduced.

Mr. CONNERY. I will follow no one who advocates cutting the already too low Government salaries. I did not agree with some of the leaders on the sales tax or on this pay cut? The answer to that is simple.

Mr. McGUGIN. The gentleman does not believe in any reduction of Government salaries?

Mr. CONNERY. No; I do not believe that you ought to cut a charwoman's pay.

Mr. McGUGIN. If the gentleman is in favor of reducing expenses, will he tell us how to save $200,000,000 without taking anybody off the pay rolls?

Mr. CONNERY. I do not see any necessity for cutting these expenditures that they are making so much noise about. The gentleman from New York [Mr. LAGUARDIA] in answer to the gentleman from Alabama [Mr. OLIVER] told the House what the expenses of government are, and you do not need to cut them at this time just to please the big interests. Why do you not put some men to work in the country? Why do you not bring wages up in the country? If you do that, you would not be worrying about balancing the Budget.

Mr. McGUGIN. Why does not the gentleman tell us on this floor how to put men to work and how to raise wages?

Mr. CONNERY. I have already told you how to do it. I will tell you again how to do it. I have written the gentleman a letter on the relief bill reported by the Committee on Labor and have received no answer. I have asked the gentleman in that letter if he would sign a petition if I put it on the desk there to allow the United States Government to loan $500,000,000 to the States, the United States to hold the State bonds as security, and thus allow the States to pay their school-teachers, to pay their policemen, to pay their firemen, and $200,000,000 for public construction of buildings already authorized but not appropriated for. This bill, if passed, will put thousands of men to work and put money in circulation to help end the depression. Will the gentleman sign it?

Mr. McGUGIN. Will the gentleman tell me where to get that money?

Mr. CONNERY. Where did they get the $2,000,000,000 for the Reconstruction Finance Corporation to help the banks and railroads pay their debts to Wall Street? [Applause.]

Mr. BRITTEN rose.

Mr. McGUGIN. Mr. Chairman, will the gentleman yield again?

Mr. CONNERY (laughingly). I want now to yield to the good-looking gentleman from Illinois [Mr. BRITTEN].

Mr. McGUGIN. Will the gentleman yield in order to permit me to answer his question?

Mr. CONNERY. I yield to the gentleman from Illinois.

Mr. BRITTEN. I was hoping that my friend from Massachusetts would answer the gentleman in the affirmative when he requested information as to where they could get the money. They can get five times this suggested salary cut with a tax on beer, and it will be cheerfully paid. [Applause.]

Mr. CONNERY. The gentleman is absolutely correct. And now I yield to my friend from Kansas again.

Mr. McGUGIN. In answer to the question where they are going to get the $2,000,000,000 for the Reconstruction Finance Corporation, I say that I did not vote for the Reconstruction Finance Corporation. They have not got the $2,000,000,000 now, and I do not think they ever will get it. To-day they have gotten something like $300,000,000.

Mr. CONNERY. Did the gentleman vote for the moratorium?

Mr. McGUGIN. Yes.

Mr. CONNERY. The gentleman wanted to let Germany off on her debt?

Mr. McGUGIN. No.

Mr. CONNERY. While the American people go broke.

Mr. McGUGIN. No; I do not know how to get the money out of them.

Mr. LAGUARDIA. The $300,000,000 the gentleman refers to is coming out of public funds.

Mr. CONNERY. I, too, voted for the moratorium; but I believe if we can give a moratorium to Germany, we can also find money for hungry Americans.

Mr. BANKHEAD. The gentleman seems to be predicating his whole argument against salary cuts upon his fear that the United States Steel Corporation is anticipating making a reduction in the wages it pays.

Mr. CONNERY. That is not my only argument. I want people to work, and I believe in decent wages. That is one thing that proves what I have been saying here since Christmas.

Mr. BANKHEAD. With a corporation running at only 21 per cent of its normal production and its reserves necessarily being rapidly depleted——

Mr. CONNERY. And paying dividends!

Mr. BANKHEAD. Paying dividends out of the reserve, but with current business ventures in that situation the gentleman thinks that if the Government declines to reduce salaries that the United States Steel Corporation will not reduce the wages it pays?

Mr. CONNERY. Oh, I do not think that if the Government declines to make salary reductions, it will stop the United States Steel Corporation from cutting wages perhaps at this time, but it certainly will stop them from cutting wages more than they will if the Government cuts salaries. That observation applies to every corporation throughout the United States.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNERY. Certainly.

Mr. LAGUARDIA. That illustrates the vicious circle we are in. There are thousands and hundreds of thousands of people improperly housed in this country, and by reason of reduced purchasing power the Steel Corporation is working at reduced capacity. It is the same vicious circle we always have.

Mr. CONNERY. True; and in place of increasing buying capacity, they now want to decrease it by pay cuts. Speaking of my own party again—and I do not claim to be any mentor; my opinion is only as good as that of any other Member of this House—I do not question the sincerity of the distinguished gentleman from Alabama [Mr. McDUFFIE] or of the gentleman from Arizona [Mr. DOUGLAS] or of the rest of those gentlemen who are trying to put this pay-cut proposition through. They have a right to their belief; but I say they are misguided in advocating this reduction of expenditures by cutting the wages of already underpaid Government workers.

The big problem before the American people to-day is not cutting Government expenditures. The big problem before the American people to-day, and the Congress, is what is going to happen to our Government if we continue to allow 8,000,000 people to stay out of work and allow their children to go hungry. What is going to happen in this Nation? Have we any God-given attributes which raise us above Russia, which makes us a government superior to that of France at the time of Marie Antoinette, when she said, "If they haven't bread, why don't they eat cake?" Is that going to be the answer of this Congress to the people who are out of work? After Marie Antoinette said that, the French Revolution ensued.

The masses of Russia barely existed under the tyranny of the Czars; they were lashed and whipped and starved; but there came a day when they revolted, and the result was Soviet Russia.

The American people are intelligent; and if they come to believe that their Government is ready to be whipped into line every time the moneyed interests crack the whip, passing Reconstruction Finance Corporation bills to protect the banks, and passing moratoria for Europe——

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I ask for five additional minutes.

Mr. CULLEN. I yield the gentleman five additional minutes.

Mr. CONNERY. And then, having passed such legislation, if the Government proceeds to cut wages, reduces the buying power of the people, reduces their chances to get jobs, adds to the unemployment situation, plays the game of the big corporations, eventually the time is coming when the American people will revolt. If they do revolt, it will be the worst catastrophe in the history of the world, because they are a thinking, intelligent people. If they get tired of going hungry, if they get tired of living in little shacks and hovels, and tired of going into the bread lines, and nothing is done to relieve them, it will be a sad day for our country.

Incidentally, right at that point, gentlemen, we have had replies from governors of States throughout the Union saying, "No starvation in my State; nobody starving; we are taking care of our own; we can take care of our own." Every Congressman must know that there are people in every city and town in this United States who are too proud to go to a poor department or to a welfare board and say, "I want bread." The only time they will go is when they are driven to the last extremity, when the little child begins to go hungry. Then they come in and ask for the dole from the city or the town.

Under our Declaration of Independence, enunciating the principle of the right to life, liberty, and the pursuit of happiness, the people of this country believe they are entitled to something better than a dole. They do not ask for luxuries; they do not have to have yachts; they do not have to have any of the great luxuries of life, but they do ask a chance to work, a chance for decent food for their children, a chance for decent shelter for their children, perhaps a chance to go to the movies, the simple joys of life; a chance for a little relaxation. They are not getting that to-day. Eight millions of them are suffering in the country to-day.

I say to you in conclusion that in my mind this is no time for the Congress to add to the great army of the unemployed, to help pauperize the 90 per cent of the people of the country who are not millionaires.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. DICKSTEIN. Is it not a fact that most Government employees are now barely able to support families on the wages they receive; and if you cut their salaries again, most of these families will be on a starvation basis?

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. DICKSTEIN. In other words, most Government employees to-day, because of economic conditions, are supporting families of three or four children.

Mr. CONNERY. I will say to the gentleman from New York, as the gentleman from Georgia [Mr. LANKFORD] so well said the other day, they are sending home this money. In Washington here there are three or four girls, Government workers, living in small apartments. They have two girls in one room, using a small gas stove on which to cook their meals, in order that they may save money and send it home to an old father or an old mother, or to an invalid sister or some other member of the family who can not get work, and now you are going to take their last prop away from them and add them to the army of the unemployed.

Now, it has been called to my attention that the estimated saving from these cuts will amount to about $67,000,000. That is 1¾ per cent of all governmental expenditures. Why are we going to save this? I will be frank enough to say it looks to me as though it is merely a sop thrown to the big interests of the United States. It will be said, "We took care of you. We gave you, the United States Steel Corporation, an incentive to cut your wages. We gave you, the General Electric Co., a chance to put into effect your stagger system," whereby men with four children will sometimes make as much as $2.75 a week. It will be said, "We gave you a chance to do this. We agree with you in your sweatshops in Fall River, where you are paying girls only 5 cents an hour and others at the end of the week receive only $5." That is what you will be doing when you pass this kind of legislation, playing right into the hands of these corporations who exploit the weak.

I do not wish to take any more time, but I hope that when this pay cut comes in, we will be Americans and vote down these proposals to cut wages and prevent the pauperization of the people of our country. [Applause.]

Mr. HOLADAY. Mr. Chairman, I yield 20 minutes to the gentleman from North Dakota [Mr. BURTNESS].

Mr. BURTNESS. Mr. Chairman, I am not rising to speak with reference to the suggested pay cut of Federal employees. But I do think it is very pertinent to the question which I am going to discuss, to ask the question seriously as to why during the past few days the main subject of discussion has been the proposal to cut Federal salaries? Why has that question been the one most talked about in the cloakroom, in our various offices all over Washington, and more or less throughout the country? What is the fundamental, underlying reason for a situation where it has become either appropriate, pertinent, or necessary to discuss Federal pay cuts? In my opinion, the real underlying reason for the situation in which we find ourselves and which brings such issue to the front and makes it important is the fact that we do not have a monetary unit stable in its purchasing power. [Applause.]

It is, in fact, the lack of such a stable monetary unit which has been the main cause for all of the serious disturbances that this country has witnessed between capital and labor down through the decades. It has not only made wages unfair to one side or the other from time to time, but it has also affected the income of producing classes and the ability to pay taxes. So I regard the fluctuating value of the dollar as the main reason for the discussion here in Washington at the present time of this question with reference to salaries of Federal employees. If real salaries were to-day the same as three years ago, no one would suggest a cut. In fact, none would be needed, for the likelihood of a Treasury deficit would probably not have arisen.

At the present time hearings are being held, and have been held now off and on for several weeks, before the gentleman from Maryland [Mr. GOLDSBOROUGH] and his associates, members of a subcommittee of the Banking and Currency Committee of the House. I personally regard those hearings as the most important that have been held before the Congress for several years, for it is hoped that from its investigation and study some legislation can be reported and enacted which will do two things: First, elevate the general commodity price level to a reasonable point, say, to the general stage or level in effect during 1926; and, secondly, after so doing keep the general commodity price level thereafter stable so that the average purchasing power of the dollar will not vary from month to month, or year to year.

The true situation with reference to our present monetary unit and its instability can be seen by any person of average intelligence almost at a glance at these two charts which I have had brought in. I take it that all of you are familiar with the so-called price-index numbers prepared from week to week, from month to month, and from year to year by the Bureau of Labor Statistics. This top chart, No. 1, consists simply of a graph representing the rise and fall in the general commodity price level, as reflected by wholesale prices, from the year 1910 up to the closing period of 1931. The prices that were in effect in 1926 were taken as a base of 100 for the purpose of computing this chart. Variations are shown by the curve or line, and the percentage thereof can be ascertained from the figures at the side of the chart. The years are given at the bottom. The commodities have been weighted in accordance with their relative importance.

You will readily realize from this chart the tremendous fluctuations that have occurred during this period of time in the average cost of commodities which people must buy.

It shows [indicating] how prices rose during the World War so that in 1920 they were almost 2½ times what they were in 1913. Translating it conversely into terms of money, what does that mean? Of course, it simply means that every individual's dollar had in the meantime become a 40-cent piece. That was the situation with reference to endowment funds, with reference to the savings of retired elderly people and everybody else who had either money or obligations payable to them in money. The purchasing power of their savings, hence their true worth, was but 40 per cent. Of course, that meant a very serious injury to all of the creditor classes at that time. Those few debtors who paid their debts benefited, but immediately after the war you had a very great decline in prices as shown here [indicating] in 1920 from a point at about 165 to about 95 within a year.

Mr. LAGUARDIA. Will the gentleman give the reasons for that decline?

Mr. BURTNESS. I have not the time to go into all the reasons for the decline, but my general views will be easily ascertained in what I say later. Remember that this is the general commodity price level. Of course, there were many classes of commodities which fell much faster and went to a lower level than is indicated on this chart, including, for instance, agricultural commodities. I am dealing now with the average of all commodities and in which there are classifications and individual items where the fluctuations were even more pronounced.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. CAMPBELL of Iowa. The gentleman from New York [Mr. LAGUARDIA] asked the reason for that decline. Was not that the time when the Federal reserve banks withdrew credit and, therefore, money was retired?

Mr. BURTNESS. There is no question of that being one of the important factors of the cause, but I did not now desire to take any time in discussing past history. Of course, the war had brought on a tremendous inflation of credit, which continued until 1920 and which was seemingly intentionally—at least very unwisely—contracted with a suddenness which raised havoc.

I want to get along, however, to what seems to be more closely and definitely connected with our immediate problem. Commodity prices were not stable, but were approaching stability from about the end of 1922 up to the middle of 1929 [indicating on chart], and then took a sudden decline, which has continued to this very day.

I have said commodity prices rose and fell during these years. What is the converse of that? The dollar has in the same degree increased or decreased in value; that is, in its buying power. As to that assertion of fact, there can be no dispute.

A graph showing just how that dollar has increased or decreased in value from time to time is shown upon this second chart, chart No. 2 [indicating]. This represents the purchasing power of the dollar expressed in terms of wholesale prices for the years from 1913 to 1931, inclusive. Here, too, the Bureau of Labor Statistics has taken the year 1926 as the base and calls it 100. We might say 100 cents. Of course, some may tell you that a dollar is always 100 cents, and therefore can not change in value and that sort of tommyrot; and, of course, it is always 100 cents, but let us see how the actual value of it has changed from time to time. Just exactly as the commodity price level fell from 100 in 1926 down to 66.3 in February, 1932, five years later, the purchasing power of the dollar increased conversely; that is, the dollar became bloated.

These graphs do not carry the lines into 1932, but show how the dollar increased very fast in value from July 1, 1929, gradually going up almost to 150 at this point in 1931 [indicating]. In fact, the price index for the week ending on the 9th of this month—April, 1932—was 65.7. This means that during that week the buying power of the dollar, as compared with 1926, was more than $1.50; in fact, about $1.52. This line would be here [indicating].

Now, is there anything to a dollar, in so far as its actual monetary use is concerned, except as a measure or yardstick by which you determine the price of commodities? The meter for determining its real value is the general commodity price level. Certainly its main purpose is to be used in business and in all of our transactions as a convenient common measure accepted by all. The amount of dollars available at a given time is important, but does its value go up and down simply with the quantity of currency that may be in circulation?

Of course, the amount of currency that is in circulation, the amount of credit media, whether that be money issued by the United States, whether it be gold or silver certificates, bank notes, Federal reserve notes, or checks, or other evidences passing and accepted for money, does have a marked effect. There is no doubt of that; but let us not overlook the fact that the dollar, the certificates that are issued by the Government, the Treasury notes that are issued by it and the silver coins, are all anchored to a certain definite weight of gold that a statute determined almost 100 years ago shall constitute a dollar, namely, 23.22 grains of gold. Anything else accepted in lieu of Government currency—checks, drafts, and the like—is therefore also anchored to that amount of gold per dollar.

So I take it that many of us, at least, will agree with the proposition that in the long run, by and large, the actual value of the dollar or its purchasing power will, regardless of temporary fluctuations due to credit expansion or contraction, be whatever is the value of that amount of gold. This being the case, you can readily see that while we have had during these years a dollar that is stable in its weight, it has been very variable and fluctuating in its purchasing power. So there are some of us who believe that starting out from that premise it should be possible to obtain a scientific monetary unit, with gold as its backing, just as now, but a unit that will be stable in its buying power. We can make it so by the necessary adjustments in its gold content. In other words, we should simply recognize the fact that gold is but one of thousands of commodities and that it is just as unscientific to fix the price of gold at $20.67 per ounce by statute and keep that price the same, decade after decade, as it would be to attempt to fix by legislation the price of any other commodity, for, of course, the actual value of gold, its wantedness as distinguished from its price, varies from time to time in accordance with the supply and demand thereof and other economic factors.

Open up a lot of gold mines and you will see what happens to the purchasing power of the dollar. If gold becomes plentiful and can be easily obtained, demand for it is lessened throughout the countries of the world and, of course, it becomes cheaper, and it would take a bigger dollar, if made of gold, to buy the same amount of commodities as prior to that time. Why should the price of it remain the same?

So, too, when it becomes scarce, when its production does not keep up with current needs or expansion in its use either in the monetary system or in the arts, gold naturally becomes more valuable. Its wantedness becomes greater, people start clamoring for it, and so, of course, any specific amount, whether it be 23.22 grains of gold in a specific

dollar or whether it be 100 pounds or 1,000 pounds of gold dust or in a brick somewhere, becomes that much more valuable when it is converted into buying power or into the terms of other commodities. Having indicated the possibility of obtaining a stable yardstick for our monetary unit in a scientific way by making the dollar redeemable in gold of varying amounts from time to time, but always in whatever amount is necessary to maintain its purchasing power, I will delay detailed explanation of the plan embodied in the bills I am sponsoring; and if I do not have time to discuss them fully, will extend my remarks for the benefit of those desiring to learn more about the mechanics thereof. I want to press more fully in this extemporaneous and rather rambling way the tremendous importance of the problem and the need for immediate solution.

Now, what is the inevitable result of a situation where you have had falling prices from a point of 167 in 1920 [indicating] first to 96.2 in 1921, or 42 per cent from the peak of 1920, or where you have had them drop from 100 in 1926, taking a later period, down to 65 or 66 at the present time, a drop of more than one-third. In fact, it is one-third from July, 1929, to the present [indicating].

Naturally, the debt-paying power of any person who produces any commodity, be it on the farm or elsewhere, has been cut at least proportionately. There can be no doubt about that. That in turn means that the financial institution which is lending money on the credit of commodities or on the property producing such commodities has to that same extent been deprived of security for the loan that he has advanced, and therefore has been placed in a dangerous situation. In fact properties have declined even more in selling values due to the inability to make any profit in using them under such conditions.

Every one of you knows that there are relatively few real-estate mortgage concerns in the country which are sound and solvent to-day, in the sense that they could realize sufficient on their assets to take care of their liabilities. The financial structure is in danger because of the fall in prices. Real estate and similar values decline with the fall in the commodity price level, but often to an even more alarming degree.

The farmers are in a worse condition than the average business. But let us assume for the sake of argument that since July, 1929, he has suffered no more than the producer of other commodities. What would that mean? That would mean that in the payment of his debts, the payment of his interest, and the payment of any obligations which he has assumed he is now obligated to pay one and one-half times as much as he borrowed when measured in the terms of what he produces and sells.

Then when you realize that much of the indebtedness of the country, particularly of agriculture, was contracted when the purchasing power of the dollar was way down here near 60 [indicating] back in 1920, and has simply been renewed from year to year or when it became due, the debtor is now confronted with a situation where the purchasing power of the dollar is about 150. As compared with 60 you can see that every one who has had any portion of his debt carried since war times is confronted with an increase of two and one-half times, not only in the principal which is to be paid some time in the future, but also in the annual interest he has to pay.

So, too, the taxes of the country—Federal, State, local—all of them have been levied and imposed upon the standards of expenses in vogue from 1921 to 1929, and are therefore increased 50 per cent when measured in terms of products at to-day's prevailing prices.

It is not strange that we have had difficulties in collecting taxes under these conditions all over the country, not only in county and municipal governments but in the States and Federal treasuries as well. Our whole agricultural and industrial plant is as efficient as ever. Our manpower is the same. The property is here available all ready to produce the necessaries and comforts of life and the people need them. Only in price, an arbitrary yardstick, has there been a material change.

Well, you say, many remedies have been proposed, and some utilized, to see to it that prices do not go lower. Why has not the problem been solved by legislation already enacted? That is a fair question deserving attention.

[Here the gavel fell.]

Mr. HORR. Mr. Chairman, I yield the gentleman 15 minutes more.

Mr. BURTNESS. I voted for the legislation providing for the Reconstruction Finance Corporation and I voted for the Glass-Steagall bill. I was glad to do so, I hoped that they would help, and I believe that the Reconstruction Finance Corporation did tend to stop further downward deflation. It was helpful, too, in inspiring confidence in our banking institutions, thus preventing threatened collapse. But so far there are no evidences that it has brought, or can bring, the situation around to the point where it was hoped would be the case. Prices have not increased. In fact, the contrary seems to be indicated by the figures.

In February the price level was lower than that of January and March was lower than that of February. I have not the exact average for March, but I was informed by the Bureau of Labor Statistics a few minutes ago that March was lower than February and the price index for the week ending April 9 was lower than it had been prior thereto. In other words, we are still on a decline, although during the last three months the line has become nearly horizontal. But what we need is a marked positive increase if total and complete liquidation is to be prevented.

Mr. CHRISTGAU. The statement of the Federal Reserve Board——

Mr. BURTNESS. I am coming to that a little later. We passed the Glass-Steagall bill to broaden the paper eligible for rediscount with the Federal reserve system, but so far I doubt whether it has accomplished much. I hope, however, that it will prove helpful. Why have not these enactments solved the problem? Is the weakness in the laws or their administration, or both? Or is there some reason why they can not function to the extent hoped for by their sponsors and by Congress when they were enacted?

I look at it in this way: In the first place, I do not think it is ever possible to solve this serious problem reflected in a price decline of 33⅓ per cent since 1929 by simply increasing some credit media so long as our dollar is tied up with a fixed weight of gold behind it, and particularly so at a time when that gold is desired all over the world and is so strenuously sought for as at present. Regardless of any temporary expansion that will result in an increase in the commodity price level, the pull is always back, whether it be a case of inflation or deflation, to the actual value of the gold behind each monetary unit. That is what makes the unit sound money.

In the second place, what about the laws referred to as temporary emergency proposals to inflate, to increase the general commodity price level? Is not the trouble this, that the general public, and more particularly the banking institutions of our country, are not in the mood to be willing to take the chance, to incur the grief, involved in making loans to farmers, to industrial plants, and to business men in their various communities? What has been the psychology of the bankers, generally speaking, out in our section of the country during the last few years since this depression started?

Naturally most of them have been alarmed, and with good reason. Securities have depreciated. Other banks have closed. Public confidence has been lacking. They have feared possible runs, and that has not been limited to the open spaces in the Northwest by any means, but it is more or less the situation all over. That has meant that every bank has wanted to keep its assets in just as liquid a form as possible in order to meet all possible demands of the depositors who might come and ask for their money. In order to inspire confidence in their communities, in order to make a showing to their depositors that they are not in any way involved, but stand ready to meet demands of any who might desire to withdraw their money, they have wanted to be able to put out their regular statements showing no debts, no money borrowed. No one can blame them for that, for their position has been a difficult one.

By simply passing these pieces of legislation we were not able to change the psychology of the country banker and everybody else. The public fear and timidity still exist and they are not going to have their minds changed in that respect until they realize that we have not only hit the bottom, but that we are on the upgrade, that prices have started to improve, that their security is therefore becoming better. When that is brought about there will not be any danger about extending the credit up to the reasonable needs of the people.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. CHIPERFIELD. Does not the gentleman recognize that the liquidity acquired by the banks has not been voluntary, but in many cases has been under compulsion from banking departments that have demanded that liquidity to a high degree be maintained, under threats that if it is not the banks will be closed?

Mr. BURTNESS. The gentleman is right. This whole thing has been a vicious circle. Every tendency from the urge of public officials, National and State examining bureaus, public fear, psychology, the desire of banks to save their securities for their depositors and themselves, and their business practice has been what? To contract the currency; and when I say that I mean currency in its broader sense—the circulating media of all kinds, including checks, if you please, based on various business transactions that arise. Checks are always circulated as money as soon as somebody borrows money in the bank and makes that money subject to check. But the tendency has been the other way. It has been pay your debt, and when it is paid the money representing that debt has stayed there in the bank; it has not been reloaned, there has been no opportunity to extend the circulating media and thereby expand business in the community itself; and when money is put into the bank in that way it becomes just as securely hoarded as if it were put into a hole in the ground or under your mattress.

I do not see any way in which that public psychology and that bankers' psychology can be changed until they feel and see, as I have said, that the general commodity price level is rising. Just as soon as that time comes the individual who has some credit, who has some means, who has been in his mind's eye looking for some piece of property, but waiting, waiting, until it has surely reached the very bottom, will make arrangements to buy. When the office clerk or stenographer thinks that clothes are not going to get any cheaper but are likely to rise in price she will purchase a new supply. Buying will start, retailers will begin to stock up, factories will receive orders, labor will be reemployed, the purchasing power of all will be gradually restored. Therefore it is of the utmost importance that those things be done, whatever may be necessary, to increase the general commodity price level, which, of course, putting it conversely, means decreasing the present bloated value of the dollar.

When I urge this I do not mean what is generally referred to as inflation. I heard a term the other day that I liked pretty well, used by Mr. Henry Wallace, of Des Moines, Iowa, before the Banking and Currency Committee. He called it "reflation"; in other words, simply putting back that which has been taken out since times were fairly and reasonably normal. Put the price level of commodities back to the average of what it was between 1922 and 1929. Of course, if anyone should attempt to go further and try to put conditions back to where commodity price levels were in 1919 and 1920, that would be a serious inflation above what later became normal, which would do even more harm now to the creditor classes of the country than was done then, and might prove just as serious to the public as the harm that has been done to the debtor classes since July 1, 1929.

In my judgment, attempts to effect stabilization by simply increasing and decreasing currency or credit media in some one's discretion will not be a success without including with it the power to change the price of gold, which in effect is the same as varying the weight of gold in the dollar, as the need may require. I know there are some who feel that the number of monetary units in circulation or the credit available is the all-important factor, hence disagree with that assertion. I wish you would read a pamphlet which was sent to your desk recently, apparently through the courtesy of Senator SMOOT, having his name stamped on it, prepared by one Edward B. Howell, entitled "The Economic Crisis—A Study of its Cause and Cure." I understand Mr. Howell lives in Los Angeles. If you will study the chart on page 19 in connection with the text, you will be impressed with the fact that the fluctuations of the general commodity price level have been much the same in all of the so-called gold-standard countries except as they have been affected or influenced by some temporary movement of inflation or deflation of currency within the individual country where the deviation has been temporary. But, by and large, if there have been fluctuations in one country they have been substantially the same in other gold-standard countries.

Referring to this chart on page 19 of the pamphlet [indicating], the main heavy line represents the long-term fluctuation. I do not know if all of you can see it, but this is a chart showing the commodity price index of England and the United States over a long period of years. I am not going to take the time to quote from the pamphlet, as I had intended, but urge you to read it for yourselves.

My study has led me to the conclusion that if we are to obtain an honest dollar that will not fluctuate in its purchasing power we will have to approach the problem in a scientific way; that is, attack the problem from the viewpoint of the actual value of the commodity which is behind the dollar, the value of the gold in which the monetary unit is redeemable. Please understand that I do not believe in fiat money. I want every unit redeemable in something of specific value, and gold is the most convenient and generally acceptable. I do not believe in any system establishing a purely managed currency, at least not as a permanent proposition, for I regard such a system as dangerous in that in any political government it is impossible to get men with sufficient ability and judgment, to say nothing of the strictest kind of integrity required, to manage it for the general public good. Such tremendous discretion is too great a power to give to any man or to a few men. Emergency measures may be a different proposition, and I am not discussing them. We are now interested in ending the present depression, but also in making it impossible for similar depressions to recur in the future.

I hope and believe the bill that will be reported by the Banking and Currency Committee will recognize at least the principle of the variable gold standard for our monetary system. Personally, I would like to see it adopted and made a permanent automatic factor in our monetary system as proposed in my bills. I do not know whether the members of the committee will deem that advisable or not. A recognition of the principle will, however, be helpful, and that is to be found in the Goldsborough bill.

[Here the gavel fell.]

Mr. HOLADAY. I yield the gentleman five additional minutes.

Mr. GARBER. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. GARBER. Is not 90 per cent of the business of the country transacted through currency credit?

Mr. BURTNESS. Certainly; about that. Credit is of greater importance than the exact amount of Government currency in circulation.

Mr. GARBER. And the currency credit is dependent to a great extent upon the confidence of the people in the administration of the Federal Reserve Board. Illustrative of that, the marked decline was attributed largely to the restriction of credit by the Federal Reserve Board and the horizontal increase in freight rates to the extent of 33⅓ per cent throughout the United States.

Mr. BURTNESS. In a general way I would agree with the gentleman, but I have not the time to discuss all the factors fully. Available credit is always a tremendously important factor in the commodity price level.

I started to say that the bill already offered by the gentleman from Maryland [Mr. GOLDSBOROUGH], as a basis for the hearings, recognized this principle. There are some features of it with which I can not agree, but I believe the bill will be rewritten by the committee and that it will be a good measure and one which we can all support. I hope it will go far enough.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. EATON of Colorado. Would it not be proper to say that the currency of the present moment is a controlled currency under the present law and the powers vested in the Federal reserve banks, and that by their handling of the currency and credit situation—buying bonds on the market and issuing currency—they have, in fact, controlled the currency?

Mr. BURTNESS. Certainly to a very large extent; and the failure of the Federal Reserve Board to do a better job, as reflected in our present situation, is one of the reasons why I fear any system embodying primarily a managed currency. Convinced as I am of the soundness and practicability of a variable weight control based upon the general commodity prices, I do not think that it is necessary to remain subject to the hazards of a managed currency system where many other factors are also involved. In my extension of remarks I will specifically refer to and discuss the bills that I have introduced which I believe provide for a scientific method of stabilizing the commodity price level or, in other words, the buying power of the dollar.

Mr. EATON of Colorado. Will the gentleman also include the charts that he is using to-day?

Mr. BURTNESS. That will have to be decided by the Joint Printing Committee.

Mr. EATON of Colorado. Will the gentleman make that request?

Mr. BURTNESS. I will be glad to, as the gentleman from Colorado desires that they be included. It will, however, involve a delay in printing the proceedings in the RECORD.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BURTNESS. Certainly.

Mr. BANKHEAD. At the cost of another reiteration of my opinion, what the gentleman is now discussing is the most important economic problem that can come before Congress. I want to ask the gentleman if the hearings have not been practically concluded before the subcommittee on this proposition and when may we reasonably expect a final report out of the committee?

Mr. BURTNESS. The gentleman will have to address that question to the members of the committee, because I am not a member thereof. I have been interested in this question for the last seven or eight years, have discussed it with many members, been in almost constant attendance at the hearings, but have not made much noise about it. However, I have made a full presentation to the committee and in former sessions have made speeches in regard to it on the floor of the House. Farm organizations became interested last summer. Hearings are almost completed.

Mr. BANKHEAD. I trust the gentleman and all others who are interested in a real restoration of economic stability in this country will make a great deal of noise about it from now on.

Mr. BURTNESS. I appreciate very much what the gentleman has said, and his earnest interest, for I believe that this question of stabilization of the commodity price level is the key log in the economic jam confronting the country, and that if that question can be solved, including an increase approximately to the 1926 level, many of the other issues that are before us will simply fade away in the mist. There is no question about that. However, unfortunately we now have the two problems: First, a restoration of the general commodity price level of a few years ago, and then the stabilization of the price level in the future, so that such a debacle can not recur as the one we have experienced during the last few years. If my bill H. R. 20, or something equally effective, had been enacted in normal times, I firmly believe our difficulties now would be relatively minor ones.

Mr. JONES. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. JONES. According to a Treasury report, there was about $53 per capita circulation of money in the United States in 1920. At the present time there is about $43, yet there is one-third more gold in this country than there was in 1920. According to those figures, which are Treasury figures, the circulating medium can be increased very materially and still be on a perfectly sound basis. Does the gentleman know what steps, if any, are being taken by the Federal Reserve Board looking to the restoration of the currency to its normal and average flow in the country?

Mr. BURTNESS. Well, I can not say I do, exactly. Of course, that question involves a number of problems, which it would take half an hour to answer, such as how to issue additional currency, what sort of a backing to give it, provide a redemption fund, determine whether the Government or the Federal reserve should issue it, and so forth.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JONES. The gentleman knows that authority has been granted by acts of Congress under the terms of which that might be stimulated.

Mr. BURTNESS. The gentleman refers to the Glass-Steagall Act. I do not know whether the gentleman was here when I referred to that act; but I will say that the Glass-Steagall Act will be of no value to the country whatsoever unless the public, the bankers, the borrowers, and the entire banking structure of the country are willing to use it, and that the Federal Reserve Board can not accept paper that has been made eligible unless and until it is offered for rediscount. Out in the Twin Cities in Minnesota, for instance—where our banking interests in our section really converge—they did not need the Glass-Steagall Act; they had all sorts of paper in their banks which was already eligible for discount and which they could have used if they had wanted to do so; but the constantly falling prices, the human fear, the timidity of the bankers, the need of keeping the bank liquid because of the public mind, were all such that they did not dare to pledge the paper; and as long as the commodity price level continues to fall instead of rise, you can not blame them very much for it, as no one knows what the security will actually be worth if forced to liquidate it.

Mr. JONES. I will state to the gentleman that that is largely true, and I beg his pardon, because I was not here during the earlier part of his remarks. However, I wondered if the Federal Reserve Board had issued an order under which that would be made possible.

Mr. BURTNESS. I think something can be done. Personally, I feel the press report this morning with reference to the attitude of the Federal Reserve Board, inviting, if not urging, a more general use of the act, will be very helpful now; but it may simply be another shot in the arm, and it will not solve the problem permanently. For that reason I am urging scientific legislation that will solve the problem in the future, as well as legislation which will immediately raise prices so that we need not depend on recurring shots in the arm, which are more or less helpful temporarily.

Mr. JONES. Then I assume the gentleman agrees that Congress would be fully justified in passing some such measure as the Goldsborough bill, or some other measure, which would automatically, within proper limits, stabilize the value of the dollar measured in terms of commodity prices so that commodity prices may be increased to proper relative level?

Mr. BURTNESS. I am in favor of any legislation which will restore the general commodity price level to a fair and reasonable stage so as to make it possible for debtors to pay their debts. Then it is the duty of Congress under the Constitution to regulate the value of our dollar by permanent legislation so that the price level will be stabilized permanently.

Mr. COLTON. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. COLTON. I thought the gentleman was about to conclude his speech when I arose. I have been very much interested in the gentleman's discussion of this problem. Will the gentleman in his extension of remarks explain his attitude further with reference to changing the value of the gold dollar to which he referred in his talk? Does the gentleman contemplate that?

Mr. BURTNESS. Yes. My prepared remarks cover that quite fully in the discussion of the bills which I have offered for that purpose. I am flattered and pleased with what seems to be an assurance that they will be read in the RECORD and the question studied by the gentleman from Utah [Mr. COLTON], than whom there is no more able and earnest student.

Mr. COLTON. There are some of us who follow the gentleman to his ultimate conclusion, but we are also interested in a subsidiary basic monetary unit, and we believe that silver is the logical metal to use for that purpose.

Mr. BURTNESS. I want to say to the gentleman that silver is dealt with more liberally in the bills which I have introduced than in any other bills pending before the Congress except those providing for bimetallism at a fixed ratio. My bills do not place an arbitrary value upon silver. I treat silver the same as I treat gold or would treat any other commodity at its true value. I do not believe in fixing an arbitrary value with reference to silver. We provide, however, that 20 per cent of the redemption fund may be in silver. So long as it is used at its actual value it could well be more. I am not particular as to the exact percentage.

Mr. COLTON. I do not believe in a fixed ratio, but in view of present conditions I believe this country can very well give serious consideration to the use of silver as a subsidiary basic monetary unit. We need something to supplement gold and increase the money of ultimate redemption.

Mr. BURTNESS. I am in sympathy with the gentleman's viewpoint and hope he will approve our method of dealing with silver.

Mr. ARENTZ. In answer to the gentleman from Texas [Mr. JONES] I would like to say that a resolution has been adopted by the Federal Reserve Bank of New York calling for $25,000,000 a week of open-market operations; in other words, the purchase of that many bonds each week in order to do just the thing the gentleman is speaking of and the gentleman from Texas asked about.

Mr. BURTNESS. That was reported in the press this morning. Of course, the purchase of bonds will be very helpful, and the purchase and sale of bonds is one of the methods proposed in my bill to synchronize the issue of Treasury notes with business needs and to assist stabilization, with the fundamental method of varying the weight of gold in the dollar so as to keep the price level constant. We, however, put the responsibility on the Treasury under definite legislative guides and leave nothing to the discretion of the Federal reserve system with reference to that specific feature. This I feel is vital, for I am not enamored with the results of discretionary powers in that regard exercised by the board heretofore. In any event, there must be a synchronization between temporary issues of currency and the scientific basis upon which my bills propose that the monetary unit be based. [Applause.]

[Here the gavel fell.]

Mr. BURTNESS. Under leave to extend, I want to discuss more specifically the two bills to stabilize the buying power of money introduced by me on the opening day of this session. I will first refer to my H. R. 20, which is a fourth revision of a bill first presented in 1923.

The principles on which it is based are set forth in my speeches printed in the CONGRESSIONAL RECORD, June 28, 1926, and March 2, 1931. The author of the plan is Mr. Dana J. Tinnes, an economist, of Grand Forks, N. Dak., whose statement in explanation thereof was recently presented to the Banking and Currency subcommittee holding hearings on stabilizing the purchasing power of money or the commodity price level, and which I hope Members will read.

The bill, in effect, retains the gold dollar as the standard of uniformity while setting up a composite goods dollar as the standard of stability. Many confuse these two aspects of standardization and declare themselves for "maintaining the gold standard" when they merely mean maintaining redemption in gold, thus continuing a gold unit as the standard of uniformity, though they fully realize its unfitness to serve as a standard of stability.

We must differentiate these two aspects of standardization. Full standardization implies not only assurance of uniformity but assurance of stability in its essential quality, and the essential quality of money is its buying power. Every real yardstick is not only of the same length as every other yardstick but it is itself of the same length at all times. Every true pound-weight is not only of the same weight as every other but it is of the same weight at all times.

In the sense of uniformity, our dollar is standardized. Every dollar, whether of paper, silver, or gold, is like every other in its essential quality—value. It is made so by its legal exchangeability, direct or indirect, with every other; for value is simply rate of exchangeability, and things readily exchangeable on equal terms, one for another, remain of the same value, which in money is called buying power.

But in the more important matter of stability, our money is unstandardized. The gold dollar, and with it all media of exchange held at par with it by redeemability, changes in its essential quality, buying power, with every change in the buying power of the metal, gold. This is shown by the changes, not in individual prices but in the average of prices which we call the price level. The only way we have of comparing the buying power of money at different periods is by comparative measurements of the price level. For the price level and the buying power of money are reciprocals; as one rises, the other falls; by regulation of either, both may be held stable.

Since it is manifestly impracticable, as well as undesirable, to price-fix all commodities, thus stabilizing buying power indirectly, the dollar must be stabilized directly, by regulation of its gold weight. And this is the natural way, for money should be the tool of commerce. One does not trim the foot to fit the shoe, but fits the shoe to the foot. Believers in sound money agree that the dollar has buying power in proportion to the weight of gold in which it is redeemable; that more gold will buy more goods and less gold less goods. It logically follows that any change in the dollar's buying power due to other causes can be counteracted by prompt corrective regulation of its weight.

Gold coins no longer circulate. International trade balances are settled in gold by weight, and all gold dealt out by the Treasury for use in art and manufacture is in bars marked with their weight. Gold coins are no longer a convenience. There remains no reason for coining them. Redemption in gold, therefore, will mean redemption in the weight of gold shown by the current mint rate. With this in mind, it becomes clear that the weight of the dollar, i. e., of the uncoined gold bullion dollar, can be regulated and so stabilized by sufficiently prompt adjustments of the mint rate.

Assisting this main stabilization process is a continuous regulation of the supply of currency to the needs of business, additional currency being issued as the need for it increases. These additional issues can not cause currency inflation, for they are put out only at times when the decrease of the mint rate shows a rise in the value of the redemption metal, gold. Since all credit extended is payable in currency, this steadies the use of credit the country over and lessens the need of weight adjustments.

Let me illustrate the operation of this plan: The present depression began in the month of July, 1929. Had this bill gone into effect before the end of that month, the weight of gold to be paid out for a dollar on August 1 would have been reduced slightly to counteract the downward pressure on prices shown during the preceding day. For a dollar calling for less gold would buy less goods, thus tending to sustain the price level. And on every day thereafter there would have been a similar slight raise of the mint rate so long as the downward pressure of the price level continued.

It is not to be expected that each of these infinitesimal daily weight adjustments would be at once fully effective in blocking the decline. But any so-called "lag" there might be would be due to the smallness of the adjustments and would be taken up as soon as by cumulation it became noticeable. Also, no price-level trend is continuous, or unbroken. There are days or weeks when inflation or depression tendencies are temporarily checked. Sometimes, as in August, 1930, the trend is checked, and, as in September of the same year, it is reversed. With our daily measurements of price-level tendencies, many such checks or reversals will be shown which are now ironed out in the monthly averages. And each of such checks or reversals will absorb whatever lag may then exist.

Could the slump of price level have continued two and a half years while the dollar in which price is measured was growing lighter and while the supply of money in circulation was being prevented from shrinking? This would not be change, but prevention of change. The bullion dollar would change frequently in its gold weight to prevent change in its only essential quality—buying power. And blocking change in the value of the gold unit would at the same time stabilize the currency and with it all credit extended and all contracts written in terms of that currency.

I have shown what would have been the effect had this bill been adopted before the present depression began. Should it be passed now, it would prevent price-level disturbance in future and the existing price level would ultimately become the fair and normal level. But prevention of future unfairness would not relieve those who now suffer from a load of debt laid upon them by this depression. To relieve them a debt-adjustment section is suggested by Mr. Tinnes in the statement to which I have referred. Adjustment of debts by such plan would, by reduction of interest charges on public bonds, make possible a great reduction of taxes. Some might question the practicability of such debt-adjustment provision and some its constitutionality. In any event, either it or the plan proposed in H. R. 21 seems necessary to take care of the interests of debtors at this time of an abnormally low price level. It simply becomes a question as to which is the more practical way of handling it.

My remarks thus far relate to H. R. 20, the revised form of my original bill. This measure could go into effect without the least disturbance of business and it would cause no additional bookkeeping in any line. The fluctuations in the value of gold, which would still occur, would then be shown by change in the price of gold instead of, as now, by inverse change in the general price level. The currency and credit in use in trade would become more stable in its buying power than the gold, so the metal no longer would be desirable as a hoard of wealth. There would be an increased use of "lawful money" of the Government in bank reserves. Gold used as collateral against loans would be subject to the same limitations as other collaterals. The "gold clause" in monetary contracts would become obsolete, for the creditors no longer would need protection against inflation nor the debtor against depression. As shown in my speech of March 2, 1932, there would be a great decrease in speculation in gold values. But if passed under present conditions it should, in justice to debtors, include the debt-adjustment feature to which I have referred.

The companion bill, H. R. 21, is an adaptation of H. R. 20, intended to fit the conditions now existing, without the need of the debt-adjustment feature. It aims to deflate the dollar by raising the commodity price level to the stage at which the bulk of existing debts were incurred. It was written just before Congress convened. The buying power of money was already inflated 50 per cent as compared with the beginning of 1926 and more than 43 per cent as compared with July, 1929, which was the month the present depression started. The average of prices had gone down 31 per cent in 26 months with no prospect of its being checked for months ahead. An avalanche is more easily started than stopped.

The proposed raise of 35 per cent would take up little more than four-fifths of the inflation of the dollar since the present price slump began and less than two-thirds of its inflation since January, 1926. Such a raise seemed fair. Were it not that prices were still falling, more allowance might have been made for debts contracted in the two years past though, from the debtors' viewpoint, most of these were but renewals of former indebtedness. The price slump continued until about the 1st of March. According to the index of the Bureau of Labor Statistics, wholesale prices continued declining throughout December, January, and February. Even during the last week of January the drop was as great as 1½ per cent. Possibly the 35 per cent advance proposed should be changed somewhat. This could be effected by a slight verbal change in the bill. However, that is a detail which can be worked out by the committee and Congress in a way deemed most fair in the interests of the general good.

The 35 per cent raise proposed is effected mainly by the devaluation of the gold dollar in section 1, reducing its weight to 1 gram 250 milligrams, with a ratcheting proviso in section 6 which prevents any downward adjustments of the gold dollar until after the average of commodity prices shall have been raised to the desired stage. The bill also increases the volume of Government currency sufficiently to prevent money shortage being caused by the devaluation of the unit. Government money is but a minor part of the supply of trade media. Should its volume at the start be insufficient to carry out the purpose of the bill, more currency will be added and all of it provided with not less than 40 per cent backing.

A bill to amend the Federal reserve act to induce cooperation by the Federal reserve system was written to accompany this bill, but the new bills by Congressmen GOLDSBOROUGH, STRONG, and RAMSEYER so nearly covered the same ground that it was not at first introduced. I did, however, introduce it on Monday, March 14, as H. R. 10487. Such legislation should grant no new powers to the system, but should guide it in the exercise of powers already possessed. Fundamental functions of the Government, such as controlling the weight of the unit of value by regulating the price of gold, should not be surrendered to any private profit-earning corporation. Neither should wise reserve requirements be virtually nullified by permitting banks to fix their own reserve ratio as proposed in some quarters. I have not asked for passage of H. R. 10487, but submitted it, believing that some of its provisions should be included as amendments to the Goldsborough, Strong, or Ramseyer bill if reported by the committee. The general purpose is similar. It gives a mandate to the Federal Reserve Board to raise the price level to the stage at which the greater part of existing indebtedness was contracted, but not less than 25 per cent.

Silver in H. R. 21 is given liberal treatment, for the currency is made payable in either gold or silver at the option of the Treasury, and in the redemption fund the proportion of silver carried may be larger than that provided for in H. R. 20. But silver is still dealt out not at a fixed ratio to gold but at its current market price.

A necessary part of the bill is the provision in section 1 making notes, bonds, and so forth, containing the "gold clause" payable not in a specified weight of gold but in "lawful money of the United States"; that is, in money representing bullion dollars of the gold weight current at the time of payment. In contracts for future delivery of a given weight of the commodity, gold, the amount should be stated in terms of weight.

If written in terms of dollars, with a gold clause added, it becomes a trap for the unwary. This provision in section 1 is needed to protect those who have "gold-clause" notes outstanding against them. The deflation of the dollar would not fully protect them as debtors if they were still compelled to pay their dollar obligations in gold at the old weight. We are told by Professor Fisher that he was assured by Chief Justice Taft that Congress has the power to nullify the gold clause in such contracts. This seems startling, but I believe

it is a correct statement as to the power existing in Congress as distinguished from States.

The first paragraph in section 12 is intended to prevent speculation at the expense of the Treasury; and this is the only feature of the bill which will not do all it is intended to do. For while section 1 nullifies the gold clause in notes and other monetary contracts, it will still be possible for people holding gold before the bill goes into effect to realize directly or indirectly, more for it than it cost them.

There is a remedy for this which will completely do away with gold profiteering. Had this simple remedy been applied years ago other nations would doubtless have followed suit and the free-gold market would have been, in a large degree, restored. It would have prevented the vast impoundments of the metal and consequent enhancement of its value which have been one of the main causes of our economic depression. The remedy which I shall propose and which, for convenience, I shall call section 17 of the bill, may be considered radical by many. But it is radical only in the sense that it is fundamental and goes to the root of the evil.

Measures not justifiable in the case of other commodities may properly be used to prevent speculation in the redemption metal. The only way to quickly restore our commodity price level to the debt-incurrence stage is to deflate the dollar by reducing its weight, accompanying this by proper regulation of the currency volume as provided in this bill. If this sharp devaluation makes possible gold profiteering, then obviously the thing to do is to tax away the profit on such operations.

TAXING AWAY PROFITS ON HOARDED GOLD

I therefore submit for your consideration the addition or insertion at a proper place of the following two paragraphs. The first will prevent speculators profiting by buying gold before the bill goes into effect and selling it thereafter. Both paragraphs will operate against speculating in the metal at any time in the future.

SEC. 17. Upon the first day of the second month after passage of this act, every person and firm in the United States who since its passage shall have sold or traded refined gold in any form or forms to the amount of 1,000 grams or more shall render to the Monetary Standard Division a true and accurate report showing the entire profit on such sales or trades. And upon the first day of every month thereafter, every person and firm whose sales of refined or assayed gold, purchased before or within 60 days after passage of this act and not included in a previous report, shall have aggregated 1,000 grams or more, shall render to the division a similar report of profits derived therefrom. Upon receipt of said reports, the division shall levy against such persons or firm a tax equal in amount to the entire profit thus reported. The tax so levied shall be paid in gold at the mint rate in effect on the date of this report, and the gold so paid in shall be added to the redemption fund.

Upon the first day of every month after passage of this act, every person and firm owning or controlling refined or assayed gold in excess of 1,000 grams shall render to the division a true and accurate report showing in grams the average daily amount of gold so owned or controlled during the month last past. Should the mint rate have shown a rise in the value of gold during said month, the division shall levy against such owner of gold a tax equal in amount to the rise in value of the gold so owned or controlled. The tax so levied shall be paid in gold at the mint rate, current on the date of report; and the gold paid in shall be added to the redemption fund.

The first paragraph of this so-called "Sec. 17" is designed, as stated, to bar speculation due to the devaluation of the dollar. It would leave no incentive to redeem gold certificates while the hill was going through the legislative process of enactment. The second does not hinder trading in gold later, but taxes away profits on gold hoarded during an advance in its value. Hoarding, at best, is an interference with supply-demand trade in the metal. The tax would not apply on gold held at times when it is not rising in value. The first paragraph is, in my judgment, essential and the second worthy of serious consideration.

Opponents of deflation of the unit may suggest the happy thought that enactment of this bill would benefit not only American debtors but also foreigners owing debts due in dollars. That I readily admit and in reply say it is an added argument in its favor. Are not our European debtors entitled to such a benefit? Their debts to us were entered into when the dollar was much cheaper, as measured in goods, than it now is. We oppose cancellation of foreign debts to us, but can we, with good face, oppose their payment in dollars of about the same buying power as the dollars they borrowed. In any event any devise or change in conditions which will increase the price level will to like effect benefit the foreign debtor.

The redeemability of our currency should be maintained but not on the discredited fixed-weight gold standard. Justice to debtors, taxpayers, and property owners demands that the grossly inflated dollar be deflated. I feel the automatic plan proposed by H. R. 21 is sound in every respect. Unless some such plan is adopted there will be a demand for suspension of redemption in gold until the price level gets back to normal, but would it end there? Suspension is dangerous, for we have no assurance that redemption would be resumed on a proper weight basis when prices become normal and no safeguard against a recurrence of our present maladjustments.

Most of the countries of Europe are off the gold standard, and their price levels have gone up, with considerable temporary advantage to their people. But, of course, redemption must be resumed on some level or their currencies will go the way of the Kaiser's mark. Should they revalue by deflating their gold unit at some fortunate point, as did France, they may become prosperous. Should they do as did England a few years ago, push their price level down and their debts up by greatly overvaluing their units at the time of redemption, they will suffer.

England's suspension later raised her price level, thus enlivening business and relieving debtors of at least a part of the unjust burden laid upon them by the forcing down of prices. Business has picked up despite the raising of the bank rate to 6 per cent and the restriction placed upon foreign trade. An economic survey, by Handelsbanken, one of the two great banks of Sweden, has the following:

England's suspension of the gold standard gave a certain impetus to the economic life of the country. A similar effect was felt in other countries that released their currency. The contrary was the case in the gold-standard countries.

Suspension is not desirable for us; but unless we enact legislation along the lines I propose, we may find it to be the only way to throw off the incubus of a fixed-weight gold standard. The thinking public must learn to distinguish between maintenance of redemption in gold and the maintenance of a fixed weight of an unstable metal as our standard of stability. Should suspension become necessary it might be followed by redemption on a fair level and thus do substantial justice temporarily.

On the other hand, the only system that can give us real monetary stability, not for a few months or a few years but permanently, is the establishment of an all-commodity standard that will operate automatically and will leave little or nothing to human discretion, but will be administered by the Government itself. Only in that way will Congress perform its full duty under the Constitution to regulate the value of money.

If we are to have a stable price level, we must make our currency what it was intended to be—a purely national monetary system. There is no reason why we should not cut our money unit free from monetary foreign entanglements by making the weight of our gold-redemption unit subject to regulation by the guidance of a scientific price-index number, paying out at all times a dollar's worth of gold for a dollar, more when gold cheapens and less when it becomes dearer.

Some suggest that stabilization should be international. The fact is that real stabilization must be independent of other countries and only national in its scope. A world-price index could be but a compromise or an average of various domestic price levels, and a unit based thereon would be really stable nowhere. It is the domestic buying power of our own currency in which we are primarily interested. Tariff barriers imposed by different countries make any attempt at international stabilization impractical. We must

not yield to the seductive suggestion of first holding international conferences, for that would only delay this much-needed reform.

I confidently submit H. R. 21 as well-thought-out legislation, based upon sound economics for immediate enactment. Its passage would permit debtors to retire their indebtedness, would safeguard the securities held by creditors, including all financial institutions, would greatly minimize the age-old struggle between capital and labor by doing away with changes in the cost of living, would reduce the hazard of all business enterprises by taking out the gamble involved in fluctuating general price levels—fluctuations in the value of gold, would remove the key log in the jam blocking restoration of prosperity, would end the tremendous losses incurred by creditor and debtor classes in the past whenever the price level has increased or decreased, and would greatly minimize, if not absolutely prevent, recurring depressions in the future.

These and many more will be the good results of any legislation permanently providing a monetary unit constant and stable in buying power. Congress and the country are confronted with no task of as transcending importance as that of providing at once, and for all time to come, an "honest dollar."

So that Members may have before them in convenient form the figures on which the charts used in my speech were prepared, I append hereto the tabulation of the Bureau of Labor Statistics. The all-commodity-price index is found in the last column. The indexes for the various classifications of groups of commodities are, however, also very interesting and important. They show, for instance, that the decline has been greatest in farm products—49.7 for the week ending April 9—and least in metals and metal products—80.2 for the same week. The exact price situation for any group at any time since January 1, 1913, can be readily determined by reference to the table.

Index numbers of wholesale prices by groups of commodities and by months

[Figures for 1926 and following years are based on 784 price series]

[1926=100]

Year and month	Farm products	Foods	Hides and leather products	Textile products	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House-furnishing goods	Miscellaneous	All commodities
1913											
Average for year	71.5	64.2	68.1	57.3	61.3	91.8	56.7	80.2	56.3	93.1	69.8
January	69.6	63.5	68.1	57.6	65.4	97.1	57.2	80.4	55.9	98.0	70.3
February	69.4	62.9	68.1	57.8	62.5	95.7	57.6	80.5	55.9	97.0	69.8
March	69.7	63.1	67.8	57.9	60.9	94.9	58.0	80.3	55.9	95.7	69.9
April	69.5	63.0	67.9	57.7	60.0	94.7	58.2	80.5	55.9	92.5	69.7
May	69.1	62.2	67.0	57.2	59.2	94.2	58.0	80.3	55.9	91.4	68.9
June	69.8	62.9	67.0	57.0	59.0	92.7	57.5	80.1	55.9	92.2	69.0
July	71.6	64.8	66.7	57.0	59.6	91.2	56.3	80.0	55.9	91.3	69.5
August	72.3	65.5	67.5	56.8	61.0	87.1	56.2	79.7	55.9	92.8	69.7
September	74.5	66.1	68.1	57.2	61.8	87.5	56.3	80.2	55.9	94.3	70.6
October	74.6	65.7	69.1	57.4	62.1	87.2	55.6	80.2	56.7	92.7	70.4
November	75.0	66.4	69.6	57.2	62.8	85.4	55.1	80.0	56.7	89.6	70.1
December	73.4	65.4	69.8	56.6	60.8	82.3	54.7	79.6	56.7	89.8	69.1
1914											
Average for year	71.2	64.7	70.9	54.6	56.6	80.2	52.7	81.4	56.8	89.9	68.1
January	73.0	64.2	69.3	55.9	61.2	82.1	53.3	79.4	56.6	88.7	68.6
February	72.5	63.1	69.5	55.8	60.3	82.5	53.7	78.8	56.6	89.5	68.3
March	72.1	62.0	69.8	55.7	60.4	82.2	53.9	78.7	56.6	89.6	68.0
April	71.5	60.7	70.2	55.8	59.9	81.7	53.5	78.4	56.6	89.9	67.6
May	71.4	61.0	70.3	55.8	57.9	80.2	53.1	78.3	56.6	90.5	67.4
June	71.6	62.2	71.1	55.7	56.7	79.7	53.0	78.0	56.6	87.9	67.4
July	71.4	62.9	69.7	55.3	55.7	79.1	52.9	77.9	56.7	88.1	67.3
August	72.5	63.8	70.7	55.3	55.1	79.7	53.4	78.5	56.7	88.7	68.0
September	71.2	70.2	71.5	54.6	54.7	80.4	53.0	87.2	56.7	92.9	70.2
October	68.3	68.1	72.0	53.1	52.9	78.7	51.6	87.3	56.4	89.4	68.0
November	69.8	67.5	72.7	51.5	51.8	77.6	50.8	87.1	56.4	90.0	67.5
December	69.0	66.7	74.3	50.9	52.1	78.3	50.5	86.6	56.1	93.7	67.3
1915											
Average for year	71.5	65.4	75.5	54.1	51.8	86.3	53.5	112.0	56.0	86.9	69.5
January	71.6	66.6	75.1	50.5	52.0	78.1	50.6	87.7	55.0	95.5	68.1
February	72.8	66.7	75.5	51.0	51.2	80.3	51.3	92.7	55.3	87.2	68.6
March	71.3	65.6	75.6	52.0	49.2	81.8	51.3	93.6	55.4	86.6	68.2
April	72.0	65.4	73.4	53.0	48.5	82.9	51.7	102.7	55.7	86.6	68.7
May	72.3	65.1	73.6	53.2	48.4	86.6	52.7	97.9	56.0	84.8	69.0
June	70.3	64.0	74.3	53.2	48.2	88.9	53.0	101.7	56.0	85.1	68.3
July	71.7	64.7	74.7	53.4	47.9	91.0	53.3	112.9	56.2	86.9	69.3
August	71.0	63.5	76.0	53.9	49.4	86.1	53.1	116.8	56.1	85.7	68.6
September	69.2	62.7	75.7	54.7	52.1	85.7	53.3	112.7	56.2	84.6	68.3
October	71.8	65.2	76.5	56.5	54.4	87.4	55.5	127.3	56.4	85.2	70.2
November	71.5	67.5	77.4	58.3	57.4	89.8	57.2	139.2	56.5	85.8	71.7
December	73.1	68.5	78.0	60.0	62.2	95.5	58.9	149.0	56.7	89.5	74.0
1916											
Average for year	84.4	75.7	80.4	70.4	74.3	116.5	67.6	100.7	61.4	100.6	85.5
January	76.9	67.9	78.5	62.6	67.3	102.2	61.7	165.6	58.3	95.0	77.0
February	77.0	68.3	80.5	65.0	67.8	107.0	63.7	176.0	59.0	92.8	78.5
March	76.9	70.0	83.1	66.4	68.6	113.4	66.3	175.8	59.1	96.0	80.4
April	77.9	71.1	83.9	66.5	68.8	117.9	67.4	174.9	59.3	96.4	81.7
May	78.5	71.7	88.8	66.9	67.8	119.9	67.6	172.7	60.4	96.7	82.5
June	78.2	73.0	91.8	67.1	68.8	118.0	67.4	166.8	60.7	99.9	82.9
July	80.4	74.5	91.7	69.4	68.8	115.2	67.3	156.3	61.9	99.6	83.4
August	86.1	76.8	92.1	71.7	68.1	113.8	67.5	146.1	62.1	100.7	85.1
September	89.5	79.0	93.2	72.4	68.8	115.5	68.1	143.3	62.2	102.3	86.9
October	93.9	83.6	99.3	75.9	77.2	117.6	69.7	147.9	63.4	105.2	91.1
November	100.3	87.4	113.0	78.8	92.3	121.6	70.9	150.0	64.9	108.9	97.4
December	99.0	85.3	124.5	82.5	100.6	135.2	73.9	152.2	65.0	112.8	99.2
1917											
Average for year	129.0	104.5	123.8	98.7	105.4	150.	88.2	165.0	74.2	122.1	117.5
January	103.9	86.5	129.2	84.1	107.8	134.3	76.8	151.5	68.2	118.1	102.1
February	107.7	89.2	128.9	84.1	112.4	138.2	78.4	150.6	68.3	118.8	104.8
March	113.3	92.1	127.8	84.7	108.3	144.5	80.4	154.7	69.3	121.2	107.7
April	126.1	102.1	127.9	88.1	99.9	150.9	87.0	156.5	70.0	124.7	114.1
May	133.4	108.6	126.6	91.5	113.4	155.1	89.9	160.4	71.0	124.6	120.7

Index numbers of wholesale prices by groups of commodities and by months—Continued

Year and month	Farm products	Foods	Hides and leather products	Textile products	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House-furnishing goods	Miscellaneous	All commodities
1917											
June	134.0	106.6	123.1	98.5	114.5	166.6	94.8	160.8	72.6	125.5	122.0
July	134.9	105.3	122.7	102.7	107.2	178.4	94.4	164.4	77.2	124.1	123.0
August	137.1	109.4	120.5	106.5	106.8	174.1	94.1	168.3	77.2	124.4	124.8
September	135.9	111.0	118.1	106.9	97.9	165.6	94.6	175.5	78.4	123.4	123.5
October	139.5	114.0	118.0	108.9	95.5	139.4	88.7	180.5	78.4	120.2	122.2
November	142.7	114.9	121.1	113.2	100.1	130.3	88.6	176.4	79.3	120.7	122.8
December	141.0	114.4	122.2	117.3	101.4	130.1	90.1	179.6	80.8	120.4	122.9
1918											
Average for year	143.0	119.1	125.7	137.2	109.2	136.5	96.6	182.3	93.3	134.4	131.3
January	146.7	114.9	120.0	121.7	102.9	131.8	91.9	187.2	83.8	124.6	125.0
February	147.2	114.8	117.7	124.3	103.9	132.4	92.4	189.2	84.4	123.8	122.7
March	147.5	111.9	115.4	123.8	105.4	131.5	94.1	190.1	86.8	126.2	126.4
April	145.0	113.4	119.1	135.9	107.9	131.6	96.8	190.4	89.2	131.4	128.3
May	140.2	113.3	124.5	137.9	109.4	132.6	97.5	186.9	91.8	133.2	128.1
June	140.2	113.5	127.1	141.7	109.2	133.1	98.9	182.2	93.7	135.6	129.0
July	146.6	118.3	128.9	142.9	109.9	135.7	101.5	178.8	96.6	135.5	132.0
August	153.0	119.7	130.0	142.8	109.7	140.3	102.4	180.4	98.0	137.6	134.3
September	157.0	124.2	132.4	145.1	111.5	142.4	102.8	179.4	99.3	140.0	137.5
October	151.4	126.8	132.2	144.5	111.6	143.6	101.8	179.5	99.4	141.2	136.3
November	150.3	128.6	131.6	142.6	114.3	143.5	101.8	178.0	99.2	142.3	136.3
December	151.1	130.3	131.7	138.7	114.3	141.2	101.4	167.8	98.9	143.4	136.3
1919											
Average for year	157.6	129.5	174.1	133.3	104.3	130.9	115.6	157.0	105.9	139.1	138.6
January	154.0	128.4	135.1	127.2	103.5	135.5	101.3	165.0	98.5	143.7	134.4
February	148.5	121.3	136.3	119.0	103.2	132.3	100.2	157.6	96.5	142.0	129.8
March	152.4	125.5	137.7	114.2	101.3	128.8	99.1	152.6	96.0	139.9	131.3
April	158.4	128.5	141.7	113.7	100.6	123.9	97.7	152.0	96.7	139.2	133.0
May	162.0	131.6	152.5	119.8	99.3	123.5	100.1	152.4	97.7	133.4	135.3
June	156.9	127.3	172.1	130.5	99.8	124.5	103.7	152.9	103.8	130.6	135.6
July	164.5	130.5	192.4	140.1	100.8	127.5	114.7	156.6	106.0	133.4	141.1
August	163.4	132.3	209.5	141.2	103.3	134.7	123.7	157.4	109.0	138.0	144.3
September	153.2	128.7	207.5	145.2	105.1	134.1	130.2	156.2	110.9	139.2	141.1
October	152.8	128.8	203.8	148.9	107.7	134.7	130.3	157.4	113.6	140.4	141.6
November	159.5	130.8	201.8	150.6	106.7	136.0	131.9	160.0	119.9	143.5	144.5
December	165.5	138.3	199.0	154.5	115.3	137.0	140.8	164.4	125.0	145.8	150.5
1920											
Average for year	150.7	137.4	171.3	164.8	163.7	149.4	159.1	164.7	141.8	167.5	154.4
January	170.2	145.1	200.9	187.0	117.8	140.5	155.0	162.8	133.9	151.7	157.7
February	163.3	138.2	203.4	193.9	121.8	147.8	165.2	164.2	137.3	158.1	157.1
March	164.5	136.1	197.4	192.5	131.1	152.8	167.6	168.5	138.7	165.0	158.6
April	168.7	144.6	197.0	194.6	149.1	156.0	168.3	171.3	139.0	171.1	165.5
May	169.8	147.3	193.2	188.3	159.8	155.5	164.4	173.7	143.3	176.5	167.2
June	167.4	149.0	175.7	180.6	177.4	153.9	154.8	173.3	143.3	177.8	166.5
July	160.4	143.8	170.3	169.0	198.5	154.5	151.5	171.7	149.8	177.9	165.8
August	149.9	138.4	160.7	160.8	209.9	157.3	150.0	169.6	149.7	177.6	161.4
September	143.9	134.8	153.7	144.8	201.1	156.6	144.8	167.2	148.0	175.2	155.2
October	127.8	127.7	145.8	132.2	190.1	146.7	136.7	162.1	145.7	169.6	144.2
November	118.7	123.9	132.4	121.5	163.9	140.4	124.1	151.6	139.4	159.1	133.4
December	104.6	109.7	125.6	113.6	144.2	133.7	118.3	139.9	133.5	149.1	120.7
1921											
Average for year	88.4	90.6	109.2	94.5	95.8	117.5	97.4	115.0	113.0	100.2	97.6
January	101.6	103.9	119.5	101.7	131.9	130.7	112.2	130.7	123.6	134.5	114.0
February	92.7	94.6	117.4	98.4	105.6	123.4	105.4	124.2	122.8	126.8	104.9
March	89.9	93.6	113.6	93.0	100.1	125.4	101.8	119.9	122.4	121.4	102.4
April	82.8	89.9	107.3	91.9	101.0	124.7	98.7	115.4	122.3	116.3	98.9
May	83.1	86.0	107.2	91.4	95.5	124.8	97.7	114.7	117.5	108.1	96.2
June	80.6	83.9	107.0	91.6	87.3	122.6	96.7	113.7	114.1	105.9	93.4
July	86.5	87.5	106.6	91.2	82.9	118.5	94.3	111.1	105.7	103.1	93.4
August	88.9	91.8	107.1	90.1	82.5	110.0	91.9	110.1	105.6	100.6	93.5
September	89.7	90.6	107.6	94.9	82.0	107.4	91.6	111.8	106.1	100.1	93.4
October	89.7	89.6	105.7	97.4	92.0	107.4	92.6	111.1	106.8	100.9	94.1
November	87.6	89.4	105.3	97.4	101.0	106.2	94.1	109.3	105.6	96.8	94.2
December	87.9	86.8	106.2	97.5	96.9	106.0	91.8	107.7	105.8	96.5	92.9
1922											
Average for year	93.8	97.6	104.6	100.2	107.3	102.9	97.3	109.3	103.5	92.8	98.7
January	88.0	93.3	104.5	97.7	94.4	103.1	91.6	109.8	104.5	93.3	91.4
February	90.1	93.7	104.6	98.7	94.1	101.6	91.1	99.9	104.4	93.6	92.9
March	93.4	94.2	103.2	95.3	93.9	101.1	90.5	101.4	103.6	93.7	92.8
April	92.6	94.3	99.8	95.0	97.2	102.2	90.9	101.5	102.6	93.5	93.2
May	94.3	94.8	99.1	97.5	110.0	103.4	92.9	100.4	102.9	93.3	96.1
June	92.8	96.2	101.2	99.8	107.9	103.9	96.0	99.8	102.7	91.9	96.3
July	95.6	98.4	103.3	100.7	122.5	104.3	97.1	98.6	102.2	90.7	99.4
August	91.2	97.3	105.1	100.3	127.4	100.4	98.5	98.7	102.2	89.5	98.6
September	92.4	98.6	106.9	101.4	122.9	103.5	102.5	99.5	102.4	90.4	99.3
October	94.2	97.6	108.7	104.0	111.9	104.0	104.6	99.9	104.1	92.4	99.6
November	97.8	94.8	110.3	106.8	104.2	103.5	105.3	101.3	104.8	94.8	100.5
December	99.2	95.0	109.1	107.9	102.6	103.1	105.3	101.6	106.1	96.3	100.7
1923											
Average for year	96.6	92.7	104.2	111.3	97.3	109.3	108.7	101.1	108.9	99.7	100.6
January	99.6	93.3	107.5	110.2	108.4	105.0	107.1	101.3	109.4	100.5	102.0
February	100.0	91.2	108.5	111.8	111.8	107.1	109.4	102.0	109.6	103.0	103.3
March	100.2	92.6	109.2	113.4	110.6	110.8	112.2	103.6	109.6	104.8	104.5
April	98.5	93.3	109.2	114.4	105.6	112.8	115.5	104.1	110.4	104.5	103.9
May	96.7	92.3	108.7	113.0	99.3	111.7	114.3	102.3	110.5	103.6	101.9
June	96.0	91.7	108.4	110.5	97.6	110.3	111.1	100.1	110.6	98.9	100.3
July	94.0	90.5	103.3	107.9	93.6	111.8	108.9	99.4	110.2	97.5	98.4
August	95.8	89.9	102.1	105.7	91.4	110.5	107.1	98.8	108.8	98.1	97.8
September	100.0	94.0	100.8	110.2	90.0	110.3	105.4	99.4	108.8	97.7	99.7

Index numbers of wholesale prices by groups of commodities and by months—Continued

Year and month	Farm products	Foods	Hides and leather products	Textile products	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House-furnishing goods	Miscellaneous	All commodities
1923											
October	100.6	95.8	100.3	111.1	88.6	106.7	105.7	100.3	108.9	98.4	99.4
November	101.8	96.1	98.0	111.4	85.5	106.5	104.9	101.4	108.8	98.0	98.4
December	101.0	92.9	99.2	112.7	85.6	107.0	103.6	101.2	107.2	95.3	98.1
1924											
Average for year	100.0	91.0	101.5	108.7	92.0	106.3	102.3	98.9	104.9	93.6	98.1
January	101.4	91.4	100.2	112.3	93.8	108.0	105.1	100.1	106.7	96.8	99.6
February	98.8	90.8	102.9	109.1	98.9	108.5	105.7	99.4	106.7	95.5	99.7
March	95.7	89.2	102.3	106.8	98.0	108.9	105.5	98.7	106.5	94.2	98.5
April	97.3	86.7	101.0	105.0	98.2	108.8	105.0	98.2	106.4	94.3	97.3
May	95.1	85.3	100.2	104.7	94.2	105.2	104.3	96.9	104.9	92.5	95.9
June	94.3	86.5	99.3	103.6	91.4	104.3	100.8	96.9	104.4	90.0	94.9
July	98.6	87.4	99.4	103.7	90.0	103.7	99.2	96.2	103.8	89.8	95.6
August	102.0	90.3	100.9	105.6	87.7	104.9	99.7	98.8	103.9	91.2	97.0
September	100.4	92.8	100.8	104.9	88.2	104.2	99.9	98.9	104.0	92.0	97.1
October	103.2	94.9	102.0	106.4	86.9	103.8	99.8	99.6	104.0	93.0	98.2
November	103.6	97.1	103.7	107.7	88.0	104.5	100.5	101.2	104.6	93.8	99.1
December	103.3	99.3	106.6	107.8	90.3	105.6	101.8	101.5	104.8	99.5	101.5
1925											
Average for year	100.8	100.2	105.3	103.3	96.5	103.2	101.7	101.8	103.1	102.0	103.5
January	113.8	99.7	109.7	108.8	91.5	106.5	103.8	102.7	104.5	96.3	102.9
February	112.4	97.7	110.6	109.2	100.6	106.1	105.2	101.6	104.5	94.1	104.0
March	112.8	99.1	109.0	109.4	98.1	105.4	103.3	101.5	103.7	95.1	104.2
April	107.6	97.3	106.5	108.6	94.6	103.5	101.1	100.9	103.9	99.2	101.9
May	107.3	96.7	104.3	107.7	95.5	103.0	101.4	100.7	103.9	103.1	101.6
June	109.3	97.8	103.5	106.9	99.0	102.8	99.6	100.2	103.4	109.6	103.0
July	112.1	99.4	104.3	107.1	98.2	102.9	99.3	100.4	102.9	119.4	104.3
August	111.6	101.2	104.1	107.4	95.5	101.7	100.6	101.4	102.9	113.5	103.9
September	110.0	101.6	103.6	107.6	94.1	100.9	101.1	102.6	102.4	115.1	103.4
October	107.0	103.8	103.1	108.3	95.1	100.7	101.3	103.0	102.9	119.7	103.6
November	108.1	106.2	103.1	107.7	97.6	101.4	101.5	103.6	102.1	122.4	104.5
December	105.4	102.4	103.6	107.0	96.3	101.2	101.9	102.8	102.1	120.1	103.4
1926											
Average for year	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
January	107.4	102.6	103.3	105.8	98.8	99.9	101.3	101.5	101.1	110.0	103.2
February	105.1	100.6	101.5	105.0	99.2	99.7	100.9	100.7	101.0	106.3	102.0
March	101.7	99.3	100.2	102.7	98.3	99.5	100.5	100.6	100.9	105.0	100.6
April	102.8	100.5	98.7	101.3	98.0	99.2	99.8	99.2	100.7	103.5	100.3
May	102.4	100.1	99.0	100.2	100.7	98.7	99.2	100.0	100.3	102.5	100.5
June	100.9	100.5	98.8	99.5	100.9	99.3	99.1	100.6	100.2	101.0	100.4
July	98.0	98.7	99.0	98.9	99.6	100.3	99.4	100.3	[illegible]	97.9	99.5
August	97.2	97.5	99.6	98.9	100.5	100.7	100.0	99.9	100.0	96.9	99.1
September	99.3	99.8	98.8	98.8	101.3	100.9	100.0	100.3	99.7	96.0	99.7
October	97.9	100.7	100.9	97.7	101.1	100.8	100.0	99.3	99.6	95.7	99.4
November	94.7	100.4	100.3	96.4	102.2	100.7	100.5	98.9	99.6	93.1	98.4
December	94.9	100.6	100.3	95.4	99.4	100.4	99.9	99.0	98.7	92.2	97.9
1927											
Average for year	99.4	98.7	107.7	95.6	88.3	96.3	94.7	98.8	97.5	91.0	95.4
January	98.5	97.1	100.9	94.4	98.2	97.0	98.3	98.0	97.5	91.7	96.5
February	95.4	96.1	100.1	94.4	96.6	96.1	97.2	98.0	97.5	91.8	95.8
March	94.2	94.7	100.4	94.3	91.4	96.1	96.5	97.1	97.5	91.8	94.7
April	94.3	94.9	101.7	94.5	86.8	95.9	96.5	97.8	97.5	91.9	94.1
May	96.3	95.3	103.6	94.4	85.9	96.4	96.1	95.6	97.5	91.8	94.2
June	96.5	94.8	107.1	94.7	86.2	96.2	95.3	96.1	97.7	91.3	94.1
July	97.6	94.3	111.4	94.6	86.2	95.8	94.7	95.6	97.4	90.7	94.3
August	102.3	94.5	111.5	95.0	86.0	96.1	94.3	96.6	97.5	91.0	95.2
September	105.9	96.6	112.5	98.0	86.3	95.8	93.5	96.6	97.5	90.7	96.3
October	105.0	100.0	112.7	97.7	86.0	95.5	93.1	97.1	97.3	89.9	96.6
November	104.3	101.4	113.9	98.9	85.0	95.3	91.9	97.3	97.6	89.5	96.3
December	104.4	100.7	116.5	98.6	84.7	96.3	91.6	97.2	97.6	90.1	96.4
1928											
Average for year	105.9	101.0	121.4	95.5	84.3	97.0	94.1	95.6	95.1	85.4	96.7
January	106.1	100.9	120.7	96.1	82.8	95.6	92.2	96.2	96.5	90.1	96.4
February	104.5	98.8	123.8	95.0	83.0	95.7	92.2	96.1	96.4	89.2	95.8
March	103.3	98.2	123.7	95.3	82.7	95.9	92.0	95.8	95.9	88.9	95.5
April	107.6	99.7	126.3	95.6	82.8	96.0	92.8	95.9	95.5	87.7	96.6
May	109.8	101.2	125.8	95.8	83.5	96.1	93.5	95.5	95.5	87.4	97.5
June	106.7	100.3	123.3	95.6	83.9	96.4	94.4	95.0	94.8	88.0	96.7
July	108.5	102.2	123.8	96.5	84.5	96.3	94.7	94.8	94.7	83.6	97.4
August	105.9	103.8	120.6	95.5	85.8	97.5	94.9	95.0	94.8	82.6	97.6
September	108.8	106.5	120.4	94.9	86.4	97.6	94.9	95.2	94.8	82.9	98.6
October	108.4	102.1	117.2	95.0	86.1	98.0	95.2	95.7	94.1	82.8	98.7
November	101.6	100.0	115.3	95.0	85.8	98.6	95.8	95.7	94.1	82.7	97.8
December	103.6	98.1	115.4	95.1	85.3	99.6	95.8	95.8	94.1	82.5	98.9
1929											
Average for year	104.9	99.9	109.1	93.4	83.0	100.5	95.4	94.2	94.3	82.6	95.3
January	105.9	98.9	113.4	92.5	84.2	100.1	95.5	95.6	93.9	82.7	95.9
February	105.4	98.1	108.9	92.3	82.9	100.6	95.9	95.7	93.8	82.7	95.4
March	107.2	98.3	108.2	92.4	82.1	102.3	96.7	95.3	93.8	82.4	96.1
April	104.9	98.0	107.3	91.6	81.9	102.3	96.3	94.7	94.0	81.9	95.5
May	102.2	98.0	106.7	90.7	82.5	101.2	95.5	94.1	94.0	82.0	94.7
June	103.3	99.1	107.9	90.1	84.5	101.2	95.2	93.4	94.6	82.4	95.2
July	107.6	102.9	109.1	89.6	83.3	101.0	95.1	93.3	94.3	82.8	96.5
August	107.5	103.5	109.5	89.8	82.2	100.5	95.2	93.6	94.3	82.8	96.3
September	106.6	103.3	110.6	89.3	82.7	100.3	95.3	93.7	94.3	83.1	96.1
October	104.0	101.4	110.3	89.5	83.1	99.8	95.9	94.0	94.7	83.2	95.1
November	101.1	98.9	108.3	88.6	83.2	98.7	94.4	93.8	94.6	82.4	93.5
December	101.9	98.7	107.3	87.8	83.1	98.5	94.4	93.5	94.7	82.2	93.3
1930											
Average for year	88.3	90.5	100.0	80.3	78.5	92.1	89.9	89.1	92.7	77.7	86.4
January	101.0	97.3	105.1	87.2	81.7	97.2	94.3	93.0	93.8	81.3	92.5
February	98.0	95.8	103.9	86.4	80.9	96.9	94.0	92.3	93.6	81.2	91.4

Index numbers of wholesale prices by groups of commodities and by months—Continued

Year and month	Farm products	Foods	Hides and leather products	Textile products	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House-furnishing goods	Miscellaneous	All commodities
1930											
March	94.7	94.3	108.2	84.8	79.4	96.6	93.9	91.4	93.5	80.9	90.2
April	95.8	94.9	102.7	84.0	79.5	95.3	93.5	91.2	93.5	81.0	90.0
May	93.0	92.2	102.6	83.4	80.3	93.5	92.4	90.2	93.5	80.4	88.8
June	88.9	90.8	102.4	81.6	78.9	91.9	89.9	89.4	93.4	78.4	86.8
July	83.1	86.8	100.8	79.7	78.0	90.8	88.5	88.3	93.1	76.6	84.4
August	84.9	87.6	99.0	78.0	77.9	89.6	87.7	87.9	92.9	76.1	84.3
September	85.3	89.5	99.2	76.2	79.0	89.0	87.1	87.2	92.3	75.2	84.4
October	82.5	88.8	98.6	74.7	77.6	87.9	86.3	86.7	92.1	74.7	83.0
November	79.3	86.2	94.2	74.2	75.3	87.8	85.5	86.0	91.5	74.1	81.3
December	75.2	82.4	91.4	73.7	74.0	87.9	84.8	85.6	88.8	73.5	79.6
1931											
Average for year	84.8	74.6	86.1	66.3	67.5	84.5	79.2	79.3	84.9	69.8	73.0
January	73.1	80.7	88.7	71.3	73.3	86.9	83.8	84.5	88.3	72.2	78.2
February	70.1	78.0	86.9	70.9	72.5	86.5	82.5	83.3	88.1	71.5	76.8
March	70.6	77.6	87.6	70.0	68.3	86.4	82.5	82.9	88.0	72.0	76.0
April	70.1	76.3	87.5	68.2	65.4	85.7	81.5	81.3	87.9	71.5	74.8
May	67.1	73.8	87.6	67.4	65.3	85.0	80.0	80.5	86.8	70.5	73.2
June	65.4	73.3	88.0	66.6	62.9	84.4	79.3	79.4	86.4	69.7	72.1
July	64.9	74.0	89.4	66.5	62.9	84.3	78.1	78.9	85.7	69.7	72.0
August	63.5	74.6	88.7	65.5	66.5	83.9	77.6	76.9	84.9	68.3	72.1
September	60.5	73.7	85.0	64.5	67.4	83.9	77.0	76.3	82.7	68.2	71.2
October	58.8	73.3	82.5	63.0	67.8	82.8	76.1	75.6	81.0	66.6	70.3
November	58.7	71.0	81.6	62.2	69.4	82.6	76.2	76.1	80.9	68.7	70.2
December	55.7	69.1	79.8	60.8	68.3	82.2	75.7	76.1	78.5	66.8	68.6
1932											
January	52.8	64.7	79.3	59.9	67.9	81.8	74.8	73.7	77.7	65.6	67.3
February	50.6	62.5	78.3	59.8	68.3	80.9	73.4	73.5	77.5	64.7	66.3
March	50.2	62.3	77.3	58.7	67.9	80.8	73.2	73.3	77.1	64.7	66.0
Week ending Apr. 2	50.9	62.7	77.9	59.1	67.9	80.6	73.4	73.2	76.6	64.6	65.9
Week ending Apr. 9	49.7	61.4	75.6	57.7	69.8	80.2	72.9	74.3	76.2	64.6	65.7

Mr. BLANTON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, we have waited patiently for the dawn of this wonderful day, a day that we expected was going to be full of hope and promise for us. We knew there had been a couple of mountains in labor, and lo and behold, the net result of the two mountains being in labor was the fact we had a couple of mice brought in here this morning, one from each mountain.

We were told we were going to balance the Budget and to-day was going to be the day that would mark the balancing of the Budget, and these magnificent plans were presented to us. First, that of our illustrious President.

What does the President propose? Oh, he has a wonderful plan. He is going to reduce the wages of charwomen $4.17 a month. Women working for $50 a month are going to get a cut of $4.17 a month. This is certainly a very heavy reduction. We go along to the $1,200 typist and what is proposed there? Oh, we reduce her $8.33 a month. What about the $2,000 stenographer? Well, I guess she can stand a cut of about $14 a month. We will cut a $2,000 stenographer $14 a month. What about the $2,500 clerk? I guess we can go a little stronger on them and we can cut them $17.33 a month. On account of the new income tax in the District, these cuts would bring the amount paid by the clerks up to 15 per cent of their salaries.

What about the Army and the Navy, the fellows getting $30 a month? Well, the plan is quiet about them, and I do not know what is going to happen to them. We will have to await further developments.

Mr. LAGUARDIA. They are exempted, I will say to the gentleman.

Mr. BOYLAN. The plan put in the RECORD does not state that.

Mr. LAGUARDIA. I inquired about that this morning.

Mr. BOYLAN. Now, this great Economy Committee, what about them? They say that they will waive $1,000 to commence with. The income tax in the District of Columbia for a single person waives $1,000 and for a married couple I think it is $2,500. In the State of New York we waive the first $2,500 for a married couple and $1,500 for a single person.

Let us take a $2,500 clerk. Under the President's plan they are mulcted to the tune of about $208 a year, and under the committee's plan they are mulcted $165 a year, but, of course, between these two plans the President's would be a little better in this instance, because while there is only a difference of $35, yet they would have the benefit of having 30 days off during the year.

Now, my friends, when we passed a bill here a week or 10 days ago, providing additional revenue of over $1,000,000,000, we did not think with all those high taxes we had levied upon the splendid people of our country it would be necessary to go down into the pockets of the poor charwomen working for $50 a month or the $1,200 a year clerk or the $2,000 or $2,500 per year clerk.

Mr. FISH. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. FISH. The gentleman is an expert on economy——

Mr. BOYLAN. Oh, no; I do not claim to be an expert.

Mr. FISH. And the gentleman has given a great deal of time to the consideration of these matters. I would like to ask him, in all seriousness, whether it would be possible to suspend the salaries of the emergency officers who are holding Government jobs and receiving double compensation from the Government?

Mr. BOYLAN. Of course, that is a matter that is receiving consideration by a committee of this House and I would not care to anticipate the report of the committee.

Mr. LAGUARDIA. BLANTON will take care of them.

Mr. BOYLAN. Now, we have a splendid country here, a country we have always been proud of, and we are always happy to speak of our wonderful achievements, yet our greatness has not been accomplished by doing small and petty things, and I think at this day and time and in this hour we ought to send out a note of hopefulness to the people of our country and that we should not set the example here in Washington of reducing the salaries of faithful Federal employees.

I said the other day—and I want to repeat it, because we have got to keep driving this thing home—I said that the Federal employees had never been properly compensated in comparison with similar work on the outside. During the war and after the war, during the period of prosperity, when the pay of artisans was increased, the white-collar men and women did not receive any substantial increase at the hands of the Government. Therefore the present salary is practically a minimum salary, and you want to cut the minimum salary by either of these plans which have been proposed to us to-day.

Now, in making up a tax bill you can frequently take one item and with the application of a small tax you can more

than cover the entire amount sought to be saved to the Government by the reduction of salaries. It is, to my mind, an unjust taxation, because you single out certain employees as against every other class of employees. To my mind, it would be most unfair and unjust, because you know that in the application of any laws we pass we are supposed to make them apply equally to all the people of the country, and not to pick out one certain group of citizens to apply them to.

Therefore, any legislation which seeks to tax a Federal employee, which seeks to reduce his compensation, which you do by either plan, militates against him or her as being a Federal employee.

These men and women, these employees, are honorable. They come from all parts of our country, those who are working in Washington and those in the field—and every State has its quota—have adopted the Federal service as a career.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield the gentleman five minutes more.

Mr. BOYLAN. Now, in pursuance of this career, they take up their work in the Federal departments; and if they are going to be held up year after year and threatened with a pay cut or separation from the service, how can they have any morale or carry on faithfully as they should?

Mrs. NORTON. Will the gentleman yield?

Mr. BOYLAN. I yield with pleasure to the gentlewoman from New Jersey.

Mrs. NORTON. Is it not a fact that if the Federal employees' salaries are cut it is going to make a great difference in the prosperity we are seeking for; that if their power of buying is curtailed, then it is going to reflect not only in the District but the entire country and make conditions worse than they are at the present time?

Mr. BOYLAN. The gentlewoman's statement is absolutely correct. When you reduce the salaries you reduce the buying power.

To illustrate, take the poor charwoman from whose salary the President proposes to deduct $4.13 a month. That $4.13 may represent 25 bottles of milk; it may perhaps represent some lamb chops which she would be accustomed to eat; perhaps it might mean a new pair of shoes for one of the minor children that she is trying to support. If on account of this cut she is unable to buy those things, necessarily, as the distinguished gentlewoman from New Jersey has stated, there will not be a market for them, and therefore progress to get back to normalcy will be retarded.

Now, this morning a distinguished gentleman, representing one of these economy committees, told us that we had better watch out as to our vote or we might not come back. Well, we are willing to take our chance on that. I am not a prophet nor the son of a prophet, but I make this prediction that if the rule had been brought in this morning we would have beaten it out of its boots. [Laughter and applause.] It was not brought in, and let me tell you another thing, that legislation along these lines, when it is presented to the House, is going to be defeated. Because I know this body. I know it to be a body of men who are human, many of whom have had to make their way themselves, and they have a sympathy for the man or the woman struggling along. It is all right to tax somebody who can afford to pay taxes, but to tax poverty as you would under these two plans is to my mind beneath the dignity of the American Congress. I do not believe that a measure of the kind proposed will ever pass this body, because as I have stated, you segregate a particular class and tax them, which, to my mind, would be unconstitutional. Apart from this, how about the psychological effect of it all? Let us send out a note of cheerfulness and hope to our people and not one of gloom and despair. [Applause.]

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, during the past 10 years Republican Presidents have had at their command a Bureau of the Budget, which is the President's private, personal bureau, the officers of which are appointed at will by the President and removed at will by the President. These Budget officers are the personal agents of the President to prepare for him, under his direction and control, the financial estimates of all the needed expenditures that are to be made by every department, bureau, and independent establishment of the Government for the ensuing fiscal year; and when the President's Budget estimates for him the expenditures needed to be made that have his approval, then the President sends a message to Congress transmitting his budget, and the President therein requests Congress to make appropriations covering such estimated expenditures detailed in his budget.

This Bureau of the Budget is controlled absolutely by the President. It takes orders from the President, and from him alone. The officers of the Budget exercise no discretion of their own, but are directed by the President to carry out his will. They obey the President. They recommend only such appropriations as the President desires them to make. And, when the President transmits to Congress his budget, it embraces only such appropriations as have his approval, and which he wants made, and which he requests Congress to make.

When a bill is introduced in Congress that will take money out of the Treasury, the committee to which it is referred sends the bill immediately to the Budget Bureau for its consideration so that it may ascertain from the President whether or not it has his approval, and whether it is within his financial program, and when the President's Budget reports that such bill is against the financial program of the President, there are Members who make it the rule and practice of using every objection and stop known to parliamentary procedure to block such bill and prevent its passage.

Under the President's Budget for the fiscal year of 1931 the general and special fund expenditures were $4,091,663,908.41, which enormous sum exceeded our receipts for that year by $902,716,845.07, or in other words, the Republican President permitted the United States to spend nearly a billion dollars more than we had, thus causing a deficit of $902,716,845.07 for that fiscal year.

Likewise, under President Hoover's Republican Budget estimates for the fiscal year 1932, the general and special expenditures are $4,361,839,800, which is a sum more than two billion dollars in excess of our receipts, thus creating a deficit of $2,122,682,685 in the Treasury. And when President Hoover and his personal Budget agents made up his Budget for the fiscal year of 1933 they knew clearly and distinctly the condition of the Treasury, yet they recommended to Congress in the President's message transmitting his Budget in December when this Congress convened, that Congress should appropriate for the fiscal year of 1933 the sum of $3,996,672,450, when they knew that such sum was greater than our estimated receipts for that year by the enormous sum of $1,416,949,448. The above figures will be found on page 5 of President Hoover's message transmitting to Congress his Budget for the fiscal year of 1933.

It is a fact that the Committee on Appropriations of the House of Representatives, of which I am a member, under the leadership of our great chairman, Hon. JOSEPH W. BYRNS, of Tennessee, has in this Congress reduced in a substantial amount the President's estimates for each and every department for which it has presented supply bills, such reductions already totaling about $150,000,000. And our committee expects to make further reductions.

It was within the province of President Hoover to have reduced his Budget estimates $250,000,000, or $500,000,000, or $750,000,000, or even $1,000,000,000 for each of the last three years, if he had desired. He could have slashed the appropriations for 1931 at least $1,000,000,000. But he did not do it. He could have slashed the appropriations for 1932 at least $1,000,000,000. But he did not do it. He could have slashed the appropriations for the fiscal year of 1933 at least $1,000,000,000. But he did not do it. Just why did he not do it? His department heads would not let him. He was

not strong enough to make them retrench. He could not turn down their demands. He did not impress upon them his wishes. He let them control him and dominate him. He let them have their way. They wanted $4,000,000,000. And he gave them $4,000,000,000. President Hoover is the Chief Executive. It is his duty to keep the Budget balanced. It is his duty not to spend more than the Nation can afford. It is his duty not to permit extravagance. It is his duty not to permit waste. It is his duty to see that the people's tax money is properly expended.

It is only just and right that the people of the United States should hold President Hoover responsible for the great deficit that our Treasury is now facing. He could have stopped it. He is the only man who could have stopped it. He could have slashed the demands of each and every department, bureau, commission, and independent office of the Government.

He could have told that Budget Bureau, I order you not to give any department more money that I authorize, and the aggregate that you shall allow all of the departments must not be a greater sum than the estimated receipts of the Government.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLE of Iowa. What would the President have done if Congress had ordered these expenditures?

Mr. BLANTON. He could have vetoed the bills. Then if Congress passed them over his veto the President would not have been to blame, Congress would have been to blame; but the President did not do that. He asked Congress to appropriate about $4,000,000,000 for each fiscal year.

Mr. COLE of Iowa. The gentleman knows that Congress did order these expenditures.

Mr. BLANTON. I know this, that the Congress of the United States has kept within the Budget recommendations for the last three years. Is there anyone here who will dispute that?

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am yielding to those who know first. I see your former great Republican leader [Mr. TILSON] here, whom I will ask first. I mean no offense to my friend from Connecticut [Mr. Goss], but he is like my friend from Illinois, the great general [Mr. CHIPERFIELD], who is used to having underling officers come in and salute him in order that they may not sit down before he sits down. He has been trying to call me down before committees lately, when he is only a "youngster" here, and I do not like it. But as I say, I see here your former great Republican leader, than whom you have never had a better one, the distinguished gentleman from Connecticut [Mr. TILSON]. Will he deny that the Congress in passing the supply bills for the last three years has kept within the Budget? Oh, no; he will not.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Oh, wait a minute, please. I also see your present great Republican leader, than whom there has never been a greater, the distinguished gentleman from New York [Mr. SNELL], for whom, in spite of his being across the aisle, all of us have great respect and regard. Will he deny that Congress in passing the supply bills has kept within the Budget estimates for the last three years? Oh, no. He will not deny it. I see the great tariff leader, the gentleman from New York, Doctor CROWTHER. Will he deny that? No; he will not. Now I yield to the gentleman from Connecticut [Mr. Goss], who does not know all about it.

Mr. GOSS. Does the gentleman think the Congress was within the Budget when it passed last year the billion-dollar soldiers' bonus and this year the $132,000,000 road bill?

Mr. BLANTON. I am going to reach that subject in a few moments. I have not got that far along yet. Then I will answer the gentleman's question. The President could have cut expenses for 1931 at least a billion dollars and saved that $900,000,000 deficit, but he did not do it.

It is a well-known fact that each and every department of Government is simply honeycombed with useless bureaus. During the last 10 years under Republican Presidents the bureaus have been accumulating by leaps and bounds, and have had the approval of such Presidents. New commissions have been established, and with the approval of such Presidents. New independent offices have been created, and with the approval of said Presidents. And with each new bureau, commission, and independent office an army of high-salaried officials received appointments for long terms of years—salaries that have been scandalous. In the Shipping Board, the Emergency Fleet Corporation, special attorneys in the Department of Justice, and elsewhere officials have been allowed tremendous salaries of $15,000, $20,000, $25,000, $30,000, $35,000, and $50,000. The Federal Reserve Board, the cooperative associations, and other quasi governmental institutions, subsidized by the Federal Treasury, have paid their officials salaries of $25,000, $35,000, $50,000, and $75,000 per year.

When President Hoover had Congress create for him his so-called Reconstruction Finance Corporation, giving it two thousand million dollars of the people's money, I voted against it for several good reasons, but one was that it permitted employees to be paid salaries without limit. And this super-Hoover corporation is now paying enormous salaries to an army of employees, some of whom we will never get off the pay roll. Just why should it pay a salary of $12,000 each to George Cooksey, Mr. Hathaway, and Mr. Watson, and $13,000 to Mr. Leach, and $13,500 to Mr. Marr, and $15,000 each to Mr. Holmberg, Mr. Bogue, Mr. Roberts, Mr. Miller, and Mr. Sims? Just why should it pay $16,000 per annum to Mr. O. H. Wolfe, when Gen. Charles G. Dawes, who has been Vice President of the United States, and Harvey C. Couch, and Jesse H. Jones, and Wilson McCarthy get only $10,000 each under the law? President Hoover can not answer that. Just why should the 11 members of the Interstate Commerce Commission draw $12,000 each per annum, and their Secretary $9,000, and three of their employees $10,000 each, when a United States Senator receives only $10,000? Why is this commission allowed to spend for personal services in Washington the enormous sum of $2,502,530? Why does the Farm Board permit the cooperative associations to pay Mr. E. F. Creekmore, as cotton manager, a salary of $75,000, and to pay 10 of their officials $340,000 per year, or an average salary of $34,000 per year for each of said officials? Let President Hoover answer why he permits this. Is he not the farmers' President? He claims to be in Kansas and Iowa. Why does he not protect such farmers from such leeches?

Not one move has President Hoover made specifically to abolish any bureau. He could have abolished scores of them. All on earth he had to do was to recommend that Congress make no appropriation for any bureau he wanted abolished, and by not appropriating for it such bureau would have died automatically. The quickest and easiest way to kill a bureau is to give it no money. But instead of consolidating and abolishing bureaus, President Hoover has permitted them to expand and to reach out and to grow by leaps and bounds, increasing their personnel, granting promotions, and increasing salaries, until you find one of his Federal agents in almost every community in the United States attempting to dictate to and interfere with the rights of the people. The present Chief of the Bureau of Domestic and Foreign Commerce was appointed so last July at a salary of $8,000, and the only connection he ever had with the Department of Commerce prior thereto was back in 1923 when he was a secretary at a salary of $2,200 per annum.

We have four different air services, all duplicating activities, with four overheads that ought to be one. For years I have advocated the consolidation of the War Department, Navy Department, and Marine Corps, and all of our different air services, into one department of national defense, with an army corps, a naval corps, a marine corps, and a unified

air corps, which, if properly arranged, would save $100,000,000 each year and add 50 per cent greater efficiency to all such services. Hon. JOE BYRNS, chairman of the Committee on Appropriations, has had such a measure to consolidate these departments before a committee for months, and Cabinet officers of President Hoover have fought it and placed every obstacle possible in its way and stopped its passage.

And every time it is proposed to abolish a bureau high officials of the administration, aided and abetted by the employees' unions in Washington, will fight every such measure. And such influences are able to have telegrams sent in bunches from every part of the United States on short notice. You will be astonished to know the extent of this propaganda. In the bunch of telegrams I received to-day from employees over the United States against salary reduction there were 14 different telegrams from Pittsburgh, Pa., alone. Here is one from Harry J. Sindelar, 2124 Straubs Lane, Pittsburgh, Pa.; another from James Ceminar, 1216 Ingham Street; another from W. J. Gunst; another from H. Hill; another from Angelo A. Maselliaro, of 44 Gist Street; another from George Metcalf, of 164 Warrington Street; another from J. M. Doloughty, of Sixth and May; another from W. J. Jones, of 28 Sylvania Avenue; another from I. S. Cook; another from Edward Blair; another from H. E. Striepeke, 22 Lawson Avenue; another from C. Yeager, of 1122 Brabec Street; another from B. J. Ruffing, 156 Fairview Avenue; and another from Ida W. Hollaran, president Women's Auxiliary, National Federation of Post Office Clerks, all of the above from Pittsburgh, Pa., received by me to-day, urging that no salaries be cut, and with the others I have received to-day from other parts of the United States, it becomes pretty strong propaganda. And this is what the President and other officials must be confronted with every time an attempt is made to retrench. The bureau chiefs and department heads and Government employees affected who would lose jobs by retrenchment protest and no retrenchment is made.

President Hoover can not turn them down, and gives them pretty nearly what they want. The President is helpless; he can not do things himself. If he were a Theodore Roosevelt, he would take proper steps to balance the Budget. He would have decision. He would be a man of action. He would know how to do things, what things to do, and when to do them, and nothing could stop him.

If he were a Calvin Coolidge, he would help the situation. If he were a Grover Cleveland, he would help tremendously. [Applause.] If he were an Andrew Jackson, he would have abolished scores of bureaus long ago. He would tell them exactly what he wanted them to do, and they would do it. And last but not least, if he were a Woodrow Wilson, he would have gotten us out of this terrible situation long ago.

Mr. JOHNSON of Oklahoma. How about Speaker GARNER?

Mr. BLANTON. You are going to find that no Garner Budget estimate ever will come in here above the receipts of the Government.

Mr. TABER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. TABER. When did Woodrow Wilson ever tell Congress that they must not spend more than so much money?

Mr. BLANTON. Oh, well, if the gentleman does not know that we were then in a World War, I will not enlighten him.

Did you know that President Wilson was a martyr to the war the same as the men who did not come back from France? I saw him come in here one day and take his stand behind that Clerk's desk and begin speaking in a conversational tone. The Democrats, every one of them on this side of the aisle, gave him applause. Not a Republican on the other side of the aisle even clapped or made any demonstration whatever for him. He began to tell you about the problems that beset the Government and about his purposes and plans, and the first thing you knew he had such an influence over you fellows that you beat us Democrats rising. All of us rose together spontaneously. It was a wonderful spontaneity that pervaded this Chamber, and all of you Republicans arose and clapped him for 10 minutes. That answers the gentleman. [Applause.] That was the influence he had over this Congress and over the Nation that successfully won a World War and saved a civilization not merely for our country but for the whole world and stopped the domination of a German Kaiser.

Mr. TABER. But that was not keeping down expenses.

Mr. BLANTON. Oh, well, in war we do not expect expenses to be kept down. But I want to say that after the war you had your smelling committees. You had your Graham, of Illinois, smelling committee, that spent hundreds of thousands of dollars. They could not find a single thing that threw discredit or dishonor upon Woodrow Wilson or his administration.

You had your big Joe Walsh committee, a smelling committee that went out in a big Pullman train and lived a month or more in it on the Pacific coast at Government expense smelling; and they came back and could not report a thing that showed dishonor to the President Wilson's administration.

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. PARKS. Please jump on the administration that succeeded President Wilson.

Mr. BLANTON. That is so familiar to all of us that I am afraid it might cause a revolution in the country if I mentioned it.

Mr. GOSS. Will the gentleman yield?

Mr. BLANTON. Yes; I yield to the gentleman who has been defending the people I have been prosecuting before the Military Affairs Committee this morning.

Mr. GOSS. I hope the great dry leader before he sits down will tell us about the billion dollar bonus bill and the $132,000,000 road bill that he was going to get to in his speech. [Laughter.]

Mr. BLANTON. I am going to get to it now.

Mr. RANKIN. Will the gentleman yield?

Mr. BLANTON. Yes; certainly, to my friend from Mississippi.

Mr. RANKIN. Be careful now; they are afraid that you will create a depression. [Laughter.]

Mr. BLANTON. Mr. Chairman, I am surprised that the gentleman from Connecticut, who has been a State senator, and who during the war served as a private, should be so persistent in condemning the action of Congress in paying a just debt to the brave ex-service men who fought in the trenches of France for $1.25 per day. He has twice mentioned the "billion dollar bonus bill." While our men in France were fighting in the trenches, knee-deep in mud, cootie infested, 24 hours out of the 24 sometimes, and receiving only $1.25 per day, with most of that taken out for insurance and dependents, their brothers at home, who had been exempted from the draft to work, were many of them in the shipyards of New England receiving as high as $30 per day, surrounded by all comforts and conveniences, and in perfect safety.

This so-called bonus was merely an allowance of an extra $1.25 per day that our Government finally decided was due these men who wore the uniform, but instead of paying it in cash to them it gave them a note due in 1945. Just why was this $1.25 per day not paid to these men in cash when the war was over? Not many can answer that. It was justly due them. The Government paid everybody else in cash. But it gave these men a note. And last year this Congress made the Government grant these men a loan of half of the amount. And they are now entitled to the other half. Can any Member who voted to give the land banks the extra $125,000,000, and who voted to give President Hoover's Reconstruction Finance Corporation the $2,000,000,000, without the quiver of an eyelid, now refuse to pay these men who carried our flag to victory the remaining half of their $1.25 per day that was due them on November 11, 1918, when the war closed?

Now, with reference to the $132,000,000, that was merely a proposed loan from the Government to our 48 States, to be used in this depression in constructing public highways and thus giving jobs to heads of families without jobs.

But let me get back to my subject I was discussing. When the President notified me by wire, like he did the rest of you Members, that he had granted a moratorium to Germany and to the rest of the foreign countries who owed us $250,000,000 and wanted us to ratify it when we met, I told him I could not ratify it; and I did not vote with the gentlemen who approved it. I thought we had done enough for Germany and for the European countries. I did not vote with you; I voted against it.

When the President came in and asked for $125,000,000 extra for the land banks I did not go with you; I knew that the farmers would be turned out of their farms; I knew at that time that the day would come when there would be 60,000 farmers lose their farms in one day in Mississippi, like the press reported the other day; I did not vote for it; I voted against it. I knew it was just to help a few land bankers and not the people.

The President said that he did not want this road-construction money spent; and you have stopped that bill; and the President stands with you gentlemen over there in not wanting to pay the soldier boys their debt of honor.

Mr. TABER. How did that get to be a debt of honor?

Mr. BLANTON. I tried to make that plain. When the President came in with his $2,000,000,000 program I could not go along with him, for the reasons already stated.

Mr. GASQUE. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GASQUE. Will the gentleman tell us to which political party those $15,000 men he has mentioned belong?

Mr. BLANTON. I do not know, but I think the President knew he had to provide some jobs for some high-salaried fellows before he ever brought that $2,000,000,000 bill to Congress. I think their salaries had been arranged and I think the men had been picked out when the bill was brought in.

Mr. TABER. Will the gentleman yield?

Mr. BLANTON. In a minute.

Mr. TABER. Right on that point, with reference to one of those men.

Mr. BLANTON. I do not want the gentleman to take up my time by asking questions that are not relevant to my argument.

Mr. TABER. It is decidedly relevant.

Mr. BLANTON. I am sorry I can not yield. The gentleman was not here when some of the things I have been talking about came up and I would rather talk to others who are familiar with the things I have been talking about.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield the gentleman 20 additional minutes.

Mr. OLIVER of New York. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. OLIVER of New York. My understanding was that the salaries paid by the farm cooperatives were fixed on the average earnings of the farmers.

Mr. BLANTON. My friend from Georgia [Mr. VINSON] showed that it takes about 2,000 farmers working a whole year in some places to make the $75,000 salary of Mr. Creekmore. I have seen little girls and women sitting on plows out in the hot sun plowing, and I have seen them drag big cotton sacks back and forth, little children that ought to be somewhere else than in a cotton field, and 2,000 of them, with their families, have to work a year to pay a salary like that received by this man Creekmore. It is so disgusting to me that I would like to whip him out of office, if I could.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLE of Iowa. The gentleman's party is in control of this House. Why does not your party bring in legislation to remedy these conditions?

Mr. BLANTON. We are not in control of the Congress.

Mr. COLE of Iowa. Who is?

Mr. BLANTON. Oh, we are in control of the House only by five votes, but not in control of Congress.

Mr. COLE of Iowa. Then who is?

Mr. BLANTON. We have elected a Speaker and organized the House, but what is a majority of four or five Members in just one body? You have a Republican Senate that can tear anything on earth we send over there to pieces, and you have a Republican President in the White House.

Mr. COLE of Iowa. The gentleman is mistaken. We have a number of insurgents in the Senate that will support any kind of legislation that you folks send over there.

Mr. BLANTON. To be vetoed by your President, if it is good. Mr. Chairman, I want to refer to several documents here, and in order to save time I ask unanimous consent to extend my remarks by putting in my speech various excerpts from certain documents.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks as indicated. Is there objection?

Mr. GOSS. Mr. Chairman, reserving the right to object, what does the gentleman want to include in his remarks?

Mr. BLANTON. Certain excerpts from various documents which I would otherwise read, but I want my time to answer the questions of the gentlemen.

Mr. GOSS. Is this in connection with the gentleman's dry speech?

Mr. BLANTON. It is in connection with everything I am going to say. Some of it is going to be dry and some of it is going to be wet. [Laughter.]

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. I will say this for my friend here [Mr. WILLIAM E. HULL of Illinois]. He is one of the leaders of the wets in the House.

Mr. WILLIAM E. HULL. I will agree with the wet part of that.

Mr. BLANTON. He is an awfully good scout personally in spite of that. All of us like him. I have liked him in spite of the fact that he is the only ex-distiller in the House of Representatives. He is as wet as can be, but he is a good scout, and I hate to see a man like the gentleman from Illinois [Mr. WILLIAM E. HULL] defeated. He was one of the coauthors of your beer bill that you are trying to have signed up, and yet the wet State of Illinois yesterday defeated a man like this.

Mr. SWEENEY. But not with a dry.

Mr. BLANTON. His successor could not be wetter. Why, take our friend CHINDBLOM from Illinois, a good scout, all of us like him on both sides of the aisle; but CHINDBLOM has been a dry all the time, and the other day you beer fellows persuaded him to vote wet, and then you beat him yesterday in wet Illinois. Are you not ashamed of yourselves? Now, that is the wet part of my speech. [Laughter and applause.] That ought to satisfy you beer fellows. I am going to tell you now what you are going to do. You are going to keep on until you cause some of the best men on both sides of this aisle to be kept at home just for nothing. Why do you not withdraw that beer petition and throw it in the wastebasket? It is useless and a mere gesture.

I think that it is the duty of a Member to vote the dictates of his own conscience. [Applause.] If it does not lead him in accordance with the wishes of his people, let his people put him out and get somebody who holds views like their own. This is my belief, and this is what I am going to do as long as I am in Congress. I am going to vote just exactly as I believe to be right, whether I have 10 men with me or the whole House with me. The people I represent know what I stand for, and that is the reason they give me a majority of 50,000 sometimes when I run for office. [Applause.] Even the wets vote for me, because they know they can always depend on my being on the right side of pretty nearly every question. [Laughter and applause.]

Mr. GOSS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. GOSS. I like my dry friend, but I hope he will change his mind and sign the petition so that the wets will have a chance to vote for him before he comes back.

Mr. BLANTON. I am now going to give my friend something to ponder over. You talk about reducing expenses, and the President says he wants to reduce them, and I have noticed how he has reduced them. It is all talk. Have you ever been down to this Commerce Building? That is a standing exhibition of the saturnalia of extravagance that has been going on in Washington under Republican rule during the last few years. Any sane American who will go down there and look through that building and remember that the land upon which it stands is worth $30,000,000 and remember that the buildings that were torn down to make way for it were worth several million dollars more, lots of them being very fine buildings, and then remember that in this terrible time your President has spent $17,500,000 to build that great structure, with a great auditorium that seats 1,000 people, and with no use for it, and with that great aquarium there, and you read the other day in the press here that in the fish department they have tamed and educated 320 trout so that they will bite any kind of a hook, and gotten them full grown and sent them up to the Rapidan tamed and taught, so that the President can catch them when he gets there. [Laughter.] That great fish exhibition in Washington will convince any sane man about the President's economy.

Mr. JONES. May I suggest to the gentleman with reference to his conversation with the gentleman from New York that the gentleman from New York had better let that Member speak for himself?

Mr. BLANTON. Yes; that will not appear in my remarks.

Mr. PARKS. The gentleman might suggest that during all of this talk about economy, while it was going on they bought 11 Pierce-Arrow cars for the White House.

Mr. BLANTON. That is not quite correct, and the gentleman will not get me to make a statement that is not fair. They were exchanged, old for new. I suppose there is a good deal of credit goes with that, for the automobile companies want the White House to use their cars. I want to be fair about these things.

Mr. PARKS. Does not the gentleman think that 11 were too many?

Mr. BLANTON. Well, it would be too many for the gentleman or myself. We would get along with one.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLE of Iowa. The gentleman says he wants to be fair. Why not admit that the appropriation for the Commerce Building was made by the Congress of the United States and not by the President?

Mr. BLANTON. It was made at his suggestion. He was the man that put it over.

Mr. COLE of Iowa. Oh, no, no.

Mr. BANKHEAD. The gentleman from Texas did not complete the historical record of the fish that he mentioned. The tragedy of it was that they were supposed to be carried to the Rapidan and put in the President's creek, but they were actually put in the wrong creek. [Laughter.]

Mr. BLANTON. Oh, they will catch them if it takes 15,000 men from the Department of Commerce, and they will be caught and put back in the proper creek at Rapidan, where the President spent $2,000 of public money to improve, and the fish will bite for him when the time comes.

Now, Mr. Chairman and gentlemen, I want to let you know something about the hard work that this subcommittee has done in the preparation of this bill. I want to refer to the splendid work of my good friend the gentleman from Missouri [Mr. CANNON], and my friend from Illinois [Mr. HOLADAY], and my friend the gentleman from Massachusetts [Mr. GRANFIELD], and others. They have done hard, tedious, grinding work, the kind that sometimes puts men in the hospital. They have sat across the table from these bureau chiefs and made them show the reasons for the big sums of money that they have been asking for. We all know the gentleman from Missouri [Mr. CANNON], one of the best parliamentarians in the House, and one of the ablest Members of Congress. He is most valuable. I take my hat off to him for doing the splendid service that he has performed.

I want you to know that there has not been harder work, more courageous work, done in this House than has been done by this subcommittee. It takes courage to turn these bureau chiefs down when they come in and ask for an increase for their plans—where they ask for $600,000 extra to be turned over to Donovan, to be distributed for unemployment in Washington. We called attention to the fact that this community chest had already assessed the Government employees three days' pay for that community chest—assessed them, and it was an assessment, and they had to pay it. They raised $2,200,000. As I say, they wanted $600,000 extra put in the hands of Donovan. We asked them who was going to handle it, we asked how many men and women were going to distribute it, and what were the salaries paid. They said, practically, "None of your business; we won't tell you. It is confidential." Then when we got to digging around and digging up a $5,000 person here and a $10,000 person there and a $3,500 woman there, we said, "If you don't come clean and give us all the salary drawers we won't give the $600,000 extra to you," and they would not do it, and our committee had courage enough to stand up and say that they should not have it.

Let me tell you something about the increase in salaries since 1923. I have a short resolution that I have introduced to repeal the classification act that I shall put in in connection with my remarks. Before the classification act was passed, I want to show you what some of the salaries were and how the classification act changed them, and you will see that you will have to repeal that act. Let us take the ones in this bill. We had them put in here. I want you to get these hearings and read from page 27 on down. The following is my resolution I referred to above:

[House Joint Resolution No. 344. In the House of Representatives, March 19, 1932, Seventy-second Congress, first session]

Mr. BLANTON introduced the following joint resolution, which was referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

Joint resolution to repeal the classification act of 1923, and amendments thereto, and provide that the rates of compensation for positions in the United States Government and in the municipal government of the District of Columbia shall be the rates in force prior to the enactment of such act; to fix the maximum of any statutory salary at $7,500 per annum, and to repeal Public, No. 500, Seventieth Congress

Whereas in the legislative branch of the Government there are 2 employees drawing $15,000 per annum, 538 drawing $10,000, 1 drawing $9,000, 7 drawing $8,000, 9 drawing $7,500, 5 drawing $7,000, 1 drawing $6,500, 8 drawing $6,000, 3 drawing $5,600, 6 drawing $5,400, 3 drawing $5,200, 16 drawing $5,000, 7 drawing $4,800, 11 drawing $4,600, 7 drawing $4,400, 10 drawing $4,200, 2 drawing $4,000, 104 drawing $3,900, 15 drawing $3,800, 5 drawing $3,700, 46 drawing $3,600, 13 drawing $3,500, 23 drawing $3,400, 35 drawing $3,300, 70 drawing $3,200, 29 drawing $3,100, 34 drawing $3,000, 12 drawing $2,900, 49 drawing $2,800, 43 drawing $2,700, 55 drawing $2,600, 917 drawing $2,580, 121 drawing $2,400, 47 drawing $2,300, 141 drawing $2,200, 4,442 drawing $2,100, and 2,241 other employees drawing annual salaries from $1,000 to $2,000; and

Whereas in the civil and military branches of the Government there are 32 employees drawing $15,000 and over per annum, 41 drawing $12,000, 6 drawing $11,000, 134 drawing $10,000, 138 drawing $9,000, 40 drawing $8,500, 216 drawing $8,000, 150 drawing $7,500, 244 drawing $7,000, 309 drawing $6,500, 1,943 drawing $6,000, 442 drawing $5,800, 1,324 drawing $5,600, 314 drawing $5,400, 510 drawing $5,200, 1,602 drawing $5,000, 2,034 drawing $4,800, 2,605 drawing $4,600, 1,714 drawing $4,400, 1,535 drawing $4,200, 154 drawing $4,100, 2,371 drawing $4,000, 1,489 drawing $3,900, 2,954 drawing $3,800, 1,602 drawing $3,700, 3,196 drawing $3,600, 2,105 drawing $3,500, 2,019 drawing $3,400, 2,749 drawing $3,300, 4,613 drawing $3,200, 2,011 drawing $3,100, 4,191 drawing $3,000, 4,263 drawing $2,900, 9,425 drawing $2,800, 8,177 drawing $2,700, 15,567 drawing $2,600, 49,291 drawing $2,500; 23,293 drawing $2,400, 26,368 drawing $2,300, 16,384 drawing $2,200, 118,759 drawing $2,100, 25,267 drawing $2,000, and 681,882 other employees drawing annual salaries below $2,000; and

Whereas there are numerous efficient and worthy employees drawing salaries below $2,200 who have zealously worked for the Government for years, who have not had a raise in salary for 10 years, the appropriations designed to relieve them having been used in giving preferential classification and ratings to pet heads of units, and for Congress to regain its necessary control over the continual raising of salaries it is necessary to repeal the classification act, stop making lump-sum appropriations, and return to specific appropriations for all branches and departments of government: Therefore be it

Resolved, etc., That the rates of compensation for positions to which, prior to the effective date of this act, the provisions of the

classification act of 1923, as amended (U. S. C., title 5, ch. 13), applied, shall be the rates in force, on the day preceding the effective date of the classification act of 1923, for positions involving the same or substantially similar duties.

SEC. 2. The rates of compensation for civilian or military positions, including Senators, Representatives, and all other employees in the legislative branch of the service, in the United States Government or in the municipal government of the District of Columbia to which, prior to the effective date of this act, the provisions of the classification act of 1923, as amended did not apply, shall be the rates in force on the day preceding the effective date of the classification act of 1923 for positions involving the same or substantially similar duties.

SEC. 3. This act shall not be construed to reduce the rates of compensation for positions for which the rates of compensation on the day preceding the effective date of this act do not exceed an annual rate of compensation of $2,200, so that all existing salaries of not more than $2,200 per annum shall not be affected by this act.

SEC. 4. This act shall not apply to—

(a) The compensation of any officer of the United States whose compensation may not, under the Constitution, be diminished during the term for which he was elected or during his continuance in office; or

(b) Compensation paid under the terms of any contract to which the United States is a party.

SEC. 5. As used in this act, the term "compensation" means any salary, wage, fee, allowance, or other emolument paid for service in a position.

SEC. 6. The classification act of 1923, as amended, is repealed.

SEC. 7. That Public, No. 506, Seventieth Congress, known as the "disabled emergency officers' retirement act," be, and the same likewise is, hereby in all things repealed.

SEC. 8. This act shall be known as the "back to normalcy act," and after its passage the maximum of any statutory salary paid by the Government shall not exceed $7,500 per annum, and hereafter no quasi-governmental institution supervised by and receiving benefits from the Government shall pay any of its officers or employees a salary exceeding $7,500 per annum.

SEC. 9. This act shall take effect on the first day of the month succeeding 30 days after its final passage.

Mr. BLANTON. Let me show how the classification act in 1923 increased salaries. The three commissioners here up to that act drew $5,000 each; now they draw $9,000 each a year at the present time. They got a raise of $4,000 a year each, right on the turn of a pen. Here is Daniel E. Garges, the secretary. He used to get $2,700 a year. Overnight, by passing that bill, you gave him $5,600 a year—more than double what he was getting. Here is one of the purchasing agents, M. C. Hargrove. He used to get $3,000 a year, and by passing that act you gave him $5,400 a year. Here is J. W. Oehmann, an inspector of buildings. He was getting $3,000 a year, and by passing the classification act you gave him $5,800 a year. Here is J. B. Daly, an engineer computer, who was getting $1,800 a year, and by passing the classification act you gave him $3,400 a year. Here is Mr. Richards, the tax assessor. He got $3,500 a year for years, and by passing the classification act they gave him $7,500, double what he received before. Here is his deputy, whose salary was doubled. He now gets $5,600 a year, or $1,600 more than the principal used to get before the classification act was passed. Here is Mr. Towers, the collector of taxes down there. He does not do much, Mr. Richards does nearly all of his work for him. He got $4,000, but the classification act gave him $6,000. Here is Donovan, the man who was going to disburse that extra $600,000 with his high-paid corps. Before the classification act was passed he got $4,000, and now he gets $9,000.

Mr. WILLIAM E. HULL. Why did not the gentleman stop this when we were passing it?

Mr. BLANTON. You could not stop it. I have seen things brought in here where you could not change the crossing of a "t" or the dotting of an "i." My friend knows that I have always worked for economy. For instance, here the other day I called attention to the fact that I was expecting a number of school children from my district this year to come to Washington to the Bicentennial and to look at the Nation's Capital. Let me refer now to General Patrick, the head of the Utilities Commission, a retired general, if you please, who is drawing $6,000 as retired pay and at the same time getting $7,500 a year as chairman of the Utilities Commission, and who at the same time has an automobile furnished him free, with a chauffeur to drive it.

Mr. BYRNS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BYRNS. I was very much struck by that table which the subcommittee placed in the hearings. Will not the gentleman extend his remarks by putting in the entire table?

Mr. BLANTON. I have permission to do that, and I shall put it in the RECORD at the gentleman's request. The following is the table:

NAMES AND POSITIONS OF EMPLOYEES RECEIVING OVER $2,500 AND SALARIES PRIOR TO RECLASSIFICATION ACT

Mr. BLANTON. Mr. Chairman, in that connection I want to ask that the committee have Mr. Donovan prepare and submit a table in the hearing showing the names of all employees of the District government who now receive over $2,500 per annum, showing what salaries they drew prior to the reclassification act, under what names their positions then were designated, and also showing those who have come into new positions, who are now drawing over $2,500, and showing what their predecessors drew prior to the reclassification act.

I am making a study of that with respect to all the departments of the Government, and that has been done in regard to the other departments. I would like to have that included in the hearing on the District bill.

Mr. CANNON. That data is being compiled for all the departments, and we will be glad if the auditor could give us that information in regard to the District government.

Mr. DONOVAN. We will prepare such information and insert it in the record.

(The statement referred to is as follows:)

Statement of positions in the government of the District of Columbia under the classification act of 1923, the present salaries of which are over $2,500, together with the salaries of the positions in 1923, immediately prior to the date the classification act became effective

Name of employee	Present salary	Position	Salary of position prior to classification act of 1923
Executive office:			
Commissioner	$9,000	Commissioner	$5,000
Do	9,000	do	5,000
Garges, Daniel E	5,600	Secretary, Board of Commissioners	2,700
Purchasing division:			
Hargrove, M. C	5,400	Purchasing officer	3,000
Lindsay, M. D	3,300	Principal assistant purchasing officer	(1)
Gelbman, J. L	3,300	Chief, printing section	(1)
Kennedy, J. T	3,100	Deputy purchasing officer	1,800
Teachum, G. F	2,900	Assistant purchasing officer	1,800
Teepe, W. T	2,600	Chief clerk	1,500
Building inspection division:			
Oehmann, J. W	5,800	Inspector of buildings	3,000
Scullen, A. J	3,400	Chief engineer computer	(1)
Lindholm, S. G	3,400	Zoning engineer, zoning commission	(1)
McGuire, J. J	3,400	Engineer computer	2,000
Daly, J. B	3,400	do	1,800
Downing, J. W	3,300	Deputy inspector of buildings	2,000
Dollins, H. D	3,300	Engineer computer	1,800
Gedney, Ralph	3,200	Chief engineer inspector	(1)
Johnstone, J. E	3,200	Zoning engineer, building department	(1)
Ritchie, John	2,800	Chief clerk	1,800
Frankhouser, R. V	2,700	Steel inspector	(1)
Newman, William	2,700	do	(1)
Rogers, A. T	2,700	Concrete inspector	(1)
Downman, J. R	2,700	do	1,800
Sherrier, C. W	2,600	Steel inspector	(1)
Dulin, E. M	2,600	Concrete inspector	(1)
Price, Roy A	2,600	do	(1)
Kimball, J. J	2,600	Chief field inspector	1,500
Roche, T. F	2,600	Inspector of signs	(1)
Brown, J. M	2,600	Chief elevator inspector	1,680
Plumbing inspection division:			
McGonegal, A. R	3,200	Inspector of plumbing	2,000
Tapp, Samuel	2,700	Assistant inspector of plumbing	1,550
Mallet, Edmond	2,600	do	1,360
Lucas, Reese H	2,600	Inspector of refrigeration	(1)
Care of District Building: Brooke, E. P.	3,500	Superintendent, District Building	2,240
Assessor's office:			
Richards, W. P	7,500	Assessor	3,500
Russell, Charles A	5,600	Deputy assessor	(1)
Allen, Fred A	4,800	Assistant assessor	3,000
Johnson, L. S	4,800	do	3,000
Bardroff, John T	4,800	do	3,000
Gunther, Frank A	4,800	do	3,000
Edwards, Daniel H	4,800	do	2,000
Willige, Augustus	4,800	do	2,000
Gaines, Lloyd F	4,800	do	3,000
Fletcher, Edward B	4,600	do	3,000
Fitzgerald, M. C	3,000	do	2,000
Allmond, Harry	2,700	Field man	2,000
Causey, Foster	2,800	Chief, special assessment	2,000
Collector's office:			
Towers, C. M	6,000	Collector of taxes	4,000
Clark, W. D	3,000	Deputy collector of taxes	

[1] Created since 1923.

Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.—Continued

Name of employee	Present salary	Position	Salary of position prior to classification act of 1923
Auditor's office:			
Donovan, D. J.	$9,000	Auditor and budget officer	$4,000
Wilding, W. G.	3,100	Assistant auditor	(1)
McKimmie, S.	3,400	do	2,700
Pilkerton, A. R.	4,600	Principal assistant auditor	(1)
Cain, B. J.	3,000	Chief, bookkeeping section	2,160
Harrison, B. A.	2,900	Property survey officer	2,160
Hipkins, W. A.	2,600	Chief, pay-roll section	1,800
Ward, J. H.	2,700	Chief, audit section	1,600
Lepson, F. P.	2,600	Chief, retirement section	2,040
Thornett, G. M.	2,700	Secretary, District personnel board	(1)
Lusby, J. R.	3,600	Disbursing officer	3,000
Wright, K. P.	3,000	Deputy disbursing officer	1,840
Corporation counsel:			
Bride, W. W.	9,000	Corporation counsel	5,500
West, Vernon E.	7,000	Principal assistant corporation counsel	3,000
Roberts, Wm. A.	7,000	Special assistant corporation counsel	(1)
Lynch, Robert E.	6,000	Assistant corporation counsel	(1)
Fowler, Walter L.	5,600	do	1,800
Stephens, F. H.	4,800	do	2,500
Thomas, Edw. W.	4,000	do	(1)
Wahly, William H.	3,800	do	2,000
Cameron, Thomas F.	3,200	do	1,605
Walsh, T. G.	3,200	do	1,500
De Neale, Stanley	3,200	do	1,000
Gray, Chester H.	3,200	do	(1)
Welliver, E. M.	2,800	do	1,500
Sparks, Raymond	2,600	do	1,500
Dawson, Edw. S.	3,200	Inspector of claims	1,878
Giebel, Adam A.	2,700	Chief clerk	1,400
Coroner's office: Rogers, Joseph D.	3,200	Coroner	1,800
Weights, measures, and markets: Roberts, George M.	3,700	Superintendent	2,740
Chief clerk, engineer department:			
Brennan, Roland M.	4,000	Chief clerk, engineer department	2,490
Handiboe, William N.	3,000	Assistant chief clerk, engineer department	2,040
Meaney, John	2,600	Clerk	(1)
Municipal architect's office:			
Harris, A. L.	7,500	Municipal architect	5,000
Walsh, S. B.	5,600	Assistant municipal architect	(1)
Marsh, H. H.	4,600	Chief, structural division	2,640
Bennett, C. A.	4,000	Chief, mechanical division	2,118
Coe, M. A.	3,800	Chief, architectural division	2,431
Warren, George	3,800	Chief, inspection division	(1)
Holmes, Osgood	3,200	Associate engineer	2,431
Thrasher, R. H.	3,300	do	(1)
Blatt, R. C.	3,200	do	(1)
Hutson, A. G.	3,200	do	(1)
Gregg, Charles	3,800	Chief, specification division	(1)
Peckham, C. L.	3,800	Engineer	(1)
Sears, L.	3,300	Associate engineer	(1)
Bubb, Ralph S.	3,200	do	(1)
Greenleaf, A. H.	3,200	do	(1)
Myers, H. F.	3,200	do	(1)
Hooe, H. H.	3,200	do	(1)
Cullinane, J. J.	3,200	do	(1)
Redington, R. B.	3,200	do	(1)
Johnston, L. P.	3,200	do	(1)
Smith, H. J.	3,200	do	(1)
Cuthriell, J. I.	3,200	do	(1)
Conway, R. A.	3,200	do	(1)
Draper, W. A.	3,200	do	(1)
Brown, L. H.	2,600	do	(1)
Newman, L. J.	2,600	do	(1)
Grant, Paul	2,600	do	(1)
Phillips, F. D.	2,600	Superintendent of construction	2,240
Dicks, R. L.	2,600	Assistant engineer	(1)
Wotier, A. A.	2,600	do	(1)
Sweet, T. S.	2,600	do	(1)
Durfee, N. B.	2,600	do	(1)
Horton, E. F.	2,600	do	(1)
Lind, A. R.	2,600	do	(1)
Hale, W. T.	2,600	do	(1)
Merrett, O. F.	2,600	do	(1)
Whitcomb, R. L.	2,600	do	(1)
Schutz, A. H.	2,600	do	(1)
Freeman, D. C.	2,600	do	(1)
Bradley, J. E.	2,600	Chief engineering inspector	1,961
Repair shop:			
Worrington, L. C.	3,800	Engineer in charge	(1)
Storey, Henry	3,100	Superintendent of repairs	1,800
Public Utilities Commission:			
Bachman, B. M.	5,000	Chief accountant	3,000
Fisher, Earl V.	4,800	Executive secretary	4,000
Reynolds, L. L.	4,600	Chief engineer	(1)
Murray, J. D.	4,800	Valuation accountant	(1)
Tate, T. R.	3,800	Valuation engineer	(1)
Martin, J. L.	3,500	Senior accountant	(1)
Dunlap, W. H.	3,300	Engineer	3,000
Steele, H. B.	3,300	Accountant and auditor	(1)
Runyan, E. G.	3,200	Inspector of gas and meters	2,240
Porter, W. T.	2,900	Associate accountant	(1)
Hoysradt, H. V.	2,700	Inspector of electric meters	2,040

[1] Created since 1923.

Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.—Continued

Name of employee	Present salary	Position	Salary of position prior to classification act of 1923
Public Utilities Commission—Continued.			
Milligan, E. J.	$2,700	Chief clerk	$2,040
Nicholson, J. M.	2,700	Research assistant	(1)
Falk, J. W.	2,600	Assistant accountant and auditor	(1)
Putnam, A. C.	2,600	Assistant engineer	(1)
Insurance department:			
Davis, H. L.	4,600	Superintendent	3,500
Bryan, F. D.	3,800	First deputy	3,000
Creighton, C. F.	2,900	Second deputy	2,000
Hazen, M. C.	5,000	Surveyor	3,000
Boyd, W. I.	3,500	Assistant surveyor	2,000
Dent, E. A.	3,500	Assistant engineer	1,800
Peiz, C. E.	3,000	do	1,500
Williams, W. A.	2,900	do	(1)
Armstrong, J. C.	2,800	do	1,565
Jarboe, J. A.	2,800	do	1,500
Hale, M. J.	2,800	Computer	1,565
Healy, F. F.	2,800	Assistant engineer	1,200
Crickenberger, G. W.	2,700	do	(1)
Vehicles and traffic:			
Van Duzer, W. A.	7,500	Director of traffic	(1)
Harland, W. H.	5,400	Assistant director	(1)
Eldridge, M. O.	4,800	do	(1)
Seiler, A. G.	2,900	Office engineer	(1)
Bell, M. W.	2,600	Chief clerk	(1)
Free Public Library:			
Bowerman, G. F.	8,000	Chief librarian	4,000
Herbert, Clara W.	4,600	Assistant librarian	2,000
Hance, Emma	3,400	Director reference work	1,500
Latimer, Louise P.	3,200	Director children's work	1,600
Thompson, Ralph L.	3,300	Librarian, Mount Pleasant branch.	(1)
Finney, Grace B.	3,200	Chief, circulating department	1,760
Laskey, Julia H.	3,200	Chief, catalogue department	1,400
Purdum, W. T.	3,200	Chief, acquisitions and binding	(1)
McHale, Cecil J.	3,200	Librarian, northeast branch	(1)
Osborne, Frances S.	2,700	Librarian, southeast branch	1,400
Bubb, M. Ethel	2,700	Assistant director, children's work	(1)
Clark, C. H.	2,600	Superintendent, school work	1,260
Williams, M. D.	2,600	Superintendent, extension work	(1)
Lacey, Ethel A. L.	2,600	Curator of Washingtoniana	(1)
Cavanagh, Helen L.	2,800	Chief clerk	1,560
Chaney, Alvan C.	2,600	Superintendent of buildings and grounds	(1)
Register of wills:			
Cogswell, Theodore	6,400	Register of wills	4,000
Mersch, Victor S.	4,800	First deputy	3,200
Melvin, J. Margues	3,100	Second deputy	2,760
James, Chas. J.	2,700	Appraiser	1,800
McLaughlin, Francesca	2,700	Disbursing clerk	2,250
Recorder of deeds:			
Coage, Jefferson S.	5,500	Recorder of deeds	4,000
Fisher, Wm. N.	3,500	First deputy recorder	2,500
Tompkins, R. W.	2,900	Second deputy recorder	2,000
Highways department:			
Whitehurst, H. C.	7,500	Director of highways	(1)
Robertson, L. P.	5,600	Engineer of streets	(1)
Whyte, C. R.	4,800	Engineer of bridges	2,740
Fennell, A. S.	4,800	Engineer of construction	(1)
Clemmer, H. F.	4,800	Engineer of tests	(1)
Davison, F. M.	4,800	Engineer of maintenance	(1)
Howser, H. R.	3,800	Assistant engineer of bridges	(1)
Couch, F. B.	3,400	Superintendent of streets	2,240
Gass, S. J.	3,400	Superintendent of roads	2,400
Cleaver, Vernon	3,400	Inspector asphalt and cements	2,640
Grabill, L. R.	3,300	Assistant engineer of maintenance	(1)
Robertson, J. N.	3,300	Assistant engineer of construction	(1)
Emack, E. G.	3,100	Assistant engineer	2,040
Wager, C. E.	2,800	Topographic engineer	2,275
MacGregor, W. B.	2,800	Assistant engineer (grading)	2,275
Rousseau, J. G.	2,700	Assistant engineer (asphalt)	2,440
Elbert, J. C.	3,100	Assistant engineer computations	(1)
Curtin, J. J.	3,000	Assistant engineer of alleys	(1)
Champion, W. B.	2,900	Chief inspector	(1)
Roach, G. H.	2,800	Assistant engineer (concrete)	(1)
Preston, H. C.	2,700	Assistant engineer (substitute repairs)	(1)
Watson, L. R., jr.	2,600	Assistant engineer (concrete)	(1)
Sancindiver, J. A.	2,600	Assistant engineer (asphalt)	(1)
Gainey, Morris	2,600	Principal inspector	(1)
Hoover, Walter	2,600	do	(1)
Bourgois, R. L.	1,900	Superintendent of minor repairs	(1)
Trees and parking:			
Lanham, C.	5,200	Superintendent	2,000
Wallance, C. B.	3,200	Assistant superintendent	1,380
Sewer department:			
Gordon, J. B.	7,500	Director of sanitary engineering	(1)
Black, A. D.	5,000	Engineer of sewers	3,200
Chapin, R. S.	4,000	Operation and maintenance	2,118
Baden, C. C.	3,500	Assistant engineer	2,040
Sagrario, S. C.	3,300	Mechanical designer	2,118
Johnson, Elwood	3,200	Associate maintenance engineer	2,118
Robinson, J. F.	2,900	Assistant engineer	1,740
Iden, F. H.	2,900	do	2,118
Fitzpatrick, W. T.	2,900	do	1,740
Byrnes, W. M.	2,900	do	2,118
Dick, J. H.	2,900	Chief clerk	2,118
Steele, F. K.	2,900	Principal steam engineer	2,330

[1] Created since 1923.

Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.—Continued

Name of employee	Present salary	Position	Salary of position prior to classification act of 1923
Sewer department—Con.			
Harbaugh, Y. D.	$2,700	Assistant engineer	$1,840
Pearson, G. W.	2,700	Assistant to sanitary engineer	(1)
Auld, D. V.	2,600	Draftsman	1,440
Press, E. A.	2,600	do	1,848
Gleason, J. F.	2,600	Chief inspector	1,640
Deni, J. T.	2,600	Chief overseer	2,431
City refuse division:			
Hacker, Morris	4,000	Supervisor city refuse	4,000
Costigan, T. L.	4,000	Superintendent street cleaning	3,000
Crane, J. G.	5,000	Superintendent garbage reduction plant.	2,500
Russell, H. O.	3,000	Assistant superintendant, garbage plant.	2,100
Corder, G. K.	2,800	Superintendent, trash service	2,000
Murray, J. D.	3,200	Master mechanic	2,000
Edgington, F. E.	2,900	Administrative assistant	2,400
Meeks, B. M.	2,600	Chief clerk	1,800
Krams, H. F.	2,700	Accountant	1,800
Wood, W. R.	2,700	Superintendent, garbage collection.	2,000
Brooke, A. G.	2,600	Superintendent ash service	1,760
Santmyer, E. L.	2,600	Master mechanic	1,600
Grenfell, F. W.	2,850	Veterinarian (part time)	1,400
Greene, A. B.	3,800	Resident engineer	(1)
Playground department:			
Baker, Sybil	4,600	Supervisor of playgrounds	2,500
Tennyson, R. S.	2,900	Assistant supervisor	(1)
Electrical department:			
Kern, W. E.	4,600	Electrical engineer	2,750
Simpson, J. C.	3,400	Electrical inspector	2,000
Lyman, F. O.	3,400	do	1,800
Murray, J. J.	2,600	do	1,350
Zebley, J. S.	2,700	Chief, electrical inspector	1,560
Public schools:			
Anderson, R. S.	3,200	Statistician	(1)
Hine, H. O.	3,500	Secretary, Board of Education	2,000
Holt, R. W.	3,500	Chief accountant	2,000
McQueeney, H. F.	3,500	Superintendent of janitors	1,500
Metropolitan police:			
Crawford, H. E.	3,500	Chief clerk	2,400
Brandenburg, W. H.	3,040	Police and fire surgeon	1,600
Reed, J. A.	3,040	do	1,600
Borden, D. L.	3,040	do	1,600
Allen, F. McJ.	3,040	do	1,600
Marbury, W. B.	3,040	do	(1)
Williamson, F. Y.	3,040	do	(1)
Health department:			
Fowler, W. C.	7,000	Health officer	4,000
Schwartz, E. J.	5,600	Assistant health officer	2,500
Cumming, J. G.	4,600	Chief, preventable diseases	2,750
Reed, J. B.	4,600	Chemist	2,000
Donaldson, E. R.	3,800	Microanalyst	(1)
Cole, A. G.	3,200	Chief clerk and deputy	2,500
Porch, J. P.	3,200	Serologist	2,500
Yongue, N. E.	2,600	Assistant chemist	1,500
Butts, J. F.	2,600	Chief sanitary inspector	1,800
Ashworth, R. R.	4,600	Chief food inspector	1,800
Gelston, S. L.	2,700	Food inspector	1,400
Neale, H. V.	2,700	do	1,400
Shumate, T. J.	2,700	do	1,000
Conroy, J. G.	2,700	do	1,200
Lanahan, F. R.	2,700	do	1,400
Sando, E. R.	2,700	do	1,400
Sproesser, T. W.	2,700	do	1,200
Hallman, J. A.	2,600	do	1,400
Martin, R. L.	2,600	do	1,200
Smith, W. R.	3,080	Poundmaster	1,400
Murphy, J. A.	4,800	Chief medical and sanitary inspector of schools.	2,500
Davis, H. J.	2,800	Director, child-hygiene service	1,500
Noble, J. E.	4,800	Bacteriologist	2,240
Bradfield, J. D.	3,400	Medical inspector	2,000
Grayson, S. M.	3,400	do	1,720
Fisher, Howard	2,800	do	1,250
Juvenile court:			
Sellers, Kathryn	7,000	Judge	3,600
Sellers, C. F.	2,600	Clerk of the court	2,000
Ezekiels, Jeannette	3,200	Chief probation officer	2,000
Lyons, J. Leonard	2,600	Assistant chief probation officer.	1,500
Bayles, Mary H.	2,600	Director department of inquiry	(1)
Police court:			
Sebring, F. A.	3,800	Clerk of the court	2,200
Norgren, W. A.	2,900	Chief deputy clerk	(1)
Alienist: Hickling, D. Percy.	3,500	Alienist	1,500
Board of Public Welfare:			
Wilson, George S.	8,000	Director of public welfare	(1)
Kirby, Paul L.	5,600	Assistant director	(1)
Tobin, Dr. R. F.	3,400	Medical officer	1,400
Allen, Mary P.	3,200	Administrative assistant	1,600
Davies, Emma	2,800	Supervisor, home care	(1)
Snyder, Wm. I.	3,000	War veterans' service	(1)
Morss, A. Patricia	3,200	Chief, child welfare	1,800
Donahue, A. M.	2,700	Supervisor	1,740
Closson, Eleanor	2,600	do	1,500
Miller, R. R.	2,600	Social worker	900
Jail:			
Peak, W. L.	4,400	Superintendent	1,680
Angevine, W. K.	2,600	Physician	(1)

[1] Created since 1923.

Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.—Continued

Name of employee	Present salary	Position	Salary of position prior to classification act of 1923
Workhouse and reformatory:			
Hornbaker, F. W.	$3,200	Physician	$1,680
Barnard, M. M.	6,000	Superintendent, penal institution.	3,500
Tawse, A. C.	5,000	Superintendent, reformatory	1,800
Bischoff, J. E. C.	4,600	Business manager	(1)
Petitt, A. L.	4,200	Superintendent, workhouse	1,680
Haar, H. R.	3,400	Construction engineer	1,800
Schreyer, Geo.	3,100	Superintendent of foundry	(1)
Selecman, J. R.	3,000	Superintendent of brick plant	1,500
Fling, J. A.	2,600	Chief agriculturist	(1)
Hanger, Chas. W.	2,800	Chief accountant	(1)
Green, E. Allen	2,800	Chief mechanical division	(1)
Coffin, Frank	2,500	Steward	1,500
Lambert, N. S.	2,500	Head brick burner	(1)
National Training School for Girls: Richardson, L. R.	3,000	Superintendent	1,440
Tuberculosis hospital:			
Peabody, Dr. J. W.	4,000	do	2,040
Risk, Dr. W. A.	2,800	Resident physician	840
Finucane, Dr. D. L.	2,600	Assistant resident physician	840
Gallinger Municipal Hospital:			
Bocock, Dr. E. A.	7,500	Superintendent	(1)
Gilbert, Dr. J. G.	5,600	Chief psychiatrist	(1)
Leffler, Dr. H. H.	4,600	Medical officer	(1)
Kelk, Dr. J. A.	3,200	Associate medical officer	(1)
King, Dr. C. V.	3,200	Röntgenologist	(1)
Silverman, Dr. I.	3,200	Associate medical officer	(1)
Malone, Dr. Lillian	2,600	Resident clinical director	(1)
McCullagh, Dr. Wm.	2,600	do	(1)
Collins, Dr. J. L.	2,600	Assistant medical officer	(1)
Skinner, Dr. V. V.	2,600	Assistant dentist	(1)
Moran, Catherine E.	2,600	Superintendent of nurses	1,440
Snyder, Bradley A.	2,600	Chief engineer	(1)
District Training School:			
Jones, K. B.	6,000	Superintendent	(1)
Industrial Home School (colored): Tucker, Wendell P.	2,600	do	1,200
Industrial Home School (white): Cassie, E. W.	3,000	do	1,740
Home for Aged and Infirm: Haskell, Frank B.	3,500	do	1,200
Militia: Nevitt, P. G.	3,200	Administrative assistant	2,040
Public buildings and parks:			
Gartside, Frank T.	5,000	Division chief	2,500
Clark, George E.	4,800	Engineer in charge	3,000
Payne, Irving W.	4,600	Landscape architect	3,300
Ranger, Donald R.	3,200	Associate civil engineer	(1)
Saunders, David E.	3,200	Section chief	1,860
Hanson, August H.	3,200	Assistant landscape architect	(1)
Emmett, Thomas T.	2,700	Chief of party	1,502
Bailey, T. L.	2,600	Assistant civil engineer	(1)
Wigglesworth, T. H.	2,600	do	(1)
Smith, Percy E.	2,600	do	(1)
Hoffman, Irvin N.	2,700	Engineer draftsman	(1)
Kinnear, Wm. E.	2,600	do	(1)
Balluff, R. B.	2,600	Assistant chief section	1,860
Clyde-Burton, A.	3,400	Assistant division chief	1,800
Ely, Lewis B.	3,400	do	1,800
Taylor, Hazel F.	2,600	Deputy disbursing clerk	1,860
Sheets, Wm. S.	3,000	Section chief	(1)
Kincheloe, R. W.	2,700	Foreman carpenter	2,100
Littleton, Edwin C.	2,600	Chief painter	2,040
Lewis, Harry B.	2,600	General foreman	1,920
McNally, William	2,600	do	1,860
Roche, John	2,600	do	2,040
Watt, George	2,600	do	2,100
National Capital Park and Planning Commission:			
Nolen, John J.	4,600	City planner	(1)
Settle, Thomas S.	4,600	Secretary	(1)
Jeffers, Thomas S.	3,800	Landscape architect	(1)
Ryder, James A.	3,200	Associate engineer	(1)
Haiber, William F.	2,800	Draftsman	(1)
Kelly, Edward J.	3,400	Assistant motion-picture producer.	(1)
Nolte, Carl R.	2,600	Assistant secretary	(1)
Eliot, Charles W.	[2] 20	Director of planning	(1)
Zoological Park:			
Mann, W. M.	6,500	Director	3,300
Walker, E. P.	4,800	Assistant director	2,500
Blackburne, W. H.	3,200	Headkeeper	2,400
Clark, T. F.	3,100	Department disbursing agent	2,200
DuPre, D. L.	2,600	Property clerk	1,800
Water department:			
Holton, D. W.	5,800	Superintendent	3,300
Beckett, H.	4,800	Engineer	2,640
Lanham, Paul	4,000	do	1,928
Grove, E. H.	3,500	Water registrar	2,640
Lay, A. S.	3,300	Assistant engineer	2,040
Woodward, W. R.	3,200	do	1,940
Hibbs, L. I.	3,200	do	1,752
Van Doren, W. T.	3,200	do	2,003
Gibbons, A. E.	3,200	Master mechanic	2,740
Robertson, W. V.	2,900	Property officer	2,160
Lybrand, A. W.	2,800	Assistant engineer	1,565

[1] Created since 1923.
[2] Per diem.

Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.—Continued

Name of employee	Present salary	Position	Salary of position prior to classification act of 1923
Water department—Con.			
Beckett, C. C.	2,800	Assistant engineer	1,643
Hebbard, R. L.	2,800	do	1,752
Wilson, T. L.	2,700	do	2,040
Hocke, H. W.	2,600	do	(1)
Robertson, N. B.	2,400	Chief clerk	2,040

[1] Created since 1932.

NOTE.—The foregoing statement does not include supervisory officers and teachers in the public schools, officers and members of the Metropolitan police force, and officers and members of the fire department, all of whom are paid under separate salary acts, and not under the provisions of the classification act of 1923, as amended.

Material increases in salaries have been made to these several employees, but as the question of Representative Blanton was understood to call for information solely with respect to employees whose positions were allocated under the classification act, the several employees mentioned in the foregoing paragraph were not included

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ARENTZ. I noticed when the reclassification act was up——

Mr. BLANTON. Oh, I ask the gentleman please not to divert me now. General Patrick, besides his $7,500 salary and his $6,000 retired pay and having an automobile furnished him and a $2,100-a-year man to drive it, can buy all of his supplies from the Government stores, including coal for his family, everything they use, food and clothing, and all he gets for himself and family, free dentist and doctor bills and free surgeon bills and free hospital treatment as long as he lives. He was going to put all of the 3,000 ex-soldiers who are driving taxicabs here and making a living out of the business to be run out by the monopolies here by requiring them to equip their cabs with meters. They could not make a living with a meter.

I called attention to this, and somebody got up in arms, and the chairman of our committee introduced a resolution and passed it unanimously here telling General Patrick not to do it, and Patrick at first said that he would not do it. Then the papers got after him, stating that he better assert himself and should not let Congress take away his prerogatives, and then in effect he said, "To hell with the House of Representatives, that he was running the Public Utilities Commission." He went on with his order, nevertheless, and is going to put his meter order into effect in a short time, and instead of paying 20 cents to go to their homes all the people of Washington will be paying 75 cents and a dollar and a dollar and a half, and every taxicab will be in the hands of the Parmlee Co., the Yellow Co., that has run every independent taxicab out of business in all of the big cities of the United States. They will take charge.

Do you know what I am going to do if we do not stop this meter order? I got the subcommittee to put an amendment on the bill to stop his salary, but when the whole committee got hold of it one of our friends objected to it and they took it out. I tell you what I am going to do. I am going to put a notice in every newspaper in my district, and I am going to say, "Children, do not you come to Washington this summer, because when you get to the Union Station you will have to take a Parmlee cab and be charged a dollar and a half to go to your hotel, and when you get to your hotel you will be robbed, for they will charge you three prices; and when you start out to look around the town you will have to hire a monopoly cab and get into it because General Patrick lets it have the absolute right to the curbs in the city of Washington." I will not let them be robbed.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. CANNON. I yield the gentleman 20 minutes additional.

Mr. BLANTON. I know it is hard on the Chair, but I will ask the Chair to be patient with me, for I have something that I want to get off my system that has been on it for a long time.

I am going to tell my school children to stay at home until we stop this taxi and other monopolies here. I am going to say now for the RECORD that goes out to every part of the United States, "American people, I advise you to stay away from Washington this year, because if you do come here you are going to be robbed." We can not help it; we Congressmen are helpless. It takes months and months to get a legislative bill through the House and Senate and signed by the President. We can not get one passed hurriedly. When we get an amendment to stop it, somebody comes in and takes it out and it can not be passed.

I hope to God the American people will stay away from Washington this year. They ought not to come. They are going to be robbed when they get here. I am going to tell the school children, "You are going to be robbed by General Patrick, so do not come until we stop these monopolies."

Do you know why they took that out? They remembered that the other day I got but 6 votes for my proposed amendment against William Wolff Smith's salary. That was just a skirmish on that proposition. We are yet going to take William Wolff Smith off the pay roll. [Applause.] You watch and see. We began a hearing yesterday on my resolution, No. 355. I showed the other day how he was in the service only 13 days before the war closed; that he was examined just the day before the 13 days started and there was not a thing on earth the matter with him except he was defective. [Applause.] He had three teeth out, and a hernia, and bronchitis, laryngitis, pharyngitis, and various other things. They turned him down.

Mr. PARSONS. Did he have any psychoneurosis?

Mr. BLANTON. They got him in 13 days before the war ended, and he finally got to be retired as an officer. He was in the Sanitary Corps. In 1923 he got in the bureau at $4,000 as special agent. Seventeen days afterwards he was promoted to be general counsel, and he did not know any more about trying lawsuits than a janitor does. He was made general counsel immediately. When the Welch Act was passed, his salary was raised immediately to $9,000; and when the emergency officers' retirement act was passed, he under it gets $187.50 per month additional, and I want to say to you that there were not three men in the House who voted for it understood it or knew what was going to happen; they were misled; they voted for it under a misapprehension of facts.

Mr. COLLINS. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLLINS. I think the gentleman has made just a little misstatement there; I think they promised to vote for it, and in order to live up to their promise they voted for it although they knew it was wrong.

Mr. BLANTON. It was the same influence that got that through that kept every Washington paper yesterday evening from making any mention whatever of the hearing before the committee yesterday. We had a big hearing. General Hines was there, and he said in his judgment there were 2,000 men on the retired list who ought to be off, who ought not to have their retired pay. Doctor Smith, who is drawing a salary of $5,000 from the Government, testified that one retired officer was retired for social inaptitude. [Laughter.] He was asked what that was, and he said that the fellow claimed that he could not carry on a parlor conversation in society. [Laughter.] Such a man was retired! The doctor said he knew of lots of them who ought to be taken off the list.

The influence of this big Army and Navy Club is great. Big Army officers from the War Department were there, and big naval officers from the Navy Department were there, and officers from the State Department, and this department and that department, and the doctors, and the emergency officers were all there. When the hearing closed and the newspaper boys walked out and wrote their articles, the big headman came and said, "You can not put that in." Look at the papers of yesterday evening and not a word about the hearing will be found, not one word.

I want to commend the United States Daily. It had the courage this morning to print all about that hearing. I can recommend it. It prints the news. It is one newspaper in Washington that prints the news, and a business man away from Washington can read the United States Daily and depend upon getting what happens without any color.

But before that fellow William Wolff Smith got his retired pay, over two years and a half elapsed, and he was turned down by five different boards.

Finally, after two years and a half, he got his retired pay. Then when we shook him up last year, General Hines went through his department and found out what existed. He took 64 lawyers away from him and gave them to Mr. Roberts, whom he made solicitor general, and now this William Wolff Smith has one little insurance office down there, but still he allows him his $9,000 a year. He is going to continue to draw it, and there is but one way to keep it away from him, and that is to take him off the pay roll. I proposed to take him off the other day, and I got just six votes. I got a telegram from New York the next morning, and it said, "If you will send me the names of the 70 men who voted against your amendment, if there are any of them from New York, before God I will try to keep them from being again elected." Of course, I did not pay any attention to that. I would not have sent it if I had the names, because I will never do one of my colleagues an injury. They have the right to vote as they please. That was just a skirmish the other day. When this committee gets through with its hearings, you are going to find something done about William Wolff Smith.

When I appeared before that committee, one friend tried to hamstring me before I got started. My friend, General CHIPERFIELD, began to say, "Mr. Chairman, I object to Mr. BLANTON conducting this hearing." Why was he objecting? When I would offer some evidence he said, "I object to this evidence going in." I said, "Gentlemen, whom does General CHIPERFIELD represent here? Whom are you trying to cover up? Whom are you trying to shield?" But the committee let me go ahead. Then my good friend Lieutenant Colonel Goss this morning tried to hamper me, and I had to take him down a bit before I could get started. Then General Hines came in and said the way to do this is to let him appoint a new board of doctors and let them review all of these cases. But, gentlemen, we are not going to let any more doctors make a review; we are going to handle these questions ourselves.

Mr. GOSS. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GOSS. I do not care about myself, because I do not think the gentleman is trying to hurt me or that he could hurt me.

Mr. BLANTON. I am not going to put in the RECORD anything that will hurt anybody. But I am going to discuss facts.

Mr. GOSS. But I want to say in fairness to General CHIPERFIELD's inquiry, that all he sought to keep out of the public hearings was under section 30.

Mr. BLANTON. He wanted to keep "BLANTON" out of the hearing it was very evident.

Mr. GOSS. All he wanted to keep out of the public hearings were confidential files under section 30 of the veterans' act.

Mr. BLANTON. Was the gentleman there yesterday?

Mr. GOSS. Yes.

Mr. BLANTON. When he objected to my having anything to do with the hearings?

Mr. GOSS. Yes. He did not object to that. He was objecting to making public private information in the files of the bureau. He was willing to receive that information in the committee. The members of the Military Affairs Committee, as well as the gentleman from New York [Mr. FITZPATRICK], who is now present, will bear me out when I say Mr. CHIPERFIELD said:

Bring them in before the committee in private session, but we are going to protect the confidential information on file in the bureau.

Mr. BLANTON. If the gentleman will not bother me any more, I will forgive him for what he has done in the past.

Mr. GOSS. I thank the gentleman.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. JOHNSON of Oklahoma. If the gentleman will permit, I, of course, can not speak for the committee, but I feel safe in saying it will give the gentleman a fair deal. As a member of the Military Affairs Committee, may I further add that there will be no private sessions, so far as I am concerned. I shall insist that such hearings be open and aboveboard. [Applause.]

Mr. BLANTON. That was my idea.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. FITZPATRICK. The statement made by the gentleman from Connecticut [Mr. GOSS] is absolutely true. I do not think the Military Affairs Committee should be turned over as a publicity bureau for any man in this House. [Applause.]

Mr. BLANTON. I did not mean it for that. I will say this, that I am not going to say anything to hurt my friend from New York, because he is a good scout; he is a little wrong on this, but there are enough on the committee to let me go ahead without his vote. He is a good fellow nevertheless.

You are going to have to repeal that act to reach these parasites and start over again. General Hines admits there are 2,000 of them, but I think there are about 3,500 of them.

When the war-risk insurance act was passed, the committee brought in a bill starting with $17,500 that they were going to pay the widow of a general, and then they graduated it down to about $3,500 for the widow of a private. When those of us who look after the interests of the common people took the matter up, do you know what we did from the floor here, led by Eugene Black, of Texas? We put in a provision that said when a private gave his life to his country, it was of just as great value as the life of a general, and we made these $10,000 war-risk insurance policies identical for the private and the officer, and this is what ought to be done with respect to compensation.

I have in mind two boys who are brothers. One got to be an officer. The private went to France and had an arm shot off. The officer was in one of the swivel-chair jobs, and the officer is now retired on big pay per month for a presumptive disability, and gets three times as much as the private who has his arm shot off. Is this right? You have got to change it. You have got to repeal that act, and General Hines at first was in favor of it. I do not know what has changed him in the last day or so. I do not know whether it is the Army and Navy Club or not, the one that gets after Mr. Hoover once in a while. This Army and Navy lobby is no respecter of persons. It is the most powerful and gigantic machine lobby that exists in Washington. It has tried to influence more Congressmen than all the other pernicious lobbies put together, in my judgment. What are you going to do about it?

Mr. PATTERSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. PATTERSON. Is this the same lobby that attacked our colleague, the gentleman from Idaho [Mr. FRENCH], and accused him, in effect, of treason last year with respect to the Navy appropriation bill?

Mr. BLANTON. Yes. There was a bill brought in here once affecting the Navy and the Army. It had various provisions in it objected to by our former distinguished colleague from Mississippi, Tom Sisson. He was very active, and, like our friend COLLINS, was very courageous, and he would fight it a while, and then I would fight it a while, and that evening we had a delegation of Army and Navy men call on us, and they told Tom he would not come back to Congress, and they told me I would not come back. I told them to go to h——. Tom began to apologize, and Tom

did not come back, but I went down there and fought them in my district, and I did come back.

They have no right to try to intimidate Members of Congress. I am for them when they are right. I am not afraid to fight against what they want when they are wrong, whether I come back or not.

In conclusion, I want to say that I hope you will back up CLARENCE CANNON and our friend HOLADAY, of Illinois, on this bill. They have saved you lots of money. They have done right by the District. Every time there was a doubt about any matter, they gave the District the benefit of the doubt; and if you will back them up, you will have a good District bill. I appreciate the work they have done, and I am sure you do. [Applause.]

Mr. HOLADAY. Mr. Chairman, I yield myself five minutes.

The gentleman who has just taken his seat brought up the subject of taxicabs here in the city, and I think this may be an appropriate time for me to make a little explanation with reference to that matter.

A year or so ago a taxicab war developed in the city of Washington, and as a result of that war and as a result of other companies starting in, taxicab fares were reduced to 20 cents within the first zone, which takes in, roughly, the territory which was formerly the old city. Under the 20-cent fare two or three other companies commenced operations, companies that would buy cars and rent them to young men at about $4 a day. In addition to this, many young men bought their own cars, so that we had, perhaps, 3,000 or more taxicabs operating on the streets of Washington and a taxicab fare lower, probably, than that enjoyed by any other city.

The low taxicab rates interfered with the business of the street-railway companies. It also interfered with the business of the two old companies which formerly had enjoyed a monopoly. I have taken this time because the action of General Patrick in this matter appears to me to be an example of a disregard of public interest such as we seldom see exhibited by a public official.

General Patrick, before our committee, admitted that he started the investigation himself; that the owner of one of the taxicab companies and a man who sold taxicabs complained to him; also there had been complaints from some that had been overcharged; but, in the main, General Patrick placed upon himself the responsibility of commencing the investigation; and as a result of an investigation covering only a few days, and in which they employed one man to go around and check up on one taxicab, and with perhaps some other information, he issued an order of the Public Utilities Commission, which in effect, in addition to requiring all taxicabs to be equipped with meters, will result in at least doubling the taxicab rates in this city and in throwing 700 young men, a great many of them ex-service men, out of employment.

The only people who will benefit as the result of that order are the two taxicab companies which entered into an agreement between themselves, so that they would have a monopoly of the business. As the gentleman from Texas has said, here is the Washington bicentennial celebration coming on, when it is expected that we will have more visitors in Washington than ever before. Some business interests of the city of Washington, seeing that this great crowd of visitors are to come here, hope to make a lot of money if this taxicab rule is enforced.

Mr. McCORMACK. Will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. McCORMACK. I am interested in trying to secure information as to the number of people injured by taxicabs, and the number of persons so injured who are unable to recover, because the owner of the cab has no property. I am not interested in the meter question.

Mr. HOLADAY. Our investigation of that matter indicated that there were no more people, in proportion to the number of passengers carried, injured when they were riding at a fare of 20 cents than when they had to pay 60 or 75 cents. And further, that they had no more trouble in collecting damages in case of an injury than they have always had. They have always had trouble and, I suppose, always will.

The subcommittee felt that General Patrick had been absolutely derelict in his duties as a public servant, that he had not taken into consideration the rights of the public, that he had considered only the owners of two of the taxicab companies; and as an excuse for the order he said that one taxicab owner, one of the big ones, had said that they were having trouble in paying for their cabs.

Mr. BANKHEAD. Will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. BANKHEAD. Is there no authority of law or can not any law be enacted that would control the action of General Patrick, or is he given carte blanche?

Mr. HOLADAY. Without further legislation, I think that he has authority to do as he pleases, unless it could be shown that he had entered the order through corrupt motives or to serve some corrupt purpose, and that, of course, no one asserts.

Mr. BANKHEAD. Does the gentleman admit that it is not possible for the District of Columbia Committee to bring in legislation that would review General Patrick's actions and compel some other action?

Mr. HOLADAY. I think the legislative committee has absolute authority to bring in such legislation, and it is my understanding that they are now preparing such legislation.

Mrs. NORTON. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mrs. NORTON. The gentleman knows that legislation was passed two years ago placing authority to regulate public utilities in the hands of the Public Utilities Commission; and so long as that law is on the statute books, is it not a fact that there is nothing we can do about it?

Mr. HOLADAY. I do not think there is anything we can do on an appropriation bill with reference to a change of the law, and General Patrick is acting under the authority that Congress gave him.

Mrs. NORTON. Does the gentleman believe that we can do anything until that law is repealed? Is not it a fact that as long as that law remains on the statute books we are powerless?

Mr. HOLADAY. I think so.

Mrs. NORTON. Another thing, I have thought that we might issue an order or resolution through Congress delaying this meter order for another year, and in the meantime we could consider the whole situation. I think the main thing we want to avoid is throwing men out of employment.

Mr. HOLADAY. That is true; there are two things we want to avoid—the one which the lady mentions and the other the protection of the public in the taxicab rate.

Mrs. NORTON. If we take the power out of the hands of the commission, Congress must assume the responsibility?

Mr. HOLADAY. I think that is so.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a moment? This is rather an important matter.

Mr. HOLADAY. Yes.

Mr. BANKHEAD. If it can be reached by joint resolution so that the public may be protected, particularly during this bicentennial year, until the Congress can be more fully informed and have a better opportunity to work out the situation, it occurs to me that if the gentlewoman from New Jersey [Mrs. NORTON] will induce her committee to bring in a joint resolution requesting General Patrick to take no action on this matter pending further investigation, certainly for the period of this year, there will be no difficulty in passing it through this body and the other body of Congress, and I think that action is fully justified by the facts presented here this afternoon.

Mr. HOLADAY. I hope that will be done.

Mr. MOUSER. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. MOUSER. It seems to me that all the Congress would have to do would be to repeal that part of the law giving the Public Utilities Commission the right to regulate the rates charged by taxi cabs.

Mr. HOLADAY. The chairman of our subcommittee is preparing an amendment to be offered to this bill which, it is hoped, will take care of the proposition temporarily until the legislative committee can act upon it, because there is evident intention upon the part of General Patrick and two or three men in whose interest this order will become effective to rush the thing into effect, if possible.

Mr. MOUSER. The only jurisdiction that the commission has to regulate rates is what is given them by the law.

Mr. HOLADAY. That is right.

Mr. MOUSER. If you take away that jurisdiction, then they can not make such an arbitrary order as has been made.

Mr. HOLADAY. That is the permanent remedy, I think.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. Yes.

Mrs. NORTON. Permit me to ask the gentleman from Ohio upon whom he would place the responsibility, then, if he takes away the power from the commission. Who is going to assume that responsibility?

Mr. MOUSER. I think the cabs could have the right to compete as far as the price they charge is concerned as well as private business, and the commission can still regulate them as to public safety and as to their qualifications for a license to operate a cab.

Mrs. NORTON. Does the gentleman know that this matter has been taken up before the Supreme Court of the District of Columbia and that a unanimous opinion was rendered in favor of the action of the commission?

Mr. MOUSER. I think that would be so long as the law gives them jurisdiction.

Mrs. NORTON. As long as this law remains in operation.

Mr. MOUSER. But if the Congress will take away that jurisdiction, they can not make such an arbitrary order.

Mrs. NORTON. Does not the gentleman think that before we do that we ought to think the whole thing over very carefully from every angle, and if we can delay this order for a year it will give us that opportunity? It will not deprive the citizens of the cheap fares, and it will not take away from the men operating these cabs the opportunity of making a living, which is probably the only method they have at this time.

Mr. MOUSER. I think that the committee should investigate it, and I think that is where it properly belongs. I think the committee should investigate the law which permits such an arbitrary order as has been issued in this case. I certainly would not take the matter away from the District of Columbia Committee; but, at a time like this, when thousands of people are coming here during this bicentennial celebration, it is a shame to permit such an order as that, especially in this time of unemployment.

Mrs. NORTON. I agree with the gentleman; but as long as the law remains, we are powerless to act. However, if we could bring in a resolution which would set back this ruling for a year, and in the meantime investigate the whole picture, I think we would be doing something worth while. I am absolutely in accord with the gentleman, and I would not want to feel that by any order of ours or of the commission we would take one man out of his cab and prevent him from earning the small amount which he does to-day. I am told that they make three or four dollars a day, but three or four dollars a day at this time is better than nothing.

Mr. MOUSER. Yes. I do not believe that Congress by passing a resolution will have any effect whatever, except a moral effect showing that it is the opinion of this body that we disagree with the arbitrary order. We will have to enact a law to change the jurisdiction of the commission.

Mrs. NORTON. That is my understanding.

Mr. THATCHER. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. THATCHER. From the gentleman's study of the question, what is the form and scope of the regulation that he thinks should be prescribed for the operation of automobiles and taxicabs?

Mr. HOLADAY. Following out the general theory of the regulation of public utilities by commissions, they must necessarily have a wide latitude of power. The surprising and troublesome thing is that General Patrick, the individual in authority, has entirely disregarded the rights of the public, has given no thought to them. He admits that it will double the rates; he admits that it will throw 700 men out of work, but he says that these two big companies are not making as much money as they should, that one of them said to him that they are hardly able to pay for the machines. Therefore, in order to protect the rights of these two companies he proposes to throw 700 men out of employment, a large part of them ex-service men, and to double the rates on the public, which is, as I said a moment ago, a total disregard of the rights of the public.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. GIFFORD. Does not General Patrick say something more than that? What is his side of it?

Mr. HOLADAY. That is all he said.

Mr. GIFFORD. That does not seem possible.

Mr. HOLADAY. I admit it does not seem possible.

I think I have stated to this House everything that has been said to the committee in his own defense. I asked who filed this petition, who brought the question up. He said that the agent of one of the companies selling machines said he was hardly able to collect for his machines, and there were some individual complaints of people to the effect they had been overcharged.

Mr. GIFFORD. Has he offered no evidence whatever as to the safety of the public from this action?

Mr. HOLADAY. I do not remember any particular evidence was offered on that angle.

Mr. GIFFORD. I read about the promiscuous running around of taxicabs. Was not that testimony offered in the hearings?

Mr. HOLADAY. The facts showed that the individuals who owned their own machines did not have the accidents that the drivers for the big companies have, because the individual owners are individually responsible for repairs to their cars and have to stand the loss themselves. [Applause.]

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. PARSONS].

Mr. PARSONS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert certain tables, figures, and statistics which I shall use in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PARSONS. Mr. Chairman, I have asked for this time to make some observations with reference to indebtedness, not only in this country but in the countries across the sea, as it relates to the present period of depression about which we have heard so much and for which so many hundreds, and even thousands, of remedies have been offered, but about which very little has been done.

I have been much interested in the various discussions in the House on stabilization of commodity prices, and I had the pleasure of listening to a discussion upon the silver question this morning when Mr. Strawn, who is head of the United States Chamber of Commerce, discussed the question before the Committee on Coinage, Weights, and Measures, with a view to returning silver as a medium of exchange in order to give an expansion in world trade.

However, of all of the discussions that I have heard, and of all of the hundreds and thousands of pet schemes and projects that have come to my desk to cure the depression, I have not seen any detailed analysis of what the real, true situation is, not only in this country but across the sea.

We have been told the past year and a half or two years that our condition is due largely to world conditions and

not to our own activities here in America. Therefore, I shall direct my remarks to a table that I have planned here, and I may say for the information of the committee that the Department of Commerce, the Treasury Department, War Department, industrial reviews, and others have assisted in the preparation of this table. It runs into billions of dollars, and is fairly accurate when we consider the enormous sums of money involved.

TABLE 1.—*Showing wealth, population, indebtedness, and per capita figures for principal countries of the world, China only excepted*

Country	Population	Wealth		Income		Indebtedness	
		1929	1931	1929	1931	National	Internal
United States	122,698,000	$400,000,000,000	$240,000,000,000	$90,000,000,000	$54,000,000,000	$26,341,000,000	$27,375,000,000
United Kingdom	45,741,000	115,000,000,000	69,000,000,000	19,000,000,000	11,400,000,000	37,333,000,000	7,550,000,000
France	41,130,000	68,000,000,000	51,000,000,000	9,000,000,000	6,750,000,000	17,942,000,000	3,750,000,000
Germany	64,038,000	80,000,000,000	48,000,000,000	15,500,000,000	9,300,000,000	11,341,000,000	4,125,000,000
Italy	41,508,000	30,000,000,000	18,000,000,000	5,000,000,000	3,000,000,000	9,494,000,000	437,500,000
Russia	153,800,000	65,000,000,000	60,000,000,000	10,000,000,000	12,500,000,000	10,500,000,000	50,000,000,000
British possessions	279,145,000	88,200,000,000	58,220,000,000	15,550,000,000	9,330,000,000	10,999,000,000	5,618,000,000
Latin America	106,123,000	62,300,000,000	37,380,000,000	8,443,000,000	5,065,000,000	4,275,000,000	1,539,500,000
Remainder of Europe	171,270,000	145,050,000,000	87,030,000,000	22,650,000,000	13,590,000,000	13,025,000,000	2,160,000,000
Asia-Africa	26,682,000	11,900,000,000	7,140,000,000	1,600,000,000	1,200,000,000	1,286,000,000	230,200,000
Japan	62,938,000	40,000,000,000	26,000,000,000	5,000,000,000	4,500,000,000	2,911,000,000	840,000,000
Total	1,115,073,000	1,105,450,000,000	721,470,000,000	201,743,000,000	120,635,800,000	145,547,000,000	103,625,000,000

Country	Indebtedness			Total indebtedness	Wealth per capita, 1931	Indebtedness per capita, 1931	Taxes per capita, 1931	Amount of principal and interest to pay debt at 5 per cent in 33⅓ years
	Corporate	Territories and insular	Individual					
United States	$52,500,000,000	$156,000,000	$26,936,500,000	$133,358,500,000	$1,964	$1,087	$171	$244,490,583,333
United Kingdom	12,500,000,000		14,250,000,000	81,633,000,000	1,508	1,784	172	148,660,500,000
France	9,875,000,000		7,125,000,000	38,192,000,000	1,240	940	114	70,933,666,666
Germany	9,650,000,000	[1] 18,917,453,800	5,450,000,000	49,843,450,000	749	772	117	87,719,658,332
Italy	4,625,500,000		10,754,000,000	25,311,000,000	433	609	48	46,403,566,666
Russia				60,500,000,000	443	395	38	109,116,666,666
British possessions	3,468,000,000		13,995,700,000	34,180,700,000	211	122	22	62,664,616,666
Latin America	4,879,000,000		8,369,500,000	19,063,000,000	352	179	35	34,948,833,333
Remainder of Europe	10,225,000,000		7,875,000,000	33,285,000,000	508	194	53	61,022,500,000
Asia-Africa	3,873,500,000		1,236,000,000	6,625,700,000	267	244	25	11,970,438,000
Japan	4,876,000,000		3,967,000,000	12,594,000,000	572	200	24	23,097,000,000
Total	116,472,000,000	19,073,453,800	100,008,700,000	494,725,350,000	647	443	75	903,028,029,662

[1] German indemnity.

Mr. PARSONS. The population of the United States at the last census was 122,698,000. I take America first to illustrate, because I will compare it with other countries and with the totals for the world. These figures include all of the nations of the earth with the exception of China, the figures for which the Department of Commerce and various sources of information I consulted were unable to furnish.

The wealth of the United States in 1929, at the high peak, was approximately $400,000,000,000. That value shrank until on December 31, 1931, it was approximately $240,000,000,000.

The income in 1929 was approximately $90,000,000,000. It had shrunk in the year 1931 to $54,000,000,000.

Let us compare that with our indebtedness, because while wealth depreciates and commodity prices are reduced, our indebtedness naturally rises. The national debt, including all of the Federal Government issues, including our currency and the things for which the Federal Treasury is responsible, including the Reconstruction Finance Corporation issue and balancing the Budget July 1, 1932, amounts to more than $26,000,000,000. The internal indebtedness of the States, counties, municipalities, schools, road districts, and the units of taxation in the various States of the Union is $27,375,000,000. The corporate indebtedness of the various corporations of the country amounts to $52,500,000,000. The indebtedness of the Territories and insular possessions is $156,000,000, an insignificant sum.

The individual indebtedness—and this is partly estimated; we have the figures from the banks; we have the figures for certain other concerns that loan money, the remainder of it being estimated and computed in accordance with certain localities and communities where we were able to get a more or less accurate check—the individual indebtedness of one individual to another, of one institution to another, amounted to $26,986,500,000, making the total indebtedness—national, State, corporate, and individual—in this country in 1929, $133,358,500,000. That was predicated upon the values of four hundred billions of wealth in the United States.

As that wealth has been reduced, as the values have dropped at least 50 per cent—farm lands, city property, stocks, bonds, and securities—it augments the debt 50 per cent. That makes a total of $267,000,000,000. That is more than the total wealth of the United States. It is more than five times the income of the various business institutions in the country.

Mr. GLOVER. Will the gentleman yield?

Mr. PARSONS. Yes.

Mr. GLOVER. I believe the gentleman stated that the indebtedness of the United States was about $26,000,000,000. What are the assets? What have we that is owing to us from other nations?

Mr. PARSONS. The assets of the Federal Government consists of its gold and silver in the Treasury, its public buildings, its public lands, and about $11,500,000,000 that is owing to us from Europe.

Mr. GLOVER. Is that all that is owing to us?

Mr. PARSONS. Substantially so. Approximately $12,000,000,000, let us say. The per capita wealth of the United States in 1931 was $1,964. The per capita indebtedness in 1931 was $1,087. Every man, woman, and child in the United States owed on an average of $1,087. Our per capita tax for the operation of all of the various units of government is $171. I have computed this debt on the basis of amortizing the payment of it in 33⅓ years at the rate of 5 per cent, which will make the total indebtedness, including accrued interest, in 33⅓ years, $244,490,583,333. That is $4,000,000,000 more than the total wealth of the United States.

I have heard the statement made here, and I do not repeat it to-day in order to cause any uneasiness, but it is, nevertheless, a matter of fact and we should understand these things and accept them and then try to adjust ourselves to righting the situation—the statement has been made "America is bankrupt." Considering the indebtedness at the present value, certainly the United States is in the red, and so is every other nation on the face of the earth with the exception of Russia.

It would take too long to go into all these figures. I am just going to quote a few of them, and then we will take up the totals. The United Kingdom, with a total popula-

tion of 45,000,000, has a wealth to-day of $69,000,000,000. Its income to-day is $11,500,000,000. Great Britain's total indebtedness is $81,633,000,000, as compared with our $133,000,000,000. Her per capita wealth is $1,508. Her per capita indebtedness is $1,784, or $276 more than her per capita wealth. The per capita tax in Great Britain is $172, $1 higher than the tax in this country.

If Great Britain should amortize her debt in 33⅓ years at 5 per cent, it would take $148,660,500,000 to retire it. That is about three times the actual wealth of Great Britain to-day in depreciated values. France runs along about the same way. These figures, of course, will be inserted in the RECORD, and I will ask you to examine them to-morrow. I want to take up the figures for Russia for just a moment. Its wealth has increased since 1929 $4,000,000,000. Russia is the only nation whose wealth and income have increased. Her per capita indebtedness is $395. Her per capita wealth is $448, her per capita taxation is $38, based upon the system they use there. Her total indebtedness, to retire it in 33⅓ years, is $109,000,000,000.

For the British possessions, Latin America, and the remainder of the earth, together with the countries I have mentioned, there is presented a total that is very significant.

The population of the world is substantially 1,115,073,000, outside of China. The total wealth of the world in 1929 was $1,105,450,000,000. In 1931 that had shrunk to $721,470,000,000. The income of the world in 1929 was $201,000,000,000. It had shrunk in 1931 to $130,000,000,000. The total indebtedness of the world in 1929 was $494,726,350,000. The per capita wealth of the world in 1929 was $647. The per capita indebtedness of the world in 1929 was $443. The per capita tax of the world in 1929 was $75. To amortize this enormous debt, a debt we have never had before in the history of the world, in 33⅓ years at 5 per cent will take more than $903,000,000,000. That is almost as much as the total value of all material things of the world at the high peak in 1929, and $225,000,000,000 more than the wealth of the world at the reduced value.

These figures simply indicate what the conditions are to-day, not only here but abroad, and if the present commodity price, if the present wage scale, if the present value of agricultural lands and city property remain where they are to-day or are still further reduced, it simply means that all business must be washed out in bankruptcy and a start must be made overa again on a new foundation.

I mention this to bring to your attention the necessity of raising the commodity price level. If it takes inflation of the currency or if it takes price influencing on agricultural products, or whatever measure we may adopt, it must bring this price back to the level of 1925 or 1926 or 1929 in order to restore the solvency of the country.

TABLE II.—*Direct money cost of World War*

(In general, inclusive to June 30, 1919)

Entente Allies:	
British Empire—	
Great Britain (includes $8,695,000,000 advanced to allies)	$44,029,011,868
Australia	1,437,418,680
Entente Allies—Continued.	
British Empire—Continued.	
Canada	$1,665,576,032
India	601,279,000
New Zealand (to Dec. 31, 1918)	378,750,000
Union of South Africa	300,000,000
Belgium	1,154,467,000
France (to Dec. 31, 1918) (includes $1,547,200,000 advanced to allies)	25,812,782,800
Greece (to Dec. 31, 1918)	270,000,000
Italy (to Oct. 31, 1918)	12,313,998,000
Rumania	1,600,000,000
Russia (to Dec. 31, 1917)	22,593,950,000
Serbia (now part of Yugoslavia)	399,400,000
United States of America (includes $9,455,014,125 advanced to allies)	32,080,266,968
All other allies (estimated)	500,000,000
Central Powers:	
Germany (includes $2,875,000,000 advanced to allies)	40,150,000,000
Austria-Hungary	615,000,000
Turkey	1,430,000,000
Total	208,154,860,348

TABLE III.—*Money cost of World War since June 30, 1919, to December 31, 1931*

Great Britain	$7,675,500,000
United States	7,078,382,032
France	7,266,463,200
Germany	9,087,806,400
Italy	2,257,816,000
All other nations (estimated)	2,750,000,000
Total	36,115,967,632
Cost to June 30, 1919	208,154,860,348
Total money cost to date	244,270,827,980
Damages to devastated areas, etc	14,500,000,000
Loss to German nationals of territory and colonies	25,912,193,600
Total cost of World War	284,683,021,580

Mr. PARSONS. The major cause of this enormous indebtedness, of course, was the cost of the World War.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. PARSONS. The direct money cost of the World War to June 30, 1919, was more than $208,000,000,000. Add to that the money costs since the war and the total to-day is $244,000,000,000. These are large figures. When we add to this the cost of the devastated regions and the loss to the German nationals of their territories and colonies, half of which may be traced to a direct property loss, we have a total cost of the World War of $284,683,000,000.

We were told that this was a war to end wars, and yet when I consulted and solicited the aid of the department in preparing the present military figures, I was astounded to find that the strength of the armies, navies, and air corps of the 54 principal nations of the earth showed a 100 per cent increase over what they were in 1912 or 1913, just before entering the world conflict.

I shall insert at this place a table showing the strength of the armies, navies, and air corps in 1912 compared with the strength of the armed forces in 1930.

TABLE IV.—*Strength of military forces*

	Strength, 1912			Strength, 1930			
	Army	Navy	Total	Army	Navy	Air	Total
Albania				14,048			14,048
Argentina	22,244	6,000	28,244	32,497	9,554		42,051
Austria	300,000	14,328	[2] 374,328	30,000			[2] 30,000
Belgium	93,000		93,000	87,000			87,000
Bolivia	3,000		3,000	8,000			8,000
Brazil	34,625	15,300	49,925	72,050	10,150		82,200
British Empire, total	428,859	137,708	564,567	416,695	108,526	34,813	556,034
Australia	2,448	993	3,441	1,811	5,081	1,474	8,366
Canada	3,498	350	3,848	3,264	758	767	4,789
Great Britain	249,988	136,165	386,133	201,428	97,050	32,000	330,478
India	159,144		159,144	166,495			166,495
Irish Free State				6,976			6,976

[1] Included in this column if country has separate air force; otherwise air force included in army and navy columns.
[2] In 1912 Austria and Hungary were included in the dual monarchy and figures for Austria represent the total for the Empire.
[3] Restricted by treaty.

TABLE IV.—*Strength of military forces*—Continued

	Strength, 1912			Strength, 1930			
	Army	Navy	Total	Army	Navy	Air	Total
British Empire—Continued.							
New Zealand	500	200	700	528	480	286	1,294
Union of South Africa	2,500		2,500	1,398	157	286	1,841
Colonies and dependencies	8,801		8,801	34,795			34,795
Bulgaria	59,000		59,000	33,000			[2] 33,000
Chile	14,337	7,500	22,337	30,920	8,963	1,418	41,301
China	500,000	5,000	505,000	2,483,000	9,000	2,000	2,494,000
Colombia	6,500		6,500	8,499			8,499
Costa Rica	1,000		1,000	318			318
Cuba	11,433	1,000	12,433	13,857	1,183		15,040
Czechoslovakia	(4)	(4)	(4)	137,167			137,167
Denmark	13,000	4,000	17,000	10,612	4,000		14,612
Ecuador	7,810		7,810	4,323			4,323
Egypt	17,000		17,000	13,600			13,600
Estonia	(4)	(4)	(4)	13,300	856		14,156
Finland	(4)	(4)	(4)	27,900	4,009		31,909
France	705,000	25,500	730,500	618,000	61,000	38,000	717,000
Germany	650,000	35,500	685,500	100,500	15,000		[3] 115,500
Greece	23,948	4,000	27,948	76,052	7,550	1,216	84,818
Guatemala	7,000		7,000	8,194			8,194
Honduras	30,943		30,943	2,500			2,500
Hungary			[1]	35,000			[3] 35,000
Italy	289,000	28,957	317,957	464,151	47,588	13,827	470,566
Japan	250,000	54,000	304,000	230,000	87,328		317,328
Latvia	(4)	(4)	(4)	19,400	450		19,850
Lithuania	(4)	(4)	(4)	18,891			18,891
Mexico	31,000	1,200	32,200	63,609	1,126		64,735
Netherlands	59,000	8,575	67,575	61,146	7,500		68,646
Nicaragua	4,000		4,000	2,305			2,305
Norway	22,000	1,130	23,130	15,131	1,050		16,181
Paraguay	2,600	300	2,900	2,915	301		3,216
Peru	6,500		6,500	7,329	1,639		8,968
Poland	(4)	(4)	(4)	332,095	3,108		335,203
Portugal	42,800	6,120	48,920	49,739	4,100		53,839
Rumania	103,400		103,400	240,108	5,513		245,621
Russia	1,200,000	60,000	1,260,000	624,000	33,000		657,000
Salvador	3,000		3,000	4,500			4,500
Spain	255,000	18,360	273,360	238,000	19,000		257,000
Sweden	75,000	4,000	79,000	33,483	5,400	4,682	43,565
Switzerland	140,000		[3] 140,000	175,000			[5] 175,000
Turkey	230,000	39,928	269,928	122,000	7,100		129,100
Uruguay	7,500	1,000	8,500	8,132	1,143		9,275
Venezuela	5,622		5,622	6,300			6,300
Yugoslavia	(4)	(4)	(4)	141,568	8,359		149,927
United States of America	91,347	[6] 59,725	151,073	137,472	[7] 113,083		250,555
Total	5,805,978	539,131	6,345,109	9,214,296	581,579	100,896	9,896,771

[1] In 1912 Austria and Hungary were included in the dual monarchy and figures for Austria represent the total for the Empire.
[2] Restricted by treaty.
[3] Trained national militia. Active force consists of training cadres only of approximately 500.
[4] Nation nonexistent.
[5] Includes 10,000 marines.
[6] Includes 19,226 marines.

TABLE V.—*Cost of military forces*

	Expenditures, 1912		Expenditures, 1930	
	Total defense	Per cent of total expenditures	Total defense	Per cent of total expenditures
Albania	(1)	(1)	$2,842,130	46.9
Argentina	$12,533,100	7.0	47,641,211	14.1
Austria	[2] 124,264,242	12.85	14,830,000	4.95
Belgium	15,900,000	17.0	23,248,118	9.0
Bolivia	671,247	12.4	3,166,427	13.5
Brazil	16,515,820	15.8	58,235,118	20.0
British Empire, total	483,338,972	28.0	854,716,253	13.0
Australia	26,484,832	24.0	18,432,950	2.9
Canada	10,080,000	5.9	23,372,000	5.8
Great Britain	350,372,150	39.6	609,277,123	14.4
India	87,319,100	23.0	188,211,864	31.6
Irish Free State			7,037,150	4.9
New Zealand	3,375,250	6.7	3,474,745	2.8
Union of South Africa	5,707,640	6.8	4,910,421	3.2
Colonies and dependencies	(1)	(1)	(1)	(1)
Bulgaria	306,900	21.0	8,093,563	18.25
Chile	14,252,313	16.4	42,785,225	29.6
China	126,000,000	33.6	245,445,112	49.6
Colombia	1,973,063	20.0	4,310,850	7.0
Costa Rica	262,910	5.7	287,083	0.22
Cuba	7,102,246	20.9	12,734,324	14.9
Czechoslovakia	(3)		41,057,447	14.8
Denmark	7,905,809	25.31	9,677,564	11.39
Ecuador	940,519	23.0	1,385,880	12.4
Egypt	6,876,766	9.1	1,575,781	3.83
Estonia	(3)		4,934,000	19.0
Finland	(3)		15,553,440	13.9
France	273,562,669	30.0	474,897,964	23.6

[1] No data.
[2] In 1912 Austria and Hungary were included in the dual monarchy, and figures on Austria represent the total for the Empire.
[3] Nation nonexistent.

TABLE V.—*Cost of military forces*—Continued

	Expenditures, 1912		Expenditures, 1930	
	Total defense	Per cent of total expenditures	Total defense	Per cent of total expenditures
Germany	$207,245,300	30.15	$165,039,121	5.74
Greece	5,763,134	20.8	22,181,818	17.72
Guatemala	124,717	13.0	2,018,281	14.1
Honduras	852,434	33.3	945,156	13.5
Hungary	(3)		28,365,660	10.55
Italy	83,276,707	16.4	349,853,585	33.0
Japan	99,805,265	34.0	236,862,000	29.0
Latvia	(3)		7,565,600	21.9
Lithuania	(3)		5,600,000	17.4
Mexico	9,040,706	15.0	40,335,563	31.54
Netherlands	[4] 20,344,100	22.82	[4] 40,510,184	14.22
Nicaragua	(1)	(1)	1,025,615	15.6
Norway	5,607,700	16.4	10,691,056	11.37
Paraguay	346,243	12.5	1,926,476	38.2
Peru	4,386,818	27.4	9,795,856	17.3
Poland	(3)		122,995,435	39.1
Portugal	15,730,000	18.0	20,013,810	21.8
Rumania	13,636,000	13.8	67,061,771	29.8
Russia	561,835,957	22.2	712,999,913	11.9
Salvador	2,124,127	32.4	2,151,829	16.7
Spain	41,483,104	20.0	185,713,092	28.0
Sweden	21,745,800	30.86	35,710,232	17.08
Switzerland	8,549,100	42.93	14,112,523	19.09
Turkey	32,080,452	22.0	36,454,334	35.1
Uruguay	4,710,491	13.4	8,999,806	14.9
Venezuela	1,884,759	12.3	7,120,177	11.4
Yugoslavia	(3)		47,492,014	22.2
United States of America	237,928,833	25.4	702,845,416	17.1
Total	2,271,103,314		4,757,804,211	

[1] No data.
[2] In 1912 Austria and Hungary were included in the dual monarchy, and figures on Austria represent the total for the Empire.
[3] Nation nonexistent.
[4] Does not include cost of approximately 36,000 colonial troops, paid for by the Dutch East Indies government. For this latter cost no data are available.

Mr. PARSONS. The total men under arms in 1912 were 5,805,978 in the armies, and in the navies there were 539,131.

In 1930—and we have more under arms now than we had in 1930—we had 9,214,296 in the armies, 581,000 in the navies, and more than 100,000 in the Air Corps, giving us almost a hundred per cent increase. Was this a war to end war, and is the peace that is following in accordance with your desire and mine and the people of the world?

Let us see about the cost. The total cost in 1912 for these same countries was $2,271,103,314. The expenditure in 1930 was $4,757,804,211, or more than 100 per cent increase.

You see that in our efforts to bring about a reduction in armament, in our efforts to reduce governmental expenses through reduction in war preparations, we are met face to face with a hundred per cent increase in personnel and more than a hundred per cent increase in expenditures. The fact of the business is that the cost of armament to-day is about 210 per cent as compared with 1912.

Another thing that is affecting the country to-day, of course, is the decrease in world trade. As an index to the trend of business conditions at the present time I have a table here prepared by the Department of Commerce giving the imports and exports by continents for the year 1912 and, beginning with 1925, through the years down to and including 1931. These figures are very interesting.

In 1912 we had a total world trade of $39,730,000,000. In that same year America's part of the world trade was $4,067,000,000. This increased through the years until 1929, when the world trade was a total of $68,000,000,000, $9,000,000,000 of which belonged to America.

The world trade was reduced in 1931 to $43,000,000,000, and America's part of that $43,000,000,000 was $4,520,000,000. The total loss in world trade is 35.2 per cent, but America's part of that loss is 52.3 per cent; in other words, America has lost in world trade about 17 per cent more than any other country. What is the cause?

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. PARSONS. Yes.

Mr. WILLIAM E. HULL. What is the gross of the other countries and the gross of America?

Mr. PARSONS. The gross world trade in 1931 was $43,927,700,000, and America's part was $4,520,517,000.

Mr. WILLIAM E. HULL. Now, give the figures for the other countries.

Mr. PARSONS. I do not have the figures by countries, only by continents.

Mr. WILLIAM E. HULL. What is it for Europe?

Mr. PARSONS. In 1931 the total imports were approximately $23,000,000,000, $13,500,000,000 of which belonged to Europe. The total exports were $20,927,000,000, of which $11,000,000,000 belonged to Europe.

Our exports in 1931 amounted to $2,433,700,000 and our imports were $2,086,817,000, or 9.07 per cent of the world's trade.

Our exports were $2,433,700,000, or 11.62 per cent.

Our world trade reached its high peak in 1926, when we had 16.1 per cent of total exports and 13.7 per cent of the total imports. That has dwindled down until last year the imports were only 9.07 per cent and the exports were 11.62 per cent.

Mr. WILLIAM E. HULL. That would show a little bit of gain at the present time, having more exports than we had imports.

Mr. PARSONS. No; the exports and imports run somewhat near the same proportion for all the years.

TABLE VI.—*World trade for basic years, 1912 to 1931, inclusive, by continents*

	1912	1925	1926	1927	1928	1929	1930	1931 estimate	Loss since 1929
IMPORTS									
North America	$2,671,100,000	$5,921,000,000	$6,197,000,000	$6,024,200,000	$6,107,100,000	$6,561,300,000	$4,751,800,000	$3,801,400,000	$2,759,900,000
South America	1,033,400,000	1,745,600,000	1,705,000,000	1,752,400,000	1,858,200,000	1,883,000,000	1,355,000,000	1,084,000,000	799,000,000
Europe	13,597,200,000	18,806,500,000	17,335,900,000	19,057,700,000	19,664,900,000	19,830,800,000	16,964,900,000	13,571,900,000	6,258,900,000
Asia	2,014,100,000	4,517,800,000	4,728,800,000	4,560,900,000	4,690,800,000	4,735,700,000	3,637,300,000	2,909,800,000	1,825,900,000
Africa-Oceania	1,133,500,000	2,282,600,000	2,263,000,000	2,391,500,000	2,390,900,000	2,537,900,000	2,040,900,000	1,632,700,000	905,200,000
Total	20,449,300,000	33,273,500,000	32,230,700,000	33,786,700,000	34,711,900,000	35,548,700,000	28,749,900,000	22,999,800,000	12,548,900,000
EXPORTS									
North America	3,164,300,000	7,155,400,000	7,027,100,000	7,054,800,000	7,464,800,000	7,413,000,000	5,466,600,000	4,373,200,000	3,039,800,000
South America	1,137,100,000	1,932,700,000	1,847,400,000	2,108,100,000	2,305,100,000	2,236,600,000	1,480,200,000	1,184,200,000	1,052,400,000
Europe	11,486,500,000	14,694,700,000	13,893,000,000	15,126,300,000	15,676,700,000	16,166,200,000	13,873,200,000	11,098,500,000	5,067,700,000
Asia	2,106,600,000	5,539,800,000	5,192,900,000	5,052,100,000	5,009,000,000	4,914,000,000	3,717,500,000	2,974,000,000	1,940,000,000
Africa-Oceania	1,026,700,000	2,146,400,000	1,919,800,000	2,021,400,000	2,214,200,000	2,105,100,000	1,622,600,000	1,298,000,000	807,100,000
Total	18,921,200,000	31,469,000,000	29,880,200,000	31,362,700,000	32,669,800,000	32,834,900,000	26,160,100,000	20,927,900,000	11,907,000,000
IMPORTS									
United States	1,714,300,000	4,226,600,000	4,430,900,000	4,184,700,000	4,091,400,000	4,399,400,000	3,000,900,000	2,086,817,600	2,312,583,000
Per cent of World total	8.4	12.7	13.7	12.4	11.8	12.4	10.6	9.07	52.5
EXPORTS									
United States	2,353,200,000	4,909,800,000	4,808,700,000	4,865,400,000	5,128,400,000	5,241,000,000	3,843,200,000	2,433,700,000	2,807,300,000
Per cent of World total	12.4	15.6	16.1	15.5	15.7	16	14.7	11.62	53.5

American domestic trade in 1929–1931

	1929	1931
Manufacturers' sales	$70,000,000,000	$42,000,000,000
Wholesale trade	70,000,000,000	50,000,000,000
Retail sales	53,000,000,000	38,000,000,000

Mr. PARSONS. Now, I have no inclination to discuss the tariff, but I know of no reason why, with our highly perfected system of manufacture and distribution, our world commerce should fall off 17 per cent more than other countries, unless it is the tariff. I am not going to charge it all to the tariff, although I think it has a great deal to do with it.

Now, I want to present some taxation figures, and I am merely doing this to get the figures in the RECORD.

The total property value in 1928 was $317,000,000,000, and real property assessed was $120,000,000,000. The personal property assessed in the United States was $28,000,000,000 plus. Other property, stocks, bonds, and so forth, was only $6,402,000,000. The total taxation upon which taxes were levied for State and various political units of the Government amounted to $155,464,620,847.

We have in this country outstanding about $53,000,000,000 of tax-free securities or partially tax free. Now, in 1928, we had property assessed at $155,000,000,000, and property not assessed $161,000,000,000. You talk about relief from taxation. These figures are worthy of your consideration.

TABLE 7.—*Total valuation of property assessed and taxed in the United States, 1928*

Real property	$120,137,619,216
Personal property	28,924,966,978
Other property	6,402,034,653
Total	155,464,620,847

TOTAL OUTSTANDING OF TAX-EXEMPT SECURITIES

National Government issues, including balancing Budget to date	$26,341,000,000
States, counties, etc	27,375,000,000
Total	53,716,000,000

TOTAL WEALTH, SHOWING AMOUNT TAXED AND AMOUNT UNTAXED IN UNITED STATES

Real estate and personal property assessed and taxed	$155,464,620,847
Total tax-exempt securities	53,716,000,000
Stocks, bonds, securities upon which no taxes are levied, at par value	108,000,000,000
Total	317,180,620,847
Less lands and property assessed	155,464,620,847
Amount of property bearing no taxation	161,716,000,000

We have lost only 9 to 10 per cent of our total commerce in the world markets, but our domestic trade has been reduced $50,000,000,000. It is our domestic market we want to revive.

Mr. WILLIAM E. HULL. Will the gentleman yield again?

Mr. PARSONS. I yield.

Mr. WILLIAM E. HULL. I was wondering if this shrinkage in the export condition was not due to the financial condition of other countries. If they have no money to buy with, they can not make purchases.

Mr. PARSONS. Certainly we can not hope to sell foreign nations goods unless they buy something from us. There must be a mutual exchange. Our recovery lies in restoring the home markets.

The problems causing the depression began with the inflation period of 1920–21. The slaughter in agricultural commodity prices and land values began in 1921 but reached their lowest ebb December, 1931, wiping out approximately $35,000,000,000 in farm values, upon which is founded the basic industry of the country.

The continual reduction in agricultural values lessened the buying power of approximately 40,000,000 people, and during the period of so-called prosperity the lessened buying power of the farmer contributed to the unemployment of the hundreds of thousands in the cities. To-day the buying power of agriculture, measured in terms of our monetary system, is in the ratio of about 1 to 4. It takes to-day 850 bushels of wheat to buy a binder, 400 bushels of corn to buy a corn planter, 2,500 bushels of peaches at the price they sold at last year to buy a tractor and spraying outfit, the wool from 20 head of sheep to buy a reasonably priced suit of clothes, a bale of cotton to buy a suit of clothes, 10 cowhides to buy a pair of shoes, 100 head of hogs or 30 head of cattle to buy a medium-priced car. To measure these values in terms of expenses for the operation of the White House in one year gives the equivalent of 1,705,000 bushels of wheat, or 2,200,000 bushels of corn, or 14,200 bales of cotton, or 532 carloads of hogs, or 476 carloads of cattle. It is apparent that if the buying power of the farmer remains at the point it is to-day, there can be no alternative except bankruptcy for him that owes and a mere pittance for those who are so-called solvent farmers to-day.

The second contributory factor to our depression, and we might say the climax in the drama of the fall from prosperity to adversity, was the stock-market racket. In spite of the dire conditions on the farm, the remainder of the country was getting along until the plan of deliberate inflation of stocks, bonds, and securities, was perpetrated upon the innocent people of America, from which billions were extracted from every corner of our land, and when the last bond had passed out of the hands of those who grew rich from inflationary values, the unsuspecting and innocent public woke up too late and found bankruptcy, despair, suicide, and destruction following in its wake. The relief measures which have been adopted provide chiefly for assistance, in a large measure, to the very group of men who had as much to do, if not more, in bringing about our depression than any class of people. Not a single, solitary proposal or move has been made to revive business at its grass roots, which is agriculture. We have two schools of thought in this country. Some believe that if you make the rich richer, pouring out the relief on the top round, it will seek its level and spread its ointment to every class and occupation. Others believe that if you pay high commodity prices, high wages in accordance with established prices, thereby making the masses of the people prosperous, it will serve as the fountain from which springs the water of prosperity. I believe in the latter philosophy.

Numerous warnings were sounded beginning in 1926 and periodically through the years to 1929 that there must be a readjustment in industry and business. Each time the stock market reacted to such warnings, the President and the Treasury chief, Mr. Mellon, issued glowing statements of the rosy condition of the country. For two and a half years we have been faced with an ever-increasing peril, with the only hope contained in prophesies, weekly and monthly issued, either from the White House or the Treasury Department, that prosperity was just around the corner and would return the next month, or at least the next season and if not then the next year. The people have been waiting long enough. They are asking now for action.

During these two and a half years not one single announcement was made to reduce governmental expenditures. When Congress met in December, 1930, it was apparent then to any shrewd business man that revenues would fall at least 20 per cent below the expenditures of government, but Mr. Mellon, then Secretary of the Treasury, estimated a surplus of $180,000,000. I insert in the RECORD at this point figures showing the Treasury estimates of Mr. Mellon from the years 1923 to 1931, inclusive, so the country may know how accurate his guesses have been to guide Congress in effecting economies:

TREASURY ESTIMATES MADE BY SECRETARY MELLON

For 1923, the Treasury estimated a deficit of $882,000,000. For 1923 there was a surplus of $309,657,460, an error of $1,006,657,460.

For 1924 the Treasury estimated a surplus of $324,000,000. For 1924 the surplus was $505,366,986.

For 1925 the Treasury estimated a surplus of $68,000,000. For 1925 the surplus was $250,505,238.

For 1926 the Treasury estimated a surplus of $262,041,756. For 1926 the surplus was 377,767,817.

For 1927 the Treasury estimated a surplus of $383,079,095. For 1927 the surplus was $635,000,000.

For 1928 the Treasury estimated a surplus of $200,703,863. For 1928 the surplus was $398,828,281.

For 1929 the Treasury estimated a surplus of $36,990,192. For 1929 the surplus was $184,787,035.

For 1930 the Treasury originally estimated a surplus of $225,581,534, but later changed this to $145,581,534. The surplus for that year was $183,789,215.

For 1931 the Treasury estimated a surplus of $180,076,657. For 1931 there was a deficit of $902,716,845, an error of $1,082,793,502.

Can $85,000,000,000 in land values, stocks, bonds, and securities be wiped out overnight without shaking the foundation of the Republic? Where is the exalted leadership that the American people have been told exists in both the Republican and Democratic parties? I am not making a partisan criticism, but I do make the point that those in charge of this Government have utterly failed to possess the vision of the approaching catastrophe and have miserably failed to provide any definite relief looking forward to the restoration of agriculture and business generally. We came back to the first session of the Seventy-second Congress on December 7, 1931, with the cloud of depression still hanging over us, and apparently neither the President nor leaders of the Senate or House had any definite plan or proposal worked out. The relief program has been added to and subtracted from, with first this proposal and that proposal. In the meantime we suddenly woke up to the realization that there must be additional taxes. Now we are face to face with an economy program, providing for reduction in Federal salaries and governmental expenditures, all of which is a hodgepodge, conglomerated assemblage of ideas with no specific organized plan of action.

The American people are looking forward to a dynamic leadership. They have a right to expect it. It is no time to play politics or quibble over nonessentials. It requires the earnest efforts of the best minds to formulate a program which will abolish, combine, and coordinate boards, bureaus, and divisions, reduce the expenses of government and bring them within the income of the Federal Treasury. If the leaders in both the executive and legislative branches of our

Government fail in this accomplishment, the American people, clothed with the majesty of citizenship and armed with the weapon of suffrage, will rise in their might and restore leadership in the seats of the mighty with their ballots in November.

Mr. HOLADAY. Mr. Chairman, I now yield to the gentleman from Minnesota [Mr. SELVIG].

Mr. SELVIG. Mr. Chairman, the refusal of a majority of the House of Representatives to vote in favor of consideration of the so-called drainage relief bill (H. R. 4650) when it was called up under the discharge rule proved a great disappointment to thousands upon thousands of farmers in this country. There are thousands of those who live on the farm to-day who know not where to go to avert impending loss, disaster, and bankruptcy. This bill would have given these farmers a breathing spell in which to recover, in which to hang on until better conditions return in this country.

That this is true in Minnesota is forcefully presented in a letter received this morning. This letter reads, in part:

Failure of the drainage bill is a keen disappointment to the people within the counties of Minnesota heavily burdened by drainage indebtedness. It is hard for them to understand and hard for many others to understand why it is that when industry and the bankers are in tight financial straits the Government rushes to their rescue as a matter of course by appropriating stupendous sums for "stabilization," but when the farmers, discouraged and crushed and in hundreds of thousands of cases unable to live come to their rich uncle for aid they are barely accorded the crumbs that fall from the rich man's table.

All these "economy" measures which appear from time to time and which are heralded in the public press for public consumption lack sincerity and fall on deaf ears because of the obvious inconsistency of attitudes taken by Congress on parallel if not identical issues.

Farmers and districts seeking legislation to authorize a Federal loan of $100,000,000 wherewith to refinance their drainage costs over an extended period at a reduced rate of interest have maintained a struggle before Congress for over three years, have seen their measures recommended for passage in previous sessions by committees having them under consideration in both branches, saw it passed by the Senate last session only to find that it has been all in vain.

In contrast, the present Congress in less than three months has considered, enacted, and put into effect a measure making available $2,000,000,000 for the use of industry and the banker to stabilize and restore his status. So far as the reaction of the farmer to the attempts made by Congress and the administration to recognize and meet his peculiar problems up to date is concerned, I am afraid our political leaders and statesmen will discover that they have been fiddling while Rome has been burning.

I do not know what will be the next step to be taken by the counties in Minnesota that have been unable to collect drainage taxes and that have their drainage taxes and liens extended from year to year in the hope that some relief might be offered which would give the farmer a chance to hang on until a turn to better times had been reached. They are faced with a desperate situation.

Would you say that the defeat of the friends of the drainage bill in their attempt to discharge the Rules Committee means that there is no hope for the bill to be passed when it is reached on the calendar in the regular routine?

I am writing this letter as a citizen who has been deeply interested in drainage-tax relief and who with thousands of other farmers feels a keen disappointment over the failure of Congress to make funds available with which to lighten their burdens and give hope to a despairing class.

I am bringing this matter to the attention of my colleagues in order to have them know that the failure to pass this bill has engendered considerable feeling in the rural areas affected.

Just recently it was divulged in another body that loans had been made by the United States Shipping Board to shipowners at an astoundingly low rate of interest. When the farmers come with a legitimate request, they are refused even the chance to have the bill discussed on the floor of the House.

Such procedure does not seem fair. There is more than a grain of truth in the letter which I have just presented.

Mr. HOLADAY. Mr. Chairman, I yield three minutes to the gentleman from Iowa [Mr. CAMPBELL].

Mr. CAMPBELL of Iowa. Mr. Chairman, I am going to take only a few moments of time to present to this committee a matter which will be brought here within a few days, and that is the question of the salaries of the Federal officeholders.

In presenting this matter I feel like the gentleman from Massachusetts [Mr. CONNERY] toward the workingman. I, for one, do not like to reduce the wages of those in the lower brackets. I feel, however, that we people who are receiving the larger salaries should have a fairly heavy reduction.

In order to present that to the committee at this time and to place it in the RECORD, I refer to an amendment which I expect to offer when the bill comes before the House. I start in exempting all salaries under $2,000. From $2,000 to $2,500, on the $500 I reduce 5 per cent, or $25, and on the next $500, 10 per cent, or $50, making $75, on a person receiving $3,000. I proceed on that graduated scale up to $10,000 received by a Member of Congress. He will suffer a reduction, under my amendment, equal to $2,175.

On amounts received that are above $10,000 the charge will be 45 per cent of each $1,000. In other words, the 45 per cent taken from the salary is taken above the $10,000 mark. I feel the time has come when we Representatives of the people can not vote for cutting everything and reducing all appropriations and say that we cut everything except we failed to reduce our own salaries.

The amendment to which I refer and which I shall offer when the bill comes up is as follows:

AN AMENDMENT TO THE AMENDMENT OF THE LEGISLATIVE APPROPRIATION BILL, PROPOSED BY THE ECONOMY COMMITTEE, TO H. R. 11267

Strike out section 202 (a) and insert in lieu thereof the following:

"SEC. 202 (a). During the fiscal year beginning July 1, 1932, the compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows:

"Upon compensation of $2,000 or less there shall be no reduction; upon compensation in excess of $2,000 and not in excess of $2,500, 5 per cent of such excess.

"$25 upon compensation of $2,500; and upon compensation in excess of $2,500 and not in excess of $3,000, 10 per cent of such excess.

"$75 upon compensation of $3,000; and upon compensation in excess of $3,000 and not in excess of $4,000, 15 per cent of such excess.

"$225 upon compensation of $4,000; and upon compensation in excess of $4,000 and not in excess of $5,000, 20 per cent of such excess.

"$425 upon compensation of $5,000; and upon compensation in excess of $5,000 and not in excess of $6,000, 25 per cent of such excess.

"$675 upon compensation of $6,000; and upon compensation in excess of $6,000 and not in excess of $7,000, 30 per cent of such excess.

"$975 upon compensation of $7,000; and upon compensation in excess of $7,000 and not in excess of $8,000, 35 per cent of such excess.

"$1,325 upon compensation of $8,000; and upon compensation in excess of $8,000 and not in excess of $9,000, 40 per cent of such excess.

"$1,725 upon compensation of $9,000; and upon compensation in excess of $9,000 and not in excess of $10,000, 45 per cent of such excess.

"$2,175 upon compensation of $10,000; and upon compensation in excess of $10,000, 45 per cent of such excess."

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. HORR].

Mr. HORR. Mr. Chairman, I have been particularly taken with this economy talk. It is one of the things that I have heard ever since I have been in the Congress. I myself would be perfectly willing to sacrifice my salary if I thought a cent of it would ever go back to the people who really are in need of some assistance from the Government. I take it that those who are asking for a reduction in Federal salaries are those people who are paying the big taxes, and not from those in distress. We have in our city alone 35,000 people who are out of employment, who are asking for bread.

Mr. CAMPBELL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HORR. Yes.

Mr. CAMPBELL of Iowa. In the petitions and letters that I have received for a reduction of salaries, practically all of them have come from the farmers of my district.

Mr. HORR. That might be from the farmers of the gentlemen's district, but at the time when we had before us the agricultural relief bill calling for payment of taxes by people who live in the cities to pay this appropriation I voted for the relief of the gentleman's people on the farms, but now

I am getting letters from the people in the cities asking for relief. I sympathize with the farmer. I come from a farming State, but if his sustenance is taken away from him he at least has his home, his farm, his hog, his cow left, but you take from the man in the city his pay check and he has nothing. When he gets home to his family he finds when his pay check is taken away that nothing is left, and the landlord tells him to get out.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HORR. Yes.

Mr. STRONG of Kansas. The trouble is that with the low price of agricultural products it is taking from the farmer his home, his land, his implements, his stock, and is sending him out on the road.

Mr. HORR. It is true, and the reason of the low price of your farm products is because those who have been buying your products have been deprived of their buying power and their wage taken away from them. [Applause.] I sympathize with your agricultural people. We are getting many letters from people who are not opposing a wage cut for Federal employees, or any other wage reduction in this United States of America.

We talk about cutting wages and reducing the cost of government! What happened a short time ago to big business? I do not represent big business, or the bankers, but I do believe their needs should be taken care of, and I cheerfully walked up to the trough and gave them their relief, which was nothing more than a dole. In reducing wages, I say to you that we are taking away from the people the very thing that is going to bring back prosperity to this country—that is an opportunity of buying the product of the factory with their wage, the power of purchase from the farmer who is suffering because there is no market for his products.

Mr. STRONG of Kansas. I want to say to the gentleman that I have expressed myself as being willing to cut my own salary, although perhaps I can not afford it, but I have been absolutely opposed to cutting the salaries of the moderately paid employees, those receiving under $2,500, because I think such a cut would take away a buying power that is much needed at the present time.

Mr. HORR. That is true. I am going to talk to you as I believe we should talk to each other and to the country. We are holding political jobs and our salary looks very large to the people back home, but I do not believe that there is a man in this House, unless he has an independent income, who will come forward with a statement that he can live in this city, the National Capital, for less than the salary that is being paid to the Congressmen. I am a poor man. Many here in this Chamber are poor men. I hope the time never comes when only the rich man and the man of independent income will be eligible to the Congress of this United States.

Gentlemen, we are economy mad. We talk about confidence; we hear it in every committee; we are told that there is nothing wrong with this country except that the people have lost confidence in our Government and in our financial system, yet we come in and add to that disquietude by taking from our own employees the salary and the wage they are now receiving and the word goes out to the country that we are in bad shape financially.

Talk about restoring confidence, when by our actions we are shaking the very foundations of confidence from under our system!

I think we should appropriate money. When depression comes in industry an effort is made to stimulate business. In this depression General Motors and Henry Ford began to advertise; they start the wheels going; they are attempting to show the people that prosperity is here.

There is plenty of money if you will only take advantage of conditions as they are. I think we should appropriate money. To-day I heard a banker, the president of two banks on Wall Street, tell the Ways and Means Committee that we are just fooling ourselves when we think we are balancing the Budget; that we are only doing it from a paper standpoint and are not actually balancing it at all.

I do not want to get in the class of the demagogue and cry out that we are for the common people and against the rich and successful for the sake of publicity, but let us look at it from a real honest standpoint. If a financial measure is discussed on the floor of this House and a few of us get indiscreet and attack some of the New York bankers, the next morning some member with a long face announces to Congress that on account of this attack that is being made stocks dropped 5 or 10 points. That kind of a threat should not be taken here by the Congressmen who legislate for the people of this Nation. Of course the stocks dropped. The bankers control the finances and the stock market.

In my opinion, the only way prosperity will ever come is to quit furnishing relief to those up above, the banker, if you please. The other day the President of the United States asked the little fellow to quit hoarding. Who is hoarding the money of this country? Are the working people doing it, or are they pretending their distress? Where is your hoarding? Where is the money you gave your Reconstruction Finance Corporation? In your banks; and it is going to stay there. Relief is not coming from the top down; it must come from the bottom up.

Big business came out with a declaration that if we put this $5,000,000,000 loan over we would have to pay it back.

I have not always agreed with Mr. Hearst, but his $5,000,000,000 loan plan for the purpose of putting money in circulation is not unsound.

Is it not a fact that business is shortsighted? Of course you are going to pay it back.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. HORR. It is a fact that we are going to have to pay it back. Of course we are. If we make this appropriation of five billions, it is coming in the nature of a tax, but what would happen if two or three years ago this Congress had levied a tax equivalent to the amount of money that these industries had lost because of this depression? Is there an industry in the United States that has not had its profits cut in two, if not destroyed? This is going to continue until there is some activity on the part of the producer, and industry, in my opinion, is shortsighted if it does not recognize this fact. Business is already paying a tax to this depression, and business men would take up arms and go into a revolution if Congress dared to tax them in the amount that they have lost on account of this depression.

I say to you, friends, we are going at it from the wrong direction. The only people who are going to put money into circulation are the people who spend it. You give it to your banks and they hoard it. You talk to me about the banks not buying the bonds to finance public work. They tell us not to put more bonds on the market because the investor will not buy, and yet every issue is oversubscribed. It is a question of honest bluff.

I shall read later a letter from the Chamber of Commerce of Tacoma, Wash.; a resolution from my own city of Seattle, Wash.; a telegram from the city and county commissioners of Spokane, the three greatest cities in my State, calling upon this Congress to give them Federal aid. I want you to know just the condition in which the country is and the necessity for furnishing relief to the country.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. HORR. Yes.

Mr. STRONG of Kansas. I understood the gentleman to refer to the loans being made by the Reconstruction Finance Corporation as a dole. I think that is very unfortunate, because that legislation was voted for by practically a majority on both sides of the aisle. In that legislation it was specifically provided that these loans should be made on adequate security, and if the gentleman will interview any bank or any organization that has tried to borrow money from the Reconstruction Finance Corporation he will find that they have had to put up adequate security. I would

like to say one more thing. On the first day of this month the Reconstruction Finance Corporation had made loans to over 800 banks. To-day they have made loans to 1,319 banks in 48 States. Ninety-eight per cent of those loans have been made in cities of less than 100,000 and 76 per cent in cities of less than 10,000. Two hundred and fifty million dollars have been returned to business from hoarded money.

Mr. HORR. I am not criticizing the Reconstruction Finance Corporation. I voted for it the same as the gentleman from Kansas. I say that relief was necessary in order to perpetuate these banks, but my thought is not to stop with the bankers. My thought is that though the relief to date has been to the banks, the banks are not playing fair in calling in their loans. If the money has been loaned on good collateral, as the gentleman says, and if the collateral is good, as the gentleman says, they never would have had to go to the Reconstruction Finance Corporation for relief.

Mr. STRONG of Kansas. Let me give the gentleman a ray of hope.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. STRONG of Kansas. Bank credit has been gradually going down in spite of the fact that the Federal reserve system has been buying Government bonds at the rate of $25,000,000 a week, but on yesterday for the first time for a month there was a halt in the decline of bank credit, so it means that very likely from this on there will be an increase in bank credit. I think the system has done a lot of good, and let me say that this Congress has appropriated $175,000,000 for the farmers, for farm loans $125,000,000 to the farm-loan banks, and $50,000,000 to the Secretary of Agriculture to be loaned for seed loans. I am glad of it, and I am glad I had a part in it.

Mr. HORR. I am glad, also, and I agree with a great deal of what the gentleman from Kansas has said. In my opinion the Reconstruction Finance Corporation has accomplished something, but my thought is now that we have done something for finance let us do something for the individual who is hungry, and I am not saying this in a demagogic way.

Mr. BANKHEAD. Will the gentleman yield?

Mr. HORR. Yes.

Mr. BANKHEAD. Is the gentleman advocating a direct appropriation out of the Treasury for the destitute and needy?

Mr. HORR. Not that; no. What I am saying we should do is to issue bonds for the purpose of securing money for the carrying on of necessary and needed public works, thereby giving employment, not doles. [Applause.] And may I give you my reason? I am reading to you from a clipping I have received from the local paper of Spokane, Wash.:

An army of unemployed marched on the courthouse to-day and demanded immediate relief, and got it. More than 1,500 jobless men and women told county commissioners they were peaceable but would be driven to looting stores and restaurants if nothing was done to relieve them.

And here we have telegrams from this same city saying they can not further take care of this situation.

Permit me to read to you some of the actions taken by the cities in my State. I am reading to you now a letter from the Tacoma Chamber of Commerce. Tacoma is a city of over 106,000:

DEAR MR. HORR: Last fall this chamber went on record in favor of employment relief by States, counties, and municipalities. At that time we did not deem it advisable for the Federal Government to appropriate money for relief purposes. Our experience since that decision was made has led us to change our opinion. We are now convinced that it is impractical, and in some cases unjust, for this burden to be assumed by the various municipalities, and we are now on record in favor of Federal aid. We believe the President was right when he said the present emergency has taken on the proportions of a major war.

Tacoma thought she could take care of her own problems but it was too burdensome, and now we find her asking for Federal aid.

Permit me to read again a telegram that I received from the city of Spokane, the largest city in eastern Washington. Spokane also attempted to care for the local condition, but this telegram is an answer as to whether Federal aid is necessary to relieve the distress in that city. This is the first time in the history of the city there has been a call of this nature. The following is a telegram that I received:

The undersigned commissioners of the city and county of Spokane urge on Congress the immediate passage of legislation to aid the States, cities, and counties in taking care of their local unemployment problems. The local communities have now carried on the work for two years and have about exhausted their ability. The problem is national in its scope and every agency of government from the town to the Federal authority at Washington should be exerted to alleviate the distress. Local governments in administering relief are dependent wholly on direct taxes on tangible property and the burden can not be borne much longer.

We believe provision should be made by the National Government for aiding local communities with funds to be supplied by increased taxes on large fortunes and by a bond issue to initiate and carry on great public works necessary to the full development of the country. We are in the midst of a supreme crisis upon the proper solution of which the future of our country depends. As during the Great War the manhood of our Nation was drawn upon unstintedly to meet the country's supreme need, so now wealth should be drafted to do its share in saving the Nation from further calamity.

In my own city of Seattle of over one-third of a million of population, let me read the resolution adopted by the city council:

Whereas the present condition of unemployment is now in its third year, and the condition has not improved, but constantly becomes more acute, and

Whereas the unemployed naturally drift to the centers of population, placing upon the large cities a greater burden than they are able to bear; and

Whereas these cities are limited in their powers to cope with so serious a situation, and can not be adequately dealt with by them; and it is necessary that the aid of the State and National Governments be invoked, and the Federal Government is the only agency having the power and ability to afford adequate relief; and

Whereas available funds have been largely exhausted by the various cities, and the savings of the unemployed have also been exhausted, and the prospect is that a serious condition of unemployment will still exist next winter: Be it

Resolved by the City Council of the City of Seattle, Wash., That we urge upon Congress the absolute necessity of providing immediate relief and of undertaking an extensive program of public works in order to provide employment and that such public works be undertaken in the several States; and

That a copy of this resolution be transmitted to our Senators and Representatives in Congress and to the legislative bodies of the principal cities of this State and other large cities on the Pacific coast, with the suggestion that they adopt similar resolutions and forward the same to their respective Representatives in Congress.

Passed the city council the 4th day of April, 1932, and signed by me in open session in authentication of its passage this 4th day of April, 1932.

PHILIP TINDALL,
President of the City Council.

I have also another letter from Spokane signed by the commissioner of finance, in which he reiterates the request for Federal aid.

Gentlemen, we will either be paying the dole in the near future or the Congress must appropriate money for public improvements. Of course, we will have to pay it back, but, as I said before, if industries had been taxed in the amount of moneys that were lost on account of the depression, industry would have risen in revolt against this tax. These bonds will sell quickly. Since we are paying the debt of war, which was contracted to protect future generations, future generations should take part of this load off our shoulders, and help pay these bonds issued for needed public works.

This plan of Mr. Hearst, to issue bonds for needed public works, would result in large numbers being employed. Employment furnishes wages and creates a market for the products of farm and factory. Eventually this money will find its way to banking institutions, and the banks will thereby be relieved. This will hasten the return of normal conditions, and the bonds can be taken care of in normal times as they mature over a period of years.

Mr. Hearst pays one of the largest tax bills in the Nation. As a level-headed business man and journalist, he would not advocate a measure which would work a hardship on business. I am confident he has the right thought on this problem. Let us do something constructive. Relief can not come from above; it must come from below. Money must be placed in the hands of the workers. They will start it in circulation again, which is the only cure for the depression.

In order to get food into the mouths of the hungry and clothes on the backs of the poor, let us issue prosperity bonds, start the wheels of industry running, and bring back normal times.

Let us not test further the loyalty of our people who are without means. Let us give them the right that belongs to every individual—the right to work and the right to live. [Applause.]

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. SIROVICH].

Mr. SIROVICH. Mr. Chairman, ladies and gentlemen of the committee, from time immemorial political parties have existed. They have been the medium through which the people have expressed their hopes, their ideals, and their aspirations. In the day of the Savior there were five political groups—the Sadducees, who represented the reactionary group of their time, and who owned and controlled all the material wealth of their day; the Pharisees, who represented the common people of their time, the Democrats of their day; the Zealots, who symbolized national consciousness, the predecessors of Patrick Henry, and who were the first to enunciate the patriotic sentiment, "give us liberty or give us death." They refused to genuflect to any alien or foreign nation, and have always fought for the freedom of their people. They were ready to die to bring liberty into the home, hearth, and fireside of their people; the Scribes, who recorded the valorous deeds of their people and preserved the traditions of their forebears; and, last, the Elders, those illustrious patriarchs, who had grown gray in the service of God, and who were elected as judges and placed upon the tribunal known as the Sanhedrin.

Centuries passed by and we find in Greece two political groups, the hoi aristoi, or aristocratic element, and the hoi polloi, represented by the common people. When Rome was mistress of the world and her battalions and legions conquered the then known civilized world, political groups were represented by two parties, the patricians and the plebeians. The patricians belonged to the hereditary aristocracy and the plebeians belonged to the common people of ancient Rome.

For almost fifteen hundred years when knighthood was in flower, dukes, lords, and barons represented the landed aristocracy. The common people were feudalistic slaves who had economic security but who were denied liberty or freedom of expression.

In the period of King George III we have the Tories, who represented the philosophy of absolute monarchy, and the Whigs, who represented the liberal party in England in the eighteenth and nineteenth centuries.

Since the creation of our Government our people, in my humble opinion, have been divided into two groups, those who represent the reactionary conservative views, and those who represent liberal principles and ideals. To me a reactionary conservative is one who adheres to the existing order of things and is opposed to any economic change. A liberal, on the other hand, stands not only for stability and order but for progress and reform. I am proud to proclaim myself as a liberal, progressive Democrat, free from narrowness, bigotry, intolerance, or bondage to authority, battling for economic principles that will bring the greatest good to the greatest number, and justice to rich and poor alike. [Applause.] As a liberal progressive I am frank enough to admit that you can find reactionary conservatives on both sides of the aisle, as well as progressive liberals in the Republican and Democratic ranks alike.

Mr. Chairman, the tragedy of our terrible economic depression at the present time is that the strong are getting the assistance of our present administration, whereas it is the weak, the helpless, the hopeless, who need it most.

The barometer of the civilization of any nation throughout the ages has been the treatment that has been accorded to those who work and toil in the quarries of life. For 140 years the American workingman has struggled, toiled, and drudged to develop an American standard of living. We are all proud of that standard, and we love to see it advanced. In my opinion, labor is the producer of capital and should be entitled to a fairer share in the distribution of the wealth that it creates. [Applause.]

For almost five decades the Republican Party has boldly proclaimed its right to the suffrage of every American citizen. Its economic principles had brought about affluence and prosperity. The full dinner pail appealed to the gustatory joy of the American toiler. In the last campaign the Republican nominee for President promised two chickens in every pot, two automobiles in every garage, and the abolition of poverty. The millennium was at hand.

Now, everywhere throughout the length and breadth of our country 8,000,000 people are out of employment, pleading, begging, and crying for work. Twenty million American citizens are the victims of hunger, penury, misery, and want. Charity is knocking upon the door of self-respecting American citizens.

For 12 years the Republican Party, the reactionary conservative group, has been in control of the destinies of our Republic. They have almost ruined our country socially, economically, and financially. They are floundering in the mire of financial and economic uncertainty. They have no plan, program, or treatment that can restore our economic stability.

It remains, therefore, for the liberal and progressive patriotic element of the Congress of the United States, which is found on both sides of the aisle, to unite to bring our beloved Republic back to the happiness, success, and prosperity that every thoughtful and self-respecting American is praying for it to achieve. [Applause.]

Mr. Chairman, the Democratic Party has taken possession of the House of Representatives. If it continues to remain Democratic, true to its ideals and to its traditions, liberal and progressive in its view of economic ideals, loyal to the great masses of people who are looking for new leadership to bring our ship of state, that is being buffeted by economic typhoons and political storms, into the harbor of peace and prosperity, as sure as night follows day the next President and the next House and Senate must be Democratic. [Applause.]

Mr. Chairman, ladies and gentlemen of the committee, there are three kinds of wages that workingmen receive in exchange for their labor. First, saving wages; second, living wages; and third, starvation wages. The Democracy of the State of New York, from which I have the honor to come, under the supervision of the Democratic leaders who represent our great Empire State, have been instrumental in placing upon our statute books no starvation wages, yea, no living wages, but the only kind of wages that should exist in our Federal Government and our State governments, and that is saving wages that will make it possible for every man and woman who works for our country to save money from their earnings to help to maintain them when age, sickness, or disease falls upon them. [Applause.]

The Government of the United States has been derelict in its obligation to its Federal employees. It has never paid them saving wages. God knows it has not even been living wages. Post-office clerks, customhouse workers, clerical workers in the different departments of our Government; yea, 87 per cent of those who work in the Federal departments receive less than $2,000 a year. The survey of Federal employees and their salaries recently made by the Bureau of the Budget tragically shows the insufficient pay that has been given to those who work for Uncle Sam. The most startling revelation made in their report shows that 100,000 civilian Government workers are paid less than $1,000 a year. Can anyone live in luxury on such a salary? Are these the princely salaries which some Members of

Congress would want to cut? More than one-half of the civilian workers are found to be receiving less than $1,900 a year. Do the Members of Congress want to balance the Budget by slashing away at these meager and pitiable salaries that these poor people receive from our Government?

More than half of the total amount paid by the Government for civilian salaries goes to men and women who individually are paid less than $2,200 a year. Is there any Member of Congress who would state that this is an adequate amount with which to support an American family in conformity with American standards? There are about 4,000 civilians outside of Members of Congress and the judiciary who are paid more than $5,000 a year. Members of Congress receive $10,000 a year. From the work, toil, and labor that I see each man perform, there is no doubt in my mind that he earns it justly and fairly. Every Member of Congress has to maintain his home in the State from which he comes, live in Washington, contribute to every charitable institution within his district, and help every impoverished family that knocks upon his door seeking assistance. The wonder to me is how any Member of Congress can maintain himself adequately and justly upon this salary.

The absurdity of making the proposed cut apply to the military and naval forces can only be manifested when we realize that the survey shows 290,913 people in this service in which 220,673 receive less than $1,000 a year. Is the United States Government impoverished in the pay that it gives to those who have given the best years of their life to serve our country loyally and faithfully? I say our country has never done enough for its employees. The Federal Government should not join those misguided private employers who are using the present economic condition as a weapon to batter down the American standard of living, which has taken so many years for our Republic to bring into realization. [Applause.]

In 1928 I was a member of the Civil Service Committee of the House of Representatives. At the present time I am ranking member of that committee. We passed the Welch bill to increase the salaries of all working people employed by our Government, particularly those in the lower brackets. Federal employees came to our hearings from all over the country. They pleaded, implored, and besought us to give them an increase in salary during the great height of American Republican prosperity. Mr. Coolidge was President. The bill was voted out unanimously by our committee. Everywhere throughout the length and breadth of our country industrial and white-collar workers had their salaries increased very greatly. Our poor Federal employees had received no increase whatsoever. The Welch bill was reported out with increases in the salaries of our American Federal employees to the extent of $90,000,000. President Coolidge sent for Mr. LEHLBACH, the chairman of the Civil Service Committee of the House of Representatives. He advised him that he would veto that bill unless the $90,000,000 of increased salaries was reduced to $18,000,000. The wish of President Coolidge was complied with by all members of our committee. That meant that the working people employed by our Government only received increases of $60, $120, and $180 per year. That was in the height of our great period of economic prosperity. Even in those days these Federal employees appearing before our committee cried that their children had very little clothing, one pair of shoes, food not of the best quality; that when their children were sick they had to go to a dispensary or be admitted as a charity case in the hospitals of our country.

Now, ladies and gentlemen, if that was the state of affairs of our Federal employees in 1928, when our country was enjoying the most prosperous period of its economic history, what would be their sad plight to-day if you reduce their salaries, which are now insufficient to support their wives and children and those who are dependent upon them? [Applause.]

I say to you, ladies and gentlemen of the House of Representatives, you liberals and progressives like myself, that we as Democrats do not believe in the principle of "soaking the rich." But while we do not believe in this monstrous doctrine of "soaking the rich," neither do we believe in the un-American sentiment of letting the poor starve, who are helpless and hopeless in finding work in this great Republic of ours in the so-called twentieth century of civilization.

Mr. HOLADAY. Mr. Chairman, will the gentleman yield?

Mr. SIROVICH. Not now. I only have 15 minutes to speak. If I have a little more time, I will be glad to yield. My distinguished colleague knows that I have never failed to allow any man to ask any question at any time if sufficient time is given to me by the House.

Mr. HOLADAY. I shall be very glad to yield the gentleman a minute extra.

Mr. SIROVICH. Very well.

Mr. HOLADAY. I just wanted to ask the gentleman if he were acquainted with his distinguished leader's remarks last evening upon the subject of demagogues. I refer to Al Smith.

Mr. SIROVICH. It is only people who forget from whence they come, from whom they spring, and who fail to realize and to respond to the cries of the unemployed, hungry, and suffering, who are demagogues.

Mr. HOLADAY. I was asking the gentleman if he was acquainted with his leader's remarks.

Mr. SIROVICH. My leader never meant the kind of remarks I am making. He would speak as eloquently for the sick, the unemployed, and the starving American just as I do. He meant the remarks of men who have everything to live for, who see the suffering and humiliation and starvation all around them, and who have not the sense or feeling of humanity to know that those people need help. They are the demagogues of America, not those who have what they want and are willing to share it with those less fortunate than themselves, and who are pleading for those who have not. Let me tell my distinguished friend from Illinois that when I came from the hospital a few days ago, pretty nearly every private hospital in New York City was empty; because the white-collar element for whom I am speaking, the element that makes our Republic possible, could not afford to go to private hospitals. Bellevue Hospital was overflowing with the poor, every bed was taken. Cots were on the floor. Is that a picture that the gentleman of Illinois could feel proud of? Is there not something in that? Would it move the gentleman who comes from Illinois to know that in some of the department stores in New York City girls are working on a commission basis? They do not earn 10 cents a day, sufficient to pay their traveling expenses back and forth. Surely the gentleman will agree with me, because I know he is human and is actuated by the purest intentions, that one who is trying to remedy such conditions should be encouraged.

Mr. HOLADAY. Let me ask the gentleman this question: Admitting all the conditions as the gentleman has portrayed them, what does he propose to do about it, what is his remedy?

Mr. SIROVICH. That is a good question and a very fair one. I should recommend nothing better to the President of the United States and the leadership on the gentleman's side of the House, if it has leadership, than to read the speech that I made in answer to Mr. JAMES M. BECK three months ago on Stabilizing America First, in which I gave 10 commandments, which if put into realization would be helpful in restoring the prosperity of our Republic. These are the 10 commandments.

COMMANDMENT 1

Scrap the Hawley-Smoot tariff bill from top to bottom. Right the wrongs of injustices done therein. Then establish reciprocal relations and understanding with all the nations of the world for the mutual benefit of all concerned.

COMMANDMENT 2

Place agriculture on a parity with industry by passing a bill similar to the McNary-Haugen bill, introducing the principle of debenture or the equalization fee.

This will place agriculture upon a parity with industry and bring justice and happiness to 40,000,000 farmers who are the victims of a high protective tariff that compels them to purchase their goods and materials in the restricted markets of our country and sell the products of nature's soil in the competitive markets of the world. Let us, therefore, stabilize the farming interests of our country by helping them in this the greatest hour of need so that there shall be no repetition of over a thousand banks failing in their midst.

COMMANDMENT 3

Abolish child labor. Children under 16 belong to the schoolhouse, not in the mills, mines, looms, and factories. They should not compete with adult men and women for work that rightfully belongs to them.

COMMANDMENT 4

Establish a 5-day week and a 6-hour day in industry. Machinery has dislocated production. It has displaced men and women in every industry. We should frankly recognize that in our machine age mechanisms are superior to men, and the creation of a shorter working week with fewer working hours per day would better enable man to cooperate with the advance of machinery.

COMMANDMENT 5

Establish unemployment insurance and old-age pensions in every State of the Union so that in times of prosperity we may be able to prepare for days of adversity. Unemployment insurance and old-age pensions are neither new nor radical ideas. The arch conservative, Bismarck, instituted them in Germany way back in 1883. The liberals, Asquith and Lloyd George, brought them about in England in 1909, and the socialists, Briand and Clemenceau, introduced them in France in 1910. Twenty-eight other nations of Europe adopted them in one form or another. Why, then, should America, the most advanced country of the present age, lag behind?

COMMANDMENT 6

Institute employment agencies throughout the United States through the cooperation of the Federal and State Governments so that labor may easily be shifted from one part of the country to another in times of economic depression.

COMMANDMENT 7

Guarantee bank deposits in every bank of the country through a national bank insurance fund so that no depositor should ever be permitted to lose a single penny through the closure of any bank, whether due to frozen assets, incompetent or corrupt management, or economic depression.

COMMANDMENT 8

Put teeth into the Federal Trade Commission act so that grossly unfair methods of competition should be prevented.

COMMANDMENT 9

Recognize Soviet Russia and so open up to American capital and labor the vast markets and resources of that enormous expansive territory containing 160,000,000 inhabitants who are yearning for the friendship of Americans and who are begging to be permitted to buy from them and to do business with them. Millions of unemployed American men and women could be put to work to-morrow to supply the needs of Soviet Russia if we recognized that country immediately.

COMMANDMENT 10

Modify the Volstead Act to permit the sale of light wines and beer. This would at once deal a deathblow to racketeering and bootlegging in this country. At the same time it would turn billions of dollars into the Treasury of the United States, relieving our citizens of the enormous burdens of taxation.

When the moratorium was presented to this House, I voted for it. I thought it was only a palliative, just the same as when I was a doctor and had a patient who was suffering after an operation, who could not move and turn without agony, I gave him an injection of morphine or opium, knowing that it would help him for 24 or 48 hours, but that he would come to later. The moratorium was palliative. When you brought out the Reconstruction Finance Corporation measure, I voted for that.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SIROVICH. May I have 10 minutes more?

Mr. HOLADAY. I yield the gentleman one minute.

Mr. CANNON. I yield the gentleman nine additional minutes.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. SIROVICH. When the Steagall bill came in to help the Federal farm banks, I voted for the legislation. I voted for every measure that I thought would help. I voted for every bill that would help to bring back big business, industry, agriculture, and banking, everything that goes with it, but I have not found all this wealth trickling down from above to help the fellow who is below. You have got to do something for 8,000,000 men and women who are to-day starving. They do not seek charity or a dole. These Americans want and demand work. There are 20,000,000 of those who are dependent upon them. If you reduce the salaries and wages of American men and women working for the Federal Government, you will be depriving people of hundreds and thousands of dollars of aid who are dependent upon these people to help them along. You will reduce the purchasing power of almost a million Federal workers. I am glad to say that every one of my colleagues from the city of New York is absolutely and unalterably opposed to this cut. I am sure that that little warrior, LAGUARDIA, sitting over there will help us fight against this reduction of American wages.

My philosophy of life is to aim high, as high as I possibly can, and it is not to cut down the standard of American Federal wages which has taken years of effort to acquire. Labor has been working for hundreds of years to reach the standard that it has. Do you remember when the industrial revolution was created way back in the time of Adam Smith, Jeremy Benthem, David Ricardo, John Stuart Mill, and Thomas Malthus? Workingmen were laboring 100 hours a week. Women and children were working 60 and 70 hours a week. Men were put in prison for trying to promote the welfare of their fellow workingmen and their labor organizations. I want to protect the rights of those who have acquired property through legal process; I want to conserve the rights of those who have no one to speak for them. This is the duty of every man in Congress. I do not believe in the ipse dixit of the President or anybody else. The President has not shown the great leadership that compels us as Democrats to follow him. We ought to follow the old ideals of Jeffersonian Democracy, which have always been our refuge in every hour of need. That is why I am going to plead with you liberals, you Republicans, you progressive Democrats, you who sympathize with those who toil and struggle to keep a standard of living that will make the world better for our having lived in it.

Let us not follow this blind leadership, whether it is on the Republican side or on the Democratic side. Let us follow the instinct of justice and righteousness, so that when you and I retire from Congress and are lying unconscious on our beds, and hear the music of the angels calling and beckoning to us from above, we will hear the voices of those whom we have helped in their hour of need crying and praying for us. Ladies and gentlemen of the House, all of the Federal employees are appealing to you as Republicans and to my party as Democrats, in their great hour of need, not to reduce their salaries. I for one, as a Democrat, am going to listen to their appeal. What will you Republicans do to help them? [Applause.]

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. LEA].

A DIRECT CONSTITUTIONAL REFERENDUM ON THE EIGHTEENTH AMENDMENT

Mr. LEA. Mr. Chairman, on the 19th of February I filed House Joint Resolution 307, which proposes a constitutional amendment providing for a direct constitutional referendum on the eighteenth amendment.

First. This resolution authorizes a direct popular vote of the Nation for or against the eighteenth amendment.

Second. The referendum would automatically follow the adoption of the amendment at the next general congressional election in every State.

Third. Dual majorities would be necessary to accomplish repeal—a nation-wide majority and a majority in each of three-fourths of the States.

This conforms to the present requirement for ratification; that is, three-fourths of the States must concur.

This amendment provides the additional assurance that the eighteenth amendment can not be repealed without majority approval of the voters of the Nation.

Fourth. If repeal secures a nation-wide majority in the first election but not a majority in each of three-fourths of the States, the States voting adversely may reverre their action in separate referendum elections to be held by them within five years thereof.

This conforms to the present constitutional practice which makes the approval of a proposed amendment by a State final but which permits a reversal of its action by a State which votes adversely.

Fifth. The fifth section gives assurance that, notwithstanding repeal, the saloon will not be reestablished.

Sixth. The most important psychological or political phase of this proposal is that the question it presents to a Member of Congress and to a member of a State legislature is purely whether or not he is willing to permit the people to decide this question for themselves. In other words, this does not propose repeal but simply that the people be given a right to vote on the question.

Seventh. It is proposed that the amendment be submitted to the State legislatures instead of to conventions. State legislatures are organized, have regular meeting dates, and are prepared to act without unnecessary expense or delay.

The Federal Government can not require the States to hold conventions nor control the method of selecting their delegates. The State legislature could select the delegates by appropriate action for that purpose, or it might provide for the selection of delegates through district representation instead of a state-wide vote. It is impossible to secure an accurate reflection of popular sentiment through State conventions selected by district representation.

At best the amendment of the Constitution is a slow process. There is no short route. The orderly methods of the Constitution must be regarded. I believe this amendment proposes the most expeditious means by which the controlling vote of the people of the Nation can be obtained on the question of repeal.

Congress and State legislatures will much more readily give their approval to an amendment which simply grants the people the controlling vote on the question than they will assume responsibility for a direct proposal of repeal. The one method simply grants the people the right to decide; the other method proposes what the decision shall be.

If the convention method should be adopted, it would require legislation in each State to provide for the convention, the method of selecting delegates, and an appropriation of funds to pay the expense of the convention.

The convention system of ratifying amendments through the direct election of delegates thereto affords the nearest opportunity the Constitution now provides for a direct vote upon this question; but in my judgment a direct referendum, such as here proposed, will more promptly lead to a vote of the people of the Nation than by proceeding by the convention system. In any event this proposal would secure a direct vote for and against repeal and, I believe, secure a determination more promptly than any other method available under the Constitution.

From the standpoint of a policy for the Government, or for a candidate, this proposal is founded on a just principle of popular democratic government, regardless of the merits of the wet and dry controversy.

The right of the people to vote on their constitutional amendments has practically become an accepted policy of popular government in this country. When the Federal Constitution was adopted, the people of no State, so far as I am aware, had a right to a direct vote on constitutional amendments. To-day 47 of the 48 States refuse to permit an amendment to be adopted without the right of the people to vote thereon.

This proposal would apply that principle to the Federal Constitution.

Prohibition has become one of the great bitter controversial questions of our national history. The court of highest authority in this country for the settlement of the controversy is the people. All other means of deciding this question are subordinate and inferior to a decision by the people themselves. We should not be satisfied with a decision by an inferior court, or method, when the highest court in the Nation is available for that purpose.

The liquor interests when intrenched in power resisted all efforts to secure local option and state-wide votes on the liquor question. It was a group policy that temporarily served their purpose, but as a public policy it was wrong and ultimately failed.

The situation is now reversed. There is a disposition among the drys to resist all attempts to secure a popular vote as to what shall be done with the eighteenth amendment. It is a group policy, but not a good public policy and ultimately will fail. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks by including a copy of the bill to which I referred in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The matter referred to is as follows:

House Joint Resolution 307

Joint resolution proposing an amendment to the Constitution of the United States, providing for a referendum on the eighteenth amendment, and to prohibit saloons

Resolved, etc., That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Each State shall submit to the electors thereof at the next general election at which Representatives in Congress are elected in such State, after five months from the ratification of this article, the question whether or not the eighteenth amendment to this Constitution shall be repealed.

"SEC. 2. If a majority of all the electors so voting thereon shall favor such repeal and if a majority of such electors in each of three-fourths of the several States shall have likewise voted for repeal at such election, or at like elections held separately by States within five years after such election, the eighteenth amendment shall thereby be repealed.

"SEC. 3. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

"SEC. 4. Each State shall submit such question to its electors and determine the result of any election under this article as the law thereof provides, or, in the absence of such State law, in such manner as the Congress shall by law provide.

"SEC. 5. Should the eighteenth amendment be repealed, neither Congress nor any State, Territory, or possession, shall have power to permit or authorize the conduct of a saloon; and it shall be unlawful for any person conducting a saloon to manufacture, transport, possess, or sell intoxicating liquors for any purpose.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SEIBERLING. Mr. Chairman, when the revenue bill was under discussion and about to be passed in the House I offered an amendment in the interest of the match industry of the United States.

I have in my district two very large industries. One is the match industry and the other is the rubber industry. The amendment that I offered was considered by some of the Members of the House as in effect an embargo upon foreign matches, and therefore they held up their hands in holy horror, and upon the promise of the Ways and Means Committee that the match industry would be given careful consideration in the revenue bill I withdrew the amendment.

The revenue bill imposed a tax of 4 cents per thousand on domestic and foreign matches. The match manufacturers of the United States have sent the following communication to the Senate Finance Committee, which I desire to read:

APRIL 5, 1932.

SENATE FINANCE COMMITTEE,
Washington, D. C.

GENTLEMEN: The undersigned American match companies, representing 98 per cent of the American match output, protest against the proposed excise tax of 4 cents a thousand on matches as passed by the House of Representatives.

Since early in 1928, when the Russians began dumping matches into this country at prices below the American cost of manufacture, the American industry has been continually harassed by foreign-dumped competition it could not meet, and by importations which have avoided the true intent of the Smoot-Hawley Tariff Act, so that not an American match company has been able to show a profit on matches.

Russian and Japanese matches are being sold to-day in the United States at a price equal to the cost of manufacture in this country.

This proposed excise tax is most unfair to the American industry for the following reasons:

While the excessive tax is put on matches not a single article competitive with matches is taxed.

No tax is put on lighters used in place of matches.

No tax is put on electric current used for lighting in place of matches.

No tax is put on gas in place of matches.

No relief is given to the domestic manufacturers from foreign dumped matches.

Most of the excise taxes in the proposed bill are luxury taxes—the match tax is a tax on a necessity.

Compared with other excise taxes in this bill the proposed match tax is:

Four and one-half times the proposed tax on cosmetics, furs, jewelry, sporting goods and cameras, yachts, motor boats, and safety-deposit boxes.

Nine times the proposed tax on chewing gum, radios, phonographs, candy, and mechanical refrigerators.

Fifteen times the proposed tax on automobiles.

Twenty-two and one-half times the proposed tax on trucks.

Forty-five and one-half times the proposed tax on automobile accessories.

Under this proposed tax the consumer will pay on the average 45 per cent more for his matches, as the selling price of matches at present in this country is cost to the American manufacturer. Any tax must be added to the selling price.

We realize that the Budget must be balanced, that the match industry must bear its proportional share of increased taxes, but emphatically protest against this proposed tax in its present form, which severely penalizes matches against its competitive articles, seriously raises the price to the consumer, and is a tax on a necessity from 4 to 45 times as much as other taxes placed on luxuries in the same bill.

Respectfully yours,

The Diamond Match Co., T. J. Reynolds, vice president; The Ohio Match Co., L. R. Meade, vice president; North American Match Co., John G. Daniel, vice president; Federal Match Co., H. W. Williams, vice president; Palmer Match Co., John L. Walker, vice president; Pacific Match Co., O. V. Snyder, president; Sun Match Co. (Inc.), Titus H. Irons, vice president; Lion Match Co., Leo Greenbaum, president; Union Match Co., C. S. Beasley, managing director; Wisconsin Match Corporation, B. C. Snead, vice president; Columbia Match Co., J. H. Weaver, president; Empire Match Co., K. Friedman, secretary; America's Own Match Co., Ned. G. Begle, president; General Match Co., J. C. Peurrung, president.

Before I conclude let me say that during the discussion on the revenue bill the gentleman from Pennsylvania said American manufacturers going abroad and building plants there were white ants consuming and destroying the American Government. The gentleman from New York said that American manufacturers were going abroad and building plants for the purpose of exploiting foreign labor. I want to give you some facts if you will bear with me a few minutes.

Prior to 1927 the rubber industry of Akron, which is the center of the rubber industry, was manufacturing substantially all of the tires for Great Britain and her dominions. Great Britain had two plants there—the Michelin Co. and the Dunlop Co. The Akron manufacturers were manufacturing at Akron, Ohio, and selling hundreds of thousands of tires abroad. They had spent millions of dollars advertising their brands, had established agencies all through Great Britain and its dominions, and had their dealers and their wholesale organizations and their inventories over there in Great Britain. Great Britain put a tariff on tires and tubes in 1927 of 33⅓ per cent. This tariff was an absolute embargo upon American tires and tubes going into Great Britain.

The result was that the Akron manufacturers had to make up their minds whether they would give up this business they had in Great Britain and its dominions after spending all these millions of dollars in building up and advertising their brands and getting established and building up good will throughout the territory controlled by Great Britain, or whether they would go in there and build plants. They could not pay the tariff of 33⅓ per cent. Their only alternative to building manufacturing plants in Great Britain was to withdraw and leave the entire business to the Dunlop and Michelin companies, who had plants there.

The conclusion they came to was that they had to go to Great Britain and build these plants. They went into Great Britain in 1927 and they built three rubber plants with an investment of about $21,000,000. Some of this investment was British capital.

I want to call your attention to the fact that this tariff of Great Britain was put on in 1927, three years before the Hawley-Smoot tariff bill was passed; and therefore it was not a retaliatory tariff. However, it was a tariff which was an absolute embargo upon American tires and tubes going into Great Britain.

You have heard a lot of talk here about the reduction of Federal salaries. If you will give employment to American labor, you will not have to discuss the question of reducing Federal salaries.

If you will so arrange the taxes under this revenue bill and so arrange your tariff that we can manufacture in this country the manufactured goods we consume, then you will give employment to American labor. That is exactly what Great Britain and these foreign countries are doing. Great Britain put this tariff on and changed its policy with reference to the tariff because it had several millions out of employment. To-day these tires which were formerly made in this country with American labor, with cotton grown in America, and with fabric made in America, are being manufactured in Great Britain with British labor and this country is losing all of the advantage because of the British tariff, which in effect is an embargo.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. SEIBERLING. Yes.

Mr. LaGUARDIA. I think the gentleman referred to me as the gentleman from New York who made that statement. I want to say to the gentleman that he is most unfortunate in the selection of his industry as an illustration to contradict what I said. Let me refer the gentleman to a survey made by the Department of State of the American rubber industry in Liberia, and he will see I put it very mildly.

Mr. SEIBERLING. Let me say this to the gentleman, that Akron manufacturers did not go abroad to exploit foreign labor nor did they go there to destroy the American Government. They went abroad because they had to go or lose their business in Great Britain to British manufacturers.

Mr. LaGUARDIA. The gentleman has attributed too much of that statement to me.

Mr. CANNON. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, I have asked for this time to call to the attention, especially of southern Members, that I am informed that there has been a recent advance in price on sulphate of ammonia, which is a further burden on the farmer at a time when he is practically bankrupt. For the past six months an investigation has been going on by the Treasury Department at the request of the manufacturers in the United States, largely the steel corporations, for the purpose of placing a duty on the importation of foreign sulphate of ammonia.

On last Monday a conference was held with the Treasury officials and the manufacturers of this product, which apparently will bring about a final decision of the Treasury in this matter. It seems that these manufacturers of sulphate of ammonia have reasons to believe that the Treasury Department will pass favorably on their request which may be the cause of this advance in price at this time.

It may be of interest to you to know that about 12 months ago I was informed that the manufacturers of sulphate of ammonia in this country tried to form a combination with Germany and other importing countries for the purpose of controlling and fixing prices of this product in line with the nitrate combination. It is my understanding that Germany would not stand for this. Certainly this advance in price at this time is not warranted because of a shortage of sulphate of ammonia to take care of the present demand. I am informed by the Department of Commerce that while the production of sulphate of ammonia in the United States decreased 32 per cent during the first two months of this year in comparison with the first two months

of last year, largely because of the inactivity of the steel mills, imports have increased over 50 per cent. I am hoping that those of you interested in the cotton farmer of the South will join with me in trying to ascertain just why there is an advance at this time when farmers in the United States are receiving small loans from their Government for the purpose of buying fertilizer. I have been promised the privilege of being heard before the Treasury Department before they put into execution provisions of the anti-dumping act placing a duty on imports of sulphate of ammonia. I am hoping many of you will join with me in my fight for the protection of the farmer, who apparently is about to be robbed because of an unfair increase in price and the placing of a duty on this very necessary product for farm purposes at this time. [Applause.]

Mr. CANNON. Mr. Chairman, the committee approached the formulation of this bill in a very sympathetic frame of mind. There was not a member of the committee who was not anxious to make ample provision for every essential department of the District government. At the same time, Mr. Chairman, we felt it was incumbent on the committee to effect every legitimate economy. As a matter of fact we were under tacit instructions from the House which materially circumscribed the latitude of the committee in recommending appropriations. The House, by its unanimous action on the resolution repealing the 60-40 law and by the passage of the four Mapes bills providing approximately $3,000,000 additional District revenue, left the committee no choice but to reduce the proposed amount of the Federal contribution from $9,500,000 to $6,000,000. In addition, the recommendations of the Committee on Appropriations restricting subcommittees to the estimates submitted by the Budget Bureau, the decline in commodity prices, and the general demand for retrenchment of Government expenditures, rendered reductions imperative. In response to these urgent requirements, the committee have reduced practically all items in the bill with the exception of those providing for schools, hospitals, and libraries.

I would like to emphasize, Mr. Chairman, the fact that we have denied no recommendation or request by the authorities for either buildings or teachers for the public schools. And we have provided practically every facility requested for the Public Library with the single exception of a branch library which, under the circumstances, the committee thought could be postponed without prejudice.

The adequacy of the appropriations recommended by the committee is shown by a comparison of the amounts carried in this bill with the amounts appropriated for similar items in 1923, just one decade ago. For example, in 1923, $57,690 was appropriated for building inspection. This year we provide $161,200. In 1923, $31,520 was provided for personal services for the Public Utilities Commission. This year it is $101,440. In 1923 the appropriation for the office of corporation counsel amounted to $23,420. This bill carries for that office $89,360. As late as 1928 we appropriated $25,300 for the department of vehicles and traffic, while this year we provide $70,300. And similar increases are found throughout the bill. These increases are out of all proportion to increases in the population and service of the city and the District and, so far as I am able to learn, constitutes the [illegible] increase by [illegible]

The Clerk read as follows:

PUBLIC UTILITIES COMMISSION

For two commissioners at $7,500 each; people's counsel, $7,500; and for other personal services; in all $101,440, of which amount not to exceed $5,000 may be used for the employment of expert services by contract or otherwise and without reference to the classification act of 1923, as amended.

Mr. CANNON. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Missouri offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. CANNON: Page 7, after the paragraph ending on line 13, insert a new paragraph, as follows:

"No part of the appropriations contained in this act shall be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs."

Mr. STAFFORD. Mr. Chairman, I ask the gentleman to explain the real purport of the amendment now under consideration.

Mr. CANNON. This is the item discussed at length by the gentleman from Illinois [Mr. HOLADAY] and the gentleman from Texas [Mr. BLANTON], both members of the committee. The amendment is offered for the purpose of continuing present taxicab rates and regulations in the District.

Mr. STAFFORD. The ultimate object is to nullify the order of the chairman of the Utilities Commission, so far as banning general taxicabs in the District is concerned.

Mr. CANNON. And to prevent a large number of taxicab drivers from being driven out of the only profession they can follow at this time.

Mr. STAFFORD. I assumed that was the purpose of the amendment, but I wanted to have the statement made that that was its purpose.

Mr. HASTINGS. I am in sympathy with this amendment.

Mr. STAFFORD. Every Member is in sympathy with it else a point of order would have been made against the amendment and it would have been stricken out with a bludgeon.

Mr. HASTINGS. I want to ask the chairman of the subcommittee how much it costs to install one of these meters?

Mr. CANNON. I am told that the expense would probably approximate $125 per car.

Mr. STAFFORD. And that would put a great many of these taxicab drivers out of commission.

Mr. CANNON. Hundreds of them who have no other means of livelihood.

Mr. STAFFORD. And this is the only way to protect them?

Mr. CANNON. To protect them and at the same time protect the public from exhorbitant charges for transportation.

The amendment was agreed to.

The Clerk read as follows:

FREE PUBLIC LIBRARY

For personal services, and for substitutes and other special and temporary services, including extra services on Sundays, holidays, [illegible] half holidays, at the discretion of the librarian,

of District of Columbia owned utilities within and/or adjacent to the municipal center, $222,000, and in addition thereto not to exceed $1,278,000 of the unexpended balance of the appropriation for the municipal center contained in the District of Columbia appropriation act for the fiscal year 1932, of which sums not to exceed $900,000 shall be available for the acquisition of land in the municipal center, and not to exceed $600,000 shall be available for grading and paving of streets, and relocation and construction of District of Columbia owned utilities within and/or adjacent to the municipal center.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am certain the large membership that is absent from the Chamber is interested in the work that is going on in connection with the municipal center. I notice you have a considerable appropriation here. Just what is proposed to be done toward continuing to expend large amounts of money for the improvement of the municipal center? Here you have an appropriation of $1,250,000 or more for this work. This includes the purchasing of land, and I have always taken the position that it is rather an imposition upon the good patience of the taxpayers of this country to purchase land in the District for the building of ornate Government buildings in these pressing times. I think the country and the membership that is not here would like to know just what is the policy recommended by the committee with respect to the building of this ornate municipal center.

Mr. CANNON. None of this appropriation is for building purposes. We are appropriating here $222,000 which, with a reappropriation of $1,278,000 provides $1,500,000 to be expended during the coming year.

Mr. STAFFORD. For what purpose?

Mr. CANNON. At the express request of the Commissioners of the District we made no appropriation for buildings. Nine hundred thousand dollars of the $1,500,000 is to be used for the purchase of the remaining lots in the municipal area not yet acquired by the District.

Mr. STAFFORD. Everyone knows that real-estate values are not going up, and yet the Government is buying real estate in the District at the expense of the taxpayers. I can realize that there may be some justification for giving employment to labor in the matter of building, but I can not see any justification for appropriating $1,500,000 for the purchase of old, dilapidated buildings on property that will not appreciate in these times, just for the benefit of the landed gentry.

Mr. CANNON I heartily concur in everything that the gentleman from Wisconsin has said. I am happy to note that he and I are together on all matters of economy, and I am certain he will indorse the action of the committee when I explain that the reason this land has not been bought before this time is because we insisted on getting it at a reasonable price. We have already bought all the land in the Municipal Center project that could be secured at a reasonable price, and what remains to be purchased is land for which the owners ask more than we think we should pay.

Mr. STAFFORD. That is all the more reason why we should not now recognize them, even if they have come down to a reasonable plane. They should be punished to that extent, because you are punishing the taxpayers of the country by appropriating $1,500,000 for the purchase of virtually [illegible]

Mr. CANNON. The commissioners simply want to be in a position where they can acquire the land if they have opportunities to buy it at a reasonable price.

Mr. STAFFORD. Who is there in the country to-day that has land that is not willing to sell it?

Mr. CANNON. There are several owners who have been holding out for an exorbitant price.

Mr. STAFFORD. And I would keep them holding out for an exorbitant price for 10 years to come, or until business conditions got better.

Mr. CANNON. I heartily agree with the gentleman.

Mr. STAFFORD. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 17, beginning in line 5, strike out the paragraph ending with line 18.

Mr. CANNON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 11361) making appropriations for the government of the District of Columbia and had come to no resolution thereon.

RATIFICATION OF CONSTITUTIONAL AMENDMENT

The SPEAKER laid before the House the following communication:

STATE OF SOUTH CAROLINA,
EXECUTIVE DEPARTMENT.

By the secretary of state.

This is to certify the foregoing and hereto attached typewritten copy of a joint resolution, entitled "A joint resolution ratifying a proposed amendment to the Constitution of the terms of the President and Vice President and Members of Congress," to be true and correct as taken from and compared with the original joint resolution so entitled, now on file in the office of the secretary of state.

Given under my hand and the great seal of the State, at Columbia, this 31st day of March, 1932.

[SEAL.]

W. P. BLACKWELL,
Secretary of State.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DRANE, for an indefinite time, on account of important business.

To Mr. KLEBERG, for three days, on account of illness in his family.

To Mr. CROWTHER, for three days, on account of important business.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a radio address on the life of Thomas Jefferson, delivered over station WJSV at Washington, D. C., April 13, 1932, by our very distinguished colleague, Hon. EDWARD E. EslICK, of Tennessee, upon the invitation of the Society for National Capital Memorial of Thomas Jefferson.

The SPEAKER. Is there objection?

[illegible]

of last year, largely because of the inactivity of the steel mills, imports have increased over 50 per cent. I am hoping that those of you interested in the cotton farmer of the South will join with me in trying to ascertain just why there is an advance at this time when farmers in the United States are receiving small loans from their Government for the purpose of buying fertilizer. I have been promised the privilege of being heard before the Treasury Department before they put into execution provisions of the antidumping act placing a duty on imports of sulphate of ammonia. I am hoping many of you will join with me in my fight for the protection of the farmer, who apparently is about to be robbed because of an unfair increase in price and the placing of a duty on this very necessary product for farm purposes at this time. [Applause.]

Mr. CANNON. Mr. Chairman, the committee approached the formulation of this bill in a very sympathetic frame of mind. There was not a member of the committee who was not anxious to make ample provision for every essential department of the District government. At the same time, Mr. Chairman, we felt it was incumbent on the committee to effect every legitimate economy. As a matter of fact we were under tacit instructions from the House which materially circumscribed the latitude of the committee in recommending appropriations. The House, by its unanimous action on the resolution repealing the 60-40 law and by the passage of the four Mapes bills providing approximately $3,000,000 additional District revenue, left the committee no choice but to reduce the proposed amount of the Federal contribution from $9,500,000 to $6,000,000. In addition, the recommendations of the Committee on Appropriations restricting subcommittees to the estimates submitted by the Budget Bureau, the decline in commodity prices, and the general demand for retrenchment of Government expenditures, rendered reductions imperative. In response to these urgent requirements, the committee have reduced practically all items in the bill with the exception of those providing for schools, hospitals, and libraries.

I would like to emphasize, Mr. Chairman, the fact that we have denied no recommendation or request by the authorities for either buildings or teachers for the public schools. And we have provided practically every facility requested for the Public Library with the single exception of a branch library which, under the circumstances, the committee thought could be postponed without prejudice.

The adequacy of the appropriations recommended by the committee is shown by a comparison of the amounts carried in this bill with the amounts appropriated for similar items in 1923, just one decade ago. For example, in 1923, $57,690 was appropriated for building inspection. This year we provide $161,200. In 1923, $31,520 was provided for personal services for the Public Utilities Commission. This year it is $101,440. In 1923 the appropriation for the office of corporation counsel amounted to $23,420. This bill carries for that office $89,380. As late as 1928 we appropriated $25,300 for the department of vehicles and traffic, while this year we provide $70,360. And similar increases are found throughout the bill. These increases are out of all proportion to increases in the population and service of the city and the District and, so far as I am able to learn, constitutes the most notable increase by percentage of any comparable city in the country.

Practically all the amounts carried in the bill have been determined by the unanimous action of the committee. And I want to take advantage of the opportunity to express appreciation of the work and cooperation of all members of the subcommittee, and especially of the invaluable service rendered by the gentleman from Illinois [Mr. HOLADAY], the ranking member of the minority.

Mr. Chairman, general debate has been exhausted and I ask that the Clerk read the bill for amendment.

Mr. CANNON. Mr. Chairman, there are no requests for further time, and I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

PUBLIC UTILITIES COMMISSION

For two commissioners at $7,500 each; people's counsel, $7,500; and for other personal services; in all $101,440, of which amount not to exceed $5,000 may be used for the employment of expert services by contract or otherwise and without reference to the classification act of 1923, as amended.

Mr. CANNON. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Missouri offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. CANNON: Page 7, after the paragraph ending on line 13, insert a new paragraph, as follows:

"No part of the appropriations contained in this act shall be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs."

Mr. STAFFORD. Mr. Chairman, I ask the gentleman to explain the real purport of the amendment now under consideration.

Mr. CANNON. This is the item discussed at length by the gentleman from Illinois [Mr. HOLADAY] and the gentleman from Texas [Mr. BLANTON], both members of the committee. The amendment is offered for the purpose of continuing present taxicab rates and regulations in the District.

Mr. STAFFORD. The ultimate object is to nullify the order of the chairman of the Utilities Commission, so far as banning general taxicabs in the District is concerned.

Mr. CANNON. And to prevent a large number of taxicab drivers from being driven out of the only profession they can follow at this time.

Mr. STAFFORD. I assumed that was the purpose of the amendment, but I wanted to have the statement made that that was its purpose.

Mr. HASTINGS. I am in sympathy with this amendment.

Mr. STAFFORD. Every Member is in sympathy with it else a point of order would have been made against the amendment and it would have been stricken out with a bludgeon.

Mr. HASTINGS. I want to ask the chairman of the subcommittee how much it costs to install one of these meters?

Mr. CANNON. I am told that the expense would probably approximate $125 per car.

Mr. STAFFORD. And that would put a great many of these taxicab drivers out of commission.

Mr. CANNON. Hundreds of them who have no other means of livelihood.

Mr. STAFFORD. And this is the only way to protect them?

Mr. CANNON. To protect them and at the same time protect the public from exhorbitant charges for transportation.

The amendment was agreed to.

The Clerk read as follows:

FREE PUBLIC LIBRARY

For personal services, and for substitutes and other special and temporary services, including extra services on Sundays, holidays, and Saturday half holidays, at the discretion of the librarian, $319,440.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

What is the occasion for the increase of $23,000 plus in the salary allowance for the free Public Library?

Mr. CANNON. It is occasioned by a consolidation. We consolidated two items, the item for substitute and temporary clerk hire, and no actual increase is involved.

The pro forma amendment was withdrawn.

The Clerk read as follows:

MUNICIPAL CENTER

For the acquisition of land in the municipal center, and for grading and paving of streets, and relocation and construction

of District of Columbia owned utilities within and/or adjacent to the municipal center, $222,000, and in addition thereto not to exceed $1,278,000 of the unexpended balance of the appropriation for the municipal center contained in the District of Columbia appropriation act for the fiscal year 1932, of which sums not to exceed $900,000 shall be available for the acquisition of land in the municipal center, and not to exceed $600,000 shall be available for grading and paving of streets, and relocation and construction of District of Columbia owned utilities within and/or adjacent to the municipal center.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am certain the large membership that is absent from the Chamber is interested in the work that is going on in connection with the municipal center. I notice you have a considerable appropriation here. Just what is proposed to be done toward continuing to expend large amounts of money for the improvement of the municipal center? Here you have an appropriation of $1,250,000 or more for this work. This includes the purchasing of land, and I have always taken the position that it is rather an imposition upon the good patience of the taxpayers of this country to purchase land in the District for the building of ornate Government buildings in these pressing times. I think the country and the membership that is not here would like to know just what is the policy recommended by the committee with respect to the building of this ornate municipal center.

Mr. CANNON. None of this appropriation is for building purposes. We are appropriating here $222,000 which, with a reappropriation of $1,278,000 provides $1,500,000 to be expended during the coming year.

Mr. STAFFORD. For what purpose?

Mr. CANNON. At the express request of the Commissioners of the District we made no appropriation for buildings. Nine hundred thousand dollars of the $1,500,000 is to be used for the purchase of the remaining lots in the municipal area not yet acquired by the District.

Mr. STAFFORD. Everyone knows that real-estate values are not going up, and yet the Government is buying real estate in the District at the expense of the taxpayers. I can realize that there may be some justification for giving employment to labor in the matter of building, but I can not see any justification for appropriating $1,500,000 for the purchase of old, dilapidated buildings on property that will not appreciate in these times, just for the benefit of the landed gentry.

Mr. CANNON. I heartily concur in everything that the gentleman from Wisconsin has said. I am happy to note that he and I are together on all matters of economy, and I am certain he will indorse the action of the committee when I explain that the reason this land has not been bought before this time is because we insisted on getting it at a reasonable price. We have already bought all the land in the Municipal Center project that could be secured at a reasonable price, and what remains to be purchased is land for which the owners ask more than we think we should pay.

Mr. STAFFORD. That is all the more reason why we should not now recognize them, even if they have come down to a reasonable plane. They should be punished to that extent, because you are punishing the taxpayers of the country by appropriating $1,500,000 for the purchase of virtually bare lots with some old rookeries on them.

Mr. CANNON. The appropriating of this $900,000 does not mean we are going to buy this land at the price asked by the owners. We merely want to have it available in the event any of them are willing to sell at a reasonable price.

Mr. STAFFORD. Oh, next year and the year following and two years thereafter, if I know anything about realty values, you can buy the property for less than you can buy it to-day.

Mr. CANNON. The gentleman can be certain we shall not pay more than the land is worth.

Mr. STAFFORD. But you are taxing my people and the people of the country to the extent of $1,500,000 for the purchase of unnecessary land.

Mr. CANNON. The commissioners simply want to be in a position where they can acquire the land if they have opportunities to buy it at a reasonable price.

Mr. STAFFORD. Who is there in the country to-day that has land that is not willing to sell it?

Mr. CANNON. There are several owners who have been holding out for an exorbitant price.

Mr. STAFFORD. And I would keep them holding out for an exorbitant price for 10 years to come, or until business conditions got better.

Mr. CANNON. I heartily agree with the gentleman.

Mr. STAFFORD. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 17, beginning in line 5, strike out the paragraph ending with line 18.

Mr. CANNON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 11361) making appropriations for the government of the District of Columbia and had come to no resolution thereon.

RATIFICATION OF CONSTITUTIONAL AMENDMENT

The SPEAKER laid before the House the following communication:

STATE OF SOUTH CAROLINA,
EXECUTIVE DEPARTMENT.

By the secretary of state.

This is to certify the foregoing and hereto attached typewritten copy of a joint resolution, entitled "A joint resolution ratifying a proposed amendment to the Constitution of the terms of the President and Vice President and Members of Congress," to be true and correct as taken from and compared with the original joint resolution so entitled, now on file in the office of the secretary of state.

Given under my hand and the great seal of the State, at Columbia, this 31st day of March, 1932.

[SEAL.] W. P. BLACKWELL,
Secretary of State.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DRANE, for an indefinite time, on account of important business.

To Mr. KLEBERG, for three days, on account of illness in his family.

To Mr. CROWTHER, for three days, on account of important business.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a radio address on the life of Thomas Jefferson, delivered over station WJSV at Washington, D. C., April 13, 1932, by our very distinguished colleague, Hon. EDWARD E. ESLICK, of Tennessee, upon the invitation of the Society for National Capital Memorial of Thomas Jefferson.

The SPEAKER. Is there objection?

There was no objection.

The address is as follows:

Thomas Jefferson was born in Albemarle County, Va., April 13, 1743. One hundred and eighty-nine years ago was born the most far-seeing and constructive statesman of the western world.

When America belonged to Great Britain, he visualized a new nation—a republic. He had read the history of nations, and he knew the story of mankind. He dreamed, when America was an English possession, and pointed the way to the future. His dream came true when the new Republic was welcomed into the family of nations. He was the evangel holding aloft the light and proclaiming the way; the pathfinder pointing the route to a future greatness and a deserved glory.

Jefferson gave to history more broad principles of government than any other man—more suggestions to correctly govern human society than any of the others of his day and generation.

He proclaimed a declaration of principles to govern man and country. May I not call this roll, devoting only a sentence to each of them?

He proclaimed the sovereignty of the people and his abiding faith in democratic government.

He denounced the privileged orders of nobility and the entail system of property rights. He declared for their overthrow.

He declared for universal education and for local circulating and public libraries.

He challenged the union of church and state. He demanded their separation.

He believed that no people could be happy and contented without freedom of speech and thought.

Local self-government was dear to him, and it was the heart of the Democracy he believed in.

Economy in government was essential to the prosperity of the people, and large national debts were a public detriment.

He believed in a policy of peace; that the nations that lived by the sword died by the sword; that the nation that risked its life upon the keen edge of the bayonet was destined to go in the carnage of the battlefield.

He believed in the equality of man and political equality; in manhood or universal suffrage; that these were the unquestioned rights of a free people.

His faith was in the sovereignty of the States. He believed in a strict construction of the Constitution.

He did not believe in a great standing army but in a well-trained militia.

He was opposed to gratuities, bounties, and monopolies. He looked upon these as favors passing to the few at the expense of the many.

He wanted to emancipate all slaves and deport them.

He believed in the expansion of the United States, including Louisiana, Florida, Cuba, and Canada.

The Louisiana Purchase, nearly one-half of the present United States of America, was consummated by him. He paid the pittance of $15,000,000 in the greatest land purchase and sale ever recorded in human history.

He was just to the Indians, and in his fairness to them he believed in the maintenance of Indian reservations.

He advocated a judiciary without the control of the legislative or executive branches of Government. He believed the three departments of Government—legislative, executive, and judicial—were distinct and should be kept separate and apart each from the other.

He believed it was the province of the courts to interpret the laws, not to write legislation into opinions. This was his quarrel with Chief Justice Marshall.

He believed in a small navy.

He thought one of the safeguards of the Nation was rotation in office.

His devotion to the Union was never questioned. His opposition was adamant to all movements, North or South, looking to secession.

Very few of our people know that Jefferson was the first prominent man to lift his voice against African slavery in this country. Public sentiment favored slavery. When a member of the Continental Congress, and as chairman of the committee to propose a plan to govern the Northwest Territory and the territory that embraced the present States of Alabama, Mississippi, Kentucky, and my home State of Tennessee, he offered this resolution to abolish slavery:

"After the year 1800 of the Christian era there shall be neither slavery nor involuntary servitude in any of the said States otherwise than in punishment of crime, whereof the party shall have been duly convicted to have been personally guilty."

This was in 1774, 5 years before the adoption of the Federal Constitution—35 years before Abraham Lincoln was born and 91 years before Senator John P. Henderson, of Missouri, proposed the thirteenth amendment to the Constitution abolishing slavery and involuntary servitude in the United States. If you will compare the thirteenth amendment and the Jefferson resolution, you will find them to be in almost identical language. The thirteenth amendment carried out what the Jefferson resolution sought to do 91 years prior to 1865 but failed by a single vote.

Jefferson retired from Congress in 1776. He entered the Virginia Legislature for the purpose of bringing her laws into accord and harmony with his conception of Democratic government. During this time he broke down the English law of primogeniture and entail. He fathered and passed the law for public education. In fact, he created a system of education from the primary school to the university, probably the most complete and perfect system of education in any State in the Union.

He was on a committee with Edmund Pendleton and George Wythe to revise the laws of Virginia. Jefferson did most of the work. The legislature refused to ratify part of his work. In 1785, when he was away in France, his great friend, James Madison, secured the passage into law of nearly all of his proposals. Included was the famous statute for religious freedom in Virginia, in which there was a complete separation of church and state.

Upon this question Jefferson had differed widely with two other very great Virginians. They opposed his views. These men were the immortal Washington and the great orator of the Revolution, Patrick Henry. It was to these men Jefferson said, "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man." What a declaration! The challenge of a crusader and the battle cry of a revolutionist!

We must not forget that Jefferson's creative statesmanship belonged to four important periods of our history—when we were an English colony, the transition from colony to independent government, the creation of government and the adoption of its policies, and the first two decades in the life of the young Republic. Jefferson was on trial in all four periods. He measured up to the highest requirements—the pilot who kept to the charted course in the night of national storm as well as in the sunshine of the open-eyed, watchful day.

In the great crises of the world the Master measures human destiny, and the man and the occasion meet. Jefferson, the statesman, the philosopher, and the creative genius, never failed his people in the hour when liberty, protection, and happiness were involved. The historian has called it fate, labor, destiny. I care not which. The Sage of Monticello belongs to the ages. A large part of American history is his monument. Truly is he great in the record of our greatness, measured by accomplishment, the only standard by which men shall live.

The modern historian has given Jefferson scant credit in the framing of the Constitution. He was dissatisfied with it and opposed it unless amended. It was at his request and upon his suggestion, and moved by his followers, that the first 10 amendments were added. These constitute the American Bill of Rights. They are the real covenants of our safety, the safeguards for the citizenship of the land.

I can not go into them in detail. They guarantee religious liberty; freedom of speech and of the press; peaceable assembly; the right to petition the Government; the right to bear arms for protection; soldiers shall not be quartered in private homes; the denial of unreasonable search and seizure; that the accused must be indicted by a grand jury, and can not be compelled to testify against himself; that no man shall be deprived of life, liberty, or property without due process of law; that in criminal cases the defendant shall have a speedy trial. Trial by jury is guaranteed. That excessive bail is prohibited; that the rights of the States not expressly granted are reserved to the States.

Mr. Jefferson suggested and caused the passage of these amendments known to the world as our bill of rights.

Jefferson is best known as the author of the Declaration of Independence—the child of his brain and pen. He gave utterance to his philosophy of government in this great state paper. That all men are created equal; that they are endowed with certain inalienable rights; that life, liberty, and the pursuit of happiness belong to all peoples. And that governments derive their just powers from the consent of the governed—a fundamental philosophy expressed by Lincoln at a later date in a single sentence: "A government of the people, for the people, and by the people."

Jefferson had his battle over the Constitution. He won in the amendments forming the Bill of Rights. Two very able men sat in the Cabinet of President Washington. Jefferson was Secretary of State. His brilliant rival, Alexander Hamilton, was Secretary of the Treasury. There was a conflict of opinion on governmental policy. Each represented a different school of thought. May I not contrast them for a moment? Jefferson believed in the sacred rights of man, while Hamilton believed in a strong government for the benefit of the few and powerful—the classes. Hamilton believed in property qualification of suffrage. Jefferson advocated manhood suffrage. He was a liberal, while Hamilton was a conservative. Jefferson thought of the individual. Hamilton saw only the state. Jefferson believed that governments should serve the masses, with equal justice and without favor of special privileges. Hamilton taught the doctrine of special favor to the rich and powerful—he believed in privilege for the exclusive classes. Jefferson marshaled democracy against aristocracy—and won.

The days of Jefferson and Hamilton saw the same philosophy of government, with the same issues dividing the people, that we have to-day—money against man, materialism against humanity, property rights against human rights. Jefferson stood for mankind; Hamilton for materialism and property rights. Through the long years these issues have lived. And they are with us to-day more clearly and concisely drawn than at any time in the life of this Republic.

For almost half a century the Jefferson policy of government obtained. Nearly all the while it was a rule of the people. But not so in the last third of a century. We have drifted away from the old Jeffersonian doctrine. The classes have benefited in privilege and by special legislation. The land of opportunity and equal chance has been sent adrift. Instead of equal opportunity and a fair distribution of wealth, ours has become a land of privilege under the law and an aristocracy of wealth. The economic condition of to-day is the price of this un-American policy. Thirty per cent of our population are hungry and naked. More than 8,000,000 men belong to the great army of the unemployed. There are more men to-day tramping the streets than ever before in any one nation in the tides of time.

More men in the army of the idle and unemployed to-day than all the combined men who ever stood in the armies, under the Stars and Stripes in time of war, in the more than hundred and fifty years of our existence. In a single year 504 men paid on a hundred and forty-two million dollars more net incomes than the gross sales of the great American wheat, cotton, and tobacco crops combined produced in an area where the population numbered 20,000,000 people. What an indictment of privilege. What a challenge to the wrongs inflicted upon the great basic producers of this Nation.

Two ex-Presidents died July 4, 1826. The last words of the New England Puritan, John Adams, were "Jefferson survives." Jefferson was then dead. Jefferson met his Pilot face to face, and in

that solemn hour he thought of his country in death as in life. His last utterance was: "I commend my daughter to my country and my soul to the God who gave it."

They wrapped him in the mantle of his many glories and laid the Sage of Monticello to rest near his home. He had held offices from justice of the peace to President; a Member of the Continental Congress, Governor of Virginia, Secretary of State, minister to France, Vice President, and twice President; but when the inscription he desired chiseled in the rock to be above him in the long night of his sleep, it was not his desire to tell of the offices bestowed upon him but of the things he regarded as the best of his life's work. He directed carved there that he was the author of the Declaration of Independence, the author of the statute of religious freedom in Virginia, and the father of the University of Virginia.

May I not say that the time has come for us to return to the Jefferson policy of Government if this great Republic is to endure and fulfill its pledges and promises made in the long ago. The time has come when economy shall take the place of extravagance; simplicity over show; substance over shadow. Man must be master and money the servant. Invisible government must give way to actual government; first place must be given to human rights above property rights.

Patriotism must be measured in service to country and its people. It shall not be weighed by worship of the golden calf and a defense of corporate greed. Ours must be a democracy for men—not an aristocracy of wealth.

Let the world look upon our flag as it shall become the emblem of freedom and protection, guaranteeing equal rights to all peoples who avow their allegiance to it and invoke its protection.

When the warm heartbeat of mankind shall take the place of the clink of gold, when privilege shall yield to the policy of the greatest good to the greatest numbers, when greed and selfishness shall bow to the demand of public welfare, we may well believe in the age that equal and exact justice to all and special privilege to none is the return of the Jefferson age and policy of government.

The stability of government depends upon the happiness and contentment of the people. To-day our people are unhappy. It is hard to measure the feeling of unrest. We must face the future with uncertainty or with hope and faith.

Believing as I do in the principles of Jefferson, and believing that the just cause is a winning cause, I shall expect a return to the Jefferson principles, when we shall have the government of our fathers again. With a happy and contented citizenship we will face the future with an abiding faith in the belief that the Republic, built upon the foundations conceived by the sage of Monticello, shall live and lead the way in the march of human progress until that blessed hour when light shall meet twilight in the morning of God's perfect day.

Mr. McCORMACK. Also, Mr. Speaker, I ask unanimous consent to print in the RECORD a recent address by the lady from New Jersey [Mrs. NORTON] on the life of Thomas Jefferson.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech delivered by the Hon. MARY T. NORTON, Member of Congress, at the luncheon in honor of the birthday of Thomas Jefferson, at the Willard Hotel, Washington, D. C., April 13, 1932.

It is a great privilege and pleasure to address this distinguished audience from all parts of the country, meeting in the Capital City of the Nation to celebrate the one hundred and eighty-ninth anniversary of the birth of that great, indeed, I may say greatest of all Democrats, our beloved Thomas Jefferson.

What can I tell you about this man that every other Democrat could not tell you much better perhaps than I? You know that he was an inspired idealist, yet one of the greatest statesmen and politicians of all time. Can one read the Declaration of Independence without experiencing a justifiable pride in the fact that he, the author of that noble document, was, and still is, our very own—the patron saint of a great party that has withstood many storms and emerges as the only hope of a demoralized and saddened people?

Would that he were here to-day to show us the way. His optimism, his ability to do the thing he believed to be right, even in the face of unequaled difficulties, seems to have been the keynote of his unmatched leadership. Then, as now, our country felt the need of a great leader, and it turned to him as the savior of mankind, believing in and following his peerless leadership. The world has but little use for half-hearted men and women; it applauds and adores those who have the courage to carry on when dark clouds obscure the horizon. Is it, then, strange that those of us who believe in the principles he believed in are here to-day to renew our faith in the party for which he gave his life? Are we worthy of the eternal heritage of honesty, loyalty, and devotion that he has handed down to those of us fortunate enough to be members of his great party? And are we worthy to carry on where he and other equally illustrious leaders of Democracy have left off? I submit that we are not worthy of this great heritage if we do not to-day meet the issue that is before us fearlessly and pledge ourselves to give the best we have to give to ameliorate the pitiful condition of a leaderless, unhappy people.

Perhaps out of all the misery of the past three years good may come to our Nation. Pray God that it will come. Let us hope so, but as one Democrat I entertain serious doubts that it will come soon unless some drastic steps are taken to reduce Government expenditures. I resent the fact that after the worst orgy of spending ever witnessed in this country it has become our unhappy task to bring more unhappiness by levying taxes to keep the Nation solvent.

It would seem to me to be in order to-day to look over the events of the past several years to find the reason for a depleted Treasury and more than 8,000,000 men and women unable to find work. Let us then examine the facts:

Since the Democrats organized the House of Representatives much has been heard of "balancing the Budget." So much that the majority of people during these past few months have become "budget conscious" and are asking why we did not hear more of this balancing process during the past two years, when under a Republican administration we strayed off the balanced Budget. Why should the Democrats be obliged to balance something without balance for more than two years? These are a few of the questions asked by every man and woman interested in government, and the answer may and probably will awaken a long-dormant electorate. People will soon begin to understand that a reckless, extravagant Republican administration during 12 years (several of which witnessed the greatest prosperity of our Nation) is responsible for a large part of our present difficulty. I have been so much interested in trying to find out just how this great deficit could happen in view of the much-talked-of Republican economy that I secured a most interesting publication entitled "The Budget, 1933."

The Budget, as you probably know, is a Republican institution originating in the late lamented Harding régime, when Republican disciples of economy embarked on that celebrated "back to normalcy" voyage that landed some of them in the penitentiary and others in oblivion. The "Budget" is just a bewildering array of statistics. It serves, however, to give one a real picture of Republican economy programs, past and present.

The Department of Commerce figures are especially interesting, particularly so since the completion of the $17,500,000 building to house Federal employees whose meager salaries are now in jeopardy. I like fine buildings and believe the greatest Capital in the world is entitled to anything within reason, but the thought persists that a government like an individual should have known that a "rainy day" would come and instead of spending lavishly and unnecessarily placed in reserve half of the millions used in this monument of extravagance.

Expenditures of Government money, within reason, are justifiable only when such expenditures produce results. I mean by that statement when one can point to definite benefits that have accrued to the Government from the use of such funds. The Republican administration has squandered money on the Department of Commerce and some of its newer divisions with the prodigality of the proverbial drunken sailor. Results achieved by this department over a period of 12 years do not justify the extravagance with which money has been appropriated for its use.

Of course, as we all know, this widely advertised department made a convenient stepping-stone to the Presidency for our current Chief Executive. Expenditures of this department during the Harding and Coolidge administrations, when Mr. Hoover was its Secretary, make interesting reading and stand, I submit, as one of the chief reasons why we Democrats have inherited this horrible nightmare called "balancing the Budget."

Expenditures in the Department of Commerce in 1921 aggregate $30,828,761.55. In 1931 these expenditures had mounted to the staggering sum of $61,477,117.63; this is an increase of over $30,000,000. Thirty million dollars in 10 years, mind you!

I am not opposed to a policy that would stimulate foreign trade. Sound foreign-trade policies are essential to the economic welfare of every nation, but I am unalterably opposed to the continued maintenance of a bureau that is a "white elephant" of gigantic proportions. I refer to Mr. Hoover's fair-haired child, the Division of Foreign and Domestic Commerce in the Department of Commerce.

To get a correct picture of this bureau it is necessary to take a look into the list of high-salaried commissioners, attachés, and clerks sent to the four corners of the world to do the work that heretofore had been and could be done more satisfactorily by our Consular Service. The Bureau of Foreign and Domestic Commerce, regardless of the highly seasoned propaganda, has not justified the price it has cost.

With hundreds of trade commissioners in every part of Europe and the Far East supposed to stimulate trade, our exports in 1931 were 37 per cent less than in 1930, less than half as large as in 1929, and the lowest value recorded since 1914. What argument can, therefore, justify the personnel of the Bureau of Foreign and Domestic Commerce?

For the business of promoting commerce, so called, the expense is $457,572; in Latin America, $255,821; in the Far East, $149,072.

For promoting commerce in Africa, the cost to the Government is $52,500.

As a result of this great expenditure, what can we show on the other side of the sheet? Just this—that our exports have decreased in 1930 from three billions eight hundred and forty-three millions to something over two billions in 1931, or back to where we were in 1915, which goes to prove that the Department of Commerce has been and is the most costly bureau any govern-

ment ever attempted to support. It can not be justified and should, to a large extent, be eliminated. I have only tried to present a short sketch of this department. To make a complete picture would require more time than is at my disposal to-day, and it would be necessary for me to go into the extravagant details of the 101 offices maintained by this bureau throughout the United States, as well as in Europe, Africa, and the Far East.

This brings me back to the subject of why the Democrats upon assuming control of Congress in the year 1932 were obliged to pass several bills, namely:

Two billion dollar Reconstruction Finance Corporation act, to aid the bankers; Glass-Steagall banking bill, to improve the facilities of the Federal reserve system; $10,000,000 agricultural credit and revolving fund; and $137,000,000 road aid bill, to help restore confidence to a discouraged people; and also to adopt a taxation bill to balance the Budget.

It has not been an easy task nor have we enjoyed it but we have felt as patriotic citizens we were obliged to do so. We know that even our optimistic citizens are losing courage and as a result they intend to place responsibility for the Hoover economic war.

While it is true that world conditions have, to some extent, upset our economic equilibrium, it is equally true that in such an emergency we should have had the wisest and finest type of leadership and even most of our Republican friends freely admit that this has been lacking. When the wheels of commerce are turning briskly any kind of leadership seems good leadership. It is only when the motor stalls and the wheels stop moving that real leadership is necessary and should be forthcoming.

We are now at the crossroads—looking backward we see long lines of men, women, and children on the verge of starvation in a country rich and powerful, pleading for an opportunity to work and live according to the accepted standard of living—their pleading unheard because our Government has lost the common touch. We see on all sides discontent and unhappiness. Laws enacted to destroy, not to upbuild. Taxes levied on essentials and the people denied the privilege of even voting on whether or not certain laws with which they are not in accord should be continued.

We have, then, the other road ahead—the road which should be strewn with the demolition of many unnecessary, extravagant departments or bureaus, chief of which should be the Department of Commerce, and next the so-called Bureau of Enforcement, otherwise known as the Prohibition Bureau. When one attempts to list the offenses committed in the name of this bureau, words fail. From the passage of the eighteenth amendment up to this year of 1932 the noble experiment has cost the American people, in dollars, three hundred and seventy million three hundred and sixty thousand five hundred and eighty-five. This sum is based upon official figures. This does not take into consideration the revenue which could be had from a legalized tax on beer and wine; while the cost in murders, suicides, corruption, crime, and prison and insane-asylum upkeep can not be estimated.

While all of this is developing, the leader of our country is not sufficiently interested to even attempt to discover the remedy. May I ask you to compare in your own minds the course which Jefferson would have followed if confronted with similar conditions? Can you imagine that sturdy friend of human rights and foe of paternalism in government indorsing a program involving vast payments of public funds in foreign countries for the benefit of the powerful few with world ambitions? Jefferson's devotion to human liberty, his determination to protect those who require protection gives ample proof of the scorn with which he would have viewed these developments.

What, then, is our task? It is to bring about the kind of leadership that will have the courage to lead, not trail along with expediency nor with what appears to be the popular lead, but strike out as a party interested in returning government to a long-suffering people. A leadership strong and courageous to do the right thing at a time when the right thing is a necessity.

Let the Democrats nominate a man whom the country will trust—Main Street as well as Wall Street—then go out and elect him. That is our job, and if you have the right kind of courage, you will not quit the job until a Democrat goes to the White House, elected by the greatest majority any candidate has ever received.

THOMAS JEFFERSON AND PRESENT DAY DEMOCRACY

Mr. SNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech made by the gentleman from New York [Mr. CROWTHER] over the radio.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address by Representative FRANK CROWTHER, of New York, delivered on Tuesday evening, April 12, 1932, over the National Broadcasting Co. chain in a nation-wide hook-up.

One hundred and eighty-nine years ago to-morrow Thomas Jefferson was born in the colony of Virginia. He was one of America's greatest statesmen. To him is ascribed the authorship of the Declaration of Independence. He was a leader in the Continental Congress. He was first Secretary of State, during the administration of George Washington; our second Vice President, during the administration of John Adams; and our third President, which position he filled for eight years. His achievements constitute a common heritage for all Americans. His advice as to the conduct of public affairs was sound and is as timely to-day as when he gave it, because it was based upon those fundamentals of political economy which time can not change or circumstances alter.

The Democratic Party of to-day claims Jefferson as its founder. It calls itself the party of Jefferson. In point of fact, it is not. There is no need to speculate upon its pretensions. We have the record before us. Here is what Jefferson thought of the favorite present-day Democratic practice of "soaking the rich":

"To take away from one because it is thought that his own industry and that of his father's has acquired too much in order to give to others who, or whose fathers, have not exercised equal industry and skill, is to violate arbitrarily the first principle of association, namely, the guaranty to everyone of a free exercise of his industry and the fruits acquired by it."

To-morrow evening there is scheduled in this city—the Nation's Capital—a Jefferson Day Democratic banquet. Democratic celebrities of national reputation are advertised to attend and speak. All living unsuccessful Democratic candidates for President—a very formidable group in itself—are on the program. All candidates for the Democratic presidential nomination this year are invited. Democratic leaders in both branches of the present Congress have promised their attendance.

These will include those Democratic Members of the House of Representatives whose speeches and votes upon the tax bill reported by their own leaders became so radical that their floor leader, Representative RAINEY, told them in open session their actions bordered upon communism and their program, if put into effect, meant confiscation of wealth and a penalization of thrift that would place the United States on the level of Soviet Russia. The CONGRESSIONAL RECORD of the past month contains hundreds of pages of Democratic speeches urging that the accumulations of the thrifty and skillful and industrious be taken away from them, that the rich be "soaked" in every possible way and from every possible angle.

Yet, those Democrats, after spending a month in making a butchery of the economic principles advocated by Jefferson, will assemble to-morrow evening to render lip service to his memory and, with a straight and unblushing face, proclaim themselves his political posterity.

Prominent Democratic Senators will be in attendance, Senators who have acquired a national reputation advocating redistribution of wealth and "soaking the rich," Senators who will, within a few days, be speaking and voting in support of tax rates that will seek to take from those who have been industrious and forehanded the fruits of their industry. There will be the flower and the chivalry of the Democratic Party, its leaders and spokesmen, invoking the name of Jefferson at the banquet table and preparing to return to the legislative halls to dishonor his precepts.

Democratic Congressmen whose names are attached to bills introduced in this Congress calling for appropriations of billions of dollars for pork and plunder will be in attendance to profess their devotion to the principles of Jefferson, who, in his day, rebuked Congress for "its dissipation and waste of public funds" and for "its seeking objects whereon to throw away the supposed fathomless funds of the Federal Treasury."

The States of Mississippi and South Carolina are 100 per cent Democratic. They have never had a Republican State official. They have never had a Republican sitting in either branch of their State legislature. Democrats have had complete and uninterrupted domination of those States since they were organized and admitted into the Union.

The State of Mississippi last week witnessed the sale of 60,000 farms under the sheriff's hammer to satisfy tax claims, and a week before the State House was mobbed by indignant citizens gathered from all quarters of that Commonwealth to protest the enactment of still more burdensome State taxes.

The comptroller general of the State of South Carolina, in his last annual report, showed that State on the highway to bankruptcy, with Democratic State and county officials drawing salaries equal to, according to his statement, 20 per cent of the total value of the cotton and tobacco crops of that State. Under the Democratic State administration of Tennessee, and because of it, that State is unable to pay its employees, meet other routine expenditures, and only with the greatest of difficulty is able to negotiate temporary loans. These are but a few examples of the fiscal policies which prevail in States in control of the Democratic Party.

No doubt, distinguished Democratic representatives from those States will be seated at the banquet table to-morrow evening to orate of their devotion to the principles of Thomas Jefferson, whose writings as a statesman and whose official communications as a President were filled with exhortations to public economy.

Side by side with them will sit Democrats from the State of New York whose Democratic governor, in an address over this network under the auspices of this program last week, showed himself possessed of that outstanding quality so essential to typical Democratic leadership, namely, demagoguery. He phrased an attack upon President Hoover and the Republican administration by charging they had placed a $2,000,000,000 fund at the disposal of the big banks, and in so doing had ignored the necessities of the local banks, the little business men, and the farmer.

Fortunately, in the interest of truth, the Reconstruction Finance Corporation, which is the $2,000,000,000 organization he referred to, must under the law make a report to Congress every three

months of its activities. Its first report has been filed and it shows that, among other things, it extended aid to 91 Iowa banks and trust companies, the largest number aided in any State. However, to mention a few other States, it shows that this corporation aided 21 Alabama banks, Arkansas 20, Georgia 26, Louisiana 18, Kentucky 14, Missouri 39, Montana 14, Nebraska 27, North Dakota 10, Oklahoma 28, South Dakota 15, Washington 46, Virginia 30, and so on, to the total number of 562.

It needs no elaboration to convince anyone that those banks in those States are not big-business banks. They are local banks, and by helping them weather the storm every individual in their community was saved from possible financial disaster, if not actual privation and suffering.

This information was available to Governor Roosevelt before he made his prepared address. It had been printed in detail in all metropolitan papers, including those of New York City, which are on the governor's desk every morning when he reaches his office. His charging that the administration was playing favorites at the expense of the little fellow was a base and unwarranted misrepresentation, not to be excused even when made for demagogic purposes by a demagogic candidate for the Presidency.

It is to be regretted that Governor Roosevelt will not be in attendance at the Jefferson Day banquet to-morrow evening. He would be in congenial company. What a familiar spectacle that banquet will present. The same old Democratic Party, publicly offering empty words in tribute to their leaders of yesterday, while behind the scenes they set up the machinery to scuttle every sound economic policy advocated by those leaders.

The same old Democratic Party, demagoging its way through the pages of American history, forever rolling the stone up the hill, forever carrying water in a sieve, always frustrated in its hopes because it lacks the integrity to be honest with itself and the capacity to keep faith with the American people.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 9575. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 826. An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon;

S. 1719. An act amending the act of Congress entitled "An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924;

S. 3584. An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes; and

S. 3655. An act to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Nations in Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.) the House adjourned until to-morrow, Friday, April 15, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Friday, April 15, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearing on payment of adjusted-compensation certificates.

COINAGE, WEIGHTS, AND MEASURES

(10 a. m.)

Continue hearings on silver investigation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CANNON: Committee on Appropriations. H. R. 11361. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes; without amendment (Rept. No. 1055). Referred to the Committee of the Whole House on the state of the Union.

Mr. BROWNING: Committee on the Judiciary. H. R. 11336. A bill providing for an additional justice of the Court of Appeals of the District of Columbia; with amendment (Rept. No. 1057). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. S. 2883. An act prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation; with amendment (Rept. No. 1058). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CARTWRIGHT: Committee on War Claims. H. R. 6283. A bill for the relief of William J. Cocke; with amendment (Rept. No. 1056). Referred to the Committee of the Whole House.

Mr. EVANS of Montana: Committee on the Public Lands. S. 2395. An act authorizing the conveyance of certain land to school district No. 15, Lincoln County, Mont.; without amendment (Rept. No. 1059). Referred to the Committee of the Whole House.

Mr. BALDRIGE: Committee on Claims. S. 3438. An act authorizing adjustment of the claim of Lindley Nurseries (Inc.); without amendment (Rept. No. 1060). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Interstate and Foreign Commerce was discharged from the consideration of the joint resolution (H. J. Res. 361) to authorize the Surgeon General of the United States Public Health Service to make a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes, and the same was referred to the Committee on the Territories.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 11361) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. STEAGALL: A bill (H. R. 11362) to amend the national banking act and the Federal reserve act, and to provide a guaranty fund for depositors in banks; to the Committee on Banking and Currency.

By Mr. DICKSTEIN: A bill (H. R. 11363) relating to the immigration and naturalization of certain natives of the Virgin Islands; to the Committee on Immigration and Naturalization.

By Mrs. NORTON: A bill (H. R. 11364) to provide for readjustment of street lines and the transfer of land for school, park, and highway purposes in the northeast section of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAWLEY (by request): A bill (H. R. 11365) to amend section 202 of title 11 of the Federal farm loan act approved July 17, 1916, as amended; to the Committee on Banking and Currency.

Also (by request), a bill (H. R. 11366) to amend section 2 of the United States warehouse act, approved August 11, 1916; to the Committee on Agriculture.

By Mr. McLEOD: A bill (H. R. 11367) to provide for payment of interest on certain war-risk insurance claims; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTON: A bill (H. R. 11368) granting a pension to Ada Pettigrew; to the Committee on Invalid Pensions.

By Mr. BOLAND: A bill (H. R. 11369) granting a pension to Martha M. Wright; to the Committee on Invalid Pensions.

By Mr. CARTER of California: A bill (H. R. 11370) conveying by quitclaim deed to the city of Oakland, Calif., a certain strip of land for street purposes; to the Committee on Public Buildings and Grounds.

By Mr. CRAIL: A bill (H. R. 11371) granting a pension to Carrie D. Stuter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11372) for the relief of W. F. Yerian; to the Committee on Naval Affairs.

By Mr. HALL of North Dakota: A bill (H. R. 11373) granting a pension to Harriet Taber; to the Committee on Invalid Pensions.

By Mr. HARTLEY: A bill (H. R. 11374) authorizing the Secretary of War to present a distinguished-service cross to George Delatos; to the Committee on Military Affairs.

Also, a bill (H. R. 11375) for the relief of Kenneth P. Mikesell; to the Committee on Military Affairs.

Also, a bill (H. R. 11376) for the relief of George Edwards; to the Committee on Military Affairs.

By Mr. HAWLEY: A bill (H. R. 11377) to authorize the purchase by the city of McMinnville, Oreg., of certain tracts of public lands and certain tracts revested in the United States under the act of June 9, 1916 (39 Stat. 218); to the Committee on the Public Lands.

Also, a bill (H. R. 11378) for the relief of Norris R. Wentworth and others; to the Committee on Claims.

By Mr. LEHLBACH: A bill (H. R. 11379) authorizing certain importers of sugar into the United States from the Argentine Republic during the year 1920 to submit claims to the Court of Claims; to the Committee on Claims.

By Mr. MAY: A bill (H. R. 11380) granting a pension to Margaret Moore; to the Committee on Invalid Pensions.

By Mr. MONTET: A bill (H. R. 11381) granting a pension to Mary Pierre; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 11382) for the relief of Calvin Shurtleff; to the Committee on Military Affairs.

By Mr. SEIBERLING: A bill (H. R. 11383) granting a pension to Cora B. Pottinger; to the Committee on Invalid Pensions.

By Mr. SHANNON: A bill (H. R. 11384) for the relief of Carl A. Barzen; to the Committee on Military Affairs.

By Mr. SWING: A bill (H. R. 11385) for the relief of Louis La Brash; to the Committee on Naval Affairs.

By Mr. THOMASON: A bill (H. R. 11386) granting a pension to Elisha Wilson; to the Committee on Pensions.

By Mr. TIERNEY: A bill (H. R. 11387) to correct the military record of Henry H. Payne; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5991. By Mr. ANDREWS of New York: Resolution adopted by Clarence Post, No. 838, American Legion, urging immediate payment of the soldiers' adjusted-bonus certificates; to the Committee on Ways and Means.

5992. By Mr. BEEDY: Petition of Robert E. Potter and hundreds of others from Kittery, Me., favoring optional retirement after 30 years of Government service; to the Committee on the Civil Service.

5993. By Mr. BLOOM: Petition of residents of the State of New York, urging the passage of the Hale bill, S. 51, and the Vinson bill, H. R. 8230, naval construction bills, and House bill 8678, a bill to amend the naval reserve act of 1925; to the Committee on Naval Affairs.

5994. By Mr. CAMPBELL of Iowa: Petition of 49 voters of Cherokee County, and the Lyle W. Barnes Post, No. 390, of the American Legion, of Quimby, Iowa, favoring the enactment of House bill 1, providing for the immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

5995. By Mr. CONNERY: Petition of Essex County Council, District No. 8, of the American Legion, favoring the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

5996. Also, petition of the members of Butte Post, No. 1448, Veterans of Foreign Wars of the United States, favoring the immediate payment of adjusted-compensation certificates; to the Committee on Ways and Means.

5997. By Mr. DOWELL: Petition signed by 82 citizens of Des Moines, Iowa, asking Congress for the immediate payment of the adjusted-compensation certificate; to the Committee on Ways and Means.

5998. Also, telegram signed by 85 citizens of Nevada, Iowa, petitioning Congress for the immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

5999. By Mr. GRIFFIN: Resolution of the New York Letter Carriers' Association, protesting against the passage of House bill 9644; to the Committee on the Post Office and Post Roads.

6000. By Mr. HALL of North Dakota: Resolution adopted at the annual stockholders' meeting of the Central Cooperative Association, petitioning the Interstate Commerce Commission to extend to all States tributary to the South St. Paul livestock market the same privilege herein referred to which is granted to the State of Minnesota; to the Committee on Agriculture.

6001. By Mr. JAMES: Resolution from the American Legion, of Crystal Falls, Mich., through William E. Carlson, commander, and Ed. Anderson, adjutant, asking for favorable action on House bill 9891; to the Committee on Interstate and Foreign Commerce.

6002. Also, resolution from Calumet Lodge, No. 616, Loyal Order of Moose, of Calumet, Mich., through Isaac A. Pieti, secretary, and Frank L. Rost, director, recommending a tariff on copper; to the Committee on Ways and Means.

6003. Also, resolution of group of farmers from South Range, Mich., through Jacob J. Onkalo, chairman, Jacob Seppanen, secretary, and John Piippo, member of committee, favoring a tariff on copper; to the Committee on Ways and Means.

6004. By Mr. JOHNSON of Texas: Petition of Hon. R. R. Owen, of Corsicana, Tex., favoring cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6005. By Mr. LAMNECK: Petition of John F. Parr, William Weinman, Charles Sowers, and 20 other citizens of the city of Columbus, Ohio, petitioning for full cash payment of adjusted-compensation certificates; to the Committee on Ways and Means.

6006. Also, petition of Philip Goldslager, R. C. Schmelzer, Pearl South, and 35 other citizens of the city of Columbus, Ohio, petitioning for full cash payment of adjusted-compensation certificates; to the Committee on Ways and Means.

6007. By Mr. LANHAM: Petition of Craig Laine and a large number of World War veterans of Tarrant County, Tex., requesting full cash payment of adjusted-compensation certificates at this time; to the Committee on Ways and Means.

6008. By Mr. McMILLAN: Petition of Union Post, No. 22, of the American Legion, of Union, S. C., favoring the immediate payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

6009. By Mr. MAGRADY: Petition signed by W. W. Welliver and 106 other residents of Danville, Pa., and vicinity, protesting against the cent-a-shell tax as proposed in House bill 10604; to the Committee on Ways and Means.

6010. Also, resolution adopted by the Game, Fish, and Forestry Protective Association of Shamokin, Pa., numbering more than 500 sportsmen, protesting against the bill H. R. 10604, designed to place a 1-cent tax on all shotgun shells at the source; to the Committee on Ways and Means.

6011. By Mr. MAPES: Petition of R. E. Root, of Coopersville, Mich., and 26 other residents of Ottawa County, Mich., protesting against the enactment of House bill 8092, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

6012. By Mr. MURPHY: Petition of D. L. Gibson, Broadacre, Ohio, and 136 other employees of the Pennsylvania Railway Co., urging the passage of House bill 9891, for the benefit of railway employees; to the Committee on Interstate and Foreign Commerce.

6013. By Mr. NIEDRINGHAUS: Petition of 11 voters and residents of St. Louis, Mo., asking that the tax on security transfers be removed; that no further soldiers' bonus be paid at this time; and that steps be made to reduce the high cost of government; to the Committee on Ways and Means.

6014. By Mr. PRATT: Petition of 115 World War veterans of Columbia County, N. Y., praying for payment in full of the balance of the adjusted-compensation certificates; to the Committee on Ways and Means.

6015. Also, petition of 15 veterans of the World War of Woodstock, Ulster County, N. Y., praying for payment in full of the balance of adjusted-compensation certificates; to the Committee on Ways and Means.

6016. By Mr. RAINEY: Petition of R. P. Goben and 74 members of the Veterans of Foreign Wars post, Havana, Ill., favoring payment of bonus in full; to the Committee on Ways and Means.

6017. By Mr. ROBINSON: Petition signed by Mrs. C. S. Anderson, 236 Linwood Avenue, Waterloo, Iowa, and 43 others, urging the protection of the reindeer of the Seward Peninsula, Alaska; to the Committee on Agriculture.

6018. By Mr. RUDD: Petition of Railroad Employees' National Pension Association (Inc.), Altoona, Pa., favoring the passage of House bill 9891, the railroad pension bill; to the Committee on Interstate and Foreign Commerce.

6019. Also, petition of National Wholesale Food Distributors' Association, New York City, opposing the passage of House bills 8874, 8875, and 10374; to the Committee on Merchant Marine, Radio, and Fisheries.

6020. Also, petition of Dr. A. G. Nast, Forest Hills, Long Island, N. Y., protesting against sales tax on dentifrices and mouth wash; to the Committee on Ways and Means.

6021. By Mr. SANDERS of New York: Petition of senior class of the Perry (N. Y.) High School, urging Government ownership of Mount Vernon, home of George Washington; to the Committee on the Public Lands.

6022. By Mr. SMITH of West Virginia: Resolution of the Kanawha Coal Operators' Association, of Charleston, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6023. By Mr. STEWART: Petition of 717 residents of the State of New Jersey, opposing reduction of salaries of Federal employees; to the Committee on Ways and Means.

6024. By Mr. STRONG of Pennsylvania: Petition of citizens of Indiana County, Pa., opposing House bill 10604, to place a tax of 1 cent on each shotgun shell; to the Committee on Ways and Means.

6025. Also, petition of citizens of Smicksburg, Pa., opposing the pending legislation to place a tax of 1 cent on each shotgun shell; to the Committee on Ways and Means.

6026. By Mr. THOMASON: Petition of the American Legion post at Van Horn, Tex., objecting to the statement of National Commander Stevens in regard to the payment of adjusted-service certificates; to the Committee on Ways and Means.

6027. By Mr. TIERNEY: Petition referring to House bill 8549; to the Committee on the Judiciary.

6028. Also, petition opposing Federal salary reductions, etc.; to the Committee on Expenditures in the Executive Departments.

6029. Also, petition referring to the 1-cent tax on shells; to the Committee on Ways and Means.

SENATE

FRIDAY, APRIL 15, 1932

(Legislative day of Monday, April 11, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 8750) relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 826. An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon;

S. 1719. An act amending the act of Congress entitled "An act authorizing the Wichita and Affiliated Bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924;

S. 3584. An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Laws of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes;

S. 3655. An act to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Nations, in Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments; and

H. R. 9575. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

CALL OF THE ROLL

Mr. ODDIE obtained the floor.

Mr. FESS. Mr. President, will the Senator yield to enable me to make the point of no quorum?

The VICE PRESIDENT. Does the Senator from Nevada yield for that purpose?

Mr. ODDIE. I yield.

Mr. FESS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	La Follette	Shipstead
Barbour	Dickinson	Lewis	Shortridge
Barkley	Dill	Logan	Smoot
Bingham	Fess	McGill	Steiwer
Black	Fletcher	McKellar	Thomas, Idaho
Blaine	Frazier	McNary	Thomas, Okla.
Borah	George	Metcalf	Townsend
Bratton	Glass	Morrison	Trammell
Brookhart	Glenn	Moses	Tydings
Bulkley	Goldsborough	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hayden	Nye	Walsh, Mass.
Carey	Hebert	Oddie	Walsh, Mont.
Connally	Howell	Patterson	Waterman
Coolidge	Hull	Reed	Watson
Copeland	Johnson	Robinson, Ark.	Wheeler

Mr. SHEPPARD. I wish to announce that the senior Senator from Louisiana [Mr. BROUSSARD] is necessarily detained from the Senate.

I also wish to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

I also desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness.

Mr. BYRNES. I desire to announce that my colleague the senior Senator from South Carolina [Mr. SMITH] is necessarily detained by serious illness in his family.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is still detained from the Senate because of illness. I will let this announcement stand for the day.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

Several Senators addressed the Chair.

Mr. ODDIE. I yield for the transaction of routine business.

PETITIONS AND MEMORIALS

Mr. JONES presented petitions and papers, in the nature of petitions, of sundry citizens of Aberdeen, Aloha, Carlisle, Hoquiam, Markham, Moclips, Montesano, Pacific Beach, and Raymond, and of Post No. 5, American Legion, of Aberdeen, all in the State of Washington, praying for the imposition of an adequate tariff duty on importations of lumber, shingles, and pulp, which were referred to the Committee on Finance.

Mr. CAPPER presented petitions numerously signed by sundry citizens of Delia and Salina, Kans., praying for the immediate payment in cash of World War adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented petitions and telegrams, in the nature of petitions, numerously signed by sundry citizens, being war veterans, of Leavenworth and Wichita, Kans., praying for immediate payment in cash of World War adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

Mr. TYDINGS presented a petition of sundry citizens of Dundalk, Colgate, and Baltimore, Md., praying for the passage of legislation providing immediate cash payment, at full face value, of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

He also presented a memorial of sundry citizens, being post-office employees, of Frederick, Md., remonstrating against proposed reductions in compensation of postal and other Government employees, which was referred to the Committee on Civil Service.

Mr. ASHURST presented a resolution adopted by the Arizona Democratic Association, protesting against the proposed reduction in compensation of Federal employees, which was referred to the Committee on Civil Service.

He also presented a resolution adopted by the Arizona Democratic Association, favoring the passage of legislation imposing an import duty upon copper, which was referred to the Committee on Finance.

He also presented a telegram, in the nature of a petition, from Lloyd C. Henning, of Holbrook, Ariz., praying for the acceptance of a proposed amendment of the bankruptcy law to make preferred the claims of insurance agents against bankrupts, which was referred to the Committee on the Judiciary.

He also presented a telegram, in the nature of a memorial, from W. C. Loudermilk, Berkeley, Calif., remonstrating against the proposed reduction in compensation of Federal employees, which was referred to the Committee on Civil Service.

He also presented telegrams, in the nature of memorials, from the Arizona Congress of Parents and Teachers, Mrs. F. A. Bons, legislative chairman, of Phoenix; W. L. English, director of vocational education, public schools, of Tucson; and Fred Reif, jr., chief Prescott Fire Department; A. E. Henry, president Arizona State Firemen's Association; and H. W. Reggin, secretary and treasurer, of Prescott, all in the State of Arizona, remonstrating against reduction of the appropriation for vocational education, under the Office of Education, which were referred to the Committee on Appropriations.

Mr. BARBOUR presented a resolution adopted by Allen Nutt Post, No. 126, American Legion, of Cliffside, N. J., favoring the immediate payment of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

He also presented a petition of sundry citizens, being foreign war veterans, of Manville, N. J., praying for the immediate payment of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

He also presented a resolution adopted by the board of managers of the Montclair (N. J.) Savings Bank, favoring repeal of the recapture clause (sec. 15a) of the transprotation act, which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Kiwanis Clubs, of Lakewood and Newark, N. J., favoring the passage of House bill 10492, for the control of interstate traffic in guns, pistols, and other death-dealing instruments, etc., which were referred to the Committee on Interstate Commerce.

IMPORT DUTY ON COPPER

Mr. VANDENBERG. Mr. President, I present a resolution adopted by the Michigan House of Representatives in favor of a tariff duty on copper. I ask for its publication in the RECORD under the rule and its reference to the Committee on Finance.

The resolution of the House of Representatives of the State of Michigan was referred to the Committee on Finance, and it is as follows:

House Resolution 9

MICHIGAN STATE HOUSE OF REPRESENTATIVES.

A resolution memorializing Congress on the passage of a tariff on copper:

Whereas the Congress of the United States has under consideration a tariff on copper; and

Whereas the copper industry of the State of Michigan is one of our important natural-resources industries; and

Whereas the copper industry of the State of Michigan would greatly benefit from a tariff on copper, and such a tariff on copper would aid in securing to this State industry an opportunity to stabilize its market in the United States: Therefore be it

Resolved by the House of Representatives of the State of Michigan, That the House of Representatives of the State of Michigan place itself on record in the urgent request that Congress give favorable consideration to the subject of a tariff on copper; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States and to each of the Michigan Senators and Representatives in the Congress of the United States.

FRED R. MING,
Speaker of the House of Representatives.

PROPOSED UNEMPLOYMENT RELIEF LEGISLATION

Mr. WAGNER. Mr. President, I send to the desk a letter and three telegrams, which I desire to lie on the table and to be printed in the RECORD. I ask that the first telegram be read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

[Telegram]

NEW YORK, N. Y., *April 14, 1932.*

Hon. ROBERT WAGNER,
Senate Chamber:

Representing tens of thousands of textile workers, we hope your unemployment relief and construction bill will secure same hearty indorsement as it does from the United Textile Workers of America, affiliated with the American Federation of Labor.

THOMAS F. MCMAHON.

The VICE PRESIDENT. The telegrams and letter will lie on the table, and will be printed in the RECORD, as requested.

The telegrams and letter are as follows:

[Telegram]

NEW YORK, N. Y., *April 14, 1932.*

Senator ROBERT WAGNER,
Senate Chamber:

Engineers Unions, New York City, indorse your unemployment relief and construction bill.

JOHN J. MCDONALD,
Fourth Vice President,
International Union of Operating Engineers.

[Telegram]

NEW YORK, N. Y., *April 14, 1932.*

Senator ROBERT WAGNER,
Senate Chamber:

Bindery Women's Local Union, No. 66, International Brotherhood of Book Binders, heartily indorses your unemployment relief and construction bill.

Yours for success,

KATHERINE HARRINGTON,
Secretary-Treasurer.

CENTRAL TRADES AND LABOR COUNCIL
OF GREATER NEW YORK AND VICINITY,
New York City, April 11, 1932.

Hon. ROBERT F. WAGNER,
United States Senator, Washington, D. C.

MY DEAR SENATOR: At the last regular meeting of the Central Trades and Labor Council of Greater New York and Vicinity attention was called to the bills that you have introduced in this session of Congress, as our organization is on record in favor of those bills.

It was voted that we communicate with you to encourage you in your efforts in having these bills enacted into law.

Assuring you of our continued cooperation, I am,

Very truly yours,

JAMES C. QUINN, *Secretary.*

REPORT OF THE COMMERCE COMMITTEE

Mr. JOHNSON, from the Committee on Commerce, to which was referred the bill (S. 4289) to amend the act of February 23, 1927, as amended (U. S. C., title 47, sec. 85), and for other purposes, reported it without amendment and submitted a report (No. 567) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WATSON:

A bill (S. 4400) granting a pension to Sampson M. Morris (with accompanying papers); to the Committee on Pensions.

By Mr. HOWELL:

A bill (S. 4401) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; to the Committee on Commerce.

By Mr. STEIWER:

A bill (S. 4402) to remove the limitation on the filling of the vacancy in the office of senior circuit judge for the ninth judicial circuit; to the Committee on the Judiciary.

(Mr. BLAINE introduced Senate bill 4403 and it was referred to the Committee on Public Buildings and Grounds, which see under a separate heading.)

By Mr. COPELAND:

A bill (S. 4404) for the relief of James L. Logan; to the Committee on Military Affairs.

HOUSE BILL REFERRED

The bill (H. R. 8750) relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma was read twice by its title and referred to the Committee on Indian Affairs.

AMENDMENT TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. ROBINSON of Arkansas submitted an amendment proposing to increase the appropriation for authorized expenditures of the Federal Trade Commission, in performing the duties imposed upon it by law or in pursuance of law, from $1,236,500 to $1,596,500, intended to be proposed by him to House bill 10022, the independent offices appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

REVENUE AND TAXATION—AMENDMENTS RELATIVE TO COPPER

Mr. HAYDEN, Mr. WHEELER, and Mr. VANDENBERG submitted two amendments intended to be proposed by them jointly to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

REPEAL OF THE EIGHTEENTH AMENDMENT

Mr. BINGHAM. Mr. President, I have received an extremely interesting letter from President Ernest M. Hopkins, of Dartmouth College, on a question that is now agitating the country. I ask that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

DARTMOUTH COLLEGE,
Hanover, N. H., April 8, 1932.

DEAR MR. SENATOR: In answer to your inquiry whether I should be willing to write you my views concerning the eighteenth amendment, I am perfectly willing to state my position.

I am opposed to the amendment and I believe that it should be repealed. Until two years ago I withheld from public statement of my conviction that the principle of the law was wrong because I assumed that the practice might show possibilities of public advantage sufficient to outweigh what seemed to me the fallacies of its theory. I have come to the point now, however, where I not only believe that the repeal of this amendment is important, but, moreover, I believe it is fundamentally vital to the welfare of the country at large.

There are few major problems—social, economic, or political—before the country which are not being complicated and made more difficult of solution by the existence of this amendment. In the impossibility of its enforcement it works disastrously to respect for law and creates demoralizing disdain of government. It is corroding the standards of public morality and it is insidiously debasing the code definitive of what constitutes desirable personal conduct. Socially its effect has been to provide a subsidy for the underworld, by which criminals are being given unprecedented power and by which viciousness is being increasingly protected. Vast moneyed resources have been made available for the corruption of the public service by virtual assignment to antisocial groups of the large sums which formerly, in the excise, went to relieve the financial burdens of government.

The saloon in its old-time form has gone, and is good riddance. However, it is not entirely clear to me that this gain is as complete as proponents of the amendment claim it to be when I consider the apparent effect on the body politic of the furtive dives and the gilded speak-easies which steadily increase in number in country and town.

All in all I am rapidly coming to the conviction that the most vital political issue before the country is the extent to which pride of opinion as to what prohibition ought to do is blinding us to what it actually is doing. I am not so much concerned about what happens to my own generation. It has made its bed and might well be left to lie upon it if that were all there were to it. My concern and my deep solicitude are for the welfare of the oncoming generations. For them the ideal of temperance has been tarnished, and to their imaginations is being given an illusory impression of romantic adventure in condoning weakness and vice and crime.

It is said that Sir Edward Troup, for many years the able permanent secretary of the Home Office in England, judged all proposals for the introduction of legislation to govern social evils on the basis of three fundamental principles.

The first was: Not to make crimes, unless forced to do so, out of things which were not crimes already.

The second was: Not to introduce prohibitive legislation beyond the standard of conduct which will be accepted by the sentiment of the country.

And the third was: Not to throw on the guardians of law and order burdens greater than they could bear.

These seem to me principles desirable for consideration anywhere at any time within a democracy.

I am very respectfully yours,

ERNEST M. HOPKINS.

The Hon. HIRAM BINGHAM,
United States Senate, Washington, D. C.

THE FINANCIAL SITUATION

Mr. BAILEY. Mr. President, I ask permission to have printed in the RECORD a discussion of the financial situation appearing in Commerce and Finance for April 13, 1932.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From Commerce and Finance, April 13, 1932]

THE WAY OUT—DEVALUATE THE DOLLAR!

(By Srinivas Ram Wagel, of H. Hentz & Co.)

(The following article approaches the question of overcoming the depression from an entirely new angle, and the remedy outlined is one not suggested heretofore. No exception can be taken to the author's diagnosis as far as it goes, and he frankly confesses that his proposal, which represents his own personal views, is offered as a life-saving measures and not a cure-all.

While Commerce and Finance does not sponsor the drastic remedy for existing conditions proposed by Mr. Wagel, we are glad to publish his views as provocative of constructive thought.—The Editors.)

"The best hope of the world for recovery," says Sir Arthur Salter, "is that it should first come in America because of her great internal resources and then spread elsewhere. The first necessity in America is that the measures recently taken to balance the Budget, to give liquidity to the banks' assets, to remove any danger to the currency from a drain of gold to France, to restore confidence, and to reduce hoarding, and to enable the banking system to make money more accessible, should be successful."

All this is now being done. The Budget is being and will be balanced; the Glass-Steagall bill has removed any possible danger to our gold and the banks; strenuous efforts are being made for the restoration of confidence; effective steps have been taken to reduce hoarding, and over $200,000,000 have been returned to the banks; the Reconstruction Finance Corporation is enabling the banking system to make money more accessible.

And yet there are no signs of change for the better; manufacturing activity is at the lowest ebb; commodity prices are at the bottom, and proportionately lower than in any other important country; securities are at the lowest level since 1910. The depression is now playing a game with the country. Like the proverbial feline against whom the more the boots thrown the more it holds onto the neighborhood, making a pandemonium of the night, the more the steps taken against depression the more it stays and howls. Confidence has a tantalizing way of always being just around the corner, but never arriving.

A SERIOUS SITUATION

No wonder that people are perplexed about the absence of recovery in the United States. Some of us lay a flattering unction to our fond hope by saying that the slowness of revival is the penalty for the crash which was more far-reaching and precipitous than any that occurred in the past. It is excellent to have confidence, but it is more prudent, even wise, to probe deeper into our ills than has been done hitherto.

The situation is eating into the vitals of the Nation; smug satisfaction with the resources of the Nation and resourcefulness of the leaders will not take us very far. The situation is now too far gone to manage with mere palliatives. Drastic steps and immediate relief are necessary if the economic polity of the Nation is not to break down completely. The patient must be revived from coma. We must follow it by a slow and calculated process of medication for permanent cure.

There must be recovery in the United States for its own sake, as also to help the whole world. The common interest of mankind is just as great as their divergent competitive interests. But a healthy nation means nothing else but that the individuals composing the nation are healthy. No one waits for his neighbor to get well so that he may get well himself. Therefore, world recovery means that each individual nation must exert its utmost to recover itself from the depression.

THE CRISIS AND THE CAUSES

The continuance of the crisis in the United States since the autumn of 1929 has been hitherto attributed to numerous individual or combinations of causes—all of which, however, do not affect the vital issue, at least in the United States. Let us make a brief survey to find out how far these causes are operative:

1. Overproduction: As regards manufactured goods, there has been a gradual reduction in output until at date the total is on the basis of less than 50 per cent of that of 1929 on the average. The industrial output in 1931 was $40,000,000,000, as against $70,000,000,000 in 1929. To-day it is over 10 per cent less than at the close of 1931. Both the wholesale and retail markets are subsisting from hand to mouth. There are no impeding stocks of goods.

Raw material production in 1931 was near the level of 1913. As a matter of fact, world steel output at 69 million tons compares with 74.6 million tons in 1913, and pig iron at 55 million tons in 1931 compares with 77.7 million tons in 1913. Copper, zinc, tin, lead, and aluminum production in the first three months of 1932 are on the level of that of 1912. Of course, there are large stocks of these metals undisposed of. Coal production is below the level of 1912. Production of raw materials in the United States is at a low ebb.

Output of agricultural and cereal produce shows material increases, although wheat and cotton are likely to be short crops this year. Excepting in sugar, the increases are just about in the same proportion as the increase in world population. There is extraordinary want all over the world, as well as in the United States. At least, in the United States there would be no surpluses if people could satisfy their wants for food and nourishment.

2. Underconsumption: Of course, it evists. It, however, is not voluntary, and it is not curable by any measures so far proposed.

3. Technological advance, in a measure, has led to overproduction and increase of unemployment in certain lines of industries. In fact, it has affected but 4 per cent of those gainfully employed in the United States. Labor saving is taking place in most industries only to a very limited extent. Mass production has not been practicable in more than a relatively small part of industry even in the United States. Therefore, technological advance can not be the cause of such terrific distress and depression as prevails to-day.

4. Want of coordination: "Business must recognize," says Mr. Paul Mazur, "that its development has been lacking in balance; that no improvement in production technique that increases capacity and output can continue permanently and in security unless the power of consumption within the Nation is quickly built up to the new level of production." It may be that national or industrial planning might help. On the other hand, there are others like Mr. Myron Taylor, who says that "On the whole, the working out of this relation between supply and demand will be most effective if guided by the responsible individuals directly concerned, since their self-interest acts as the strongest incentive to rationalization and stabilization of the economic system."

That is all well and good and concerns the distant future. It does not touch the fringe of the subject we are most interested in; that is, the present paralysis of activity. When demand exists the means of production are available, and yet the two are absolutely unable to come together.

5. Insufficiency of gold and currency: This argument, which is still finding numerous adherents, is the most absurd of all. The United States has at present four thousand fifty-three millions in gold as against one thousand two hundred eighty-nine millions in 1913. And yet, the national activity, including foreign commerce, is at the level of 1912. The United States money in circulation is now at five thousand six hundred millions as against three thousand two hundred millions in 1913. We have money and gold enough to do more than twice the present volume of business.

6. Want of credit: Since 1929 the bank deposits have declined from fifty-three billions to forty-six billions. However, there are far more instruments of credit to-day than in 1914, when the total of bank deposits was only eighteen and four-tenths billions. It needs only an elementary knowledge of economics to understand that most of the credits available during recent years have depended more on deposits than on money or gold supply.

7. War debts and reparations: No doubt the European countries are in a very large measure affected by the war debts, most of all Germany, because of the more or less astronomical figures of reparations. As far as the United States is concerned, even the complete loss of the annual payments, amounting to $300,000,000, should hardly influence the activity and prosperity of the Nation, as it is the tiniest fraction of the normal national income and less than 7½ per cent of the Federal revenues.

8. Foreign commerce: The foreign commerce for 1931, at about four thousand millions, has sunk to the level of 1912; and the current year bids fair to make even a poorer showing. But even at that the foreign commerce was but 12½ per cent of the national industrial and agricultural output in 1929 and 10 per cent of that of 1931. The complete loss of it will only be a minor factor in the economic polity of the United States. The internal resources and the national market of the country are so great that all other factors pale into insignificance. It is very different in the case of Germany, Great Britain, and Belgium, and even France, which is the most self-contained country in Europe.

9. Conditions in Europe: No doubt a prosperous Europe will exert an exhilarating influence, materially and psychologically, over the United States. But what has that got to do with using our own raw materials and food products and labor and enjoying and maintaining the standard of living the United States is accustomed to?

10. Depreciation of foreign investments: It is a big loss no doubt. But indebtedness by foreigners was incurred not in cash but in goods at very high prices. In any case the greater part of the sums sent out in the shape of goods are not due yet. It is the surplus, and not something which we could use. The loss bears on only a small fraction of the people, and does not justify the depression and its effects.

11. Excessive governmental expenditure: The governmental expenditure in the United States—State, Federal, and municipal—has increased from three billions in 1913 to thirteen billions to-day, i. e., in just a period of 19 years. But this total is spent within the country itself, to pay for services, labor, and goods manufactured in the country. It is maintaining a certain amount of national activity and employing millions. No doubt it is not productive; but productive labor is dangerous in these days of underconsumption.

There is little reason why this should cause the present depression—at least, why it should keep it up.

12. Tariffs: The effect of the tariffs on the United States is very much exaggerated. To those who say that it is keeping out European goods, with which Europe and America could repay interest and amortization on our loans to them, the answer is that the total is small, and that very much could not be sold here anyhow without seriously disturbing internal industrial activity.

In fact, a large influx of foreign goods would mean only more unemployment.

And yet leaders of thought and industry are laying special stress either on the foreign situation or artificially fostering activity. Mr. Silas Strawn, chairman of the International Chamber of Commerce, pins his hopes on the Lausanne conference for the settlement of reparations as a prerequisite to the return of confidence and restoration of credit; he wants "tariffs and other restrictions strangling trade" to be removed, and, of course, national budgets must be balanced. Mr. Charles E. Mitchell, of the National City Bank, declares that "no nation can isolate itself economically in these times or prosper in a world of chaos." And, according to Mr. Laurence Laughlin, "there has developed a tendency by untrained politicians to offer enormous issues of government securities, thinking that recovery and employment might be aided by increasing our debts just when we are critically short of reserves with which to pay." And Mr. R. C. Hawtrey, an English economist, promises us prosperity the moment we leave the gold standard.

All these touch but the fringe, and do not go to the core of the problem. They may prove, probably, why and in what manner the depression is operating or the intensity of it; but they do not show the why of the depression nor what steps have to be taken to bring about relief.

THE FUNDAMENTAL CAUSE

So far as the United States is concerned, the fundamental cause is simply and solely due to the shift in internal monetary affairs. Similar situations exist, in varying degrees, in other countries; but the situation in this respect happens to be most severe in the United States. It is also a subject which few, if any, have paid attention to. It is not the fault of capitalism; it is not the fault of individuals, governments, or institutions. It has "just growed," like Topsy, and is strangling the nations, including those who, probably, according to communistic and socialistic philosophy, are believed to be benefiting by it.

THE NATION'S DEBTS

The greatest and most potent and primary cause of the depression is the enormous debts that are overhanging the country. By debts I do not mean Government obligations alone, to pay interest and amortization on which the public is taxed. I refer to all the indebtedness, bonded or otherwise, of individuals, corporations, and the Government, including the Federal, State, and municipal administrations; these include industrial bonds, railroad bonds, real-estate bonds, and mortgages, and, of course, farm mortgages. An estimate of these amounts is made up as follows:

United States Government bonds	$17,000,000,000
State, county, and municipal bonds	17,000,000,000
Railroad bonds	11,000,000,000
Industrial bonds and mortgages	10,000,000,000
Public-utility bonds	7,000,000,000
Real-estate mortgages	25,000,000,000
Farm mortgages	8,000,000,000
Miscellaneous	5,000,000,000
	100,000,000,000

These bonds are payable in dollars, irrespective of the decline in values, production, consumption, taxes, and employment. National activity is groaning under the weight of this indebtedness. If things continue as at present, say a year longer, and prices go on depreciating and unemployment mounting, all equities will be completely wiped out in common stocks, real estate will be barely worth the price of the first mortgage, and there will be pauperization of the bulk of the population of the United States.

HOW THE DEBTS MOUNTED

Let us briefly review how the debts mounted. More than 90 per cent of this indebtedness—national, corporate, or individual—was brought about during the years following the start of the war. The total national wealth of the country in 1914 was estimated at one hundred and ten billions; at the close of 1929 it was estimated at between three hundred and twenty to three hundred and fifty billions. The increase in national wealth was in a very large part represented by plants, buildings, roads, and public improvements, utilities, and goods in use not immediately dissipated in consumption. It was also to a very large extent magnified by the increased earning power as well as other trite psychological factors. The rearing of the national structure of wealth year after year was due in complete measure to the profits reinvested in more and more visible tokens of wealth. As a result of the national activity and development some received more and some less. The great majority of the people have had only the means of subsistence, although they probably had a larger measure than usual of enjoyable goods. Out of approximately 48,000,000 gainfully employed in the country, the largest number of taxable incomes was 4,439,698 in 1924 and 1,946,675 in 1930; the 1931 total will be in the neighborhood of 1,500,000. If, for the sake of computing those who have surpluses to invest, we eliminate those who had incomes of $5,000 or under, we are left with 709,710 individuals who have wealth, surplus, or profit to reinvest. Two important facts must be borne in mind; quite a number of wealthy individuals have invested funds in tax-exempt bonds; the bulk of the income from corporations goes to comparatively few individuals, although apparently stock and bond ownership is distributed widely.

This is not an arraignment. It is mainly intended to arrive at facts in order to suggest remedies. The profits which were reinvested were made not only out of enhanced volume of production and activity but also out of increased computation of values. For volume of production mounts only when values are inflated out of all proportion to costs and yield extraordinarily high profits. As a matter of fact, growth in volume all round, considering the growth of population, was measurably lower than the advance in values. And the debit accounts of the majority of the population were almost in direct proportion to the enhancement in market values. The simultaneous increase in prices and wealth which started on its mad course with the advent of the Great War and continued up to the autumn of 1929—except for a short period in 1920–21—led to advances in money wages and earnings for the majority. It was, however, marked by an extraordinary phenomenon; that is, the more the growth of the earnings of the average man the greater his debt.

This was true also of business, individual or corporate. It was due, no doubt, to the excess of confidence and the credit which was offered to all and sundry by those who were wise enough to keep on saving and charging high for everything, including money and goods. The pace was fast; the volume of debts skyrocketed. Everyone thought that the genii would be throwing wealth, profit, and wages into their laps; there was no time to think of the day of reckoning.

The average individual had one satisfaction; he was always free to take the wealth of his creditors in order to make up what the statistician calls the average income and average wealth of the individual in the Nation. The greater the growth of the national wealth the greater the volume of indebtedness in the country. Few realized, in the overwhelming optimism that prevailed during the decade of 1920–1930, that there was a limit to any debt burden; that interest and amortization have an insidious way of growing into mammoth proportions. The debtors became obligated to work more and more in order to maintain their accustomed standard of living as well as make payments on debts at one and the same time.

No doubt earnings and wages increased measurably; but prices, interest, and rent increased in a higher ratio. The situation necessitated ceaseless motion and unprecedented activity to make ends meet. Another extraordinary feature was that the bulk of the goods produced in the country has to be consumed by the debtors themselves—with the exception of a very small percentage that is exported to foreign countries. The situation might have been different in the United States had there been a foreign market for a substantial part of the production. Such, however, was not the case; and, it can be stated with assurance, will never be the case for any known period of time.

THE IMPOSSIBLE TASK OF DEBTORS

Therefore the debtors, i. e., the bulk of the population of the United States, had set themselves to the impossible task of paying for and consuming practically all that was produced in the United States and yet creating a substantial margin to pay interest and amortization on national indebtedness. The equity in the instruments of production belonged to the debtors, i. e., owners of common stock, home, factory, and what is generally known as property, who, along with the labor, consumed all they produced, or were expected to. The bondholders had, in general, a mortgage on the instruments of production, but were in no sense producers or consumers—in a large way.

Fearing foreclosures, the debtors reduced consumption in order to be prompt with payments of interest and amortization; in other words, it became impossible to maintain the standard of living to which they were accustomed. As a matter of fact, many were in no position to consume much of new production when the crash arrived, as the purchases on consumers' credit had already fully mortgaged future earnings for a time. The curtailment of consumption led to decreased production, which took away the means of livelihood of many. There was, therefore, a further curtailment of consumption, followed by a further decline in production. The total of unemployed was mounting up steadily, and adding to the number of people unable to buy goods and commodities.

Production and consumption might have been adjusted and prices maintained, even on the basis of reduced volume of sales. But the debts, bonds, and mortgages were hanging like myriads of Damoclesian swords, threatening constantly to annihilate all equities. In the scramble to maintain equities at any cost to avoid or postpone foreclosures, goods were thrown on a market, in which there was no glut, but a highly shrunken purchasing power. Prices began to toboggan; goods were sold at heavy losses. Thereby more avenues of production and activity—which induced consumption—closed down or only worked part time. This is the rake's progress of the past two years. Everything was in a flux. The only unchanging and unchangeable factor was the indebtedness of the country in "gold dollars."

LOSS OF BORROWING POWER

As it developed, the situation became one in which all lines of activity lost their borrowing power. The new values that were created during the boom years no longer existed. But these new values had already been consolidated into bonds and mortgages and fixed in terms of the dollar. The holders are expecting to be paid in full; it is not their worry that the values on which the bonds and mortgages were created no longer existed. It is the debtor's lookout.

In so far as the national interests are concerned, mortgages or bonded indebtedness should not be a serious matter, provided that such were being held widely. As between large numbers of creditors and debtors, foreclosing or transfer of rights to property, easement, etc., should in no way affect national activity, economy, or prosperity. Unfortunately, however, in the United States, the creditors form a very limited class, including banks, insurance, and mortgage companies and such other institutions, the great bulk of whose shares are held by a very small minority of the Nation.

There is nothing inherently morally or legally wrong in this state of affairs. The creditors, however, do not consume the tiniest fraction of the goods produced; and the debtors, whose equity was melting away, constitute the bulk of both the producers and consumers. The latter have not the wherewithal to buy and use goods, once their equity has lost its collateral value. In the United States to-day, people are losing interest in enterprise; the air is permeated by the pessimism of the dispossessed. The bulk of individuals and business men have no longer any borrowing power. The banks and the creditors have a proper appraisal of the values of collateral. In fact, in most cases they have the collateral—all of it. They find that, in prudence and justice to their own interests, they can not lend any more on the bulk of the collateral that is now available. But, if they do not lend, there can be no revival of business—even temporarily. Hence the impasse.

SIMILAR CONDITIONS IN EUROPE

Similar situations have existed, and exist, in Europe, and in varying degrees of rigor. France solved the problem by devaluing the franc, practically wiping out the internal indebtedness; her tax and debt burden is the least onerous of all in Europe. Germany wiped out internal debts; but the reparations in astronomical figures still threaten to engulf her in utter misery. Great Britain expects to follow in the wake of France, and reduce her internal debts.

There is one important difference between conditions in the United States and Europe. In spite of the higher ratio of governmental debts in European countries, the farm, home, and industry there have an infinitely less burden of debt and mortgage to bear. This is partly due to the slower growth, caution, and temperamental traits of the people; it is also partly due to the more equitable distribution of wealth. The creditors are far more numerous proportionally than in the United States. Consequently, in spite of small resources, greater dependence on foreign commerce, and many other unfavorable factors, the economic depression in Europe is much milder than in the United States, and the fall in prices not so precipitous. Although taxation is heavy in Europe, they have comparatively less want and despair than in the United States, which has been accustomed to high standards of living and larger number of opportunities for enterprise, profit, and enjoyment of life.

RELIEF FROM DEBT

The urgent need is that the population be pulled out of what is, for all practical purposes, a calamitous insolvency. If things continue on the present basis, it will be insolvency equally for the creditors, for the title to all property in the United States will be of little value when buyers are scarce and returns are inadequate. As a leading manufacturer stated recently, values of manufacturing property tend to be determined more by earning power, potential and actual, than by book value. Only when the debt burden is lifted in a reasonable measure can the bulk of the people be afforded the means to work, produce, purchase, and sell. There will be relief from depression and revival of prosperity only when men and women are assured that they will be permitted to enjoy at least a moiety of the fruits of their labor, accumulate a competence which they can hold and pass on to their heirs, and not pay all they earn from the sweat of their brows in taxes, interest, and amortization on bonds and mortgages.

What, in sum, is prosperity? High money returns, high wages, and high prices of goods. The average individual does not think in terms of the purchasing power of money, although there is prosperity only when the purchasing power of the money is low; then everybody is engaged in producing, consuming, and saving whenever possible. "It would be an extremely good sign," says Sir Arthur Salter, "if gold prices, as a result of these measures, begin to rise. If the improvement so begins in America quickly, the collapse of central Europe might be averted." Sir Arthur Salter evidently forgets that gold prices must rise if disaster is to be averted within the United States—which will mean, of course, disaster for the whole world.

Numerous methods for raising prices have been proposed. There is a fallacious idea, however, widely prevalent, that flooding the country with currency, on any and all pretext, will induce prosperity. How piling on more debt on the present unbearable debt is going to help, God alone knows. Again, what is the use of increasing the mechanism of credit, if the individual and industry can not be given credit because, again, of present excessive indebtedness of various kinds?

HOW TO REDUCE DEBT

An individual can obtain relief from debt, which is honestly contracted, by taking advantage of the bankruptcy court. A nation can not. Of course, we have the machinery of the moratorium; but moratorium only postpones the date of payment and furnishes no permanent relief. It disorganises the economic life of the country that uses it as a weapon for temporary relief. Individual agreements are, of course, out of the question in a national affair. So, whatever measures are adopted should make no alterations in the contractual relations between the debtors and creditors. It should involve little or no change in the economic life of the people. It must be proved to the satisfaction of debtor and creditor in the country itself, as well as those in foreign countries whose good will is necessary, that whatever measure is advocated will redound to the benefit of all concerned. It must be a simple enough measure and effected with the minimum of machinery, without compulsion.

REDUCE GOLD CONTENT OF DOLLAR

We can lift ourselves out of the morass of the present depression, and bring about a revival of prosperity—for the whole world—by the very simple process of reducing the gold equivalent of the dollar. I am convinced that nothing else will do, and that nothing else will be a fraction as beneficial to the United States and the world. The change proposed specifically is to modify the act of March 4, 1900. The dollar, instead of being the equivalent of 25.8 grains of gold nine-tenths fine, as established by section 3511 of the Revised Statutes of the United States, shall be the equivalent of 12.9 grains of gold nine-tenths fine. This latter weight will be the unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity of value with the standard.

This change will, indeed, cause a minimum disturbance in the affairs of the people, as I will show later on. No doubt there will be some injustices and unfairness. Such, however, will affect far fewer people than any other measure or than are suffering from the depression to-day. No one can devise a program that is absolutely just to all. Before proceeding further I will explain why I propose the reduction of 50 per cent in the gold content. Prices generally show approximately a reduction of 50 per cent as compared with 1926, which was the last normal year. General property and other values also show about the same ratio of decline. If by the devaluation of the dollar we take it to the 1926 level, it will be a good point to start from. It will be easier to bring about a social equilibrium in that manner.

It may be asked that, if once we start devaluing the money of the country whenever there is heavy decline in prices, there will be no security for property and possessions. I will answer that: First of all, the present situation is extraordinary in many respects; it needs a drastic action. One has to choose between evils on occasions of emergency. A cure for the paralysis of the Nation is urgent. In all statecraft, especially in a democracy, it is admitted that the doctrine of Jeremy Bentham—the greatest good of the greatest number—must prevail.

RIGHT TO PAYMENT IN GOLD

I can imagine myriads shouting with horror at this blasphemous proposal, which will be forthwith dubbed as repudiation of sacred contracts. Almost any bond, public or private, is, on the face of the document, payable "in gold coin of the United States of America, or equal to the standard weight and fineness as it existed" on the date of the issuance of the bond. It will be argued that, even when not so expressed in the bond, it is implied by common consent. The bonds are payable in dollars weighing 25.8 grains of gold nine-tenths fine; what else is it but repudiation to ask the bondholder to take a lesser weight in gold?

I am not equipped to discuss the question from the point of view of technical or legalistic casuistry. But I may point out certain well-known facts. Not the tiniest part of the subscriptions to the bonds extant in the United States was paid in in gold. Whatever may be in the letter of the contract, neither the Government or other debtors, nor the bondholders and other creditors, ever intended to receive, or pay, in gold. They knew without a shadow of a doubt that there was not enough gold to pay for the minute fraction of the sums involved in the bonds and instruments extant in the country. This knowledge itself should vitiate the provision of making payment or payments in gold. They also knew what was implied tacitly; that is, by gold was meant what gold could buy—the purchasing power of gold expressed in terms of the dollar, or value in the shape of consumable goods or title to property, right, and easement. The bond and mortgage holders may indeed interpret the letter of the contract like Shylock and his pound of flesh, but equity and justice is bound to uphold the interpretation of Portia.

After all, what is the plain truth? The great majority of the indebtedness of the country was incurred since 1917. At no time during the period between that date and 1929, when the depression commenced, has the purchasing power of gold been more than one-half of to-day. In fact, the bond and mortgage holders did not expect to receive more than 50 per cent of what they could obtain to-day in the shape of services and goods. If the whirligig of time had favored them without causing infinite harm to the bulk of their fellow countrymen, they might be permitted to have their own way—that is, if Shylock could have had the pound of flesh without spilling a drop of blood and killing Antonio, he was welcome to have it. But a technicality should not be permitted to override the interests of a whole nation—in fact, the whole world.

CREDITORS WILL GAIN BY DEVALUATION

In reality, the bond and mortgage holders stand to gain by the devaluation of the dollar. Those who are conversant with the real situation are fully aware of the fact that, in spite of the urging of the debtors, the creditors are afraid to foreclose and thus destroy the value of properties. No country that has a majority with little or no equity can ever be prosperous. Even the equity of the bond and mortgage holders is becoming of less and less value as the depression is allowed to drag on. With the progress of time there will be fewer and fewer buyers, until there will be no buyers at all. Naturally there will be little or no return from plant and property. Like the farmers who are land poor, the bond and mortgage owners will be property poor and just as much in want as the rest of the people who are dispossessed. But if the dollar is devaluated, they have all to gain and nothing to lose. They can then preserve and retain values. The holder of the equity will then have surplus over and above the liabilities; labor and the rest of the population will have the wherewithal to consume with.

STATUS OF BONDS AND MORTGAGES

The change in the gold value of the dollar will make no change in the character or nature of the bonds and mortgages. The contractual obligations, except with reference to gold—which, as I have shown, is meaningless—will remain unchanged. The same amount of dollars will have to be paid as is written on the bond; there will be no alteration in the interest rate or the terms and conditions of these instruments. The holders will notice the effect of the change only owing to the fact—which is outside of the domain of these instruments—that price will be high and that the rest of the population will be affluent. It ought to be pleasant to wealthy men and institutions to have an increase in their kind.

These bonds to-day are held in large volume by banks and banking institutions, insurance companies, and savings banks.

They are considered as reserve, the Government bonds leading as the prime reserves. The obligations of these institutions are in dollars on the standard established by the Government at any time. It matters little, so far as they are concerned, whether the dollar is worth 25.8 grains or 12.9 grains of gold. However, their loans to individuals or corporations will have added security in that the prices of everything would have moved up. The position of banking and other institutions would be doubly strengthened, and naturally they could expand their credit. Their customers of to-day will no longer have their credit at a low ebb, for the securities would have gone up in value likewise. The savings banks, which are heavily tied up in real estate, which has now depreciated beyond measure, will then be placed in a particularly strong position. The loans of the insurance companies, which amount probably to 30 to 40 per cent of their resources, will be made more secure than ever.

In a sense the devaluation of the dollar will be a boon to all our credit institutions.

EFFECT OF DEVALUATION

The effect of the change on various national and international activities will be as follows:

1. Money and currency: There will be no change in the status of the money or currency in the hands of the people, banks, and institutions, except with regard to gold, of which there is to-day about $400,000,000 in circulation and in the tills of the banks. The Federal reserve and other notes will be redeemable on the basis of the new standard in gold, but there will be no change in the notes themselves. The silver and subsidiary coins will be subsidiary coins of the new dollar. Silver is low enough not to necessitate any change in the weight or fineness of even the silver dollars. The gold coins will no longer be legal tender, but will be sold as gold metal to the Treasury at the rate of $2 for the present $1. Legislation will include provision for the substitution of the new dollar for the old for redemption of old certificates. The present holders of currency will lose only in so far as they will have to pay increased prices for commodities and services. It is a comparatively small matter, compensated in much larger measure by the opportunities that will arrive with the advance in prices and general prosperity.

2. Individual obligations: These will be paid in the same amounts as stipulated in the contract, but with new dollars instead of the old. The creditors will have the disability of increased prices of commodities, which, as I have stated above, will give new opportunities for all, both creditors and debtors. The amount of injustice arising out of this will be comparatively slight.

3. Bank balances and bank accounts: They will be carried in the new dollar instead of the old, but in the same number of dollars, with no change in the amounts or bookkeeping. Banks might have a slight advantage, i. e., increase in funds, because of their possession of gold coins and gold. All bank loans will be better secured. Those that have credit balances could use their funds to better advantage.

4. Balances of United States citizens in foreign countries: These are kept in the currencies of the countries concerned. When remitted to the United States they will be in the basis of new dollars, and the holder will receive twice the amount of dollars that he will receive to-day. This is, therefore, no problem.

5. Foreign balances in the United States: When this plan is discussed there might be a rush to withdraw foreign balances from the United States. This may be avoided by making the decision overnight, as was done by Great Britain; but the gain that may accrue thereby is not worth the loss of confidence that may result from adopting such a course. It may be worth while to state beforehand that foreign balances here—only those in the shape of short-term balances in banks and banking institutions—will be readjusted on the basis of two to one, in the same proportion as the reduction in the gold content of the dollar. Building up of foreign balances might as well be discouraged, particularly as under the gold-exchanged standard foreign holders might ask for gold for their exchange at any time and embarrass the country. As long as the present trade position continues, however, there will be little increase in foreign balances in the United States.

6. Investments of foreigners in United States: There may be some selling, particularly of securities, but as prices are bound to advance and adjust themselves on the basis of the new dollar, there will be no haste to sell securities and withdraw funds.

7. Investments of United States citizens in foreign countries: These will benefit, for at the same dollar value it will be less in foreign currencies. There will be incentive for the foreign owners who are indebted to America to work to earn profits, especially as this change will mean nothing else but writing down the capital of the foreigners, while that of the local owners will remain unchanged. The alternative for American investors is either one of losing all or of getting a large part. In any case the change will bring about improvement.

6. Loans of United States citizens and corporations (in dollars) in foreign countries: Paradoxical as it may seem, this will benefit them immensely. It is useless to ignore the fact that most of them are now frozen. Even under the most favorable conditions few expect the return of more than a small fraction of the amounts so invested. The devaluation of the dollar is the best method of compounding the debts; the debtor has every incentive to find means to pay.

7. Loans to foreign governments: The confidence in such loans, especially to South American countries, is reflected by the current market quotations at 29.6 per cent of their par value. Cutting down the dollar is the only means of insuring payment. Loans by United States constitute the major part of the indebtedness of the South American countries. The moment they are reduced, their financial position will be automatically improved. At present it takes the whole revenue of some of the States to pay interest on the foreign loans—i. e., when they pay, of course. It will indeed be an incentive to all-round economic activity in South America.

8. Interallied debts and reparation problems: If the dollar is devaluated, we can find the best and only solution for the interallied debt and reparations problems. A great weight will be lifted off the weary shoulders of the earth. The allied nations have stated that they can pay the United States just what they receive from Germany. Germany can not, and will not, pay astronomical figures any longer. But if the allies paid $300,000,000 new dollars (or $150,000,000 present value) to America per year, and the allies agreed to cut down Germany's payment to that total, there will be universal recovery.

9. The farm and farmers: When the dollar is revalued, the immediate effect will be the rise in prices of all commodities, especially farm products. Therefore, it will increase the purchasing power of the 27,000,000 farmers, who are now in the worst position they have been in in the history of the United States. The 27,000,000 farmers who have been able to buy little or nothing during the past five years—even before the depression started—will be able to start buying toward attaining a better standard of living. For the hogs, cattle, wheat, cotton, and potatoes they sell, they will receive a larger number of dollars than they have received for some years. Their prospects will be brighter, because they will pay on mortgages the same number of dollars that they have been paying up to date—that is, when they had the money. The rise in farm values will make loans to farmers more secure for country banks; there will be immediate stoppage of foreclosures. It will be an important gain, because no recovery which does not start with the farmer will ever be successful in any country. There will be no need for the wasteful and artificial bolstering up of values of farm products, like wheat and cotton, by governmental agencies.

In this connection, there is little use in being blind to the fact that there will be a lag in some of the products that are overburdened with heavy stocks, and which are mainly export products like wheat and cotton. Devaluation of the dollar, however, will improve materially the export trade, apart from reducing payments on the indebtedness of the farmer. With the dollar at the new ratio, American wheat should compete very successfully with Australian, Argentine, and Canadian wheat in Europe.

10. Industry: The demand from farmers, which has been at a very low ebb for considerable time, will mean a rush of activity to industrial plants. Industry can keep going at a profit. With the elimination of heavy payments on bond and mortgage principal and interest, it will have a heavy load lifted off its shoulders. As each industry begins to operate, more and more wage earners will have the wherewithal to buy goods. The wage earners themselves will make a good market for the industrial output. When the wheels of industry and agriculture begin to move at a real pace, other wage earners will have opportunities.

11. Real estate: The real-estate market is now in the doldrums, with the worst loss in equities; it is endangering the position of many of our financial institutions. The bond and mortgage holder was the ally of the worst type of speculator in the boom in the real-estate market. Once the burden of mortgages is reduced, values will rise, and there will be a reasonable return on investments.

12. Securities: Of course, all these activities, simultaneous and successive, will reflect themselves in the securities market. In this market, however, all favorable developments will be discounted from the start, although the real rise may have to await more settled conditions. But, the important point is that the bonds will improve just as much as the common stock. The average of bond prices to-day is very low, in spite of the stipulation to pay in gold of weight of the standard established by the Government. It will be found that the bondholders have really lost nothing at all in foregoing a more or less sentimental and imaginary payment in gold.

CONCLUSION

Once again, I repeat that my proposal for the devaluation of the dollar is not a cure-all. It is intended simply and solely as a life-saving measure. It will galvanize and revivify the Nation and make it fit for the great task of readjustment and reconstruction that lies ahead. Measures of a similar nature have had to be adopted on occasions of great emergencies in the past, in the United States as well as other countries. The responsibility of the United States is greater to-day, because, willy-nilly, she leads the world. The revival of prosperity in the world depends upon revival in the United States.

EXPORT TRADE

Mr. DICKINSON. Mr. President, I ask permission to have printed in the RECORD a statement issued this morning by Secretary Lamont, of the Department of Commerce, relating to our export trade.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

The importance of our foreign markets to farming, mining, and manufacturing interests in every State of the Union is apparent

from the tabulation showing the distribution of exports by States. Even in a year of profound depression and drastic price declines, such as 1931, the value of our domestic exports amounted to $2,377,981,786, to which total every State and Territory contributed its share. Only 6 States had exports valued at less than $1,000,000, while 30 of the States exported merchandise to a value of $10,000,000 or more, and 12 of the latter did an overseas business of more than $60,000,000 each.

The significance of export trade to American labor is clear when one realizes that more than 1,400,000 workers receiving more than one and one-half billion dollars in wages were directly engaged in producing goods for export in 1931. Furthermore, there was probably an equal additional number employed indirectly in service activities and in supplying the needs of those engaged directly.

Many of us do not appreciate the fact that these benefits from foreign trade are by no means confined to the larger eastern seacoast States. Texas, for example, had larger exports than any other State except New York. Its total exports of $324,000,000 represented nearly $200,000,000 in wages paid to labor directly engaged in producing the cotton, petroleum products, wheat, flour, crude sulphur, and other commodities shipped from Texas to foreign countries. As further evidence of the significance of export trade in the economy of this State, it may be noted that the value of her exports last year was more than ten times as large as the total of personal and corporate income taxes paid by Texas to the Federal Government in the last fiscal year, while the profits on trade were in excess of the total of such tax payments.

Indiana, Alabama, Tennessee, Mississippi, Iowa, Missouri, and Kansas, to mention only a few of the States which are not commonly believed to be vitally concerned in foreign trade, had exports of from $10,000,000 to $30,000,000 in the depression year of 1931. In the aggregate these seven States exported goods valued at $141,000,000, the production of which is estimated to have involved the direct labor of more than 80,000 workers receiving $85,000,000 in wages.

Although the value of exports in 1931 was 37 per cent smaller than in 1930, this falling off was due in large part to the drastic price declines during the year. In actual quantity, exports declined 20 per cent, or only slightly more than the decline in domestic business.

Instead of having lost its foreign-trade prestige, as seems to be the impression in many quarters, the United States led the world in exports in 1931.

The following statistics are based upon "States of original shipment" given by shippers in export declarations, which are the only available source of export statistics. While not completely accurate as to the relative export ranking of the various States, they are published to meet the demand for statistics of this kind.

TENNESSEE'S EXPORT TRADE VALUED AT $20,826,417 DURING 1931

Exports of merchandise from Tennessee were valued at $20,826,417 during 1931 compared with $36,987,374 the previous year, according to statistics made public to-day by the Department of Commerce.

Unmanufactured cotton ranked first in order of value among the State's exports during the 12-month period amounting to $8,235,744 compared with $17,357,582 during 1930 and was followed in order by leaf tobacco, $5,982,533 and $8,608,842; boards, planks, and scantlings, $1,401,863 and $2,276,442; and cotton yarn, thread, and cordage, $819,195 and $1,059,009.

Other leading exports with comparative values for 1930, were: Vegetable fiber, straw, or grass manufactures, $593,413 and $305,542; "other wood manufactures," $449,938 and $662,955; aluminum plates, sheets, bars, strips, etc., $434,474 and $711,443; and "other machinery, vehicles, and parts," $300,790 and $655,711.

Meat products, eggs in the shell, undressed furs, wheat flour, cottonseed meal, refined cottonseed oil, cotton hosiery, rayon hosiery, wood handles, pencil slats, stone, sand, cement, lime, iron and steel manufactures, steam engines and parts, and chemicals and allied products were included among the diversified products sent from the State to foreign countries during the year.

MISSISSIPPI'S EXPORT TRADE VALUED AT $17,810,203 DURING 1931

Exports of merchandise from Mississippi were valued at $17,810,203 during 1931 compared with $30,282,003 the previous year, according to statistics made public to-day by the Department of Commerce.

Unmanufactured cotton ranked first in value among the State's exports during the 12-month period amounting to $10,608,605 compared with $17,753,244 during 1930 and was followed in order by southern pine lumber, $2,014,397 and $4,400,832; oak lumber, $1,660,079 and $1,674,908; and sawed timber, $967,837 and $2,645,188.

Other leading exports with comparative values for 1930 when available were: "Other hardwood lumber," $471,136 and $473,515; rosin, $281,464 and $531,658; gum lumber, $276,991 and $367,316; oil cake and oil-cake meal, $231,458, and $[illegible],267; and "other vegetable food products and beverages," $210,910 and $339,753.

Edible animals and animal products, turpentine cooperage staves, nonmetallic minerals, metals, and manufactures, "other wood and paper, machinery and vehicles," "other wood manufactures," and chemicals and related products were included among the diversified products sent from the State to foreign countries during the year.

IOWA'S EXPORT TRADE VALUED AT $17,413,697 DURING 1931

Exports of merchandise from Iowa were valued at $17,413,697 during 1931 compared with $28,738,730 the previous year, according to statistics made public to-day by the Department of Commerce.

Lard, including neutral lard, ranked first in value among the State's exports during the 12-month period amounting to $7,692,502 compared with $10,118,636 the previous year and was followed in order by cured hams and shoulders, $1,883,399 and $3,335,583; oatmeal, flaked and rolled oats, $1,210,348 and $1,142,599; bacon, $919,615 and $2,769,935; electrical machinery and apparatus, $561,269 and $783,142; canned meats, $557,288 and $712,893; "other industrial machinery," $536,718 and $918,060.

Other leading exports with comparative values for 1930, were: Glucose, $466,011 and $835,023; "other meat products," $413,303 and $261,340; oleo oil, $245,019 and $440,800; and wheel tractors, $224,646 and $2,109,964.

Fresh pork, undressed furs, wheat flour, cornstarch and corn flour, textiles, nonmetallic metals, laundry machinery, wood and paper, and metals and manufactures were included among the diversified products sent from the State to foreign countries during the year.

Domestic exports from the United States by States from which shipped during the calendar year 1931, arranged in order of magnitude, with comparative figures for years 1930 and 1929

	Calendar year 1931	Calendar year 1930	Calendar year 1929
	Value	*Value*	*Value*
New York	$428,250,960	$695,800,402	$956,755,282
Texas	324,370,164	506,083,298	657,559,600
California	213,740,582	304,876,208	380,344,112
Pennsylvania	180,233,538	273,637,016	340,843,339
Illinois	141,008,291	200,909,613	238,762,882
New Jersey	122,251,968	186,840,362	262,699,217
Ohio	106,204,818	165,557,828	221,916,976
Michigan	83,453,736	184,353,941	355,300,020
Louisiana	82,007,288	15[illegible],971,581	221,272,348
Virginia	80,210,136	74,831,948	101,135,071
Massachusetts	60,922,137	93,583,274	111,531,023
Washington	60,366,938	86,667,880	128,744,522
North Carolina	43,075,734	81,356,142	99,524,789
Wisconsin	38,414,880	78,470,340	124,977,457
Oregon	31,722,946	52,239,619	70,20[illegible],381
Georgia	31,233,564	59,257,415	70,935,462
Indiana	30,604,426	55,628,025	73,740,463
Alabama	27,394,547	36,348,636	59,236,706
Maryland	26,912,150	43,035,963	67,886,581
Connecticut	25,067,376	39,141,314	53,317,912
West Virginia	24,036,262	32,943,261	41,289,873
Tennessee	20,826,417	36,987,374	52,135,646
Florida	19,170,824	26,567,957	33,304,979
Mississippi	17,810,203	30,282,003	52,882,558
Iowa	17,413,697	28,738,730	37,401,376
Minnesota	16,755,655	32,328,954	51,649,147
Missouri	16,070,274	32,465,262	49,296,315
Kentucky	14,484,581	22,671,781	23,751,693
South Carolina	13,250,054	25,055,900	27,524,304
Kansas	10,824,844	28,416,467	23,805,710
Oklahoma	9,815,578	21,060,417	35,187,695
Arkansas	8,657,745	14,880,863	29,187,729
Arizona	8,272,752	8,849,792	14,438,868
Rhode Island	7,989,504	12,051,536	18,734,794
Nebraska	6,195,944	10,613,505	12,406,248
South Dakota	4,707,339	6,467,417	7,095,247
New Hampshire	4,046,090	5,203,857	7,245,762
Porto Rico	3,813,204	4,625,185	5,300,770
Maine	3,678,270	6,949,128	7,311,106
Montana	2,955,913	4,303,010	5,630,894
Delaware	2,208,869	4,163,565	6,252,506
Vermont	2,029,788	2,923,111	3,790,767
Colorado	2,012,659	3,238,583	4,001,837
Hawaii	1,800,329	3,157,912	3,738,352
Washington, D. C.	840,611	981,691	998,365
Idaho	702,436	1,243,944	1,956,019
Utah	546,767	644,094	1,006,411
North Dakota	452,903	516,162	942,834
Wyoming	330,337	1,115,452	1,451,983
New Mexico	327,717	558,044	1,517,886
Alaska	266,158	248,223	559,465
Nevada	146,843	328,211	543,679
Total	2,377,981,786	3,781,172,291	5,157,083,027

JEFFERSON DAY ADDRESS BY SENATOR ROBINSON OF ARKANSAS

Mr. BRATTON. Mr. President, the senior Senator from Arkansas [Mr. ROBINSON], the leader of the minority, delivered an address at the Jefferson Day luncheon, on the afternoon of Wednesday, April 13, at the Willard Hotel, in this city, which was broadcast by the Columbia Broadcasting Co. over a nation-wide network. I ask unanimous consent that the address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HARMFUL RESULTS OF "NEW ECONOMICS"

The campaign of 1928 was won by the Republicans on the claim that their candidate was an economic genius with a patent formula to insure prosperity.

For instance, Senator BORAH asserted, "Hoover is one of the marvels of the century in his ability to deal with economic problems." Nation-wide propaganda built up the myth that a

letter mailed anywhere addressed to the "Miracle Man" would be promptly delivered to Mr. Hoover.

The candidate himself, exaggerating the expansion of our foreign commerce, asserted its growth was not due to chance, and implied that it was attributable to his own efforts. Mr. Hoover's "patent formula" for prosperity was seizure of world markets through foreign loans and mass production, accomplished by replacing men with machines. The Republican nominee declared that neither wages nor domestic prices would be reduced, and that to obtain supremacy in foreign trade we should lend money to nations whose credit was already broken down. Such nations were to pay the loans despite United States tariff laws prohibiting entry of their goods.

Every policy advanced in the campaign by the "economic marvel of the age" is now generally recognized as unsound, and by many regarded as a direct cause of the depression which grips every form of business. Everything that Mr. Hoover said would happen failed to occur. Everything that he promised would not occur has taken place.

When Democrats cried out that the Hoover plan to increase mass and automatic machine production threatened to create unmanageable surplus and to diminish employment, the Republican presidential nominee replied at Newark:

"I have heard voices raised in protest that the effect of this action is to destroy employment. * * * This is a reecho of a century ago. The reason why no danger lies in store is simple enough. * * * As we transfer the burden from the backs of men to machines we increase the wages of workers, we increase buying power, we create demand for new commodities and new service, and expand other industries and create new ones to further employment. * * * It is the road to abolition of poverty."

Democrats stressed the utter fallacy of lending money to backward and crippled nations and then expecting them to pay, if we shut out their goods by prohibitive tariffs. Mr. Hoover's answer was:

"It is an essential part of the sound expansion of our foreign trade that we should interest ourselves in the development of backward or crippled countries by means of loans * * *. Two assertions have been made * * *. The first is that the tariff prevents the import of goods necessary to pay interest and capital on these loans * * *. The second is that these payments must ultimately be paid in goods and some day replace the output of our factories. The whole of the weight of the argument I have applied to the fallacy that the protective tariff ruins our export trade applies equally to this matter. This great prosperity has been one of the greatest blessings that has ever come into the world. It has enabled us from our reservoir of wealth to contribute the power of our capital to * * * reconstruction * * *. But for our aid, South America and many other parts of the world would have been compelled to suspend their development because of lack of capital * * *. Recovery of the world would have been delayed a quarter of a century."

To summarize, Mr. Hoover's replies to warnings invoked the "new economics" and characterized all opposing arguments as "depleted theories." He said:

"This is a reecho of a century ago * * *. That theory was sound enough in the old days of direct barter of goods between nations. The trouble with it is that it has lost its application * * * especially to the American situation. Economic theories must show application to new circumstances."

Chairman Raskob wisely declared:

"In our rapidly increasing industrial efficiency and use of automatic machines we are already threatened with overproduction. We must find increased consumption in new markets. This is the most serious cloud in our immediate business skies * * *. I think Mr. Hoover is wrong on the most important questions before American business to-day. I have seen a fabulously rich and unsuspected domestic market spring up under our very feet by this simple expedient of giving wage and salary earners fair pay and shorter hours * * *. My idea is that careful businesslike administration of our domestic markets will uncover new strata of business prosperity. The search for export business should go on vigorously. We should not follow Mr. Hoover's plan * * *. It will only increase unemployment and in my opinion threaten a human catastrophe in the near future. Our economic system can not withstand a violent shock."

These quotations from Democrats answer the whine of apologists for the administration who say that some malign world influence, rather than unlimited mass production and our own absurd efforts to finance the trade of bankrupt foreign nations, while denying to them through prohibitive tariff rates the only practical means of repayment, is responsible for the accumulation of unmarketable surpluses in this country, the unemployment of 8,000,000 laborers, and the paralysis of every kind of business enterprise.

The record of the last three years establishes the conclusion that the economic policy of the United States, as reflected in extravagant Government expenditures, in loans to bankrupt foreign governments, and in the enactment of tariffs which have well-nigh destroyed our commerce, have been the controlling factors in producing depression in this country and in causing it to extend to other spheres. The "new economics" must be cast into the limbo of exploded heresies.

CERTAIN DEMOCRATIC MEASURES AND POLICIES

When the responsibility of the Republican Party for policies contributing to the depression has been proved, there remains a still more important task to be performed. When it has been made clear that what Candidate Hoover said was the "road to abolition of poverty" was in fact the abyss of ruin, the safe highway must be pointed out.

Democrats must not be content with merely exposing the blunders of their adversaries. Wise methods of correction must be formulated and carried out.

To the extent that laws and partiality in administration have caused or permitted bad conditions, the remedies are plain. There is no magic, patent plan by which the clouds of adversity may be dispelled and the sun of prosperity made to shine. The logical and practical course is to reverse the policies and repeal the statutes which have been the instruments of our undoing.

The creation of temporary and emergency agencies like the Reconstruction Finance Corporation, backed by national credit, can never remove the causes of our troubles. They are palliatives, not cures.

Only fundamental changes in political and economic policies can prove permanently effective; and these, manifestly, can not be placed in operation overnight. To indicate outstanding features of some reforms that may be attempted by Democrats and to review certain efforts already made, let it be said:

First. The miracle man's theory, that the best method of stimulating business is to withdraw capital from home industries for loans to bankrupt foreign borrowers, must be repudiated. Loans to foreign governments or to their nationals, of which repayment is promised only on the theory that the United States will in some mysterious way build up the ability of the borrowers to pay, should not be sought or accepted. It is better to use American capital at home and escape the risks of loss and of political entanglements and complications which must result from such a stupid policy. We feel now pressure for adjustments touching foreign loans, which would have the effect of giving preference to private over public loans in nearly all the spheres of our foreign investments.

Second. This Government should announce a firm purpose not to cancel or readjust obligations due from foreign countries, except upon conditions manifestly to the interest of our own people. The country is being flooded with propaganda for the remission of foreign debts in whole or in part, and all the while the debtor nations are strengthening themselves as our competitors in foreign commerce. Some of them are more prosperous now than the United States. So long as we hold out the express or implied promise that our Treasury will play the part of Santa Claus, the present uncertainty respecting foreign debts will be continued. Just as soon as it is made clear that any readjustments which can be acceptable to the United States must fairly take into account and safeguard the interest of our people, both as taxpayers and as participants in world commerce, stabilization will be assured.

Third. It must be made to appear that the policy of isolation reflected in prohibitive tariffs is to be abandoned, and fair reciprocal tariff arrangements entered into with a view to breaking down and preventing retaliatory measures by other peoples. We should recognize our responsibility for the retaliations which the Smoot-Hawley Tariff Act has prompted and quickened.

Democrats in Congress have initiated and passed into conference a measure withdrawing the tariff-making power, delegated in the flexible provisions to the Executive, and restoring it to the Congress, as contemplated by the Constitution.

It is also proposed that a consumers' counsel shall be created to represent the general public interest, in contradistinction to special interests, in proceedings before the Tariff Commission.

Our opponents say that the third important feature of the tariff measure, namely, that looking to a world conference on tariffs, is designed to give foreign governments control over our tariff laws. There is no truth in the declaration. We know that so long as no effort is made to reconcile the forces which make for unbridled rivalry and competition in tariff barriers conditions will grow worse and the return of prosperity will be deferred. If just reciprocal tariffs are contemplated the way may be opened for their adoption only by negotiating with other powers which have interests and rights in the subject that can not be ignored.

Fourth. Laws for the prevention and regulation of monopolies must be enforced. The administrations of Presidents Harding, Coolidge, and Hoover have been marked by such feebleness in the enforcement of the antitrust laws as to justify the belief that the statutes are regarded as obsolete and unnecessary. No monopoly or combination exercising or attempting to exercise the power to fix domestic prices in the United States should be sheltered by tariff or other form of protection.

We have witnessed as a part of the "new economics" countless mergers and consolidations during the last few years, many of which have contributed to unemployment, to the creation of surplus products, and to the destruction of independent competitors. Small business can not exist, much less can it prosper, in such an atmosphere.

Fifth. Reduction of the high cost of government is among the most difficult tasks which the Democratic Party will inherit when the administration of President Hoover dies on the 4th of March, 1933. The current annual deficit is approximately $2,000,000,000. The total annual cost of government, including National and State in all subdivisions, approaches $14,000,000,000, of which four billions are allocated to the Federal Budget. The marked divergence between revenues and expenditures threatens the national credit. That credit must be maintained. The people of the United States can not afford and do not desire a $4,000,000,000 Government. Two general processes suggest themselves as practical ways for balancing the Budget. First, the abolition of de-

partments, bureaus, boards, commissions, and offices, so as to discontinue duplications in service and activities which may be dispensed with.

The Democratic House and Democratic Senators already are grappling with this problem and are making headway. The cooperation of all parties will be required to reduce the size and number of Federal agencies.

Second, in reestablishing safe relations between revenues and expenditures, additional taxes must be levied. Increased taxation is no remedy for depression. It is the penalty which must be paid for extravagance during prosperous times.

The Congress can not go on recklessly appropriating in response to the demands of groups in our population and at the same time promise reduction in taxes. There is no magic process by which the Federal Treasury can be supplied with resources.

The issuance, as some have proposed, of unsecured, or only partially secured, Treasury notes or currency has been repeatedly tried, and every experiment of this nature known to history has failed. Marked reduction in the size and cost of Government will provoke resentment and arouse storms of protest. Courage will be required to carry the surgical process far enough to reach the roots of the cancer festering in the body politic. Nevertheless the operation must be performed, and the quicker it is done the sooner may recovery be expected.

Sixth. The unparalleled decline in commodity prices, a process which is accelerated by the "new economics" if it did not originate therein is, perhaps, the most difficult obstacle to surmount in attempting to overcome depression. Readjustments must come in domestic production and in commerce before commodity prices will substantially advance. Instead of piling up additional surpluses, existing surpluses must be disposed of in accordance with orderly processes. That is, new domestic markets must be stimulated and foreign markets reached by receiving on more liberal terms those products of foreign countries which can not be economically produced in our own territory.

The Glass-Steagall bill, a Democratic measure, permits a reasonable currency expansion by authorizing the use of Government bonds in place of gold alone for coverage and by making available for rediscount at Federal reserve banks paper not previously eligible. That financial institutions have been slow to avail of the privileges afforded by the Glass-Steagall bill is due to fear, which seems to have paralyzed the brains of those who control the sources of credit.

The surest claim to the confidence of the public which the Democratic Party may assert is patient, painstaking service under the standard raised by Jefferson—the banner of justice and equality of opportunity for every citizen.

OIL PRICES

Mr. TYDINGS. Mr. President, I have in my hand two tables relating to the price of oil in America. It seems that in July, 1931, the declining price of oil reached its low, but since July, 1931, it has steadily increased. This is very significant, because it is one of the few commodities, if not the only one, of which I know which has witnessed an increase in price since that time. I ask that the tables may be inserted in the RECORD.

The PRESIDING OFFICER (Mr. GLENN in the chair). Without objection, it is so ordered.

The tables are as follows:

Wholesale prices, Department of Labor Indexes,[1] January, 1931–February, 1932, inclusive

[1926=100]

	1931												1932	
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
All commodities (784 items)	78.2	76.8	76.0	74.8	73.2	72.1	72.0	72.1	71.2	70.3	70.2	68.6	67.3	66.3
Farm products	73.1	70.1	70.6	70.1	67.1	65.4	64.9	65.5	60.5	58.8	58.7	55.7	52.8	50.6
Foods	80.7	78.0	77.6	76.3	73.8	73.3	74.0	74.6	73.7	73.3	71.0	69.1	64.7	62.5
Hides and leather	88.7	86.9	87.6	87.5	87.6	88.0	89.4	88.7	85.0	82.5	81.6	79.8	79.3	78.3
Textiles	71.3	70.9	70.0	68.2	67.4	66.6	66.5	65.5	64.5	63.0	62.2	60.8	59.9	59.8
Fuel and lighting (including oils)	73.3	72.5	68.3	65.4	65.3	62.9	[2] 62.9	[3] 66.5	67.4	67.8	69.4	68.3	67.9	68.3
Metals and metal products	86.9	86.5	86.4	85.7	85.0	84.4	84.3	83.9	83.9	82.8	82.6	82.2	81.8	80.9
Building materials	83.8	82.5	82.5	81.5	80.0	79.3	78.1	77.6	77.0	76.1	76.3	75.7	74.8	73.4
Chemicals and drugs	84.5	83.3	82.9	81.3	80.5	79.4	78.9	76.9	76.3	75.6	76.1	76.1	75.7	75.5
House-furnishing goods	88.3	88.1	88.0	87.9	86.8	86.4	85.7	84.9	82.7	81.0	80.9	78.5	77.7	77.5
Miscellaneous	72.2	71.5	72.0	71.5	70.5	69.7	69.7	68.3	68.2	66.6	66.7	66.8	65.6	64.7

[1] Revised as of Jan. 1, 1932, by including prices for 784 items, instead of for 550 items. [2] Low point for oil prices. [3] Oil price improved by calling out the militia.

Low prices for 1931 and present prices (April, 1932) of crude oil in domestic fields

District	Low price for 1931		April, 1932 price	Increase	Percentage increase
	Month	Amount			
United States	July	$0.40	$0.74	$0.34	85
California	April–May	.46	.72	.26	56½
Pennsylvania	July	1.42	1.85	.43	30
Rocky Mountain	do	.27	.77	.50	185
Gulf Coast	do	.42	.76	.34	81
East Texas	do	.10	.96	.86	860
Mid-Continent	do	.34	[1] .81	.57	237

[1] December, 1931, price.

January price for east Texas from National Petroleum News; prices for other fields from Oil Statistics Co. table of Jan. 8, 1932.

ADVICE ON TAXATION

Mr. SCHALL. Mr. President, I ask unanimous consent to publish in the RECORD a poem, "Advice on Taxation," by H. A. Goetsch, of Wadena, Minn.

There being no objection, the poem was ordered to be printed in the RECORD, and it is as follows:

TAXATION

Tax the people, tax with care,
To help the multimillionaire.
Tax the farmer, tax his fowl.
Tax the dog, and tax his howl.
Tax the hen and tax her egg
And let the bloomin' mudsill beg.
Tax the pig and tax his squeal,
Tax his boots, run down at heel;
Tax his horses, tax his lands,
Tax the blisters on his hands.
Tax his plow and tax his clothes,
Tax the rag that wipes his nose;
Tax his house and tax his bed,
Tax the bald spot on his head.
Tax the ox, and tax the ass,
Tax his "Henry," tax the gas;
Tax the road that he must pass,
And make him travel o'er the grass.
Tax his cow, and tax his calf,
Tax him if he dares to laugh;
He is just a common man,
So tax the cuss just all you can.
Tax the laborer—be discreet—
Tax him walking on the street.
Tax his bread and tax his meat;
Tax the shoes clear off his feet.
Tax the pay roll, tax the sale,
Tax his hard-earned paper kale;
Tax his pipe and tax his smoke—
Teach him government is no joke.
Tax their coffins—tax their shrouds,
Tax their souls beyond the clouds.
Tax the farmer, tax his flocks;
Tax the servants, tax their socks.
Tax the living, tax the dead;
Tax the unborn, ere they're fed.
Tax the water, tax the air——
Tax the sunlight if you dare.
Tax them all, and tax them well.
Tax them to the gates of hell!
But close your eyes so you can't see
The coupon-clipper go tax free.

POLICY OF SENATE IN REDUCTION OF APPROPRIATIONS

The Senate resumed the consideration of the resolution (S. Res. 197) submitted by Mr. MCKELLAR on the 13th instant, as follows:

Resolved, That it is the sense of the Senate that the Committee on Appropriations, in its consideration of the bill (H. R. 9699)

making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes, should observe the policy adopted by the Senate in the cases of the Interior Department and the State, Justice, Commerce, and Labor Departments appropriations bills, and report the said bill back to the Senate with amendments providing an aggregate reduction of 10 per cent in the amount of the appropriations contained in the bill as received from the House of Representatives.

Mr. ODDIE. Mr. President, the Senate has before it for consideration the resolution offered by the Senator from Tennessee [Mr. McKELLAR] providing for a 10 per cent cut in the appropriations for the Post Office Department and Treasury Department below the House figures. Yesterday there was considerable discussion of the Treasury Department portion of the bill, amounting to $254,311,988, and many interesting points were brought out. To-day I want to discuss the Post Office Department portion of the bill, amounting to $805,586,575.

The Post Office Department appropriation amounts to $800,586,575. The effect of a 10 per cent cut in this amount would be far-reaching and, in my opinion, exceedingly injurious to the Post Office Department in its various branches, and to the American people whom the department serves. It would also be injurious to American industry to a large extent.

I wish to quote a letter written by the Postmaster General to the chairman of the Committee on Appropriations [Mr. JONES], in which some very interesting side lights are given on the possible effect of a 10 per cent reduction. I read:

The indicated reduction amounts to $80,546,617.50, and you ask me for an itemized statement showing under what appropriation heads deductions can be applied which will make up this total. You ask also for an expression of my opinion concerning the effect which such a reduction would have upon the efficiency of the Postal Service.

The original estimates of the appropriations for the fiscal year 1933 were carefully prepared by the department with a view to keeping the postal expenditures for the year at the lowest level consistent with the maintenance of the service on a basis of reasonable efficiency. Notwithstanding this fact, the Bureau of the Budget reduced many items included in the department's estimates, in some instances going far below the amounts judged by the department to be absolutely essential for the maintenance of the service without loss of efficiency. In making up the appropriation bill upon the basis of the Budget estimates, the House of Representatives made still further reductions. Under these circumstances it is probably unnecessary for me to advise you that an arbitrary reduction of more than $80,000,000 below the amount carried in the House bill, as now proposed, can be made only at the risk of a serious impairment of the service.

The department is wholly in sympathy, however, with the purpose of Congress to lighten the burdens which are imposed upon the country for the support of the Federal Government, and, desiring to cooperate fully in any endeavor which Congress may see fit to make to reduce the postal expenditures, it has given careful study to the problem presented by your letter.

Of the total of $805,466,175 carried in the House bill, the sum of $569,881,656, or 71 per cent, is for salaries and wages, leaving $235,584,519 for miscellaneous purposes. Of this latter amount, about $105,000,000 represents compensation payable to the railroads for transporting the mails at rates fixed by the Interstate Commerce Commission. Some $90,000,000 is to meet the department's obligations to other carriers of the mails, entirely covered by contracts, many of which run for a term of years. Unless the Government is to adopt a policy of repudiating its undertakings no reduction can be made in these amounts. Of the $40,000,000 which remains in the appropriations for miscellaneous purposes, about $23,000,000 is for post-office quarters rented from private owners, very largely upon long-term contracts. Only a small reduction can be made in this item. The remainder of the miscellaneous appropriations—$17,000,000—goes for the supplies and equipment necessary to carry on the service, for travel expenses, and sundry incidental objects. These items have already been cut to the department's barest necessities and can scarcely be reduced further. For these reasons almost the entire amount of the reduction which the Senate requires must be applied against the appropriations which are available for personal service.

As the laws now stand, the department is without authority to reduce wages. It is without authority to change the hours of labor, which Congress saw fit to shorten effective July 1 last. It can not deal in any way with the rates of compensation or the allowances of its personnel. It can, however, reduce its force, not only in Washington but at post offices throughout the country and in the Rural Free Delivery and Railway Mail Services. And it goes without saying that if drastic reductions are carried into the salary appropriations for the fiscal year 1933, without any change in the laws which control the administration of the Postal Service, there will be no escape from a drastic reduction in the numbers of postal workers.

The effect upon the efficiency of the service would, of course, be severe. Large numbers of post-office workers can not be dismissed except at the expense of the service rendered the public. The department performs no service which it can abandon altogether, but it performs no service which it can not restrict within such limits as the action of Congress may necessitate. The reduction of the force which would follow the adoption of the plan which the Senate has in mind would mean, among other things, the curtailment of urban delivery and collection service in both residential and business districts, the abandonment of many postal stations and branches, and the immediate consolidation of thousands of rural routes and the limitation of others to triweekly service. In other words, it would require an almost complete reconstruction of the Nation's system of postal facilities on such a restricted basis as could be improvised to conform to the limits of the reduced funds.

It would, of course, mean also the dismissal of between 30,000 and 40,000 regular civil-service employees, who would be left to join the ranks of the unemployed. The contemplation of this possibility, coupled as it would be with a greatly impaired Postal Service to the entire country, obliges me to make the suggestion that should Congress conclude that the public interests compel the proposed reduction in the appropriations for the Postal Service, it would be desirable at the same time to modify the laws which determine the compensation and allowances and the hours of labor of postal employees, so that instead of dismissing a large number of employees and cutting off their earnings altogether, the department would be put in a position to retain all regular employees on its rolls, but with a reduced schedule of working hours, compensation, and allowances. This would not only make it possible to distribute the hardship proportionately among employees of all classes, but would also make it possible to maintain the present service without radical curtailment. Should Congress decide to pursue this course, it will be necessary to make the following changes in the laws which regulate the employment of the personnel under the jurisdiction of the Post Office Department:

1. A suspension of the 44-hour week as the basis of compensation; and provision for a shortening and staggering of hours of service, with proportionate reduction of pay.
2. A suspension of the extra pay for overtime and night service and compensatory time for Sundays and holidays.
3. A suspension of automatic promotions.
4. A reduction in the amount of annual leave.
5. A reduction in the travel allowances of railway mail clerks.
6. A suspension of the allowance to fourth-class postmasters for rent, light, fuel, and equipment.
7. A reduction of the allowances to third-class postmasters for clerk hire and for rent, light, and fuel.
8. A suspension of the allowance to rural carriers for the maintenance of vehicles.
9. A reduction in the fees to special-delivery messengers.
10. A 10 per cent reduction in all basic compensation schedules, including those applicable to the departmental service in the District of Columbia.

The Postmaster General ends with this statement, which should be carefully noted:

I, of course, do not wish to be understood as advocating these revisions in the law; but if a further reduction of 10 per cent is to be made in the department's appropriation, either the service to the public must be substantially curtailed and many thousands of workers dismissed or the compensation and allowances of postal employees generally must be radically reduced.

Then there follows a statement in detail, which is already in the CONGRESSIONAL RECORD under date of April 6, at page 7561.

Mr. President, in the face of the statements I have just read, which were made with a thorough knowledge of conditions and after a very careful study of the operations of the whole Post Office Department, we can not make a 10 per cent cut in the appropriations for that department without doing serious and irreparable damage to the Postal Service, to the personnel of the department, and to the industry of America generally.

Yesterday there was considerable discussion of the unemployment problem; it was gone into in detail. We have had that subject before us constantly. When the present session of Congress opened the principal topic of debate on the floor for some time was on how we could decrease the number of unemployed in this country and how we could furnish employment to the great army of the unemployed. We know there are a number of millions of men unemployed in our country to-day; we know they are going through privations and their families are suffering because of the lack of employment. Has the condition improved since Congress met? I regret to say that it is worse to-day than when Congress met, and there is a heavier obligation on us to-day

to relieve the existing situation than there was on the day when Congress met.

How are we proposing to meet and to relieve this situation? Under this resolution it is proposed to do so by cutting the operations of the Post Office Department to a very serious extent, throwing practically 40,000 civil service postal employees out on the street, adding to the ranks of the unemployed to that extent, and even to a greater extent, because for every man who is thrown out of employment to-day corresponding harm will come to the industries of our country.

The Senator from Arizona [Mr. ASHURST] yesterday drew a very vivid and accurate picture of the effect of this cut on the farmers of the country. The statement of the Postmaster General, which is correct, shows that if the reduction of appropriations shall be made the rural free delivery system will be curtailed to a very large extent by the consolidation of many thousands of routes and the elimination of others, and that delivery on thousands of rural routes will be changed from daily to triweekly service.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Tennessee?

Mr. ODDIE. I yield.

Mr. McKELLAR. The Postmaster General will not determine what will be decreased and what will not be decreased. If this measure shall be referred to the Committee on Appropriations with instructions to reduce the appropriations 10 per cent, that committee will determine what items shall be cut and what shall not be cut. It may be very unfortunate for the people of this country that the Postmaster General has not the right to make the decision in the case of the rural free delivery system, but, as a matter of fact, we all know that he is using every effort in his power to break down that very system which the Senator now claims is likely to be imperiled; but, if under the pending resolution the rural free delivery system shall be injured in any way it will be done by the Appropriations Committee, and not by the Postmaster General, nor will he help it.

Mr. ODDIE. Mr. President, I will have to differ from my good friend from Tennessee in this particular, that the effect of the proposed 10 per cent cut in the bill will be that the funds for the Post Office Department allowed in the House bill will be reduced more than $80,000,000, and the only place where that reduction can properly be made will be in the item of personal service, to which I referred when I took the floor.

The Postmaster General in his letter says:

> Of the total of $805,466,175 carried in the House bill, the sum of $569,881,656, or 71 per cent, is for salaries and wages, leaving $235,184,519 for miscellaneous purposes. Of this latter amount, about $105,000,000 represents compensation payable to the railroads—

And so on.

Mr. President, if Congress cuts this appropriation to this extent, the Post Office Department will not have the funds with which to continue the services I have mentioned. The cuts will have to be made. They can not be made on the contracts with the various railroad, steamship, and air mail companies, which have been regularly and legally made for carrying the mails. The Government is obligated to fulfill those contracts; it can not repudiate just and legal contracts. The policy form and advisability of some of those contracts might be questioned, but that is not the issue before us to-day. The question now is, Shall this 10 per cent cut be made, and if it shall be made, what will the effect be?

It is shown clearly that practically 40,000 postal clerks, civil-service employees, will be thrown out of office and into the streets to join the army of the unemployed.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Does the Senator from Nevada yield to the Senator from Arkansas?

Mr. ODDIE. Yes.

Mr. ROBINSON of Arkansas. What is the amount carried in the bill for the Post Office Department?

Mr. ODDIE. $805,586,575.

Mr. ROBINSON of Arkansas. Can the Senator inform the Senate what was the amount carried by the similar bill in 1925?

Mr. ODDIE. I have not the figures for that year before me, but I can get them in a few minutes and put them in the RECORD.

Mr. ROBINSON of Arkansas. Has the Senator available for us just now figures showing the appropriations made for the Post Office Department in years subsequent to 1925?

Mr. ODDIE. I have not those figures available.

Mr. ROBINSON of Arkansas. Will the Senator call attention to them when he procures them?

Mr. ODDIE. I will do so.

Mr. President, the proposed cut of 10 per cent will mean a large reduction in the Rural Free Delivery Service and in the Railway Mail Service. The men engaged in those services are not adequately paid to-day, many of us believe. They have trying ordeals to go through. Most of them have particularly heavy and trying duties to perform, and they are not a well-paid lot of men.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Tennessee?

Mr. ODDIE. I yield.

Mr. McKELLAR. Is it not true that the Senator has a number of buildings in Nevada that he is interested in?

Mr. ODDIE. Yes; there are a number of buildings in this program.

Mr. McKELLAR. I notice by reference to the list that the Senator put in the RECORD on April 6, 1932, that it is proposed to spend $1,120,000 out of this appropriation for public buildings in Nevada, which has a population of about 60,000. That is about $20 for each citizen. I do not want to make invidious comparisons here; but does not the Senator think that with our Treasury in the pitiful, deplorable condition in which it is all of us might forego some of these enormous appropriations for public buildings in our various States? I do not mean to suggest cutting them out at all, but could we not go a little slowly on them? Could we not cut them down to some extent, so as to relieve the Treasury of the awful and unusual burden that it is compelled to bear in these times of depression?

Mr. ODDIE. Mr. President, I will admit that there are a number of buildings in Nevada on this list. Nevada has been waiting many years for some public buildings. I do not think it is a fair comparison to cite the population, because there are other factors to consider. Besides, the figures quoted by the Senator are too low, according to the last census.

Mr. McKELLAR. Yes; I realize that; but the Senator's State has been very well looked after by the Federal Government in the matter of roads. There is virtually no State-aid plan on roads in Nevada, because there are so many public lands in the State that there is a different division of road funds when it comes to the public-land States. I am not decrying it. I am merely calling attention to it for the purpose of saying that with forest roads and national-park roads and what we know as Federal-aid roads, and with these enormous appropriations for public buildings for the Senator's State it is by no means unreasonable to cut off 10 per cent in this time of stress and trouble and almost bankruptcy on the part of our Treasury. It seems to me it would be wise even for the Senator and the Senator's State to go just a little slower than usual, and cut off appropriations in a very small way, because 10 per cent is a small percentage when we come to look at it; and I do not believe it will materially injure the Senator's State to postpone some of these appropriations for a short time, until our Treasury is in a better condition.

Mr. ODDIE. Mr. President, I think it is very unfair for the Senator from Tennessee to bring a personal matter into this discussion.

Mr. McKELLAR. Oh, it is not a personal matter at all.

Mr. ODDIE. A State matter, then. I do not think the Senator should intimate that I am taking this position because my State is receiving certain benefits to which it is entitled.

Mr. McKELLAR. If the Senator did not do it, I should think he was not doing right by his State. I do not criticize him in the slightest degree. I think it is a worthy position for the Senator to take to get whatever is proper for his State. I do not criticize him. All I am doing is appealing to him, for Heaven's sake, with our Treasury in this condition, not to demand the last dollar.

Mr. ODDIE. Mr. President, I am making this statement because of the position that I have the honor to hold as chairman of the Post Office and Post Roads Committee of the Senate, and chairman of the subcommittee of the Appropriations Committee which has this bill in hand. I hope I have enough patriotism to treat all of the States equally and fairly in this matter. If I were doing this because of the benefits that might come to my particular State only, I should be very much ashamed of myself, and I should decline to hold the position I occupy to-day. I am trying to help the national situation; and I am speaking just as much for 250 cities in practically all of the States in the Union—and I have done so time and again in the last two weeks on the floor of the Senate—as I am for those in my own State.

Mr. McKELLAR. Mr. President, will the Senator yield further?

Mr. ODDIE. I yield.

Mr. McKELLAR. Turning now to another question, which I think was brought out by the Senator from Arkansas [Mr. ROBINSON] just a moment ago, a question was asked as to appropriations.

Mr. BLAINE. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Wisconsin?

Mr. McKELLAR. I have not the floor.

Mr. ODDIE. I had yielded to the Senator from Tennessee.

Mr. BLAINE. I rise to a point of order, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. BLAINE. I recall that the Senator from Arkansas the other day rose to a point of order upon the same subject. My point of order is that the Senator can not yield except for a question.

Mr. McKELLAR. If there is any objection from anybody, I will take the floor in my own right. I really thought that the Senator from Nevada and all the Senators would prefer to have the figures that were asked for just a few moments ago, namely, the appropriations for the Post Office Department since 1925. I have them before me, and I shall be glad to give them now.

Mr. BLAINE. I ask for a ruling upon my point of order.

Mr. McKELLAR. I will withdraw, because I do not want to trespass on the Senator's view.

The PRESIDING OFFICER. The point of order is sustained.

Mr. ODDIE. Mr. President, the Senator from Arkansas asked the question to which the Senator from Tennessee has referred. I have just received the information that he desires, as follows:

The appropriations for the Post Office Department, including and since 1925, are as follows:

1925	$629,000,000
1926	651,000,000
1927	842,000,000
1928	755,000,000
1929	776,000,000
1930	842,000,000
1931	840,000,000
1932	844,000,000

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Tennessee?

Mr. ODDIE. I do.

Mr. McKELLAR. I merely desire to ask a question.

Mr. ODDIE. I am perfectly willing to yield.

Mr. McKELLAR. Will not the Senator be good enough to read the items just above, which are included but are not paid out of postal revenues?

Mr. ODDIE. That is another item; yes. In addition, there were the following:

1925	$173,000
1926	244,000
1927	31,000
1928	17,000
1929	66,000
1930	27,000
1931	43,000
1932	[1] 54,000

I overlooked that point, Mr. President.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Nebraska?

Mr. ODDIE. I yield.

Mr. HOWELL. Has the Senator data showing the total deficit above our receipts from mail matter in the post office for the last year?

Mr. ODDIE. No, Mr. President; I have not those data before me now, and the committee has not gone into them at this session. The House made a suggestion on the subject and has put in their revenue bill an item providing for an increase in first-class postage rates. That is now before the Finance Committee of the Senate, and not before the Post Office Committee. That is a matter to be discussed later.

In that connection I will present this thought, Mr. President: There is a deficit in the Post Office Department to-day. The House has suggested a way of meeting part of that deficit by increasing first-class postage rates. I do not propose to discuss that matter now. That is a matter beside the question before the Senate; but if that goes through, a large increase in postal revenues will result and the department will be more nearly on a self-sustaining basis. The people who will pay the postage will demand the service that that postage is supposed to cover. If the service is curtailed, as this 10 per cent cut will curtail it, the public will not be getting its money's worth, and, in my opinion, will not be treated fairly. It will naturally and rightfully protest.

Mr. HOWELL. Is it not a fact that at the present time, under the present rate of 2 cents, first-class mail matter is paying very much more than its cost?

Mr. ODDIE. That is my understanding.

Mr. HOWELL. And is it not a fact that there are other classes of mail that are paying very much less than their cost?

Mr. ODDIE. I understand that that is the case. I have not given particular attention to that subject recently, but that is my understanding.

Mr. HOWELL. Why, then, should we increase the 2-cent postage to 3 cents when first-class mail matter is already contributing a surplus over and above the cost of the service and when other classes of mail matter are not paying their way?

Mr. ODDIE. That is getting into a very large field, Mr. President, and I should like to have time to go into certain features of it more in detail before I answer the Senator. In a general way, however, I will say that that increase in the first-class rate has been placed in the House bill, and is now before the Finance Committee of the Senate, of which I am not a member. It has not yet come to the floor of the Senate for discussion. On the other classes of mail matter I am not prepared to say at this time just what should or should not be done. I do know, however, that there is much material that comes under the lower classes that is carried in the mails to-day at the existing rates which if raised would divert that business from the mails to other modes of conveyance. That is a very large question, and it will be discussed in due time.

Mr. HOWELL. If that mail matter is carried at a loss now, why should it not be diverted? Why should not the Post Office Department welcome such a course?

[1] In odd numbers

Mr. ODDIE. That is a question of the economics of the Post Office Department. It is a very large problem and should be taken up one class at a time in detail, but not in the appropriation bill.

Mr. HOWELL. Can it be that we are maintaining these rates and sustaining this deficit for the benefit of the railroads?

Mr. ODDIE. I can not say that, Mr. President, because there are different classes of carriers that carry mails—the railroads, the ocean steamship lines, the air mail lines, and the different other agencies for conveying the mails. It is a very large question to answer in a short time. I believe it will come before the Post Office Committee before long.

Now, the question comes up again as to the effect of this 10 per cent cut. I have stated that it will mean throwing practically 40,000 civil-service postal clerks out of employment, disrupting and disintegrating the service to such an extent that it will take years to bring it back to the condition the American people demand of it. It will mean cutting down the rural delivery service to a large extent, crippling the railway mail service, and crippling the urban delivery service. Every city and town will feel it, and to-day we can not afford to take this stand. There is a depression on the country—a serious depression. It is hurting everybody, and especially the millions of men who are out of work and their families. We can not afford to take the pessimistic and destructive course which means throwing more men out of employment, further discouraging the American people and American industry, prolonging this period of distress, and delaying the return of normal times. Much of this destructive and pessimistic thought and action is having a demoralizing and bad effect on the morale of the Federal employees.

As I stated yesterday, and as has been stated on this floor by different Senators, we should take the optimistic view and prevent this destructive action. We should do what we can to put men back to work, and to keep men in employment who are to-day in employment. We can not afford to cripple the Postal Service. The American people will not stand for it. I do not believe that just because there is a deficit in the Treasury to-day, we should take this drastic step and curtail the Government's service, which the American people expect and demand. They have not called for this reduction in service. This is not the way to relieve the deficit.

Mr. BLACK. Mr. President——

The PRESIDING OFFICER (Mr. GLENN in the chair). Does the Senator from Nevada yield to the Senator from Alabama?

Mr. ODDIE. I yield.

Mr. BLACK. I am interested to know whether the Senator is familiar with the amount of subsidies provided in this bill, and whether or not the amount of those subsidies, if taken out of the bill, would constitute the 10 per cent of the total appropriation directed to be cut from the bill?

Mr. ODDIE. Mr. President, the Senator evidently refers to the amounts heretofore mentioned as going to the various carriers of the mails, the railroads, the ocean steamship companies, and the air mail lines. The Government is under contract to those companies which are carrying the mail, and that has recently been the subject of a great deal of detailed discussion in the subcommittee of the Committee on Appropriations of the Senate. The Senator from Tennessee [Mr. MCKELLAR] has made an exhaustive study of that question and was responsible for a large amount of valuable and interesting data bearing on that question being included in the hearings of the subcommittee to which I call the Senator's attention. I do not care at this time to go into the merits or demerits of the various contracts. It is too large a question to be handled at this time on the floor of the Senate.

Mr. BLACK. Mr. President, will the Senator yield again?

Mr. ODDIE. I yield.

Mr. BLACK. I did not ask the Senator in order to divert his attention; I am really interested to know whether or not, irrespective of contracts, the amount of subsidies provided in this bill constitutes 10 per cent of the total appropriation. I am very frank to state to the Senator that personally I do not favor a decrease in the public-works program of this Nation, but I do heartily favor doing away with the expenditure of millions and millions of dollars given away in subsidies, and I am interested to know whether the amount of the subsidies contained in this bill constitutes 10 per cent of the total appropriation.

Mr. ODDIE. Not if we do not consider the so-called subsidies paid under contract with the Government.

Mr. BLACK. If we considered those under contract and those not under contract, would the amount not constitute 10 per cent of the total appropriations?

Mr. ODDIE. These figures I can give again roughly. The total amount carried in the Post Office bill is $805,000,000. Nearly $570,000,000, or 71 per cent, is for salaries and wages and $235,000,000 for miscellaneous purposes. Of the latter amount, about $105,000,000 represents compensation payable to the railroads for carrying mail at rates fixed by the Interstate Commerce Commission. About $90,000,000 is to meet the department's obligations to other carriers of the mails, entirely covered by contracts, many of which run for a term of years.

Of the $40,000,000 which remains for miscellaneous purposes, $23,000,000 is for postal quarters rented from private owners, and so on; $17,000,000 goes for supplies and equipment necessary for the service, for travel expenses, and incidental subjects. So the Senator will see that $195,000,000 plus the items I have read taken from the $235,000,000 will leave very little.

Mr. BLACK. Mr. President, a statement put into the RECORD last year, which could be easily obtainable, shows, for instance, a mail contract which ought to have cost the Government $35, as I remember the figures, but which actually cost the Government about $35,000. There were contracts running up into the millions of that nature and that character.

Mr. MCKELLAR. Mr. President, will the Senator from Nevada yield to me?

Mr. ODDIE. I yield.

Mr. MCKELLAR. Figures were given here some time ago showing that under a contract for carrying the mail, I think from San Francisco to some point in South America, in the neighborhood of Argentina or Patagonia, during the year the shipping company carried three letters, at a cost of 6 cents, and 45 pounds of parcel post, which it would have cost about $3 to send, but the Government paid to this shipping company for that supposed service, or alleged service, $102,000.

Mr. ODDIE. Mr. President, referring again to what the Senator from Tennessee has said, I call attention to the hearings before the Subcommittee on Appropriations, which were very exhaustive. The Senator from Tennessee spent a great deal of time in bringing out many interesting data in connection with the question of contracts with the railroads, with the air mail companies, and with the ocean steamship companies. Others in the committee brought out many interesting data. The question has been gone into in great detail. I refer the Senate to the hearings. I think a great deal of valuable information will be found in them and much time saved on the floor by a study of them.

Mr. DILL. Mr. President, will the Senator yield to me?

Mr. ODDIE. I yield.

Mr. DILL. These contracts for subsidies, of course, are all subject to cancellation, are they not?

Mr. ODDIE. I do not understand it that way.

Mr. DILL. They are good for only one year.

Mr. ODDIE. Some of them are 10-year contracts.

Mr. DILL. I know, but they all carry the clause that the Government reserves the right to cancel them. I want to ask the Senator whether he does not think that it would be better to cut down some of these subsidies than to impose the proposed new taxes on industry and on the cost of living to the American people.

Mr. ODDIE. Mr. President, that is a question of policy largely for the Senate to decide.

Mr. DILL. Is not that the question which confronts us right here in this decision, whether we are to go on paying subsidies to the extent to which we are now paying them,

or whether we are to cut those subsidies, at a time when the American people are struggling almost beyond endurance to pay the taxes already upon them? And there is the question of putting more taxes on them.

Mr. ODDIE. It is a question of contract. The Government is under contract with these various companies, and I do not understand that those contracts can be broken without the repudiation of the Government's obligations.

Mr. DILL. I am not going to argue that with the Senator, but I know the Senator is wrong.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ODDIE. I yield.

Mr. McKELLAR. I want to say that that is one of the real reasons why this resolution ought to pass, and why the committee should be allowed to pass upon all these questions. That will probably be the most actively debated question before the committee if this resolution is passed to-day.

Mr. ODDIE. Mr. President, I will again quote from the Postmaster General on this matter:

> One hundred and five million dollars represents compensation payable to the railroads for transporting the mails at rates fixed by the Interstate Commerce Commission and some $90,000,000 is to meet the department's obligations to other carriers of the mails, entirely covered by contracts, many of which run for a term of years. Unless the Government is to adopt a policy of repudiating its undertakings no reduction can be made in these amounts.

I do not want to debate all the details of this question now, because I am of the opinion that the Government can not repudiate these contracts, and should not do it. There are a great many questions involved. We would get into the whole shipping question if we took up the controversy in regard to the ocean mail contracts.

Our merchant marine has been built up under a law which Congress passed, and there are many features in that law which might be debatable. Certain features of the law and its operation are questioned by some Members of the Senate. I do not think it is practical for us to get into that at this time. I am pointing out what the department has said to be the fact, and what I believe to be the fact, that the Government can not and must not repudiate contracts already made, and that the money under those contracts when due must be paid. The only other course open, if this resolution is passed, is to reduce the Postal Service, and I do not think it should be reduced.

I will not discuss the question of the post-office appropriations any further. I do not want to take the time of the Senate. But I want to sum up very briefly what was said yesterday in regard to the Treasury Department appropriation part of the bill.

It is pointed out by the Treasury Department, I think accurately, that the only place where the 10 per cent cut could be made without seriously crippling the vital operations of the Treasury Department would be on the public-building program, involving buildings in 250 cities in almost every State of the Union. The 10 per cent cut in the Treasury Department bill would amount to about $25,000,000. The Secretary of the Treasury says that the cut can not be made in other branches of the service without seriously crippling them. So it resolves itself into whether or not the public-buildings program for 250 buildings is to be abandoned indefinitely, as the Treasury Department states will be necessary if the cut is made.

If the Treasury can not be assured of this necessary amount of money, it will have to abandon that program. I pointed out yesterday that that would deprive and throw out of employment tens of thousands of men, not only in the building trades, but in the industries which furnish materials of all kinds to these buildings—lumber, brick, cement, tile, various metals, steel, and so on—and that much suffering and privation would result.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ODDIE. I yield.

Mr. WAGNER. Would not a policy of that kind add to the seriousness of the depression and to the unemployment in the country, and thus bring further distress and put more workers upon the charity pay roll who may be employed if this appropriation is made?

Mr. ODDIE. Mr. President, the Senator is right, and the Senator is earnest in his efforts to relieve the unemployment problem. The unemployment problem in New York is of tremendous proportions. The Senator sees the danger to our country, to industry, and to our people if we curtail this building program and cut the Postal Service, as is contemplated.

We can not afford to do it. We must take the other course of action, be optimistic and prevent throwing men out of employment and onto the streets and try to put others back to work again. As I pointed out yesterday, the people in every one of these 250 cities have been hoping for and expecting these buildings, they have been planning on them, the workingmen in those communities have been counting on that work. They need it, so let us not stop this building program. We can not afford to do it. We all believe in economy. We are trying to practice it in every way possible. Every Member of the Senate is earnest in his efforts for drastic governmental economy and to reduce governmental expenses. I know how hard the members of the Committee on Appropriations have worked. They have held meetings almost every day in this session. There may be a little difference of opinion here and there among the members of the committee as to how a thing may best be done, but the members of the committee are very earnest in their efforts to do the right thing.

Mr. President, no matter how conscientious those who believe in the resolution may be, we have pointed out in the last two days, I believe, that it will be a mistake to pass the resolution which affects the two great departments of our Government. We can not afford to prolong the present existing period of distress. We must do what we can to put men back to work and to help industry generally. I hope the resolution will not pass.

Mr. BLAINE. Mr. President, continuing the discussion of the resolution introduced by the Senator from Tennessee [Mr. McKELLAR], I observe that it is not in the nature of legislation. It appears to be a resolution extending the advice of the Senate to the Committee on Appropriations. The bill to which it refers is a bill that is not now before the Senate. The bill has been referred by the Senate to the Committee on Appropriations. Therefore, to me it seems a very strange procedure to be resolving upon something that is not before the Senate. As to myself, and I assume as to many other Members of the Senate, we do not know what are the items in the bill. The bill to which I refer is the Treasury and Post Office Departments appropriation bill, H. R. 9699.

Mr. JONES. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. BLAINE. I yield.

Mr. JONES. The resolution was introduced by the Senator from Tennessee at the suggestion of the full Committee on Appropriations. Twice the Senate has sent appropriation bills back to the Committee on Appropriations directing it to reduce to the extent of 10 per cent the total amount as recommended by the House. It was thought by the full committee that, before having a subcommittee go to the trouble of writing up the bill and bringing it to the Senate and then having the Senate send it back to the committee, we would ask the Senate for instructions with reference to that point. That is the reason why the resolution was introduced.

I announced on the floor of the Senate when the last appropriation bill was recommitted to the Committee on Appropriations, where we discussed it for a full day, that if the Senate did decide that it should go back with directions for us to cut the amount 10 per cent I would take that to be the policy adopted by the Senate with reference to future appropriation bills. But the bill to which the resolution of the Senator from Tennessee relates had such important items in it that we felt it was well to bring the matter to the Senate and let the question be submitted to the Senate as to whether the Senate desires a 10 per cent cut made in

that bill or not. That is the reason why the Senator from Tennessee introduced his resolution.

Mr. BLAINE. I am quite aware of the reason for the offering of the resolution, but that reason as given by the Senator from Washington, in my opinion, is not entitled to any serious consideration, because the reason itself is not based upon any reason or logic. It is wholly devoid of any reason or logic. The appropriation bill to which it refers is not before the Senate. So far as the Senate is concerned, it has not been informed of the items in the bill except as individual Senators have had the time to study the bill, and I confess that I have not had the time. I have been serving continuously on important committees ever since the bill came over from the House.

I want to suggest that, as I understand it, under the Constitution the jurisdiction of the Senate is to legislate and not to resolve. Committees are appointed to hold hearings upon bills and report those bills back to the Senate for its consideration. But here is a bill which has had no consideration by the Committee on Appropriations except to ask the advice of the Senate as to whether or not the committee shall follow a policy laid down with respect to two other appropriation bills, namely, the Interior Department appropriation bill and the bill which is now the unfinished business of the Senate, making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor.

Mr. JONES. Mr. President, will the Senator permit a further interruption?

The PRESIDING OFFICER (Mr. HOWELL in the chair). Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. BLAINE. I would prefer to make my argument consecutively and without interruption.

Mr. JONES. Very well.

Mr. BLAINE. The bill making appropriations for the Treasury and Post Office Departments is therefore before the committee. If the committee is unwilling to consider the bill as it usually considers appropriation bills, obviously then the proper course to pursue is for the committee to report the bill back to the Senate and ask for instructions. The items in the bill upon which instructions have been requested are many. Some of them run into enormous sums. How is any Senator going to come to a conclusion as to whether or not a 10 per cent flat reduction in the aggregate is a reduction that ought to be made? I assume that there are items in the bill which could properly be reduced. There are other items that ought not to be reduced at all.

The bill which is now before the committee is a bill that covers the property of the United States. The Interior Department appropriation bill carried only a small appropriation compared to the amount carried in the Treasury and Post Office Departments appropriation bill. The bill which is now the unfinished business of the Senate, carrying appropriations for the Department of State, and so forth, carries only a small appropriation as compared with the Treasury and Post Office Departments bills. Moreover, the two bills to which I have referred and where the reduction was attempted to be made in the aggregate by 10 per cent, to no great extent carried appropriations relating to property of the United States. They carried appropriations relating to services, generally speaking. Only one of those bills carried any item of appreciable consequence. That item consisted of over $11,000,000, and yet I had the vigorous disapproval and opposition of the Senator from Tennessee [Mr. MCKELLAR] when I proposed that the item be stricken from the bill.

In the Treasury and Post Office Departments appropriation bill the Congress has a responsibility respecting the property of the Government. That property no doubt runs into millions of dollars in value. The Government has its investment. The investment of the Government in this property ought to be preserved. Any individual corporation or institution would regard it as the height of extravagance, willful extravagance, if you please, if the board of directors of that corporation or those in control of the business permitted the property to be depreciated, to run down, to suffer a great loss in value. Conduct of that kind on the part of the board of directors of a corporation would bring severe criticism from the stockholders. The first duty of trustees and the first duty of those whose obligation it is to preserve the investment of a corporation is jealously to see to it that the investment is preserved intact and that no loss shall come to that property. So with the Congress of the United States. It is our duty to see that property which belongs to the Government of the United States shall be properly preserved, so that the people of the country will not lose a large portion of the investment they have made in their property.

The point I am making is that we can not, by the rule of ten, expect to discharge our trusteeship in the preservation of the property of the Government, and thus of the people of the United States. I do not know what item in the bill is designed for the protection of the property of the Government nor the amount thereof. I have not had the time to ascertain. I voted for the recommitting of the Interior Department appropriation bill and the other bill which is now the unfinished business of the Senate as reported by the Appropriations Committee. I voted for a 10 per cent reduction in the aggregate of each of those bills. But, as I have explained, those bills carried appropriations largely for personal services and for other items which might be deferred during these times. I, however, could have no knowledge presently, without going to individual Senators outside the regular course of procedure in the Senate, to learn what ought to be done respecting a bill that carries the large appropriation that is provided in the Treasury and Post Office Departments appropriation bill.

Mr. McKELLAR. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. BLAINE. I yield.

Mr. McKELLAR. All that is asked by the resolution is that the bill be sent to the Committee on Appropriations with instructions. I have examined with some degree of care the Interior Department appropriation bill, the State, Labor, Justice, and Commerce appropriation bill, and likewise the Treasury and Post Office appropriation bill, which we now have before us, and I believe that the 10 per cent cut can be made as easily and as economically in the appropriations for the two last-named departments as in the appropriations for the other departments, probably more easily, because included in the Treasury and Post Office bill there are a number of subsidies and a number of appropriations without which the Government could be run just as well as with them.

The Senator from Wisconsin is not on the Appropriations Committee, but the Senator usually defers to the judgment of the committee, and all that is proposed here is to send the bill back to the committee and let the committee suggest what items, if any, should be cut.

Mr. BLAINE. Mr. President, I have great confidence in the judgment of the Senator from Tennessee, but I have an individual responsibility in this situation. I have no right to substitute his judgment for what my judgment ought to be after a consideration of the bill. I can not discharge my responsibility under such circumstances. The bill is not before us; the motion is not to recommit the bill. What the Senate is proposing to do in this respect is to resolve itself into a caucus, and to resolve that a committee of that caucus carry out certain instructions, when the caucus has not even the measure before it upon which the caucus is going to give advice. That is exactly the status in which the Senator from Tennessee proposes to place the Senate of the United States.

Mr. McKELLAR. Oh, no, Mr. President.

Mr. BLAINE. It is exactly, and the Senate can not escape it.

Mr. McKELLAR. If the Senator will permit me, I think I can explain the situation fully. The truth of the matter is that I was one of those who did not vote for this proposed

action; it was taken over my protest, but the chairman of the Committee on Appropriations, the Senator from Washington [Mr. JONES], called a meeting of the committee——

Mr. BLAINE. I understand all that.

Mr. McKELLAR. If the Senator understands it, of course it is no use for me to discuss it.

Mr. BLAINE. I suggest to the Senator from Tennessee that I understand all that, and there is no use of repeating it. I do not want to be discourteous, but that information is known, I think, to everyone. However, I make the point that we can not discharge our obligation respecting these appropriations until the bill is before the Senate. When the committee shall report this bill back to the Senate, asking for instructions, then the Senate will have an opportunity to determine whether or not there should be a 10 per cent reduction in the aggregate; whether or not specific items ought to be reduced more than 10 per cent; whether or not specific items should be exempted or excepted from that rule. The Senate has no such opportunity now. We can not vote upon this resolution intelligently; we are absolutely without the information.

So, Mr. President, I submit that while I voted for recommitting the other two bills, that was entirely upon the proposition that the bills were before us. We had studied the items; we understood what they were; in a general way we knew about each item. We had before us specific items; we could pass upon them and we could then exercise our judgment as whether or not a 10 per cent reduction in the aggregate was a proper reduction. I think Members of the Senate ought to have opportunity, when the bill is before the Senate, to suggest amendments to the instructions accompanying the recommittal of the bill. There are some items, perhaps, that ought to be reduced 25 per cent; other items that ought to be reduced 10 per cent; other items, perhaps, that ought not to be reduced at all; but there at least ought to be a consideration of the bill here in the Senate, when the bill is before the Senate, before we resolve to instruct the Appropriations Committee.

It does not seem to me that the committee can disregard its general responsibility under the rules. If the committee does not want to consider the bill, if it is unwilling to take the responsibility, then let us ask that the committee be discharged, so that the bill may be brought back to the Senate; and, if such a motion is in order, Mr. President—and I think it is—I propose now to make a motion to discharge the Committee on Appropriations from the further consideration of House bill 9699. I make that motion in no manner whatever intending to reflect upon the committee—not at all—but I make the motion in the interest of orderly procedure. The committee having indicated that it will not assume the responsibility of reporting the bill to the Senate, then I suggest I am quite certain that the committee can not complain when it is asked to be discharged from the consideration of the bill.

Let the bill come before the Senate in the regular course, under the regular procedure. Then the Senate will have jurisdiction of the bill; the Senate can then determine whether or not the bill shall be recommitted; whether or not certain items shall be exempt from specific reductions, and whether or not specific items may not be reduced considerably more than 10 per cent.

Mr. President, I submit my motion.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Wisconsin yield for a question?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. BLAINE. I yield.

Mr. ROBINSON of Arkansas. Does not the Senator fear that the result of that course will be to increase the amounts carried in the various appropriation bills as they come from the House, and has not that been the experience in the past? I am asking for the Senator's view on the subject.

Mr. BLAINE. My view, Mr. President, is that our past experience has shown that the Committee on Appropriations and the Senate have, in many instances, increased the appropriations made by the House of Representatives; there is no doubt about that.

Mr. ROBINSON of Arkansas. Is it not almost the invariable rule?

Mr. BLAINE. I would not accuse the Appropriations Committee of going that far.

Mr. ROBINSON of Arkansas. If the Senator from Wisconsin will pardon me further, I am not accusing the Committee on Appropriations of anything. The pressure here for appropriations, as the Senator knows, is terrific; everybody advocates reductions in the cost of government on every item except the particular one in which he is interested, and then he not only wants that maintained but he wants it increased, so that if we are ever to cut down the total cost of government we must find some process of doing it that is different from the regular ordinary course of procedure. I know, if the Senator will pardon me just one brief further statement, how carefully he studies these measures, and I know what attention he must have given to them; but I fear that the result of the proposal that he is making now will be to increase rather than diminish appropriations; and, as I see it, there is a real necessity of diminishing the cost of government; it is too high.

Mr. BLAINE. Mr. President, I must disagree with the Senator from Arkansas. In my opinion, the course I have suggested will not have a tendency to increase the appropriation. Obviously it can not do so, because all my motion involves is that the committee be discharged from the consideration of the bill. The committee, therefore, will make no recommendations whatever, either as to increases or decreases.

I simply want to bring the bill before the Senate, the Senate having the responsibility, then act upon the bill when it is in the Senate, and not resolve ourselves into a caucus and adopt a resolution instructing the Appropriations Committee to do a certain thing. As I said when I made the motion, it should not be regarded in any way as a reflection upon the committee. It is rather assisting the committee out of the hole in which possibly it has put itself. The suggestion goes to the point of bringing the bill before the Senate. The motion which the Senator from Tennessee made respecting the other two appropriation bills could then be made after we consider the bill on the floor of the Senate. Then the Senate would be in a position to ascertain whether or not there should be a 10 per cent reduction or a 15 per cent reduction or a 20 per cent reduction in the aggregate or some reduction in specific items and greater reductions on other specific items, depending entirely upon the viewpoint of a majority of the Senate.

What I am setting forth is that the Senate has nothing before it except a resolution of instructions, after we have resolved ourselves into nothing more nor less than an ordinary caucus. I think it is an undignified performance for the Senate to engage in that sort of thing, when we have a perfectly parliamentary way by which the bill can be brought to the floor of the Senate and here be acted upon as we act upon other bills.

So, Mr. President, I insist on my motion.

The VICE PRESIDENT. The Chair will state that the motion may be entered, but it can not be considered at this time except by unanimous consent.

Mr. JONES. Mr. President——

The VICE PRESIDENT. The Chair recognizes the Senator from Washington.

Mr. JONES. I was going to suggest that there is another motion already pending, and I should like to say a word or two with reference to it.

Mr. BLAINE. Mr. President, I had not yielded the floor.

Mr. JONES. I thought the Senator had; I beg his pardon.

The VICE PRESIDENT. The Chair understood the Senator from Wisconsin to have concluded.

Mr. BLAINE. I wanted to make a parliamentary inquiry, and then I shall yield the floor.

The VICE PRESIDENT. The Senator will state it.

Mr. BLAINE. The motion, as I understand, may be entered under the rules?

The VICE PRESIDENT. It may be entered under the rules.

Mr. BLAINE. Then, will it not come up the following day?

The VICE PRESIDENT. It would have to lie over one day.

Mr. BLAINE. That, I think, is unfortunate unless we can carry the pending question over until to-morrow or unless unanimous consent can be obtained.

Mr. President, I am not making this as a mere petty objection. I do not want to obstruct progress in the Senate; I want to increase the speed with which we are undertaking legislation; and I think the course I suggest would be in the interest of orderly procedure and in the interest of the conservation of time, and the Senate would then be in a position more fairly and more properly to discharge its obligations, as I know every Senator wants them discharged.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. BLAINE. I yield.

Mr. ROBINSON of Arkansas. Mr. President, usually a motion to discharge a committee from the consideration of a bill carries with it the implication that the committee to whom the bill has been referred has been dilatory in acting upon the measure.

Mr. BLAINE. Does not the Senator think that I have made my position clear in that respect?

Mr. ROBINSON of Arkansas. I know that the Senator from Wisconsin has no such thought in his mind; but it does seem to me, in view of the painstaking efforts which the Appropriations Committee has made and in view of its promptness to act and of its readiness to respond to directions imposed by the Senate, that nothing helpful would be accomplished by agreeing to the motion of the Senator from Wisconsin.

For my part, I shall not object to voting on the motion at this time. If the Senator desires to submit a request for unanimous consent, I would not interpose the slightest objection, because, manifestly, the disposition of his motion is essential to progress on the bill; but I would not vote for the motion, because I do not believe it would accomplish the purpose which I am sure the Senator from Wisconsin has in mind.

Mr. McKELLAR. Mr. President, I have no objection——

Mr. BLAINE. Just a moment. I want to make it perfectly clear that my motion carries no implication whatever respecting the Committee on Appropriations. There is no suggestion that it has been dilatory. There is no suggestion that the committee has been negligent or that it has been careless. The committee has been diligent, but the Senate, in the case of two prior bills, has instructed the committee to reduce the aggregate of the appropriations 10 per cent. I can readily understand the position that the committee found itself in and I can readily understand why members of the Committee on Appropriations felt that since the Senate had voted thus twice before, the probabilities were that the Senate would again vote the same way on the bill in question. Therefore I can readily understand how the committee, with the best of intentions, with no thought of shirking its responsibilities or its duties in any degree whatever, should make the request that it has made.

I submit, however, that the orderly way of procedure is the way I have suggested by motion to discharge the committee, and I think we will get farther and make more progress by following that course. Let the bill come before the Senate. Let the Senate have the opportunity to determine what exceptions shall be made, if any exceptions shall be made, and how much the reductions shall be either respecting certain items or respecting the aggregate of the appropriations.

Therefore I ask unanimous consent——

Mr. ODDIE. Mr. President, will the Senator yield before he makes that motion?

The VICE PRESIDENT. Does the Senator from Wisconsin yield before making the motion?

Mr. BLAINE. I yield.

Mr. ODDIE. Just for a statement, because I feel very keenly on this matter.

The subcommittee, of which I am the chairman, has been expecting to meet any day to write up this bill. The responsibility for not calling the meeting, to a large extent, has been on me. We have been waiting until the Senate could act on the resolution of the Senator from Tennessee. I do not think it will take the subcommittee long to write up the bill when the resolution is disposed of. Then the full committee must act on it. Then the Senate will have the bill as the committee believes it should be passed under the instructions of the Senate.

There are a great many items in this bill that do not relate particularly to appropriations. There are questions of policy. I have called attention before to the hearings held by the committee. I wish the Senator could study those hearings. They comprise about 1,200 pages. It would be impossible to present the facts in detail before the Senate without taking a long time, and it would take up time of the Senate which should be given to something else.

The committee exists for the purpose of carrying on certain detailed work. It has heard many, many witnesses. Its members have studied these problems. They are almost ready to act. I feel that if the committee is discharged, what it has done will be lost. The advantages the committee has gained by getting opinions and facts from many witnesses will be completely lost.

I think if the bill goes through in the regular way, and if the resolution of the Senator from Tennessee is defeated, as I hope it will be, we shall be able to proceed much more quickly. I know how earnest and anxious the Senator from Wisconsin is to effect adequate savings and economies; but I think he will be saved a vast amount of work, and the Senate will be saved a great deal of work and time, by allowing the matter to go through in the other way.

Mr. BLAINE. Mr. President, it seems inconceivable that the subcommittee has anticipated what the Senate might do. The Senator has suggested that it will not take very long to complete the bill if the Senate will give its instructions, because a great deal of work has been done upon it. We are not pursuing a course that is designed to bring about the proper economy with respect to the items in which there should be economy. That is exactly the situation confronting the Senate with respect to this bill; and I ask unanimous consent for the consideration of my motion at this time.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Ohio before the submission of his request?

Mr. BLAINE. I yield.

Mr. FESS. I beg the Senator's pardon. I understood his motion was a motion to discharge a committee, but I do not know the status of it. Does it refer to the Committee on Appropriations?

Mr. BLAINE. The Committee on Appropriations, so that the bill may come before the Senate, and then we can determine what instructions we will give in recommitting the bill.

Mr. FESS. On the ground that the motion of the Senator from Tennessee to refer the bill back to the committee with a cut of 10 per cent applies to something that has not yet been before the Senate?

Mr. BLAINE. The bill to which the resolution of the Senator from Tennessee applies is not before the Senate. We are undertaking to resolve ourselves into a sort of a caucus, resolving what the Senate's opinion will be on a matter that is not before the Senate.

Mr. FESS. That is the question I wanted to clear up.

Mr. BLAINE. I was anxious to have the bill brought before the Senate, so that the Senate could act upon the bill in some way. Of course, it will be recommitted.

Mr. FESS. Would not that be just simply delaying it?

Mr. BLAINE. In my opinion, it will expedite matters.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. BLAINE. I do.

Mr. COPELAND. Will not the Senator accomplish exactly what he has in mind if we can succeed, as I hope we can, in defeating the McKellar resolution? Then, as I understand, the bill would be brought to us in the normal way for us to determine for ourselves whether the action of the committee was a wise action in reference to the individual items.

Mr. BLAINE. If the Senator's suggestion that the resolution will be defeated is accurate, of course, the same thing will be accomplished. I can not vote for the resolution as it is presented, under the circumstances I have outlined, because I think it is entirely improper from a parliamentary standpoint and from a business standpoint.

Mr. COPELAND. Mr. President, if the Senator will yield, I take exactly the same view. I think this is a dreadful way to attempt to legislate in appropriation bills. I think the bill should come to the Senate, and that the Senate should assume its fair share of responsibility, as well as making suggestions regarding the formulation of the bill.

Mr. DILL and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. BLAINE. I yield to the Senator from Washington.

Mr. DILL. Mr. President, we did that in the case of the Interior Department bill. We wasted a lot of time by going through that procedure. Why not act now? If the Senate wants to cut this appropriation, why not do it now? What is the use of letting the Senate committee go through all this work, bring this bill up here, fight it through, and then send it back to go all over it again?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BLAINE. Let me call the Senator's attention to the fact that this resolution provides for a reduction of 10 per cent exclusive of provisions for building and construction.

Mr. McKELLAR. Oh, no; it does not, Mr. President.

Mr. BLAINE. That was my understanding.

Mr. McKELLAR. Oh, no. I am just as much opposed——

Mr. BLAINE. That is a proposed amendment?

Mr. McKELLAR. Yes; that is a proposed amendment.

Mr. BLAINE. How is the Senate to determine these important matters? This bill is not like the Interior bill or the bill that is now before the Senate dealing with the State, Commerce, and other departments. This bill, as I understand, carries enormous appropriations and many items, running into the tens of millions. It is a bill of entirely different character. The Post Office and Treasury bill relates to property that belongs to the United States. This country has made an investment in those properties. Therefore we can not or should not arbitrarily cut an appropriation where it becomes necessary to preserve the investment that the Government has made. It is of an entirely different character, so far as the projects are concerned, than either of the two bills we have passed upon.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. BLAINE. I do.

Mr. COPELAND. If I understood the Senator correctly, he read this resolution as if it contained an exemption so far as public buildings are concerned; did he not?

Mr. TYDINGS. Mr. President——

Mr. BLAINE. I understand that that is an amendment proposed by the Senator from Maryland [Mr. TYDINGS].

Mr. COPELAND. It is an amendment that has been proposed, but has not been adopted.

Mr. BLAINE. I understand that.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Maryland?

Mr. BLAINE. I do.

Mr. TYDINGS. The resolution offered by the Senator from Tennessee provided for a 10 per cent cut on every item in the bill. The amendment which I offered provides that the provisions for public buildings and construction shall not be included in the 10 per cent cut.

Mr. BLAINE. That is my understanding now. I had the resolution sent to me, and I took it as it appeared. That does not change the situation one bit, in my opinion.

Mr. COPELAND. I agree with the Senator, but, of course, it would help a little bit. I think, however, the wise thing to do, if we have the votes to do it, is to defeat the McKellar resolution. Then the thing that the Senator has in mind, and that the rest of us have in our minds, too, will be accomplished.

Mr. BLAINE. I feel convinced that the procedure I have suggested is the usual and proper and parliamentary procedure, and that it ought to be followed, instead of the Senate resolving itself into a sort of a caucus, and thus, through that method, giving instructions to a committee. It is an unusual thing, an unheard-of thing.

I ask unanimous consent for the immediate consideration of the motion to discharge the committee.

Mr. JONES. Mr. President, has the Senator yielded the floor?

Mr. BLAINE. I have.

The VICE PRESIDENT. The Senator from Washington.

Mr. JONES. Mr. President, this seems to be a very peculiar procedure; at least, it appears so to me. It may not appear so to the Senator from Wisconsin. Probably I am very dull in regard to such matters.

The Appropriations Committee recognizes that it is the agent of the Senate. It is the creature of the Senate. It is subject to the instructions and directions of the Senate. Instead of considering this as a sort of a caucus proposition, it seems to me under the circumstances that it is a rather intelligent proceeding.

The Senate twice has sent appropriation bills back to the committee with instructions to cut the aggregate amount carried by them 10 per cent below the amount carried by the House bill. The last one that was recommitted was sent back without considering the different items. We considered only one or two and then the Senate sent the bill back to the committee with these instructions.

I recognize, as the Senator from Wisconsin suggests, that to a certain extent this bill is of a different character than these other bills. It does involve a tremendous sum of money. It involves most important activities of the Government, and yet it has been announced on the floor of the Senate before the last bill was sent back to the committee that the committee would consider that the policy of the Senate if it should be sent back.

Then this bill came up. We considered these phases of it, the character of it, the appropriations carried by it, how it affects the different activities throughout the Government, like the Rural Delivery Service, the rural service, the mail service, and all that sort of thing. We felt that the Senate really ought to tell the committee whether it wanted the committee to apply the 10 per cent rule to a bill of this character—a bill that involves over a billion dollars. A 10 per cent cut would be a cut of over $105,000,000. It did not seem to us that there was any disrespect to the Senate, but we thought we were really acting as the agents of the Senate, and we were glad to have its direction.

So we authorized the Senator from Tennessee to offer this resolution and directed him to do it. Of course, if the Senate does not want to adopt the resolution, they can vote it down and the subcommittee is ready to go to work on the bill. It has had all of its hearings and is ready to go to the items. But with the experience we had with reference to one bill, reporting it to the Senate as the committee thought the bill should be reported, the Senate considering it for a couple of weeks, and then sending it back to the committee with instructions to cut it down 10 per cent, we thought this action would be advisable. We thought it was showing proper respect and proper regard for our creator, the Senate of the United States, to ask for its instructions on an important matter like that, especially as the Senate had sent an appropriation bill back to the committee without considering any of the different items in the bill, directing

the committee to cut out 10 per cent. The committee directed the Senator from Tennessee to offer this resolution. The resolution certainly is in order so far as that is concerned.

I am perfectly willing for the Senate to vote on the resolution, which amounts to a motion to discharge the committee. If the Senate thinks that its agent has not been doing its duty, has not shown the Senate proper respect and proper regard and proper consideration, let the Senate discharge the committee from further consideration of the measure, bring the bill back to the floor, and consider it on the floor of the Senate without any recommendation from us.

We feel that we have been showing proper regard for the Senate; that we have shown our desire to treat this bill in the proper kind of way. It is a most important measure; it deals with most important activities of the Government. I am perfectly willing to waive the right to ask that the resolution go over, perfectly willing that the Senate may vote upon it now, discharge the committee from further consideration of the bill, and bring it before the Senate, and let the Senate act upon it just as it sees fit to act.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. JONES. I yield.

Mr. McKELLAR. All I wished to do was to have the Senator from Washington, the chairman of the Committee on Appropriations, verify the fact that this is not really my resolution. I had nothing to do with it; I did not offer it. The committee was not called at my request at all. I was perfectly willing to accept the statement which the Senator from Washington had made on the floor, that the same course be pursued in regard to this bill that was pursued in regard to the other bill. But I call attention to the fact that the Senator from New York, who is now criticizing me, as I have understood him, for introducing the resolution, was one of the promoters of the resolution before the Committee on Appropriations. I did not even vote for it. I am just doing what the committee instructed me to do.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from New York?

Mr. JONES. In just a moment.

I take all the responsibility for this action. I considered this such an important bill that I did call the committee together to consider whether or not we should follow the policy which had been adopted in regard to two preceding bills and cut the appropriations 10 per cent or whether we should submit that question to the Senate again. The resolution did not originate with the Senator from Tennessee. I am perfectly willing to take all the responsibility for the action, however simple it may have been.

Mr. FESS and Mr. COPELAND addressed the Chair.

The VICE PRESIDENT. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES. I yield to the Senator from Ohio.

Mr. FESS. I am still in the dark about the situation. Is the motion of the Senator from Wisconsin to discharge the committee from the consideration of the appropriation bill?

Mr. JONES. The Post Office and Treasury appropriation bill.

Mr. FESS. If the committee should be discharged, what would become of the bill?

Mr. JONES. It would come back to the Senate for consideration here.

Mr. FESS. As I read the resolution offered by the Senator from Tennessee, it seems to be merely an expression of the sense of the Senate as to what the committee should bring in.

Mr. McKELLAR. That is it.

Mr. JONES. That is correct; it is asking for the sense of the Senate on this bill, whether we shall take the same action on this bill we have taken as to two preceding bills.

Mr. FESS. While I am opposed to the resolution and am going to vote against it, it seems to me it is regular to bring it up now.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. JONES. I yield.

Mr. WAGNER. I wanted to ask the Senator, because I am sure he is informed on the subject, whether or not the construction appropriation provided for in the Treasury appropriation bill refers only to projects which are actually now in the process of construction or whether it provides for new projects? I understand it covers new projects, and that if we cut the appropriation further it will mean not only that we are not going to reemploy anybody now out of employment but that we are actually going to add to unemployment by compelling the further dismissal of employees now upon the pay roll.

Mr. JONES. That is probably true. Only $108,000,000 is included in the bill for construction of public buildings. We do not have to reduce that, even under the 10 per cent proposition of the Senator from Tennessee. We can make our cut somewhere else, or we can cut a million off that, or five millions off it, or any amount we may desire to cut off. It is for the construction of buildings which have already been authorized.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. JONES. I yield.

Mr. McKELLAR. I want to call attention to the testimony on that subject:

> Mr. MARTIN. Senator, that is the lump-sum appropriation to carry on the work on projects already under contract and projects that will be put under contract during this year.

Mr. JONES. Those which have been authorized.

Mr. McKELLAR. There are 50 of those under the bill.

Mr. BLAINE and Mr. ROBINSON of Arkansas addressed the Chair.

The VICE PRESIDENT. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES. I yield to the Senator from Wisconsin.

Mr. BLAINE. I was going to inquire whether the Senator can point to any precedent where the Senate has been asked for instructions by the Committee on Appropriations before they reported a bill?

Mr. JONES. Mr. President, I can not point to any precedent. Nor can I point to any precedent for the situation which confronts the Senate, or any precedent for the action the Senate has taken in sending back to the Committee on Appropriations appropriation bills with instructions to cut off so many per cent below what the House provided.

Mr. BLAINE. Just one other question. Precedents are numerous to the effect that bills have been recommitted to committees.

Mr. JONES. That is true.

Mr. BLAINE. And therefore the precedent has not been changed or restricted or enlarged by rereferring these appropriation bills to the Committee on Appropriations.

Mr. JONES. I know that. There is no question about the motion being in order when there is not another motion pending; but it may have to lie over for a day. I make no point on that at all.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from New York?

Mr. JONES. I yield.

Mr. COPELAND. I wanted to say this a long time ago, but could not get recognition. I want to say now that I am no promoter of the resolution which is pending before the Senate. The Senator from Tennessee practically served notice on the committee that he intended to offer this resolution.

Mr. McKELLAR. Oh, no, Mr. President. Will the Senator yield?

Mr. JONES. I yield.

Mr. McKELLAR. I refused to vote for it. It was not my suggestion at all. It came from the Senator from Washington, and the Senator will bear me out; and, as I recall distinctly, the Senator from New York was present, and, unless I am greatly mistaken, he voted for the resolution. If I am mistaken about that, I wish to have the Senator from New York correct me, because I would not do him an injus-

tice for anything under heaven, not at all. But my distinct recollection is that the Senator from Washington proposed that I be instructed, and I think the records will show that I was instructed, to offer this resolution. It was not my motion at all. I desired to let the matter go just as the Senator from Washington had left it on the floor of the Senate.

Mr. JONES. Mr. President, the Senator had announced on the floor of the Senate, during the consideration of the other bill, that he intended to make the same kind of motion with reference to every appropriation bill.

Mr. McKELLAR. That is true.

Mr. JONES. I just assumed that he intended to make the motion with reference to this bill, and that is why I called the full committee together. In justice to the Senator, I will say that he did not call the matter up, or suggest it, or anything of the kind, except that he announced on the floor that he intended to make the same motion with reference to every appropriation bill.

Mr. COPELAND. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. I would like to know how I lost the floor a moment ago.

The VICE PRESIDENT. The Senator from Washington has not yielded the floor since he was recognized.

Mr. COPELAND. He yielded the floor to me to make a comment, and in the midst of my comment the Senator from Tennessee interrupted me.

The VICE PRESIDENT. The Chair will hold hereafter that no Senator may yield except for a question.

Mr. JONES. I will yield the floor to the Senator from New York now for such remarks as he cares to make.

The VICE PRESIDENT. The Senator from Arkansas desired to ask a question.

Mr. JONES. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. I desired to ask the Senator from Washington whether it was in his mind, and in the minds of other members of the committee, that instructions in advance would be of assistance to the committee in the performance of its duties?

Mr. JONES. Very decidedly so.

Mr. ROBINSON of Arkansas. May I add that I think the committee has been diligent and faithful in the discharge of its duties, and I do not think the Senate ought to discharge the committee from consideration of this bill before it has had the opportunity of performing its functions in connection with the bill?

The VICE PRESIDENT. The Senator from New York is recognized.

Mr. COPELAND. Mr. President, I think the Chair is entirely right in enforcing the rule that a Senator may not be interrupted except for a question. I have been a Member of this body for nearly 10 years, and have tried on every occasion to observe strictly the rules, and to show courtesy to my fellow Senators. I have observed, however, to be frank, that one of the effective ways to get the floor is to rise and begin to talk. I refuse to do that. I want to do whatever I have to do in this body in a parliamentary, courteous, brotherly fashion, and when I can not do that any more I will retire from the body.

Mr. President, yesterday I made a plea to the Senate to have culled out from all the appropriation bills those items which deal with expenditures for projects permanent in their nature, for those projects which we call "capital investments."

There is no reason in the world why the taxpayer of this year and of next year should pay his money for the construction of buildings and public works which are to be used for the next 25, 50, or 100 years. It is an absurd thing.

If we had lots of money, if we had a surplus in the Treasury, as we have had during the fat years of the past, it would be all right to take the surplus and apply it toward capital investment. But no prudent man, no corporation, would think of increasing the capital investment, and add its cost on to the current Budget.

Yesterday, to make clear what I have in mind, I asked that certain figures be included in the RECORD. I left the city after I had finished my remarks, and did not have a chance to review the manuscript. I find to my regret that the RECORD does not show the figures which I intended to have presented. I do not blame the official reporters or the Printing Office, because it would be very easy to be confused. A moment ago, in going over the RECORD with the Senator from Washington [Mr. JONES], it was apparent that the figures were wrong. I have gone to the Committee on Appropriations to make sure whether or not a mistake occurred, and I find that one did occur.

I ask unanimous consent to have printed in the RECORD at this point the correct figures, which I have indicated on the paper I have before me, and which I will explain to the reporter.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Summary of estimates of appropriations for public works, fiscal year 1933

Appropriation	Nature of construction	Estimates of appropriations, 1933
LEGISLATIVE		
Site and construction, House Office Building.	Office building	$400,000.00
Enlarging and improving Capitol Grounds.	Grading, planting, concrete walks, terrace, fountain, garage, etc., and purchase of additional property.	
Completion of Senate Office Building.	Erection of wing, completion of approaches, C Street façade, etc.	
Approach to Senate Office Building.	Granite terraces, balustrades, etc.	
Enlarging and relocating Botanic Garden, including new conservatory.	Purchase of site, razing of buildings, conservatory building, residence for director.	
Site for additional buildings, Library of Congress.	Purchase of lands, and improvements.	
New buildings, Library of Congress.	Library buildings equipped with bookstacks.	2,500,000.00
Extension of Capitol	Revision of preliminary plans for completion of building.	10,000.00
Total, legislative		2,916,000.00
EXECUTIVE OFFICE AND INDEPENDENT ESTABLISHMENTS		
Maintenance Executive Mansion and grounds.	Reconstruction of West Terrace and remodeling offices.	
American Battle Monuments Commission.	Memorial chapels in the cemeteries and monuments on the battlefields of Europe.	307,114.00
Arlington Memorial Bridge Commission.	Bridge across Potomac River at Washington, D. C.	1,000,000.00
George Rogers Clark Sesquicentennial Commission.	Monument	500,000.00
Mount Rushmore National Memorial Commission.	Carving of heroic figures and improvement of grounds, Mount Rushmore, S. Dak.	25,000.00
National Advisory Committee for Aeronautics.	Full-scale wind tunnel; hangar	
Porto Rican Hurricane Relief Commission.	Construction and repair of hurricane damage to insular and municipal roads in Porto Rico (exclusive of maintenance).	
	Construction and repair of schoolhouses in Porto Rico.	
Public warehouse site and building.	Warehouse	
American Red Cross Building.	Monumental building	
General expenses, public parks.	Road construction	
Heating plant, West Potomac Park.	Heating plant	
Smithsonian Institution	Construction of gallery, fireproofing interior of Aircraft Building, and alterations in Industrial Arts Building.	
Supreme Court Building	Court and office building	2,000,000.00
Hospital and domiciliary facilities and services.	Hospital, homes, and other buildings for care of veterans.	12,877,000.00
Total, Executive Office and independent establishments.		16,709,114.00
DEPARTMENT OF AGRICULTURE		
Salaries and expenses, Office of Experiment Stations.	Farm buildings, offices, and living quarters at insular and Alaskan experiment stations.	3,200.00
Salaries and expenses, Weather Bureau.	Offices and living quarters at field stations; riprap work at Cape Henry station.	

Summary of estimates of appropriations for public works, fiscal year 1933—Continued

Appropriation	Nature of construction	Estimates of appropriations, 1933
DEPARTMENT OF AGRICULTURE—continued		
Salaries and expenses, Bureau of Animal Industry.	Farm and laboratory buildings; clearing and fencing land.	$3,000.00
Salaries and expenses, Bureau of Animal Industry, emergency construction.	Clearing and fencing land	
Experiments in livestock production in southern United States.	Water system at field station	
Salaries and expenses, Bureau of Dairy Industry.	Farm and laboratory buildings; water, sewer, and electric systems; clearing, fencing, and draining land.	32,000.00
Salaries and expenses, Bureau of Dairy Industry, emergency construction.	Farm, shop, and laboratory buildings; well and reservoir; clearing, fencing, and draining land.	
Salaries and expenses, Bureau of Plant Industry.	Farm buildings, greenhouses, field laboratories, shop buildings, garages, and fences.	51,600.00
Salaries and expenses, Bureau of Plant Industry, emergency construction.	do	
Salaries and expenses, Forest Service.	Roads and trails; telephone lines, firebreaks, lookout structures, dwellings, barns, latrines, fences; water development; office and laboratory buildings.	947,675.00
Salaries and expenses, Forest Service, emergency construction.	Roads and trails	
Forest Products Laboratory, Madison, Wis.	Laboratory building	
Improvement of Oregon caves.	Lighting system and stairways	
Roosevelt Memorial	Road memorial monument	
Insect infestations, Forest Service, emergency construction.	Telephone lines, firebreaks, dwellings, offices, fences, and water development.	
Cooperative work, Forest Service.	Roads, trails, fences, and water development.	1,124,000.00
Roads and trails for States, national forest fund.	Roads and trails	215,000.00
Forest roads and trails	do	8,110,000.00
Salaries and expenses, Bureau of Chemistry and Soils.	Naval stores research laboratory; sheds, etc.	10,000.00
Salaries and expenses, Bureau of Biological Survey.	Water development; fences, barns, corrals, pens, and hutches; slaughterhouse; headquarters building.	2,131.00
Salaries and expenses, Bureau of Biological Survey, emergency construction.	Telephone and power lines; water development; roads, fences, sheds, pens, and bunk houses; slaughterhouse; headquarters building; cold-storage plant; garage.	
Upper Mississippi River Wild Life Refuge.	Boathouse	
Bear River Migratory Bird Refuge.	Spillways, dikes, and dams	
Cooperative construction of rural post roads.	Highway construction; laboratory building.	109,000,000.00
Federal-aid highway system, advances to States, emergency construction.	Highway construction	
Public lands highways, emergency construction.	do	
Highways within national forests, emergency construction.	do	
Mount Vernon Memorial Highway.	do	
Flood relief, Vermont, New Hampshire, and Kentucky.	do	
Flood relief, Missouri, Mississippi, Louisiana, and Arkansas.	do	
Flood relief, Alabama	do	
Flood relief, South Carolina and Georgia.	do	
Investigations of cotton ginning.	Laboratory buildings	
Salaries and expenses, Plant Quarantine and Control Administration.	Fumigation house and inspection stations.	2,500.00
Total, Department of Agriculture.		119,691,106.00
DEPARTMENT OF COMMERCE		
Air navigation facilities	Construction of airways, buildings, and stations, and installing equipment and apparatus.	
Enforcement of wireless communication laws.	Purchase and installation of power equipment.	
Equipment, Bureau of Standards.	Dynamometer laboratory, alteration of north building, etc.	
Improvement and care of grounds, Bureau of Standards.	Roads, grounds, and drains	8,000.00
Hydraulic laboratory, Bureau of Standards.	Laboratory building, fume and fixed equipment.	
Additional land, Bureau of Standards.	Addition to present site	
General expenses, Lighthouse Service.	Lighthouse depots, light stations, other aids to navigation, and purchase and installation of equipment.	325,000.00

Summary of estimates of appropriations for public works, fiscal year 1933—Continued

Appropriation	Nature of construction	Estimates of appropriations, 1933
DEPARTMENT OF COMMERCE—continued		
Aids to navigation, Lighthouse Service.	Lighthouse depots, light stations, other aids to navigation, roads, and purchase and installation of equipment.	$549,700.00
Staten Island Lighthouse Depot, N. Y. (machine shop).	Lighthouse depot	
Light Station, Cleveland, Ohio.	Boathouse	
Party expenses, magnetic work, Coast and Geodetic Survey.	Alterations and additions to buildings at Cheltenham, Md., and rebuilding variation observatory at San Juan, P. R.	2,000.00
Construction at Fairport, Iowa, station, Bureau of Fisheries.	Buildings and water supply	
By-products plant, Pribilof Islands, Alaska, Bureau of Fisheries.	Machine sheds, etc.	
Propagation of food fishes	Buildings and water supply	20,000.00
Protecting seal and salmon fisheries of Alaska.	Buildings	12,350.00
Construction of stations	Land, buildings, and other structural improvements for fish-cultural stations.	
Investigating mine accidents	Replacement of building at Experimental Mine, Bruceton, Pa.	
Helium plants	Continuation of construction of Amarillo helium plant.	
Total, Department of Commerce.		912,050.00
DEPARTMENT OF THE INTERIOR		
Indian agency buildings	Employees' cottages, water and sewerage systems, etc.	50,000.00
Telephone lines, Southern Navajo Reservation, Ariz.	Telephone lines	
Telephone lines from Hoopa Valley Agency to Korvel, Calif.	do	
Telephone line from Tularosa, N. Mex., to Mescalero Agency.	do	
Telephone line from Nespelem to Wilbur, Wash., and from Wellpenit to Reardon, Wash.	do	
Telephone lines, Southern Navajo Reservation, Ariz., emergency construction.	do	
Developing water supply (gratuity).	Drilling wells and improving springs	96,000.00
Developing water supply (tribal funds).	do	29,000.00
Irrigation, Indian reservations (reimbursable).	Irrigating works on Indian reclamation projects.	820,600.00
Indian school buildings	School buildings, dormitories, heating plants, employees' quarters, etc.	207,000.00
Public-school buildings, Indian reservations, Arizona.	Public-school buildings	
Indian boarding schools	School buildings, dormitories, heating plants, employees' quarters, etc.	389,500.00
Education of natives of Alaska.	School buildings, dormitories, and teachers' residences.	13,000.00
Industrial boarding school, Shoemaker Bay, Alaska.	Clearing and grading grounds and erection of buildings.	
Conservation of health among Indians.	Hospitals, sanatoria, employees' quarters, heating plants, etc.	123,000.00
Medical relief in Alaska	Hospital buildings	
Roads, Indian reservations	Roads, bridges, etc.	400,000.00
Roads, Indian reservations, emergency construction.	do	
Road, Wind River Reservation, Wyo., emergency construction.	Road	
Miscellaneous tribal funds	Roads, water and sewer systems, etc.	50,000.00
Reclamation fund, special fund.	Dams, reservoirs, carriage and distribution canal and laterals, drains, pumping and power plants, buildings, etc., incidental to irrigation systems.	3,057,000.00
Boulder Canyon project	Hoover Dam and incidental features	10,000,000.00
National Park Service	Employees' quarters, comfort stations, water and sewer systems, camp-ground developments, fire lookout stations, etc.	573,800.00
Roads and trails, national parks.	Roads and trails	6,000,000.00
Roads and trails, national parks emergency construction.	do	
Alaska R. R. fund	Construction and improvement of railroad roadway, buildings, stations, etc.	229,000.00
Medical and surgical building, St. Elizabeths Hospital.	Buildings for the care of mental patients.	
Male receiving and continuous-treatment buildings, St. Elizabeths Hospital.	do	

Summary of estimates of appropriations for public works, fiscal year 1933—Continued

Appropriation	Nature of construction	Estimates of appropriations, 1933
DEPARTMENT OF THE INTERIOR—continued		
Repairs to buildings, St. Elizabeths Hospital, emergency construction.		
Dormitory buildings, Howard University.	Dormitory	
Chemistry building, Howard University.	Chemistry laboratories and classrooms.	
Educational classroom building, Howard University.	Building for new classrooms	
Heat, light, and power system, Howard University.	For reconstructing and improving underground system.	
Library building, Howard University.	New library	$400,000.00
Power plant, Howard University.	For development of Howard University and Freedmen's Hospital.	460,000.00
Howard University, emergency construction.	Improving grounds	
Freedmen's Hospital	Hospital addition for obstetrical patients and hospital addition for clinical patients.	
Total, Department of the Interior.		22,897,900.00
DEPARTMENT OF JUSTICE		
United States penitentiary, Leavenworth, Kans.	Buildings and equipment	9,520.00
United States penitentiary, Atlanta, Ga.	Buildings and equipment and farm improvements.	13,000.00
United States penitentiary, McNeil Island, Wash.	Buildings and equipment	40,000.00
U. S. Northeastern Penitentiary.	Site and construction	
Federal Industrial Institution for Women.	do	
U. S. Industrial Reformatory, Chillicothe, Ohio.	Construction of buildings	900,000.00
U. S. Southwestern Reformatory.	Site and construction	1,850,000.00
U. S. Hospital for Defective Delinquents.	do	1,250,000.00
Federal jails	Buildings and equipment	100,000.00
Prison camps	do	
National Training School for Boys, Washington, D. C.	Construction and equipment	124,000.00
Total, Department of Justice.		4,286,520.00
NAVY DEPARTMENT		
Naval hospital fund	Extension of existing hospital facilities.	215,000.00
Public works, Bureau of Yards and Docks.	Barracks, shop buildings, hangars, storehouses, and other buildings, floating dry dock, sea walls, piers, power-plant equipment, etc.	4,122,000.00
Public works, Navy, emergency construction.	do	
Aviation, Navy	Improvements to roads, railroads, walks, landing fields, seaplane runways and grounds, extension to heating, electrical, and other systems, dredging, etc.	45,000.00
Total, Navy Department.		4,382,000.00
DEPARTMENT OF STATE		
Foreign Service buildings fund.	Acquisition by purchase or construction of embassy, legation, and consular grounds and buildings.	450,000.00
TREASURY DEPARTMENT		
Establishing Coast Guard stations.	Coast Guard stations, new	
Rebuilding and repairing stations, etc., Coast Guard.	Rebuilding and improvements of stations.	187,000.00
Rebuilding and repairing stations, Coast Guard, emergency construction.	do	
Coast Guard Academy	New academy building	
Post office, courthouse, and customhouses, etc.	Acquisition of sites, construction of buildings, and extension and remodeling.	120,002,000.00
Quarantine stations	Acquisition of sites and construction of buildings, etc.	
Marine hospitals	do	
Triangle property	Purchase of sites in the triangle, etc	
Narcotic farm, Lexington, Ky.	Acquisition of site, etc	
Marine hospital (new), Cleveland, Ohio, special fund.	Acquisition of site and construction of buildings.	
Treasury Building vault, Washington, D. C.	Construction of vault	
Total, Treasury Department.		120,189,000.00

Summary of estimates of appropriations for public works, fiscal year 1933—Continued

Appropriation	Nature of construction	Estimates of appropriations, 1933
WAR DEPARTMENT		
Military activities		
Construction of buildings, utilities, and appurtenances at military posts.	Barracks, quarters, hospitals, technical buildings, and other buildings for troops.	$2,250,000.00
Construction of buildings, utilities, and appurtenances at military posts, emergency construction.	do	
Construction and repair of hospitals, emergency construction.	Alterations and improvements	
Repair of dock, Fort Screven, Ga.	Repairs to dock	
Revetment wall, Fort Moultrie, S. C.	Revetment wall	
Acquisition of land	Sites and enlargement of reservations at Fort Lewis, Wash.; Bolling Field, D. C.; Fort Bliss, Tex.; Maxwell Field, Ala.; West Point, N. Y.; Fort Ethan Allen, Vt.; and Pedricktown, N. J.	269,557.00
Air Corps, Army	Technical buildings, construction of landing field, runways, etc.	
Air Corps, Army, emergency construction.	do	
Seacoast defenses, Engineers, emergency construction.	Magazine facilities, Fort Tilden, N. Y.	
Seacoast defenses, Engineers, 1930-31.	Shore protection, Fort Screven, Ga	
Repairs of arsenals	Heating plant, high-pressure water system, powder-blending unit.	
Repairs of arsenals, emergency construction.	Improvements	
Ammunition storage facilities, Army.	Construction of magazines and purchase of land.	
Chemical Warfare Service, Army, emergency construction.	Improvements	
U. S. Military Academy, emergency construction.	Buildings, roads, sewer systems, etc	
Arming, equipping, and training the National Guard, emergency construction.	Buildings and utilities at camps	
Total, military activities		2,509,557.00
Nonmilitary activities		
Cemeterial expenses	Superintendents' lodges, outbuildings, and roads.	
Cemeterial expenses, emergency construction.	do	
National military parks and monuments.	Buildings, roads, land, etc	
National military parks and monuments, emergency construction.	do	
Lincoln Birthplace Memorial, emergency construction.	Improvements	
Construction and maintenance of roads, bridges, and trails, Alaska.	Constructing roads, bridges, and trails (exclusive of maintenance).	
Interoceanic canals	Survey of Nicaraguan Canal	
Maintenance and improvement of existing river and harbor works.	Dredging channels, construction of breakwaters, jetties, and other works for improvement of navigation (exclusive of maintenance).	32,000,000.00
Maintenance and improvement of existing river and harbor works, emergency construction.	do	
Dam No. 2, Muscle Shoals, Ala.	Hydroelectric plant	
Flood control, Mississippi River and tributaries.	Construction of levees, revetments, and other flood-control works.	31,000,000.00
Flood control, Mississippi River and tributaries, emergency construction.	do	
Emergency fund for flood control on tributaries of Mississippi River.	Levees	400,000.00
Flood control, Sacramento River, Calif.	Dredging channels, building levees, bank protection, and by-pass weirs.	900,000.00
Operating and care of canals, etc.	Reconstruction of dam	
Funds contributed and advanced for river and harbor improvements.	Dredging channels, construction of breakwaters, and other improvements of navigable waters.	1,150,000.00
Funds contributed for flood control, Mississippi and Sacramento Rivers.	Building levees	640,000.00
Miscellaneous appropriations for rivers and harbors.	Dredging channels and other improvements to navigable waters.	
Funds contributed for roads, bridges, and trails, Alaska.	Constructing roads, bridges, and trails (exclusive of maintenance).	
Wagon roads, bridges, and trails, Alaska.	do	
Protective works and measures, Lake of the Woods and Rainy River, Minn.	Flowage easements and bank protection.	

Summary of estimates of appropriations for public works, fiscal year 1933—Continued

Appropriation	Nature of construction	Estimates of appropriations, 1933
WAR DEPARTMENT—contd.		
Nonmilitary activities—Con.		
Protective works and measures, Lake of the Woods and Rainy River, Minn. (contribution by Canada).	Flowage easements and bank protection.	
Total, nonmilitary activities.		$66,090,000.00
Total, War Department, exclusive of Panama Canal.		68,599,557.00
Panama Canal: Maintenance and operation.	Continuation of construction of Madden Dam; permanent quarters for American employees; enlargement of Cristobal Dry Dock; Home for Superannuated Alien Employees, Corozal Hospital; Corundu Fill; La Boca Road and grading.	5,555,000.00
Total, War Department, including Panama Canal.		74,154,557.00
DISTRICT OF COLUMBIA		
Public works, total of all appropriations.	Public school buildings, highways, water and sewer construction.	11,000,520.00
Total, public works		377,498,767.00

Mr. COPELAND. Mr. President, I do not think it makes any difference how the resolution of the Senator from Tennessee originated. I know and I think I am right in saying it was common knowledge that the Senator intended to present a resolution to have the bill recommitted with directions for a 10 per cent reduction. Therefore the Appropriations Committee, wishing to learn how its work might proceed in an orderly fashion, suggested to the Senator that he present his resolution, and do so at once. But, mind you, he was put on notice by several members of the committee, of whom I was one, that the idea of a 10 per cent reduction on this particular bill did not appeal to us, certainly not to me.

I think it would be an outrageous thing at this time, when we need to have public works going on in our country in order that employment may proceed and in order that starvation may cease to make such a reduction as is proposed. We should go forward with our activities and not stop them.

Further, I can not conceive it possible that the Senate of the United States should force the Appropriations Committee into a position where it may become necessary to recommend a material reduction in the ocean mail contracts. I know we could do it, as I said yesterday. Sovereigns can do anything. But there is a moral and a legal obligation resting upon the Government of the United States to carry out its contracts with the shipping interests of the country. If we wish to put shipping on the rocks, if we wish to put shipping into bankruptcy, if we wish to ruin the American merchant marine, if we wish to undermine the national defense, if we wish to continue to send into bread lines men who want to work, we can proceed with the resolution of the Senator from Tennessee. Its passage will prepare the way for such a reduction in the appropriations for public works and essential services that poverty will increase in the United States and distress will be greater even than it is to-day.

Mr. President, I had not intended to say all that, but I have said it, and I mean it. I beg of Senators that they will not think of passing the resolution when the knowledge is in the heart of each of us that to do it means to increase misery in the United States and to work a failure on the part of the Government to perform a part of its obligation in relieving the distress of our fellow countrymen.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin for immediate consideration of his motion to discharge the Committee on Appropriations from further consideration of the bill?

Mr. BRATTON. Mr. President, to what bill does the motion relate?

The VICE PRESIDENT. To the Treasury and Post Office Departments appropriation bill which is now pending before the Committee on Appropriations.

Mr. BRATTON. I object.

Mr. McKELLAR. I hope the Senator will not object. Let us vote on the motion. The Senator from Wisconsin insists that he wants the matter to go over until to-morrow unless we can vote on it to-day. If he desires a vote on it, let us have it.

Mr. BRATTON. Unfortunately, I was out of the Chamber when the Senator from Wisconsin submitted his request.

Mr. JONES. I hope the Senator will withdraw his objection and let us vote.

Mr. BRATTON. Very well; in deference to the views just expressed I withdraw my objection.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	La Follette	Shipstead
Barbour	Dickinson	Lewis	Shortridge
Barkley	Dill	Logan	Smoot
Bingham	Fess	McGill	Steiwer
Black	Fletcher	McKellar	Thomas, Idaho
Blaine	Frazier	McNary	Thomas, Okla.
Borah	George	Metcalf	Townsend
Bratton	Glass	Morrison	Trammell
Brookhart	Glenn	Moses	Tydings
Bulkley	Goldsborough	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hayden	Nye	Walsh, Mass.
Carey	Hebert	Oddie	Walsh, Mont.
Connally	Howell	Patterson	Waterman
Coolidge	Hull	Reed	Watson
Copeland	Johnson	Robinson, Ark.	Wheeler

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present. Is there objection to the request of the Senator from Wisconsin?

Mr. MOSES. Mr. President, may the request be stated?

The VICE PRESIDENT. The request of the Senator from Wisconsin is that unanimous consent be given for the present consideration of his motion to discharge the Committee on Appropriations from the further consideration of the Treasury and Post Office Departments appropriation bill. Is there objection? The Chair hears none. The question is on the motion of the Senator from Wisconsin.

Mr. BLAINE. Mr. President, I desire to address myself for a few moments to a matter which is directly related to the question involved in the Treasury and Post Office Departments appropriation bill.

The select committee for investigation of post-office leases has made a thorough examination of leases which are characterized as the large leases judged by the amount of annual revenue; that is, leases carrying $6,000 or more as an annual rental. I desire to introduce at the close of my remarks a bill to carry out suggestions which I am about to make. Before introducing the bill, however, which I believe will remedy the existing evils and also permit the Government to escape the unconscionable rentals which the Government is paying for these larger leaseholds, I desire to outline briefly a constructive construction program.

The plan for a construction program to house the facilities now located in leased properties in the buildings to be constructed in the next four years is shown by a table which I have prepared and which I desire to have inserted in the RECORD at this point. The table shows the number of leases for each year, the date of their expiration, the annual rentals, and the total rentals for the 292 leases involved.

The VICE PRESIDENT. Without objection, it will be so ordered.

The table referred to is as follows:

	Number of properties	Annual rental
All leases expiring during fiscal year ending—		
June 30, 1932	24	$394,926.49
June 30, 1933	40	677,088.00
June 30, 1934	48	913,477.02
June 30, 1935	56	979,956.56
June 30, 1936	49	1,071,497.34
June 30, 1937	34	576,357.37
Total	251	4,613,302.78
Expiring subsequent to June 30, 1937, but containing a Government building cancellation clause	41	1,282,332.00
Total	292	5,895,634.78

Mr. BLAINE. An examination of all leases of facilities of every nature whatever of the Post Office Department (embracing all main post offices, branches and stations, garages and railway mail terminals) discloses that as of March 1, 1932, there were 367 leases, for which the rental is $6,000 or more per annum, amounting to an annual rental charge of $7,918,533.12.

An analysis of these leases discloses that 75 of them (or 20 per cent of the total number), carrying an annual rental charge of $2,022,898.37 (or 25 per cent of total rental), expire subsequent to June 30, 1937; and in each and every one of these leases there was eliminated the so-called Government building cancellation clause, providing, in substance, that the lease could be terminated and canceled upon 90 days' notice in writing to the lessor whenever the Post Office Department shall decide to move the facility into a Government-owned building which shall have been provided for it.

This leaves 292 leases (or 80 per cent of total number), carrying an annual rental charge of $5,895,634.78 (or 75 per cent of total rental), which expire on or before June 30, 1937, or which expire subsequent to June 30, 1937; but said leases contain a so-called Government building clause.

If this program shall be adopted, there will be an annual rental reduction or saving in rental after buildings are completed of approximately $6,000,000 a year.

There have been few changes in the leasing situation since June 30, 1930. The rentals on but two large leased properties have been discontinued. The commercial station property at St. Paul, Minn., has been acquired through condemnation by the United States as of November 22, 1929, thereby eliminating the rent charge, which at the rate of $120,000 a year from November 22, 1929, to November 5, 1941, the date of the expiration of the lease, would have amounted to $1,434,666.

The sum paid into the United States district court in payment for this property amounted to $416,178.45, which shows a saving in rentals on that one property alone amounting in round numbers to $1,000,000. Of the sum paid into the United States district court, $325,254.66 represented the amount of the award of the jury rendered on May 10, 1930, as being the fair market value of the property as of November 22, 1929, the date of the award of the board of commissioners, which was in the sum of $317,562; and also $57,166 represented an estimated saving to the Government of seven months' rent of other Government activities occupying leased quarters in St. Paul, it being estimated that the ultimate completion of the new building would be accelerated by seven months under the plan of settlement finally agreed upon; and also $33,557.79 represented interest at 6 per cent, as provided for under the laws of the State of Minnesota, on $382,420.66 from November 22, 1929, to May 12, 1931, the date of the voucher of the Treasury Department.

The only other large lease which has been terminated since June 30, 1930, is that covering the Van Buren Station property at Chicago, which carried an annual rental charge from December 1, 1922, to November 30, 1923, of $545,272; from December 1, 1923, to November 30, 1927, of $500,000, and from December 1, 1927, to November 30, 1942, the date of the expiration of the lease, of $310,000. The purchase of the Van Buren postal facility was embraced in the legislation authorizing an appropriation of $24,725,000 for a new post-office building in Chicago, and it appears that the payment of rental on the Van Buren property was discontinued as of June 29, 1931.

In the original program of the Postmaster General, contained in his special report to the President, it is disclosed that the ratio between the estimated expenditures necessary for the construction of 106 properties to the annual rental of those properties under existing leases is 12.5; that is, it would take a sum equal to twelve and one-half times the annual rental to cover the estimated cost of constructing new buildings; in other words, the sum of $45,000,000 will have to be appropriated to provide for the construction of new buildings to use the postal facilities now located in leased properties carrying an annual rental charge of $3,600,000.

It will be noted that I am citing from the report of the Postmaster General to the President.

However, the records of the committee as to post-office leases disclose that there are 292 properties covered by leases which expire on or before June 30, 1937, or which expire subsequent to that date, but the leases contain the so-called Government building cancellation clause, and that these 292 properties carry an annual rental charge of $5,895,000.

However, Mr. President, it is not necessary that a construction program cover each and every one of these 292 properties for the following reasons:

In some cases, in congested metropolitan centers, it would be more economical to continue to rent quarters for postal facilities even though the annual rental exceeded the sum of $6,000. On this point the Postmaster General in his special report to the President stated:

> There are special conditions to be considered, of course, such as the probable degree of permanence of the need for quarters of a particular kind in a particular location; the high cost of metropolitan properties, and so on; so that it would obviously not follow that the Government should invariably own its own quarters in preference to paying rental in excess of this figure ($6,000).

Then, again, the $700,000,000 general building program, a portion of which, or, for all we know, all of which may be suspended by proposals affecting appropriations for the Treasury and Post Office Departments, provides for the construction of some buildings which will house some of the facilities located in leased quarters carrying an annual rental charge of $6,000 or more per annum. This program has had no appreciable effect in reducing rental charges on the major leased properties up to the present time, but this reduction, it is hoped, will be accelerated beginning with the fiscal year ending June 30, 1933.

On the other hand, the necessity for additional space to care for the increased business of the Post Office Department will, in the absence of a special construction program, necessitate the leasing of larger quarters in the near future, and even though the rental per square foot may be in some small degree reduced, due to the lower rental conditions prevailing throughout the country, it is believed that the rent charged in the aggregate will of necessity increase from year to year.

Mr. President, if anything like a proportionate increase in space would be necessary generally respecting the 292 properties to which I have heretofore referred in order to provide for the growth of the service, it is obvious that an appropriation of $45,000,000 would be far from adequate to cover the cost of the construction of new buildings to house postal facilities now located in leased quarters carrying a rental charge of $3,600,000 per annum. Therefore, it is clear that the figure of $45,000,000 is in nowise an excessive estimate as an amount which may very properly be spent during the next three years to reduce the rent bill of the Post Office Department. Herein lies a reasonable method by which to bring about economy.

An analysis of the testimony of the Postmaster General before the Public Buildings and Grounds Committee of the House of Representatives clearly demonstrates that it is more advantageous for the Government to authorize expenditures for the construction of new buildings than for the purchase of buildings now occupied under lease. The

figures testified to by the Postmaster General concerning the recommendation for the purchase of properties did not take into consideration the necessity for providing additional space to care for the growth of the postal service, though the legislation recommended in his last annual report authorized the Secretary of the Treasury "to enlarge, extend, or remodel any building acquired" under the bill.

Three years hence, at the expiration of the fiscal year ending June 30, 1935, the Government will face three alternatives: First, to continue to lease quarters now occupied under lease, at renewal rates in all probability higher per square foot than now prevailing under existing leases, and because of the necessity for providing for the increased growth of the service to lease larger quarters, thereby increasing the aggregate annual rental. Furthermore, it must be remembered that as of June 30, 1935, many of these leased postal facilities will have been located from 10 to 15 years, while the needs of the service may have materially changed during that time; and yet at the ultimate termination of the leases the Government will have nothing in the way of a fixed investment to show for its expenditures for rent.

Second alternative: To purchase some of the properties now occupied under lease. While this would, over a period of years, materially decrease the cost to the Government, it must be remembered that, as I have stated, in many cases the Government would continue to occupy a building which was located and constructed 10 or 15 years before while the needs of the postal service may have materially changed since that time.

The third alternative is to house all postal facilities, as far as practicable, in Government-owned buildings, effecting, it is conservatively estimated, a saving equivalent to more than one-third of the present annual rental, located according to present needs, constructed in accordance with the latest improvements in design, and possessing all of the advantages resulting from the experience of the past 10 years in the construction of postal facilities, and so constructed as to provide for the increasing needs of the service for the following 10 years.

The purpose, therefore, of the bill I shall introduce is to enter upon a program of construction that will ultimately displace the 292 leaseholds. Post-office leases of the character I am discussing, in practically all of the cases, run from 10 to 20 years. The necessary postal facilities that will displace the leased properties can be constructed out of the rentals paid, on the basis of past experience, in 12½ years.

The question arises, however, as to how the Government will be able to meet the construction cost. The new buildings will be of a permanent character and will undoubtedly serve the Government for the next 50 to 100 years. The investment will be a permanent investment, without rentals. Therefore, analogous to the practice of other governmental agencies—cities, counties, and school districts—throughout the United States, bonds should be issued to cover the construction cost of these permanent buildings as they proceed, such bonds running for a reasonable period of time, or short-term bonds, within which time the savings in rental will retire the bonds and the interest, and the Government will own its own buildings.

The program suggested, therefore, will place no additional burden upon the Treasury of the United States and will not involve the raising of a single dollar by taxation.

I also call attention to the question of whether or not the Government should purchase any of the leased buildings. In view of that question, the Select Committee on Post Office Leases obtained the services of a nationally known and well-organized appraisal company; and out of the 367 leaseholds a detailed appraisal was made of 51. That is a cross-section of the country and of the leases. I find from a study of such appraisals that with perhaps a single exception none of the present properties under leasehold should be purchased at this time. Many of the buildings are unsuitable, the construction inadequate, and altogether they are undesirable for permanent postal facilities.

Moreover, Mr. President, the suggested program of construction will afford employment on scores of building projects distributed all over this country—not wasteful projects but essential projects, where a large amount of material will be used and much labor employed. The bill I shall propose serves a double purpose—economy in the conduct of our Government and employment in constructive and essential public works.

I now introduce the bill, Mr. President, and ask that it be printed in full in the RECORD following my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BLAINE introduced a bill (S. 4403) to amend the act of May 25, 1926, entitled "An act to provide for the construction of certain public buildings, and for other purposes," which was read twice by its title, referred to the Committee on Public Buildings and Grounds, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926, as amended, is hereby further amended so as to provide that in addition to the amounts heretofore authorized to be appropriated for public building projects, the sum of $45,000,000 is hereby authorized to be appropriated for the acquisition, by purchase, condemnation, or otherwise, of sites and the construction of buildings to house the facilities of every nature whatever of the Post Office Department now housed in quarters occupied under leases at a rental of $6,000 or more per annum, and expiring on or before June 30, 1937, or expiring subsequent to June 30, 1937, when said leases contain a provision that said leases can be terminated upon 90 days' notice whenever the Post Office Department shall decide to move said facilities into a Government-owned building provided therefor: *Provided*, That under this authorization not more than $15,000,000 shall be expended annually, except that any part of the balance of any appropriation made pursuant to this authorization which may remain unexpended at the end of any fiscal year may be expended in any subsequent fiscal year without reference to this limitation.

The VICE PRESIDENT. The question is on the motion of the Senator from Wisconsin [Mr. BLAINE].

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Robinson, Ind.
Austin	Couzens	Kean	Schall
Bailey	Cutting	Kendrick	Sheppard
Bankhead	Dale	La Follette	Shipstead
Barbour	Dickinson	Lewis	Shortridge
Barkley	Dill	Logan	Smoot
Bingham	Fess	McGill	Steiwer
Black	Fletcher	McKellar	Thomas, Idaho
Blaine	Frazier	McNary	Thomas, Okla.
Borah	George	Metcalf	Townsend
Bratton	Glass	Morrison	Trammell
Brookhart	Glenn	Moses	Tydings
Bulkley	Goldsborough	Neely	Vandenberg
Bulow	Hale	Norbeck	Wagner
Byrnes	Harrison	Norris	Walcott
Capper	Hayden	Nye	Walsh, Mass.
Carey	Hebert	Oddie	Walsh, Mont.
Connally	Howell	Patterson	Waterman
Coolidge	Hull	Reed	Watson
Copeland	Johnson	Robinson, Ark.	Wheeler

The PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present. The question is on agreeing to the motion proposed by the junior Senator from Wisconsin [Mr. BLAINE].

The motion was rejected.

Mr. McKELLAR. Mr. President, I am going to take a very short time to answer some of the suggestions which have been made by those who are opposed to the pending resolution.

I want first to state to the Senate that this resolution of mine was offered by direction of the Committee on Appropriations. It was not offered at my suggestion or instigation. I am simply carrying out the desire of the committee, and the committee honestly and properly desired the instructions of the Senate, and I was very glad to offer the resolution, after being instructed.

Before I go further, I want to say to my friend the Senator from Nevada [Mr. ODDIE] that in making suggestions about appropriations going to Nevada, I did not intend to take issue with him. The Senator from Nevada is working for

his State, and that is perfectly proper and right, and I am not criticizing him. I was just appealing to him, under the circumstances, with our Treasury in the condition in which it is, not to ask for too much at this time. His State is a great State, there are many public lands in it, of course, and I can understand why he makes the request which he does make.

I want to say to the Senator from California [Mr. JOHNSON], who addressed the Senate yesterday in opposition to the resolution, that he and I do not differ at all about the sale of foreign securities in this country. He and I do not differ at all about the moratorium. I voted with him in that matter, and I thought then I was right, and I have no reason to change my notion about it now and have not changed my notion about it. I agree with the Senator on that proposition.

The only thing about which I differ with the Senator is this: That at such a time as this I think we should all join in working out some systematic plan for the reduction of appropriations. Of course, if Senators are going to object to any plan which would cut down the appropriations for their own States, we could not get anywhere; but it seems to me that in the two appropriation bills which have been before the Senate, one of them the Interior Department appropriation bill and the other the appropriation bill for Commerce, State, Labor, and Justice Departments, we have worked out a 10 per cent reduction on a fair and just and equitable basis. I think the Committee on Appropriations has cooperated in the best of faith, so that those bills have been submitted to the Senate; and one of them has passed. All this resolution asks is that the same rule be applied to the Treasury and Post Office Departments bills as has been applied to the other two bills.

Some seem to think that we must take out certain appropriations; for instance, the appropriation for the Post Office Department; that there is not enough leeway there. I want to say that if we take the bill as a whole, we will find that we can reduce to a greater extent in the Treasury Department appropriation bill, if we so desire, than in the Post Office Department appropriation bill. The pending resolution does not require us to reduce 10 per cent of the postal appropriations and then 10 per cent of the Treasury appropriations. We go through the whole bill, and all we are required to do under the resolution is to reduce the appropriations 10 per cent in the whole bill.

Mr. FESS. Mr. President, will the Senator yield?

Mr. McKELLAR. In just a moment. Let me assure the Senate that so far from it being more difficult to reduce the appropriations in the Treasury and Post Office bills than in the other two bills, in my humble judgment, there will be less difficulty, because under the Post Office appropriation bill there are enormous subsidies the Government is paying; and, in my judgment, a very considerable saving can be effected by cutting off those subsidies. I now yield to the Senator from Ohio.

Mr. FESS. Mr. President, I would like to say to the Senator from Tennessee that the thing which impressed me in what the Senator from California asked the Senator was with reference to the percentage of the Post Office appropriation which had to be paid as salaries. It was stated that 70 per cent of the appropriation would be paid in the way of salaries, and I saw a report which stated that it would be 71 per cent. Those salaries are fixed by law, and it is not possible to reduce them except by legislation unless some employees are dismissed. I understand that they might be dismissed. So that I thought it was a rational conclusion that the 10 per cent cut would have to be made on the 30 per cent or 29 per cent of the appropriations representing expenditures outside of salaries.

Expert reports have been made as to the public buildings contemplated. When one year certain buildings are completed in certain cities, another list is given us, and we are now in the process of the construction of the buildings enumerated in the last list which has been given. If a reduction is to be made, it would be very difficult, it would seem to me, for the department to discriminate against this building or that building, or this city or that city or State. It would be easy for them to say, "If you cut one out, we will just cut them all out."

Mr. McKELLAR. Mr. President, if the Senator will indulge me for eight minutes, I believe I can conclusively show to him and to every other Member of the Senate that such things as he fears will not take place.

Mr. FESS. Mr. President, will the Senator yield to an interruption?

Mr. McKELLAR. Certainly.

Mr. FESS. I do not want to make a speech; I do not intend to.

Mr. McKELLAR. I thought perhaps the Senator was about to, and I would be perfectly willing to have him do so.

Mr. FESS. The Senator is informed in regard to this matter, and I want to get his reaction.

It appears to me that the fear to which I have referred is involved in this matter, that instead of discriminating there might be a reduction in the public-building program involving quite a large lump sum.

I thought the Senator from California made a very strong point when he referred to our boasting about expending in the public-building program this year three times as much as we ever expended in any preceding year, that the public-building program is in the interest of taking up the unemployment, that if it was justifiable, as all of us believe it is, it is not, it seems to me, defensible that we go up the hill one day and the next day go down the hill.

If it was right to go into this great public-construction program to provide employment for labor—and I think it was, and the Senator thinks it was—it would be wrong now for us to rescind our action unless there is no other way by which we may effect economies. For that reason I think the Senator is not quite right when he says that we can make the cut by way of cutting out subsidies, because that involves a matter of legislation and would require corrective legislation. It strikes me that this is not a safe procedure to follow.

Mr. McKELLAR. Mr. President, I hope the Senator will indulge me for just a few moments so that I may take up in order the points which have been suggested. I did not intend to do that, but I will follow that course.

The Postmaster General has sent in a report that he will have to cut down salaries, I have forgotten how much. To my mind, the Postmaster General is absolutely and entirely mistaken. Why do I say that? I have before me a statement of the appropriations for the Post Office Department since 1925. The Senator from Ohio, and every other Senator, knows that we have not discharged employees during those years in that department. Every Senator knows that we have treated that department fairly, and every Senator here knows that the Post Office Department did more business in the years 1925 and 1926 than it has done this year or than it will probably do next year. We appropriated $629,000,000 for the department in 1925. Employees were not discharged; indeed, salaries were raised about that time. No employees were discharged, no function of the department was done away with because we appropriated only $629,000,000. Now it is proposed, even if a 10 per cent reduction is sustained, to appropriate $730,000,000 for our Post Office Department.

Let us suppose there will be a flat reduction. We will have $730,000,000 as against $629,000,000 in 1925, $651,000,000 in 1926, $842,000,000 in 1927, which was one of the banner years, and $755,000,000 in 1928. We cut down the appropriation in 1928 from the appropriation of 1927 fully as much as it is proposed that we now cut the appropriation. There was no wholesale discharge of employees, no employees were thrown out of employment at all, and I say that if the proposed cut is made now, assuming the committee determines to make a 10 per cent flat reduction, or $80,000,000, leaving $730,000,000 as the amount to be appropriated, that will be ample to run the department.

I digress here long enough to say that any informed man in this country knows that the Post Office Department is not doing as much business now, by a very considerable extent,

as it did in 1927 and 1928. The business has been cut down, the work is not there to do, and there is no reason for increasing the appropriation under such circumstances. To my mind it would be the height of extravagance to appropriate the same amount, and that is without regard to the enormous subsidies which are paid out under the proposals of this bill.

We cut from $842,000,000 in 1927 to $755,000,000 in 1928. We appropriated $766,000,000 in 1929, one of the banner years for business. Then we increased it in 1930 to $842,000,000, in 1931 we appropriated $840,000,000, in 1932 increased it to $844,000,000, and now it is proposed to set the figure at $805,000,000.

Senators, we are not getting the profits out of the Postal Service that we have gotten in the past. They are falling behind. That is somewhat due to subsidies. On the other hand, it is largely due to the falling off of business. The business is not there. It is not necessary to expend these vast sums of money for a lesser business than we did for a greater business. All we ask by the resolution is that the bill go back to the committee to work out a 10 per cent reduction such as we have done with the other bills, and under these figures I do not know how it can be gainsaid.

Mr. FESS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Ohio?

Mr. McKELLAR. I yield.

Mr. FESS. The cuts which the Senator has suggested be made must affect the employment. They are either dismissing employees in the Post Office Department or cutting salaries.

Mr. McKELLAR. They did not do it in previous years with substantially the same money. Why is it necessary? I will tell the Senator why it is necessary. The proposal to cut down 10 per cent in the various departments has been made the subject of a tremendous propaganda that has been sent out by the heads of the departments urging everybody to write letters to Congressmen and Senators protesting against any cut. We all know that every department head and every bureau head is intensely desirous of keeping the appropriations as large as possible.

But in this case the business is not there and they do not need it and they will not have to discharge anyone. The Senator knows and every other Senator knows that through my entire experience and course here I have been extremely generous in regard to the payment of salaries in this department, because I serve on the Committee on Post Offices and Post Roads. I take great pride in that department. I know they do a wonderful service there. I am willing to pay them liberally. There is no intent in the resolution to reduce salaries at all, for that matter. They need not be reduced. The only thing about it in my humble judgment is, if the Senator from Ohio wants to know it, that the Postmaster General came to the conclusion that that would be the most popular way to defeat the purpose.

Mr. FESS. Mr. President——

Mr. McKELLAR. I yield to the Senator from Ohio.

Mr. FESS. The Senator knows that propaganda has no effect upon him nor upon the Senator from Ohio.

Mr. McKELLAR. Oh, I do not think it has.

Mr. FESS. If it had any effect at all, it has just the opposite of the desired effect.

Mr. McKELLAR. I think that is true.

Mr. FESS. It is not that about which I am talking. It is the question of how we are going to reduce in 71 per cent of the appropriations unless we dismiss employees or cut their salaries. I do not see how it can be done.

Mr. McKELLAR. The proof of the pudding is the eating thereof. Here is what has been done in past years. We have not discharged any employees in past years. We have managed these departments so as not to have to discharge them. Instead of that we have increased the number of employees and we have increased their pay. There is no reason, with an appropriation of $725,000,000, if the committee felt that there should be a 10 per cent reduction, why the department can not run as heretofore. Any good business man in the United States can take $725,000,000, with a 10 per cent reduction, and successfully run the department.

Mr. VANDENBERG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Michigan?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. Is the Senator relying entirely upon a cancellation of mail contracts to secure the saving he has in mind?

Mr. McKELLAR. Oh, no. I think several of those contracts ought to be canceled; probably every one of the ocean mail contracts ought to be canceled. I am inclined to think they are all void, and I intend to place that matter before the committee. I think it is a poor time, aside from everything else, to be paying these immense subsidies to the great, rich companies which are carrying the mail. I refer again to the United Fruit Co., to which the Government is paying an annual subsidy of $1,200,000—for what? For carrying mail of a negligible quantity. That is the way the vice president of the company stated it. I think he said there were a few pounds on one of the routes and maybe a thousand pounds on another route. He said it was negligible. Another witness spoke of it as "a hatful." We are paying to that company $1,200,000. Are the officers of that company in want? Are they unemployed? Do they need money from the Government?

The vice president of the company testified in answer to a question by me, "Is your company in pretty good condition?" He said, "We are worth from $200,000,000 to $250,000,000, and we do not owe anybody." I said, "You do not have any bonds on your plant or your ships?" "Oh, no; we have no bonds." They have $250,000,000 of assets, and in these distressing times we find our Government giving as a bonus to that one shipping company $1,200,000 a year when the vice president of that company boasted that they owe no debts, that they were paying dividends as usual, that they have no bonds outstanding, that the company's assets are worth $200,000,000 to $250,000,000.

I think the Congress of the United States has a duty to perform. I think that those contracts are absolutely void, as can be shown, and that will be one of the matters I shall submit to the committee. Whether the committee will take that view of it I do not know. Even if the committee did, the Senate might not take that view of it or the House might not take it. I am not prepared to say that it is unanswerable or that the situation is unexplainable. I am giving the facts. I think in equity and good conscience the Congress had better legislate in some way for the 8,000,000 unemployed in the country rather than to be giving large subsidies to great institutions such as I have mentioned, that need no money, that need no dole, that need no subsidy, that need no subvention. We had better give it to those who really need it.

Mr. VANDENBERG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Michigan?

Mr. McKELLAR. Certainly.

Mr. VANDENBERG. I think that is a fine speech——

Mr. McKELLAR. It is not a speech. I am stating the facts. The only thing that I am presenting is a statement of facts taken from the record.

Mr. VANDENBERG. I would like to get back to the question I was propounding to the Senator. I am not discussing the merits or demerits of a subvention; neither am I discussing the merits or demerits of the legal responsibility of the Government, if any. I am asking if the Senator relies exclusively on that item to secure the desired 10 per cent reduction?

Mr. McKELLAR. Oh, no. I hope I am fair enough, and if I am not I know my fellow members of the committee are fair enough, to take up the bill item by item and go over it in the same painstaking, careful, prudent, businesslike way that we went over the other bills and reach a just conclusion about it.

Mr. VANDENBERG. The Senator knows that I have been in entire sympathy with the 10 per cent reduction idea, and still am.

Mr. McKELLAR. Yes; and I thank the Senator.

Mr. VANDENBERG. It seems the Senator is putting the committee in an exceedingly unfortunate position.

Mr. McKELLAR. It was unavoidable. I had nothing to do with passing the resolution. I was in hopes, when the chairman of the committee made his statement on the floor of the Senate two or three weeks ago, when the Interior Department appropriation bill was before the Senate and a 10 per cent cut resolution was adopted, that it would be accepted by the Senate as a policy, and we would simply reduce the Treasury and Post Office Department bill in the same way we had reduced the other two bills. I had hoped that would be done. I am very sorry to have to bring it before the Senate in this way. It is not of my own volition. It is by direction of the committee, and I am simply carrying out the wishes of the committee in doing it.

Mr. VANDENBERG. It is almost impossible for any Member of the Senate to estimate intelligently for himself whether a 10 per cent reduction is possible until the bill is before the Senate for our consideration.

Mr. McKELLAR. Theoretically that is correct, but I think that the committee have acted so fairly and so justly in the matter of the other two bills that the Senate should permit the bill to go back to the committee upon the same terms. If the committee makes a mistake, the Senate is here to correct the mistake.

Mr. VANDENBERG. I think that may be true, but I think also that the Senator must recognize the fact that the 10 per cent rule may not always prove to be practicable.

Mr. McKELLAR. I agree to that.

Mr. VANDENBERG. I think it is exceedingly unfortunate that we should find ourselves in a position where the only alternative is the 10 per cent rule.

Mr. McKELLAR. I agree with the Senator about that, too.

Now, let me go to the Treasury Department portion of the bill, and there is only one argument to be made about it.

Mr. FLETCHER. Mr. President, before the Senator goes to that, may I ask him a question?

Mr. McKELLAR. Certainly.

Mr. FLETCHER. My understanding is that the question of ocean mail pay, both as to rates and regularity of contracts, is not involved in the resolution at all.

Mr. McKELLAR. Oh, no; not at all.

Mr. FLETCHER. It will come up when the bill is before the Senate.

Mr. McKELLAR. Absolutely. It is one of 40 or 50 or 100 questions involved in the bill that will come before the committee when we give consideration to the bill in detail.

Mr. BRATTON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from New Mexico?

Mr. McKELLAR. Certainly.

Mr. BRATTON. The Senator from Michigan suggested a while ago that the 10 per cent rule might not be fair. Perhaps that is true; but it seems to me it would be more unfair to single out one or two departments and apply that rule and not apply it concerning the others. We have already applied it to the bill relating to the Interior Department. The committee made the cut, and the Senate sustained it in virtually every case, if not in every case. Having done that, it seems to me that consistency requires that we continue the 10 per cent rule so far as the committee is concerned. Perhaps the Senate might not adhere to the rule in every case, but I think the committee should be directed to follow the precedent established in the Interior Department case so far as subsequent bills are concerned. I do not think that we can consistently apply the rule to one department and not apply it to others.

Mr. McKELLAR. I thank the Senator for his statement, in all of which I concur. It seems to me it is such a reasonable doctrine to be applied to this case that we all might very easily concur in it, and let the direction for a cut go back to the committee. If the committee is unable to comply, it will report back to the Senate. If we can not make the kind of reductions the Senate thinks ought to be made, the Senator will overrule the committee when we come back with our report.

It seems to me the statement made by the Senator from New Mexico is so fair and so just as to what we ought to do under these circumstances that we should give serious consideration to it. In other words, let us leave it to the committee to work it out and report back with the bill.

Mr. VANDENBERG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield further to the Senator from Michigan?

Mr. McKELLAR. Certainly.

Mr. VANDENBERG. I cordially agree with the sentiment expressed by the Senator from New Mexico, but I am pointing out that there is a different status when we blindly make the order in advance of consideration by the Senate, and therefore when the bill comes back, although I shall vote for the Senator's resolution, I reserve the right to pass judgment upon the situation when the full facts are ultimately disclosed.

Mr. McKELLAR. Of course, the Senator may do it.

Mr. JONES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Washington?

Mr. McKELLAR. Certainly.

Mr. JONES. While I am opposed to the resolution of the Senator from Tennessee, it is not improper to suggest that this policy has also been applied to four different departments of the Government in another bill and before the bill was passed upon by the Senate. Let me say, in relation to the suggestion of the Senator from Michigan, that the 10 per cent reduction was applied to four departments before the Senate acted upon the items at all.

Mr. BRATTON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield further to the Senator from New Mexico?

Mr. McKELLAR. I yield.

Mr. BRATTON. I adverted to the fact that the committee had applied the rule to the Interior Department bill and that the Senate sustained the committee in that instance. The committee has applied the rule to four other departments without undue difficulty, and in the absence of unexpected occurrences the Senate will ratify those acts in most instances. Why should we depart from that rule in other instances? We should not do it, and the motion now submitted by the Senator from Tennessee does not depart from the procedure adopted in the case of the bill making appropriations for the Departments of State, Justice, Commerce, and Labor.

Mr. McKELLAR. That is true.

Mr. BRATTON. It is the identical procedure.

Mr. McKELLAR. That is true, because that bill was recommitted before it was considered by the Senate.

Mr. BRATTON. Exactly, although it is true that we considered the Interior Department appropriation bill before it was recommitted; but that is not so as to the other bill embracing the four departments.

Mr. BLACK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. I yield.

Mr. BLACK. I understood the senior Senator from Florida [Mr. FLETCHER] to state that the question of ocean subsidies would not be included in this motion.

Mr. McKELLAR. But they are in the bill. I said that I could not state what the committee would do about those subsidies; but I have no hesitancy in saying what I am going to do about them. I am unwilling, with millions of our people out of employment, to vote for any subsidies to great institutions.

Mr. BLACK. May I say to the Senator, just as an example, that I have here before me some data regarding an organization which, it seems, will not come within the purview of the motion, for which motion I expect to vote. I

refer to the Export Steamship Corporation, which received last year from the Government $1,486,000.

Mr. McKELLAR. Yes.

Mr. BLACK. The board of directors of that company is composed of some rather well-known gentlemen, including Mr. H. E. Frick.

Mr. McKELLAR. I do not think that he has ever applied for a dole. I do not recall his having done so.

Mr. BLACK. May I say to the Senator that they are getting a dole?

Mr. McKELLAR. They are not getting a dole, but they are the beneficiaries of the greatest governmental munificence ever known.

Mr. BLACK. The steamships operated by that line cost the Government $42,000,000; they were sold to that company for $1,299,000. After they bought them they secured large loans to operate them. Their operating deficit, they claim, was $315,000; they have a subsidy of $1,400,000, which gives them a dividend on what they receive from the Government of more than 25 per cent annually.

In addition to that, before they get the dividend the president of that company draws $100,000 salary per year out of money supplied from the United States Treasury. Does not the Senator from Tennessee think that it is of exceedingly great importance to do something to stop the expenditure of Government money for the payment of $100,000 salaries under such circumstances?

Mr. McKELLAR. I agree with the Senator; and I want to say that the more I have examined into some of these contracts, the more convinced am I of the absolute truth of the saying of our Holy Master, Jesus Christ, that—

For he that hath, to him shall be given; and he that hath not, from him shall be taken even that which he hath.

Mr. BLACK. May I call the Senator's attention to the fact that, according to regular rates, the mail carried by this line, which consisted of less than 12 pounds first-class mail, could have been carried for less than $60,000, and yet the Government gave as a subsidy $1,400,000?

May I call the Senator's attention also to the list of directors, including such well-known gentlemen as Vincent Astor and J. P. Morgan, and a few others, who similarly need governmental assistance? Can the Senator not state to the Senate that he will ascertain from these shipping companies which are living off the taxpayers' money what salaries they are paying to those who work for them? Why should we not know what salaries are paid to shipowners and ship magnates and ship directors when they are living off the money of the taxpayers of this Nation? What excuse is there for paying out of the taxpayers' money $20,000,000 or $25,000,000 for the operation of shipping companies when some of them are paying their presidents $100,000 per year? Why should not that be investigated by the committee, so that we may have the information when the bill comes back to this body?

Mr. McKELLAR. Mr. President, I see the Senator from Alabama is reading from a report that was made under a resolution which I submitted and which the Senate adopted. There is more than that in the report made in response to that resolution. I find in it that, though the law requires these contracts to be let under competitive bidding, 44 of them have been let, and there were competitive bids as to but 4, and 2 of them were let to the highest bidder. Every one of the other bidders got the highest rate the law allowed for carrying the mails, because there was no competitive bidding. In my humble judgment every one of the 44 contracts is fraudulent in law, at any rate, and absolutely void.

Mr. BLACK. Let me just make this one other statement to the Senator, because it is my intention, if the Senate eventually votes to continue these subsidies—which I sincerely hope it will not do—to offer an amendment to the bill providing that where the Government supplies money to operate shipping lines which are incurring deficits no official shall receive a greater salary than the salary of the ordinary Government official. I think we ought to have the information to which I have referred when the bill comes back, in order that we may place a limitation on the salaries of these gentlemen who have been so lavishly favored by the Government.

Mr. McKELLAR. I will say to the Senator that we have hearings, covering 1,256 pages, that go fully into every one of those questions; and I should be very happy if the Senator would give it some of his attention, because the Senator is one of the ablest men in this body; he is one of the most active men in this body; and I welcome him on the side of those who favor cutting down expenditures. I do not think there is a more useful or a more aggressive or a better Senator in this body than is the senior Senator from Alabama.

Mr. BLACK. I thank the Senator. I wanted, however, merely to express the hope that when the bill went back to the committee the Senator would go fully and vigorously into this question in line with the investigation he has already started.

Mr. McKELLAR. Yes.

Now, Mr. President, I am going to take just a few moments in reply to the argument against this motion made by the Senator from California [Mr. JOHNSON], the Senator from Nevada [Mr. ODDIE], and the Senator from Arizona [Mr. ASHURST], and others. That argument was that by reducing the amount for public buildings we would do a great detriment to labor; that we would throw men out of employment; that we ought not to cut down these appropriations; because if we did, not so many people would be employed. My heavens, Mr. President, at this deplorable time nobody in the world would want to add to unemployment, but I want to show that instead of doing that, if a 10 per cent reduction were made in the appropriations for public buildings, there would be employed more people than ever before were employed on such work by the Government. Why do I say that? I quote from the testimony which has been given, and I read from page 14. The Senator from Virginia [Mr. GLASS] asked Mr. Martin, who was there, this question:

Senator GLASS. Here is what I should like to know:

On page 34, $108,000,000 is appropriated for the acquisition of additional sites. Are we buying additional sites now?

Mr. MARTIN. Senator, that is the lump-sum appropriation to carry on the construction work on projects already under contract and projects that will be placed under contract during this year. The legislation includes the acquisition of sites—

It includes the acquisition of sites—

There are only, I should say, less than 50 sites that have to be paid for at this time; and nearly all of those have been contracted for and we are simply waiting for the title to come through.

Senator McKELLAR. How much of that contemplates new sites and new buildings?

Mr. MARTIN. How much of the $108,000,000?

Senator McKELLAR. Yes.

Mr. MARTIN. My estimate would be, Senator, that less than $1,000,000 would be for sites, because we will have purchased all of the sites before the beginning of the fiscal year 1933.

Senator McKELLAR. How much is for new buildings that you have not yet contracted for?

Now, listen:

How much is for new buildings that you have not yet contracted for?

And this is the answer:

Mr. MARTIN. Practically the entire difference; about $107,000,000.

Senator McKELLAR. In other words, this $108,000,000 is to begin the new projects all over the country, is it, except the $15,000,000 for the individual ones in the District?

Mr. MARTIN. No, sir. The way we operate under this public-buildings program is to secure from Congress specific authorization for projects, permitting the Secretary of the Treasury to contract up to a total limit of cost. We then secure a lump-sum appropriation, which is the department's estimate as to the amount that will be necessary to buy sites or additional land and to pay for projects under contract. The lump-sum appropriation last year was $60,000,000.

Here we are being pilloried because of the suggestion that the appropriations for public buildings be reduced from $108,000,000 to $98,000,000, and yet for the same purpose the department obtained only $60,000,000 in a lump sum last year. It is true that they asked for a deficiency—

In the deficiency bill that went through not long ago we secured $16,800,000 to complete the current fiscal year.

That would make $76,000,000 for the fiscal year ending on June 30 next, as against at least $98,000,000 if we should cut this appropriation 10 per cent. They estimated that $108,000,000 will be necessary during the year 1933. That is the department's estimate; that is the amount now in the bill. How much did they spend last year? We asked them how much they spent, and I have here the answer about how much they spent in the last six months of 1931. As everyone knows, there is more building in the second half of the year than in the first half. The reason for that is that there is better weather during the second half of the year in our country than during the first half of the year; therefore more money is spent on building projects such as these during the latter half of the year. How much was spent? The sum of $42,000,000 was spent during the last six months of the year.

Now let us assume they spend $42,000,000 the last half of the next fiscal year and that they spend also $42,000,000 during the first six months of the next fiscal year; that would only amount to $84,000,000; and, even if the 10 per cent reduction were made, they would have $98,000,000 as against $84,000,000 or $85,000,000. I doubt very much if we should appropriate all this money, if we should appropriate the whole $108,000,000, that they would spend it. I do not see how they could spend it. There is included in this appropriation $15,000,000 for the District of Columbia. I understand that it is proposed to remodel the State, War, and Navy Building at a cost of about $4,000,000, but that ought not to be done at such a time as this. It is proposed also to remodel the Post Office Building on Pennsylvania Avenue, but that ought not to be done at a time like this, and I think it is absolutely necessary that it should not be done.

Mr. ODDIE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Nevada?

Mr. McKELLAR. I yield.

Mr. ODDIE. Is there not in the House bill a provision prohibiting the remodeling of the buildings referred to?

Mr. McKELLAR. I am not sure; I remember there was a contest about it. I should have to refer to the bill to ascertain the facts. I think, however, there was a resolution of some kind offered in the Senate. The department was so anxious to remodel the State, War, and Navy Building at an expense of about $4,000,000 that I think that some resolution was adopted about it. However, what I want to point out is that these are enormous sums of money. We may not look upon them in that way, as we are dealing with Government business, but these are enormous sums of money. The difference between $108,000,000 and $98,000,000 is not so great, and the latter sum would appear to be ample, especially when we consider that during the last six months of last year, when everything was steamed up, when we were making appropriations in order to put men to work, when we were more active in building construction than ever before in our history, and when more buildings were constructed, the Government spent only $42,000,000. Now, why might not some cut be made on the building program?

I think it not only can be done but should be done. After all, Senators, we do not require it to be done, if in our good judgment it should not be done, when the bill is reported back here, or if, in the judgment of the committee, it should not be done.

Suppose the committee reports back the bill cutting down the total without changing the item of public buildings, leaving it as it is. Suppose the committee even increases that item, if it has enough money. It is all for us to pass on. We will have to pass on it again. Surely the committee ought to pass on it first. That is what we have been doing all this time. I am merely asking that the same course be pursued with reference to this bill that we have asked as to the other five; and I hope the Senate will adopt this resolution.

Before I close, let me say a word on the question of throwing men out of employment. Much has been said on that subject. As I said before, while I may be mistaken about the matter, as I look at it the only argument against this resolution is that men will be thrown out of employment if we do not pass these building bills just as we are asked to pass them.

Yesterday afternoon I sent to the department and asked for a list of the names of the contractors on the projects. There are 75 completed projects. There are 151 incomplete projects; and I had some curiosity to know how much probable help to local people out of employment is represented in these bills.

I find, from the list that has been furnished me, that 251 contracts have been let. I find that one contractor has received 26 of those contracts. Out of all the contractors in this country, one contractor has received one-tenth of all these enormous contracts made by the Government. That was the same contractor that had the contract in a city in my State where the men were counted, and, as I remember, only six local people were employed under that contract, and from the very beginning we were fighting to get the contractor to pay his men a living wage. Telegram after telegram came from Memphis to Washington asking the Veterans' Bureau to aid in requiring the contractor to stand by the gentlemen's agreement he had made to pay a living wage to the men who were working under him, and that very contractor has 26 of these great contracts out of the 251 that have been advertised. Another contractor has 13. Another one has 12.

I ask that this list, giving the names and addresses of the various contractors, and the projects which they have, be published in the RECORD as a part of my remarks, at the close of them.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit A.)

Mr. McKELLAR. When Senators come to look at this list to-morrow, I think they will form the conclusion I have formed, that the contractors are more interested in this bill than the unemployed.

I appeal to the Senate to pass this resolution and turn over this matter to the Appropriations Committee. I speak for myself, and I speak for the chairman, and I think I speak for every member of the committee when I say that we are going to try our level best to report back a bill that will be fair and just, that will destroy no necessary function of the two departments, that will not injure the service of either one of the departments, that will not throw men out of employment, that will not reduce salaries or cut off salaries, but will so reduce these appropriations that we can balance the Budget.

EXHIBIT A

Projects completed April 1, 1932

Project	Name of contractor	Address
Anderson, Ind.		
Asheville, N. C.	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Aurora, Mo.	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Battle Creek, Mich.	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Bellows Falls, Vt.	Chas. Weitz's Sons	711 Mulberry Street, Des Moines, Iowa.
Benton Harbor, Mich.	John Largura & Co.	3672 Adams Street, Gary, Ind.
Birmingham, Ala.	Devault & Deitrick	R. F. D. 1, Massillon Road, Canton, Ohio.
Blaine, Wash., border station	Johnson Bros. (Inc.)	1716 East Fifty-sixth Street, Seattle, Wash.
Bloomington, Ill.	Jas. I. Barnes	Barnes Building, Logansport, Ind.
Bogalusa, La.	Algernon Blair	National Bank Building, Montgomery, Ala.
Boise, Idaho	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Boston, Mass., immigration station	Castor & Castor Construction & Engineering Co. (Inc.).	4205 New Utrecht Avenue, Brooklyn, N. Y.

Projects completed April 1, 1938—Continued

Project	Name of contractor	Address
Buena Vista, Va	Jones Bros. & Co.	Wilson, N. C.
Canton, Ga	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Chicago, Ill., marine hospital	C. E. Carson Co	601 St. Clair Street, Chicago, Ill.
Conway, Ark	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Corinth, Miss	do	Do.
Corsicana, Tex	W. D. Lovell Co	1415 Eighth Street SE., Minneapolis, Minn.
Decatur, Ind	Anderson & Co	37 West Van Buren Street, Chicago, Ill.
Denver, Colo., customhouse	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Dillon, S. C	Algernon Blair	National Bank Building, Des Moines, Iowa.
Dodge City, Kans	Jas. I. Barnes	Logansport, Ind.
Duluth, Minn	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Dunkirk, N. Y	Wm. McDonald Construction Co	1311 Syndicate Trust Building, St. Louis, Mo.
East Chicago, Ind	Coath & Goss (Inc.)	549 West Randolph Street, Chicago, Ill.
Eldorado, Ark	W. B. Smith	Box 1701, El Dorado, Ark.
Elizabeth, N. J	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Elmira, N. Y	Agostini Bros	205 East Forty-second Street, New York City.
Fairfield, Iowa	McGough Bros	1945 Jefferson Avenue, St. Paul
Fargo, N. Dak	Field-Martin Co	720 South Sixth Street, Minneapolis, Minn.
Fitchburg, Mass	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Flint, Mich	L. Balkin Co	1850 West Austin Avenue, Chicago, Ill.
Greenville, Tex	Algernon Blair	1209 National Bank Building, Montgomery, Ala.
Hammond, Ind	Wm. McDonald Construction Co	Syndicate Trust Building, St. Louis, Mo.
Hanover, N. H	W. H. Trumbull	Hanover, N. H.
Hartsville, S. C	Jones Bros. & Co	Wilson, N. C.
Haverhill, Mass	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Honolulu, Hawaii, customhouse	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Junction City, Kans	John V. Grogan	Santa Fe, N. Mex.
Kingsport, Tenn	Beaman-Coleman Construction Co	Lawyers Building, Riley, N. C.
Kittanning, Pa	Algernon Blair	National Bank Building, Montgomery, Ala.
Klamath Falls, Oreg	Geo. Isackson	1015 East Irving Street, Portland, Oreg.
Kosciusko, Miss	Algernon Blair	National Bank Building, Montgomery, Ala.
Lakeland, Fla	Jones Bros. & Co	Wilson, N. C.
Lancaster, Pa	Algernon Blair	National Bank Building, Montgomery, Ala.
Lawrence, Kans	W. D. Lovell	1415 H Street SE., Minneapolis, Minn.
Lenoir, N. C	Murphey Pound	P. O. Box 422, Columbus, Ga.
Lewistown, Mont	McGough Bros	1945 Jefferson Avenue, St. Paul, Minn.
Lima, Ohio	Dunlap & Co. (Inc.)	Columbus, Ind.
Lowell, Mass	Frederick F. Meloy	Wymans Exchange Building, Lowell, Mass.
Lumberton, Miss	Algernon Blair	National Bank Building, Montgomery, Ala.
Marshfield, La	do	Do.
McMinnville, Tenn	J. P. Foley & Sons (Inc.)	80 Boylston Street, Boston, Mass.
Memphis, Tenn., sub post office	Devault & Deitrick (Inc.)	Massillon Road, Canton, Ohio.
Mexia, Tex	Sanford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
Mitchell, S. Dak	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Morgantown, W. Va	Samuel Plato	614 West Walnut Street, Louisville, Ky.
Nampa, Idaho	J. O. Jordan & Son	Boise, Idaho.
Newark, Del	Richard Gove Co	1712 Ludlow Street, Philadelphia, Pa.
New Orleans, La., quarantine station	R. P. Farnsworth & Co. (Inc.)	Maritime Building, New Orleans, La.
New Philadelphia, Ohio	Samuel Plato	614 North Walnut Street, Louisville, Ky.
Newton, Iowa	McGough Bros	945 Jefferson Avenue, St. Paul, Minn.
Niagara Falls, N. Y	Devault & Deitrick (Inc.)	Massillon Road, Canton, Ohio.
Noyes, Minn., border station	Frank A. Carlson & Co	Lyceum Building, Duluth, Minn.
Ottawa, Ill	W. D. Lovell	1415 Eighth Street SE., Minneapolis.
Paris, Tenn	J. P. Foley & Sons (Inc.)	80 Boylston Street, Boston, Mass.
Paris, Tex	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Pekin, Ill	Jas. McHugh Sons (Inc.)	840 West Seventieth Street, Chicago, Ill.
Pittsfield, Mass	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Plattsburg, N. Y	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Pontiac, Mich	Devault & Deitrick (Inc.)	Massillon Road, Canton, Ohio.
Prescott, Ariz	Robt. McKee	918 Texas Street, El Paso, Tex.
Price, Utah	G. A. Whitmire & Sons Co	Ogden, Utah.
Pullman, Wash	F. R. Comb Co	2113 Chicago Avenue, Minneapolis, Minn.
Rushville, Ind	Dunlap & Co. (Inc.)	Columbus, Ind.
San Bernardino, Calif	Robt. E. McKee	Central Building, Los Angeles, Calif.
Sandusky, Ohio	Algernon Blair	National Bank Building, Montgomery, Ala.
Santa Fe, N. Mex	John V. Grogan	East Las Vegas, N. Mex.
Scottsbluff, Nebr	Bernard R. Desjardins	1177 York Street, Denver, Colo.
Sedalia, Mo	Kellogg & Anderson	Taylor, Tex.
Sheffield, Ala	Samford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
South St. Paul, Minn	Madsen Construction Co	National Building, Minneapolis, Minn.
Spartanburg, S. C	Algernon Blair	National Bank Building, Montgomery, Ala.
Springfield, Ill	Murch Bros	611 Olive Street, St. Louis, Mo.
Tampa, Fla	J. L. Crouse	Box 642, Greensboro, N. C.
Taylor, Tex	Kellogg & Anderson	1257 East Twelfth Street, Des Moines, Iowa.
Tucson, Ariz	Robt. E. McKee	1918 Texas Street, El Paso, Tex.
Tyrone, Pa	Algernon Blair	National Bank Building, Montgomery, Ala.
Union Springs, Ala	D. A. Wallace Co. (Inc.)	4011 First Avenue North, Birmingham, Ala.
Vermilion, S. Dak	Wm. McDonald Construction Co	Syndicate Trust Building, St. Louis, Mo.
Watertown, N. Y	F. R. Comb Co	2113 Chicago Avenue, Minneapolis, Minn.
Westplains, Mo	Rosen-Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
White Plains, N. Y	Wm. McDonald Construction Co	Syndicate Trust Building, St. Louis, Mo.
Wooster, Ohio	Samuel Plato	614 West Walnut Street, Louisville, Ky.
Akron, Ohio	Algernon Blair	National Bank Building, Montgomery, Ala.
Athens, Tenn	do	Do.
Batavia, N. Y	Ring Construction Co	95 South Eleventh Street, Minneapolis, Minn.
Bayonne, N. J	Devault & Deitrick (Inc.)	Massillon Road, Canton, Ohio.
Branford, Conn	Agostini Bros	243 Arcade Building, Norfolk, Va.
Buffalo, Wyo	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Caribou, Me	English Construction Co	15 West Ninety-first Street, New York City.
Central City, Nebr	F. R. Comb Co	2113 Chicago Avenue, Minneapolis, Minn.
Chamberlain, S. Dak	W. D. Lovell & Co	1415 Eighth Street, Minneapolis, Minn.
Chicago, Ill., marine hospital	C. E. Carson & Co	601 St. Clair Street, Chicago, Ill.
Cody, Wyo	W. D. Lovell	1415 Eighth Street SE., Minneapolis, Minn.
Coeur d'Alene, Idaho	Welch & Fritz Construction Co	Bancroft Building, San Diego, Calif.
Des Moines, Iowa	A. C. Samford	301 Washington Street, Montgomery, Ala.
Detroit, Mich., marine hospital	Ring Construction Co	95 South Eleventh Street, Minneapolis, Minn.
Donora, Pa	A. C. Samford	301 Washington Avenue, Montgomery, Ala.
Durango, Colo	Eastergard & Bullard	McCook, Nebr.
East Las Vegas, N. Mex	John V. Grogan	Adams, Mass.
East Orange, N. J	Agostini Bros	243 Arcade Building, Norfolk, Va.
Fallon, Nev	A. M. Lundberg	208 North Broadway, St. Louis, Mo.
Fort Fairfield, Me	Chas. Weitz' Sons	713 Mulberry Street, Des Moines, Iowa.
Globe, Ariz	J. H. Wiese Co	1415 Wow Building, Omaha, Nebr.
Jamestown, N. Dak	Ernest Rokahr & Sons	Terminal Building, Lincoln, Nebr.
Juneau, Alaska	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Lancaster, S. C	Chas. Weitz' Sons	713 Mulberry Street, Des Moines, Iowa.
Leominster, Mass	A. M. Lundberg	208 North Broadway, St. Louis, Mo.
Lewistown, Pa	A. C. Samford	Box 812, Montgomery, Ala.

Projects completed April 1, 1932—Continued

Project	Name of contractor	Address
Long Island City, N. Y.	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Madison, Wis.	do.	Do.
Marianna, Fla.	Chas. Weitz' Sons	713 Mulberry Street, Des Moines, Iowa.
McKees Rocks, Pa.	A. M. Lundberg	208 North Broadway, St. Louis, Mo.
Metropolis, Ill.	Cardani & Co.	Herrin, Ill.
Millville, N. J.	Walter Petersen	Wilkinson Building, Omaha, Nebr.
Missoula, Mont.	W. D. Lovell	1415 Eighth Street SE., Minneapolis, Minn.
Montclair, N. J.	Heaphy & Little (Inc.)	690 Eighth Avenue, New York City.
Montevideo, Minn.	Jens H. Olson	316 Fifth Street West, Willmar, Minn.
Mount Carmel, Ill.	A. C. Samford	Post-office box 812, Montgomery, Ala.
Newburyport, Mass.	A. M. Lundberg	208 North Broadway, St. Louis, Mo.
Olyphant, Pa.	A. C. Samford	301 Washington Avenue, Montgomery, Ala.
Paxton, Ill.	F. R. Comb Co.	2113 Chicago Avenue, Minneapolis, Minn.
Prescott, Ark.	W. D. Lovell Co.	1415 Eighth Street SE., Minneapolis, Minn.
Red Bluff, Calif.	Welch & Fritz Construction Co.	403 Bancroft Building, San Diego, Calif.
Sandpoint, Idaho	W. D. Lovell	1415 Eighth Street SE., Minneapolis, Minn.
Sayre, Pa.	A. C. Samford	301 Washington Avenue, Montgomery, Ala.
Shelbyville, Ky.	Dunlap & Co. (Inc.)	Columbus, Ind.
Southbridge, Mass.	J. Miles & Sons Co.	25 Foster Street, Worcester, Mass.
Syracuse, N. Y.	Eastern Engineering Corporation	26 Court Street, Brooklyn, N. Y.
Tarentum, Pa.	A. M. Lundberg	208 North Broadway, St. Louis, Mo.
Tomah, Wis.	F. R. Comb Co.	2113 Chicago Avenue, Minneapolis, Minn.
Utica, N. Y.	N. P. Severin Co.	222 West Adams Street, Chicago, Ill.
Waynesburg, Pa.	Algernon Blair	National Bank Building, Montgomery, Ala.
Williamson, W. Va.	Virginia Engineering Co.	First National Bank Building, Newport News, Va.
Wilmington, Ohio	Algernon Blair	National Bank Building, Montgomery, Ala.
Wilson, N. C.	Chas. Weitz's Sons	713 Mulberry Street, Des Moines, Iowa.
Winchester, Mass.	John P. Curley	180 Dudley Street, Boston, Mass.
Wyandotte, Mich.	Dunlap & Co. (Inc.)	Columbus, Ind.
Yonkers, N. Y.	Agostini Bros.	243 Arcade Building, Norfolk, Va.
Administration Building, Department of Agriculture.	Geo. Hyman Construction Co.	1010 Vermont Avenue, Washington, D. C.
Government Printing Office Building	Rust Engineering Co.	American Bank Building, Pittsburgh, Pa.
Internal Revenue Building	Jas. Baird Co.	1800 E Street NW., Washington, D. C.
Liberty Loan Building	Skinker & Garrett	1416 F Street NW., Washington, D. C.
Power plant, Department of Agriculture	W. C. Spratt	Fredericksburg, Va.
Water mains, etc.	Municipal government of the District of Columbia.	

Projects under contract in whole or in part

Aberdeen, Miss., post office and courthouse	Algernon Blair	1209 First National Bank Building, Montgomery, Ala.
Albertville, Ala., post office	The Adams Construction Co.	Woodward Building, Washington, D. C.
Albia, Iowa, post office	Anderson & Co.	1632-6 West Seventy-fifth Place, Chicago, Ill.
Albuquerque, N. Mex., post office, courthouse, etc.	N. P. Severin Co.	222 West Adams Street, Chicago, Ill.
Alexandria, Va., post office	Beaman-Coleman Construction Co.	Raleigh, N. C.
Allentown, Pa., post office	Frank A. Ortman	633 Union Industrial Building, Flint, Mich.
Altoona, Pa., post office	The R. B. McDanel Co.	401 Seventh Street, New Brighton, Pa.
Ambrose, N. Dak., inspection station	Geo. H. Lounsberry & Son	222½ East Superior Street, Duluth, Minn.
Americus, Ga., post office	Murphey Pound	Columbus, Ga.
Anaconda, Mont., post office	John L. Soderberg Construction Co.	216 Kennedy Building, Omaha, Nebr.
Andover, Mass., post office	Stephen Durso & Sons (Inc.)	455 Market Street, Lawrence, Mass.
Ann Arbor, Mich., post office	Rice Construction Co. (Inc.)	30 North Dearborn Street, Chicago, Ill.
Appleton, Wis., post office	Tapager Construction Co.	Albert Lea, Minn.
Ashland, Ky., post office	George Thomson & Son Co.	30 North La Salle Street, Chicago, Ill.
Astoria Oreg., post office and customhouse	Hallbauer-La Bahn (Inc.)	844 Rush Street, Chicago, Ill.
Atlanta, Ga., post office	National Construction Co.	681 Tower Building, Washington, D. C.
Atlanta, Tex., post office	Algernon Blair	1209 First National Bank Building, Montgomery, Ala.
Attalla, Ala., post office	The Adams Construction Co.	1135 Woodward Building, Washington, D. C.
Aurora, Ill., post office	H. G. Christman Co.	South Bend, Ind.
Babb-Piegan, Mont., United States inspection station.	John V. Grogan	Junction City, Kans.
Baltimore, Md., post office	N. P. Severin Co.	222 West Adams Street, Chicago, Ill.
Barbourville, Ky., post office	James I. Barnes	Barnes Building, Logansport, Ind.
Bartlesville, Okla., post office	W. R. Heath Construction Co.	Greencastle, Ind.
Bath, N. Y., post office	The J. P. Foley Construction Co. (Inc.)	80 Boylston Street, Boston, Mass.
Bay City, Mich., courthouse, customhouse, and post office.	Ideal Construction Co.	515 West Fifth Avenue, Gary, Ind.
Beatrice, Nebr., post office	Noyes Roach & Co.	1416 Syndicate Trust Building, St. Louis, Mo.
Beloit, Wis., post office	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Bend, Oreg., post office	Charles Weitz' Sons (Inc.)	713 Mulberry Street, Des Moines, Iowa.
Berkeley, Calif., post office	K. E. Parker Co.	135 South Park, San Francisco, Calif.
Boston, Mass., post office and courthouse	N. P. Severin Co.	222 West Adams Street, Chicago, Ill.
Boulder, Colo., post office	Busboom & Raub	Salina, Kans.
Boyne City, Mich., post office	James I. Barnes	Barnes Building, Logansport, Ind.
Brinkley, Ark., post office	do.	Do.
Broken Bow, Nebr., post office	Parsons Construction Co.	Northeast Corner Twentieth and Webster Streets, Omaha, Nebr.
Brooklyn, N. Y., post office and courthouse	Magoba Construction Co. (Inc.)	271 Madison Avenue, New York, N. Y.
Brownsville, Tex., post office	A. J. Rife Construction Co.	1913 North Harwood Street, Dallas, Tex.
Brunswick, Me., post office	Wm. McDonald Construction Co.	1311 Syndicate Trust Building, St. Louis, Mo.
Butte, Mont., post office and courthouse	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Caldwell, Idaho, post office	Walter Petersen	309 Wilkinson Building, Omaha, Nebr.
Camden, N. J., post office and courthouse	Agostini Bros.	205 East Forty-second Street, New York, N. Y.
Canon City, Colo., post office	Busboom Bros.	Fairbury, Nebr.
Carbondale, Ill., post office	H. A. McGuire & Co. (Inc.)	324 Dermon Building, Memphis, Tenn.
Carlinville, Ill., post office	A. Clement Tobin & Co.	7235 Elmore Avenue, Richmond Heights, Mo.
Carrollton, Ill., post office	McCarthy Bros. Construction Co.	4903 Delmar Boulevard, St. Louis, Mo.
Caruthersville, Mo., post office	Charles H. Barnes	Logansport, Ind.
Casper, Wyo., post office, courthouse, etc.	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Cedar Rapids, Iowa, post office	J. P. Cullen & Sons (Inc.)	Janesville, Wis.
Central City, Ky., post office	Arthur Perry, jr. (Inc.)	Jacksonville, Fla.
Centralia, Mo., post office	McCarthy Bros. Construction Co.	4903 Delmar Boulevard, St. Louis, Mo.
Champlain, N. Y., inspection station	B. J. Twisdale	208 Wyoming Avenue, Watertown, N. Y.
Chicago, Ill., post office	John Griffiths & Son Co.	228 North La Salle Street, Chicago, Ill.
Cicero, Ill., post office	Vincent Chiabai	4360 Washington Street, Gary, Ind.
Claremont, N. H., post office	W. H. Trumbull	Hanover, N. H.
Clarksburg, W. Va., post office and courthouse	John Largura & Co.	3672 Adams Street, Gary, Ind.
Clearfield, Pa., post office	The R. B. McDanel Co.	New Brighton, Pa.
Clovis, N. Mex., post office	Holmboe Construction Co.	320 Petroleum Building, Oklahoma City, Okla.
Cumberland, Md., courthouse and post office	John Grant & Son	3866 Carnegie Avenue, Cleveland, Ohio.
Coleman, Tex., post office	Christy-Dolph Construction Co.	Dallas, Tex.
Colfax, Wash., post office	Hedeen Construction Co.	408 American Bank Building, Seattle, Wash.
Conneaut, Ohio, post office	R. A. Williams Co.	100 West Monroe Street, Chicago, Ill.
Connersville, Ind., post office	Dunlap & Co. (Inc.)	Columbus, Ind.
Corvallis, Oreg., post office	Hallbauer-La Bahn (Inc.)	844 Rush Street, Chicago, Ill.
Crete, Nebr., post office	Ernest Rokahr & Sons	856 Stuart Building, Lincoln, Nebr.

Projects under contract in whole or in part—Continued

Project	Name of contractor	Address
Crockett, Tex., post office	Samford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
Dallas, Tex., post office and courthouse	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Davenport, Iowa, post office and courthouse	B-W Construction Co	720 North Wabash Avenue, Chicago, Ill.
Derby, Conn., post office	Frank J. Smith	356 Main Street, Derby, Conn.
Derby Line, Vt., inspection station	Earl E. Garber & Co. (Inc.)	203 West Fourth Street, Bethlehem, Pa.
Detroit, Mich., post office, courthouse, and customhouse.	Great Lakes Construction Co	333 North Michigan Avenue, Chicago, Ill.
East Richford, Vt., inspection station	Daniel H. Walker	17 Thorndike Street, Lowell, Mass.
Eatonton, Ga., post office	Grahn Construction Co	Atlanta, Ga.
Edenton, N. C., post office	D. J. Rose & Son	Rocky Mount, N. C.
Elizabethton, Tenn., post office	C. A. Morrison & Son	Shelby, N. C.
Elizabethtown, Ky., post office	Arthur F. Perry, jr. (Inc.)	308 Barnett Building, Jacksonville, Fla.
Elkins, W. Va., post office, courthouse, etc.	P. W. Johnson	Portsmouth, Ohio.
Erie, Pa., post office	Coath & Goss (Inc.)	1109 South State Street, Chicago, Ill.
Eustis, Me., United States inspection station	United Construction Engineering (Inc.)	60 Knowles Street, Pawtucket, R. I.
Evansville, Ind., marine hospital	Anderson & Co	1632-1636 West Seventy-fifth Place, Chicago, Ill.
Exeter, N. H., post office	Thomas Perrone (Inc.)	1026 Main Street, Hartford, Conn.
Fairbanks, Alaska, post office, courthouse, jail, etc.	Wm. MacDonald Construction Co	1311 Syndicate Trust Building, St. Louis, Mo.
Fall River, Mass., customhouse and post office	Edmund J. Rappoll	515 Massachusetts Avenue, Cambridge, Mass.
Falmouth, Ky., post office	James C. Miller	Campbellsville, Ky.
Farmington, Mo., post office	McCarthy Bros. Construction Co	4903 Delmar Boulevard, St. Louis, Mo.
Findlay, Ohio, post office	H. G. Christman Co	South Bend, Ind.
Forrest City, Ark., post office	W. B. Smith	Post office box 1701, El Dorado, Ark.
Fort Valley, Ga., post office	Emmett Williams	Monroe, Ga.
Fort Wayne, Ind., post office and courthouse	Ralph Sollitt & Sons Construction Co	South Bend, Ind.
Fort Worth, Tex., post office	do	228 North La Salle St., Chicago, Ill.
Framingham, Mass., post office	W. H. Hodsdon Co	Park & Franklin Streets, Framingham, Mass.
Frederick, Okla., post office	Upchurch Construction Co	224 Bell Building, Montgomery, Ala.
Freeport, Ill., post office	Sjostrom & Sons. (Inc.)	1617 Crosby Street, Rockford, Ill.
Galveston, Tex., immigration station	James McHugh Sons. (Inc.)	840 West Seventieth Street, Chicago, Ill.
Galveston, Tex., marine hospital	Ring Construction Co	808 Wesley Temple Building, Minneapolis, Minn.
Georgetown, Del., post office	Gernet-Ryan Co	1700 Walnut Street, Philadelphia, Pa.
Georgetown, Tex., post office, etc.	Landis & Young	603 South Jordan Avenue, Bloomington, Ind.
Gloucester, Mass., post office	Thomas Perrone (Inc.)	1026 Main Street, Hartford, Conn.
Greensburg, Ind., post office	Dunlap & Co. (Inc.)	Columbus, Ind.
Grafton, N. Dak. post office	West Englewood Construction & Supply Co	6239 South Ashland Avenue, Chicago, Ill.
Greenfield, Ind., post office	James I. Barnes	Barnes Building, Logansport, Ind.
Green River, Wyo., post office	Earl E. Garber & Co. (Inc.)	203 West Fourth Street, Bethlehem, Pa.
Greensboro, N. C., post office and courthouse	Geo. H. Rommel Co	958 Logan Street, Louisville, Ky.
Greenville, Ala., post office	D. T. Underwood	518 Lincoln Life Building, Birmingham, Ala.
Greenwood, Miss., post office	Batson-Cook Co	West Point, Ga.
Hallowell, Me., post office	Henry Plante & Son	39 Soammon Street, Saco, Me.
Hamilton, Ohio, post office	Coath & Goss (Inc.)	1109 South State Street, Chicago, Ill.
Harlan, Ky., post office	Carl Westberg & Co. (Inc.)	6234 South Oakley Avenue, Chicago, Ill.
Harrodsburg, Ky., post office	Fanning & Sweeney (Inc.)	Greensboro, N. C.
Hartford, Conn., post office and courthouse	Coath & Goss (Inc.)	1109 South State Street, Chicago, Ill.
Harvey, Ill., post office	Thorp-Rogoff Co	308 South Wabash Avenue, Chicago, Ill.
Havana, Ill., post office	A. Clement Tobin & Co	Box No. 413, Havana, Ill.
Havre, Mont., post office	W. D. Lovell	1415 Eighth Street SE., Minneapolis, Minn.
Helena, Mont., Federal Office Building	Charles Weitz's Sons (Inc.)	713 Mulberry Street, Des Moines, Iowa.
Hempstead, N. Y., post office	Brooklyn & Queens Screen Manufacturing Co. (Inc.).	Hempstead, N. Y.
Highland, Ill., post office	James I. Barnes	Barnes Office Building, Logansport, Ind.
High Point, N. C., post office	Spence Bros	Brewer Arcade, Saginaw, Mich.
Hobart, Okla, post office	Upchurch Construction Co	224 Bell Building, Montgomery, Ala.
Hoboken, N. J., post office	Quaker City Masonry Contracting Co	Northeast corner Sixty-fifth and Allman Streets, Philadelphia, Pa.
Hoquiam, Wash., post office	William T. Post	4720 Pacific Avenue, Tacoma, Wash.
Houston, Tex., post office and courthouse	Robert E. McKee	1918 Texas Street, El Paso, Tex.
Huntingdon, Tenn., post office	James C. Miller	Campbellsville, Ky.
Huntsville, Tex., post office	Samford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
Iowa City, Iowa, post office	Henry B. Ryan Co	500 North Dearborn Street, Chicago, Ill.
Ironwood, Mich., post office	Smith Construction Co	311 Builders Exchange Building, Duluth, Minn.
Jackson, Ohio, post office	W. B. Catching & Co	London, Ky.
Jacksonville, Fla., parcel-post building	James I. Barnes	Barnes Building, Logansport, Ind.
Kansas City, Mo., post office	Ring Construction Co	808 Wesley Temple Building, Minneapolis, Minn.
Ketchikan, Alaska, post office	Puget Sound Bridge & Dredging Co	Seattle, Wash.
Key West, Fla., marine hospital	O. P. Woodcock Co	421 Duval Building, Jacksonville, Fla.
Key West, Fla., post office, courthouse, and customhouse.	Algernon Blair	1209 First National Bank Building, Montgomery, Ala.
Kissimmee, Fla., post office	Samford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
Kokomo, Ind., post office	Dan Bright	Clinton, Ind.
La Crosse, Wis., post office	McGough Bros	1954 University Avenue, St. Paul, Minn.
Lafayette, Ind., post office	Joseph A. Tintari	22 Illinois Street, Chicago Heights, Ill.
Lake City, Fla., post office	Williams Construction Co	Red Rock Building, Atlanta, Ga.
Lamar, Mo., post office	O. L. Allen	1840 West Douglas Avenue, Springfield, Mo.
Lawrence, Mass., post office	Ernest E. Munroe	62 Spring Street, Plainville, Mass.
Lebanon, Ind., post office	James I. Barnes	Barnes Building, Logansport, Ind.
Lebanon, Mo., post office	Kellogg & Anderson	Lebanon, Mo.
Linton, Ind., post office	Charles H. Barnes	Logansport, Ind.
Little Rock, Ark., post office	R. P. Farnsworth & Co. (Inc.)	925 Maritime Building, New Orleans, La.
Long Beach, Calif., post office	Lindgren & Swinerton (Inc.)	Pacific Mutual Building, Los Angeles, Calif.
Louisville, Ky., post office, courthouse and customhouse.	Pike & Cook Co. (Inc.)	416 South Fifth Street, Minneapolis, Minn.
Lubbock, Tex., post office	Wm. MacDonald Construction Co	1311 Syndicate Trust Building, St. Louis, Mo.
Ludington, Mich., post office	Hanson Bros. Co	127 North Dearborn Street, Chicago, Ill.
Lumberton, N. C., post office	Joe McCarthy & Sons	Spartan Building, Pana, Ill.
Lyons, N. Y., post office	Samuel Plato	614 West Walnut Street, Louisville, Ky.
Macon, Ga., post office and courthouse	Concord Construction Co	5631 Sansom Street, Philadelphia, Pa.
Madison Ga., post office	Norwood Griffin Co	610 Bona Allen Building, Atlanta, Ga.
Manassas, Va., post office	Algernon Blair	1209 First National Bank Building, Montgomery, Ala.
Manchester, Conn., post office	Pieretti Bros	Centerbrook, Conn.
Marengo, Iowa, post office	Phelps-Drake Co. (Inc.)	711 Metropolitan Life Building, Minneapolis, Minn.
Marshfield, Wis., post office	McGough Bros	1945 Jefferson Avenue, St. Paul, Minn.
Mason City, Iowa, post office and courthouse	Anderson & Co	1632-6 West Seventy-fifth Place, Chicago, Ill.
Maywood, Ill., post office	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Madisonville, Ky., post office	James I. Barnes	Barnes Building, Logansport, Ind.
Medina, N. Y., post office	David Gordon Building & Construction Co	Northern and Burnet Avenues, Cincinnati, Ohio.
Memphis, Tenn., customhouse, courthouse, and post office.	National Construction Co	631 Tower Building, Washington, D. C.
Memphis, Tex., post office	Landis & Young, builders	603 South Jordan Avenue, Bloomington, Ind.
Menasha, Wis., post office	Vincent Chisbal & Co	4360 Washington Street, Gary, Ind.
Mendota, Ill., post office	James McHugh Sons (Inc.)	840 West Seventieth Street, Chicago, Ill.
Metaline Falls, Wash., inspection station	Johnson Bros. (Inc.)	1716 East Fifty-sixth Street, Seattle, Wash.
Miami, Fla., post office, courthouse, and customhouse.	Ralph Sollitt & Sons Construction Co	228 North La Salle Street, Chicago, Ill.
Middleboro, Mass., post office	Smythe & Co	1416 F Street NW., Washington, D. C.
Milbank, S. Dak., post office	McManis Construction Co	979 Iglehart Avenue, St. Paul, Minn.
Milford, Conn., post office	The E. & F. Construction Co	78-94 Wells Street, Bridgeport, Conn.
Millersburg, Ohio, post office	D. B. Hussey (Inc.)	1174 West Fifth Avenue, Columbus, Ohio.

Projects under contract in whole or in part—Continued

Project	Name of contractor	Address
Milwaukee, Wis., post office, courthouse, and customhouse	Ralph Sollitt & Sons Construction Co	228 North La Salle Street, Chicago, Ill.
Mobile, Ala., marine hospital	Algernon Blair	1209 First National Bank Building, Montgomery, Ala.
Monroe, Ga., post office	James C. Miller	Campbellsville, Ky.
Monroe, Wis., post office	Carl Westberg & Co. (Inc.)	6234 South Oakley Avenue, Chicago, Ill.
Monte Vista, Colo., post office	Busboom & Rauh	Salina, Kans.
Montgomery, Ala., post office and courthouse	Algernon Blair	First National Bank Building, Montgomery, Ala.
Montrose, Colo., post office	Wm. MacDonald Construction Co	1311 Syndicate Trust Building, St. Louis, Mo.
Morgan City, La., post office	Algernon Blair	1209 First National Bank Building, Montgomery, Ala.
Mountain Grove, Mo., post office	Busboom Bros	Fairbury, Nebr.
Mount Olive, N. C., post office	General Engineering Corporation of Pennsylvania	319 McClatchy Building, Upper Darby, Pa.
Mount Vernon, Ind., post office	Ideal Contracting Co. (Inc.)	515 West Fifth Avenue, Gary, Ind.
Muncie, Ind., post office	Ideal Construction Co	Do.
Murray, Ky., post office	Samford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
Napoleon, Ohio, post office	Anderson & Co	37 West Van Buren St., Chicago, Ill.
Nephi, Utah, post office	Berntson Bros	2336 South Twenty-first east, Salt Lake City, Utah.
New Britain, Conn., post office	The New England General Construction Co	341 State Street, New Haven, Conn.
Newburgh, N. Y., post office	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
New Kensington, Pa., post office	Nicholas Co	4848 Lancaster Avenue, Philadelphia, Pa.
New Martinsville, W. Va., post office	P. W. Johnson	Portsmouth, Ohio.
New Orleans, La., marine hospital	R. P. Farnsworth & Co. (Inc.)	925 Maritime Building, New Orleans, La.
New York, N. Y., assay office	Great Lakes Construction Co	333 North Michigan Avenue, Chicago, Ill.
New York, N. Y.:		
Parcel-post building	George F. Driscoll Co	548-550 Union Street, Brooklyn, N. Y.
Government warehouse	Wills & Mafera Corporation	303 West Forty-second Street, New York, N. Y.
Niles, Ohio., post office	Yuhasz & Olson	4174 Conn Street, Gary, Ind.
Noblesville, Ind., post office	La Salle Construction Co. (Inc.)	South Bend, Ind.
Norfolk, Nebr., post office	Tapager Construction Co	Albert Lea, Minn.
Norman, Okla., post office	Christy-Dolph Construction Co	Dallas, Tex.
North Little Rock, Ark	McGregor & Pickett	Gem Building, Little Rock, Ark.
Norwalk, Ohio	Ideal Contracting Co	515 West Fifth Avenue, Gary, Ind.
Oakland, Calif	K. E. Parker Co	135 South Park, San Francisco, Calif.
Oelwein, Iowa	W. D. Lovell	1415 Eighth Street SE., Minneapolis, Minn.
Ogden, Utah	J. J. Burke & Co	Salt Lake City, Utah.
Oklahoma City, Okla	Devault & Deitrick	Massillon Road, Canton, Ohio.
Okmulgee, Okla	Algernon Blair	National Bank Building, Montgomery, Ala.
Oneida, N. Y	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Opelousas, La	O. M. Gwin Construction Co	3503 Fern Street, New Orleans, La.
Oshkosh, Wis	Magee & Ganley Bros. Co	116 West Sixth Street, St. Paul, Minn.
Paintsville, Ky	Boone, Eason & Wood (Inc.)	Box 326, Bluefield, W. Va.
Palmer, Mass	Cianci Construction Co	277 Atwell Avenue, Providence, R. I.
Parkersburg, W. Va	Jas. I. Barnes	Logansport, Ind.
Pasco, Wash	Hedeen Construction Co	American Bank Building, Seattle, Wash.
Passaic, N. J	Agostini Bros	205 East Forty-second Street, New York City.
Pawtucket, R. I	F. S. Moore & Son	610 North Washington, Kokomo, Ind.
Peekskill, N. Y	Ring Construction Co	Wesley Temple Building, Minneapolis, Minn.
Perrbina, N. Dak	F. A. Carlson & Co	Lyceum Building, Duluth, Minn.
Philadelphia, Pa., post-office foundations	Gow Co. (Inc.)	90 West Street, New York City.
Pikeville, Ky	Algernon Blair	National Bank Building, Montgomery, Ala.
Pittsburg, Kans		
Pittsburgh, Pa	Aronberg-Fried Co. (Inc.)	155 East Forty-fourth Street, New York City.
Pocatello, Idaho	Tapager Construction Co	Albert Lea, Minn.
Pomona, Calif	Los Angeles Contracting Co	4816 West Pico Boulevard, Los Angeles, Calif.
Ponce, P. R	T. H. Johnson	North Texas Building, Dallas, Tex.
Portal, N. Dak., border station	Meinecke Johnson Co	Fargo, N. Dak.
Port Angeles, Wash	A. D. Belanger & Co	Central Building, Everett, Wash.
Portland, Me., court house	National Construction Co	Tower Building, Washington, D. C.
Portland, Oreg., court house	Murch Bros. Construction Co	611 Olive Street, St. Louis, Mo.
Portsmouth, Va	Jones Bros. & Co	Wilson, N. C.
Potsdam, N. Y	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Prestonsburg, Ky	J. C. Miller	Campbellsville, Ky.
Racine, Wis	M. Madsen Co	National Building, Minneapolis, Minn.
Red Bank, N. J	Lordi & Altieri (Inc.)	30 East Two hundred and eighth Street, New York City.
Richmond, Va., post office	National Construction Co. (Inc.)	Atlanta, Ga.
Roanoke, Va	Worsham Bros	Empire Building, Knoxville, Tenn.
Rochester, Pa	R. B. McDaniel Co	New Brighton, Pa.
Rock Hill, S. C	Baton-Cook Co	West Point, Ga.
Rogersville, Tenn	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Rossville, Ga	J. C. Miller	Campbellsville, Ky.
Rutherfordton, N. C	A. F. Perry, jr. (Inc.)	Barnet National Bank Building, Jacksonville, Fla.
Rutland, Vt	Brooklyn & Queens Screen Manufacturing Co. (Inc.).	Hempstead, Long Island, N. Y.
Sacramento, Calif	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
St. Johns, N. Dak	C. G. Steen Co	Grand Forks, N. Dak.
St. Paul, Minn. (foundation)	Lovering-Longbotham Co., Jas. Leck Co	Builders' Exchange Building, St. Paul, Minn.
Salem, N. J	General Engineering Co	319 McClatchey Building, Upper Darby, Pa.
Salisbury, N. C	Graham Construction Co	Red Rock Building, Atlanta, Ga.
Salt Lake City, Utah	Orndorff Construction Co	437 South Hill Street, Los Angeles, Calif.
San Benito, Tex	Merriwether & Sauers	Harlingen, Tex.
Sandersville, Ga	C. A. Morrison & Son	Shelby, N. C.
San Francisco, Calif., marine hospital	Clinton Construction Co. of California	923 Folsom Street, San Francisco, Calif.
San Luis, Ariz., border station	Modern Construction Co	3308 Ketnor Boulevard, San Diego, Calif.
Santa Ana, Calif	R. J. Chute Co	2506 West Santa Barbara Avenue, Los Angeles, Calif.
Sapulpa, Okla	Holmboe Construction Co	320 Petroleum Building, Oklahoma City, Okla.
Savannah, Ga., post office	Jno. M. Gary Co	Box 1263, Asheville, N. C.
Scranton, Pa	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Seattle, Wash., immigration station	Eivind Anderson	517 North I Street, Tacoma, Wash.
Seattle, Wash., marine hospital	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Shreveport, La	Algernon Blair	National Bank Building, Montgomery, Ala
Sikeston, Mo	Hiram Lloyd Building & Construction Co	Syndicate Trust Co., St. Louis, Mo.
Sioux Falls, S. Dak	Murch Bros. Construction Co	611 Olive Street, St. Louis, Mo.
Somersworth, N. H	W. H. Trumbull	Hanover, N. H.
South Bend, Ind	Jas. I. Barnes	Logansport, Ind.
South Milwaukee, Wis	C. B. Johnson & Son. (Inc.)	306 South Wabash Avenue, Chicago, Ill.
Springfield, Mass	N. P. Severin Co	222 West Adams Street, Chicago, Ill.
Springfield, Ohio (foundations)	B-W Construction Co	720 North Wabash Avenue, Chicago, Ill.
Spring Valley, Ill	West Englewood Construction & Supply Co	6239 South Ashland Avenue, Chicago, Ill.
Staten Island, N. Y	Murch Bros Construction Co	611 Olive Street, St. Louis, Mo.
Sterling, Colo	Mead & Mount Construction Co	Denver National Building Denver, Colo.
Stockton, Calif	Murch Bros. Construction Co	611 Olive Street, St. Louis, Mo.
Sturgis, Mich	R. Sollitt & Sons Construction Co	South Bend, Ind.
Stuttgart, Ark	H. J. Gilbertson Construction Co	Farnsworth Building, Memphis, Tenn.
Sumas, Wash., border station	Jno. Barkost	2906 Union Street, Tacoma, Wash.
Sweetwater, Tex	Christy Dolph Construction Co	Dallas, Tex.
Sylacauga, Ala	A. J. Huneycutt & Co	2512 Eighth Court, North Birmingham, Ala.
Taunton, Mass	J. R. & J. A. Whelan (Inc.)	135 Pelham Street, Newport, R. I.
Texarkana, Ark	Gauger Construction Co	Fidelity Bank Building, Memphis, Tenn.
Texas City, Tex	Algernon Blair	National Bank Building, Montgomery, Ala.
Thermopolis, Wyo	Jas. A. Parr Co	Shadron, Nebr.

Projects under contract in whole or in part—Continued

Project	Name of contractor	Address
Thomson, Ga.	C. A. Morrison & Son	Shelby, N. C.
Toccoa, Ga.	J. C. Miller	Campbellsville, Ky.
Toledo, Ohio	N. P. Severin	222 West Adams Street, Chicago, Ill.
Topeka, Kans.	Jas. I. Barnes	Logansport, Ind.
Trenton, N. J.	Karno-Smith Co.	Broad Street Bank Building, Trenton, N. J.
Trout River, N. Y., border station	Salem Construction Co.	35 New Derby Street, Salem, Mass.
Troy, Ohio	C. H. Shook (Inc.)	Third National Building, Dayton, Ohio.
Tulsa, Okla.	Chas. Weitz' Sons	713 Mulberry Street, Des Moines, Iowa.
Uniontown, Pa.	C. H. Shook (Inc.)	Third National Building, Dayton, Ohio.
Unionville, Mo.	J. McHugh Sons (Inc.)	840 West Seventieth Street, Chicago, Ill.
Warren, Pa.	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Warren, R. I.	Thos. Parone (Inc.)	1026 Main Street, Hartford, Conn.
Warsaw, Ind.	Ideal Construction Co.	515 West Fifth Street, Gary, Ind.
Waterbury, Conn.	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Waupun, Wis.	Immel Construction Co.	Fond du Lac, Wis.
Waynesboro, Ga.	J. C. Miller	Campbellsville, Ky.
Wellsboro, Pa.	Samford Bros. (Inc.)	301 Washington Avenue, Montgomery, Ala.
Wellsville, N. Y.	E. E. Garber Co. (Inc.)	203 West Fourth Street, Bethlehem, Pa.
Westminster, Md.	Quaker City Masonry Contracting Co. (Inc.)	Sixty-fifth and Allman, Philadelphia, Pa.
West Point, Va.	Algernon Blair	National Bank Building, Montgomery, Ala.
West Warwick, R. I.	Thomas Parone (Inc.)	1026 Main Street, Hartford, Conn.
Whiting, Ind.	Forest Building Construction Co.	1054 Washington Street, Gary, Ind.
Wichita, Kans.	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Wichita Falls, Tex.	H. W. Underhill Construction Co.	Construction Building, Dallas, Tex.
Winner, S. Dak.	S. W. Jonsson & Co.	Aberdeen, S. Dak.
Winthrop, Mass.	Mauro-Argentieri (Inc.)	557 Atwells Avenue, Providence, R. I.
Wisconsin Rapids, Wis.	Immel Construction Co.	Fond du Lac, Wis.
Woodstock, Ill.	Anderson & Co.	1632 West Seventy-fifth Place, Chicago, Ill.
Woodstock, Va.	Nicholas Co.	4848 Lancaster Avenue, Philadelphia, Pa.
Woonsocket, R. I.	A. M. Lundberg	Railway Exchange Building, St. Louis, Mo.
Worcester, Mass.	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Youngstown, Ohio	A. W. Kutsche & Co.	2111 Woodward Avenue, Detroit, Mich.
Zanesville, Ohio	Zeihet & Miller	Sandusky, Ohio.
Rockford, Ill.	Largura Construction Co. (Inc.)	3672 Adams Street, Gary, Ind.
Pheonix, Ariz., foundations	Robt. E. McKee	1913 Texas Street, El Paso, Tex.
Fort Plain, N. Y.	Rosen & Fischel (Inc.)	11 South La Salle Street, Chicago, Ill.
Fremont, Ohio	Rosen & Fischel Co.	Do.
Seattle, Wash., Federal office building	Murch Bros. Construction Co.	611 Olive Street, St. Louis, Mo.
Tamaqua, Pa.	Conneen Construction Co.	770 Schuylkill Avenue, Philadelphia, Pa.
West Point, Ga.	Barge Thompson Co.	136 Ellis St., Atlanta, Ga.
Extensible building, Department of Agriculture	Nelson-Pedley Co.	Contractor defaulted; completed by Starrett-Eken Co., of New York City.
Archives Building (foundation)	F. L. Cranford, (Inc.)	141 Remsen Street, Brooklyn, N. Y.
Commerce Department building	Consolidated Engineering Co.	Baltimore, Md.
Connecting wing, Labor and Interstate Building	McCloskey & Co. (Inc.)	1620 Thompson Street, Philadelphia, Pa.
Justice Department Building (foundation)	S. M. Siesel Co.	102 Flannery Building, Pittsburgh, Pa.
Post Office Department Building	McCloskey & Co. (Inc.)	1620 Thompson Street, Philadelphia, Pa.
Public Health Service Building	Wills, Taylor & Mafera Corporation	302 West Forty-second Street, New York.

Mr. ROBINSON of Arkansas. Mr. President, it is not my intention to enter upon a prolongued discussion of this resolution. I shall vote for it in the belief that unless the resolution be agreed to its failure may result in defeating the very persistent efforts that are being made here to find some process by which the high cost of government may be diminished.

I realize that the subject has been fully discussed from almost every standpoint. It does not, therefore, seem to me appropriate for me to prolong the discussion.

Out of order, I ask to have printed in the RECORD a statement concerning the status of the independent offices appropriation bill, particularly in its relation to the Federal Trade Commission, and a comparison of appropriations for certain boards, bureaus, and commissions carried in the bill (H. R. 10022) making appropriations for the executive office and sundry independent executive bureaus, and so forth. I ask also that the data supplied be referred to the Committee on Appropriations, in order that the subcommittee in charge of the independent offices appropriation bill may have the facts set forth in the two statements I am having printed in connection with their work on the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered; and the statements will be referred to the Committee on Appropriations.

The matter referred to is as follows:

STATEMENT CONCERNING THE STATUS OF THE SUPPLY BILL FOR THE FEDERAL TRADE COMMISSION, FISCAL YEAR 1932–33

The commission's total appropriation for the current fiscal year (1931–32) amounted to $1,781,766.

The commission's total estimate of funds for the next fiscal year (1932–33) amounted to $1,656,518.

This was a voluntary reduction of $105,148.

The Bureau of the Budget allowed for all purposes the amount of $1,266,500.

This constituted a reduction of $515,266, or 29.4 per cent from the current year appropriation, and which constituted a reduction of $390,018, or 24.75 per cent below the commission's estimate.

It is thus shown that the reduction of the commission's appropriation is far above those of any of the other commissions or boards as shown by the table herewith annexed. The appropriation bill passed by the House allows precisely the sum recommended by the Bureau of the Budget, $1,266,500; and of this sum the House had bracketed $60,000 to cover a deficiency for the current year, and made the same immediately available. The House had also bracketed the sum of $300,000 as funds to be used for continuation of the so-called "power and chain-store investigations." The sums thus bracketed are not in addition to the total appropriation indicated above, but were included therein.

It is estimated that if the total allowance remains as it is now in the bill it will be necessary for the commission to discharge from 175 to 200 of its employees in order to bring the expenses down to the level of the appropriation.

The two investigations mentioned above are being conducted largely with temporary employees brought in for that special work, and if the sum of $300,000 be dedicated solely to the prosecution of those investigations it will necessitate the discharge of a very large number of the commission's permanent employees who are engaged in work imposed upon the commission by statute.

It is believed that it is essential to the work of the commission for the ensuing fiscal year that the total allowance in the House bill should be augmented by the sum of $300,000 to be used in the two investigations named, and also by the sum of $60,000 as a deficiency fund to be made immediately available.

Composition of appropriations for salaries and related personal-service expenses only (as far as they are segregated in 20 individual cases[1]) for 1932 and as proposed for 1933 in H. R. 10022 as reported to House, arranged in order from proposed largest percentage decrease to proposed largest percentage increase

[Source: House Report No. 659, Seventy-second Congress, first session]

Salaries, etc., for—	Appropriations for salaries, etc., for 1932	Amount recommended in bill for salaries, etc., for 1933	Increase (+) or decrease (−) proposed in bill	
			Amount	Per cent
Federal Trade Commission	$1,751,766	$1,236,500	−$515,266	−29.4
Board of Mediation	186,685	151,135	−35,550	−19.0
Employees' Compensation Commission	522,980	466,026	−56,954	−10.9
Civil Service Commission	1,480,750	1,295,720	−185,030	−10.7
Federal Radio Commission	433,380	399,360	−34,020	−7.8
Interstate Commerce Commission	3,090,900	2,875,354	−215,546	−7.5

Footnote at end of table.

Composition of appropriations for salaries and related personal-service expenses, etc.—Continued

[Source: House Report No. 659, Seventy-second Congress, first session]

Salaries, etc., for—	Appropriations for salaries, etc., for 1932	Amount recommended in bill for salaries, etc., for 1933	Increase (+) or decrease (−) proposed in bill	
			Amount	Per cent
National Advisory Committee for Aeronautics	$1,028,070	$958,310	−$69,760	−6.8
Tariff Commission	1,200,000	1,122,000	−78,000	−6.5
Federal Board for Vocational Education	99,380	93,805	−5,575	−5.6
United States Shipping Board	424,000	409,270	−14,730	−3.5
Board of Tax Appeals	608,640	590,000	−18,640	−3.1
Bureau of Efficiency	199,770	199,440	−330	−.2
United States Geographic Board	9,178	9,178		
Commission of Fine Arts	9,475	9,475		
Executive Office	260,380	260,380		
General Accounting Office	4,062,620	4,062,620		
Public Buildings and Public Parks of the National Capital	2,793,250	2,831,065	+37,815	+1.4
Veterans' Administration	112,228,707	115,528,795	+3,300,088	+2.9
Federal Power Commission	255,695	283,770	+28,075	+11.0
American Battle Monuments Commission	304,250	400,000	+95,750	+31.5
Total for salaries, etc.	130,919,876	132,982,763	+2,262,327	+1.7

[1] For lack of a corresponding breakdown to show in each case a figure which is comparable with those summarized herein, it has been necessary to omit data for certain additional independent establishments, to wit:
Arlington Memorial Bridge Commission.
Federal Farm Board.
Federal Oil Conservation Board.
George Rogers Clark Sesquicentennial Commission.
George Washington Bicentennial Commission.
Mount Rushmore National Memorial Commission.
National Capital Park and Planning Commission.
Personnel Classification Board.
Porto Rican Hurricane Relief Commission.
Public Buildings Commission.
Smithsonian Institution.
Supreme Court Building Commission.

Mr. ROBINSON of Arkansas. Mr. President, I have stated my purpose to vote for this resolution. It is imperative that I be absent from the Chamber for probably a half-hour, but I desire to be recorded in favor of the resolution.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum, because——

Mr. JONES. Mr. President, before the Senator does that I should like to say just a word.

Mr. McKELLAR. I withhold the suggestion for the present.

Mr. JONES. Mr. President, I have only a few words to say. I do not wish the quorum to be called for before I make the few remarks I desire to make, because when Senators are brought here they will want to vote, if possible, on the resolution.

As the Senator from Arkansas says, practically all the arguments pro and con have already been offered. Even if this resolution should be voted down, the committee, in my judgment, will profit by the bills we have already acted upon under instructions from the Senate; and we shall bring the appropriations to the very lowest point that we feel we possibly can.

I desire to call to the attention of the Senate these facts, which rather appeal to me:

This bill carries a little over one billion fifty-odd millions of dollars. That means that if this 10 per cent cut is carried, the bill must be cut by the committee $105,000,000 below the amount carried by the House bill. The House cut $22,000,000 from the Budget estimates. As I said before, the Budget has taken unusual care with its estimates and has cut them down to the lowest possible point that it deems best for the interest of the Government. The House, in its wisdom, cut down those estimates, as I say, $22,000,000.

The action of the House was very carefully taken. It is the custom of the House committee to examine every item of the bill, whether it is a post office bill or what sort of a bill it is. It examines every item, hears testimony on each of them, and then frames its bill. It has cut the estimates of the Budget by $22,000,000, in round numbers. Now, what are we asked to do? We are asked to cut five times as much as the House cut, and we are asked to do it without any special investigation of the different items.

Does that look businesslike? Does it look wise for the Senate to direct its committee, without any special investigation of the different items, to cut five times the amount that the other body has cut after careful study and careful investigation?

Mr. McKELLAR and Mr. ODDIE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES. In a moment. In cutting this $105,000,000, I want to say that, of course, the committee will give most careful study and careful investigation, if it is directed to do so, so as to make this cut just as wisely as possible.

I now yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, the Senator says that the Senate committee has made no investigation. There are 1,246 pages in the volume of Senate committee hearings that I have before me. Virtually every item—certainly every item of any importance that was not known to be correct—has been examined by the Senate committee. Under the chairmanship of the Senator from Nevada [Mr. ODDIE], one of the most painstaking investigations that has ever been made of any bill since I have been in the Congress, of which I have had any knowledge, has been made in this case.

Mr. JONES. Perhaps I should have said—this is, I think, the fact—that the hearings of the subcommittee have all been had with reference to the different items in the bill. My recollection is that the great part of those hearings was devoted to the shipping item, about which there has been considerable discussion. No painstaking investigatiton or study of the different items of the bill has yet been made by the subcommittee in the way that the House committee investigates, but there have been hearings. The hearings were long; they were painstaking; they were careful. Now the subcommittee is ready to write up the bill—that is, to consider the items one by one as they may see fit to do it—and if this resolution should be adopted they will be directed to cut off, in round figures, $105,000,000, or five times the amount by which the House reduced the Budget estimate after the most painstaking consideration of each particular item.

Now I yield to my colleague on the committee.

Mr. ODDIE. Mr. President, I think it might be well at this point to state that the bill as it came from the House is nearly $45,000,000 less than the 1932 appropriations.

Mr. JONES. That is true. At any rate, it is $22,000,000 less than the Budget estimate, in round numbers.

Does the Senate want to direct a cut of five times the amount of the cut made by the House of Representatives? That, of course, is for us to decide on this vote.

It has been suggested here that there will be a reduction of employees. We can not reduce the wages of the employees in this bill; that is not our province; it is not within our province under the rules. But we will have to reduce the number of employees, and we can not get around that. By this cut we must add to the unemployment in this country.

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. JONES. I yield.

Mr. DICKINSON. I do not think proper emphasis has been put upon one other phase of this matter—that is, the public-building program. Of course, it would be an easy matter if we could simply go into a subcommittee and lop off so many millions of dollars on the public-building program. But buildings having been authorized, many of the contracts having been let, in many of the cases the specifications having been agreed upon, and in practically all of them the sites already secured, if we lop off the major portion of this 10 per cent in that particular item, we will be contributing to the distress now prevalent by making it impossible to buy materials and to employ labor. It is my hope that if we are instructed to take the bill back to the subcommittee we certainly will not find the subcommittee in such a frame of mind that they will want to eliminate the

public-buildings item, or reduce it more than its pro rata share of the 10 per cent cut.

Mr. JONES. Mr. President, I had intended to later, but I might suggest now, that we could, without putting any employees out of work, without adding to the unemployment in this country, make the $105,000,000 cut in this bill, which we have to make, by cutting $105,000,000 out of the $108,000,000 provided for public buildings. We could make that cut in that item. That would affect the unemployment situation, of course, all over the country, but it would not add in numbers to the unemployed by providing for the discharge of Government employees. I think I may say that the committee certainly will not do that. If we make any cut in the public-building item, it will be nothing more than possibly a proportional cut, which, of course, would not be nearly so heavy. We can not cut the amount of money that is not fixed by contract without cutting off employees.

I do not believe the Government is prepared to violate its contracts. This Government has contracted to pay for the transportation of mails about $105,000,000 or $110,000,000, as fixed by the Interstate Commerce Commission. Of course, we can refuse to carry out the contracts if we are ready not to comply with them.

Then there is about $90,000,000 of additional money that is paid for other transportation of mails, that is practically under contract, some of it running 6, 7, 8, to 10 years. Do we want to cut from that? Are we ready to do that? Are we ready to put the Government on the plane of repudiating its contracts? There are some of these other contracts with reference to shipping which have been discussed very clearly. They are contracts of the Government, they are made under law, made after careful consideration by this body. Are we going to annul them?

Of course, my friend the Senator from Tennessee suggests that they are illegal contracts. If they are, that is a matter to be determined. They have been solemnly entered into, entered into pursuant to laws enacted by the Congress, and the question is whether or not we are prepared to annul those contracts.

Mr. McKELLAR. Mr. President, the Senator remembers that there was a very notable precedent of the annulment of a contract. It had to be done by the Supreme Court, but it was done. I refer to the Teapot Dome.

Mr. JONES. I always accept the judgment of the Supreme Court of the United States when it declares that a thing is not legal. I hold that it was not legal from the beginning. Of course, these matters may be illegal; I do not say they are not. I am sure the Senator from Tennessee is sincere in his belief in regard to them. But shall we assume to declare them illegal? We probably can do it, and we can not be held accountable in any forum that is effective.

About three hundred and thirty or three hundred and forty million dollars in this bill are bound up in those different ways. That leaves some six or seven hundred million dollars, assuming we are not going to violate those contracts, out of which to cut a hundred and five million dollars. We can not find where to cut without cutting employees off the rolls of the Government of the United States. That will add thousands to the unemployed of this country. Are we prepared to do that? That is the question we have to pass on in voting on this resolution.

That is about all I care to say about the matter. We have followed this policy in regard to a couple of other bills. I am inclined to think that the pending appropriation bill should be considered in a little different light from the other appropriation bills. There were no great contracts involved in those bills under which the Government was obligated and bound as there are in this. There were no contracts affecting all the people of the country in connection with rural delivery, rural routes, and all that sort of thing which will be turned inside out, we might say, by the passage of such a resolution as this. I think it is quite a different proposition from the one involved even in connection with the other two bills; and while I opposed the 10 per cent cuts as to those two bills, I think there is far more justification for the Senate voting against a 10 per cent cut in this bill than as to the other two bills.

As I said in the beginning, I say now, even if the resolution is voted down, I think I can say for the committee that it will act as far as it feels justified in acting along the lines on which it has acted under the direction of the Senate in handling the other bills, and will make every possible cut it feels it can make in the interest of economy, because we all feel that these are times which demand economy upon the part of the Government.

Mr. BAILEY. Mr. President, I hope that I will not be considered presumptuous, after something better than four months in this Chamber, if I undertake at this time to make some observations upon the subject of the present posture of the legislation here, in view of the condition of the country.

The dilemma in which we find ourselves at this moment is illustrative of the situation, and in this way: We feel ourselves under the greatest necessity for a program of retrenchment in public expenditures and also for a program of economy in the administration of the departments of the Government. But when we proceed to act in response to the impulses which move us in the direction of retrenchment, and which counsel us to a policy of economy, we are confronted with the fact that such a program inevitably makes an existing confusion worse confounded and magnifies a disaster which, in other circumstances, it would be difficult to magnify.

Retrenchment and economy, as predicated here in the 10 per cent cut, imply, as the Senator from Washington [Mr. JONES] has just said, a deliberate act by way of adding to the number of unemployed in a land in which we are told the number of unemployed already is from seven to ten million men and women, who heretofore have been gainfully employed. None of us wishes to move in that direction. I might go farther and say, none of us in the possession of his senses would dare to move in that direction.

The other horn of the dilemma is this, that if we do not institute the policy of retrenchment and economy—and I make a distinction between the two—we are under the necessity of levying new taxes upon the American people to the extent of at least a billion dollars in addition to the sum raised under the existing act, and that neither the commerce, the agriculture, nor the domestic life of the American people can bear.

Mr. President, that dilemma brings to the Senate of the United States in almost a sentence the crucial, and, I may say, weighing my words, the almost indescribably grave condition of the country, which, to a very great extent, at any rate, has been trusted by the people to our care and our keeping.

I have wondered as I have heard this debate, and have tried to find my way through it to some conclusion satisfactory to myself, what must be the thoughts in the minds of the others of the one hundred to one hundred and twenty-five millions of men, women, and children who constitute this Republic, while they hear us, in the midst of a situation so grave, discussing matters apparently so superficial and so trivial, and so passing the hours and the days away, while in their hearts they know, and we likewise know, by every word that history ever wrote, that this country stumbles and staggers on the edge of an abyss into which if it falls not a human being on earth can foresee the outcome? I have sometimes thought, as I have heard our little talk about 10 per cent cuts and retrenching here a little and there a little, that we were like physicians who are undertaking to cure a man of pneumonia by removing a wart from his nose.

Mr. President, I heard on yesterday from the distinguished senior Senator from Ohio [Mr. FESS] a very careful and a very full elaboration of the inducements and the considerations which moved the President of the United States a little less than a year ago to call upon the Members of the Congress to authorize him informally to agree to a moratorium with respect to the indebtedness of certain foreign nations to this country.

The explanation was that the moving consideration to the moratorium was not the benefits to be received by Great Britain or France or Belgium or the other debtor nations, not benefits to be received by Germany and Austria, but benefits to be received by the American people by way of averting a crisis in Europe which threatened to shake civilization itself to its foundations. I assented to the President's request and I thank the Senator from Ohio for his elaborate explanation of the inducements to it. I say in all deliberation that this country is confronted at the present moment with a crisis more serious and more fraught with indescribable consequences than the crisis which was threatened abroad and in the interest of averting which the President of the United States made the overture to the Congress and got the consent of the Members in their individual capacities to the moratorium.

I would not for my life utter a word that would make bad matters worse. I would prefer infinitely a policy of silence lest anyone should charge me, and lest I should suspect myself, of giving utterance to sentiments calculated in any other direction than the direction of averting for ourselves, as we undertook less than a year ago to avert for the whole world, the grave and indescribably distressing prospects of debacle, of ruin, of chaos.

What is the situation, Mr. President? It has been detailed here, but it will do no harm to undertake to detail it again.

Now, for months, even beyond 12 months, somewhere we do not know, but somewhere between 7,000,000 and 10,000,000 of men and women hitherto gainfully employed have been unemployed. The lapse of time has brought them to the point where the succor of friends and kin, where the relief of communities and cities and States, has reached the point of exhaustion. So far from the lapse of time diminishing that great army of helplessness, of fear, and of unrest, there is every evidence that that great army in the United States is increasing.

The papers bring us every day the news of mills that close and of new workers in despair. Look to the agricultural sections. We are told that the number of agricultural producers in our land, people living on the land by means of farming—men, women, and children—is somewhere around 33,000,000 of human beings. For three years in succession they have gone forth to sow, and in the day of the harvest they have reaped nothing save a harvest of tears and despair.

I am not indicting anybody. I am not making any charge of a political nature. I am arraying before the Senate of the United States the solemnest facts of a reality which we can not evade and which we ought not to undertake to avoid. The news from every State in the Republic is news of homesteaders and landowners, hitherto happy and secure, driven from the land under the power of the foreclosure of mortgages and taxes which they could not meet. I am no demagog. This is a statement of a solemn truth, and men with the care and the keeping of the land entrusted to them have got to confront it.

But that is not all. The circulation of money in the United States has been absolutely paralyzed for a period of five months. We passed our Glass-Steagall Act, and we provided the means of credit, but the money did not flow because the means of using the money was not at hand. Accusations have been made here against the bankers for not lending the money. I judge that if the bankers cared to defend, they would defend on the ground that useful and profitable enterprise and the expansion of business in the United States has not demanded the loaning of a dollar.

I go farther. Here is the country itself on the first day of April, and now in the final quarter of the fiscal year, raising taxes only sufficient in a year to pay the amount of the debt service plus the amount provided for the veterans, $2,000,000,000. Here is the record before every one of us, that the present deficit in the Treasury of the United States is in excess of $2,000,000,000, the greatest deficit that ever fell upon a country in all the annals of human history in time of peace.

We are told that we now have to go and find new sources of taxation to the extent of another billion dollars, and every one of us knows that every new tax we levy will be a further handicap upon business and a further difficulty in the way of any hope or any plan of recovery. That is what new taxes mean. On the other hand, we know that if we do not raise them we have got to go down to the Departments here and open the doors and turn out a new army of the unemployed. We have got to go to the public constructions authorized and have the contractors give orders to carpenters and bricklayers and all the remainder of their men that they are to take their places in the ranks of those who now for more than 12 months have with great courage, with an infinite and a beautiful patience, borne with a situation to which I would not myself claim to be equal.

Mr. President, I have heard some talk here as to whether there is starvation in the United States. I know it has been denied. I do not intend to paint the picture in other colors than the picture actually is. But is it conceivable, when the official authorities in our towns and cities tell us that they are allotting from 50 cents to $1 a week in what they call relief, that men, women, and children are not slowly dying? That is what starvation means. Is it conceivable that such as you and I, vested with the honor and the trust of a great office and a great responsibility, pass by on the other side and say that our engagement here is a matter of debate as to whether an appropriation shall be cut 10 per cent or 15 per cent, or whether it shall be $25,000,000 or $10,000,000?

Mr. President, these facts have come home to me not at once. I am sure that every Senator here is as well acquainted with them as I am. I would not on any account take to myself any greater sensitiveness to human need than I would accord to any other human being. But I am here to say that if these facts are facts, if these are the realities of the situation—and they are—there is a responsibility here, and we must meet it. There is a responsibility in the White House, and we may leave that to the President. There is a responsibility in the House of Representatives, and we may leave that there. There is a responsibility in the Senate of the United States, and you and I have got to meet it.

I do not claim to have the capacity to make a program, and I suspect I would be charged—and I would not say that I would not be justly charged—with an undue degree of presumption if I undertook to state a program. I believe that I will be acquitted of presumption if I simply say what I have to say by way of humble suggestion.

I am not sure, Mr. President, that we can balance the Budget under any circumstances. I deeply suspect that the higher we raise our taxes and the farther we reach after them the more difficulty we shall find in getting them. But I do say that the interests of the American people demand that before we undertake to appropriate any more money, before we enter into a sort of a blind slash at the situation, into these engagements as to what per cent we shall reduce appropriations, it would be infinitely better for the American Congress to ascertain what taxes are reasonably available without destroying the business fabric of this country and further shaking and shocking it, and then proceed to cut the cloth to suit the garment.

My difficulty here, Mr. President and Senators, is that I do not know what money is going to be available; I do not know how far we may appropriate money, but I can state a principle of action. I am in favor of cutting the expenses of administration, but I am not in favor of cutting off appropriations for public works, and I think we can draw the distinction there.

I might go a little further. We have got to meet this situation as best we can; and whether it seems for the moment an undue burden on us, once we get something of definiteness and a determination of policy with respect to the revenue act, let us then, Mr. President, either by a bond issue or some other means, provide funds for public construction in this land that will provide during the next 6 or 10 months for the employment of a million men. How else are we going to afford them employment?

Last night I looked over the appropriations of the States for public works. I find they have exhausted their capacity and that their appropriations for last year, 1931, were $115,000,000 less than they were for the previous year. However, the United States Government does have need of buildings; the United States Government does have a justification in national defense and in commerce and in postal communications for public roads; and the United States can in some measure meet the demands of an army of unemployed by way of reducing that army, to some extent at any rate, by a well-conceived system of public works, to be paid for not out of annual revenue but to be paid for in the process of time by bonds to become due in the future and to be amortized from year to year.

But, Mr. President, that is not all. We have tried our palliatives. We enacted the Reconstruction Finance Corporation act, and there has been some good response to it. We have arrested to some degree the breaking of banks; we have relieved, to some degree, the frozen condition of credit. We instituted an expansion of the Federal reserve system, and that, I will grant, has been a source of more or less confidence; but, after all, as we sit here at this hour we know that the situation to-day is worse than it was on the first of January last; and there is every prospect that it will grow still worse.

I have heard many statements as to what was wrong with our country; as to what was the basis of this depression; and there have been so many people undertaking to explain it who knew nothing about it, that it has come to be a matter more or less of laughter. I will not run the risk of ridicule by myself undertaking to make a diagnosis, but I will submit to the Senate a fact. I heard it stated on the floor of the Senate some weeks ago by the junior Senator from Utah [Mr. KING] that the indebtedness of the people of this country, including the national debt, State debts, and the debts of the counties, the cities, the corporations and of individuals, amounted to the sum of $200,000,000,000. I think that is an exaggeration, with all due respect; but I have an authoritative statement in detail, which I shall read into the RECORD at the proper time, showing that the indebtedness of the people of the United States, including the National Government and all the political subdivisions, is, at any rate, $100,000,000,000.

Now, hear me for a moment. If it were that amount and nothing more, the burden of it would be more than this civilization in its present condition could possibly bear; it would be in the literal sense of the word intolerable; but that is not the whole fact. The fact about that indebtedness of $100,000,000,000 is that when it is paid under present conditions, it is payable in $3 of value for every dollar of value obtained at the time of contracting the debt; and that is not only an impossibility but it is an economic monstrosity, and it is a social crime.

Let me take an illustration from the stock market. The man who bought 100 shares of United States steel on credit at $150 a share when he comes now to pay his debt with Steel stock at $30 a share has to pay five times as many shares of Steel for his debt as the number of shares he bought when he contracted the debt. So, too, the man who bought his little home or his little farm in the days when he received for his wheat a dollar and thirty cents a bushel, or for his tobacco 30 cents a pound, or for his cotton from 20 to 25 cents a pound, must now for what he received for 1 bushel in value pay 4 bushels; for what he received for 1 bale of cotton in value he must pay 4 bales; for what he received for 1 pound of tobacco he must pay, in order to discharge his debt, 4 pounds.

I say to the Senate, in all deliberation and not without some sense of the consequences, that to demand that cities, counties, States, the Nation, corporations, human beings, insurance companies, trust companies, banks, and what not, shall discharge their obligations on terms like those is to provide the moral ground for repudiation—and I am not a repudiationist.

I lay it down as a principle of economics that the man who owns land is entitled to the unearned increment of the land, but the man who owns money is not entitled to the unearned increment of money. If he gets 6 per cent, that is earned; if he gets 8 per cent, that is earned; but when he tells me that I must pay him a dollar and sixty cents for every dollar I got from him, while I may not be able to resist him in the courts, I can stand in the moral realm, and I think I can stand at the bar of God, and justify my answer, "I will pay my debt, I will pay it honestly, but I will not submit myself to the extortion of an economic system or an economic twist or an economic breakdown that compels me to do what neither men nor angels nor gods nor demigods are capable of doing."

That is the situation in America to-day. That is a thing that is rocking the foundations of the financial structure. Hear me: It is not merely the problem of the poor fellow down yonder on a North Carolina farm; it is just as serious to the corporation that owes $500,000,000; it is just as serious to the Pennsylvania Railroad or the Wabash Railroad which have issued their bonds. By the same measure that the humble debtor in the little town is being ground to powder, foreclosed, and destroyed and his home and everything that makes for life and hope and happiness snatched away from him, by the same measure, in this present hour when we stand at the end of some 15 or 20 years, a period when debt was the fashion throughout this land, corporations which issued their bonds are in the same plight with the humble debtor.

That is the situation in this country; that is the thing that is striking at the foundations of the financial structure; that is the thing that is sending the financiers of Wall Street to their beds in despair, and is breaking the hearts of mothers and fathers in the little homes. It is the same process precisely.

I do not hesitate to say what that predicates. The Congress of the United States never did have any great number of powers; and I judge—I say this with more or less caution—that the Congress of the United States may at times have appeared, at any rate, to exercise more powers than possibly it had. But there is one power which it will not exercise, and that is an absolutely fixed, expressed, clear, and unequivocal power: It is written in the Constitution that the Congress shall have power to regulate the value of money.

I will take my seat with one remark: We will not get out of this situation, we will not solve our appropriation question, we will not raise our taxes, we will die in a blind alley unless the Congress of the United States exercises that power, and exercises it, in the name of God, without delay.

Mr. McKELLAR. Mr. President, I shall detain the Senate just a moment.

In the course of his address the distinguished Senator from North Carolina [Mr. BAILEY]—who, by the way, has made a very able address—asked the question, "What are the people back home thinking about this matter?"

I happen to have a letter from a very dear friend, one of the most successful business men in Memphis, and I am going to read an excerpt or two from his letter before we have this vote. He is a perfectly splendid man. I do not agree with all he says by any manner of means; but his letter shows what the people back home are thinking, because he is the kind of man who says just exactly what he knows and believes and is not afraid to say it:

DEAR SENATOR: I am somewhat under the impression that there is no depression and no sign of a general collapse to be found in Washington, as everyone there is drawing his salary as usual and business is probably proceeding along normal lines, the only difference being that the people receiving the same war-time salaries are now able to buy three or four times as much goods with the same amount of money, and which, to all intent and purpose, has advanced their salaries to that extent.

I am afraid if you do not get out of Washington and go over the situation where the people are really in terrible distress that you can not get a true picture of the situation. Of course, I do not know what picture you have in your mind, but I do read in the daily press and the statements made by the other Members of

Congress wherein they evidently think there is an untouched amount of wealth upon which they can draw and continue the extravagances of the past 16 years, but I want to say to you that such is not true.

Outside of Government bonds, every person who had a fortune invested in anything else has about lost that fortune; and if he has not lost it and conditions do not improve, he will soon lose it. I do not think it makes any difference what tax you place in the higher brackets, as, outside of the salaries of Government officials, cooperatives, etc., there will be no one in those higher brackets.

As you know, I was against the $2,000,000,000 Finance Corporation appropriation. I am also very much opposed to the $2,000,000,000 appropriation for the soldiers. It is nothing in the world except a raid upon the Treasury.

Speaking of the Finance Corporation, I observed this morning that the Missouri Pacific Railroad has returned to fancy advertising in the paper and state they are advertising all over the country; this costs a lot of money, and I do not believe adds one passenger or one ton of freight to the railroads. I think it is entirely an endeavor to sell sympathy for the railroads to the voting and nonshipping public. I could not help but think it was possibly part of the Government money they were spending.

Of course the lumber business here is a thing of the past. The yards and plants are rotting away. The cotton business is entirely a Government institution, and the few left who are competing with the Government are about on their last legs. Our business is still continuing, although the thought of making any money with $6 and $8 cottonseed is out of the question. I would venture to say that 50 per cent of the merchants on Main Street are paying no rent, and the balance of them are paying, say, one-half of their rent. The courthouse steps are crowded every day with trustees selling property. Last week I was in Cleveland, Miss., and in the courthouse they were selling about 100,000 acres in Bolivar County for State taxes.

The time has not yet arrived but is not very far off when some people are going to run for political office on an economy platform, and they are going to be elected, as it is unthinkable to believe that we can have a well-paid Government crew when the people themselves are about starving. If any of the political experts believe that by taxation they can provide jobs and doles for the citizens of the country they have another guess coming, because there is no way in which the taxes can be collected. The Government now, through their farm-loan banks, intermediate credit banks, the Farm Board, and the co-ops, already own a large part of the agricultural element of the country; and when you add to this the mortgages held by the life insurance companies, you have about taken care of all of the property; and as far as I can see the situation, Russia has very little on us in so far as communism is concerned; that is, if a centralized dictatorial government represents communism.

At some time in the near future we are going to return to the method of thinking that prevailed 25 or 30 years ago when there was some sanity displayed in the analysis and disposal of various questions, and there was no fallacy that the Government was greater than the people. It is entirely possible that within the next two years you will see a general repudiation through inability to pay bonds issued by road and drainage districts, villages, and cities, and possibly by some of the States, and I am quite sure that with a continuation of $2,000,000,000 bond issue on the part of the Federal Government that we will see their securities quoted at a very low price.

The object of this letter is not to tell you how to think or vote, or anything of the kind. I am simply trying to tell you what is prevailing, and let you use your good, common sense and to base your actions upon those events that are daily presenting themselves, and to adopt yourself to represent the best for the people of the State.

With kind regards, I am, sincerely yours,

HUGH HUMPHREYS.

I have read that letter into the RECORD because, while I do not believe in all that the writer states in it, he states some truths that are undeniable; and one of these is that this Government had better let up on extravagant expenditures.

Mr. LEWIS obtained the floor.

Mr. WAGNER. Mr. President, will the Senator from Illinois yield to me for a moment?

Mr. LEWIS. Gladly.

Mr. WAGNER. I think this is an appropriate time to have read at the desk two telegrams that I have received. They are very short.

The PRESIDENT pro tempore. Without objection, the telegrams will be read.

The Chief Clerk read as follows:

BALTIMORE, MD., *April 15, 1932.*

Senator ROBERT WAGNER.

The social justice commission of the Central Conference of American Rabbis reiterates the stand it has consistently taken in indorsement of your unemployment relief and construction bill. You are at liberty to use our indorsement publicly as you desire.

RABBI EDWARD L. ISRAEL, *Chairman.*

NEW YORK, N. Y., *April 15, 1932.*

Hon. Senator ROBERT WAGNER,
Washington, D. C.:

The members of Lithographers Union have indorsed your bill for unemployment relief. Most urgent need.

A. E. CASTRO, *President.*

Mr. LEWIS. Mr. President, I regret that an illness of late rather limits my physical capacity to extend observations what I feel needed at this time to clarify darkened situations which are confused and not justly appraised. From voice, from press, from public meetings, and private conference come the Cassandra forebodings of dismal destiny to the Nation.

I can not agree that this Nation of ours is in such deplorable state—in its finances or its political status—as to stupefy the senses of the intelligent or demoralize the confidence of the prudent. We are proceeding, however, in every department of the Government—in each legislative Chamber—from time to time, to advertise to the world that this great American Nation has reached the point where its leaders are in desolation, its legislators in desperation, its citizens discouraged, its future all disaster irremediable. We seem to herald to our friends at home and to our opponents abroad that there is nothing left for ourselves but a self-decree of immediate dissolution.

We are moping as a Hamlet, muttering "To be, or not to be; that is the question."

I am unable to understand the philosophy of those who find consoling occupation in presenting so doleful a picture of their country as would alarm the rising generation to believe that we are in a state of decadence and destruction. The picture so often presented by calculating financiers and conspiring politicians would impress viewing mankind that only a petition in bankruptcy and judgment of foreclosure by the court of civilization is the fateful end.

Now, for a moment, let us ask ourselves the question, What is this United States of America from the material point of view? Sirs, $400,000,000,000 is conceded at this hour to be the material worth of the United States of America. She has debts that all in all will not surpass 10 per cent of her assets. She has credits due equaling all her obligations now due and payable. Also, it is true that we have never drawn to the full extent of the present credit of the people, ever ready to respond to their country, nor have we exacted from the Treasury and its assets anything comparable to that which it is in the privilege of our Nation to command. So at this point of recital let us recall what is the comparison of the true conditions and the real capacity to meet them, to serve them, and to overcome them.

The eminent Senator from North Carolina [Mr. BAILEY], in his address you have just heard—one of much philosophy and great pathos; and I may add, one in form of forensic oratory that does credit to his historic State. The Senator draws our attention to a condition of the American citizenry that all of us concede unhappily exists. The industrious Senator from Iowa [Mr. BROOKHART] oftentimes reminds us, in flaming speech, of the multiplying parallels. The Senators on both sides of this Chamber reproduce the panorama in furious and fiery hue. But I fear the specters frighten the reflection from dwelling upon our capacity to meet and repair these circumstances. We forget that we have always met the emergencies or crises, however they arose. We omit to note that in meeting them now, we really make no unwarranted strain either upon the righteous credit of the country or put to test the proven patriotism of the citizen.

Let us compare for a second the situation of our own America with that of other lands which we regard a just parallel. I name countries which were in straits similar to ours, yet with but the least part of our resource, or power of survival. We speak of the war-blistered lands—the trinity we named as our Allies.

England has been going through distresses of nature similar to these described as our affliction. The Senator from Idaho [Mr. BORAH], in a captivating address of commanding eloquence, at the time of the discussion of the bill known

as the La Follette-Costigan bill, called attention to the insolvent situation of England, and the manner in which she sought restoration. We measure results from that time to this. But a month has elapsed since the disclosures, yet that Government, England, with assets nothing to compare with the assets of the United States of America, has recovered herself to the extent that she announces through her officials of the exchequer that she has balanced what she calls her budget; and reports this morning the equivalent of one billion in American money to her credit. In the meantime, the system by which she has produced this result is announced before the world, clearly defined and closely pursued.

We contemplate France. A short while past she was proclaimed by her statesmen as in a state of debt of nation and poverty of people that was hopeless of remedy. I deplore to say that many of her people were inclined always to present her in a very dark aspect, as entitled to the sympathy and contributions of the world. She chose to stand as a constant weeping "Niobe"—all tears. The fact remains, however, that now we have it, that France has not only gathered herself together but—while yet with some increasing unemployment in special lines—yet she has lately lent eleven billions of money to the five different countries with which she is allied, called "the Litte Entente." She was able to expend this money through the aid of American gold, which she in some way was able to manipulate, and in some form of financial mesmerism to control—as against the interests of the United States. This proud and superior people can now exclaim with glory, "Vive la France."

Italy, but a short while ago presumed to be severely, heavily burdened, and in the depths as a result of her war obligations and the condition of her people, has in the last two weeks negotiated a loan of millions and millions without asking one penny of the outside world. She financed that loan from her own people in the interior, showing the condition to which her people have really risen, and, by industry, art, and governmental devices, exhibited a supremacy to be envied by all rivals.

Shall it be said, Mr. President, with these inspiring examples about us, that this United States, this the master nation of all nations, has no method by which it can recover itself? Has it no courage? Has the capacity of finance, which once was the boast of the Secretaries of the Treasury, the ministers of finance, all departed? Has capacity vanished? Has originality buried itself beyond the hope of resurrection? Is there nothing of construction in the United States of America to be applied by its officials—that has genius of invention, strength of trial, and ability to execute—that will provide a remedy for the situation such as we all concede exists? Have we reached the point where we confess before the earth that this great country, without parallel in riches, in resource, on the part of her competitors, is hopeless in her necessity, and before the world surrenders in despair, as lacking the quality and capacity to maintain herself in independence of citizenship and honor of nation?

I do not adopt the thought that for the purpose of garnering resources we descend so low that we strike from the humble toiler the wages of the oppressed poor, and take the crumbs of bread of the little loaf feeding the child, or the bottle of milk from the famishing baby. We are not reaching the point where the small salary, the little wages, of the humble and miserable are to be seized by the hand of force, and by the theory of our great Government in all its capacity wring from them in the hour of their distress and their need the little they get in this day of hunger and despair. Oh, there speaks through the ages the warning of the Jehovah saying through the prophet:

I will come as a swift witness against those that oppress the laborer in his wage.

Mr. President, you will remember in Richelieu, where there comes the story revealing that there is an assault upon a young innocent, when the great cardinal rises and exclaims:

Can this be true? That the little helpless one is to be chosen for sacrifice. Oh, I did not believe that in all this world there was a wind so cruel as would war against a violet.

Is it possible that a great government like ours would, in an hour like this, with its capacities undiminished and unlimited, confess before all the civilization of earth—that is turning its eyes to us as a model—that at this moment we run our hands through the pockets where rest the last pennies of the poor. Or that we extract the earnings of the humble toiler who suffered during the severe days of the very high prices because of the small pay by comparison on which he or they had lived, and that from hand to mouth, rearing his little children, sending them to school, maintaining them with hardship, covering himself with the shelter increasing ever in price while his pay grew less and less with the prices growing higher and higher. Is it true that now we turn upon them, after they have endured all those severe seasons that could have afflicted them; and sentenced these, who are the least able to defend themselves, as victims to maintain a great government in its establishment and structure with their little mite, while the great pillars which we could erect to sustain the structure we withhold? I answer and say no—and in the voice of the scriptural father cry out:

Is thy servant a dog that he should do such thing?

Mr. President, I do not understand these official financial statements which go out from official sources to the country. Here is the country, with its vast credit power. Here in the Treasury is its command of four billions of gold. Here is its money and its capacity thirty-two times beyond the need of the present circulation of money for the people. Here is its bonding capacity to $100,000,000,000. These bonds could be paid in the future days, not levied upon the present generation. Mr. President, I assert that the equity of the hour is that they who fought the war and have had to bear the burdens of its results ought not be forced to pay for it; but they who are never to bear its heat and burden—on field or tent—and who will enjoy its benefits, should be those who should pay for it, as the righteous consideration of their inheritance.

Therefore, Mr. President, what means it that some of the officials of our Government in its finance department give it out by public statement that if this United States shall issue bonds, to obtain credit in order to give employment to thousands and millions of needy, to add further credit that we may increase the circulation, to give credit to the Nation and money to the citizen, that if we increase the present existing bonds we take from the present bonds their value?

How do these eminent officers of the Treasury find it justifiable to send out these reports when, sir, we are now compelled to reply to them by confronting them with their created parallel? The public press announces that the eminent head of the Treasury has said that if we issue bonds it will mean the dropping of the value of the bonds that are outstanding. That we will affect their credit disastrously; that there will not be bids for new bonds issued for the needs of public work; and that there will be no resources of America to which an appeal could be made to cash those bonds. Yet, sir, on the very next day, in an official address to the financiers, he tells the country that in a call for $300,000,000 of credit there were the demands so far exceeding the sum as to reach three billions of amount in demands.

In the meantime, behold the other testimony. The voice of authority went out to the country that the reduction in price of the bonds now existing would follow any effort on the part of the Government to issue more for public works and the restoration of the country. Yet in one day, the next morning, the country is told by the same source how these Government bonds have risen far beyond par, and commending them to the country as the best of security, as the Treasury issued more securities to obtain cash and recaptured millions by the demand.

The time has come when something should be commanded by which these agencies should give to the country the

truth and cease playing in such manner as accommodates the hour for purposes which may be hidden from view, but which everyone must concede exist or we could not account for this "paltering with us in a double sense" in every hour of a public announcement from the public officials of the Treasury.

Mr. President, I can not agree with the gentlemen of either side, or anywhere, who hold up the United States as to-day being unable to protect its future welfare by any system of finance it selects. This country's credit is secure, her vast assets illimitable, her patriotism knows no bounds, the splendor of her people is undimmed. The world waits to purchase her securities. Her poor are unhappy; her miserable, we know, are oppressed. What is needed? That there may be for them all some spirit looking to restore them, some particular movement on the part of this Government for their restoration that is something else than bemoaning morning, noon, and night, crying out the desperate strait they contend the Nation is in—as excuse for the say-everything-and-do-nothing policy that has directed the administration policy since the assembling of this Congress.

The honorable Secretary of the Treasury is reported this morning as having said to the country that when the honorable representatives of the Senate sought to obtain information from him along some definite step as to what was desired by the Treasury as a Treasury policy, the reply is that these who are called Democrats making the demand are "jockeying."

The Democrats, Mr. President, are seeking to have from the Secretary of the Treasury a mere announcement of what the administration desires, what is the amount it requires, "Upon what things do you ask that the levy be made?" All of this requested with the mere object that we might comply with the request of the Treasury, that we might sustain the President, support the Government, principally, sir, to start the Nation on the road to some form of prosperity, with the combined aid of the patriotic spirit on both sides of the legislative chambers. Yet it is evident that the plan of the administration party masters seems to be that if the matter of schedules shall go through in such array that it shall gain the approval of the public, it can be cried forth, as is the present policy of the political traveling salesmen of the party of the White House, "Behold an administration measure." But if something in the way of an item or some feature of a bill disclose that some of the methods which may be adopted shall provoke here and there some dissent, some spirit of dissatisfaction; the cry can go forth, "That is a Democratic measure. It came from the Democratic House and is the offspring christened and adopted by the Democrats of the Senate."

Mr. President, let it be known that such playfulness of party politics is not the offense of either side of the Senate. It is the tin horn tooted and petty drum beaten by those in other offices of the Government. The conduct ought to be enjoined by presidential advice to save us all from being made ridiculous before mankind. Sir, while we "tickle the ears of the groundlings we are making the judicious grieve." But more serious, sir, than that, we are being held up before the humble poor, who are now crying for some relief; as being those who play with them with words that are false, deceiving, or unmeaning.

We need action. Now, sir, I invite you, where is there this great offense in these public undertakings which I have—which the distinguished Senator from New York [Mr. WAGNER] has put before the Senate from time to time? Or by the Senators on the other side of the aisle? Where is there in this demand that which justifies the eminent officials at the head of this Government the statement that if this shall be attempted it means the violation of every form of prudence and economy? Do they forget that the distinguished President of the United States made the recommendation for these public undertakings? Shall we forget that just two months and a half ago the President, in a message, told America that these undertakings would be entered upon? He designated them as public works. He called them by name. He gave the localities of the country where they would arise. He encouraged the people to believe that everything was going to be done now, and these poor, helpless unemployed put to work.

If it was right then to announce the fitting design, as it was, where has it become heresy now? What has become of the spirit which inspired it then and sent it forth to the country for applause and approval, and which now says it is deplorable to undertake and dangerous to assume?

What we need just now in government is a little of the straightforward path and less of those mutations of affairs which serve the hypocrisy of politics.

Since this is the hour when it is not so important what the large financier thinks of us, it is not so very important how that individual who conceives in his own conceit that he is important to civilization or humanity regards us, but it is important that these vast millions of poor and ignorant, who know nothing of the systems of to-morrow and see no hope beyond, shall be informed that this Congress is intending to come to their aid. That Congress will not play day by day, month by month, with the fates of misfortune and leave them helpless in their disaster and hopeless in their prayers.

We can not play, sir, with the fate that may awaken these to resentment upon the theory that the country has abandoned them and that would leave them desolate and helpless. This is the state that brought revolution and anarchy in countries now in revolution and anarchy. Our American will not descend to such disloyalty. Therefore the time has come when we should gravely and bravely point out that this Nation instead of unjustly taxing those citizens of the day who have property and possessions honestly obtained, our Nation should issue appropriate securities, payable at proper times, after which the money should at once be expended for the public improvements which the President himself has recommended and asked of the Congress to sustain, and that we provide they be paid for by the usual method of government after the precedents of the past.

After the Civil War that eminent patriot and great soldier from the State I have the honor to represent in part, President Grant—recommended in a message to this honorable body the very theory which is being presented at this particular time by those on both sides of the Chamber who seek relief for the miserable and to give inspiration to those who seem desperate, hoping against hope deferred.

Will we forget that after the Napoleonic war it was the method we suggest that England adopted, and for 47 years she was able to maintain a supremacy in her own people by which she became the workshop of the earth? Can we neglect to recall that France, even after 1872, in all the desolation of defeat—the surrender at Sedan—turned to the same method we describe, and so successful was she that her securities found the markets of all the world, and she builded her a large balance that gave independence and prosperity to her people within the cities who bought from the small farmers in the lesser communities, and gave a new advance to that dejected land in the defeat of war and offers to us a new and appropriate parallel?

Mr. President, my purpose in returning suddenly to the subject was to say that I can not concur in this general atmosphere of depression in assuming that America is helpless, that her credit has gone to the ground, that her securities are worthless, that her citizens are hopeless, that patriotism has vanished. I will not indorse the intimations that all capacity of invention is dead and the ability to restore our country has been lost. I say to those croaking critics on the outer rims that within the intelligence of statesmen of the United States serving in the Senate or of the House of Representatives there is recourse and refuge. This country is great. Her power is without limit. Her patriotism is unqualified. All her citizens join in this just eulogy of their national mother. We need only to move forward to the undertaking, which we are able to execute, and, doing so, we will inspire the admiration of the world, awaken

the confidence of our fellow citizens, and continue ourselves the first true great republic on earth. In these efforts we offer no political party cry, but fulfill the aphorism of the spirit from Marshfield as we catch the last faint echo of the great Webster, exclaiming as we proclaim, "Our country, our whole country, and everything for our country."

Mr. COPELAND. Mr. President, I find myself almost in full accord with the Senator from Illinois [Mr. LEWIS]. It is not with the thought he has in mind that I present the resolution which I am about to present, but yesterday and again to-day I spoke about the items in the pending appropriation bill which represent capital investment. It was suggested that these might be taken care of by some sort of securities. I have prepared the resolution which I offer and which I ask to have read.

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Chief Clerk read the resolution (S. Res. 198), as follows:

Resolved, That it is the sense of the Senate that in order to finance those items in the annual appropriation bills which relate to public works of a permanent nature, there shall be issued securities of the Government in such form as the Treasury may determine; and that for the guidance of the Senate, the Appropriations Committee is directed to prepare a schedule of items it determines may be regarded as desirable capital investment.

Resolved further, That it is the sense of the Senate that the Committee on Appropriations should continue its efforts to reduce appropriations to the very lowest point.

The PRESIDENT pro tempore. Without objection, the resolution will be received, printed, and lie upon the table.

Mr. COPELAND. That is entirely satisfactory to me. That is what I had in mind. A number of Senators have approached me to-day expressing approval of the thought now contained in the resolution. I hope it may be read and considered by the Members of the Senate before we meet again and that in due time it may receive such consideration as it deserves.

Further, Mr. President, I have noticed various references in the New York papers to a letter which was written to my colleague and me by Phillip J. Roosevelt which consists largely, apparently, of a criticism of the Interstate Commerce Commission and is a series of questions relating to that commission. I ask that the letter be printed in the RECORD in connection with my remarks at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

NEW YORK, *April 4, 1932.*

Senator ROBERT WAGNER,
Senator ROYAL S. COPELAND,
Senate Office Building, Washington, D. C.

GENTLEMEN: A committee of the Senate, headed by Senator JOHNSON (California), recently investigated the flotation of foreign bonds in the United States. This committee brought out the fact that no governmental agency in this field has protected American investors. Is it not pretty nearly time to investigate a governmental agency, which costs taxpayers about $9,000,000 a year, to find out whether or not it has been swindling investors and whether the $9,000,000 is worth spending. The agency referred to is an agency of the Congress—the Interstate Commerce Commission.

Is it true that the Interstate Commerce Commission is supposed to function under the transportation act?

Is it true that the intention of the Congress in passing this act is correctly set forth by the Senate committee's report on the bill which said that the purpose of passing it was:

"First. By prescribing a basis of return upon the value of the railway property, to give such assurance to investors as will incline them to look with favor upon railway securities; that is to say, by making a moderate return reasonably certain to establish credit for the carriers."

Is it true that since the passage of the act neither the railways as a whole nor the railways in any region have earned the prescribed "fair return"?

Is it true that the Interstate Commerce Commission has, nevertheless, and in spite of its knowledge of this failure to earn, repeatedly authorized the sale to investors at prices close to par of hundreds of millions of bonds now selling at from 15 to 60 per cent of the price prescribed by the commission?

Is it true that the commission, in spite of known insufficient and unsatisfactory earnings, repeatedly increased the price which investors were compelled to pay for railroad bonds to prices higher than the bankers thought were justified?

Is it true that now the commission in approving loans by the Reconstruction Finance Corporation demands double and more security than it felt was fair that investors should receive?

If any or all of these questions merit an affirmative answer does not the question arise as to what the Congress is getting in return for the $9,000,000 a year it is spending on the commission?

If the transportation act has failed "to give such assurance to investors as will incline them to look with favor upon railway securities," is it not time to do something about it?

Furthermore, is it true that this swindle is striking at one of the main supporting beams of the entire financial structure? Is it true that recently 49 per cent of all the bond and stock investments by life-insurance companies and 44 per cent of all bond investments of the savings banks in your State—New York—were in railroad bonds?

Were these bonds bought upon faith in the assurances of the Congress as expressed in the transporation act?

Sincerely yours,

PHILIP J. ROOSEVELT.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Dale	Logan	Robinson, Ind.
Bailey	Dickinson	McGill	Schall
Bankhead	Fletcher	McKellar	Sheppard
Barbour	Frazier	McNary	Thomas, Idaho
Bingham	Goldsborough	Morrison	Townsend
Blaine	Hale	Moses	Tydings
Borah	Hayden	Neely	Vandenberg
Bratton	Hebert	Norbeck	Wagner
Bulow	Johnson	Norris	Walcott
Byrnes	Jones	Nye	Watson
Capper	Kean	Oddie	
Copeland	Kendrick	Patterson	
Cutting	Lewis	Robinson, Ark.	

The PRESIDENT pro tempore. Forty-nine Senators having answered to their names, a quorum is present.

ADJOURNMENT TO MONDAY

Mr. McNARY. Mr. President, I move that the Senate adjourn until Monday next at 12 o'clock noon.

The motion was agreed to; and the Senate (at 5 o'clock and 12 minutes p. m.) adjourned until Monday, April 18, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 15, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Accept our deep gratitude, O God, for Thy truth, for its ageless validity, and for Thy everyday mercy. In all our ways may we acknowledge Thee. There are many questions of duty clear to our reason as the light of day. O may we not disregard the strongest and the best persuasions of our understanding. Reveal unto us the highest laws in the universe; namely, the laws of humanity and service. May they plead eloquently and persistently against all forms of selfishness, which is the secret of many woes, and render the emulations of the social order so bitter and destructive. In all things keep us temperate and in alliance with those manly virtues that live and can not die. We would of Thee, our Father, not a flash of feeling, but a disposition; not a mood, but a character; not a moment of personal exaltation, but a life, good and strong and abiding. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendments of the House to bills of the Senate of the following titles:

S. 2405. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern

or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; and

S. 3569. An act to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.

VOCATIONAL EDUCATION

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Speaker, I believe in the most rigid Federal retrenchment consistent with real economy. It is not economy, however, either National or State, to disrupt the program of our public schools and thus deprive 1,250,000 boys and girls of the opportunity to complete their vocational courses. We all know that educational opportunity for the masses had been the unrealized dream for centuries until the discovery of America. It is also well known to every one of us that it is the aspiration of every father and mother that their children shall have every opportunity for educational advancement which parental sacrifice can bestow. Prior to the discovery of this country every child abroad was doomed to remain in that station in life to which he had been born. Relieved from that bondage, the chief concern of the colonists was to give to their children in this land of promise every educational opportunity within their means. It became a firmly fixed belief in the minds of the early settlers that education was the "open sesame" to cultural and professional distinction. The encouragement of schools soon became a governmental practice and a fixed policy.

Impressed with the fundamental importance of education as a contributing factor to the general welfare of the Colonies the principle of Federal grants in support of schools was embodied in the ordinance of 1787 for the future government of the Northwest Territory. This ideal was expressed in the words:

> Religion, morality, and knowledge being necessary to good government schools and the means of education shall forever be encouraged.

Daniel Webster, referring to this ordinance, said:

> I doubt whether one single law of any law giver, ancient or modern, has produced effects of a more distinct, marked, and lasting character than the ordinance of 1787.

Prior to 1787, in fact, as early as 1685, one of the most effective means adopted to stimulate and promote education was by means of the donation of land. Federal aid to encourage and stimulate education was the policy and the practice of America throughout its colonial history, and it has been our national policy ever since the adoption of the Constitution. This policy has been steadfastly adhered to for nearly 300 years.

In more recent years our Federal Government has sought to stimulate and encourage vocational education. Recent grants for this purpose have been in money to the States to assist them in the field of vocational education. The encouragement given by the Federal Government has caused the States and local communities throughout the Nation to promote vocational education. Boys and girls whose creative power finds highest expression through vocational activities have manifested an ever-increasing interest in this type of school training. Thousands of boys and girls who could hardly hope to enter a college or university have turned to the vocational school as a means within their reach to prepare themselves for future usefulness.

Based upon the promise of the Federal Government to assist in this branch of education, the States have set up programs for vocational education. These plans are now in full operation. As a result of the encouragement by the States and Federal Government, the local communities have likewise set up programs to meet local vocational-education needs. Parents have planned and sacrificed to give to their children a vocational education. As I have said, 1,250,000 children will be thrown out of the vocational schools, heartbroken, discouraged, and embittered because of this alleged scheme to practice economy. It is the most stupendous waste that can be imagined; it is not economy; it means throwing out of work 25,000 teachers. A large portion of the 1,250,000 children who will thus be thrown out of school have not completed their courses. Such a nation-wide dislocation in our school system will be a calamity not only to the children and the parents but to the social well-being of the country. It means that all the time and sacrifice of the parents who assisted their children to obtain a useful education will be scrapped on the pretense of national economy.

Is it economy to stunt and stifle a generation of children and send them out into the world under an educational handicap? It is not economy; it is hysteria; it is cruel and inexcusable; it is unworthy of this Government, and I feel sure that such a policy can never be approved by the masses who would prefer to make almost any sacrifice rather than have this injustice done to their children.

Talk about economy. What about the $110,000,000 just appropriated for mountain roads and trails in our national parks? What about the $8,000,000 item in the rivers and harbors bill for new projects which if omitted from the appropriation bill will not interfere with the maintenance of a single harbor in the United States? It would require more time than I have at my disposal to enumerate the useless items in some of the appropriation bills that could be eliminated rather than visit this calamity upon the children of this Nation. I want to see every boy and girl in this land of ours have a fair chance to obtain an education. This is not the time to turn ambitious boys and girls out of school to drift aimlessly until it is too late for them to prepare for life's work. [Applause.]

This telegram from Frank Pierrepont Graves, commissioner of education for the State of New York, is typical of the havoc which this proposal of the Economy Committee would bring about:

ALBANY, N. Y., *April 14, 1932.*

Hon. DANIEL A. REED,
House of Representatives:

Vigorously protest Economy Committee proposal to suspend Federal aid to States for vocational education, which would create crisis in New York. Legislature has adjourned, so have no available means to continue vocational-education program if aid withdrawn. Request you urge committee to continue aid. Letter follows.

FRANK PIERREPONT GRAVES.

The figures which I now respectfully submit are typical of the highly constructive character of the work now being carried on in the congressional district which I have the honor to represent.

LIST OF HIGH SCHOOLS WITH DEPARTMENTS OF VOCATIONAL AGRICULTURE IN FORTY-THIRD CONGRESSIONAL DISTRICT, NEW YORK

Chautauqua County: Cassadaga, Chautauqua, Cherry Creek, Ellington, Forestville, Sherman, Sinclairville, Westfield.

Cattaraugus County: Cattaraugus, East Otto, Franklinville, Little Valley, Machias, Portville, Randolph, South Dayton.

Allegany County: Almond, Alfred, Wellsville. In addition, there are 10 unit course centers conducted by itinerant teachers.

The average enrollment in these schools is about 20 farm boys, or 380 boys. In addition, a number of these schools conducted part-time classes for young men on farms.

Trade and industrial vocational education in the forty-third congressional district, New York State

	Enrolled	Instructors	Federal aid
Dunkirk:			
Evening apprentice classes	44	3	$120.00
Part-time classes	433	5	862.39
Jamestown:			
Evening apprentice classes	188	10	959.25
Part-time classes	249	6	1,630.96
All-day classes	40	3	1,241.66
Olean: Part-time classes	239	6	912.16
Total	1,163	33	5,726.42

NOTE.—Of this total enrollment, 672 are employed boys and girls returning to school for at least 4 hours a week; 202 of this enrollment are adult workers from factories.

HOME ECONOMICS EDUCATION—VOCATIONAL SCHOOLS IN THE FORTY-THIRD CONGRESSIONAL DISTRICT IN NEW YORK STATE

I do not have specific data for home economics classes, but they are organized in practically all high schools of my district. There are approximately 30 day vocational departments in the three counties, with about 1,600 pupils enrolled.

In addition, 124 women were enrolled last year in evening classes for adults in Jamestown and Dunkirk, in Chautauqua County.

This proposal of the Economy Committee to destroy the educational program throughout the country will not reduce local taxes. It will increase them. It will place a large and unexpected burden upon the local communities. The tax burden upon rural communities will be made intolerable by the proposal and will, if carried out, stifle the public-school program in the small towns.

The burden of local taxes for schools is heavy enough now without adding to it by increasing the load, as proposed by the Economy Committee. Take farm sections where vocational agricultural schools are active, so far as the taxes are concerned, the tax burden is from local taxes, not Federal taxes. Less than $10,000,000 of the total of something like $1,500,000,000 of taxes paid by farmers in 1924–25 represent Federal income-tax payments. The farmers' tax burden takes the form of State and local taxes or general property taxes, of which more than 90 per cent are for local purposes. The State tax amounts to about 10 per cent.

The indefensible suggestion is now made by the Economy Committee to add to this local tax burden of the farmer, and in doing so blight the educational prospects of his children. I do not believe that the people of America will approve of any such attempt to impair the efficiency of the public schools of the Nation, especially when it will increase local taxation instead of decreasing it.

Mr. CANNON. Mr. Speaker, word has just come of a proposal to discontinue Federal aid to schools, and I take the first opportunity to enter a vigorous protest against any such shortsighted policy. I earnestly hope that the administration and the committee on the part of the House engaged in formulating the economy bill will reconsider any conclusion they may have reached which in any way involves the suspension of the allotment of Federal funds for vocational education.

No one could be more impressed than I am with the need for economy and the importance of retrenching expenditures. But, Mr. Speaker, this is a false economy. It will cost more eventually through reduced revenues from agriculture than it will save. The advantages accruing from this investment in the education of the next generation far outweigh the comparatively insignificant amount to be saved by such cheese-paring parsimony.

To strike down Federal cooperation would mean the discontinuance of departments of vocational agriculture in the high schools of every State in the Union. It would necessitate the abandonment of educational activities which through long trial and actual experience have demonstrated a worth many times in excess of the amount required for their maintenance. It would effectually destroy the entire vocational program acknowledged to be one of the most important and successful developments in modern education.

I can not believe the joint conference in charge of the economy bill fully appreciates the effect of such a policy. I can not believe they will be willing to sacrifice this magnificent system of training the youth of the land for the sake of having a little more money to spend on another battleship, or another commission, or even on another marble building in Washington.

Mr. Speaker, no law of this character passed in recent times has been productive of more beneficial results or more immediate advantages to the country at large. One of the crying needs of agriculture to-day is for trained leadership. There is a dearth of leaders and executives in every department of agricultural production and distribution. We need them in the development of efficient farm management, in the field of scientific research, in every branch of cooperative marketing, in the formulation of State and National legislation, and in the correlation of all the activities of this most important of all industries. These courses in vocational education established through Federal cooperation with the States offer the only opportunity for the average boy or girl to secure such training. The vast majority of rural students can never hope to enjoy the advantages of college or university courses. If they are to receive this indispensable training, it must be supplied through the high schools, and the high schools are unable to support vocational courses without Federal aid.

The benefits of no law are more widely distributed. In my own State alone 3,487 boys are enrolled in vocational agriculture classes, and the number of girls in similar classes is almost as large. In every State, and in practically every county, in the Union the foundation of the future prosperity of both city and country is being laid in the training supplied by these courses. Hundreds of thousands of children in these schools are to-day preparing for future service to their communities and to the Nation to an extent undreamed of before Federal aid to such instruction was made available. Nothing is adding so much to country life. No contribution of our times is proving of such permanent and practical value in proportion to its cost. It is turning the tide back to the farm and is the greatest guaranty of a cultured, contented, constructive citizenship that can be provided.

The advantages of these courses are not confined to high-school students. Evening schools for adult farmers and their wives are supported by aid provided from these funds, and with the growing migration from the city back to the farm this is of ever-growing importance. In many counties without extension agents, the vocational instructors in the high schools supply this service and are in receipt of constant calls from farmers seeking advice in the solution of their farm problems. Instructors in these schools are rendering practical service almost daily in culling poultry, in judging and testing livestock for tuberculosis and other contagious diseases, in superintending the pruning and spraying of fruit, in the introduction of new varieties and crops, in the utilization of limestone in the determination of proper fertilizers, in controlling erosion, and in all branches of practical agriculture. The service rendered by trained teachers provided through these funds is invaluable, not only in the schools but throughout the entire community. They are teaching not only agricultural courses but credits, finance, economics, and other related subjects as well.

To interfere with this service at this critical time threatens the entire system. The likelihood is that once discontinued it will never be resumed. We can not afford to take that risk. The cost is infinitesimal in comparison with the results achieved. Let us economize in any other department. Let us curtail expenditures in preparation for war, in providing ship subsidies, in support of surplus bureaus—or in any other governmental activity—before we abandon this priceless investment in the young citizenship and future prosperity of America.

COMMITTEE ON MILITARY AFFAIRS—LEAVE TO SIT DURING SESSIONS

Mr. STAFFORD. Mr. Speaker, at the request of the chairman of the Committee on Military Affairs, I ask unanimous consent that that committee be granted the privilege of sitting during the session of the House to-day.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. HOWARD. Mr. Speaker, a parliamentary inquiry, if it be proper, and I do not know for sure that it is a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOWARD. Mr. Speaker, yesterday we were informed that there was being held in the White House and coming up soon a report from the President with reference to his own program for reducing salaries or curtailing the expenses of the Government. Has the Speaker any information as to whether or not that will come up to-day?

The SPEAKER. While that is not a parliamentary inquiry, a number of Members have asked the Chair when

we would probably consider the so-called Economy Committee's report. It is the present hope, the Chair thinks, of that committee to continue with the legislative appropriation bill on Tuesday next. It all depends, however, upon when the President sends up his report. The gentleman from Alabama [Mr. McDUFFIE] is here and he can give more information than the Chair can on that subject.

Mr. McDUFFIE. May I say to the gentleman that it was originally suggested by the President in our last conference that he could have his program ready in 48 hours. That would mean it would come up this afternoon. However, the rumor is now to the effect that it will be Monday before the President's program can be submitted. I do not know how true that is. I know, however, that it is quite difficult to whip into orderly fashion the various bills or items within a general omnibus bill if the committee sees fit to report a general omnibus bill. We have not the President's views or suggestions in detail this morning. Frankly I do not know when they will come up here. Colonel Roop has just called for a part of our legislative drafting service and we have sent them down in order that we may not hinder or impede progress being made by the President.

Mr. LaGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. LaGUARDIA. Will the gentleman inform the House if we could have 24 hours' notice, or know a day in advance, when the gentleman's committee will bring any matter before the House?

Mr. McDUFFIE. I think the gentleman will probably have that much notice; certainly.

Mr. LaGUARDIA. That is all we ask.

Mr. McDUFFIE. I might ask the minority leader, the gentleman from New York [Mr. SNELL], if he has any information as to when the President's plan will be submitted to the committee. Probably he has been in communication with the White House.

Mr. SNELL. I am not on the Economy Committee and do not pretend to speak for it.

Mr. McDUFFIE. We would like to have the gentleman on the committee.

Mr. SNELL. I am thankful that that is one thing I am not on. My understanding is that the program which has been talked over by the committee and the President will be ready some time to-night. That is the last understanding I have had in regard to it. I might say also that I think it is very important that it should be up here as soon as possible, because the House must have one or two days in which to consider it before it can be considered on the floor.

Mr. McDUFFIE. The committee certainly should have a little time to look it over.

Mr. SNELL. That is what I mean.

Mr. LaGUARDIA. When it does come it will not be a secret, will it?

Mr. SNELL. I do not know of any secret.

Mr. LaGUARDIA. I was just asking the leader on the Republican side a question. When the President's program is submitted here, it will not be a secret, will it? We will know about it.

Mr. McDUFFIE. The business of the Economy Committee is the public business of the United States and nothing is secret in that committee. When the President's program gets in there it is not a secret. We do not do business secretly.

Mr. CULLEN. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. CULLEN. Are we to understand that when the Economy Committee brings in its report and has it ready for consideration in the House, the membership of the House will receive at least 24 hours' notice before it is taken up on the floor for consideration?

Mr. McDUFFIE. As far as I am personally concerned, that is entirely agreeable to me, but the gentleman must realize that it will take some time for the committee to go over this program, the program of the committee and that of the President, and put it in the shape of one bill, if the committee decides upon one bill.

Involved in the entire situation, of course, is the question of the legislative appropriation bill, and when it will come before the House for consideration again. Suppose our committee were ready to-night, for instance, and the legislative appropriation bill were on the calendar next day, undoubtedly the committee, if it is going to carry out the original thought, would have to proceed with that bill on the legislative appropriation bill. Therefore, I am hardly able to answer with certainty as to what the committee can do, in the way of giving definite notice of 24 hours.

Mr. CULLEN. Pursuing the question a little farther, is it reasonable to ask that the chairman of the Economy Committee will, before taking it up, at least give the House some notice in regard to when it is going to take it up, provided it fits in with the legislative appropriation bill, which is not to be taken up before next Tuesday?

Mr. McDUFFIE. Yes. I will give the House notice.

THE PUBLIC SCHOOL

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Speaker, in a few weeks the public schools of America will engage in that inspiring ceremony of awarding certificates of merit to those students who have completed their regular high-school work. It will be a season of joy. Ambitions will be realized and hopes brightened.

Weary teachers and impatient students are anxiously looking forward to the day of days when there will come the welcome conclusion of another year's work. Already class historians and valedictorians are agonizing over the task assigned to them in this ceremony. In all respects commencement day will be a milestone along the path of life.

In the congressional district which I have the honor to represent it is estimated that there will be something like 2,000 boys and girls who will complete their high-school work and receive the coveted certificate of merit.

We are living in an age that calls for trained intellect and clear thinking, and for a complete understanding of the fundamental problems of government and the duty of citizenship. It seems to me that it is a heartening sign that these young men and women have realized the importance of equipping themselves mentally to take their places as leaders in the social, business, and economic life of their several communities.

I think, therefore, that it is not amiss to extend congratulations to these young people, felicitations to their instructors, and a word of encouragement and hope to those who shall follow after.

IMPORTANCE OF MENTAL TRAINING

More and more we are realizing the importance of at least giving our children an elementary education. That this need is realized may be seen from the generous way in which both State and Federal Governments contribute to this cause, as well as the countless sectarian and private schools that are engaged in this crusade against illiteracy.

Out of a total population of 122,775,046 there were enrolled in public elementary and high schools, 25,678,015 pupils in 1930, with an average attendance of 20,608,353. A total number of 854,265 teachers were required to equip 247,289 schools. The total value of the school property was $6,211,327,040. The total cost of this stupendous system was $2,316,790,384.

Our own State of Virginia spent in 1931 the sum of $27,518,017.21 for public-school education. The value of school property was $68,781,653, to house a school population of something like a million and a quarter pupils.

Virginia is making splendid progress. The stress of the times may for a season cause us to forego advancement as rapidly as we might like, but there is an abundance of evidence of a healthy growth and expansion.

THOMAS JEFFERSON AND EDUCATION

It was the wish of Thomas Jefferson that his name and memory be enshrined in the hearts of his people because of what he considered the three outstanding accomplishments of his life, and on his monument at Monticello is the following inscription:

Here was buried Thomas Jefferson, author of the Declaration of American Independence, the statute of Virginia for religious freedom, and founder of the University of Virginia.

One of the accomplishments of Thomas Jefferson, and for which he desired to be remembered was the establishment of the University of Virginia at Charlottesville. Jefferson believed in the education of the masses of the people, and his creed upon this subject can not be more eloquently stated than in his own language:

If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be.

And yet, again, writing to George Wythe from Paris:

Preach, my dear sir, a crusade against ignorance. Establish and improve the law for educating the common people.

And yet, again, he said:

Every government degenerates when left to the rulers of the people alone. The people themselves are its only safe repository. And to render even them safe, their minds must be improved to a certain degree.

Education with Thomas Jefferson was the handmaiden of democracy. He believed therefore that education must not be monopolized by the rich and well born, but that it should become the common property of all who will avail themselves of it, and should therefore be placed, by the common sacrifice of all, within the reach of all.

Realizing therefore that democracy must rest upon the education of the masses, Jefferson formulated a complete system of public schools from the primary grade on up to the State university. He was far in advance of his time. His plans could not be put into full operation, but he sowed the seed that would afterwards bear an abundant and glorious harvest.

How happy would be the heart of Thomas Jefferson if he could know what splendid progress his beloved Southland and his own Virginia had made in providing for public-school education. If he could see his own native State, her hillsides dotted with splendid school buildings, equipped and manned by self-sacrificing teachers, giving of their time and talent that the youth of America may be the better fitted for the problems of self-government.

UNCROWNED HEROES

Too much can not be said in commendation of the spirit of self-sacrifice and service that actuates the splendid body of school-teachers, who daily give their talent and strength to this divine calling. I say give their time and strength advisedly. No money, certainly the small and inadequate salaries now paid, can compensate the conscientious teacher for his or her labors.

The education of the youth of America, the training of their minds, bodies, and hearts for the duties of citizenship is one of the highest functions of organized society.

The very perpetuity of our free institutions depends upon an enlightened and intelligent citizenship.

Those forces which frame the economic policies of a people are of great importance. But what trains the minds and hearts of a people, what builds character and manhood and womanhood strikes at the very soul of national existence.

All honor to the public-school teacher. May the citizens and the parents ever stand ready to cooperate and support them in their great labor of sacrifice and service.

So, Mr. Speaker, I desire to express this simple word of appreciation to these young folks, and congratulations to the army of men and women who through years of patient effort have led them on to this, one of life's greatest moments.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11361) making appropriations for the District of Columbia for the fiscal year 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11361, the District of Columbia appropriation bill, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on yesterday there was pending an amendment offered by the gentleman from Wisconsin [Mr. STAFFORD], on page 17 of the bill.

Without objection, for the information of the committee, the Clerk will again report the pending amendment offered by the gentleman from Wisconsin.

There was no objection.

The Clerk again reported the amendment offered by Mr. STAFFORD.

Mr. CANNON. Mr. Chairman, this provision does not provide for building or construction of any character, and I trust the gentleman from Wisconsin is this morning disposed to withdraw the amendment.

Mr. STAFFORD. Mr. Chairman, I ask for recognition on the amendment.

The proposed amendment is to save in expenditure through the next fiscal year the sum of over $1,000,000 for the purchase of land for a municipal center.

As the members of the committee know, this is a $21,900,000 project. Six million dollars have been authorized for the purchase of land. All of the Members of the House are acquainted, by visual observation, with the land or a portion of the land that has been acquired.

Toward the close of the session last night it was brought out in the colloquy that the commissioners want $1,000,000 more to purchase additional land, not for immediate need but to complete the whole project. As I read the hearings, 91 per cent of all the land embodied in the municipal center has been purchased. Some land has not been purchased, because, following the policy of some of the lot holders, they have placed such exorbitant prices on the land that the District Commissioners have been obliged to either condemn or refuse to enter into negotiations.

The position I take is that this is no time to purchase real estate in the District of Columbia just to have it lie fallow until the District Commissioners are ready to proceed with the building of a municipal center. The municipal government has a municipal building to-day, adequate for all its purposes, with the addition of the Ford Building, which it has purchased and which the District Commissioners intend to utilize entirely presently, as soon as the Ford Motor Co. gives up the use of the ground floor for display purposes.

We have been purchasing land too freely in the District of Columbia. The claim is made that this does not come out of the Treasury of the United States. It does come out of the Treasury of the United States, proportionally to the amount that the United States contributes to the support of the government.

Mr. TABER. Will the gentleman yield?

Mr. STAFFORD. In just a moment.

We hear continually criticisms of the Congress of the United States because of our wasteful imposition of burdens upon the District. I challenge anyone here whether there is a common council in the country which to-day, with the conditions confronting the District of Columbia taxpayers, would favor purchasing additional land which is not necessary to the extent of $1,200,000, just for the accommodation of the landowners who have heretofore held up the prices of their land.

All persons in the country are willing to sell their lands to-day. The District Commissioners claim that to-day is a good time to purchase land. I take the position that this land will not be improved in the next year or the next two years. I have read the hearings, and there is absolutely no showing that this land is needed for the construction program. There is nothing of that sort shown.

I am acting to-day as a common councilman, the same as I would if I were a member of the common council in my home city, and I protest against the needless expenditure of over a million dollars for the purchase of land that can not be used for two years or for three years.

The status of the appropriation for the civic center is that plans have not been drawn. No buildings will be required until the District gives up the Municipal Building at Fourteenth Street and the Avenue, which is adequate for the needs of the District at this time.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. Are we sincere in our efforts to safeguard the interests of the taxpayers of the District? They claim they have no voice here. I claim I am attempting to protect them from the policy of the commissioners in seeking to burden them with higher and higher taxes, and I say the time has come to call a halt.

Remember, there are no isolated tracts of land involved in this proposal. They have all the land to-day that is necessary if they would go ahead with their building program, but it is not proposed to go ahead. If we are consistent, we will not add ammunition to the claims of local persons, who say that the Congress gives no heed to the clamor of the District for economy. We should be consistent and vote to strike this out of the bill.

Mr. TABER. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. TABER. Does the gentleman know whether this is to pay for land which has already been bought or whether it is to buy new land that is not under contract?

Mr. STAFFORD. According to the hearings, there is available to-day $600,000 of unexpended funds for the purchase of additional land. The hearings disclose that it is for the purpose of purchasing land which is not under contract, but it is for the purpose of negotiating with those persons who have held up the District by asking exorbitant prices for their land.

The District Commissioners were not willing to pay those exorbitant prices, and this is for the purpose of condemning those lands. The greedy real-estate owners who have refused in the past to accept the reasonable offers of the District for their land should be compelled to wait another year or two. Then they will be out more and more, but the District will be in more and more, because those owners will be required to pay the taxes on their land.

I do not see how anyone can escape the logic of the position I take. We have been buying altogether too much land in the District of Columbia for national purposes. We have spent millions and millions for the purchase of land in the triangle simply for the aggrandizement of the property owners here. It is time for the Congress to show that it is against this policy, a policy which no common council of the country would follow if it were responsive to the will of the people.

Mr. TABER. Will the gentleman yield further?

Mr. STAFFORD. Yes.

Mr. TABER. The gentleman knows it is a fundamental economic proposition that the prices of real estate are the last to advance. If this money is to pay for new real estate, the gentleman is absolutely right that we should not provide this appropriation.

Mr. STAFFORD. I have carefully read the hearings, and I have not offered this amendment without the support of the hearings. I give great heed to the opinion that has been expressed that conditions are going to continue as they are for another year or 18 months. I will venture my opinion from my observation of conditions throughout the country that real-estate values in the District will not go up and that to delay this appropriation will be in the interest of the taxpayers of the District.

You may vote me down, but I have done my duty toward the taxpayers of the District in seeking to prevent the commissioners from further outraging the taxpayers of the District by purchasing land at this time which is not needed at this time.

Mr. SEGER. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. SEGER. If what the gentleman has said is true, irrespective of whether real estate goes up or down, the District can proceed by condemnation and secure this land more cheaply a year or two years from now.

Mr. STAFFORD. They will be able to buy it more cheaply and thus punish these real-estate owners who have refused to accept a fair price for their land. They want to get ready money so that they can buy undervalued bonds. Every one of these persons who has gotten money out of the Treasury has benefited by reason of the fact that values of investment securities to-day are low. I believe it is no more than right that we should postpone this appropriation for another year or two.

[Here the gavel fell.]

Mr. UNDERHILL. Mr. Chairman, I rise in opposition to the amendment. I am so frequently in accord with the gentleman from Wisconsin on the program of economy that it seems rather strange that his arguments do not appeal to me in this particular instance. It is such arguments as we have just heard that have cost the Nation and the District of Columbia untold millions of dollars.

As I had some part and was the originator of the idea of purchasing enough property on the north side of the Avenue to complete the 20-year program presented to Congress by the District Commissioners, I feel impelled to defend the position I took at that time and retain at this time.

I asked the commissioners when they came before the committee of which I was a member with a bill to purchase part of this property at once, how much they supposed would be the natural increase in the value of the remainder of the property required in 10 years, and they said, undoubtedly, it would double, if not treble, in value. I think the estimate was correct. I then figured for them the amount it would cost to borrow the money to purchase this land, and it would cost them only about $1,800,000 interest if they purchased the land and borrowed the money. So the bill was amended and the District Commissioners advised and provided for the purchase of all the property necessary to complete the municipal group and provide for future requirements.

With reference to the triangle, if the suggestion which I made for its purchase in 1923 or the bill which I introduced and which actually passed the House in 1925 had been passed by the Senate for an appropriation of $15,000,000, this Government would have saved something like $30,000,000 on the purchase of the triangle alone. But it went over and went over and the price of land increased to such a degree that it cost an additional $30,000,000 before final action by Congress.

It is not a wise policy to develop and improve the south side of the Avenue and thereby add to the value of property on the north side of the Avenue, wait two years after such improvement for or by the District, and then go into the market and try to purchase this land. The present price would be increased, undoubtedly, 50 per cent, if not 100 per cent or possibly 200 per cent.

Mr. STAFFORD. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. STAFFORD. Is there any proposal in the improvement of the triangle on the south side of the Avenue as to the property between Sixth Street and Third Street, which is the property set aside for the Municipal Center on the opposite side?

Mr. UNDERHILL. Yes; the entire south side of the Avenue, from the foot of the Capitol, including the Botanic Gardens, and extending to the White House or the Ellipse, is to be improved, and practically all of it has been secured by the Government.

Mr. STAFFORD. Will the gentleman yield further?

Mr. UNDERHILL. Yes.

Mr. STAFFORD. I suggest there is not any substantive proposal whatsoever that has been enacted into law or recommended by the department for the improvement of the south side of the Avenue from Seventh Street to the Botanic Garden, and this item of the bill refers to the property between Sixth and Third Streets.

Mr. UNDERHILL. It makes no difference, Mr. Chairman, whether it immediately abuts the property; it is adjacent to it, and everybody knows that when Congress appropriated $15,000,000 for the Memorial Bridge across the Potomac, the value of land 2 to 12 blocks away increased 100 to 200 per cent. The assessors recognized this and increased the value of the property in assessing the whole triangle area $3,000,000.

Mr. Chairman, it is poor policy and is not economy to put off the purchase of land in Washington. It is growing more and more in demand and is becoming more and more valuable. You can not simply go out and demand that the owners of this property must take a certain fair price. I agree with the gentleman that property owners in Washington have certainly thrown the hooks into the National Government and into the District government and always will. I would be glad to see their assessments increased to the prices demanded and taxes levied accordingly.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I am in sympathy with the attitude taken by the gentleman from Wisconsin, and I want to emphasize again the reply which he made to the argument that we are administering District funds. District funds are joint funds. Twenty-three cents out of every dollar spent is a Federal contribution, and only 77 cents has been contributed from the District revenues. And, Mr. Chairman, we feel it is just as incumbent upon the committee to economize and reduce the burden of taxation in the District as it is to reduce the burden of the taxpayers of the Federal Government. One of the principal objectives of the committee in writing this bill was to avoid any increase in the real-estate tax rate in the District.

As to this specific amendment, Mr. Chairman, it is not intended to buy land at inflated prices. We have now acquired all land that could be secured through negotiation. The lots we have not been able to buy, comprising about 17 per cent of the area, have been held at exorbitant prices by the owners. The purpose in appropriating this money is to place the commission in a position to bargain with the owners if any of them change their minds and indicate a disposition to take a reasonable price for their property; and in view of the fact that there will be a long wait if they do not deal with the commissioners now, we believe that most of the remaining owners in the District will be willing during the coming year to listen to reason; and with that in view, we think this money should be available. I hope the amendment will be rejected.

Mr. HOLADAY. Mr. Chairman, I rise in opposition to the amendment. There is available for the purchase of this land $564,000. About 82 per cent of all the land has been purchased, and it is estimated that $336,000 additional will be needed.

I think the commissioners have made a good record in this matter. They have come nearer buying within the original appropriation than the Government has ever been able to do. In reality there is only $336,000 for purchasing land involved here.

The general plan is that with $336,000, in addition to the $564,000 that is now available, the purchase of the land will be completed.

In this paragraph there is $600,000 for putting in the underground work. When the underground work has been completed the land will be ready for constructing the main building.

The committee thought that by purchasing the land and doing the underground work there would not be any serious delay in completing the building.

Mr. STAFFORD. Is it not a fact that the Government owns all the land necessary to complete the first two units of the municipal center?

Mr. HOLADAY. No; that is not true—they have purchased 82 per cent, and they can not go ahead with the underground work until they have completed the purchase.

Mr. STAFFORD. The hearings disclose that they have land enough now to enable them to complete the first two units.

Mr. HOLADAY. You can not complete a building on a square where there are intermediate lots that you do not own.

Mr. STAFFORD. But the hearings disclose that they own enough land to complete the first two units.

Mr. HOLADAY. It is necessary to purchase the remainder of the land if they are to go on with the underground work. For that reason, Mr. Chairman, I think the amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin to strike out the paragraph.

The amendment was rejected.

The Clerk read as follows:

For paving, repaving, and surfacing, including curbing and gutters where necessary, the following:

Mr. WILLIAM E. HULL. Mr. Chairman, I move to strike out the last word. I have been watching these appropriations and have been listening to the speeches in reference to raising the money to do these things we have been talking about. I have just gone through a campaign, as gentlemen know, and have talked over these matters in my district. I have been urging my people out home, especially the farmers, to stand behind the bill known as the O'Connor-Hull bill, to legalize 2.75 per cent beer by weight, which is actually 3.46 per cent beer by volume. If we legalize beer, we can raise $500,000,000 a year, which will relieve the financial situation more than anything I know of. I am sincere in everything I say in reference to this. We have a petition on the Clerk's desk to-day, and we are now being confronted with these terrible appropriations. I think that we should sign up that petition and make it possible to bring the beer bill on the floor of the House and pass it. If we do so, it will do more to stabilize conditions in the country, in my judgment, that anything we can do here now.

A number of us who are in favor of this bill met on the steps this morning and received a petition signed by 5,000,000 persons asking us to present it to Congress. It is from the Modification League and is presented through Mrs. Lorraine Catlin Brower, of New York City, vice president of the organization. This petition, calling for the modification of the Volstead Act to permit the manufacture and sale of beer, contains the signatures of approximately 5,000,000 American citizens who are residents of 35 States and voters in 319 congressional districts. The signatures were obtained during the past three years by the organizers of the league and each name was attached voluntarily by the signer. The league is a voluntary organization without capital, indebtedness, bonded or otherwise, and is a nonprofit corporation, organized under the laws of the District of Columbia. The league is maintained through the dues, $1 a year, paid by members, of whom there are approximately 250,000. The organizers of the league are still actively engaged in extending the canvass, and each week finds many thousands of names added to the petition.

What I say is not for the purpose of trying to foist on this House something that will be detrimental to the Members of the House, but all I ask you to do is to study the proposition. If we could pass a bill legalizing beer at 2.75 per cent by weight, I am sure that the prohibitionists and the modificationists and even the wets would all be satisfied. Some say they would not; they say that the wets would not be satisfied, but this is a step in the right direction. I have in my pocket a letter from the largest industrial organization in the United States, which I can not read because it is confidential, but the letter states in so many words that it is a step in the right direction and that it ought to be passed in this term of Congress. I have been out campaigning, as you all know. It is true that I was defeated, but not on the wet question. My opponent and I

are both wet, although he stated he was a little wetter than I was. When you gentlemen go back to campaign, as I have gone back, you will find in many of your districts the same condition existing that I tell you about now. The farmers have commenced to change their minds, the people in the churches have commenced to change their minds, and they realize that we must have some kind of income here instead of paying out continually for the same purpose. There are 35,000,000 barrels of beer being sold in this country to-day surreptitiously, without a cent of tax being paid upon it.

Just think it over. It is very important for the whole country. Do not let your prejudices keep you away from it; do not have the fear that if you do this you are going to ruin yourself in your district. There are some districts that might be that way, but you think of the farming districts and all of the western part of the country. You are going to find out that within six months' time there will be such a reaction against doing the things that we are doing, spending money, when we could by passing this bill be raising money, that it will surprise you. I believe that the President will sign the bill if it is passed, and you will relieve the situation more than anything else that you can do. I entreat you to give it your consideration. I ask you to sign this petition and bring this bill on the floor, and let us all stand up like men and bring back this nonintoxicating liquor to the people and collect the money on it and do away with bad liquor. [Applause.]

The Clerk read as follows:

In all, $1,671,100, to be immediately available, to be disbursed and accounted for as "Gasoline tax, road and street improvements," and for that purpose shall constitute one fund: *Provided*, That assessments in accordance with existing law shall be made for paving and repaving roadways where such roadways are paved or repaved with funds derived from the collection of the tax on motor-vehicle fuels and accretions by repayment of assessments.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I direct inquiry as to the recommendation of the Budget proposal, which the committee did not allow, of $126,000 for the widening and repaving of Constitution Avenue. In the independent offices appropriation bill we authorized the Public Buildings and Lands Commission an appropriation of some $360,000, partly for the purpose of the improvement of Constitution Avenue. That provision would throw the entire burden on the National Government. This recommendation of the budgetary officer, if allowed, would throw the burden chiefly upon the District government. Will the gentleman inform the committee as to what the plan is for the apportionment of costs in the maintenance of thoroughfares through the Mall, such as Constitution Avenue?

Mr. CANNON. This is a meritorious item, but the committee followed the tacit instructions given by the House in amending the independent offices appropriation bill. The House struck from that bill the portion of this appropriation which was to have been paid by the Federal Government.

Mr. STAFFORD. But I wish to call the attention of the gentleman to the fact that on the floor of the House a motion was made to strike out the appropriation involving, as I recall, $1,200,000, in which was included an appropriation of some $320,000 for the improvement of Constitution Avenue.

At the request of the gentleman from Virginia [Mr. WOODRUM], later in consideration of the bill, the committee gave unanimous consent for the incorporation of the $320,000 appropriation for the specific purpose of improving the ways on the other side of Memorial Bridge, and also, as I understood from his statement, the improvement of Constitution Avenue, widening it, changing its route and changing its general size from the width it now has.

Mr. CANNON. The gentleman is correct in his statement that the Bureau of the Budget recommended the expenditure, and that the Committee on Appropriations reported it to the House. But the House struck it out, and so we felt that by that act we were practically under instructions to eliminate provision for the District's share of the amount recommended by the Budget for the purpose.

Mr. STAFFORD. But I am calling the attention of the gentleman to the fact that the House, at the request of the gentleman from Virginia [Mr. WOODRUM], upon receiving information from the Director of Public Buildings and Grounds, restored the item to the extent of $320,000, upon the statement that it was for the purpose of improving Constitution Avenue. Now, I am seeking information. How much of that $320,000 will be borne by the District government, if any, or is it all borne by the National Government, as far as the improvement of Constitution Avenue is concerned?

Mr. HOLADAY. Perhaps I can give the gentleman the information he desires. The amounts for the improvement of Constitution Avenue from the Capitol down to the bridge, the bridge, and on the other side of the bridge have been carried under the same plan, part paid under the independent offices appropriation bill and part paid under the District of Columbia appropriation bill. In the House that part for the widening of Constitution Avenue from the river to the Capitol carried in the independent offices appropriation bill was stricken out. The amount that was put in that bill is all to be used on the other side of the river—at the entrance to the cemetery and some other places over there. Since in the independent offices appropriation bill the House struck out all work on Constitution Avenue on this side of the river, the committee thinks it will be a wise thing if the bill is left as it is reported. There will be no work done on Constitution Avenue between the Capitol and the river this coming year.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. STAFFORD. The gentleman, then, is certain in his position, because I received a different impression following the discussions on the floor of the House, and the explanation made by the gentleman from Virginia [Mr. WOODRUM] that part of it was for the improvement of Constitution Avenue on this side of the river, up to the Capitol.

Mr. HOLADAY. No. It is my understanding, and I think I am correct, that there will be no work done on Constitution Avenue on this side of the river.

Mr. CANNON. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. CANNON. Supplementing what the gentleman from Illinois [Mr. HOLADAY] has said, the street is to-day, for all practical purposes, just as serviceable as it ever will be. The only thing to be secured from this additional expenditure is the enhanced beauty of the avenue.

Mr. STAFFORD. Then I understand it is the policy of the Government that one-half the cost of all these thoroughfares running through the Mall will be borne by the District Government?

Mr. HOLADAY. The provision in this bill, the inclusion or exclusion of this amount, will not have anything to do with the proportionate shares. We are simply stopped from work for the year on Constitution Avenue.

Mr. STAFFORD. But it is the policy of the Government always to charge one-half the cost of all thoroughfares in the Mall to the District government.

Mr. HOLADAY. Well, I can not answer as to that.

Mr. CANNON. As the gentleman doubtless knows, we do this work on a 60-40 basis. Failure to include the appropriation in this item in no way changes that proportion.

Mr. STAFFORD. Who pays the 60 and who pays the 40 per cent?

Mr. CANNON. The Federal Government pays 40 per cent and the District government 60 per cent.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

The pro forma amendment was withdrawn.

Mr. BLACK. Mr. Chairman, I move to strike out the last three words, and I ask unanimous consent to speak out of order for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLACK. Mr. Chairman, my friend the gentleman from Illinois [Mr. WILLIAM E. HULL] made a very interesting suggestion. It is quite in conformity with a great number of other suggestions on the same situation. It is to the effect that the President of the United States would approve of the beer bill if passed.

Well, now, Calvin Coolidge had one spokesman—a great, invisible spokesman called the White House spokesman. Mr. Hoover has replaced the White House spokesman by anybody who may care to speak in behalf of Mr. Hoover. In spite of the fact that these men who speak for Mr. Hoover have the greatest courage in the world, they do not seem to have a veracity that measures up to their courage, because no one in this country has yet been definitely able to find out just how Mr. Hoover feels on the beer bill, and it is high time the country heard from the President of the United States on this great issue. Up to date he is the leading dry of the country. He is so dry he is supernaturally dry, because when the Wickersham Commission, which was his creature, went out and looked the country over and they came in with individual reports, this supernatural dry rose to the status of a miracle man and by one wave of his hand over their troubled heads he made these wets sign a joint dry statement, which was in absolute contravention of the facts they found. Since then we have had no positive declaration from Mr. Hoover on this question. On that record up to this time he is judged.

Now, to pass the beer bill, to relieve the country from all kinds of distress, to restore sanity, to get a decent source of revenue, to eliminate crime, and to help balance the Budget all we need to-day is one word from the President of the United States that he would sign a beer bill, a constitutional beer bill. That is all we need. For the elimination of major crime, of organized crime, for the elimination of heavy taxation, and for the salvation of the Budget all we need is a word from the President of the United States, the leader of the country, who, in this crisis, has not done anything, but some gentlemen who assume to be leaders in the House are suggesting that he might do it. Well, that is not enough. This is a time for straightforward declarations on his part.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. WILLIAM E. HULL. Does not the gentleman think it would be better if we would all sign this petition, get the bill on the floor and pass it, and then see if the President would sign it?

Mr. BLACK. I will say to the gentleman that the reason I am making this statement is because of the statement the gentleman made—which was calculated to deceive the people—that the President would sign the bill. The gentleman made the statement on the floor that he believed the President would sign the bill. He has the ear of the President. I have not the ear of the President. If the gentleman will state to the House just what he knows about the President, what the President has said to him, and what he has said to the President, then he will advance his cause; but he will not advance his cause by idly saying he believes it. That is the reason I brought up this subject, because the gentleman had already mentioned it. We would not need any pay cuts or furloughs if the President will just say, "I will sign the bill."

[Here the gavel fell.]

Mr. BLACK. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. The furlough we will have will be that we will give the Anti-Saloon League a furlough. We will give the organized racketeer a furlough. The pay cuts we will have will be these: We will give the Anti-Saloon League and the professional dry lecturers a pay cut; we will give the organized racketeers a pay cut, if this bill is signed. It only needs, as I say, a declaration by the President himself. Will the White House speak in this time of trial on this important measure? Hoover himself, not the gentleman from Illinois [Mr. WILLIAM E. HULL], not the gentleman from Indiana [Mr. WOOD], but the White House, speaking officially through the President of the United States. That is the only way it can be done.

The gentleman from Illinois spoke about the farmer and prohibition. For 10 years on the floor of this House I have been trying to call the attention of the men from farming regions to the effect of prohibition on their constituents and on their voting backgrounds.

Mr. BLANTON. Will the gentleman yield?

Mr. BLACK. I think I will yield.

Mr. BLANTON. I want to ask our friend, who is an eminent lawyer, what he would think of the President of the United States, who is the Chief Executive upon whose shoulders rests the responsibility of upholding the law, if he would come out and say he would sign a beer bill?

Mr. BLACK. Even I would think better of him.

Mr. BLANTON. The rest of the people of the United States would ask that he be immediately retired.

Mr. BLACK. If he got a concession from me, he would accomplish something. [Laughter.]

Mr. SIROVICH. Will my colleague yield?

Mr. BLACK. I yield.

Mr. SIROVICH. During the last 14 periods of economic depression which our country has suffered we had some little conflagration that brought prosperity back. Does not the gentleman think that if the President would go on record to the effect he would sign this bill this would be a spark that would bring prosperity immediately back?

Mr. BLACK. That is just my idea. Get the country well lit up. [Laughter.]

Mr. BLANTON. That would be the last straw that would break the camel's back.

Mr. McGUGIN. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. McGUGIN. What alcoholic content would the gentleman think was appropriate in the beer bill?

Mr. BLACK. The Supreme Court of the United States in the case of Ruppert against Claffey said that Congress, in order to enforce the eighteenth amendment, might make a definition of an intoxicant, a definition by alcoholic content, and the court said that in order to enforce the eighteenth amendment it might go so far as to declare a nonintoxicant an intoxicant. It happened in that case that 2.75 beer was before the court. The court said, with the admission of the Attorney General, that 2.75 beer was not intoxicating, but that even so Congress could say it was intoxicating for the purpose of enforcing the eighteenth amendment. Therefore, it naturally follows that in the course of congressional experience with this act, if it does not enforce the law or if it can not have the law enforced by the present definition, Congress can broaden its definition to the point that Congress determines what is an actual intoxicant.

I rather think if we all voted on personal experience with intoxicants we would be rather broad minded about what the alcoholic content would be, and I am satisfied that under the Ruppert against Claffey case we can accept 2.75 beer at least as nonintoxicating, because that is plainly the inference from the decision and is plainly the statement of the Attorney General before the court.

Mr. McGUGIN. There is no doubt in the gentleman's mind but what, in fact, 2.75 beer is intoxicating.

Mr. BLACK. I am not going to enter into that scientific argument.

Mr. STAFFORD. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. STAFFORD. In reply to the gentleman from Kansas, I have in my cellar at home some beer brewed under the war-time prohibition act of 2.75 per cent, and I vouch

personally, because I have no alcohol in my system whatsoever, that 2.75 per cent beer is not intoxicating. Upon my word as a Representative I state that and I vouch for the statement.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

Mr. CANNON. Reserving the right to object, Mr. Chairman, and I shall not object, I hope the gentleman will conclude in the five minutes.

Mr. BLACK. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. O'CONNOR. The question of the gentleman from Kansas [Mr. McGUGIN] is one of the commonest questions asked about this beer bill, for which a petition is now at the desk, and which bill makes the legislative declaration that such beer is not intoxicating in fact, which has been determined, and there is judicial and scientific authority for that. The judicial authority is found in the Ruppert case, and our scientific authority is contained in the thousand or more pages of hearings held before the Judiciary Committee of the House in 1930; and if the gentleman from Kansas will read them, he will find that well-known scientists and doctors and outstanding men who have made a study of the question came before the Judiciary Committee and stated, from their scientific knowledge, that 2.75 per cent beer is not intoxicating in fact.

Mr. SNELL. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. SNELL. I would like to ask the chairman of the committee what is before the House—the District bill or the beer bill?

Mr. CANNON. The gentleman has promised to close this discussion at the end of the five minutes.

Mr. BLACK. This is the most important issue before the country. It involves the salvation of the country.

Mr. BLANTON. Will the gentleman yield?

Mr. BLACK. Certainly; the gentleman secured me this extra time.

Mr. BLANTON. Why hesitate and camouflage; why not propose that you have real beer of 5 per cent—beer that would satisfy the gentleman from New York and the distinguished scientist from New York? Why call it 2.75 when you know full well they would fudge up to 5 per cent?

Mr. WILLIAM E. HULL and Mr. SIROVICH rose.

Mr. BLACK. It is not important what satisfies me. I am satisfied with one-half of 1 per cent. Let some of the other gentlemen answer as to what would satisfy them. I yield to the gentleman from Illinois [Mr. WILLIAM E. HULL].

Mr. WILLIAM E. HULL. I want to answer my friend BLANTON on that question—2.75 beer by weight is 3.46 by volume, and 3.46 per cent beer by volume has been decreed nonintoxicating by all the scientists that have ever given it any thought.

Mr. BLANTON. Then surely it is of no account to those who drink beer for its intoxicating effect.

Mr. STAFFORD. I think it is of much account.

Mr. WILLIAM E. HULL. All accept it as nonintoxicating. You never had in your life more than 4 per cent beer; and when you talk about 5 per cent beer, you are away beyond the pale, because 4 per cent was the highest.

Mr. BLANTON. Then 4 per cent is intoxicating, because the old beer intoxicated hundreds of thousands.

Mr. SIROVICH. Will the gentleman yield?

Mr. BLACK. I can not yield any further until I get my program here.

I am about to abdicate my leadership, however.

Mr. DELANEY. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. DELANEY. As a matter of fact, the gentleman from New York who is now talking is a teetotaler, is he not?

Mr. BLACK. I confess; yes.

Mr. SIROVICH, Mr. HOLADAY, and Mr. PARKS rose.

Mr. PARKS. I would like to ask which one of these gentlemen has the floor.

Mr. HOLADAY. Will the gentleman from New York yield to me?

Mr. BLACK. Yes.

Mr. HOLADAY. We are anxious to go ahead with the pending bill, and I wonder what the gentleman from New York would think of the plan of allowing the leading dry from Texas [Mr. BLANTON] and the gentleman from Wisconsin [Mr. STAFFORD] to repair to the cellar of the gentleman from Wisconsin and test out this beer?

Mr. STAFFORD. I extend that invitation now to the gentleman from Texas.

Mr. BLANTON. I have already passed on the question. I believe it is intoxicating, else the gentleman would not have it.

Mr. STAFFORD. When and where—not on this good Milwaukee beer.

Mr. BLACK. Mr. Chairman, I do not want any fight in my time. If I were sure the gentleman from Wisconsin would come back and the gentleman from Texas would stay there, it would be all right with me. [Laughter.]

Mr. TABER. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, is it not about time we get to the point where Members address the Chair and that order is maintained so that we may discuss the bill that is before the committee?

The CHAIRMAN. The point of order is well taken. Gentlemen seeking recognition should address the Chair in asking the gentleman having the floor to yield.

Mr. BLACK. Mr. Chairman, I had permission to proceed out of order.

The CHAIRMAN. Yes; the gentleman asked unanimous consent to proceed out of order, and the request was granted.

Mr. BLACK. Now, in regard to the farmers, when they came down to Washington they said that prohibition was the farmer's friend; but it turned out to be a boomerang for the farmer, because it put out of business two of his best friends, the brewer and the distiller. Since he has not received the checks from the brewer and the distiller, agriculture has been at a very low estate. If you pass the beer bill you have got the best remedy for agricultural conditions that you can possibly have.

Mr. SIROVICH. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. SIROVICH. In answer to the gentleman from Texas [Mr. BLANTON], let me tell him that pure alcohol is 97 per cent; whisky, gin, rum, cognac, brandy, 47 to 51 per cent; light wines, red wines, champagne, 10 to 17 per cent; porter, ale, and stout, 4 to 6½ per cent; and beer, from one-half to 4 per cent, so the gentleman from New York is right.

Mr. BLANTON. And the more alcohol the beverage contains, the more the drinkers like it.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

To enable the commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia, including inspection; fencing of public and private property designated by the commissioners as public dumps; and incidental expenses, $1,000,000, including not to exceed $25,000 for repair and improvement of the garbage-reduction plant, and there is further made available for the purposes of this paragraph not to exceed $72,500 of the unexpended balance of the similar appropriation for the fiscal year 1932: *Provided*, That any proceeds received from the disposal of city refuse or garbage shall be paid into the Treasury of the United States to the credit of the United States and the District of Columbia in the manner provided by law: *Provided further*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses of four or more apartments in which the landlord furnishes heat to tenants.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word, in order to get some information as to the disposal of refuse. I notice that the committee has made rather a

drastic cut in the recommendation of the budgetary officer. His estimate was $1,115,000, and they have cut it $115,000.

Mr. CANNON. That is because we are providing for the operation of incinerators. We have and are now dumping the refuse of the District and burning it; but we now have under construction two incinerators. It was expected they would be in service about the middle of the year, but we now find they can not be completed until about the 1st of December. It was necessary to provide for the disposal of the garbage between the 1st of July and December.

Mr. STAFFORD. I should have thought the budgetary office would have had that information when they prepared their estimates.

Mr. CANNON. The estimates were prepared last September, and it was impossible at that time to tell when they could be completed.

Mr. STAFFORD. The gentleman says that the new incinerators will not be in operation until December. This bill goes into effect on the 1st of July.

Mr. CANNON. That is true. We expected to have to appropriate for the entire fiscal year, but we now find it will be necessary to appropriate only for the period beginning December 1.

Mr. STAFFORD. Then next year, having incinerators, the amount for the fiscal year of 1934 will be less.

Mr. CANNON. It will cost $288,000 a year to dispose of the refuse when the incinerators go into service. Under the present method of operation it costs only $135,000 a year.

Mr. STAFFORD. Will the gentleman explain the reason for the additional expenditure?

Mr. CANNON. It simply requires that much more money to man and operate the incinerators than it costs to dispose of the refuse at present. When we learned this, we immediately took steps to see if we could not defer construction of the incinerators, but it was too late. Contracts had already been let and construction had begun.

Mr. STAFFORD. The gentleman takes the position that with one incinerator it would be more economical than with two?

Mr. CANNON. It is cheaper with two incinerators than one. We located them at strategic points, one in the Georgetown area and one in the Southeast area, and the saving is in transportation.

Mr. STAFFORD. Where is the specific increased cost occasioned by the installation of two incinerators against one which the gentleman says will result in an increased expenditure of $153,000 a year?

Mr. CANNON. It costs very little more to operate two incinerators, but the principal item of expense is hauling. The trucks would have to make the haul across town with only one incinerator in operation; but by putting in two we eliminate the long haul and make a material saving.

Mr. STAFFORD. The gentleman states that in the fiscal year 1934 the expense will be still greater, costing $288,000 as against $135,000, the present cost.

Mr. CANNON. That is true, and the longer we delay operation of the incinerators, the more money we save, and the sooner we start operating the incinerators the more money we must appropriate. The Budget Bureau, thinking we would put these incinerators into operation early in the fiscal year, provided for the expense of the entire fiscal year. It now develops they will not be ready until December 1, so that the additional expense from the beginning of the fiscal year to December 1 is thereby eliminated.

Mr. STAFFORD. I may be obtuse in this particular, but I can not follow the logic of the gentleman's argument. The gentleman says there will be a saving by reason of the shortening of the haul.

Mr. CANNON. The gentleman misunderstands my statement. I did not say that there would be a saving over our present system. I say that there will be a saving with two incinerators over one incinerator.

Mr. STAFFORD. A saving in having two incinerators which will cost a greater amount to the District.

Mr. CANNON. Yes; it will cost $288,000 a year with two incinerators, and it will cost $135,000 under the present practice of burning on open dumps.

Mr. STAFFORD. I think the gentleman uses the wrong word when he speaks of a saving.

Mr. CANNON. The gentleman should have made his argument when the bill passed this House authorizing these incinerators. I have no doubt that he voted for it.

Mr. STAFFORD. I am trying to get clear the position of the gentleman.

Mr. CANNON. I will say frankly that if I were given the option I would not have these incinerators at all. I would continue the old system and save money, but the bill passed the House, and doubtless the gentleman supported it.

Mr. STAFFORD. I do not subscribe to that ancient stone-age policy and shall take the responsibility here, though I do not recall my vote, of subscribing to the modern method of incinerators rather than burning the stuff on public dumps.

Mr. CANNON. The gentleman's preference will entail an additional expense of $153,000 a year.

Mr. STAFFORD. That is the modern method, and I do not think we should impose the old method of public dumps on the District. I am in favor of the modern method.

Mr. CANNON. In this instance it will cost the taxpayers of the District exactly $153,000 additional every year to adopt the "modern" method.

The Clerk read as follows:

For the erection of a junior high school building on a site already purchased for that purpose at Nineteenth Street and Minnesota Avenue SE. in Anacostia, $225,000, and the commissioners are authorized to enter into contract or contracts for such building at a cost not to exceed $450,000.

Mr. McGUGIN. Mr. Chairman, I move to strike out the last word. In these distressful times it seems to me that too much loose talk is being put out to the public which serves no purpose other than to inflame the public mind and to lead the people to false conclusions. I did not vote for the Reconstruction Finance Corporation measure, yet I do not think that it is right when we are discussing the reduction of the public expenses for anyone to stand on this floor and say that we had $2,000,000,000 to give to the railroads, the life-insurance companies, and the banks, and that there was no economy needed then. That kind of talk can do nothing except deceive the American people and lead them to false conclusions because it is not true. I am under no personal obligation to defend the Reconstruction Finance Corporation or that program, but I am under obligation to the people of the country to insist that they be not deceived. What are the facts? The Finance Corporation is loaning this money to these institutions and has loaned something like $400,000,000 so far. I have very serious doubts that we shall ever raise the $2,000,000,000. However, if the Government does advance the $500,000,000 of capital stock and the corporation raises the additional $1,500,000,000, it will doubtless be done by the sale of bonds on which the Government or the corporation pays something like 4 per cent, and, in turn, loans the money at 6 per cent.

Let us see what the effect is when we loan the money to the railroads, the banks, and the insurance companies. Is it exclusively for the benefit of the owners of those institutions? I do not think so. If we keep the railroads afloat, or an industry afloat, does not that maintain labor? If a railroad company can pay the interest upon its bonds to an insurance company that holds the bonds, it is not alone the insurance company that profits. That money redounds to the benefit of the people who own insurance policies. If the insurance companies do not realize on their investments and in turn fail in their obligations, the widows and orphans will not be able to collect on their insurance policies. In all fairness, it is not right for the people of the country to be given the false impression that Congress gave away $2,000,000,000, through the Reconstruction Finance Corporation, as a justification for not reducing public expenditures or as a

justification for increasing public expenses over $2,000,000,000; by that I refer to the payment of the remainder of the soldiers' adjusted-service certificates.

Above all, it is not right for that kind of information to go out from the floor of this House. Certainly we are under obligation to play the game squarely with the people of this country, and the first obligation of squareness is to give the truth to the people.

There is one other thing I want to discuss. We hear the advocates of the beer bill stand on the floor of this House and say that if we will tax beer it will bring in $600,000,000. Now, that is loose talk. It is for the purpose of leading the people of this country to believe they should turn to a beer tax to get out from under their tax burden at this time.

Mr. STAFFORD. Will the gentleman yield?

Mr. McGUGIN. In just a moment, please.

Now, if it brought in $600,000,000, on the basis of 3 cents a pint, it would mean that the people of this country would have to consume, at the price of 15 cents per pint, $3,000,000,000 worth of beer, which is $25 per capita. In this time of distress if there is $3,000,000,000 taken away from the homes of this country for beer instead of for food and clothing, what, then, is our situation? In the first place, it was loose talk to say it would bring in $600,000,000, because I do not believe the people of this country would spend $3,000,000,000 for beer at this time; but if they could and if they would, what could we do here that would spread more despair and human suffering in this country than to divert $3,000,000,000 from groceries, clothing, furniture, school books, and other necessities to beer?

Mr. STAFFORD. Will the gentleman yield now?

Mr. McGUGIN. Yes; I will yield.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman may have three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. CANNON. Mr. Chairman, reserving the right to object, I have been interested in the gentleman's remarks, and I am sure the committee is interested in them. We realize, however, that we have a long bill ahead of us to complete to-day.

Mr. McGUGIN. I am through, but I should like to have time to extend the courtesy of answering my colleague's question.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. The admission of the prohibition enforcement officer is that there are 35,000,000 barrels of beer to-day being bootlegged, for which the Government gets no revenue whatsoever.

Mr. KELLER. Where does the gentleman get that information?

Mr. STAFFORD. That was the testimony before the Committee on Ways and Means. The fact is also that the public pays 20 cents a glass for this bootleg beer. It is generally estimated that if we had legalized, nonintoxicating beer there would be 50,000,000 barrels sold. Three cents a pint would make $9 a barrel. That would equal $450,000,000 as a minimum. It is not taking money away from poor children or families. It is merely taking money away from the Capones, taking it away from unlawful channels, and placing it in the proper channels of the United States Treasury. That is the contention of those who believe seriously and sincerely that 2.75 per cent beer is not intoxicating.

Mr. McGUGIN. My answer to my colleague, the gentleman from Wisconsin, is that at least those who are buying the beer now are certainly not the same per cent of the poor, struggling class of people that there would be buying it if we undertook to legalize it and put it out on every street corner.

Mr. STAFFORD. We do not attempt to legalize it except where communities permit it. We do not say to you that your affairs will be regulated by the wet districts. We say that you should grant to us who want beer instead of vile whisky the privilege of drinking a nonintoxicating glass of beer.

Mr. McGUGIN. The gentleman will understand I did not arise to become embroiled in a prohibition argument. I only arose to straighten out the figures in the matter.

Mr. STAFFORD. Well, in fairness, we sincerely believe that there are 35,000,000 barrels of beer to-day being sold by wildcat, Capone interests, from which the Government gets no return, and that 50,000,000 barrels at $9 a barrel would yield the Government $450,000,000 in revenue.

Mr. RANKIN. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. RANKIN. Of course, I have never taken any part in this beer argument. I usually leave that part of the parliamentary situation to the gentleman from Wisconsin [Mr. STAFFORD] and his colleague [Mr. SCHAFER], but with reference to the money, I want to call the attention of the gentleman from Kansas to this fact, if every grain of wheat grown in America last year had been sold last night at the highest point reached on the market yesterday, and if every grain of corn grown in America last year had been sold last night at the highest point reached on the market yesterday, and if every lock of cotton grown in the United States last year had been sold last night at the highest point reached on the market yesterday, and all of it put together in one pile, it would have amounted to only $1,901,000,000. How in the world they are going to sell over $3,000,000,000 worth of beer in a country whose principal crops bring less than $2,000,000,000, is a mystery to me.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The Clerk read as follows:

For the preparation of plans and specifications for a new senior high school on a site to be acquired in the Reno section, including the employment of personal services, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), or the classification act of 1923, as amended, $50,000.

Mr. ARENTZ. Mr. Chairman, I move to strike out the last word in order to ask a question of the chairman of the subcommittee. On page 45, beginning with line 13 and ending at line 18, there is a paragraph providing for the appropriation of $50,000 for the drawing up of plans and specifications for the Reno High School. As a matter of fact, a site has not been acquired for the Reno High School, yet in the same approximate section of the city a site has already been acquired for the Manor Park High School. Since a site has been acquired for the Manor Park High School there must have been some urgent reason for the acquisition of that site and the early completion of the building on that site, yet that has been ignored by the superintendent of schools and $50,000 set aside instead for the drawing of plans and specifications for a building on a site not yet acquired. Will the chairman of the subcommittee please explain why the Manor Park High School has been stepped over, so to speak, and plans and specifications are going to be prepared for a building on a site not yet acquired?

Mr. CANNON. I appreciate the strength of the gentleman's suggestion; but, as he is doubtless aware, the committee is necessarily governed by the recommendations made by the school authorities and transmitted to the committee through the Budget Bureau on the recommendation of the Commissioners of the District of Columbia. No recommendation came to us for any appropriation for the Manor Park High School.

We had no official information on the subject whatever. We received no estimate for such a project and acting on the recommendation of the school authorities, transmitted through the regular channels, we made this provision for the Reno School. As the gentleman understands, it is the policy of the committee and the policy of the House this year not to go outside the Budget.

Mr. ARENTZ. I understand the suggestion has been made that the plans that are to be drawn for the Reno School, as

well as the specifications, might be applied to the Manor Park site.

Mr. CANNON. That would be highly desirable.

Mr. ARENTZ. But that can not be done without authorization, because the set-up in the District of Columbia, and I might say in the Federal Government, is such that a gesture could not even be made in that direction unless it should be pointed out in this bill that would be the thing to do. So I would say that if it is contemplated to use the plans and specifications of the Reno High School for the building to be erected on the Manor Park site something should be carried in the bill providing that this $50,000 shall be used for such purpose.

Mr. CANNON. If the matter had been officially called to the attention of the committee, we would have been glad to have passed upon it. But we have had no official information of any character on the project and were, of course, limited by the recommendation of the Budget, which did not include the item.

Mr. ARENTZ. The gentleman sees the force of my argument.

Mr. CANNON. I am impressed with the gentleman's statement. It is a matter of regret that his suggestion could not have been carried out.

The pro forma amendment was withdrawn.

The Clerk read as follows:

BOARD OF PUBLIC WELFARE

For personal services, $116,300.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word. There has been a great deal of concern in the District of Columbia since the District bill has been reported in reference to the welfare work. It is believed that the necessary appropriation to carry on the welfare work in the District is entirely eliminated from the bill. Assuming that there are sufficient funds under present appropriations to take care of the needs during the rest of the fiscal year, Congress will not be in session during the new fiscal year until December, and there is no immediate hope of conditions getting better and employment resumed within that time. Therefore it seems to me that it is rather dangerous economy to leave this fund depleted so that the District authorities would be helpless in affording the relief that may be necessary if economic conditions continue as bad as they are to-day. May I ask the chairman what he has in mind?

Mr. CANNON. I am much in sympathy with the position taken by the gentleman. The committee was anxious to make every necessary provision for such needs, and went into the matter exhaustively. In the first place, while the number of these to be provided for under the proposed item was estimated as high as 20,000, it was found upon investigation that the number was probably nearer 6,000, at least not in excess in any event of 12,000.

Mr. LAGUARDIA. Do those figures represent individuals or families?

Mr. CANNON. Individuals. We were also informed that 85 per cent of this number were made up largely of transients, drifters, and floaters who had been in the District less than six months; that a great many of them were, in fact, drawn to Washington by the rumor that easy money was to be obtained here and that a dole was practically in effect. Of the remaining 15 per cent, we found 5 per cent were professionals who had never been self-supporting and who had no intention of ever engaging in a gainful occupation of any character. That left a maximum of 10 per cent who had been in the District long enough to entitle them to consideration and who might possibly need assistance.

We were told there were sufficient opportunities for normal employment in the District to care for this 10 per cent without resorting to "made work" to be supplied by charity.

We found that the principal industry of the District, which is employment in the Government service, had supplied none of the recruits to the ranks of the unemployed; that there have been no dismissals from the Government service except in the exceptional cases of a few who were dismissed from temporary positions in the Census Bureau and who had been advised at the time they took the positions that they were temporary, and a few dismissals at the navy yard. Outside of these there is no appreciable number who had lost employment by dismissal from the Government service.

[Here the gavel fell.]

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON. We also found that in the amount of public construction, that is, in the number of buildings, roads, and other work in progress in the District of Columbia, the city of Washington ranks first of all the cities in the entire United States. So there is no particular occasion for an abnormal number of workmen engaged in the various trades and occupations required in such construction to be dismissed.

And, last, we discovered that there is on deposit in the banks of the District at this time, subject to check by these agencies asking for the appropriation of this fund, $2,200,000.

In order for the committee to act intelligently on this subject, we then asked those who appeared before us on behalf of this proposition to supply certain essential information. We first asked that the 65 activities to which are allocated appropriations from the community chest supply us with a statement of their overhead, with a list of their personnel, and the amount of salaries paid.

We made this request on March 21, and up to the time the hearings were closed, which was about April 7, or thereafter, only 6 of the 65 charitable organizations in the District had reported. Some, in fact, intimated it was none of our business and told us they would not supply the information. Since the time the bill was closed, after nearly three weeks, we received some sixteen more reports and three came in the morning mail. The rest of the 65 have not reported.

In addition to this, we asked the community chest to give us a list of its contributors; and in order that the request might not be burdensome, we asked for only those who had contributed in excess of $25 to the community chest. They refused this information.

The committee took the position that the purpose of hearings before the committees of the House is to secure information, and unless they gave such information committees are not in a position to pass intelligently upon the subject under consideration; and inasmuch as the information requested has not yet been received, and inasmuch as they have on deposit at this time, subject to check, $2,200,000, the committee was unable to find grounds on which to base a conclusion justifying an appropriation of this character.

Mr. LAGUARDIA. Mr. Chairman, what the gentleman says is almost an unanswerable statement on organized charity. We are not concerned with that. Whether the community chest is well managed in the city of Washington, as legislators we are not particularly concerned with that. If they are paying excessively high salaries, again we are not concerned with that, because it is composed entirely of private institutions. These 65 organizations the gentleman referred to are private institutions, but we are concerned with the 626 little children belonging to 174 families that are destitute and were destitute on February 29 of this year, according to the hearings, who need this help and this assistance.

It seems to me the very reasons given by the gentleman from Missouri [Mr. CANNON], that although there is a fund of $2,000,000, and the custodians of the fund will not respond and will not cooperate—that strikes me as an additional reason why we should appropriate and have the funds necessary to take care of destitute and needy families.

[Here the gavel fell.]

Mr. LAGUARDIA. Mr. Chairman, may I now ask that the gentleman from Missouri [Mr. CANNON] have five minutes, because the gentleman took most of my time?

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LaGUARDIA. So what we are concerned with is that all residents of the District of Columbia who may be in need or who may be destitute be properly cared for. We are not concerned with the transient bum, we are not concerned with the loafer; but I say that if a man or woman or child—I do not care where he comes from—is here in the Capital, or is in my city, or is any place in the United States, and is honest, is willing to work and can not find work, I say it is the highest function of government to take care of that man and his family.

We should not abandon it, even if private organizations will not cooperate with Congress. Even that is not a justification for us to neglect them.

Now, the gentleman refers to the $2,000,000 fund; the gentleman knows it is divisible among 65 organizations. Some of these organizations serve a social purpose; others in educational work; but many of them are not engaged in giving direct relief.

What I am appealing for, and what I want the assurance of the gentleman from Missouri, in charge of the bill, is this—we are sitting here as a board of aldermen for the city of Washington—I want the assurance that after we adjourn, if there are destitute families and children in the District of Columbia before we come back, that at some place there will be sufficient public funds to take care of those families in the meantime.

Mr. McCORMACK. Is the $600,000 eliminated for the preservation and assistance of these families?

Mr. LaGUARDIA. Eliminated entirely.

Mr. CANNON. The position of the gentleman from New York is well taken. It would be a reproach to the city and the Congress if a single child in the District were to go hungry. I will say to the gentleman that the bill makes ample provision for any such case as that to which the gentleman refers. If the gentleman will look at page 912 of the hearings, he will find a schedule of the amounts which the District has paid and is paying. We have a fund from which we have been allocating as high at $133 per month per family, and if the gentleman will look at page 34 of the report he will find that in this bill we provide a fund for the very purpose to which he refers.

Mr. LaGUARDIA. Yes; that is in the bill. Does the gentleman assure us that that is sufficient to take care and relieve all anticipated family relief which may come up until we get back here next December?

Mr. CANNON. We have been providing these payments for many sessions, and, basing our conclusions on the experience of years and the recommendation of those who administer such funds, we are convinced that every child will be amply provided for.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words. I would like to get some more information from the chairman of the subcommittee. We have a community chest in Washington. How much was collected this year?

Mr. CANNON. Two million four hundred and sixty-five thousand dollars.

Mr. McCORMACK. How much was appropriated from the public funds for the purpose of assisting deserving families in the District?

Mr. CANNON. In round numbers about $400,000 last year.

Mr. McCORMACK. How much for the next fiscal year?

Mr. CANNON. Approximately $380,000.

Mr. McCORMACK. I presume if the demand increases that provision can be made in a deficiency bill?

Mr. CANNON. Certainly. There is no occasion for any child in the District of Columbia to want either food or clothing.

Mr. McCORMACK. I am glad to hear the chairman say that. I knew that he would. It will be interesting to the people of Washington. I myself come from Massachusetts. I come from Boston, a big metropolitan city. It is distasteful to me, as I know it is to other Members of the House, to feel that we must legislate for the people, either in the District of Columbia or the city of Washington.

From the angle of appropriating money for this purpose, we are appropriating it for the people of Washington. We are in the position of the city council of a city appropriating money from the Public Treasury for this deserving purpose. I would dislike very much to have it known throughout the country that the Congress of the United States in its capacity of the legislative body for this city failed to make an appropriation which would take care of our deserving distressed, of performing this responsible duty. In the city of Boston we have a population in excess of 800,000 people. Our metropolitan area comprises a little over 2,000,000 persons. Last year the city of Boston alone appropriated and expended approximately $7,000,000 for this particular purpose. Under normal conditions we would appropriate and spend about $1,500,000.

Mr. CANNON. The gentleman's city is an industrial city?

Mr. McCORMACK. Yes.

Mr. CANNON. And for that reason has felt the depression keenly there through lack of employment.

Mr. McCORMACK. Yes.

Mr. CANNON. The gentleman appreciates the fact that Washington is not an industrial city. Beyond the normal turnover, none of those who are employed here have been deprived of their usual means of livelihood. The gentleman has taken these circumstances into consideration?

Mr. McCORMACK. I hope the gentleman from Missouri does not construe my remarks as any criticism, because the gentleman has frankly stated that so far as his committee and the Congress are concerned, the people of Washington who are in need, either now or in the future, will be taken care of. I am not making any remarks in criticism, but, on the contrary, they are by way of compliment. I am referring to the condition in Boston which must exist throughout the entire country and the fact that in these days of distress there is a responsibility vested in government, State, Federal, or local, to do everything within its power, and that takes into consideration the character of the locality with reference to industry, whether it is rural or urban, and the ability of the people to pay taxes, to do something for deserving families affected by the present conditions. In a general way it has the responsibility to do everything within its power to assist deserving individuals and families. I am glad to hear from the chairman of the subcommittee that, so far as Washington is concerned, that principle will apply not only in theory but also in practice. My purpose was to have specifically inserted in the RECORD evidence which will be conveyed to the people of Washington that the Congress will not only during the current year but during the coming fiscal year perform its duty in this respect. [Applause.]

The Clerk read as follows:

For groceries, provisions, light, fuel, soap, oil, lamps, candles, clothing, shoes, forage, horseshoeing, medicines, medical attendance, transportation, labor, sewing machines, fixtures, books, magazines, and other supplies which represent greater educational advantages, stationery, horses, vehicles, harness, cows, pigs, fowls, sheds, fences, repairs, typewriting, stenography, and other necessary items, and including compensation not exceeding $1,500 for additional labor or services, for identifying and pursuing escaped inmates and for rewards for their capture, for transportation and other necessary expenses incident to securing suitable homes for paroled or discharged girls, and for maintenance of nonpassenger-carrying motor vehicles, $34,180.

Mr. HARDY. Mr. Chairman, I move to strike out the last line. Since the House is talking economy in many ways, I think it might be well to call attention to what it costs to have the hearings in the various committees of the House and Senate each year. It might interest gentlemen here to know that the hearings in the last session of Congress—I mean in the last fiscal year—cost $604,654.05. Dividing it up it runs, for the Senate, $287,674.97, and for the House of Representatives $316,979.08. It is not pleasant to talk to ourselves about our own little petty extravagances, but we have to do that in our own families, around our own dinner tables, and wherever these matters are brought up where we have to pay the bills. I can figure what the hearings cost more or less by the number of pages in the hearing and the

character of pages. It might interest gentlemen to know that a page of running reading matter in this book of hearings on the District of Columbia appropriation bill cost a minimum of $5.22 for the printing. Pages that have more or less tabular matter on them cost in the neighborhood of $12, and heavy tables that have lines up and down both ways, justified in various measures, cost $21 each. I have sat in many committee hearings, and I have seen Members talk long and earnestly and ask many questions in order to arrive at one small answer. I have seen very many big documents put into hearings, and I have seen them put in at forty and odd dollars a crack without knowing the cost. I am not petty with my own committee, but I have kept out many documents that might just as well be kept out, because of the cost. I have an idea there is not a man in the House who has the slightest notion of what this book of hearings cost to print. I am not picking out this particular one for any particular reason. I should have made this talk in debate on the legislative appropriation bill the other day, but the House got into such a furore over various economic plans that it seemed rather futile for me to get up and talk about a matter of this kind. Looking at this book of hearings I figured myself by the pages to see that if the rules I have given you would run true, and they do. I asked the Public Printer to tell me what it cost to produce this book.

Mr. KELLER. Tell us what the book is.

Mr. HARDY. It is the book of hearings before the District of Columbia Subcommittee on Appropriations on the bill now under consideration. The Public Printer tells me that this book cost for the printing $8,182.29, but that is not all. We have a high-powered force of reporters for this establishment, who do not get too much money, but who do have to charge what it costs to do that sort of work.

The stenographic report of committee hearings costs from $1 to $1.50 per printed page. I have that from the people who have that work in hand. So we can figure that the running pages of reading matter in 10-point type costs not less than $6.50 to $7 a page, and the heavy tables cost from $12 to $22 a page, making up the expense of this book very fast.

Mr. KELLER. Will the gentleman yield?

Mr. HARDY. I yield.

Mr. KELLER. How many in an edition?

Mr. HARDY. A thousand copies may be ordered, but 500 is usually enough. I leave it to you; how many of you ever get a copy of the House or Senate hearings to study? How can we economize on it? We could economize if those who have to do with the production of the books would edit them more. In some of the committees which I have attended it has sometimes required two pages to find out what the Member was asking the expert about. We could save some money by cutting out a lot of reports and figures that not many people read and not many people can understand. A lot of pages are made up of conversations that could well be left out or abbreviated. Communications from the outside could often be left out or briefed. I am quite sure that if some of the committee hearings were cut down to half the number of pages the Congress or the country would not suffer.

I am not talking of Appropriations Committee hearings alone. Many of the committees produce voluminous books of their hearings, and put all together they cost a lot of money.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. CANNON. Mr. Chairman, I rise in support of the amendment.

I am glad the gentleman from Colorado [Mr. HARDY] has called attention to this subject. I have been contending for several years that the printing of these hearings should be either entirely eliminated or very much reduced. As a members of this committee for several years, I have urged that much of the hearings be not printed and that the printing of hearings be curtailed. This year I urged every member of the committee to revise his remarks and eliminate all that was not essential. But here is the situation: The beneficiaries of this bill are in close proximity to the Capitol. They are right here on our doorstep. They insist on being heard. When we call attention to the fact that we are restricted by directions from the House and by the restrictions imposed by the Bureau of the Budget and that we can not under any circumstances grant their request, however much we may desire to do so, they still insist that they should be heard. When we suggested it is useless they say in effect, "You are spending our money and you are unwilling even to hear us; to permit us to present the merits of our case." We have no choice but to hear them. That accounts for no small part of the hearings on every District of Columbia bill. In reports of hearings on routine matters I personally went through the reporter's notes and arbitrarily eliminated a great deal of matter. Frequently we proceeded for hours off the record in order to economize in this respect. We made every effort to hold the reported hearing within bounds. But, Mr. Chairman, it has always been my contention—and I am convinced of it more as time goes by—that we could get along without printing a large part of these hearings. Any man who has an important statement to make or important statistics to submit for the attention of the committee could submit such matter for printing, and the salient points of supplementary testimony could be preserved by the members of the committee in notes. I see no imperative need for printing everything that is said, especially when some of it goes far afield and is not especially material.

Of course, there is a demand for some of the hearings, and that is true of the hearings on the District of Columbia bill, in which there is a great deal of local interest. But I trust, Mr. Chairman, that the committee having charge of the legislative bill will look into the matter and give some attention to the possibility of adopting some arrangement whereby we can substitute the printing of brief, concise statements instead of the voluminous reports of everything said during the hearings. Undoubtedly it would result in a material reduction in expenditure.

Mr. WRIGHT. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. WRIGHT. I am in perfect sympathy with the gentleman in his remarks about economies in the printing bill. I can not agree with the gentleman, however, that no hearings be printed at all. It is possible they might be reduced, but has the gentleman looked into the question of the divers and sundry publications which the departments issue every year and almost unlimited number of these pamphlets on various subjects that fall into the wastebaskets and garbage cans? Has the gentleman thought along that line? Some committees, of which I have been a member, have been giving special attention to these numerous publications which the different departments, the War Department and the various other departments, have issued, many of which are useless. Perhaps 20 copies will be circulated and a thousand or more will be printed. They ultimately find their way into the garbage can and the wastebaskets. Has the gentleman thought along that line about reducing expenditures?

Mr. CANNON. I am familiar with the character of document to which the gentleman refers. There are tons of them flowing from the presses which no one but the proofreader ever reads. You can go to the vaults under the Capitol and find acres of them which must eventually be sold as waste paper. I believe there is no place where we can practice economy to more effect than in restricting the volume of publications which we are turning out every year in an ever-increasing stream.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WRIGHT. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. CANNON. I yield.

Mr. WILLIAM E. HULL. Could we not decide first to eliminate as much as we could from the hearings and then not have so many copies printed?

Mr. CANNON. The number of copies printed is very small. Only 500 copies are printed, as a rule.

Mr. WILLIAM E. HULL. What is the use of having 500? We probably would not use 100.

Mr. CANNON. It costs about as much to print 500 as it does to print 100. The great cost of printing is in the reporter's notes and in the composition and press work.

Practically the only difference in the cost of printing 1 copy and 500 copies is the amount of paper and ink used, and those costs are inconsiderable items in the total expense of publication. The remedy is to restrict the printed hearing to the essentials.

Mr. LaGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment. There is a great deal in what the gentleman from Colorado and the gentleman from Missouri have said, if we were a Nation of illiterates and we had a dictatorship form of government.

The committee work and the hearings did not arbitrarily spring up overnight, but, as the gentleman from Missouri knows—because he is one of our best authorities on parliamentary history—the committee work developed gradually, and with the committee work public hearings developed. Then the hearings were made matters of public record.

The gentleman from Missouri, who has written volumes on the parliamentary history of this body, knows that there was a time when no one in the House knew anything about a bill but the appointed chairman of a particular committee, and he was appointed by the Speaker. I am sure the gentleman will bear me out in that. Sometimes a committee held hearings and sometimes it did not. Then a change was brought about through the protests of the American people, and committees were formed. Then the House took that power of appointment away from the Speaker. Star-chamber proceedings were abolished and public hearings established.

Any student of legislation knows that the history, purposes, and basis of a bill proposing appropriations or legislations are meaningless unless one has access to the information upon which the appropriations or the legislation are based.

Mr. HARDY. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. HARDY. Do not think for a single minute that I propose doing away with hearings. I am merely suggesting that perhaps 600 or 700 pages would answer instead of 1,200 pages.

Mr. LaGUARDIA. That is quite true.

Mr. HARDY. Do not think for a minute that anybody proposes doing away with hearings.

Mr. LaGUARDIA. I am glad the gentleman stated that, because I think it clarifies the situation.

It has been suggested that people have a desire to appear before a committee. Is not that a fine thing, that an American citizen knows he has the right and the privilege of appearing before a legislative committee and have his day there for or against the proposition then under consideration?

I have not yet lost hope in a representative form of government. Of course, under our form of government it is natural that there should be waste and lost motion, but I say that the most inefficient, wasteful self-government is worth more than the most efficient dictatorship, whether it is by a person or by a group of people.

Mr. HOLADAY. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. HOLADAY. I think here is the embarrassing position in which the committee finds itself: The committee, of course, wants to be fair with the membership of the House and bring the House the information, but in connection with all of these bills we have extended conversations back and forth over some particular item. We go out and spend several days looking at various projects, and it is simply a question of how much we can cut out in order to save money and still be fair with the House and give to the gentleman and other Members of the House the information which they should have.

Mr. LaGUARDIA. I simply wanted to have it made clear that there was no suggestion that hearings should be abolished, that there should be anything in place of public hearings, and that there should be a record of the hearings accessible to the Members and to the public.

Mr. STAFFORD. As the gentleman knows, the hearings before the Committee on Appropriations are not public. The hearings are withheld from the membership of the House until the bill is reported, and then only are they made public.

[Here the gavel fell.]

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. If the gentleman will permit further, I think the fault lies largely with the chairman of the committee—at least, that is my experience—in permitting the members of the committee to run wild in asking irrelevant questions and putting arguments in the hearings rather than facts. If the chairman of a committee would hold down the members, the hearings would not be so voluminous, but, of course, the chairman of a committee sometimes, late in the day, becomes fatigued and he does not like to take the position of suppressing the members of the committee.

Mr. HARDY. If the gentleman will permit, I do not want him to think I am speaking only of the Appropriations Committee hearings, because the hearings of the Appropriations Committee represent only a small part of the hearings which are printed for all other committees of the Senate and House. The Appropriations Committee hearings are the smallest in the Congress.

Mr. STAFFORD. The Committee on Appropriations hearings are the largest and contain more detailed matter than hearings before other committees, which are considering substantive legislation.

Mr. HARDY. The hearings before the Committee on Ways and Means certainly take up a lot of volumes on tariff and tax measures.

Mr. LaGUARDIA. I say that the printing of hearings is the only access the general public has to all the information upon which legislation is based. These hearings are historically useful; they are useful to students of government; they are useful to historians, and it would be absolutely impossible, to my way of thinking, for this House to intelligently function without them. I am sure the gentleman from Wisconsin could not get along without them in carrying on the excellent work he does on the floor.

[Here the gavel fell.]

Mr. CANNON. The remarks of the gentleman from New York are quite pertinent, as the remarks of the gentleman always are. Anyone who desires to appear before the committee should have the right to be heard. To deny them a hearing is to deny the right of petition, a fundamental principle under our form of government. But that right does not necessarily involve the printing of such hearings. Concise statements of the information which it is desired to call to the attention of the committees of the House would suffice and could be printed at greatly reduced costs.

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment, and I ask unanimous consent to proceed out of order for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. And in connection with my request, Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert therein some tables which I have prepared with reference to Government appropriations for the years 1927 and 1932.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. TABER. Mr. Chairman, I have been very much interested in the last few weeks to see the trend that has been developing here in the House of Representatives along the line of economy. I believe we are coming more and more to the point where we realize it is absolutely necessary, if we are to do our part toward bringing back America to prosperity, that we cut down our appropriations and our estimates to the point where we can in some way or other balance the Budget. [Applause.]

The other day I received from a constituent a copy of a letter which was sent out by the Du Pont Co. containing an analysis of appropriations for the year 1927 and for the year 1932. It struck me at once as a rather terrific indictment of what had been done in the last year or so with reference to appropriations. So I decided to investigate it, and I prepared a statement of the Budget appropriations for the year 1927 and the year 1932.

The statement that the Du Pont Co. sent out is quite inaccurate, as a comparison of it with the actual figures will show; nevertheless the truth is astounding.

The following statement is, I believe, correct:

Budget appropriations

	1927	1932
Legislative	$17,834,919.57	$28,490,541.00
Veterans' Bureau	462,965,000.00	[1] 994,312,553.00
Other independent offices	58,084,936.64	[2] 199,010,545.00
Agriculture	139,635,823.00	[3] 301,543,130.00
Commerce	30,632,847.00	54,439,295.00
Interior	252,962,318.00	85,787,556.00
Justice	25,629,707.00	[4] 51,506,027.00
Labor	9,561,305.00	[5] 15,454,200.00
Navy	322,061,975.00	[6] 360,101,593.00
Post Office	738,805,303.00	[7] 843,083,777.00
State	17,357,062.64	18,571,800.00
Treasury	176,537,465.63	[8] 287,563,287.00
War	354,345,801.16	[9] 460,073,650.00
District of Columbia	36,532,123.00	49,072,888.00
	2,643,045,591.64	3,748,966,148.00
Retirement of public debt:		
Principal	569,961,804.84	411,946,300.00
Interest	785,000,000.00	605,000,000.00
Total	3,998,027,396.48	4,765,912,448.00

[1] Veterans' Bureau appropriation for 1932 includes $222,000,000 of Army and Navy pensions, which was included in Interior Department bill in 1927 in sum of $122,000,000. The 1927 appropriation included $112,000,000 on account of the bonus. In 1931 we appropriated $425,000,000, but in 1932 there was no appropriation until February, 1932, when $203,000,000 was added but is not included above. Also included about $30,000,000 for hospital construction.

[2] Includes $100,000,000 for Farm Board in 1932.

[3] Includes $175,000,000 for Federal aid for highways as against $75,000,000 in 1927.

[4] Increase in Department of Justice is due to $11,309,000 for prohibition enforcement and $14,028,000 for prisons.

[5] Increase due to cost of Immigration and Employment Services.

[6] Increase due to cruiser, submarine, and destroyer tonnage and increases in pay.

[7] Increase due to increase in pay and allowances and the Saturday half holiday. The increase in the Post Office deficit in 1932 was due in part to the smaller amount of business the Post Office Department did.

[8] Includes $100,000,000 for buildings.

[9] Includes about $90,000,000 increase for rivers and harbors and flood control and about $12,000,000 for construction of barracks and quarters.

There has been appropriated since the passage of the deficiency bill:

Reconstruction Finance Corporation	$500,000,000
Federal land banks	125,000,000
Veterans' loans	203,925,000
Employment service	120,000
Geneva conference	300,000

For the year 1927 our annual appropriations were $3,998,000,000. For the year 1932 our annual appropriations so far and without including some large special appropriations like the Reconstruction Finance Corporation, of $500,000,000, the Federal land bank appropriation of $125,000,000, and veterans' loans of $203,000,000, run to $4,765,000,000, or $800,000,000 above what was appropriated in 1927. This is an increase of 20 per cent, while the Du Pont Co. represents an increase of 63 per cent.

Mr. HARLAN. Will the gentleman yield there?

Mr. TABER. Yes.

Mr. HARLAN. Is it not true that in 1927 the expenses were very much less than they have been for two or three years prior to that time and that following 1927, in 1930, 1931, and 1932, we have had the expense of the Federal Farm Board, which in 1931 accounted for $190,000,000, and we have also had a great deal of additional expense growing out of the insurance for veterans in the last two years, which we did not have in 1927, and that ought not really to be considered in any comparison with 1927.

Mr. TABER. To a certain extent that is true, although the appropriations for 1927 were not markedly less than they had been before, but they have been markedly more since 1928.

It is true that in 1931 we had $190,000,000 for the Farm Board and in 1932 we had $100,000,000. In 1932 we had an additional $100,000,000 for Federal aid for highways. In 1932 we had $109,000,000 for buildings under the Treasury Department in the District of Columbia and outside the District. In 1932 we had an increase over 1927 of about $90,000,000 for rivers and harbors and flood control, and about $12,000,000 for the construction of barracks at various Army posts, and in 1932 we also had approximately $30,000,000 for veterans' hospitals.

Mr. HARLAN. If the gentleman will permit, I am not disagreeing with the gentleman at all, but in fairness to the record, the point I make is that I do not believe this Congress, or the Congress that preceded this Congress, so far as that is concerned, ought to be charged with such expenses as the Federal Farm Board and the building projects that are not a part of Government expense. The point is that the public gets the idea that Congress is spending this money to operate the Government, when it is a special expenditure, very largely.

Mr. TABER. We made the appropriations; and if we had not made the appropriations, the money would not have been spent.

Mr. FIESINGER. Will the gentleman yield?

Mr. TABER. Yes.

Mr. FIESINGER. Has the gentleman any tables showing the ordinary expenses of the Government for 1927 and 1929?

Mr. TABER. Not with me, so that I can give exact figures; no.

Mr. FIESINGER. The gentleman's tables do include a great many expenses that are not usual and ordinary, I take it?

Mr. TABER. Oh, yes; there is no question about that.

Mr. FIESINGER. The appropriations for 1932 were recommended by the Bureau of the Budget, were they not?

Mr. TABER. Oh, yes; there is no question about that.

Mr. FIESINGER. And the Budget Bureau is under the President of the United States?

Mr. TABER. Absolutely.

Mr. THATCHER. Will the gentleman yield?

Mr. TABER. Yes.

Mr. THATCHER. Of course, the Budget recommendations were based on authorizations of the Congress in the first instance?

Mr. TABER. Oh, always.

Mr. THATCHER. In regard to the building program, any fair picture of expenditures would have to have brought into it the fact that the money that has been expended for building purposes has been in the nature of a capital investment, saving rents and creating buildings for public service.

Mr. TABER. Well, I do not think there is much to the saving-of-rents proposition, because almost always it means increased overhead and increased expense when you build a new public building.

It is true that it is a capital investment and a fine thing for us to have the public buildings; but, at the same time, the expenditures for public buildings and for all these different special projects were for projects that got us into a spending spree which was exactly like other operations that private individuals were indulging in all through the country, and could not come to anything but the same kind of result—that is, a bankrupt Treasury and trouble.

I have fought as hard as I could ever since I have been here to keep down expenditures all along these lines. I appreciate that Congress in making these appropriations

was following what the people wanted done. It has been the same thing that has brought our cities, our States, and our own Government where we can not find money enough to pay the expenses.

Mr. THATCHER. I concur in the general observation of the gentleman, but the point I was trying to make is that the building program represented the needs of the Government.

Mr. TABER. In some places.

Mr. ARENTZ. What amount does the gentleman figure will be sufficient for the operation of the Government after fixed charges, recurring items, and so forth, are deducted from the sum total?

Mr. TABER. We can decrease the amount carried in the current bills for 1932 by almost a billion dollars.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask for 10 minutes more.

The CHAIRMAN. Is there objection?

Mr. CANNON. Reserving the right to object, will the gentleman conclude in that time?

Mr. TABER. I will.

Mr. ARENTZ. Will the gentleman yield?

Mr. TABER. I yield.

Mr. ARENTZ. Under the date of February 24 the gentleman from Illinois [Mr. HOLADAY] extended his remarks in the RECORD, and he there stated that the total expenditure under these heads: War debt retirements, $496,000,000—you can not touch that; pensions and hospitals—you can not touch that; national defense—you can not touch that, except to a quite limited extent, not an appreciable sum.

Mr. TABER. You can make some reductions in every department.

Mr. ARENTZ. And all that amounts to $2,834,000,000, and that leaves $1,108,514,562 as the actual cost of the following items, to wit:

1. Public improvements	$356,039,615
2. General functions and administration	154,178,133
3. Civil functions	220,467,673
4. Promotion and regulation	201,827,641
5. Postal deficiency	155,000,000
6. All other costs	21,501,600
	1,108,514,562

Mr. TABER. I think there are places all along the line where you can save money.

Mr. STRONG of Kansas. Will the gentleman yield? Why should we worry about cutting down salaries of Government employees; why should we worry about cutting down appropriations; why do not we start the presses at the Bureau of Engraving and Printing and issue paper money and get rid of all this trouble? [Laughter.]

Mr. TABER. Of course, the gentleman is speaking facetiously; but there is always a day of reckoning coming, and that day always comes a great deal quicker than you expect it to. That day has come now, and we are at the point where we have got to trim our sails and get right down to rock-bottom.

Mr. HORR. Will the gentleman yield?

Mr. TABER. I yield.

Mr. HORR. I would like to know whether or not this suggested economy struck the gentleman from Kansas before we made the appropriations for the agricultural bill? May I ask the gentleman from New York whether or not he thinks this Congress should decrease the appropriation for the war-debt retirement, the war-debt interest, pensions and hospitals, all the results of war, before we met in this session, and which approximates more than two and a half billion dollars?

Mr. TABER. The Congress must raise money to meet expenditures that are necessary; that is our job.

The expenditures for the items the gentleman has referred to do not run to anything like the amount he has stated.

We are faced with a couple of big propositions that are coming along pretty soon. One of them is the bonus. Are we going to be patriotic enough, are we going to be big enough to look at that situation as it is and meet it face to face? The bonus bill was passed in the spring of 1924 over the veto of President Coolidge. At that time it provided that certain sums should be paid to veterans. That sum, with compound interest upon it at 4 per cent from the date of the passage of the bill to some time about 1945, came to a little better than $4,000,000,000. The present value of it, as it was passed, is supposed to be about $2,200,000,000. We have already, halfway to the post, halfway to the due date, increased the loan value of the certificates up to half and a little better of what those certificates are due to draw at maturity. There is no legal or moral obligation on us to go any further except to meet those certificates when they are due in 1945.

The country can not stand it if we go into it at this time. It means inflation of currency to the tune of two and a half billion dollars. That means that we go off the gold standard, and as a result the value of the dollar goes down, the pay of every Federal employee automatically as a result will be cut from 30 to 40 to 50 per cent. We would pay our debts with the depreciated currency. Why can not we do just as the strong, true-hearted, patriotic commander of the American Legion and his forces have done—take the patriotic position and say that we will meet our responsibilities and that we will not do more than that. We must not pass the bonus bill!

We have another proposition to meet that is coming in in a day or two. We have this question of salaries. I do not like to see my salary cut; I do not like to see the other fellow's salary cut; but industry has taken a terrific cut. We are a favored group. We have got to carry our share of the load and, whether it be by a cut or by a furlough, we in the Federal Government service have to patriotically meet this emergency and do our part toward carrying the load. I hope that when the membership comes to vote upon this proposition they will think of the great, strong interest which we must have and will think of that interest which the folks back home have in seeing the country balance its Budget and put on a stable basis. You say that you will crowd men out of employment. I tell you that if you will balance your Budget and stop making appropriations and putting on taxes which the people can not bear, you will do more than in any other way to set the wheels of industry turning and put millions and millions of men to work. Let us meet these problems in that fashion and go before the public with a record of which we can be proud, a constructive record, one that will help to put this country back on its feet.

The Clerk read as follows:

For beginning construction at Gallinger Municipal Hospital of an additional ward building for contagious diseases, $250,000, of which amount not to exceed $2,500 shall be available for the employment of expert consulting services, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), or the classification act of 1923, as amended, and the commissioners are authorized to enter into contract or contracts for such building at a cost not to exceed $600,000.

Mr. STAFFORD. Mr. Chairman, I reserve the point of order on the paragraph. On Monday last when bills reported from the Committee on the District of Columbia were under consideration, a bill authorizing Gallinger Hospital to receive pay patients who have contracted contagious diseases was passed. The report stated that Providence Hospital and Garfield Hospital, at least Providence, were indisposed to continue contractual relations of receiving hereafter patients with contagious diseases. Is it the policy of the District to maintain municipal hospitals for the benefit of patients who can pay or solely for those who are indigent? I took the position then that generally throughout the country municipalities did not maintain their municipal hospitals for the benefit of those who can afford to patronize private hospitals. Municipal hospitals are primarily for the benefit of the indigent. What is the policy of the committee and what is the reason for the committee in recommending here an authorization for the construction of a ward for contagious diseases at $600,000?

Mr. CANNON. Mr. Chairman, this is an appropriation providing for the care of patients who have contracted con-

tagious diseases and who contribute nothing to the cost of their treatment. It is entirely gratuitous upon the part of the District. Treatment is supplied not only for the benefit of the patients themselves but for the protection of the general health and welfare of the District at large.

Mr. STAFFORD. But we passed through the House on the recommendation of the District Commissioners authorization that this hospital shall receive pay patients. I dissented from that position and thought it was an ill-advised policy. I am wondering whether that is the established policy of the District Commissioners as to these municipal hospitals.

Mr. CANNON. Formerly there were several hospitals in the city which received patients afflicted with contagious diseases. They had their isolation wards and received all indigent patients assigned by the District health authorities. But one by one they have refused to receive this character of patients until now there is no hospital in the city with the exception of the one designated in the bill which will receive such cases under any circumstances. We are in a rather precarious situation. If a contagion should sweep through the city, there is no other hospital to which we could send such patients; and if this particular hospital should adopt the policy followed by the other hospitals of the city and should refuse to receive them, it would precipitate a serious situation.

Mr. STAFFORD. Mr. Chairman, the gentleman has made a strong claim for the need of a municipally owned contagious hospital. I am in thorough sympathy with the gentleman's position. May I inquire whether the private hospitals absolutely refuse to receive pay patients with contagious diseases in the District?

Mr. CANNON. I am not informed as to that, but I know they advise us they can not longer accept patients of this character.

Mr. STAFFORD. Who have heretofore been taken care of under a contract arrangement with the District Commissioners?

Mr. CANNON. Yes.

Mr. STAFFORD. As I recall, the report on the bill recommended that Gallinger Hospital shall receive pay patients, and I am wondering whether the private hospitals are absolutely refusing to receive that character of patients who could afford to pay.

Mr. CANNON. As the gentleman will note, the contracts with hospitals, to which the gentleman refers, can not be renewed for the next fiscal year. The facilities at Garfield are inadequate to care for such cases, even under normal circumstances; and if we should have a general epidemic, we would be wholly unable to care for them. This is the last resort. We have no choice in the matter. We must make provision for these patients. The board of commissioners advises us that of all the items in the bill this is the most imperative.

Mr. STAFFORD. As I recall from the report referred to on the bill reported by the District of Columbia Committee, the present accommodations at Gallinger Municipal Hospital for contagious diseases are now in a wooden building, and this appropriation is for the purpose of creating a permanent ward. I am in sympathy with the policy, though I do not think it advisable to create hospital facilities for those residents of the District of Columbia who can afford to pay and find accommodations in the private hospitals.

Mr. CANNON. I agree with the gentleman, but this is a situation where there is no alternative.

Mr. STAFFORD. As far as the indigent patients are concerned, there is no alternative?

Mr. CANNON. None has been called to our attention.

Mr. HOLMES. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. HOLMES. I am very much interested in the subject of hospitalization, and I very much agree with the chairman of the committee. Many times in municipal hospitals it is of advantage to have pay patients, because through the receipts from those patients they are able to give to those who can not afford to pay, a greater and better service, because of the circumstance which gives an opportunity to have private patients.

In relation to contagious diseases, generally speaking, I do not think you will find any general hospital that is willing to take cases of scarlet fever or diphtheria or smallpox and bring them into the general hospital where there are other patients. It is a detriment to the institution to continue to bring contagious diseases into a general hospital.

Mr. STAFFORD. I might take occasion, just for a moment, to say that as a member of the Board of Visitors to West Point last March the one most pressing need for hospitalization there, which was brought to our attention, was the provision for a contagious-disease hospital. If any epidemic should ever break out at the academy, there would be no accommodations whatsoever for taking care of that condition.

Gen. William R. Smith, superintendent of the academy, who is about to retire after an illustrious service in the Army, stressed the need of having a separate isolation hospital to meet that possible contingency. They have only a small ward for contagious diseases which might break out incidentally; but if there was an epidemic, the military authorities would not have any accommodations whatsoever to meet that condition.

Mr. Chairman, I withdraw the reservation of the point of order.

The Clerk read as follows:

In expending the foregoing sum the disbursing officer of the District of Columbia is authorized to advance to the Director of Public Welfare, upon requisitions previously approved by the auditor of the District of Columbia, and upon such security as the commissioners may require of said director, sums of money not exceeding $300 at one time, to be used only for deportation of nonresident insane persons, and to be accounted for monthly on itemized vouchers to the accounting officer of the District of Columbia.

Mr. HARLAN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, last evening, when there were about 25 Members in the committee, and after most of us had understood that the day was to be devoted to general debate, and that there would be no reading of the bill, an amendment was passed to the appropriation for the Utilities Commission providing that no part of the money for the Utilities Commission should be devoted to the enforcement of an ordinance regulating taxicabs in the District of Columbia.

There is no question but that some time ago there was a tremendous abuse of the taxicab situation in the District of Columbia before the present zoning arrangement was effected. A stranger coming to this town was robbed at our Union Station, and things were generally bad; but I submit that the conditions that are present now are almost as bad as they were before, and that the ordinance that is now prepared and which the courts have universally approved will cure a great many of our present evils. It seems to me a very cowardly and unusual way, an inadvisable way, for us to attack this problem as we did yesterday in the Committee of the Whole House on the state of the Union. There has not been a single committee of this House or the Senate which has considered this question. The Utilities Commission of the District of Columbia has spent a great deal of time taking evidence on this question. The matter has been heard fully in our courts in the District of Columbia, and the ordinance not only supported but approved in every respect by those men who have given it their attention; and yet we, without any consideration of the facts, pass a law, not repealing the ordinance, but tying the hands of the Utilities Commission of the District of Columbia so that that ordinance can not be enforced.

Mr. HORR. Will the gentleman yield?

Mr. HARLAN. For a question; yes.

Mr. HORR. Yesterday the same thing the gentleman is talking about was brought to our attention, but it was presented in a different light. I ask the gentleman whether the court passed upon the merits of the question or the legality of it?

Mr. HARLAN. The court passed upon the merits of the question, and I shall read a portion of the decision of Justice Adkins.

The situation as it exists in the District of Columbia is that strangers coming into this town under the present zone system can be taxed every time they go in and out of one zone into another. They can be charged 20 cents for riding a half mile; they can be charged 60 cents for riding a mile and a half if they happen to go in the wrong direction; and they can ride 7 miles in another direction for 20 cents. The result is, as the evidence shows, that there are on an average 21 complaints a week for a breach of the peace occurring over controversies arising out of our absurd system of operating taxicabs in this town.

The commission tried to adopt a sane zone system. They spent a great deal of time in trying to do that, and they took lots of evidence. At those hearings it developed that some of these taxi drivers were operating 20 hours a day; that a number of them were operating 16 hours a day; and that a large number were operating 14 hours a day in an attempt to make a living.

In 1931—which was the year in which this 20-cent arrangement was in full force—there were 1,750 accidents.

[Here the gavel fell.]

Mr. COYLE. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

Mr. CANNON. Reserving the right to object, the gentleman realizes that while we are very much interested in this subject, it has been disposed of and no action can be taken except by unanimous consent. In view of this fact, may I inquire if the gentleman expects to conclude his remarks within the five minutes?

Mr. HARLAN. I will.

Mr. CANNON. I shall not object.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HARLAN. These men get these taxicabs and pay $4 a day for them. They have to sign a finely printed contract, and there are a great many conditions involved in those contracts. If they so much as vary a word from the conditions contained in the contract they lose their job, or if they do not operate as many hours as the owner of the taxicab thinks ought to be advisable they lose their job. So no wonder they are operating hours which no utility commission would allow. A utility commission would not allow a man to whom is intrusted the life and safety of passengers to operate those long hours.

The men who spoke here yesterday against the proposed taxicab ordinance, which the court has sustained, did so on the plea of giving labor a chance. Here is what Justice Adkins in his opinion says on that proposition:

In my judgment, the zone system has been possible only through the exploitation of labor. Under this system the owner furnishes a new car to the driver at a rental paid each day. Men are compelled to work from 12 to 16 hours daily or be supplanted by some one else.

That was the evidence before the court, and yet we in this House with no evidence passed in an amendment to an appropriation bill a general law overruling an ordinance which the District of Columbia has in force at this time.

I want to read to you the summary of the decision of the court in passing on this case:

I find that the order of the commission is in accord with the evidence and should be affirmed. I restate briefly the principal grounds upon which this conclusion is reached.

1. The present zone system is discriminatory, and it is not possible to devise a nondiscriminatory zone system in the District of Columbia.

2. The zone rates are unreasonably low. In many instances they are below cost. The earnings of the entire industry are inadequate if fair wages are to be paid to the drivers.

3. The zone rate is possible only through the exploitation of rental drivers. The rental is paid first and the driver is compelled to work unreasonably long hours, and his earnings are insufficient. The only rental driver who received the bonus of his car was compelled to work 13 hours a day for nine months without a day off.

You gentlemen, your wives and children, get into cabs operated by men working under that nervous strain, all for the sake of a 20-cent taxi fare.

4. The owner drivers are compelled by competition to adopt the same system and to work the same long hours. In many cases they are losing money.

5. The long hours will seriously impair the efficiency of the drivers and endanger the public.

This is the court speaking.

Serious accidents are likely to occur.

As I said, last year there were 1,750 accidents in this city.

6. The system increases cruising in congested areas, causes drivers to refuse unprofitable hauls, and causes frauds and disputes.

The evidence showed that from 30 to 40 per cent of the mileage used by these taxicab drivers is used in cruising around the congested areas of the city, and the users of automobiles in this city are inconvenienced by that kind of a condition in our business sections.

I may add that the use of the meter is compulsory in most of the large cities of the country and it has been required in this District for many years.

According to the evidence before the commission the meter rates fixed by the order below are substantially lower than in any city of comparable size in this country.

The evidence taken before the Utilities Commission and introduced into the supreme court and found by the judge to reflect the actual conditions in Washington is that a great many drivers are not making expenses under present conditions. Where then, Mr. Chairman, is there any money to keep the taxicabs clean and sanitary; to keep taxicabs in running condition and safe for the passengers? Where is there any provision for insurance premiums in the event some passenger is maimed or killed by these financially impoverished, overworked, and tired drivers?

The evidence discloses that frequently drivers would refuse to carry passengers when they discovered that the destination was far away.

It was definitely found by the court that the zone system "gives rise to frauds and disputes which can be prevented by meters." This applies particularly to strangers in the city. The court says:

Throughout the case plaintiffs (two taxicab-renting companies) have contended that the great majority of cab drivers and owners are ready, able, willing, and desirous of serving the public on the present zones and at the present rates. This contention is not in accordance with my understanding of the testimony.

About 40 owners or drivers testified before the commission, and only two were in favor of the present zones and present rates. One was president of a company operating 46 cabs and the other was a rental driver for another company. The majority of the owner drivers were emphatically and some bitterly opposed to the zone system. They represented at least 700 owner-drivers, and yet the gentleman from Texas [Mr. BLANTON] shed great oratorical tears yesterday for the taxicab owner who must pay to install a meter!

It is not the taxicab driver who is afraid of this expense. It is the taxicab renter who is exploiting Washington labor and the cheap-skate nickel nurser, who is unwilling to pay a fair taxicab charge.

The commission fixed a rate of 25 cents for the first 2 miles and 5 cents for each one-third of a mile afterward. This is for the service of an automobile and a driver, and 2 or 3, and in some instances 4, passengers can ride 2 miles for 25 cents. Safe service, reasonable service, service which provides taxicabs that are kept in condition to haul people, can not be operated for less than this rate.

The pro forma amendment was withdrawn.

The Clerk read as follows:

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

For reimbursement to the United States in compliance with section 4 of the act approved May 29, 1930 (46 Stat. 482), as amended, $1,000,000.

Mr. COLLINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 60, line 5, after the sum "$1,000,000," insert a colon and the following:

"*Provided*, That until otherwise permitted by law no further obligation shall be incurred under the appropriations heretofore made pursuant to the provisions of the act entitled 'An act for the acquisition and establishment and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital,' approved May 29, 1930, except such as may be for reimbursement or necessarily incidental to the discharge of obligations heretofore incurred."

Mr. CANNON. Mr. Chairman, I am in sympathy with the purpose of this amendment and I think it meets the approval of the committee.

Mr. STAFFORD. Will the gentleman explain the purpose of the amendment? I think the committee would like to have some explanation of the object sought to be accomplished by the amendment.

Mr. COLLINS. Mr. Chairman, there has been appropriated to date $5,000,000 out of the Treasury of the United States pursuant to an act approved May 29, 1930. This amount was loaned to the District of Columbia without interest. There has been expended out of this $5,000,000, $2,879,700.07. Other sums have been obligated by the National Capital Park and Planning Commission. There remains unobligated and unexpended more than $1,000,000. Perhaps the amount will reach $1,500,000.

The District of Columbia is required to pay annually $1,000,000 upon its borrowings from the Federal Government. The item in this bill of $1,000,000 is to repay this year's obligation. This will not be disturbed by the amendment.

The purpose of the amendment is this: The National Park and Planning Commission is buying land all over the District and contiguous to the District to an extent that should not now be permitted. And at high prices. For instance, Congress has appropriated money to build a magnificent road to Mount Vernon, a road that has cost over $10,000,000. Right now this commission is purchasing land on the other side of the river for the purpose of building another road to Mount Vernon, hoping in the future to connect the two with a costly memorial bridge at Mount Vernon.

This commission has bought land to widen Conduit Road to Great Falls to the extent of 120 feet. This land has already been purchased. This commission is now buying land to build another road to Great Falls and this other road is within two or three hundred feet of the Conduit Road to Great Falls. This amendment will prevent these future extravagant expenditures.

This commission bought sites on the various roads leading into the District of Columbia for the purpose of building memorial archways because of the bicentennial celebration already under way, and not a single archway has been built over a single road, and none will be built, and we still own the sites and the bicentennial will be over in the fall.

Mr. STAFFORD. Maybe they are being purchased in anticipation of the tercentennial.

Mr. COLLINS. Perhaps; for the archways will not be built this year.

If Congress wishes to carry out the monumental program of the National Park and Planning Commission, we should at least use some judgment and delay purchases of land, especially when everyone tells us that delay will reduce the prices of the property needed. It is economy on the part of the Congress to put off the purchase of additional land. I have been advised to-day by two Government officials, perhaps better able to advise the Congress about real-estate values than any other two men in the District, that this commission is keeping up the prices of real estate that the commission thinks it needs because the persons who own the land adjacent to these new highways know their land will be bought, and they know that money will be available for its purchase, so they demand from two to four times as much for it as we ought to pay, and they get it. The purpose of the amendment is to prevent future purchases at least during the fiscal year 1933.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLLINS].

The amendment was agreed to.

The Clerk completed the reading of the bill.

Mr. CANNON. Mr. Chairman, I move that the committee do now rise and report the bill to the House, with the recommendation that the amendments be agreed to and that the bill do pass.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11361, making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. HARLAN. Mr. Speaker, I ask a separate vote on the amendment relating to the Public Utilities Commission limiting the money to be appropriated that no part be expended in enforcing the taxicab ordinance.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The Clerk reported the amendment, as follows:

Committee amendment offered by Mr. CANNON: Page 7, after the paragraph ending on line 13, insert a new paragraph, as follows:

"No part of the appropriations contained in this act shall be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. HARLAN) there were 47 ayes and 6 noes.

So the amendment was agreed to.

The other amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CANNON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HAINES, indefinitely, on account of important business.

PERMISSION TO FILE A SUPPLEMENTAL REPORT

Mr. BLACK. Mr. Speaker, I ask unanimous consent on behalf of the Committee on Claims to file a supplemental report on the bill S. 1357.

The SPEAKER. Is there objection?

There was no objection.

WAR DEPARTMENT APPROPRIATIONS

Mr. HARDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from a friend in Pueblo on national defense.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARDY. Mr. Speaker, the people of Colorado are very much concerned about the appropriation for the civilian branches under the National Guard act. They have heard wild rumors of drastic cuts in appropriations to be made in the War Department bill for the citizens' military training camps, the Reserve Officers' Training Corps, in colleges and high schools, the rifle matches, the Organized Reserves, and the National Guard.

These organizations are the backbone of national defense. To them we must look for protection and safety in times of trouble. They should have liberal support.

This year, realizing the financial distress the country is in, they and their friends are asking only for the Budget estimates in the appropriation bill. They are urging that these figures be not cut.

I have had many intelligent letters on this subject. One of the best comes from a friend, Mr. Guy B. Pitney, a prominent citizen of Pueblo, Colo., and president of the Pueblo Chapter, Reserve Officers' Association of the United States.

This letter is so full of sound information and good argument that I have asked unanimous consent that it may be printed in the CONGRESSIONAL RECORD, so that every Member of Congress may have the facts before him.

PUEBLO, COLO., *March 21, 1932.*

Hon. GUY U. HARDY,
House of Representatives, Washington, D. C.

DEAR SIR: I wish to thank you for your several letters and the information contained therein in reference to the 1933 War Department appropriation bill now in the hands of the Subcommittee on Appropriations. I will also state I have been in contact with the various individuals and organizations signing the resolutions sent you, and to whom you gave such prompt acknowledgment. They all seem to feel your interest in this matter is highly commendable.

As this bill will probably be brought out of committee in the near future, I wish to offer a few comments, especially as to the civilian components that may possibly appear in the bill.

Upon our entrance into the World War our great problem was to organize and train officers and men who came into the Army. Not being a militaristic nation and having made no preparation for a war of such large proportions, we found ourselves woefully unprepared for the emergency. Whole regiments of new recruits could be lined up at the various mobilization centers and among them would be found not a single man with any sort of military training whatsoever. Officer material was entirely lacking among the civilian population. Picked men were rushed through 90-day training programs and commissioned as officers. It is well known that six months is the minimum time required to turn out a fairly efficient private soldier, so you can see what possibilities there were of training an officer in such a ridiculously short period of time.

The results of such a measure of unpreparedness can only be figured in the unnecessary loss of life and waste of Government money and property, which are always the direct result of such policy. Money can not buy time in war time, and time is the most essential factor when war has been declared.

Our present national defense act was constructed with a view of eliminating these great handicaps, in event of a national emergency, at the lowest possible cost to our Government. It depends to a great extent upon the willingness of certain citizens to devote a portion of their time to the study of military science, mostly without remuneration to the individuals so doing.

For instance, the citizens' military training camps, in the summer months, were designed to bring about the training of young men for 30-day periods each year. If the candidate follows this course through the various stages each year and devotes other time to study, he becomes a candidate for a commission in the reserve corps, if he can meet the required examinations. If he does not carry on, he has at least received elementary training as a soldier and is material to be used to advantage in event of an emergency. These young men received no pay for this time expended, the Government paying only their transportation to and from camp and their subsistence while in a camp.

The Reserve Officers' Training Corps units in our colleges, which are the future great reservoir for reserve officers, is conducted on a sound and economical basis. There are some allowances made the students for uniforms, and I believe a small amount of money allowance in the last two periods, which is not sufficient to equip themselves properly as officers, upon graduation and acceptance into the Organized Reserves as officers.

The reserve officer is expected to equip himself properly with uniform and accessories, and I will say that the minimum cost to him would be about $150 for barely enough equipment to qualify. In order to remain on the active list and secure promotion he must devote hours to study, both in troop schools and through correspondence courses furnished by the Army. Let me cite an average case: Here in Pueblo we have a troop school, supervised by a Regular Army officer detailed to this work, that meets for 2-hour study periods twice a month. In addition a class in pistol and rifle marksmanship meets twice a month, 2-hour periods. The average combat officer desiring to qualify for promotion will probably devote 6 hours per month in this manner, or 54 hours over a 9-month period. In addition, his correspondence courses will no doubt stand him 50 or 60 hours more—say, a total of 100 hours or more annually. This time is entirely without compensation and is in addition to his expense of uniforming and equipping himself as stated above. Medical, dental, and specialist officers may not have to devote as much time, but for combat troops it is entirely essential.

Now, we know a man can not learn a profession by theory alone—some practical work is essential. An officer must be allowed to put his theory into actual practice in order to round out his education. Two weeks on active duty would be desirable each year, but the average is probably two weeks every three years, as provided by the defense act. Some exceptions are in order, as a good many men ordered to camp can not arrange to go; therefore excess funds are used to send those able to do so, making it possible for most interested officers to make camp once in two years on the average.

An officer attending these camps must, of course, absent himself from his civilian employment or profession and spend his vacation away from his family. The work at these camps is very strenuous—long marches, field problems, and living conditions mostly of troops on maneuvers. For this work he, of course, receives the pay of his rank and grade, together with transportation to and from camp.

These are the only conditions upon which a reserve officer receives compensation from the Government. Judge for yourself whether the Government is receiving value received for expenditures made.

Since the late war we have had a great reserve strength of former veterans of the World War. This reserve is diminishing rapidly, and in another few years most of these veterans will be entirely unfit for duty as soldiers in event of an emergency. There is more loose dynamite lying around the world at present than at any time in history. The question is, Should we at this time, even in the face of much-needed economy in governmental operation, nullify the efforts of these men who are carrying on, at great personal sacrifice of time and effort, the cause of preparedness.

As you can see by the information given, this national-defense matter is mostly one of voluntary donation of time and interest, without compensation, as far as the reserves are concerned. If the Government were to withdraw support of this plan, I am of the opinion the citizens composing these organizations would probably withdraw their support and we would revert back to our former state of unpreparedness which has proved so costly in the past. We may not always be so fortunate to have allies to hold the line until we can get into some sort of shape to protect ourselves.

Thanking you for your kind interest in this matter, I am,

Sincerely yours,

GUY B. PITNEY,
President Pueblo Chapter Reserve Officers' Association.

ADJOURNMENT OVER

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourns to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2405. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; and

S. 3569. An act to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 50 minutes p. m.) the House, under its previous order, adjourned until Monday, April 18, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Saturday, April 16, 1932, as reported to the floor leader by clerks of the several committees:

IRRIGATION AND RECLAMATION

(10.30 a. m.)

H. R. 10748, providing for the liquidation of the bonded and other indebtedness of the Farmers' Irrigation District, Nebraska (by Mr. Simmons).

Monday, April 18, 1932

WAYS AND MEANS

(10 a. m.)

Continue hearings on cash payment of adjusted-compensation certificates.

INVALID PENSIONS

(10 a. m.)

Hearings on private bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

525. A letter from the Comptroller General, transmitting a report and recommendation to the Congress concerning the claim of George H. Hansen against the United States; to the Committee on Claims.

526. A communication from the President of the United States, transmitting a supplemental estimate of appropriation pertaining to the Legislative Establishment, office of the Architect of the Capitol, for the fiscal year 1932, in the sum of $8,400 (H. Doc. No. 312); to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. CHAVEZ: Committee on Indian Affairs. H. R. 9071. A bill to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and the liability of the United States to non-Indian claimants on Indian pueblo grants whose claims, extinguished under the act of June 7, 1924, have been found by the Pueblo Lands Board to have been claims in good faith; to authorize the expenditure by the Secretary of the Interior of the sums herein authorized and of sums heretofore appropriated, in conformity with the act of June 7, 1924, for the purchase of needed lands and water rights and the creation of other permanent economic improvements as contemplated by said act; to provide for the protection of the watershed within the Carson National Forest for the Pueblo de Taos Indians of New Mexico and others interested, and to authorize the Secretary of Agriculture to contract relating thereto and to amend the act approved June 7, 1924, in certain respects; with amendment (Rept. No. 1061). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON: Committee on Flood Control. H. R. 11183. A bill for emergency relief of Palo Verde Valley, Calif.; with amendment (Rept. No. 1062). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. S. 290. An act to establish a memorial to Theodore Roosevelt in the National Capital; without amendment (Rept. No. 1063). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONDON: Committee on the Judiciary. H. R. 6678. A bill amending section 1 of the act of March 3, 1893 (27 Stat. L. 751), providing for the method of selling real estate under an order or decree of any United States court; with amendment (Rept. No. 1064). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 10596. A bill to amend an act entitled "An act to make persons charged with crimes and offenses competent witnesses in United States and Territorial courts," approved March 16, 1878, with respect to the competency of husband and wife to testify for or against each other; with amendment (Rept. No. 1065). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 10641. A bill to amend section 122 of the Judicial Code; without amendment (Rept. No. 1066). Referred to the House Calendar.

Mr. DIES: Committee on Immigration and Naturalization. H. R. 10829. A bill relating to the naturalization of certain women born in Hawaii; without amendment (Rept. No. 1067). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CLARK of North Carolina: Committee on Claims. H. R. 2531. A bill for the relief of Frank Wilkins; without amendment (Rept. No. 1068). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. H. R. 5950. A bill for the relief of Adrian M. Finney and others; without amendment (Rept. No. 1069). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 6618. A bill for the relief of Lissie Maud Green; without amendment (Rept. No. 1070). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. S. 1096. An act for the relief of Nels D'Arcy Drake; without amendment (Rept. No. 1071). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 811. A bill for the relief of Martha Edwards, Norfolk Protestant Hospital, and Dr. Julian L. Rawls; with amendment (Rept. No. 1072). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. H. R. 9338. A bill authorizing the Court of Claims to hear and determine the claim of Central Romana (Inc.) and to render judgment for just compensation; without amendment (Rept. No. 1073). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. H. R. 2810. A bill for the relief of William Sheldon; without amendment (Rept. No. 1074). Referred to the Committee of the Whole House.

Mr. SWANK: Committee on Claims. H. R. 3607. A bill for the relief of Dr. M. M. Brayshaw; without amendment (Rept. No. 1075). Referred to the Committee of the Whole House.

Mr. HARLAN: Committee on Claims. H. R. 6143. A bill for the relief of the Lower Vein Coal Co.; with amendment (Rept. No. 1076). Referred to the Committee of the Whole House.

Mr. SWANK: Committee on Claims. H. R. 6381. A bill for the relief of Escha Whittington Casey; without amendment (Rept. No. 1077). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHNEIDER: A bill (H. R. 11388) to authorize the Secretary of the Interior to investigate and report to Congress on the desirability of the acquisition of a portion of the Menominee Indian Reservation in Wisconsin for the establishment of a national park to be known as Menominee National Park; to the Committee on the Public Lands.

By Mr. DIES: A bill (H. R. 11389) to provide for the exclusion and expulsion of alien international political communists; to the Committee on Immigration and Naturalization.

By Mr. JONES: A bill (H. R. 11390) to detach Hardeman County from the Fort Worth division of the northern judicial district of the State of Texas, and attach the same to the Wichita Falls division of said district; to the Committee on the Judiciary.

By Mr. PURNELL: Joint resolution (H. J. Res. 363) providing for financing sales of wheat and cotton in foreign markets; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAND of Ohio: A bill (H. R. 11391) granting an increase of pension to Christiana Luger; to the Committee on Invalid Pensions.

By Mr. CARTER of California: A bill (H. R. 11392) authorizing the appointment of Alexander L. Ford as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. FINLEY: A bill (H. R. 11393) granting an increase of pension to Martha J. Alcorn; to the Committee on Invalid Pensions.

By Mr. GARNER: A bill (H. R. 11394) granting an increase of pension to George W. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 11395) granting an increase of pension to Henry W. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 11396) granting an increase of pension to James Whitecotton; to the Committee on Pensions.

Also, a bill (H. R. 11397) granting an increase of pension to Wyatt E. Heard; to the Committee on Pensions.

Also, a bill (H. R. 11398) granting an increase of pension to Sidney J. Baylor; to the Committee on Pensions.

By Mr. HARLAN: A bill (H. R. 11399) granting an increase of pension to Maude Rice; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 11400) granting an increase of pension to Frances A. Davis; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 11401) granting an increase of pension to Emma J. Robertson; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 11402) granting an increase of pension to Martha Jane Houck; to the Committee on Invalid Pensions.

By Mr. LANKFORD of Virginia: A bill (H. R. 11403) authorizing a preliminary examination and survey of the Elizabeth River, Va., and its branches, for the purpose of disposal of dredged material; to the Committee on Rivers and Harbors.

By Mr. MAGRADY: A bill (H. R. 11404) for the relief of Russell M. Unger; to the Committee on World War Veterans' Legislation.

By Mr. MANSFIELD: A bill (H. R. 11405) for the relief of Charles B. Stafford; to the Committee on Military Affairs.

By Mr. MOUSER: A bill (H. R. 11406) for the relief of Donald Dudley Corwin; to the Committee on Naval Affairs.

By Mr. REED of New York: A bill (H. R. 11407) granting an increase of pension to Rose L. Dawley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11408) granting an increase of pension to Cornelia A. Pike; to the Committee on Invalid Pensions.

By Mr. SHANNON: A bill (H. R. 11409) for the relief of Joseph W. Zorn; to the Committee on Military Affairs.

By Mr. SMITH of West Virginia: A bill (H. R. 11410) granting a pension to Sarah M. Williams; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11411) to confer the rank of second lieutenant of Cavalry, United States Army, to date from January 30, 1865, upon the late Alfred Guiton; to the Committee on Military Affairs.

Also, a bill (H. R. 11412) for the relief of Mrs. A. E. Hayes; to the Committee on Claims.

By Mr. TILSON: A bill (H. R. 11413) granting an increase of pension to James M. Logan; to the Committee on Pensions.

Also, a bill (H. R. 11414) for the relief of Michael Petrucelli; to the Committee on Claims.

By Mr. UNDERWOOD: A bill (H. R. 11415) granting an increase of pension to Alatha Hickman; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 11416) granting a pension to Thomas McGuire; to the Committee on Invalid Pensions.

By Mr. BACON: Joint Resolution (H. J. Res. 364) to readmit Cornelia Roosevelt von Zedlitz to the character and privileges of a citizen of the United States; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6030. By Mr. ANDREWS of New York: Petition of 82 citizens of the fortieth congressional district, urging opposition to proposed Federal taxation and urging reduction of Government expenses; to the Committee on Economy.

6031. By Mr. BACON: Petition of the New York State Hotel Association, favoring repeal or modification of the eighteenth amendment and the prohibition act; to the Committee on the Judiciary.

6032. By Mr. BOYLAN: Letter from the National Association of Waste Material Dealers (Inc.), New York City, opposing House bills 8559 and 10697; to the Committee on Agriculture.

6033. Also, resolution adopted by the New York State Hotel Association, New York City, in convention assembled, on the 10th day of November, 1931, respectfully petitioning the President and the Congress of the United States to take appropriate steps to submit for the consideration of the respective States the repeal of the eighteenth amendment and the modification of the Volstead Act; to the Committee on the Judiciary.

6034. Also, letter from the Quick Service Box Co. (Inc.), New York City, opposing House bills 8688 and 8679, providing for a duty on wood pulp; to the Committee on Ways and Means.

6035. By Mr. BROWNING: Petition of the eighth congressional district of Tennessee; to the Committee on Agriculture.

6036. By Mr. FITZPATRICK: Petition of the Civic Association of Hunts Point, Bronx, New York City, opposing any reduction in the salaries of postal employees; to the Committee on Economy.

6037. By Mr. GARBER: Petition of citizens of Harper, Ellis, and Beaver Counties, Okla., urging enactment of Senate bill 1197, to liquidate and refinance agricultural indebtedness and to encourage and promote agriculture, commerce, and industry; House bill 7797, to abolish the Federal Farm Board and to secure to the farmer a price for agricultural products at least equal to the cost of production thereof; and Senate bill 2487, for the remonetization of silver; to the Committee on Agriculture.

6038. By Mr. GLOVER: Petition of Mrs. W. W. Morris and others; to the Committee on Agriculture.

6039. Also, petition of 4-H club of Grapevine; to the Committee on Agriculture.

6040. By Mr. GRIFFIN: Petition of the International Association of Machinists, urging defeat of special rule, House Resolution 190, and against any reduction in salaries of Federal employees; to the Committee on Economy.

6041. By Mr. JAMES: Resolution of the Italian American Societies of the Upper Peninsula, Iron Mountain, Mich., through Edmund Mariucci, secretary, favoring a tariff on copper; to the Committee on Ways and Means.

6042. Also, petition of Peter Nozero, Anton Nozero, Mrs. A. Nozero, Marie Kelly, and 135 other citizens and residents of Dodgeville and other towns of Houghton County, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

6043. By Mr. JOHNSON of Texas: Telegram of American Legion Post, No. 446, Normangee, Tex., advising unanimous indorsement favoring legislation for immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6044. By Mr. JONES: Petition of Oscar Marlow and other citizens of Foard County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6045. Also, petition of Fritz Jacoby and other citizens of Foard County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6046. Also, petition of B. F. Folley and other citizens of Motley County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6047. Also, petition of A. E. Wesby and other citizens of Armstrong County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6048. Also petition of Mrs. William Payne and other citizens of Dallam County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6049. Also, petition of V. M. Petree and other citizens of Hemphill County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6050. Also, petition of R. L. Simmons and other citizens of Roberts County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6051. Also, petition of O. P. Russ and other citizens of Carson County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6052. Also, petition of Ferd Keller and other citizens of Wichita County, Tex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6053. Also, petition of A. J. Elpino and other citizens of Roosevelt County, N. Mex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6054. Also, petition of I. E. Ray and other citizens of Harding County, N. Mex., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6055. Also, petition of C. E. Capp and other citizens of Ellis County, Okla., urging the effectiveness of the agricultural marketing act; to the Committee on Agriculture.

6056. By Mr. LINDSAY: Petition of the Baugh & Sons Co., Baltimore, Md., opposing the Hill Muscle Shoals bill; to the Committee on Military Affairs.

6057. Also, petition of High-School Teachers' Association of New York City, opposing salary reduction of the Federal employees' salaries; to the Committee on Economy.

6058. Also, petition of New York State Hotel Association, New York City, favoring the repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

6059. By Mr. MEAD: Petition of citizens of the nineteenth congressional district of Pennsylvania, opposing any proposed reduction in the salaries of Federal employees; to the Committee on Ways and Means.

6060. Also, petition of New York State Hotel Association, urging repeal of the eighteenth amendment; to the Committee on the Judiciary.

6061. By Mr. MURPHY: Petition of the secretary, No. 284, U. M. W. of A., Martins Ferry, Ohio, and 150 members of that union, asking for the passage of the Davis-Kelly bill for the benefit of the bituminous-coal industry of eastern Ohio; to the Committee on Interstate and Foreign Commerce.

6062. By Mr. PARKER of Georgia: Petition of E. B. Gresham and A. F. Evans, of Burke County, Ga., and other citizens and school officials of the State of Georgia, protesting against proposed cuts in the appropriation for Federal vocational education; to the Committee on Economy.

6063. Also, petition of A. E. Meyer and three other citizens of Savannah, Ga., urging the passage of the railroad pension bill, H. R. 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

6064. By Mr. ROBINSON: Petition signed by J. S. Stedman, of 208 North Fourth Avenue, and other citizens of Marshalltown, Iowa, urging the passage of the bonus bill, H. R. 1, and, if necessary, its passage over a veto; to the Committee on Ways and Means.

6065. By Mr. RUDD: Petition of High-School Teachers' Association of New York City, opposing any reduction of the Federal employees' salaries; to the Committee on Economy.

6066. Also, petition of the Baugh & Sons Co., Baltimore, Md., opposing the Hill bill, Muscle Shoals; to the Committee on Military Affairs.

6067. Also, petition of Queencrest Development Corporation, Jamaica, Long Island, N. Y., favoring the sales tax and opposing the soldiers' bonus and the destroying the prestige of the New York Stock Exchange; to the Committee on Ways and Means.

6068. Also, petition of New York State Hotel Association, New York City, favoring the repeal of the eighteenth amendment; to the Committee on the Judiciary.

6069. By Mr. SELVIG: Petition of C. F. Haglin & Sons Co., Minneapolis, Minn., favoring reduction of Government expenditures and consolidation of Government bureaus and departments; to the Committee on Appropriations.

6070. Also, petition of Gilbert Miller, National Military Home, Kans., urging enactment of bonus bill; to the Committee on Ways and Means.

6071. Also, petition of W. T. Mollison, former colonel of the One hundred and thirty-sixth Infantry, American Expeditionary Forces, opposing repeal of emergency officers' retirement law; to the Committee on Appropriations.

6072. Also, petition of Zurah Temple, Minneapolis, Minn., urging the adoption of Sousa's "Stars and Stripes Forever" as the official national march of the United States of America; to the Committee on the Library.

6073. Also, petition of F. A. Bean, jr., Minneapolis, Minn., urging at least 10 per cent salary reduction of every Government employee; to the Committee on Ways and Means.

6074. Also, petition of C. L. Barker, Henning, Minn., urging retention of our present Naval Reserves; to the Committee on Appropriations.

6075. Also, petition of Simonson Betcher Post of American Legion, Ada, Minn., urging immediate cash payment of bonus; to the Committee on Ways and Means.

6076. Also, petition of James B. Vail, M. D., lieutenant, Naval Reserve, of Henning Minn., urging maintenance of present Naval Reserves; to the Committee on Appropriations.

6077. By Mr. SHOTT: Resolution of the Kiwanis Club of Bluefield, W. Va., opposing, because of its ruinous effect on the bituminous-coal industry, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6078. Also, resolution of the New River and Winding Gulf Mining Institute, signed by Robert Lilly, president, opposing the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6079. Also, resolution adopted by the board of directors of the Kanawha Coal Operators' Association, in the State of West Virginia, representing corporations and individuals mining and shipping 16,000,000 tons of coal annually, protesting the passage of Senate bill 2935 as detrimental to the coal trade; to the Committee on Interstate and Foreign Commerce.

6080. By Mr. ESTEP: Petition of members of Albert G. Baker Post, No. 86, Veterans of Foreign Wars, of Pittsburgh, Pa., urging favorable consideration of legislation to pay the balance of the adjusted-service certificates; to the Committee on Ways and Means.

6081. By Mr. STEWART: Petition of 387 residents of the State of New Jersey, protesting against the reduction of salaries of Federal employees; to the Committee on Ways and Means.

6082. By Mr. SWING: Petition signed by 34 residents of Holtville, Calif., protesting against compulsory Sunday legislation; to the Committee on the District of Columbia.

6083. Also, petition signed by 26 residents of Santa Ana, Calif., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6084. Also, petition signed by 41 residents of Ontario, Calif., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6085. By Mr. TEMPLE: Petition of congregation of Millers Run Reformed Presbyterian Church, Canonsburg, Pa., supporting the eighteenth amendment, and protesting against the submission of an amendment repealing the eighteenth amendment; to the Committee on the Judiciary.

6086. By Mr. TURPIN: Petition of members of American Legion Post, No. 132, Luzerne County, Pa., asking for immediate cash payment of full face value of adjusted-service certificates; to the Committee on Ways and Means.

6087. Also, petition of World War veterans of Luzerne County, Pa., opposing the passage of legislation for the immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6088. Also, petition of Wilkes-Barre Post, No. 132, of the American Legion, favoring the full cash payment of adjusted-service certificates; to the Committee on Ways and Means.

SENATE

MONDAY, APRIL 18, 1932

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, who art ever ready to hear the prayers of those who put their trust in Thee, be graciously pleased to hearken unto us as we bow before Thine unseen presence in the spirit of humble worship and with a quiet mind. Have mercy upon this whole land and teach us so to order our homes that they may be nurseries of virtue and affection in which we may find strength to be brave and calm in the face of all adversities. Forgive our broken resolves, our wasted opportunities, our missing of duty in the dark and cloudy day, making us ever mindful of our own defects, that we may be more patient with the errors and follies of others, always ready to pity, unwilling to condemn.

Uplift those who are oppressed by the weight of many cares, restore all those who through temptation have been diverted from the right, give all-sufficient patience to those whose cross is hard to bear, especially those for whom our prayers are desired, and may the grace of our Lord Jesus Christ and the love of God and the fellowship of the Holy Spirit be with us all evermore. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar days of Thursday, April 14, and Friday, April 15, 1932, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Howell	Robinson, Ark.
Austin	Couzens	Hull	Robinson, Ind.
Bailey	Cutting	Johnson	Schall
Bankhead	Dale	Jones	Sheppard
Barbour	Dickinson	Kean	Shipstead
Barkley	Dill	Kendrick	Smith
Bingham	Fess	La Follette	Smoot
Black	Fletcher	Lewis	Steiwer
Blaine	Frazier	Logan	Stephens
Borah	George	McKellar	Thomas, Idaho
Bratton	Glass	McNary	Thomas, Okla.
Brookhart	Glenn	Morrison	Trammell
Bulow	Goldsborough	Moses	Tydings
Byrnes	Gore	Neely	Vandenberg
Capper	Hale	Norbeck	Wagner
Caraway	Harrison	Norris	Walcott
Carey	Hastings	Nye	Waterman
Connally	Hatfield	Oddie	Watson
Coolidge	Hayden	Patterson	Wheeler
Copeland	Hebert	Reed	White

Mr. SHEPPARD. I wish to announce that the senior Senator from Louisiana [Mr. BROUSSARD] is necessarily detained from the Senate.

I also wish to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

I also desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is still detained from the Senate because of illness. I will let this announcement stand for the day.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva.

Mr. COOLIDGE. I wish to announce that my colleague the senior Senator from Massachusetts [Mr. WALSH] is necessarily absent from the city. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

CORRECTION OF STATEMENT BY WILLIAM WOLFF SMITH

Mr. McKELLAR. Mr. President, reciting the evidence in a House committee hearing on Saturday last, the Washington Post, on the second page of its Sunday issue, states the following as being a part of the evidence of William Wolff Smith:

> Smith, under questioning, said Senator McKELLAR (Democrat), Tennessee, former Senator Tyson (Democrat), Tennessee, and former Representative Fitzgerald (Republican), Ohio, interested themselves in his application for retired pay when it was pending before the bureau.

Mr. President, this statement, in so far as I am concerned, is without the slightest foundation in fact. I made no recommendation of Mr. Smith, and I demand that he correct his testimony if he made any such statement as reported.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 11361) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2405. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; and

S. 3569. An act to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.

CHAIN STORES—COOPERATIVE DRUG AND HARDWARE CHAINS (S. DOC. NO. 82)

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Federal Trade Commission, transmitting, in response to Senate Resolution 224 of the Seventieth Congress, a report of the Commission on Cooperative Drug and Hardware Chains, being the sixth of a series of reports covering a study of the subject of chain stores, which, with the accompanying report, was referred to the Committee on the Judiciary and ordered to be printed.

RESOLUTIONS OF THE WOMEN'S NATIONAL COMMITTEE FOR LAW ENFORCEMENT

The VICE PRESIDENT laid before the Senate resolutions of the Women's National Committee for Law Enforcement, meeting in the First Women's Constitutional Convention, at Washington, D. C., which were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

> Resolutions of the Women's National Committee for Law Enforcement, meeting in the First Women's Constitutional Convention, Washington Auditorium, Washington, D. C., April 18, 1932
>
> *Be it resolved*, we are opposed to the repeal of the eighteenth amendment, the great protective law and the only possible prevention of the interstate liquor traffic.
>
> We are opposed to any modification of the eighteenth amendment. President Hoover has said, "Modification is nullification." This the American people will not countenance.

We are opposed to any weakening of the Volstead Act. One-half of 1 per cent alcoholic content is the standard given by the brewers 40 years ago against soft-drink manufacturers.

Be it resolved, we deplore persistent attacks on the Constitution, the supreme law, by a fanatical minority in Congress sworn to support and defend the law now acting in the interest of the return of the outlawed liquor traffic. The reports and discussions and methods are misleading and are responsible for the breaking down of respect for all law in certain groups who are expressing their defiance in lawlessness and crime.

Be it resolved, we do not approve the resubmission of the eighteenth amendment except through the usual method prescribed in the Constitution; when Congress has voted by a two-thirds majority and three-fourths of the legislatures of the States have ratified the action we can believe that the people desire the law repealed. Any of the various bills submitted for breaking down this law would be without precedent, extremely expensive and misleading, and would furnish no solution, since they would not be binding.

Be it resolved, we are opposed to increase of medicinal-liquor prescriptions to physicians and druggists, since this privilege has been greatly abused in certain wet centers. At present more than 100 physicians in New York are under indictment. To give to this class of doctors additional privileges is subversive of law enforcement. Neither do we approve the large supply of liquor allowed to physicians for their personal use, nor do we approve the action of the Secretary of the Treasury in recommending the importation of foreign brandy, in view of the statement of certain Congressmen that enormous supplies of liquor are already available.

Be it resolved, that States refusing to act in conformity with the Constitution of the United States in the enforcement of the eighteenth amendment are transgressing Article VI of the Constitution and that such States shall be deprived of Federal enforcement aid the control of Federal institutions until they are prepared to accept the provisions of the constitutional law providing for concurrent or cooperative action.

Be it resolved, that we, representing a great body of women throughout the United States, demand a more rigid enforcement of the law with full appropriations needed for such enforcement and for the education of the people until this present wave of propaganda, which is misleading, has ceased.

We respectfully suggest that ambassadors to foreign countries be instructed that they are there to represent the interest and Government of America and are under the protection of the American flag, which involves their respect for our constitutional law and their observance and defense of that law while they are in office.

Be it resolved, that we express to the men and women in Congress who have stood against all opposition and have voted loyally and consistently in accordance with their solemn oath our hearty approval, admiration, and support as they continue to stand against the active opposition to our constitutional law.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of Alonzo Robinson, of Columbus, Ohio, praying for the passage of legislation providing for the prompt payment of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Martha Slater Chapter, Woman's Christian Temperance Union of Lapeer, Mich., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to the States, and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

Mrs. CARAWAY presented petitions of T. J. Garner, Alf Drake, S. A. Coleman, W. E. Ware, and sundry other citizens of Van Buren; J. C. Thompson, Homer McClary, and sundry other citizens of Fort Smith; and of sundry citizens of Alma, Armada, Uniontown, and Cedarville, all in the State of Arkansas, praying for the passage of legislation providing for the prompt payment in cash at full face value of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

Mr. DILL presented petitions numerously signed by sundry citizens of Aberdeen and Hoquiam, Wash., praying for the imposition of adequate tariff duties on importations of lumber, shingles, and pulp, which were referred to the Committee on Finance.

Mr. SHIPSTEAD presented a resolution adopted by the council of the city of Brainerd, Minn., opposing inclusion in the pending tax bill of a tax on sales of gasoline and oils, and favoring the imposition of taxes on luxuries, which was referred to the Committee on Finance.

Mr. ROBINSON of Arkansas presented a telegram in the nature of a memorial from Albert B. Zooman, San Antonio, Tex., remonstrating against the placing of the bill (S. 3769) to amend the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War," on the Senate Calendar until full hearings are granted and held, which was referred to the Committee on Military Affairs.

He also presented a telegram in the nature of a petition from Washington Chapter, No. 3, Disabled Veterans of the World War, J. W. Gray, commander, of Fayetteville, Ark., praying for the passage of pending legislation for the benefit of disabled ex-service men, which was referred to the Committee on Military Affairs.

He also presented telegrams, in the nature of petitions, from Camillo Morsani, of Tontitown; John D. Mugley, of Winslow; Jake C. Phillips, of West Fork; J. E. Brewer, Jesse Paris, Carl A. Smith, Jack H. Howard, H. D. Gray, Steve Georgenis, and Orin Stapleton, of Fayetteville, all in the State of Arkansas, praying for favorable action on proposed veterans' legislation, which were referred to the Committee on Finance.

Mr. SHORTRIDGE presented resolutions adopted by the Los Angeles World Court Committee, and also the Northern Federation of Civic Organizations of San Francisco, by Dr. Frank Fischer, secretary, both in the State of California, favoring the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Grand Parlor of the Native Sons of the Golden West, San Francisco, Calif., favoring the passage of legislation providing for the exclusion of Filipinos and all other immigrants not eligible for American citizenship, which was ordered to lie on the table.

Mr. CAPPER presented a memorial of sundry citizens of the District of Columbia, remonstrating against the imposition of increased taxes on automobiles, incomes, and estates in the District of Columbia, as authorized in legislation adopted by the House of Representatives, which was referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Odin and Claflin, Kans., praying for the passage of Senate bill 1197, known as the Frazier farm relief bill, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of members of the educational committee of the County Council of Religious Education, of Zenith, Kans., praying for the maintenance of the prohibition law and its enforcement, which was referred to the Committee on the Judiciary.

He also presented petitions and papers, in the nature of petitions, of Charles Walters Post, No. 8, American Legion, of Fredonia; Tom Schwinn Post, No. 90, American Legion, of Wellington, and sundry citizens of Butler County, Neosho Falls, and Pittsburg, all in the State of Kansas, praying for the passage of legislation providing for the immediate payment in cash of adjusted-service compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

Mr. ASHURST presented a telegram, in the nature of a memorial, from the Holbrook (Ariz.) Chamber of Commerce, Grady Stobbs, president, remonstrating against proposed reductions in compensation of Federal employees, which was referred to the Committee on Civil Service.

He also presented a telegram from R. D. Butler, president Arizona Rural Letter Carriers' Association, of Phoenix, Ariz., stating that the rural carriers of Arizona are not averse to reduction in salary if made proportional with other Federal employees; that they are opposed to suspension of equipment allowance, which would result in a salary reduction ranging from 16 to 27 per cent, as this would be entirely out

of proportion to suggested reductions of other groups, which was referred to the Committee on Civil Service.

He also presented a telegram, in the nature of a memorial, signed by William A. Fahey, M. D., and several Federal employees, of Fort Defiance, Ariz., remonstrating against proposed reduction in the compensation of Federal employees, which was referred to the Committee on Civil Service.

He also presented a resolution adopted by the Grand Lodge, Knights of Pythias, of the Grand Domain of Arizona, Phoenix, Ariz., favoring the prompt passage of legislation placing an adequate tariff duty on raw copper, which was referred to the Committee on Finance.

He also presented the petition of H. M. Brown and 286 other citizens of Miami, Ariz., praying for the imposition of an import duty on copper, which was referred to the Committee on Finance.

He also presented telegrams in the nature of memorials from Ed Rudolph, Chevrolet dealer, of Phoenix; Byron Dieckman, Ford dealer, and the Doane Chevrolet Co., both of Douglas, all in the State of Arizona, remonstrating against the imposition of a tax upon the automobile industry in the pending tax bill, which were referred to the Committee on Finance.

He also presented a resolution adopted by Fred Hilburn Post, No. 11, American Legion, of Douglas, Ariz., favoring the passage of the so-called Rankin veterans' bill, with the exception of that portion thereof known as the "need clause" in connection with benefits accruing to the widows and orphans of deceased veterans, which was referred to the Committee on Finance.

Mr. GOLDSBOROUGH presented numerous letters and telegrams, in the nature of memorials, from sundry citizens and organizations in the State of Maryland, remonstrating against the proposed increase in first-class postage rates in the pending tax bill, which were referred to the Committee on Finance.

He also presented numerous letters, in the nature of memorials, from sundry citizens, being jewelers and silversmiths, all in the State of Maryland, remonstrating against the proposed 10 per cent tax on sales of jewelry in the pending tax bill, which were referred to the Committee on Finance.

He also presented a letter, in the nature of a petition, from Moore & Co. (Inc.), of Baltimore, Md., praying for the exemption of all books from tax in the pending tax bill, which was referred to the Committee on Finance.

He also presented a letter, in the nature of a memorial, signed by the grand regent, Court Little Flower, No. 1034, Catholic Daughters of America, of Baltimore, Md., remonstrating against the passage of Senate bill 4739, known as the "infant maternity act"; also against the passage of legislation to create a Federal department of education, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by Francis Scott Key Chapter, Maryland Society, Daughters of the American Revolution, protesting against the passage of legislation to consolidate the War and Navy Departments, which was referred to the Committee on Expenditures in the Executive Departments.

He also presented petitions and papers, in the nature of petitions, of the Woman's Christian Temperance Unions of Caroline, Dorchester, Talbot, and Prince Georges Counties; the Mary R. Haslup Woman's Christian Temperance Union of Baltimore; and the Woman's Christian Temperance Union of Keedysville, all in the State of Maryland, praying for the maintenance of the prohibition law and its enforcement, and protesting against the passage of any measure looking toward its modification, repeal, or resubmission to the States, which were referred to the Committee on the Judiciary.

Mr. COPELAND presentted a resolution of Colorado Local No. 1, National No. 14, of the Railroad Employees National Pension Association, of Denver, Colo., praying for the passage of legislation providing for the establishment of a system of pensions for railroad and transportation employees, which was referred to the Committee on Interstate Commerce.

He also presented resolutions of the Chamber of Commerce, of Dunkirk, N. Y., and Corning Lodge, No. 195, Brotherhood of Railroad Trainmen, of Corning, N. Y., favoring the enactment of legislation providing for the regulation of motor trucks and busses in interstate commerce, which were referred to the Committee on Interstate Commerce.

He also presented a resolution of Admiral Farragut Council, No. 106, Junior Order United American Mechanics, of New York City, favoring the enactment of legislation providing for the deportation of undesirable aliens and for a more effective Federal investigation of immigration law violations, which was referred to the Committee on Immigration.

He also presented resolutions of sundry citizens and organizations of the States of New York and Delaware favoring the passage of legislation providing for drastic retrenchment of governmental expenditures and remonstrating against increased taxes, which were referred to the Committee on Appropriations.

He also presented petitions of sundry citizens of the State of New York praying for the maintenance of the prohibition law and its enforcement, which were referred to the Committee on the Judiciary.

He also presented petitions of members of Auburn Theological Seminary, of Auburn, N. Y., and various organizations in the State of New York, praying for the ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented memorials of sundry citizens and organizations of the State of New York remonstrating against a reduction in the compensation of Government employees, which were referred to the Committee on Civil Service.

He also presented several memorials of sundry citizens of the State of New York remonstrating against the proposed taxes on automobiles and gasoline, which were referred to the Committee on Finance.

He also presented petitions of sundry citizens of the State of New York praying for the enactment of legislation providing for the cash payment of World War adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented resolutions of the Kiwanis Club of Phoenix, Ariz., and of Calumet Council, Knights of Columbus, of Calumet, Mich., favoring the imposition of a tariff on copper, which were referred to the Committee on Finance.

PROPOSED REDUCTION IN FEDERAL SALARIES

Mr. BAILEY. Mr. President, I present a petition from postal clerks and letter carriers of High Point, N. C., praying that their salaries be not reduced, which I ask may be printed in the RECORD, with the signatures, and referred to the Committee on Civil Service.

There being no objection, the petition was referred to the Committee on Civil Service and ordered to be printed in the RECORD, with the signatures, as follows:

HIGH POINT, N. C., *March 24, 1932.*

Hon. JOSIAH W. BAILEY,
United States Senator, Washington, D. C.

DEAR SIR: We, the following-named clerks and carriers of the above-said post office, respectively ask that you introduce this resolution in Congress, causing same to be read and placed upon the minutes thereof, for which we thank you in advance.

PETITION

We, the following-named clerks and carriers of High Point, N. C., do herewith respectfully petition the Congress of the United States, now assembled, not to reduce or "cut" our salaries.

First, consider the injustice of wage cutting as applied to Government workers. The pay of those who make up the rank and file of the governmental personnel has always been low, considered from any standpoint. The general policy of maintaining wages in every industry, so far as possible, is a sound one, and the Government should not abandon that policy and give its tremendous moral support to wage cutting. No person who enters the service has ever been able to look forward to more than a moderate livelihood for himself and family. To decrease that compensation now would be the essence of injustice. It is argued that the cost of living has declined within the past two years and that wages

might be decreased to correspond. If the cost of living is justly the sole consideration in fixing wage schedules, then governmental employees have a balance in their favor which it will take many years to pay.

L. B. Smith, C. L. Clapp, R. H. Tucker, Wells Marshall, H. G. Peters, H. S. Janes, J. C. Allen, C. E. Cornelison, B. C. Mixson, N. C. Johnson, Charles Gueth, R. F. Lambeth, J. C. Farlow, Sam Dutton, P. C. Russell, R. J. Royals, William Thos. Winslow, W. H. Farlow, G. D. Byerly, P. P. Motsinger, W. L. Welborn, F. E. Powell, J. C. Young, H. F. Cooper, J. W. Kidd, R. R. Wright, J. H. Hoover, B. G. Leonard, R. O. Moore, F. D. Buneldfield, W. L. Wilbur, R. E. L. Hayworth, A. G. Payne, L. A. Canelli, J. A. Mikles, M. R. W. Green, B. L. Richardson, H. O. Hayworth, L. C. Payne.

PROPOSED SUSPENSION OF SHIPPING BOARD SERVICES

Mr. FLETCHER submitted a telegram from Albury & Co., of Miami, Fla., which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

MIAMI, FLA., *April 18, 1932.*

Hon. DUNCAN U. FLETCHER,
Washington, D. C.:

We appreciate your stand against suspension of Shipping Board services. Miami is served from Europe by Shipping Board lines out of Gulf, and a suspension will be a blow to our foreign trade. If these lines are suspended as proposed, the American merchant marine will lose these trade routes permanently and the money already expended in developing this business will be wasted.

ALBURY & Co.

MINNESOTA SENATORIAL CONTEST

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred an article from the United States Daily of the 16th instant, entitled "Mr. SCHALL Replies to Election Charge."

There being no objection, the article was referred to the Committee on Privileges and Elections and ordered to be printed in the RECORD, as follows:

MR. SCHALL REPLIES TO ELECTION CHARGE—ASSERTS ALLEGATIONS IN COMPLAINT "GROUNDLESS AND WILL FALL OF OWN WEIGHT"

Senator SCHALL (Republican), of Minnesota, against whom an election contest was filed in the Senate April 14 by Einer Hoidale, declared April 15 that the charges are "groundless and they will fall of their own weight."

Following is the full text of the statement:

"This contest does not disturb me, and I am sure that my friends in Minnesota realize the influences that are back of it. Those who have always opposed my election to the Senate of the United States have waited nearly 18 months to file their charges and the complaint which is filed is a mass of generalities, insinuations, and falsehoods. It is just another attempt upon the part of my enemies to destroy my influence as a Senator of the United States.

"It is peculiar that this complaint was not filed until after I had made my speech on the floor of the United States Senate in behalf of the farmer and against the grain gamblers, who supported my opponent, Mr. Einer Hoidale, who now brings this belated contest.

"These charges are groundless and they will fall of their own weight."

REGULATION OF THE COAL INDUSTRY

Mr. NEELY. Mr. President, I present and ask to have noted in the RECORD and referred to the Committee on Mines and Mining various resolutions, letters, telegrams, and petitions from various organizations and citizens in West Virginia in favor of and in opposition to the so-called Davis-Kelly coal bill.

The VICE PRESIDENT. The petitions and memorials will be received, noted in the RECORD, and referred.

The letters, telegrams, and resolutions, in the nature of petitions, praying for the passage of the so-called Davis-Kelly coal bill to regulate interstate and foreign commerce in bituminous coal, etc., presented by Mr. NEELY and referred to to the Committee on Mines and Mining, are from Local Union No. 317, International Brotherhood of Electrical Workers, J. A. Booth, recording secretary, of Huntington; Local No. 239, International Alliance of Theatrical State Employees and Moving Picture Machine Operators of the United States and Canada, Frank Dudiak, of Fairmont; Local Union No. 196, Operative Plasterers' International Association of the United States and Canada, L. F. Ehret, secretary, of Clarksburg; Plumbers Local Union No. 521, United Association of Journeymen Plumbers and Steam Fitters of the United States and Canada, Ben Hackworth, recording secretary, of Huntington; Huntington Central Labor Union, affiliated with the American Federation of Labor, C. R. Johnson, president, of Huntington; Local Union No. 10 of the American Flint Glass Workers' Union of North America, J. W. Martin, secretary, of Moundsville; Local Union No. 15, American Flint Glass Workers' Union, W. A. Powell, Sheldon Buck, and Harley Weaver, committee, of Paden City; Morgantown Typographical Union, No. 598, Oscar Roles, president, of Morgantown; Welfare Community Club of Sharon; Miami Democratic Club, of Miami; Local Union No. 1209, by Giant Hicks, M. S. Toler, and John J. Miskell, the committee, of Crown Hill; Local Union No. 2038, J. B. Allison, recording secretary, of Coalburg; Local Union No. 2915, District 17, Charles Armstrong, president, and G. W. Coon, recording secretary, of Boomer; Local Union No. 1227, R. L. Burnette, secretary, of Montgomery; Local Union No. 2900, G. A. Cooper, president, Mike Gay, recording secretary, of Cannelton; Local Union No. 4027, George Cunningham, member of committee, of Fairmont; Local Union No. 4016, J. R. McDonald, recording secretary, of Rivesville; Local Union No. 2172, Joe Oiler, president, Oakie R. Hess, recording secretary, of Marting; Local Union No. 1633, Charles Payne, president, of Ronda; Local Union No. 184, J. W. Tephabaugh, J. P. McCardel, and T. W. Flanagan, resolutions committee, of Cassville; and Local Unions Nos. 4999 and 4705, District No. 17, W. E. Zirkle, secretary, of Brounland, all of the United Mine Workers of America, all in the State of West Virginia.

The letters, telegrams, and resolutions, in the nature of memorials, remonstrating against the passage of the so-called Davis-Kelly coal bill, presented by Mr. NEELY and referred to the Committee on Mines and Mining, are from the Operators Association of Williamson Field, L. E. Woods, president, of Williamson; Chamber of Commerce, Rolla D. Campbell, president, of Huntington; County Court of McDowell County, by H. K. Carper, clerk, of Welch; Logan Coal Operators Association, J. W. Colley, secretary, of Logan; N. E. Steele, president, and sundry other employees of the Logan-Williamson Bus Co., of Logan; A. J. Darrah, and sundry other employees of the Appalachian Electric Power Co., of Logan; Division No. 190, Brotherhood of Locomotive Engineers, J. W. Estop, chief engineer, of Huntington; A. J. Darrah, president, and other directors of the Logan County Chamber of Commerce, of Logan; board of directors of the Huntington unit of Railway Employees and Taxpayers Association of West Virginia, W. B. Gibson, president, C. L. Jeffers, secretary, of Huntington; Winding Gulf Operators Association, P. C. Graney, secretary; the Kiwanis Club, E. S. Hamilton, president, of Williamson; the Kiwanis Club, J. H. Hufford, president, of Bluefield; chamber of commerce, C. L. Heaberlin, president, of Beckley; Kiwanis Club, R. R. Eiland, president, of Logan; Pocahontas Operators Association, John J. Lincoln, president; New River and Winding Gulf Mining Institute, Robert Lilly, president, of Mount Hope; R. B. Hayes and sundry other employees of the Logan Grocery Co., of Logan; C. McD. England and sundry other employees of the Logan Hardware & Supply Co., of Logan; Isidore Tucker and five other employees of Margolis Bros., of Logan; New River Coal Operators Association, R. H. Morris, president, of Mount Hope; the Rotary Club, W. H. Moss, president, of Logan; H. K. Reagan and 15 other employees of the Goodman Manufacturing Co., of Huntington; the Raleigh Mining Institute of Raleigh County, J. P. White, president, of Raleigh; the Fairmont Coal Operators Association, of Fairmont; the board of directors of the Kanawha Coal Operators Association of West Virginia, C. A. Cabell, president; the Chesapeake & Ohio Railway Clerks Association, A. L. Davis, jr., division chairman, K. H. Montague, secretary-treasurer, of Huntington; the Chamber of Commerce, S. L. McGraw, president, of Mullens; Railway Employees and Taxpayers Association of West Virginia, H. G. Marcum, vice president, Frank McKee, secretary; Mount Hope Chamber of Commerce, P. H. Garrett, president, of Mount Hope; the city council of the city of St. Albans, R. W. Melton, mayor, of St. Albans; L. T. Akers and sundry other employees of the Virginian Railway Co., of Matoaka; F. E. Jarrell, conductor, and sundry other railroad employees, of Eskdale, and Louis E. Thornbury, and sundry other bitumi-

nous coal mine workers, of Wilkinson, all in the State of West Virginia, and the Pike County Chamber of Commerce, John Scott, president, of Pikeville, Ky.

RELIEF OF UNEMPLOYMENT

Mr. WAGNER. Mr. President, I present a number of telegrams and letters which I have received from New York and other parts of the country by persons who are interested in the unemployment situation and favoring legislation sponsored by me, one measure now pending on the calendar and the other pending before the committee. I ask that two telegrams may be read and that the others may be printed in the RECORD and appropriately referred.

The VICE PRESIDENT. Without objection, that order will be made.

The first two telegrams were read and ordered to lie on the table, as follows:

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT F. WAGNER,
Senate Chamber, Washington:

The International Ladies' Garment Workers Union is deeply interested in passage of your unemployment relief and construction bill. Our organization is whole-heartedly in favor of your measure.

BENJ. SCHLESINGER, *President.*

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber:

We feel profoundly grateful to you for your whole-hearted championship of the cause of the unemployed and indorse with enthusiasm your unemployment relief and construction bill in the name of 25,000 organized dressmakers whom we represent, most of whom are victims of unemployment. We urge upon Congress to pass your bill as the only constructive measure to meet the present deplorable condition of unemployment and its destructive consequences.

JOINT BOARD DRESS AND WAIST MAKERS UNION,
JULIUS HOCHMAN, *General Manager.*

The remaining telegrams and letters presented by Mr. WAGNER were ordered to lie on the table and to be printed in the RECORD, as follows:

NEW YORK, N. Y., *April 16, 1932.*

Senator ROBERT WAGNER,
United States Senate:

We heartily indorse Wagner unemployment and construction bill.

LOUIS MAZZOLA,
President Local No. 78, Stone Masons' Union.

THE LABOR BUREAU (INC.),
New York City, April 15, 1932.

Senator ROBERT F. WAGNER,
United States Senate, Washington, D. C.

MY DEAR SENATOR WAGNER: I am taking the liberty to write you a few lines expressing my earnest hope that the unemployment relief and construction bill introduced by you in the Senate will promptly be enacted into law. It seems to me to be a feasible and practical measure for furnishing at least some desperately needed aid for the millions of unemployed.

In offering you this indorsement I am voicing the opinion of my associates in The Labor Bureau (Inc.), as well as my own. It may interest you to know, too, that in my contacts with labor groups in New York City and elsewhere I find virtually unanimous approval of your bill.

Very truly yours,

ALFRED L. BERNHEIM.

NEW YORK, *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber, Washington, D. C.

DEAR SIR: We heartily indorse your unemployment relief and construction bill and wish to assure you our entire organization is behind any move to bring prosperity to the masses of workers.

With the very best of wishes for the success of this bill, and our kindest personal regards, we remain,

Yours very sincerely,

UNITED SCENIC ARTISTS L. U. 829,
BROTHERHOOD OF PAINTERS, DECORATORS, AND PAPERHANGERS OF AMERICA.
FRED MARSHALL, *Business Representative.*

CONSUMERS' LEAGUE OF KENTUCKY,
Louisville, April 13, 1932.

HON. ROBERT F. WAGNER,
The Capitol, Washington, D. C.

MY DEAR SENATOR WAGNER: The Consumers' League of Kentucky is very much interested in the establishment of a national employment system and the promotion of such a system in cooperation with the States.

We are anxiously awaiting the outcome of the vote on Thursday. We are wishing you much success for the passage of this splendid measure.

Yours sincerely,

ANNA H. SETTLE, *President.*

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber, Washington, D. C.:

The International Photographers, Local No. 644, unanimously indorse your unemployment relief and construction bill.

O. V. JOHNSON,
Business Representative, Local No. 644.

ALBION, N. Y., *April 15, 1932.*

Hon. ROBERT WAGNER,
Senate Chamber, Washington, D. C.:

Urge you do not support curtailment Federal funds for States extension service.

MRS. ELTON WAGNER,
Vice President Orleans County Home Bureau.

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber, Washington, D. C.:

Garage Washers' Union, No. 272, Greater New York, membership of 5,000, unanimously went on record indorsing your unemployment relief and construction bill. Best wishes.

J. POLLARD, *Secretary-Treasurer.*

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber, Washington, D. C.:

New York Women's Trade Union, with affiliated membership of 60,000 working women, strongly favors passage of Wagner unemployment relief and construction bill. Situation of unskilled unemployed industrial is becoming steadily more critical. Present relief measures are most inadequate. Extensive program such as you sponsor will help considerably.

ROSE SCHNEIDERMAN, *President.*

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber:

The United Marble Industry of New York City heartily indorses your unemployment and construction relief bill. Hope for speedy passage.

EDWARD SCULLY, *Secretary.*

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber:

This organization wishes to go on record as whole-heartedly indorsing your relief and construction bill. Eight thousand of our fellow citizens have been walking streets for 10 months, with unemployment still increasing. Here's to success.

A. FILORIMO, *Secretary,*
Excavators and Building Laborers' Union, Local 731,
205 East One hundred and twelfth Street.

NEW YORK, N. Y., *April 15, 1932.*

Senator ROBERT WAGNER,
Senate Chamber:

We, the members of the United Building and Common Laborers' Union, in meeting assembled, favor the passage of your unemployment relief and construction bill and wish you success.

Fraternally yours,

G. B. DIOGUARDI, *President.*

METROPOLITAN LODGE, No. 363,
BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,
New York, N. Y., April 15, 1932.

Hon. ROBERT F. WAGNER,
Senate Chamber, Washington, D. C.

DEAR SIR: On behalf of the members I represent, I take the liberty to express their best wishes, too, for your support in presenting Senate bill No. 3692, which bears your name.

This measure introduces a new idea in American industrial life—the idea of Government action requiring all employers and employees in a particular field to contribute to a fund from which annuities for retired employees may be paid.

This measure, if enacted into law, will insure to all railroad workers the security in old age to which they are rightfully entitled. It takes care of all employees, including those in advanced years.

Again thanking you for your support, I remain,

Yours truly,

CHAS. SERKEY,
Legislative Representative.

BROTHERHOOD OF PAINTERS, DECORATORS, AND PAPERHANGERS OF AMERICA,
New York City, April 16, 1932.

Mr. ROBERT WAGNER,
United States Senator,
Senate Chamber, Washington, D. C.

SIR: Be informed that the above organization has unanimously indorsed your bill for "unemployment relief and government construction work."

We are particularly interested in this bill, as we are showing in our latest unemployment registration held in the first week of April an increase of unemployment over the registration held in January of this year. The percentage out of work in January was 78 per cent; in April 85 per cent.

Inclosed find postal card to show the system used for registration. The average time worked by our members in 1931 was 68 days, or a daily income of $3.59 by a wage scale of $13.20.

The registration of our members in January, 1932, showed 127 working, mostly part time, and 588 out of work; total, 715. In April, first week, the registration showed 91 members working and 611 out of work; total, 702—having lost 13 members.

Trusting that you will be successful, we are,

Very truly yours,

FRANK WOLLENSAK,
President Local Union 499.

AMALGAMATED SILVER WORKERS' UNION,
New York, April 14, 1932.

Hon. ROBERT WAGNER,
Senate Chamber, Washington, D. C.

DEAR SENATOR: The Amalgamated Silver Workers' Union, Local 38, heartily indorses your efforts regarding unemployment relief and construction bills. Your action meets with our unqualified approval.

AMALGAMATED SILVER WORKERS' UNION, LOCAL 38,
T. J. BUCKLEY, *Secretary.*

MAINTENANCE OF PRESENT AIRWAYS

Mr. ODDIE. Mr. President, I present a statement by Frank E. Ormsbee, official representative of the Air Line Pilots' Association, relative to the maintenance of present airways. I ask that it be printed in the RECORD and referred to the Committee on Appropriations.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

APPROPRIATIONS 1933 DEPARTMENT OF COMMERCE

Aircraft in commerce:		
House	$1,301,160	
Senate	1,000,000	
Reduction	301,160	
Air navigation facilities:		
House	7,553,500	
Senate	7,350,000	
Reduction	203,500	
$200,000 of this appropriated for establishing airways between Puget Sound and Twin City, reduction		$403,500
Total, Senate		7,150,000

Since the $200,000 specified for the establishment of a new airway is taken from the entire appropriation it is in effect a reduction to the appropriation made available for the maintenance of present airways. It will require that facilities on established lines now being used be discontinued in order to start the installation of facilities on a proposed line that is not being used, a very inconsistent procedure.

As a representative of the air-line pilots who are confronted with a very difficult problem of carrying on scheduled service in order to build up air travel so that the scheduled air-line transportation industry will eventually become self-sustaining, I wish to point out that the necessary retrenchments which will result from the present contemplated reductions of appropriation for aircraft in commerce and air-navigation facilities will have a very dangerous reaction on all the commercial-aviation industry.

The pilots are primarily concerned in safety of air travel and will exert every possible effort toward increasing it. Lighted airways, teletype weather reports, intermediate fields, radio communications, and beacons are much more essential to safe operation in air travel than the rails, sidetracks, and signal systems are to the railroad.

The Government has expended enormous sums of money in developing and maintaining airway systems and in support of the commercial-aviation industry because it is so indispensable to our system of communication, transportation, and national defense and security. These expenditures are intended to lend sufficient aid to the industry as a whole in an effort to build it up to a point where it will become self-supporting. This self-support is directly dependent upon increasing confidence in air travel. Confidence in air travel is directly dependent upon decreasing the percentage of aerial disasters and increasing the percentage of scheduled operations. Crashes in scheduled operations have increased to an alarming extent during the last few months, thereby retarding public confidence and air travel, which necessarily means that Government support will be required that much longer. The pilots are doing their best to improve this condition. They will be helpless to do so without information and assistance given them through facilities furnished by the Department of Commerce.

If you had ever experienced being caught in a storm with the lives of passengers intrusted to your care you would realize the mental anguish a pilot is subject to and of what extreme value these aids to navigation are. Such conditions as these frequently occur and have got to be met and mastered if commercial aviation is ever to become a self-supporting industry. Any reduction to present facilities furnished by the Department of Commerce we feel represents a false economy in that it will contribute to decreasing scheduled operations in air travel as well as safety in operations, thereby retarding the progress of building up public confidence and increasing passenger travel, which, in turn, will make Government subsidies necessary that much longer.

The recent controversy the pilots experienced with Mr. E. L. Cord can be used as only one of many instances to illustrate the necessity of the department's maintaining a sufficient and well-trained staff of inspectors. Mr. Cord operated the Century and Century Pacific Air Lines. If his methods of overhaul, maintenance, and upkeep had not been subject to rigid supervision and Department of Commerce requirements, an inferior class of work and material would have resulted, thereby decreasing the element of safety in air travel. In Mr. Cord's efforts to continue operations after he had summarily dismissed his pilots when they objected to unfair treatment, he recruited a great many pilots in replacement. Due to absolute want because of the depression a number of pilots applied for positions. Mr. Cord's chief pilots checked them out, after which they were required to pass a Department of Commerce test and be checked out by a Department of Commerce inspector. At least 50 per cent of the pilots who had been checked out as qualified to fly his planes by his chief pilots were disqualified by Department of Commerce inspectors as being unsafe.

The present contemplated reduction to the Department of Commerce appropriation will necessitate cutting their staff of inspectors and in that way make it impossible for the department to keep a rigid examination and check on aircraft, mechanics, and pilots that is absolutely essential to continue safety in air travel. We are looking toward not only continuing the present percentage of safety but increasing that factor. This will be impossible if the Department of Commerce activities are to be curtailed.

On behalf of the pilots to whom the traveling public intrusts their lives, I respectfully urge that the present contemplated reduction be withdrawn, and if possible additional funds be made available to continue the experimental work necessary to improving aids to navigation as well as establishing them on some of the present lines where they are badly needed.

FRANK E. ORMSBEE,
Official Representative Air Line Pilots Association.

UNEMPLOYMENT RELIEF

Mr. COSTIGAN. Mr. President, the blameless distress of the unemployed, to which the attention of the Senate was directed earlier in the session, continues to deserve the attention of the Congress. Economic conditions have grown worse, not better; and relief, however efficiently pressed, has not kept pace with increasing human need. It is hoped that the whole subject is soon to be reconsidered here, without prejudice and constructively, for the good name and honor of the Nation.

As part of my remarks, I ask unanimous consent to include portions of an article appearing in yesterday's New York Times dealing with announced conclusions as a result of nation-wide inquiries conducted by the Survey, a social-welfare magazine, and by the Business Week, a McGraw-Hill publication, both published in New York City.

There being no objection, portions of the article referred to were ordered to be printed in the RECORD, as follows:

[From the New York Times, April 17, 1932]

RELIEF CRISIS LOOMS THROUGHOUT NATION—SURVEY IN 37 CITIES SHOWS HUGE FUNDS UNEQUAL TO "STAGGERING LOAD," TWO PUBLICATIONS REPORT—FEDERAL HELP IS ASKED—PRIVATE AND LOCAL RESOURCES FOUND OVERTAXED—COLLAPSE HERE IN THREE WEEKS FEARED

The huge unemployment relief funds raised throughout the United States have been unequal to the tremendous burden placed upon them and a crisis in unemployment relief in the United States is imminent, according to studies just completed and announced yesterday by the Survey, organ of the social service profession, and the Business Week, published by the McGraw-Hill Co.

Describing the situation in New York City, William H. Matthews, director of the Emergency Work and Relief Bureau, who has been in close contact with the work relief situation since the depression began, said the unemployment situation in New York was more critical now than it has been at any time during the present depression.

Within three weeks, according to Mr. Matthews, New York City may reach a real crisis in unemployment relief "and from present

appearance it is extremely likely that thousands of people who have been receiving relief of some kind during the winter will be thrown back on their limited resources, with no avenue of aid open to them."

SURVEY COVERS WIDE FIELD

From the officials of welfare and social-service organizations in 37 cities the Survey has received reports that "make a sorry picture for a proud country to contemplate."

"Without plan, without strong national leadership, with meager and uncertain funds, these cities have somehow muddled through the winter, keeping their people alive, but at what costs of broken spirits and human suffering only God knows," according to the editors. "Still planless and with no sign of improved employment, with relief needs growing and with relief funds dwindling to exhaustion, they turn their blind eyes to the future, where already the specter of another winter is rising.

"Huge relief funds raised in New York, Chicago, and Philadelphia have been unequal to the staggering loads in these centers of industrial dislocation. Complete breakdown is imminent. The fallacy of the idea that private funds could cope with a situation of such proportions as this one is remorselessly exposed. Private funds have done little more than act as a thin emollient on a deep wound.

"No rational adult can be blind to what lies ahead. This summer will bring little surcease in human needs. Next winter will be worse, not better. Yet Congress is deaf. Legislatures are adjourning, cities and counties are temporizing with pinchbeck appropriations and private social agencies are in positions they can not sustain. There is no evidence of any real facing of what is on the doorstep, let alone any preparation to deal with it."

MATTHEWS LOOKS TO BLOCK-AID

In his statement Mr. Matthews said that, while it was true that the emergency unemployment-relief committee had budgeted its work so as to carry on to some extent until October, there would have to be a very heavy reduction in the number of persons receiving work relief on May 1 unless appreciable funds were raised by the block-aiders.

"Success of the block-aid is necessary if the emergency work and relief bureau is to maintain its present unemployment relief work," he declared. "Any decrease in this would bring about a collapse of the entire structure of this form of relief.

"We are entering the summer season, of course, when it should be easier for unemployed persons to maintain an existence. In ordinary times this would be true, but this year we have an unusual situation. First, the casual employment opportunities that ordinarily arise at this time are absent this year. Second, in order to exist through the summer, most people require a little something in reserve. This year we find thousands who are virtually down to nothing, who have been living the most meager sort of an existence on various forms of relief. If this relief is withdrawn, these people are left helpless in their distress.

"The situation in thousands of families is so acute now that any diminution in relief work will inevitably produce an abnormal amount of hardship.

"It is the hope of all cognizant of this serious situation that public funds will be made available during the next two or three weeks in order that the Home-Relief Bureau, under Welfare Commissioner Taylor, may renew its activity, which unfortunately has been lessened to a great extent. Unless adequate preparations are made for the summer, the situation will become more and more pitiable and serious."

THE BUSINESS WEEK'S SURVEY

According to the nation-wide survey by the Business Week, private charity is passing out of the relief situation and local governments have few resources left with which to increase or even maintain present relief activities.

The States are bearing a heavy relief burden at present, the survey revealed. They are using income taxes, diverted gasoline taxes, various nuisance taxes, such as Ohio's utility excise tax, to raise relief funds. Local governments, straining to the utmost, encounter increasing opposition from taxpayers to further use of funds for relief. Business, source of tax money, faces a tremendous burden in financing relief, no matter how it is done.

"There appears to be a growing opinion," says the survey analysis, "that the relief burden should be lightened on property and transferred to income, so that a greater share of it will be carried by those best able to do so. For States without income taxes this means Federal aid, and in this direction an increasing number of States and municipalities are looking. They have carried on for two and a half years against hopeless odds and are getting thoroughly discouraged.

REPORTS OF COMMITTEES

Mr. NORBECK, from the Committee on Indian Affairs, to which was referred the bill (S. 2340) to provide funds for cooperation with the school board of Shannon County, S. Dak., in the construction of a consolidated high-school building to be available to both white and Indian children, reported it without amendment and submitted a report (No. 569) thereon.

Mr. STEIWER, from the Committee on Banking and Currency, to which was referred the bill (S. 2409) to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes, reported it without amendment and submitted a report (No. 570) thereon.

Mr. REED, from the Committee on Immigration, to which was referred the bill (H. R. 9598) to authorize increased expenditures for the enforcement of the contract-labor provisions of the immigration law, reported it without amendment and submitted a report (No. 571) thereon.

SENATOR FROM ALABAMA—CONTESTED ELECTION

Mr. GEORGE and Mr. BRATTON, from the Committee on Privileges and Elections, reported a resolution (S. Res. 199), and submitted a report (No. 568) thereon, pursuant to Senate Resolutions Nos. 467 and 485, Seventy-first Congress, as follows:

Resolved, That John H. Bankhead is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to be seated as such.

ENROLLED BILLS PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 15th instant that committee presented to the President of the United States the following enrolled bills:

S. 826. An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon;

S. 1719. An act amending the act of Congress entitled "An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924;

S. 3584. An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes; and

S. 3655. An act to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Nations, in Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. ROBINSON of Indiana, from the Committee on the Judiciary, reported favorably the nomination of Robert W. Colflesh, of Iowa, to be United States attorney, southern district of Iowa, to succeed Ross R. Mowry, whose term will expire May 26, 1932.

Mr. DILL, from the Committee on the Judiciary, reported favorably the nomination of C. W. Johnson, jr., of Texas, to be United States attorney, northern district of Texas, to succeed Norman A. Dodge, whose term expired February 20, 1932.

Mr. SCHALL, from the Committee on the Judiciary, reported favorably the following nominations:

R. John Allen, of Wyoming, to be United States marshal, district of Wyoming, to succeed Hugh L. Patton, deceased; and

Lewis L. Drill, of Minnesota, to be United States attorney, district of Minnesota.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 4405) for the relief of Mamie Randel; to the Committee on Claims.

By Mr. FRAZIER:

A bill (S. 4406) granting an increase of pension to Orpha D. Bell King (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 4407) granting an increase of pension to Laura B. Patton (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY and Mr. STEIWER:

A bill (S. 4408) to provide for the construction of works for the development of the Columbia River and minor tributaries, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. BAILEY:

A bill (S. 4410) for the relief of James A. Guthrie; to the Committee on Commerce.

A bill (S. 4411) for the relief of Mrs. Asa Caswell Hawkins; to the Committee on Claims.

By Mr. JONES:

A bill (S. 4413) extending the provisions of the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. TYDINGS:

A bill (S. 4414) for the relief of Herbert J. Myers; and

A bill (S. 4415) for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.; to the Committee on Claims.

By Mr. NYE:

A bill (S. 4416) to provide for the transfer of certain school lands in North Dakota to the International Peace Garden (Inc.); to the Committee on Public Lands and Surveys.

A bill (S. 4417) for the relief of the Lehigh Briquetting Co.; to the Committee on Claims.

By Mr. NORBECK:

A bill (S. 4418) granting a pension to William F. Simpkins (with accompanying papers);

A bill (S. 4419) granting an increase of pension to Louis P. Mousseau (with accompanying papers);

A bill (S. 4420) granting a pension to Daniel Webster (with accompanying papers);

A bill (S. 4421) granting an increase of pension to Mary C. Booth (with accompanying papers);

A bill (S. 4422) granting a pension to Lillian Stands Under The Ground (with accompanying papers); and

A bill (S. 4423) granting a pension to Running Grouse (with accompanying papers); to the Committee on Pensions.

A bill (S. 4424) authorizing an appropriation for certain improvements at the Flandreau Indian School, Flandreau, S. Dak.; to the Committee on Indian Affairs.

By Mr. REED:

A bill (S. 4425) relating to the immigration and naturalization of certain natives of the Virgin Islands; to the Committee on Immigration.

Mr. BROOKHART. Mr. President, I introduce a joint resolution providing for amendment of the Constitution of the United States by the initiative and referendum plan, which I ask may be appropriately referred.

By Mr. BROOKHART:

A joint resolution (S. J. Res. 146) proposing an amendment to the Constitution of the United States relative to the method of amendment thereof; to the Committee on the Judiciary.

REGULATION OF CERTAIN BANKING OPERATIONS

By Mr. GLASS:

A bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes; to the Committee on Banking and Currency.

Mr. GLASS subsequently, from the Committee on Banking and Currency, reported the foregoing bill without amendment.

HOUSE BILL REFERRED

The bill (H. R. 11361) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

REVENUE AND TAXATION—AMENDMENT

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed, as follows:

After section 601 (d) (4), insert the following:

"( ) logs of fir, spruce, cedar, pine, hemlock, or larch, $2 per thousand feet board measure."

AMENDMENT RELATIVE TO THE MERCHANT MARINE

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 3950) to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," as applied to the Virgin Islands of the United States, which was ordered to lie on the table and to be printed.

AMENDMENT TO STATE, JUSTICE, ETC., APPROPRIATION BILL

Mr. CONNALLY submitted an amendment intended to be proposed by him to House bill 9349, the State, Justice, Commerce, and Labor appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 69, after line 10, to strike out:

"To enable the Secretary of Commerce, under such regulations as he may prescribe, in accordance with the provisions of the act entitled 'An act to amend the act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce, a Foreign Commerce Service of the United States, and for other purposes," approved March 3, 1927,' approved April 12, 1930 (46 Stat. 163), to furnish the officers in the Foreign Commerce Service of the Bureau of Foreign and Domestic Commerce stationed in a foreign country, without cost to them and within the limits of this appropriation, allowances for living quarters, heat, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (U. S. C., title 5, sec. 70), $200,000: *Provided*, That the maximum allowance to any officer shall not exceed $1,700."

CONSOLIDATION OF THE GENERAL ACCOUNTING OFFICE AND THE BUREAU OF THE BUDGET

Mr. REED submitted the following resolution (S. Res. 200), which was referred to the Committee on Expenditures in the Executive Departments:

Whereas there have been numerous complaints of unreasonable delays in the disposal of matters referred to the General Accounting Office, of arbitrary and contradictory opinions from the Comptroller General of the United States on points of law, of friction between the General Accounting Office and the executive departments; and

Whereas the Bureau of the Budget has failed to effect economies for which it was designed or to reduce executive estimates to the point necessitated by an unbalanced budget; and

Whereas the General Accounting Office and the Bureau of the Budget are alike charged by law with responsibility for promoting economy and efficiency in public expenditures: Therefore be it

Resolved, That the Committee on Expenditures in the Executive Departments of the Senate be directed to study the question of consolidating and reorganizing the General Accounting Office and the Bureau of the Budget under a single administrative head, responsible to Congress or to the President, and to report its recommendations to the Senate at the earliest practicable date.

COMPENSATION OF CERTAIN OFFICERS AND EMPLOYEES

Mr. CONNALLY entered a motion to discharge the Committee on Civil Service from the further consideration of the bill (S. 4131) providing for the temporary reduction of compensation of certain officers and employees of the United States, and for other purposes.

The PRESIDING OFFICER (Mr. FESS in the chair) directed that the order be entered.

DEFENSE OF GOVERNOR ROOSEVELT'S POLICIES BY HIS SON

Mr. WHEELER. Mr. President, I desire to call attention to an item appearing in the New York Times, which reads as follows:

James Roosevelt, son of Governor Roosevelt, defended the presidential campaign policies of his father against the implied criticisms of Mr. Smith.

Young Roosevelt's statement, which he made clear, was "not made as the representative of anyone else," did not mention his father or Mr. Smith by name.

"For four years the people of this country have been deluded with false hopes; with vain promises that all would be well in a short time," he said. "We have had platitudes, but no constructive action. I believe that it was high time for some national leader to unmask the hypocrisy of the Federal Government in Washington and those who seem to control it; that it was high time that a leader have the courage to call their bluff and to state in no uncertain terms the truly desperate conditions which face the average man and woman throughout the United States.

"If, in so doing, that leader be classed as a friend of the poor and the oppressed, all I can say to him is keep your courage, fight the good fight; the people of America and Massachusetts will back you to the end."

Mr. President, it may be true that the great financial interests of this country may be able to prevent Governor Roosevelt being President of the United States, but so far as I am concerned, I had rather have such a son than to be President of the United States or king of the universe. It seems to me that the statement made by young Roosevelt is one of the finest tributes that could be paid by a boy to his own father, calling him a friend of the poor and the oppressed and telling him to keep up the good fight in their behalf. Contrast, if you will, the statement of that boy with the editorials which cheer as the utterance of a great statesman the speech that was made by ex-Governor Smith.

It will be noted that it was the Chicago Tribune, a Republican newspaper; the New York Herald Tribune, another Republican newspaper; the New York Sun, another Republican newspaper; the New York Times, a so-called independent Democratic newspaper; the Portland Oregonian, another Republican newspaper, that joined in the hue and cry and praised Governor Smith for his denunciation; they were practically all Republican newspapers, and practically all of them are dominated by the special interests of this country, including the Wall Street Journal, which published an article by Mr. Thomas F. Woodlock.

As I stated at the beginning, and I now conclude, I had rather be called almost anything, provided I was fighting the battle and taking the side of the poor and the oppressed, than to have the praise of the Wall Street Journal and of the Republican newspapers which are more or less controlled by the great special interests of the country.

PROPOSED DISTRICT STREET-RAILWAY MERGER

Mr. BLAINE. Mr. President, the distinguished Senator from Kansas [Mr. CAPPER] on April 16 last delivered an address over the radio in which he analyzed the street-railway merger proposed for the District of Columbia. I ask that the address may be printed in the RECORD.

There being no objection, the address was ordered printed in the RECORD, as follows:

A SQUARE DEAL FOR WASHINGTON STRAPHANGERS

Friends of the radio audience, when I came to Washington from Kansas in 1919, having been duly elected a United States Senator, I did not know that I was to become so intimately associated with the problems of the District of Columbia.

But I stayed in Washington and learned to know and like its people. I have always said, and I now repeat, that Washington is outranked in my affections only by my native State of Kansas.

As chairman of the Senate District Committee it was necessary for me to inform myself pretty thoroughly about the needs of the city in the way of legislation. The citizens' organizations have been a big help in keeping the folks on Capitol Hill informed about District laws and legislative proposals affecting the District.

Now it is clear to all of you, my friends, that it is impossible for a Senator to sit down and talk informally with each and every Washingtonian with an opinion on some kind of local legislation. As the fellow said, a Senator couldn't possibly do it, not even if he were triplets.

So I am grateful to the radio for furnishing me a contact with the people of Washington. It is an ideal way to put your stand on these local questions before the public and get the popular reaction to those views.

I want to talk to you to-night about a matter that has been under discussion as long as I have been in the Senate. In fact, it was being talked about in Washington before I came to Washington. That is the street-railway merger.

The consolidation of the District's street-railway lines has been talked about in Senate and House Committees for so many years that it is becoming increasingly difficult to get committee members to think about this subject any longer.

One of the most valuable members of the Senate District Committee openly threatened to resign from membership if any more hearings were held on merger resolutions.

Frankly, I am getting pretty tired of this subject too. But that does not mean that I am willing, through mere weariness, to allow Congress to authorize a merger that is not in the public interest.

Let us have a merger by all means. The companies want it. The public wants it. But let it be not only a merger of street-railway properties but of good business sense and fair dealing.

Suppose we turn back a few pages in local history and find out why Congress has an interest in making one street-car company out of two.

First of all, we should note the difference between public utilities and private business. If you go into a store and the storekeeper refuses to deal with you, there is nothing to do but go to another store. The storekeeper's business is his own; he is not obliged to sell his goods to Tom, Dick, and Harry, if he chooses not to do so. But a public-utility corporation has a different status. It is obliged to serve all comers. A street-car conductor can not with impunity refuse to let you ride on his car because he doesn't like your looks. If you are willing to pay the fare on a public conveyance, you are entitled to ride.

Bruce Wyman, in his well-known work on Public Service Corporations, has this to say of such corporations' relations to the public:

"Having devoted their property to a use in which the public has an interest, they (the companies) in effect have granted to the public an interest in that use and must submit to be controlled by the public for the common good to the extent of the interest they have created."

It is not necessary to be a lawyer to see that public-utility corporations must be controlled by the public. In the District of Columbia, these corporations, dealing in transportation, electric power and light, gas, and telephones, are under the supervision of the Public Utilities Commission.

This control has been in the hands of the commission since 1913, when Congress created this body by making the public utilities act a part of the District appropriation bill. The same bill carried as an additional rider a law that has come to be known as the La Follette Antimerger Act.

The antimerger act was sponsored by the distinguished father of the present able Senator LA FOLLETTE, of Wisconsin. It was intended to prohibit mergers of local public utilities without their prior sanction by Congress, and to stop the acquisition of control of local utility companies by out-of-town corporations.

The street-car merger agitation persisted, year after year. There was a pretty feeling that the antimerger act would prohibit any desirable consolidation of the car lines. So in 1925, after a good deal of discussion, Congress enacted a law to meet the situation.

This law would allow the companies to merge under terms that would be agreeable to the stockholders and to the Public Utilities Commission. However, the terms of any such merger would have to be approved by a joint resolution of Congress, the act declared.

Now we have the background for the picture of this present merger proposition.

In the Seventieth Congress and again in the Seventy-first Congress the Senate District Committee considered various forms of merger proposals in the form of joint resolutions. Not any of these was entirely satisfactory, and now in the Seventy-second Congress we are making another attempt to bring the companies together.

It isn't an easy job to satisfy Congress, the public, the Public Utilities Commission, and the companies on the matter of merger legislation. The present situation is this: The majority of the members of the Senate District Committe has reported the merger resolution favorably to the Senate with 53 amendments. Some of these amendments have a good deal of merit in them. But the merger resolution, as reported by the committee, does not satisfy me nor does it satisfy Senator BLAINE, of Wisconsin, who is a very able and valuable member of the District Committee. So we have filed a minority report on the resolution, together with some amendments that we think are needed to safeguard the interest of the public in this merger.

I think we ought to know just how the scales balance between the companies and the public in this matter. Let us look at the resolution as reported from the Senate committee in its bold outlines only.

The Capital Traction Co. and the Washington Railway & Electric Co. would turn their street-railway properties over to a new company, to be incorporated under District laws. The articles of incorporation would be first approved by the Public Utilities Commission.

The new company would give free transfers between all street cars. It would have the power to buy up the Washington Rapid Transit Co., the local bus company, when the Utilities Commission would give the word. The new company would pay nothing for crossing-police service and would be relieved of a considerable portion of expense of street and bridge improvements. The new company would acknowledge the right of the commission to set reasonably reduced fares for school children. It would be protected from competition of other street-railway and bus companies.

When these main features of the merger are stacked up it certainly seems to me that the public of Washington would be virtually giving these companies a substantial bonus to accomplish a merger.

The companies want this merger. They need it. I have been almost deluged by letters from interested stockholders in favor

of it. The companies' attorneys and other representatives of the corporations concerned in this matter have been very active on Capitol Hill. In the name of common sense, why should the public of Washington pay for a merger that the companies want?

And let me call your attention to some of the main points of difference between the majority and the minority reports of the District Committee on this merger resolution.

You know, I suppose, that the Washington Railway & Electric Co. owns the Potomac Electric Power Co., one of the richest utility corporations in this section, and the Washington Railway & Electric Co. is, in turn, controlled by the North American Co., a holding company.

At one time the North American Co. owned the bus company here, too; but the stock was turned over to Harley P. Wilson, a North American Co. director, to avoid running afoul of the anti-merger act.

Now, the Potomac Electric Power Co. is not included in this merger. It is to continue as a property of the Washington Railway & Electric Co. At present the railway company buys power from its subsidiary at an extremely low cost, and sells this power profitably to other railway companies. The electric company does not get a fair price for this power. Consequently, the rate that Washingtonians pay for electricity is probably not as low as it should be, for the company is deprived of hundreds of thousands of dollars of profit through its contract with the Washington Railway & Electric Co.

Under the terms of the resolution as reported by the majority of the Senate District Committee the electric company is to furnish power to the new company under a 15-year contract. The companies would settle between themselves the price to be paid for 63 per cent of the power, while only 37 per cent of the total would be fixed by the Public Utilities Commission. At the expiration of the 15-year period the commission would have control of the entire situation.

Now, Senator Blaine and I do not think this is a fair arrangement. There exists a consent decree under which the Potomac Electric Power Co. must use part of its excess profits each year in reducing rates to the public. Of course, the North American Co. would like to see as much of the power as possible taken out of the jurisdiction of this decree, and handed over to the new company. The new company would profit by its sale of power to other railway companies in this vicinity, but the consumers of electricity in the District would get no benefit.

This amounts really to giving the new company an annual present of about $300,000, which is what the Washington Railway & Electric Co. makes each year through its power sales in and out of the District. Why should this new company engage in a business that is properly that of the power company? And why should the Public Utilities Commission be told to keep its hands off this arrangement? It is the business of the commission to fix rates. This power clause in the merger agreement would tie the hands of the commission for 15 years.

The minority report suggests and urges that Congress strike out this unfair and unreasonable power clause, and give the Utilities Commission the jurisdiction it rightfully should have over 100 per cent of the sale of power.

Another pretty important feature of the agreement concerns the use of subsidiaries by the new company. The merger resolution would give the company the right to operate through subsidiaries both in and out of the District.

What's the use of having a merger, which implies unified control, if we are going to have a lot of smaller subsidiary companies operating branch lines or other activities in the District? It will make regulation just that much more difficult. And it opens the way to financing schemes of a nature repugnant to the best spirit of public service.

There would be no objection to the new company's operation of subsidiaries in near-by Maryland, where it is necessary for control of such companies by the Public Service Commission of Maryland. Senator BLAINE and I have offered an amendment that would cause the new company to operate directly its transportation facilities in the District, while giving it the option to run either directly or through subsidiaries its lines in Maryland.

And now, one other essential factor of the merger on which there is a difference of opinion between the majority and minority of the District Committee. This is the universal-transfer proposition.

The people of Washington have been looking for a merger for a long time. Why? To get better and possibly cheaper street-car service and to end the pay-transfer nuisance.

But what does the merger resolution offer? It offers to the public—and this is the only thing the public would get out of this consolidation—it offers free transfers between all street cars.

That sounds very fine on the face of it. But what about busses? These street-car companies are not building any more tracks. They are using busses instead. The resolution would allow the Utilities Commission to order the conditions on which transfers will be issued from street cars to busses, or between busses. Does that end the pay-transfer nuisance? I am sure it does not.

Of course, there may be special types of express bus service or de luxe service instituted by the new company, when it is formed. Some special arrangement should be made about transfers between those busses and street cars, if the commission deems it advisable.

But the minority report holds that a free transfer should be issued with each street-car or bus fare, except de luxe busses. If the Washington Rapid Transit Co. becomes a part of the new company, the free transfers should apply to it also, subject to reasonable conditions to prevent abuse.

We—that is, Senator BLAINE and I—have also asked in our minority report amendment of the resolution to allow the Public Utilities Commission to make its valuations of street-railway companies and all other public utilities in the District on the basis of the prudent investment theory. You may not know it, but when the commission to-day sets out to find what a public-utility company is worth for rate-making purposes, if it is in doubt about the elements of value to be considered, it must ask the District Supreme Court to give some instructions. That is the law. No other State in the Union has such an incongruous law.

As a matter of practical fact, the commission does not admit having any doubt about the elements of value in most instances, but completes its valuation. On this valuation it may fix rates.

In the past, on completion of a valuation by the commission, the figure would be disputed by the utility company, and the matter would be thrown into court. Then the court would set a valuation of the company's property, and the commission's work would go out the window.

The minority has suggested an amendment that will end the present stupid valuation procedure, and will also make the commission's findings of fact not subject to overthrow by the courts.

This is only fair, and does not take from the court any right that the court should have.

There is one other amendment on which the minority insists. That is that Congress will always have the right to repeal the merger resolution or any charter or certificate of incorporation made thereunder, and also that any franchise rights created by the resolution shall terminate after one year following the repeal of the resolution. We need this amendment to keep the street-car and bus systems of the District under proper public control. If we must have a merger in the District, the straphangers should not be asked to pay more than their fair share for the benefits they may get from it.

PAYMENT OF VETERANS' ADJUSTED CERTIFICATES

Mr. FLETCHER. Mr. President, I ask leave to have printed in the RECORD an editorial from the Miami (Fla.) Herald of the 15th instant relative to veterans' adjusted-compensation certificates.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Miami (Fla.) Herald, Friday, April 15, 1932]

A PREMATURE DEMAND

Tremendous pressure is being brought to bear upon the members of the Ways and Means Committee of the House of Representatives to report favorably a bill paying the veterans of the World War the bonus that was granted them shortly after the close of the struggle.

The adjusted compensation accorded to veterans amounted to $1 per day of service in this country and $1.25 per day for service abroad. The limit for each class of veterans, respectively, was $500 and $625. Instead of paying the cash, which the Government was not able to do at the time, Congress added 25 per cent to each veteran's allowance and used that fund to purchase for him a 20-year insurance policy. Congress afterwards made provision by which the veterans could borrow 50 per cent of the face value of their certificates.

Many veterans took advantage of that provision, and now there is a great demand on the part of certain veterans' organizations that the whole amount, not due, however, until 1945, shall be paid at this time. To meet that demand the Government will be obliged to raise $2,400,000,000.

The touching plea is made that the veterans are in dire need of the money, that many, with their families, are hungry and suffering, and that the payment at this time will relieve an incalculable amount of distress.

There is not a person in this country who does not want to see the veteran fully recompensed for his services to his country. If it were possible, the country would be glad if the payment should be made now.

But Congress is struggling to balance the country's Budget, and is finding great trouble in discovering means by which the necessary money can be raised. The credit of the Nation is in peril and the country will be discredited if the Budget is not balanced.

An added burden of $2,000,000,000 would make the balancing of the Budget an impossibility.

Supporters of the movement before the committee are proposing that the veterans be paid not by a bond issue but by the issuance of currency to the amount of the immense claim. This, they say, would not only relieve the veterans but would also put an end to the deflation from which the country is suffering, and that the distribution in small amounts to every town and hamlet where the veterans now live would bring about an immediate revival of business.

All of which, perhaps, is true, but in issuing billions of fiat money the Government will be plunging into greater difficulties than now present themselves.

To set the printing presses at work grinding out money is a dangerous proceeding and has brought disaster to every country that has ever tried it. This country has repeatedly refused to follow any such policy.

It is pointed out that the immediate effect of responding to the present demands of the veterans would be to depreciate the value

of the dollar to a disastrous degree. The present gold reserve against currency circulation amounts to 45 per cent coverage. If Treasury notes to meet the $2,000,000,000 demand were issued, the coverage would only be 6.7 per cent.

The effect of that would be to depreciate the value of the dollar all over the world, directly lower the credit of the Government, and would so inflate prices that the dollar would lose its value as a medium in international trade. All of which would be practical bankruptcy.

There are grave fears that the Committee on Ways and Means in the House will report the bill favorably and that the House, under the extraordinary pressure being brought to bear upon it, will pass the bill. However, it will have to run the gantlet of the Senate and, undoubtedly, meet a presidential veto.

The country at large should let Congress know that it is opposed to this proposition, in spite of its earnest desire that at the proper time the veterans shall receive all that a grateful country can award them for their service.

PRESIDENTIAL CANDIDACY OF HON. JOSEPH IRWIN FRANCE

Mr. WHEELER. Mr. President, by request, I ask leave to have printed in the RECORD the remarks of Hon. Joseph Irwin France, ex-Senator from Maryland, at the meeting opening his presidential campaign at his home, Mount Ararat Farms, Port Deposit, Md., July 11, 1931.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

It is a worthy tradition, too often violated in these days of decadent politics, that no man should be permitted either to seek or to refuse the highest office in the gift of this Republic.

If there were any permanent reward for earthly glory any man might be excused for a consuming ambition to have his name recorded as one who had occupied this office. But the brief annals of this Republic bear testimony that no man is revered or even long remembered merely because he has been President of the United States. Is George Washington remembered because he was once the President? Is Jefferson, John Adams, John Quincy Adams, or Abraham Lincoln? The glory of John Quincy Adams is not that he was President but that, after he retired from the presidential office, he accepted an election to the House of Representatives, where, through 10 momentous years, against apostates from the faith and repudiators of the covenant, he waged valiant battle in defense of constitutional principles; for the "unalienable right" of the sovereign people to petition their Government. And, then, forspent in the service of God and liberty, upon the floor of that House, with the words, "It is the last of earth. I am content," he died, an immortal. No office added luster to these names. Rather these men, by their words and works, shed glory upon their offices and remain forever a priceless heritage of the Republic. We may not hope to reach the stature of these illustrious ones, but it is the high privilege of every one of us to stand steadfast with these, in absolute fidelity to the principles of the Republic.

My only ambition is to be a defender of the covenant, to prove faithful to this Nation which is the expression of truth and the will of God in an institution of human government.

CANDIDACY OF PRINCIPLES

In a spiritual sense, I am not presenting, advocating, nor seeking to advance a mere personal candidacy. I offer myself as an instrument through whom there shall be presented to the people of these United States, for reelection, those principles of the moral order which are the substance of our Government.

THE AMERICAN SYSTEM

For centuries mankind accepted the doctrine of the divine right of kings to exercise sovereignty without the consent of the governed. Thus any liberty granted the subject people was a gracious concession by the monarch and not a right inherent, unalienable, bestowed by God. This doctrine of divine right of kings led to the system of imperialism and militarism and the assertion of imperial power by war. The world was in arms not to defend but to deny to mankind their unalienable rights. Force, not justice, ruled.

No single nation was guilty of causing the last terrible conflict which has all but wrecked the world. It was the inevitable culmination of centuries of that imperialistic militarism, which is a defiance of the moral order. This war was not a war of nation against nation only. It was a war of nations against the moral government of God. In such a conflict there could be no victor. All must suffer a terrible defeat and pay most grevious penalties.

The American system rests upon the truth that the only sovereign over man is the Creator, that men are endowed by their Creator with the unalienable rights of self-sovereignty and liberty; that government is but the agent and instrument of the sovereign people, whose power is absolute subject only to constitutions which prevent the invasion of unalienable rights. Holding that neither one government nor all governments combined may invade the unalienable rights of men, the American system of diplomacy may not be party to or approve treaties or agreements which are an invasion of such rights. The American system posits the great truth that the rights of men are paramount to the rights of government.

FIDELITY TO PRINCIPLE

All true and informed Americans believe that the American system provides an infallible instrument of precision, effective and beneficent, by which the conduct of individuals and the course of nations may be directed with exactitude toward proper ends and worthy destinies.

Prosperity, tranquillity, safety, concord, the general welfare, technical and spiritual peace, national order, and orderly international concert are the legitimate consequences of a course plotted in implicit obedience to this chart of moral government.

There has not been for several decades a public man in these United States who would dare question these self-evident truths. Yet, to-day, the whole American system is in peril because while public men pay lip service to these declarations they have transgressed them in their legislation and repudiated them in their diplomacy. There does not exist any statesman or any collection of statesmen whose single or combined intellects could plot a safe and proper course in such a world storm as we have experienced since 1914 without recourse to such an instrument of precision as is to be found in the American system. This Nation and the world have drifted to this perilous position because our statesmen, self-sufficient in small opinion, have been apostate from these truths, repudiators of these principles. They became too practical to be moral. The only outstanding statesman of the period, Woodrow Wilson, declared for these principles at the outbreak of Europe's war. He reaffirmed them during its course, but upon our entrance into the war he consented to their abandonment. Toward the close of the war, in his plea for a just and merciful peace, he reaffirmed them. But again, in Europe under the influence of the statesmen of the empires, he once more abandoned them.

No American statesman can formulate or put into operation any rational, consistent, comprehensive, constructive policy or formulate a worthy diplomacy without an absolute fidelity and obedience at every time, in every crisis, to these great principles.

ERA OF REPUDIATION

It is impossible, in my brief time, to trace the continuous repudiation of the vital principles of our American system during these recent years of stress. It is enough to state that during the war, largely under the domination of foreign influences, we abandoned democracy and established a virtual autocracy. In violation of the very fundamental principles of sovereignty of the people, alien-hearted leaders and those alienated by them from fidelity to the Constitution, enacted the espionage act, a tyrannical measure, which was a flagrant violation of our Bill of Rights. Perhaps no single act in our history ever struck a more deadly blow against our institutions. It subverted our system. It ended free discussion, intimidated the sovereign people, stripped them of their sovereignty and transferred the sovereignty from the people and the States to the Government at Washington. The Federal Government, made immune from criticism, then embarked upon ill-considered policies of radical socialism and there was created a swollen and inefficient socialistic bureaucracy. The leaders established dictatorships, meddled with industry, muddled with price fixing, tampered with the normal operation of natural economic law, and flagrantly violated supreme Federal law. They commandeered railroads, sought to seize the telegraph wires and cables, and attempted to set up censorship of the press.

The inevitable result of this departure from the established principles of our Government was a loss by this Republic of a measure of confidence and respect at home and diminished prestige before the nations of the world. This period of unconstitutional action is the source of our domestic strife and is responsible for the prolongation of the world's disorganization. The full and effective application of the doctrines of the American system, through wise conservative, constructive diplomacy, would have averted a peace pact of vengeance and violence and the resultant period of destructive "war after war." It would have achieved through gentle persistency international reconciliation and the establishment of an effective international cooperation and concert for the more prompt rehabilitation of the world.

THE NATIONAL CRISIS

We face a grave political crisis. Our decision now concerning national problems and international relationships shall determine whether we shall rush recklessly on upon our present course to the unknown and uncomputed perils of a continued disregard for principles, for the Constitution, and for laws; whether we shall adopt political opportunism as a permanent policy; whether we shall accept that sinister philosophy that the end justifies the means; or whether we shall turn with loathing from these political husks, fit only for swine, and go back to our home, back to the faith of our fathers, back to the reacceptance and reaffirmation of the great principles of liberty which, so long as they be not disregarded by the people, by the legislatures, and by the courts, will insure to ourselves and to our sons and, with the passage of the years, to all men everywhere, the unspeakable blessings of freedom.

I shall attempt to suggest some of the policies which must be adopted for the revival and restoration of the American system at home and for its beneficent operation for reconciliation between the nations, for world rehabilitation, prosperity, and enduring peace.

RESTORE THE REPUBLIC

There must be a restoration of the Republic, with its sovereign people secure in their "unalienable rights," with the several States secure and integral in the sovereignty delegated to them by the people, and with the Federal Government strong in its delegated, but strictly limited powers, and with its three coordinate branches—legislative, executive, and judicial—freed from the recent tendency toward encroachment of one upon the other, against which George Washington warned us. This is the "form

and substance" of government which preserves liberty by a limitation of powers and a division of function and authority, preventing that consolidation of powers in one office which constitutes despotism.

LET LEGISLATORS LEGISLATE

We should condemn, as tending to subvert our Government, the vicious practice by which legislation has been drafted in the executive departments and then forced by means of threats, intimidation, or other methods of coercion by the Executive upon the legislative branch of the Government, which should represent the people. We hold that in a free government legislation must originate with and arise from the people, rather than with a powerful and perhaps autocratic Executive, to be imposed, through the power of patronage, upon the people.

There must be an end to that disrespect of the legislative branch of our Government which was fostered by the arbitrary Executive department during the war. The people of the United States should realize that the American system rests upon faith in the ultimate wisdom of the people and the legislators who represent them. More wisdom will be found in the combined minds of the legislative body than in the single mind of the Chief Executive. Grave injury was done our country when the Executive, in a spirit of encroachment, taught the people to distrust Congress and look to the President. The people must direct the legislative, and the legislative must, in proper measure, direct the Executive. Let us not move in the direction of monarchy and tyranny. Dictators are always incompetent and usually corrupt.

CURB EXECUTIVE POWER

We must contemplate, with a deep concern for the safety of our country and a high determination and resolve to resist to the uttermost, the recent enormous growth of Executive power, tending toward tyranny. We pledge ourselves to oppose the election to high office of any man, of whatever party, who would advocate measures the tendency of which would be to enhance or to buttress Executive authority.

I believe it should be the duty of the President to sign bills passed by the Congress and that the President should not exercise his power of veto upon legislation except upon constitutional grounds. Congress should never pass unsound measures hoping for a presidential veto. Its Members must resist temporary popular clamor for unsound measures. I believe, moreover, that no President should turn aside from his high and responsible duties to manipulate politics for his own renomination by appointing chairmen of party committees, and seeking to be dictator of his party organization. Party organizations should be free to approve or condemn a President, who should never seek to be the master, but be content to be the servant of his party.

REPEAL AUTOCRATIC STATUTES

We demand the careful study and revision or repeal of all statutes which have lodged with executive officials large discretionary powers, and further demand the immediate termination of personal and arbitrary government, government by commissions issuing edicts and promulgating regulations, as distinguished from government by clear and definite statutes enacted by the Congress under powers clearly granted by our Constitution; statutes in harmony with the letter and spirit of our institutions, to be enforced impartially against all offenders, rich and poor, alike.

END SPY SYSTEM

We demand an end to the taxing of the people for the payment of swarms of Federal spies, agents, and special officers, who may become parasites, blackmailers, sappers of political morality, a menace to liberty.

The present practice of Government spies acting as agents to provoke crime is repugnant to free institutions. It is the instrument of tyranny.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

We demand economy and efficiency in all governmental departments as a step in the direction of a rehabilitation of our national finance. But we hold that economy and efficiency can not be secured without a thorough, drastic reorganization of the executive departments, with such a retrenchment of expenditures as is not now contemplated. In the executive branch of the Government the reduplication of work, competition and conflicts between departments, bureaus, and divisions, the overlapping of functions, and the unscientific divisions of authority are not only preventing prompt executive action but they are enormously increasing that extravagance and waste which are becoming so notorious and scandalous. This deplorable lack of a rational organization of the executive branch of the Government was aggravated by the war, and it has resulted during the last decade in the wastage of many millions of dollars of the people's money. Our vast lump-sum appropriations, the making of which is a vicious practice, tending toward wastage and the augmentation of executive power, have brought about further demoralization in the executive departments.

GOVERNMENT OWNERSHIP

We should stand opposed to every measure which takes sovereign power from the people and transfers it permanently to government. Progressives as to purpose should be conservative as to method. Otherwise they may lose when they seek to gain and regress when they would progress. I stand unalterably opposed to every form of Federal government ownership.

ECONOMY AND TAXATION

Increase in cost of Government carries with it decrease of liberty. As governments become expensive, they become oppressive. Reduce your taxes and you will increase your liberty. Give the bureaucrats all the appropriations they demand and they will transform your government into a bureaucratic monster which will be your master. An administration, thoroughly devoted to the American system of a Federal government of strictly limited powers, could have reduced our last Budget by about $1,000,000,000, simplified governmental operation, increased its efficiency, and restored a large measure of our liberty.

RAILROADS

Our railroads constitute at once the principal arteries of our national life and the chief foundation of our financial structure. The railroads' problem is a vital one. They require public support and every possible consideration by the Interstate Commerce Commission. The growing competition by other means of transportation has already reached severe proportions. Every reasonable latitude should be given to the railroads in whatever proper efforts they may make to organize all agencies of transport into a unified and effective system. When occasion may arise I shall discuss this problem more in detail.

THE SHERMAN LAW

I believe that there should be reasonable modifications of the Sherman antitrust law to permit proper and moral cooperation in the industrial field. Certainly there are industries, such as that of oil, where ruthless competition is hastening the exhaustion of a limited and vitally important natural resource. We hope that we have entered upon a new era of cooperation—industrial, commercial, and international. To attempt to restore ruinous competition in the field of railroads and public utilities would be reactionary and ridiculous. Private ownership with reasonable but not too burdensome regulations is in harmony with the trend of events. Punishment for the least collusion for the exploitation of the people should be swift and severe. But cooperation under proper regulation is in the interest of capital, labor, and consumer.

THE TARIFF

Commerce between nations must always partake of the nature of barter or the payment for goods with goods. The nation which will not buy may not sell. Tariff walls have blocked the normal movements of international commerce. Both of the major American parties stood in the last campaign for a reasonable protective tariff to equalize the cost of production, due largely to a difference in wage here and abroad. But a prohibitive tariff is destructive, and many of the schedules in the present law are unreasonable and require revision.

Not only have we by this measure checked imports beyond the safety point, but while we were asking the nations to pay their debt, interest, and obligations to us, we have in certain instances absolutely prohibited importations, as in the case of wines from France. Moreover, we have placed heavy burdens of taxation upon our people to put our Government into the shipping business, thus reducing the power of England, France, and Germany to pay us with services of ocean transportation for our passengers and freight. We conduct the shipping business at a loss, to prevent them making a profit. I believe that this policy of thus curtailing this import of shipping service by the debtor nations is unprofitable to us and unjust to them. We enter a highly competitive field, losing money ourselves and reducing the general profits of the whole shipping industry to a point which is unfavorable to efficient service.

EIGHTEENTH AMENDMENT

The same men, the Judiciary Committee of the Senate, who recommended and insisted upon the iniquitous espionage act, after strengthening that act in 1918, brought forward the resolution providing for the submission of the eighteenth amendment.

This is no time for discussion of the nature, constitutionality, expediency, results, or methods used for the adoption of the eighteenth amendment. I stand for the immediate repeal of the eighteenth amendment.

The question of prohibition, local or national, is not essentially or finally involved in the question of this amendment. Repeal it and the sovereign people of these United States, with their full constitutional sovereignty restored, will possess the power, under the orderly constitutional processes of local, State, or Federal legislative action, to deal with the question of prohibition as they shall decide. There is hence no moral question involved in the eighteenth amendment except the question as to whether the principles of popular sovereignty under the original Constitution are moral; whether the people are morally qualified for self-government; whether government by government or the self-sovereignty of men, through the instrumentality of constitutional government, is in conformity with universal moral law.

The argument presented before the Supreme Court that the eighteenth amendment is not an amendment but a statute enacted by a new, unconstitutional, and perilous method of legislation remains unanswered and is unanswerable. The eighteenth amendment is not an alteration of the framework of government, reallocating power, changing the method by which the sovereign will of the people may be exercised. It is an extinction of the people's sovereign power. It is the first step, by constitutional change, in the direction of the destruction of constitutional popular sovereignty.

THE WORLD WAR

There are but few who have any conception of the magnitude of the world crisis and its cause. Most commentators hold that in the autumn of 1929 we entered upon one of those periods of recession and depression which seem to follow regularly upon a period of expansion and prosperity. This is not true. Since the outbreak of the European war the world has been progressing steadily in the direction of bankruptcy and economic disintegration. The conditions throughout the world have been growing steadily worse since the armistice was signed. The period of relative prosperity and advancing stock prices which we witnessed here from 1924 to 1929 obscured our vision as to the true situation.

We have witnessed the first World War, the first modern war, I believe, that our just God must judge a transgression with due consideration for the period and circumstances of its commitment. That which might be judged but a serious sin at the very dawn of the age of reason becomes a monstrous crime in the full noontide of man's enlightenment.

The World War was hence the most monstrous and universal transgression of history. It was necessary for this Nation to enter the war to end a situation which violated all law and imperiled all government.

But, it seems, the transgression by war was not enough. The agonized peoples longed for peace. But the assembled governments adopted a policy which has given us 12 years of "war after the war," and this has probably cost more misery, wrought more ruin, and destroyed more lives than the years of actual combat. Can this "war after the war" be ended before the whole economic structure of the world collapses?

After the armistice, as now, the supreme need was for genuine peace; the immediate liquidation of all prejudice and hatred, the renunciation of every policy of vengeance; an honorable confession of general guilt; contrite repentance; mutual forgiveness; true reconciliation; and the establishment of an effective international concert for the rehabilitation and lasting peace of the world. This involves painful sacrifices not only by the guilty but by those best able to bear such sacrifices. It involves a final renunciation of war, disarmament, and the liquidation or cancellation of the debts of nation to nation; the establishment of a new era of conservative, constructive internationalism.

This great upheavel of war may mark the culmination of the old dispensation of force and the dawn of the new age of reason, justice, righteousness.

THE WORLD DEFICIT

It is probable that the financial loss through war should be capitalized at more than one-half a thousand billions of dollars, a sum approximately five times the estimated pre-war wealth of the United States.

In 1912 the debts of the nations were forty-three billions. In 1921 they had mounted to four hundred billions. There was added by this increase in debt a fixed interest charge of about fifteen billions annually. Add to this another five billions for the care of the disabled and orphaned and two and one-half billions for increased expenditure for military purposes and we have an apparent increase of twenty-two and one-half billions in the world's annual expenditure. We might properly add to this deficit the sum of five billions representing the former annual production, at the rate of $500 each, of ten millions of men killed in war. Our apparent deficit is then twenty-seven and one-half billions annually.

In order to meet these increased annual expenses and losses it would be necessary for the world to produce all that it produced before the war and then, in addition, an amount three times the annual value of all the products of American farms in the pre-war years. No sane man can contend that postwar production has yet approximated that of the pre-war period, if he surveys conditions in Europe, particularly in England, Germany, and Russia. It was demonstrated by the mathematical reasoning of the best economists that pre-war production could not be restored without a comprehensive and constructive plan for world-wide rehabilitation. It was proven that the debts of nation to nation would disorganize, if it did not paralyze, the normal functioning of international trade. Is it strange that the world fiscal situation should be marked by repeated crises of economic distress, political unrest, and actual revolution? An all but bankrupt world is now spending $5,000,000,000 annually for armaments while there are about 15,000,000 of unemployed involving an additional loss at the rate of at least seven and a half billion dollars annually, a loss in these two items at the rate of twelve and a half millions yearly, or in excess of $333,000,000 each day. Russia is in default on her debt and, without vast credits from abroad, any kind of government there must have been in default as the war had exhausted her liquid capital. The debt of France rose to about 72 per cent of her pre-war wealth. The debt of England reached about 50 per cent of her pre-war wealth, and England has only been able to meet her obligations by burdens and sacrifices which would have crushed a less heroic people. Her annual losses, as a result of the war debts and postwar unemployment, are staggering and are being met by ruinous capital levies upon the estates of the living and the dead. The annual reparations, at first assessed against Germany, exceeded her total pre-war income and would have impoverished a nation as rich as the United States.

GERMANY

The attempt of a coalition of governments to extort the whole cost of the war from Germany by the virtual enslavement of her people and the cynical and cruel policy of "letting the Russians stew in their own juice" constitute two of the monstrous immoralities of this "war after the war." The resulting chaos and agony past, present, and to come must be charged to and paid for, perhaps even yet more dearly, by the allied governments. We, who expected immunity, from every economic penalty for the world's transgression, have begun to suffer here. In this lies the only hope for a comprehensive plan for world restoration.

At the close of the war one farsighted commentator said that Germany was the outpost against communism and that, to save capitalism, the capitalists of the world must go to her rescue. Germany performed her functions and achieved her pre-war importance only by a national organization of incredible efficiency. The war destroyed this organization. The German leaders, after the war, urged upon the German people the policy of "fulfillment," because they hoped that, when the hatreds of war had subsided, the common sense and interests of the world would compel the conviction that to enslave and destroy Germany would be to invite general ruin. They thus displayed a commendable faith in the moral order and in the essential moral nature of all peoples. While dawning reason has brought some scant appreciation of Germany's peril and some grudging reduction in the impossible and cruel reparations, public men have not yet had the honesty and courage to face and acknowledge the terrible plight of the German people. She has met her public payments by huge private borrowings and the end of this is in sight. There is not the slightest indication, in her trade balances, of the least hope that, when she can no longer thus borrow, she will be able to meet her reparation obligations.

Exclusive of all direct reparation payments, Germany's losses and payments have already been colossal. The losses in capital and of her capitalists have been enormous. Her loss of ships amounted to, perhaps, $6,000,000,000. Her African colonies alone, embracing an area one-third that of the United States, represented a value of some $25,000,000,000. Her colonies, other than African, covered 94,200 square miles. These colonies, in the main, most constructively administered, afforded an important overflow area for her pressing population and her products and she was actively extending civilization among the backward peoples. Her loss of upper Silesia was serious. The loss of her foreign investments, the prostration of Russia, her best customer, the disorganization of her industries, the intensified competition against her merchant marine, have all involved huge collateral losses. Had she retained her empire, Germany might, in time, have been in a position to earn and pay a moderate reparation, but now there seems to be no possibility of her doing so.

THE PROPOSED MORATORIUM

The President is to be congratulated upon making a move toward even a temporary moratorium in reparation and debt interest payments.

One of my purposes in entering this contest was to urge the immediate and imperative necessity for steps to avert the world disaster which was threatened by the impending collapse of Germany's economic life. It is particularly gratifying that the President has acted after all hope of any such action by him had been practically abandoned by those who, during the years through which he was Secretary of Commerce and during his term as President, have realized the conditions and have been pleading for some policy which would relieve the desperate plight of Germany and Europe. From January, 1919, for nearly four years, especially during the Harding administration, I was urging upon the Senate, the President, and certain members of the Cabinet, the necessity for a comprehensive plan looking to the reduction or liquidation of the punitive reparations and the debts of nation to nation.

If the proposed moratorium is a measure of expediency for mere temporary relief it can not be productive of permanent good and it may be followed by unfortunate consequences. By giving a false sense of security it might encourage an unjustified optimism which could result in a sudden revival of speculation and productive activity which would be builded upon insecure foundations. It has been apparent, since the armistice, that there must be a final settlement of this whole question. The debts of nation to nation must ultimately be charged off to profit and loss. It should be done as promptly as possible but such cancellation must be conditioned upon full disarmament and the establishment of a new order of international relationships through such concert as would insure prosperity and permanent peace.

If this move of the President is part of a comprehensive plan for international concert, it marks a great step forward in human history.

But such a comprehensive plan must, I repeat, express sound principles of moral action. The moral law is as absolute as the mathematical. Nations whose course is directed only by sudden inspiration and unsupported opinion are as certain to be wrecked as ships navigated without mathematics and the stars.

RUSSIA

It must be evident, in view of the enormous increase in the world's deficit, that there must be a commensurate increment to the world's income. This can be had only by an increase in wealth production in the hitherto relatively backward and unproductive countries. The most important of these are China, Africa, India, and Russia. The Chinese situation is complicated. India is yet difficult. The unfoldment of Africa, with her primitive peoples, must be slow. The conclusion, then, is unescapable that Russia, the possessor of the world's greatest store of natural resources, must perform a most important part in the restoration of the world to solvency. The effective cooperation between Russia, with her stupendous undeveloped resources, and the United

States, with her progressive and moral political system, her natural wealth, her huge industrial productive capacity, and her available liquid capital, would result in a swift advance of both these countries and the inauguration of a new era of prosperity throughout the world.

Certainly there can be no return of the world to prosperity, or even to relative solvency, while Russia is prostrated, isolated, and not performing her normal function as the largest, most central, and absolutely indispensable organ in the world economy.

The attempt of her people to upbuild Russia under the pressure of the 5-year plan, involving as it does nameless sacrifices of comfort, health, and life, constitutes an epic in heroism unsurpassed in the annals of mankind. Russia has been suffering from famine for 10 terrible years. Yet, although she even now might properly be importing grain, her people, denied sufficient bread, consent to grain exports in order that there may be purchased the goods and machinery for the country's modernization.

Russia desperately needs not only horses and cattle but foodstuffs, fertilizer, agricultural implements, tractors, builders' supplies, electrical machinery, telephones, machines, tools, road-building equipment, business machines, typewriters, automobiles, trucks, steel, cars, locomotives, cotton and wool, boots and shoes, and countless other commodities.

Economists have held that the recent marvelous financial and industrial development of the United States has been due to the establishment of the huge new automobile industry, which has been a fresh creator of national wealth. New wealth creates more new wealth. What a tremendous impetus would be given to world economy by throwing the wealth of Russia into gear with the world's financial mechanism. If she should begin to buy on a scale commensurate with her resources the world-wide problem of unemployment would be solved. Industry would spring into life and the foundation would be established for a sound prosperity. Such an economic revival would prove the wisdom of a sincere spiritual reconciliation and a peace based upon moral law.

I have never favored nor do I now favor the recognition of Russia in advance of mutually satisfactory settlements of all moral and financial questions at difference between the two countries. To recognize Russia before reaching satisfactory agreements would work injury to the cause of normal moral international relationships. To refuse all discussions with Russia is a violation of the sound principles of American diplomacy as established when George Washington was President and Thomas Jefferson Secretary of State. And Russia remains the major factor in the problem of reconstruction.

OVERPRODUCTION FALLACY

What solution can the principle of "unalienable rights" and the moral law offer for the problem of overproduction and unemployment? Some are questioning the validity of moral law. To work, to produce, is moral. But there seems to be a limitation and penalty upon such moral action if man's industry is to result in overproduction, unemployment, and distress.

Cecil Rhodes uttered profound truth when he declared, "Civilization is goods." I suggest that there may be a law by which overindustrialization is designed to extend the boundaries of civilization. As nations conform to moral law, they become civilized, organized, and overindustrialized. There has been, hence, a severe competition between the advanced nations for markets in which to sell their surplus goods. Under a proper world organization, through an international concert, it would become evident that the nations should not ruthlessly compete for existent markets, but that they should cooperate for the development of new markets, not only in the interest of trade, but in compliance with their duty to extend the dominion of religion and civilization. A new realization, by the advanced nations, that all of the aboriginal and backward peoples of the earth should be considered as wards, under their tutelage and stewardship, would bring about a complete change in the world's economic life. The work of the missionary would then be supplemented by the engineer, the exporter, the importer. The spread of civilization would progress rapidly and systematically. The moral and the commercial, never separable, would be consciously united. We have mechanical engineers for production; we need moral engineers for effective, profitable distribution of the goods necessary for the development of world-wide civilization.

Is it moral to limit production with more than a billion of mankind, two-thirds of the race, hungry, half naked, destitute of decent domiciles, medicines, schools, books, the ideals, and the goods which embody the ideals, of civilization. My plan for a concert of nations provides: For "the laws of partnership and cotenancy among the nations; and, as between States and their respective colonies, protectorates, and dependencies, the analogies of the laws of conservatorship, guardianship, and trusteeship; methods for the advancement of the peoples of colonies; to promote cooperation among the more advanced nations for the improvement and advancement of the backward countries and territories, particularly those of Africa and parts of Asia, by the formulation of plan for the reclamation of waste land, for the utilization of natural resources, including water powers, for wise colonization, for the promotion of education and the spread of civilization throughout the world."

WHEAT MARKETS

There is no overproduction, but a world-wide shortage of food and goods. The underconsumption of foodstuffs is not only alarming from the standpoint of the health of peoples, but the widespread hunger is a menace to the stability of all government.

Even in the United States a year of business depression, like 1920, reduces our consumption of wheat by 250,000,000 bushels. With grain prices demoralized there is a critical shortage of foodstuffs in the world. E. M. East estimates that, as it requires 2½ acres to support each individual, 37,000,000 of additional acres must be added to the world's cultivated area to take care of each year's addition to the world's population. This would mean an increase, for the 16 years, since the war began, of about 592,000,000 of acres to take care of normal population growth. There has been no such vast additional acreage, or any substantial fraction of it, thrown into cultivation during this period. So the actual famine in China and Russia, the acute hunger in Germany, and the serious undernourishment of other peoples are not difficult to explain. The disorganized world finances cause an impoverishing plethora of food and goods in one place while desperate needs prevails in another.

With at least 15,000,000 of men unemployed the world-wide curtailment of grain consumption reaches an enormous figure. In Germany even the employed are not able to buy sufficient food. Russia is dumping wheat because of her desperate need for current funds. Her grain production is at least 20 per cent, probably much more, below her pre-war production. There is great suffering from hunger in Russia and an almost unlimited internal demand for food.

In 1920, when I was a member of the Committee on Agriculture of the Senate, we had this same problem of demoralized grain prices, and I advocated then an international financial plan for selling the grain to the countries where hunger was most acute. Whenever food prices are demoralized it is safe to say that millions more have been added to the hundreds of millions of mankind who are never free from the gnawing pangs of hunger.

DISARMAMENT

I have said that the American system stands opposed to militarism. Armaments do not protect against but rather invite aggression. We believe in the rule of reason and justice.

While it is true that the huge, unprecedented current appropriations of the United States for warlike purposes, $1,600,000,000, might seem to indicate that we have been persuaded to a permanent policy of European militarism, it shall not be so.

The men and women of America do not yet realize the extent of our warlike preparations and that America, destined by God to be a leader toward peace and justice, now stands forth by such huge expenditures as the advocate of those policies of brutality, hate, and war which have all but wrecked the world.

LEAGUE OF NATIONS

I was one of the "irreconcilable" Republicans who opposed the peace pact of Paris, with its oppressive, cruel, punitive provisions and its plan for a League of Nations. I am now opposed to our entrance into the League of Nations as constituted, because its purposes are alien to our own. Our membership in such a league would subordinate the principles of the American system of government to those of European systems. The League of Nations gave no pledge of an application of the American doctrine of "unalienable rights," and it established a new coalition of nations resting upon a final appeal to force. Our association in the League of Nations would have transgressed the principles expounded by George Washington. A sound American policy demands that we be neither implicated by "artificial ties" in the politics of Europe nor isolated from sympathetic, constructive cooperation and active benevolent friendship with it.

CONCERT OF NATIONS

With strict regard for the purposes and established diplomatic principles of our American system and, seeking a constructive application of them to the international situation at the close of the war, I was able to develop and propose an American measure as a substitute for the League of Nations. This was embodied in a resolution presented to the Senate on February 26, 1920. It provided for international cooperation, not like the League of Nations, for the preservation of territorial integrity and the status quo, but for the preservation of the integrity of inalienable rights, for the formulation of such a plan "for the advancement of justice, liberty, and the general welfare as would commend itself to the great liberal spirit of the age and the new enlightened conscience of mankind." This plan for a "concert of nations," which was to be voluntary, constructive, and effective, making its final appeal to justice, contains, with its collateral measures, a clear exposition of the international policy required to meet the post-war and the present political and economic situation. These measures express my conception of the function and mission of the American system of government, not only in the present crisis but as a constant factor in world advancement. Three fundamental requirements must be met by any plan for international cooperation which is to be acceptable to the United States: (1) It must be cooperation for the defense of "unalienable rights"; (2) it must be a voluntary association which does not make the United States a subordinate, constituent part of a supergovernment composed of nations with ideals and purposes alien to our own; (3) it must be a concert whose powers are advisory only, one which looks to disarmament and the abolishment of all recourse to force in the settlement of international disputes, and its aim must be the promotion of justice, liberty, peace, world progress.

The "concert of nations" which I propose would consider: The common and mutual interests and the social and economic relations of the states and peoples of the world as naturally and necessarily united for mutual aid and benefit; recommend such projects of uniformity and reciprocity in the action of states as

would enable them to cooperate for the general welfare; and formulate a body of international law based on the security of the rights of the individual as the prime function of all government.

It would be proper for this Republic to be the leader in the formation of such a voluntary world federation. In discussing the principles of federation, Madison declared: "America can claim the merit of making the discovery of the basis of unmixed and extensive republics." And, "Is it not the glory of the people of America that while they have paid a decent regard to the opinions of former times and other nations, they have not suffered a blind veneration for antiquity, for customs, or for names to overrule the suggestions of their own good sense, the knowledge of their own situation, and the lessons of their own experience? * * * They reared the fabrics of governments which have no model on the face of the globe. They formed the design of a great confederacy which it is incumbent on their successors to improve and perpetuate." It would ill become us here, where by the wise application of the principle of federation we have founded an empire of sovereign States, to deny the possibility of the extension of these principles to secure international cooperation for the liberation and elevation of all men everywhere.

Faithful to that sacred covenant made with the God of nations by our fathers when kneeling upon the bleak and inhospitable shore of this new, discovered continent, they dedicated this land to justice, to liberty, and to him, let us move forward summoning the world to a reconsecration to the law of love, reacceptation of the truth of brotherhood, to a larger application of the principles of federation.

By mild persistence, by gentle but insistent persuasion our American diplomacy should lead the nations to an enlightened, wise, healing, and upbuilding plan of international effort and concert for a new world order.

THE WORLD COURT

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution passed by Richard E. Bentley Post, No. 442, American Legion, of Horseheads, N. Y., favoring the adherence of the United States of America to the Permanent Court of International Justice, and a similar resolution from Captain Clarence R. Oliver Post, No. 145, of Elmira, N. Y.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolution on the World Court passed by Richard E. Bentley Post, No. 442, Horseheads, N. Y., the American Legion, department of New York, April 11, 1932

Resolved, That Richard E. Bentley Post, No. 442, of Horseheads, N. Y., favors adherence of the United States of America to the Permanent Court of International Justice, and that the chairman of the foreign relations committee of Chemung County be directed to ask the department headquarters to advise the members of the Committee on Foreign Relations of the United States Senate of the fact of our support of such adherence, and express to them our earnest desire that the three protocols of adherence transmitted to the Senate by President Hoover with his message of December 10, 1930, be favorably and promptly reported by the Committee on Foreign Relations, and duly ratified by the Senate.

Resolution on the World Court passed by Captain Clarence R. Oliver Post, No. 154, Elmira Heights, N. Y., the American Legion, department of New York, April 11, 1932

Resolved, That Captain Clarence R. Oliver Post, No. 154, of Elmira Heights, N. Y., favors adherence of the United States of America to the Permanent Court of International Justice, and that the chairman of the foreign relations committee of Chemung County be directed to ask the department headquarters to advise the members of the Committee on Foreign Relations of the United States Senate of the fact of our support of such adherence, and express to them our earnest desire that the three protocols of adherence transmitted to the Senate by President Hoover with his message of December 10, 1930, be favorably and promptly reported by the Committee on Foreign Relations, and duly ratified by the Senate.

ELIMINATION OF USELESS GOVERNMENTAL ACTIVITIES

Mr. LOGAN. Mr. President, I desire to introduce a bill providing for the reorganization, consolidation, and suspension of useless activities of the executive branch of the Federal Government. I ask that the bill may be printed in the RECORD for the information of Senators and that I may be allowed to make a brief statement at this time in explanation of the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Senator from Kentucky is recognized.

Mr. LOGAN. Mr. President, at the risk of repeating countless statements that have been heretofore made on the floor of the Senate, I believe that the explanation which I am about to make of the reasons for and the purposes of the bill I am introducing is necessary and desirable in order that Members of the Senate may be advised with respect thereto.

President, and later Chief Justice, Taft, was the first President within recent years to seriously consider the necessity of reorganization and consolidation of activities of the executive branch of the Government. During the first two years of his administration as President, Congress allowed him an aggregate of approximately $200,000 for investigation and study of the administrative business of the executive branch of the Government. He appointed a committee on economy and efficiency, composed of F. A. Cleveland, chairman, W. F. Willoughby, W. W. Warwick, Frank J. Goodnow, and M. O. Chance to make a study and report on the subject. Mr. Goodnow was the author of a standard work on administrative law in the United States and is a professor in Columbia University. W. F. Willoughby had served as a professor at Princeton University, auditor for Porto Rico, financial adviser to the Chinese Government, is now director of the Institute of Government Research, and is the author of numerous monographs and books on various activities or bureaus of the executive departments of the Government. Judge Warwick had been secretary to President Taft when he was a judge in Cleveland, Ohio; had served as a law clerk in the office of the former Comptroller of the Treasury, and later became Comptroller of the Treasury. When that office was abolished he served for a time with the Bureau of the Budget and is now general counsel to the Federal Employees' Compensation Commission. Mr. Chance afterwards became postmaster in Washington, and I understand has since retired from the Government service. Mr. Cleveland, the chairman, was an accomplished student of government. The monumental report of this commission was transmitted to the Congress by President Taft's messages of April 4, 1912; May 6, 1912; June 27, 1912; and February 26, 1913, and is published as House Documents Nos. 670, 732, 854, and 1113, Sixty-second Congress.

These reports which President Taft recommended for the favorable consideration of the Congress urged the establishment of the Bureau of the Budget, the consolidation of the offices of the former accounting officers of the Treasury into one office and their separation from the executive branch of the Government. They also urged a provision for the retirement of superannuated Government employees and various other reforms. No action was taken on these reports for a number of years, but in 1921 Congress finally approved the recommendation for the establishment of a Budget Bureau and the creation of an accounting system independent of the spending agency. This was done in the act of June 10, 1921 (42 Stat. 23, 27). Congress also provided a method of retirement of superannuated Government employees, and in 1926 it carried out a part of the recommendation with respect to traveling expenses of civilian employees in the subsistence expense act of 1926. It also consolidated the Revenue Cutter Service and the Life Saving Service into the Coast Guard.

The point which I desire to expressly stress at this time is that President Taft proceeded to have a careful study made of the executive branch of the Government by men who were thoroughly experienced in the administrative details of the Government. He submitted that report to Congress, and it took from 9 to 14 years to carry out some of his recommendations, and some have not been approved to this day.

During the war the Congress conferred on the President authority to make certain reorganizations and consolidations. Section 8 of the act of March 3, 1917, provided that—

> The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after such report shall have been made to him, wherever he finds such duplications to exist to abolish the same. Report of the action taken hereunder shall be made to Congress at its next regular session.

No action of any consequence was taken under this statute, and in the act of May 20, 1918 (40 Stat. 556), the President was authorized—

> To make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties, and powers hitherto by law conferred upon any executive department, commission, bureau, agency, office, or officer, in such manner as in his judgment shall seem best fitted to carry out the purposes of this act, and to this end is authorized to make such regulations and to issue such orders as he may deem necessary, which regulations and orders shall be in writing and shall be filed with the head of the department affected and constitute a public record.

This was a war measure, and its authority could be exercised only in matters relating thereto. Of course, a war period is no time to make a careful study of the activities and duplications of work in the Government departments, and little, if anything, was accomplished under the 1917 and 1918 acts. It is to be noted that most of the recommendations submitted by President Taft which were approved in statutes to carry them out were not approved until after the war period.

By a joint committee on reorganization created under the joint resolution of December 17, 1920, a committee consisting of representatives of the Senate and House was directed to make a survey of the administrative service of the Government for the purpose of securing all pertinent facts concerning their powers and duties, their distribution among the several executive departments, and their overlapping and duplication of authority. It was further made the duty of this committee to determine what redistribution of activities should be made among the several services, with a view to the proper correlation thereof, so that each department should embrace only services having close relation with each other and ministering directly to the primary purpose for which they were maintained and operated. This committee consisted of Senators REED SMOOT, J. W. Wadsworth, jr., and PAT HARRISON, on behalf of the Senate, and CARL E. MAPES, H. W. TEMPLE, and R. Walton Moore on behalf of the House of Representatives. By a joint resolution of May 5, 1921, the President was authorized to designate a representative to cooperate with the committee and to serve as chairman thereof.

President Harding furnished the committee with a chart of the executive branch of the Government and designated Walter F. Brown, now Postmaster General, and this committee submitted a report which was printed as House Document No. 356, Sixty-eighth Congress, first session, together with a draft of an omnibus bill to bring about what they considered to be the necessary reorganizations and consolidations. The bill was introduced in the House and a very thorough report thereon was made in House Document No. 937, Sixty-eighth Congress, first session; but, needless to say, the bill which this joint committee recommended did not become a law. It affected too many bureaus and interests which believed that the enactment of such a bill would be adverse to them.

During the Sixty-ninth Congress, first session, there was introduced H. R. 4770, to establish a board to be known as the reorganization board, consisting of two Members of the Senate, two Members of the House, and a person to be appointed by the President by and with the advice and consent of the Senate to make a study of the reorganizations and consolidations needed in the administrative branch of the Government to bring about greater economy and efficiency in the operation thereof. This bill provided that upon the recommendation of the board the President was authorized to make the transfers and consolidations as he might deem proper. There were hearings on January 15, 1926, on this bill before the Committee on Rules of the House; but this bill, too, died a-borning.

During the present Congress there have been introduced many bills for the reorganization of the Government service. Some of these bills have proposed to delegate the authority to the President, while others have proposed to bring about the reorganization by means of statutes. We have been from December to the middle of April, and nothing constructive has been done to accomplish any reorganizations or consolidations in the executive branch of the Government, and it is perfectly evident that under the present procedure nothing would be accomplished if Congress should remain in session from now until the end of time.

The executive business of the Government is intricate and highly specialized. It can not be expected that Members of the Senate or the House, or both, can be sufficiently familiar with all the details of that business to originate the question whether a particular service should be consolidated with another or suspended. Moreover, committees in Congress and Members of Congress are importuned on behalf of every interest which might be affected by any reorganization or consolidation bill, and I must frankly state that the employees of these activities, assisted in many cases by trade associations, are capable and do create considerable sentiment against any Senator or Representative who presses for enactment legislation affecting them. As I have stated, the result is that nothing is accomplished, while the appropriations continue to mount for the expansion of paternalistic activities of the Government and the invasion of the rights of both States and individuals.

During a period of some 20 years the Congress has consistently refused to confer authority on the President alone to make consolidations and reorganizations of the public service except in the 1917 and 1918 acts, which I have cited. Nothing was done under those acts because of the war and possibly because the pressure of the bureaucrats on the President was not less than their pressure on the Members of Congress.

The bill which I have introduced would establish a commission or board to actually make the consolidations and reorganizations necessary and to suspend duplicating or unnecessary activities. This board consists of the President, the Speaker of the House, minority leader of the Senate, the Comptroller General, and the Director of the Bureau of the Budget.

At least the Comptroller General and the Director of the Bureau of the Budget are familiar with the detailed activities of the various bureaus and branches of the executive departments of the Government. They know the cost of such activities and to a large extent their duplication. They have under them large forces to assist them in securing necessary data, and the board may call upon the administrative officers affected to make a showing as to why their activities should not be suspended, curtailed, or consolidated either within the department or with similar activities in some other department. We may thus expect the same thoroughness which marked the work of President Taft's Commission on Economy and Efficiency. Under this proposed bill there will be two members of the executive branch of the Government and of the Republican Party. However, there will be two members of the Democratic Party, and we may safely assume that the Comptroller General, who occupies a nonpartisan office, will not be swayed by any political consideration in determining what should be done. In effect, the bill provides for a nonpartisan board and authorizes that board by a majority vote to actually reorganize and consolidate the administrative business of the executive branch of the Government and to suspend any useless, unnecessary, or wasteful activity. Congress has reserved the right to change by law anything that this committee may do. The needs of the country are desperate, and desperate remedies must be applied to meet the situation.

There may arise a question as to the constitutionality of such a statute, but Congress has delegated legislative power to the Interstate Commerce Commission to fix railroad rates and to the Tariff Commission and the President for fixing tariff rates. I see no reason why under the present circumstances Congress may not delegate its authority to make the reorganizations in the executive branch of the Government.

Furthermore, when this report is made as required, on or before December 15, 1932, Congress may then enact a bill ratifying all that has been done or providing in the bill for such changes in the work accomplished by the commission as may be deemed necessary and proper.

My plan has at least the merit of providing an expeditious method of the reorganization and consolidation of the ac-

tivities of the executive branch of the Government. It also has the merit of authorizing the suspension of any activity except the ones named in the bill unless Congress should disapprove such action. It has the further merit of being nonpartisan and bringing to the task the same expert advice and assistance which President Taft had and which Congress has by piecemeal legislation largely adopted during the period of some 12 or more years.

The bill introduced by Mr. LOGAN (S. 4409) to provide for the reorganization and consolidation of the departments and independent establishments in the executive branch of the Government, and for other purposes, was read twice by its title, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That there is hereby created a committee on reorganization and consolidation of departments and independent establishments in the executive branch of the Government of the United States of America, herein and hereafter referred to as the committee, the membership of which by virtue of their respective offices shall be the President of the United States, the Speaker of the House of Representatives, the minority leader of the Senate, the Comptroller General of the United States, and the Director of the Bureau of the Budget. It shall be the duty of the committee to make such reorganizations and consolidations in the departments and independent establishments of the executive branch of the Government as a majority of the committee may deem necessary or expedient. It shall be the duty of the committee, and power is hereby conferred upon it so to do, to suspend, until the law shall otherwise direct, any useless duplication and/or unnecessary activities, in the judgment or discretion of the committee, now authorized by law; but nothing herein shall authorize any transfers or consolidations or diminution of the jurisdiction of the Interstate Commerce Commission, the General Accounting Office, the Federal Trade Commission, or the Federal Farm Board as now established by law. Nothing herein shall be construed to mean that the committee may not transfer to these four independent establishments, or any one or more of them, functions of existing agencies of the executive branch of the Government. The committee shall report in detail to the Seventy-second Congress not later than December 15, 1932, the reorganizations and consolidations effected by it and the activities suspended under authority herein conferred and the savings to the Government as the result thereof. The Congress reserves the right to disapprove by law whatever the committee may do under authority herein conferred.

ALABAMA SENATORIAL CONTEST

Mr. BRATTON. Mr. President, I desire to state that the Senator from Georgia [Mr. GEORGE] and myself have offered a resolution relating to the contest of Heflin against Bankhead, and a report from the Committee on Privileges and Elections relating to the same matter. The resolution and report have been presented to the Senate. Perhaps some agreement should be entered into now with respect to the time when the matter will be taken up for consideration by the Senate.

Mr. ROBINSON of Arkansas. Mr. President, for the convenience of Senators, I ask unanimous consent that on Thursday, after the conclusion of the morning business, if there be morning business, the Senate proceed to the consideration of the resolution, and of any amendment thereto that may be offered, in the contest case of Heflin against Bankhead.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Oregon?

Mr. ROBINSON of Arkansas. I yield to the Senator.

Mr. McNARY. I have conferred with the able Senator from Delaware [Mr. HASTINGS], and have considered the matter from the standpoint of legislation. The time suggested is perfectly agreeable, so far as I am able to decide the question myself.

Mr. ROBINSON of Arkansas. Of course, the matter is one of privilege, and, in the absence of a unanimous-consent agreement, could be proceeded with at the pleasure of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator rise on this question?

Mr. BLACK. I rose on that question. As I understood, unanimous consent was given to take up the matter on Thursday.

The VICE PRESIDENT. On Thursday, after the close of the routine morning business.

Mr. BLACK. I did not want to object. I simply wanted to concur in the desire that the matter be taken up as speedily as possible, and to express the regret that we could not consider it before that time.

Mr. BRATTON subsequently said: Mr. President, I ask unanimous consent, out of order, on behalf of the Senator from Georgia [Mr. GEORGE] and myself, to submit a resolution relating to the contest of J. Thomas Heflin against John H. Bankhead; also a report from the Committee on Privileges and Elections dealing with the same subject matter.

The PRESIDING OFFICER (Mr. FESS in the chair). The report will be received and printed.

PROPOSED COMMITTEE ON VETERANS' AFFAIRS—AMENDMENT OF THE RULES

The VICE PRESIDENT. Are there further bills or joint resolutions? If not, the introduction of concurrent and other resolutions is in order.

If there be no concurrent or other resolutions, the Chair lays before the Senate a motion coming over from a previous day, which will be stated.

The CHIEF CLERK. The Senator from Iowa [Mr. BROOKHART] on April 14 entered a motion to discharge the Committee on Rules from the further consideration of Senate Resolution 26, changing the name of the Committee on Pensions to the Committee on Veterans' Affairs, and defining its jurisdiction.

Mr. BROOKHART. Mr. President, I have agreed to let that matter go over until Wednesday morning, when I understand we will have a morning hour.

The VICE PRESIDENT. The motion will be passed over. The morning business is closed.

TAKING OF DEPOSITIONS UNDER WORLD WAR VETERANS' ACT

Mr. NORRIS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 929. That is a bill providing for the taking of depositions in cases against the United States by veterans of the World War under the compensation act. The bill was reported favorably from the Committee on the Judiciary, and then, at the request of the Senator from Utah and the Senator from Pennsylvania, was referred to the Finance Committee, which has since reported it.

Mr. ROBINSON of Arkansas. What is the calendar number of the bill?

Mr. NORRIS. It is Order of Business 498. I think it will take only a short time.

Mr. ROBINSON of Arkansas. I do not object.

The VICE PRESIDENT. Will the Senator from Nebraska please repeat his request?

Mr. NORRIS. I ask unanimous consent that the Senate proceed to the consideration of Senate bill 929, Order of Business No. 498.

Mr. McNARY. Mr. President, I recall that in a colloquy a few days ago the Senator from Pennsylvania [Mr. REED] let it be known that he was interested in this matter. I should dislike to consent to having it brought up at this time in his absence.

Mr. NORRIS. He was here just a moment ago.

Mr. McNARY. I have sent for him, and he will be here in just a moment.

Mr. NORRIS. I should like to have the Senator from Utah sent for, too, because they are the only two Members of the Senate that I have not converted, and it will not take me long to convert them if they are here.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. If the Senator will withhold his request for just a moment the two Senators who have been referred to will be able to reach the Chamber. Meanwhile I ask the Senator to yield to me for a unanimous-consent request. Will he withdraw his request for the moment?

Mr. NORRIS. I should dislike to have some other motion or request come up that would displace this one.

Mr. McNARY. If the Senator will lay aside for a moment his request for a unanimous-consent agreement, in order that I may make one with regard to the calendar, I am sure we can work out the problem.

Mr. NORRIS. Very well. I yield for that purpose.

THE CALENDAR

Mr. McNARY. Mr. President, a few days ago, when the Senate was considering the calendar under a unanimous-consent agreement to take up unobjected bills, we stopped at Order of Business 518, about the center of the calendar. I ask unanimous consent that when we enter upon the consideration of the calendar this morning we may start with Order of Business 518 and consider unobjected bills under Rule VIII.

Mr. ROBINSON of Arkansas. I have no objection to that request, assuming that it does not displace the request of the Senator from Nebraska.

Mr. NORRIS. That is the only interest I have in the matter.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Oregon?

Mr. NORRIS. With the understanding that my request will not be interfered with, I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

TAKING OF DEPOSITIONS UNDER WORLD WAR VETERANS' ACT

Mr. NORRIS. I renew my request, Mr. President.

The VICE PRESIDENT. The clerk will state the unanimous-consent request of the Senator from Nebraska.

The CHIEF CLERK. The Senator from Nebraska asks unanimous consent that the Senate proceed to the consideration of Order of Business 498, Senate bill 929, relating to the taking of depositions in cases arising under section 19 of the World War veterans' act, 1924, as amended.

The VICE PRESIDENT. Is there objection?

Mr. REED. Mr. President, reserving the right to object, I should like to inquire of the Senator from Nebraska whether he is willing to accept the amendments that were put on by the committee.

Mr. NORRIS. No, Mr. President; I am not willing to accept them; and, if the Senator will permit me, I am satisfied that when I have a few minutes to explain to the Senator from Pennsylvania and the Senator from Utah the objections to the principal amendment which the committee has proposed they will agree with me that the amendment should be rejected. If the Senator from Utah and the Senator from Pennsylvania would sit down and read the evidence that I am going to produce shortly, I should be almost willing to abide by their decision.

Mr. REED. Mr. President, I hoped that it would be possible to agree on a time for taking up this matter. The Senator from Utah and I have to go back to the Committee on Finance in a few minutes to work on the tax bill, and it is extremely inconvenient to go into the consideration of the evidence in a matter of this kind.

Mr. NORRIS. When would the Senator suggest?

Mr. REED. Some day later this week.

Mr. NORRIS. Mr. President, I desire to state to the Senator from Pennsylvania that while he was absent, I think, the Senate agreed to a unanimous-consent request to take up the election contest from Alabama on Thursday.

Mr. REED. May we say 2 o'clock next Wednesday?

Mr. NORRIS. Any time on Wednesday that the Senator will agree to will be agreeable to me.

Mr. REED. Wednesday of this week?

Mr. NORRIS. Yes; day after to-morrow.

Mr. REED. Would 4 o'clock be satisfactory?

Mr. NORRIS. I ask unanimous consent that at 4 o'clock on Wednesday of this week the Senate proceed to the consideration of this bill. If that is agreed to, I will withdraw my former request.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, there are pending a number of appropriation bills. The consideration of an election contest has been agreed upon, and there is a program heretofore arranged by the steering committee. I am curious to know how long this matter will probably take, and how far it will go to disarrange the present plans.

Mr. NORRIS. The Senator from Pennsylvania suggests that it will take an hour. I do not think it will take an hour. When I get through I think the Senator from Pennsylvania is going to agree to my proposition.

Mr. REED. I think an hour will be ample, and probably half an hour will be enough. We ought to be able to lay aside the unfinished business for that long.

Mr. McNARY. The Senator's request is that we lay it aside temporarily?

Mr. REED. Yes.

Mr. McNARY. That is all right. I have no objection to laying aside the unfinished business temporarily in order that we may take up this matter for consideration at 4 o'clock on Wednesday.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

SAMUEL C. DAVIS

The VICE PRESIDENT. The calendar is in order under the unanimous-consent agreement. The clerk will state the first bill on the calendar under the agreement heretofore made.

The first business on the calendar under the unanimous-consent agreement was the bill (S. 1705) for the relief of Samuel C. Davis, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$4,794.69" and insert "$4,725.32," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Samuel C. Davis the sum of $4,725.32, in full settlement of all claims against the Government arising out of a collision between the yacht *Whiz* and the United States Coast Guard plane *OL–5 No. 1* in the harbor of New London, Conn., on June 21, 1930.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE VIRGIN ISLANDS

Mr. McKELLAR. Mr. President, referring to the bill previous to the one that we have just passed, Order of Business 513, Senate bill 3950, I desire to offer an amendment to the bill and have it pending at this time. The bill has not yet been reached. I merely wish to have the amendment printed and pending.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

BILL PASSED OVER

The bill (H. R. 96) to punish the sending through the mails of certain threatening communications was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, this is a penal measure and appears to be of considerable importance. I see that the Senator from Tennessee [Mr. McKELLAR] reported the bill without amendment. May I ask for an explanation of its provisions?

Mr. McNARY. Mr. President, the Senator from Connecticut [Mr. BINGHAM] is very much interested in this bill. He has been called from the Chamber, and he desires to have it go over during his absence.

The VICE PRESIDENT. The bill will go over on objection of the Senator from Oregon.

FUTURE TRADING IN AGRICULTURAL PRODUCTS

The Senate proceeded to consider the joint resolution (S. J. Res. 108) to authorize and direct the Secretary of Agriculture to investigate the cost of maintaining the present system of future trading in agricultural products and to ascertain what classes of citizens bear such cost, which had

been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. ROBINSON of Arkansas. Mr. President, this is an important measure. I request the Senator from Kansas [Mr. CAPPER] to explain its provisions.

Mr. CAPPER. Mr. President, this is a consolidation of two joint resolutions—one introduced by myself as to the grain-futures market and another introduced by the Senator from Texas [Mr. SHEPPARD] as to cotton futures. It simply seeks information as to the operations of the future-trading division of the Department of Agriculture and does not entail an appropriation. The expense will be paid out of the appropriation that is available for the grain futures department. The farm organizations are very much interested in this resolution; they are anxious to have the information that we hope to have developed in this investigation. We had before our committee a representative of the Department of Agriculture, who assured us that the information could be had without any additional appropriation.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator from Kansas if the Department of Agriculture is engaged in future trading in agricultural products?

Mr. CAPPER. No, not at all; but it has supervision over future trading as conducted at the Chicago Grain Exchange and other grain markets.

Mr. ROBINSON of Arkansas. My question was prompted by a statement which the Senator from Kansas made.

Mr. McKELLAR. Mr. President, how can these investigations be made without additional appropriations? I wish the Senator would let the matter go over at this time and obtain a letter from the Department of Agriculture saying that no additional appropriations will be asked for in order to carry out the terms of the measure.

Mr. CAPPER. Did the Senator from Tennessee read the letter from the Secretary of Agriculture that is printed on page 2 of the report?

Mr. McKELLAR. No; I have not read it.

Mr. CAPPER. I call the Senator's attention to this statement of the Secretary of Agriculture:

> The cost of the proposed investigation is to be charged against funds appropriated for the enforcement of the grain futures act.

Then another paragraph which says:

> The information relative to trading in wheat futures could be obtained, I believe, through the agency of the Grain Futures Administration without additional funds, although it would require some readjustment in present plans. It might be necessary also to restrict the investigation in some particulars and to be content with less than a complete survey of all of the trading during the period specified.

The committee had before it the director of the grain-futures division; and when we inquired especially as to whether this investigation could be made without the appropriation of additional funds, we were assured that it could be done.

Mr. McKELLAR. Mr. President, if the Senator will yield, I would like to say to him that I wish he would have an unequivocal letter from the department saying that there will not be any further appropriations.

Mr. ROBINSON of Arkansas. Mr. President, may I call the Senator's attention to the fact that the Secretary of Agriculture makes that statement in his letter printed in the report under date of March 7, 1932. He says:

> The information relative to trading in wheat futures could be obtained, I believe, through the agency of the Grain Futures Administration without additional funds, although it would require some readjustment in present plans—

And so forth.

Mr. CAPPER. There would be no additional appropriation, according to the statement of the Secretary.

Mr. McKELLAR. That is rather an equivocal statement, at best. I will say to the Senator that as soon as a measure like this is passed, we usually get a special recommendation from the Bureau of the Budget stating that in order to carry out the terms of act No. so and so, whatever it is, it is recommended that there be appropriated so many dollars, and the Committee on Appropriations feels that it is duty bound to appropriate the money after the authorization is made therefor. That is why I would like to have an unequivocal statement from the department saying that it will not require any additional funds for this purpose.

The PRESIDENT pro tempore. The Chair understands the Senator from Tennessee to object?

Mr. ROBINSON of Arkansas. May I suggest to the Senator from Tennessee, inasmuch as I called for the explanation from the Senator from Kansas, that I am not prepared to say that the investigation should not proceed promptly, without regard to the question as to whether a small additional sum may be required to make it effective? For my part, I do not desire to delay the consideration of the joint resolution.

Mr. McKELLAR. Mr. President, I have no desire to delay it myself, but I hope the Senator from Kansas will obtain such a letter, whether the measure passes or not.

Mr. CAPPER. Mr. President, let me state again that the representative of the department came before the committee and made the statement that the work contemplated by this resolution could be done with the appropriation already provided for. The committee was very much interested in that phase of the question. We did not want to get started on something that later might require additional funds. As I have already stated, the committee had assurances that the department could do this work with the present available funds.

Mr. SMITH. Mr. President, I have not had time to study this joint resolution carefully, but I want to ask the Senator from Kansas whether the scope of it is sufficient to permit an investigation of the effect the so-called southern delivery has had upon the price of cotton?

Mr. CAPPER. Mr. President, I think the Senator from Texas [Mr. SHEPPARD], who is interested in the joint resolution, as far as cotton is concerned, can answer that question.

Mr. SMITH. About three or four years ago the exchanges, particularly the New York exchange, concluded that they would try the plan of what is called southern delivery, under which contracts might be made in New York, Chicago, or New Orleans, and the deliveries made at certain southern points.

I have had letters and protests against that policy, those interested stating that it enabled certain individuals to accumulate a tremendous stock at these places and thereby depress the market on account of their ability to accumulate these excessive stocks. If the scope of the bill does not cover that, I would like to have an investigation of those dealing on the different cotton exchanges, to determine what has been the effect of southern delivery on the price of cotton.

Mr. SHEPPARD. Mr. President, I agree thoroughly with the Senator from South Carolina as to the desirability of the investigation suggested by him; and I say to him that if the resolution is not sufficiently specific to cover that phase, I shall endeavor to have it inserted in the House.

Mr. SMITH. With that explanation, I have no objection to the passage of the joint resolution, but I am very anxious to have that phase thoroughly investigated.

The PRESIDENT pro tempore. The clerk will state the first amendment.

The first amendment was, on page 2, line 7, after the word "futures," to insert the words "and cotton futures"; on line 10 after the word "futures," to insert the words "and cotton futures"; on page 3, line 4, after the word "wheat," to insert the words "and cotton," so as to make the joint resolution read:

> *Resolved, etc.*, That the Secretary of Agriculture is hereby authorized and directed to extend his investigations concerning the future markets and more specifically to investigate and determine the cost of maintaining the present system of dealing in wheat futures and cotton futures in the United States and, as part of such inquiry, to ascertain the amount of profits made and losses sustained by various classes of traders in wheat futures and cotton futures since July 1, 1929, including the transactions commonly called short selling, together with the amount of commissions and other charges paid by such traders, and to obtain such other information and facts as he may deem necessary or appropriate to such inquiry, said Secretary of Agriculture to report the results of his investigation at the next regular session of Congress, or earlier if possible, and in such report to show the profits and losses

of large traders separately from those of small traders and to show the amounts of such profits and losses that resulted from the short selling of wheat and cotton during the drastic decline in prices since July 1, 1929.

SEC. 2. That, for the purposes of this resolution, the Secretary of Agriculture is authorized to hold hearings, to contract for stenographic reporting service, to employ experts and clerical, stenographic, and other assistants in the District of Columbia and elsewhere, to use the personnel and facilities of the Grain Futures Administration, to examine the books and records of futures exchanges in the United States and of the members of such exchanges as well as the books and records of persons, firms, corporations, and associations dealing in or trading in agricultural commodities for future delivery or acting as clearing organizations in respect to such trades, to require by subpœna or otherwise the attendance of witnesses and the production of books, papers, and documents, to administer oaths, and to make such other expenditures, including expenditures for printing and binding, as he deems advisable, such expenditures to be out of and to be chargeable against the funds appropriated, or that hereafter may be appropriated, for the enforcement of the grain futures act.

SEC. 3. That subpœnas for the attendance of witnesses and the production of books, papers, and documents shall be validly issued and served when they are signed, attested, and served in the manner and by the persons from time to time designated by the Secretary of Agriculture for that purpose. Hearings shall be public or private, as the Secretary of Agriculture may determine. No person shall be excused from giving testimony or from answering any question or from otherwise disclosing any fact within his knowledge as an individual, or as an officer or director of a corporation, or from producing any book, paper, or document in his possession or under his control as an individual, or as an officer or director of an exchange, association, or corporation, on the ground that the giving of such testimony or the answering of such question or the disclosing of such fact or the production of such book, paper, or document would tend to incriminate him, or for any other reason, but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify, or produce evidence, documentary or otherwise, or concerning which he may be interrogated and as to which he shall truthfully disclose or make answer under oath in such investigation: *Provided*, That no person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying. In case of disobedience to a subpœna, the Secretary of Agriculture may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, records, and documents, and any failure to obey any order issued by such court in aid thereof shall be punished by the court as a contempt.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. SHEPPARD. Mr. President, I ask that the report on this joint resolution be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[Senate Report No. 499, Seventy-second Congress, first session]

TO PROVIDE FOR INVESTIGATION INTO COST OF MAINTAINING PRESENT SYSTEM OF FUTURE TRADING IN AGRICULTURAL PRODUCTS

Mr. CAPPER, from the Committee on Agriculture and Forestry, submitted the following report (to accompany S. J. Res. 108):

The Committee on Agriculture and Forestry to whom was referred the joint resolution (S. J. Res. 108) to authorize and direct the Secretary of Agriculture to investigate the cost of maintaining the present system of future trading in agricultural products and to ascertain what classes of citizens bear such cost, having fully considered the same report favorably thereon with a recommendation that it do pass with the following amendments:

On page 2, line 7, after the word "futures," insert the words "and cotton futures."

On page 2, line 9, after the word "futures," insert the words "and cotton futures."

On page 3, line 3, after the word "wheat," insert the words "and cotton."

The joint resolution directs the Secretary of Agriculture to investigate the system of future trading and short selling in farm commodities, the purpose being to develop the benefits, if any, of such a system of marketing. The information requested includes the amount of profits made and losses sustained by various classes of traders in wheat and cotton futures since July 1, 1929, including short selling, and the amount of commissions and other charges paid by traders. Profits and losses of large traders are to be separated from those of small traders, and in particular the amounts of such profits and losses resulting from short selling of wheat and cotton during the drastic decline since July 1, 1929, are to be shown. The report is requested by the next regular session of Congress.

A letter from the Secretary of Agriculture commenting on the purpose of the Joint Resolution No. 108 follows:

MARCH 7, 1932.

Hon. CHARLES L. MCNARY,
Chairman Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR: Senate Joint Resolution 108 has been referred to this department for consideration and report.

Section 1 of the resolution directs the Secretary of Agriculture to investigate and determine the cost of maintaining the present system of dealing in wheat futures in the United States. It calls for certain facts regarding the profits and losses of various classes of traders in wheat futures since July 1, 1929, and for information showing the profits and losses of large traders separately from those of small traders as well as the amounts of such profits and losses that resulted from the short selling of wheat during the drastic decline in prices since July 1. The cost of the proposed investigation is to be charged against funds appropriated for the enforcement of the grain futures act.

The information called for would present an interesting study, I am sure, and would afford some basis for comparing the economic value of the futures markets for hedging purposes with their cost to society as a whole. This apparently is the purpose of the inquiry, and presumably it is thought that an investigation limited to wheat will provide a basis for estimating in a general way the situation as it affects other commodities dealt in on the futures markets.

The information relative to trading in wheat futures could be obtained, I believe, through the agency of the Grain Futures Administration without additional funds, although it would require some readjustment in present plans. It might be necessary also to restrict the investigation in some particulars and to be content with less than a complete survey of all of the trading during the period specified.

If it be desired by Congress that such an investigation be undertaken, I shall be pleased to make the facilities of the department available within the limits of available funds.

Sincerely,

ARTHUR M. HYDE, *Secretary.*

The committee also had under consideration Senate Joint Resolution 63, introduced by Senator SHEPPARD, of TEXAS, which would authorize a similar investigation into trading in cotton futures. The committee is favorable to the purpose of Senator SHEPPARD'S resolution, but it was felt that by amending Senate Joint Resolution 108 so as to include cotton futures within its provisions the same result would be achieved. It was therefore the feeling of the committee that Senate Joint Resolution 108 should be reported with the amendments herein recommended, thus accomplishing all that is contemplated by Senator SHEPPARD'S resolution.

The statement of the representative of the Department of Agriculture convinced the committee that no appropriation will be necessary for making the investigation authorized by this resolution.

SENDING OF THREATENING COMMUNICATIONS THROUGH THE MAILS

Mr. BINGHAM. Mr. President, a few moments ago Calendar No. 520, House bill 96, to punish the sending through the mails of certain threatening communications, was passed over while I was temporarily absent from the Chamber. I ask unanimous consent that we may return to that order of business; and if the request is granted and I may have the attention of the Senator from Tennessee, I will suggest an amendment to the bill.

The PRESIDENT pro tempore. Is there objection to returning to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MCKELLAR. Mr. President, that was objected to by the Senator from Oregon, I believe.

Mr. BINGHAM. I had to leave the Chamber temporarily, and I requested the Senator to let it go over.

Mr. ROBINSON of Arkansas. Mr. President, I suggest that the bill be reported for the information of the Senate.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That whoever, with intent to extort or without justification to demand from any person money or other thing of value, shall deposit or cause to be deposited in any post office, or station thereof, or street or other letter box of the United States, or authorized depository for mail matter, to be sent or delivered by the post-office establishment of the United States, any written or printed letter or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat (1) to injure the person, property, or reputation of the addressee or of another or the reputation of a deceased person, or (2) to kidnap any person, or (3) to accuse the addressee or any other person of a crime punishable by law, or (4) to expose any infirmities or failings of any person or to charge any person with infirmities or failings shall be fined not more than $5,000 or imprisoned not more than 20 years: *Provided*, That the accused may be indicted

and tried either in the district in which the unlawful matter is deposited as aforesaid or in the district to which it is carried by mail for delivery according to the directions thereon or in the district to which it is directed to be delivered by mail by the person to whom it is addressed.

Passed the House of Representatives March 9, 1932.

Mr. JOHNSON. Mr. President, because of the peculiar character of the bill, and because this is the first time I have seen it, I ask that it may go over.

Mr. McKELLAR. Of course, that is entirely satisfactory to me. I just want to say that this is a House bill, that the Postmaster General was greatly interested, that the bill was referred to the Committee on Post Offices and Post Roads, and after consideration it was thought that the purposes of the bill were proper and that there ought to be a penalty visited for such offenses. The committee unanimously reported the bill. I am glad the Senator from California is going to study it, and am perfectly willing for it to go over.

Mr. BINGHAM. Mr. President, will the Senator withhold his objection?

Mr. McKELLAR. I yield.

Mr. BINGHAM. I desire to suggest an amendment, on page 2, to strike out line 6 and all of line 7 through the word "failings." It struck me, in reading the bill, that the penalty was altogether too severe.

Mr. McKELLAR. Will not the Senator repeat his amendment?

Mr. BINGHAM. I move to strike out all of line 6 and line 7 through the word "failings," striking out the fourth provision in the bill. It seemed to me that the $5,000 fine and 20 years' imprisonment was a little too severe for threatening "to expose any infirmities or failings of any person or to charge any person with infirmities or failings."

Mr. McKELLAR. I have no objection to that amendment, so far as I am personally concerned.

Mr. ROBINSON of Arkansas. Mr. President, while the matter is under consideration, may I inquire of those who have given careful study to the bill what is the meaning and effect of the words, as used, "punishable by law," in line 5, page 2? The language is, "To accuse the addressee or any other person of a crime punishable by law." Are there crimes that are not punishable by law?

Mr. McKELLAR. Strictly speaking, I doubt whether there is any; but the intention, of course, was that before such an act could be punishable under this act the crime charged against the person must be one punishable by law.

Mr. JOHNSON. May I suggest that when the Senator from Tennessee considers this, he consider exactly the language which has been adverted to by the Senator from Connecticut? What are infirmities or failings?

Mr. McKELLAR. It seems to me that goes a very long way, and I am perfectly willing to have an amendment made to that language.

Mr. JOHNSON. I may have a certain opinion of some one, and express my opinion of him in unexpurgated fashion, or probably I might refer to temperamental failings or infirmities of his. I do not know what this language would cover. It is pretty broad.

Mr. McKELLAR. So far as I am concerned, Mr. President, I agree entirely with the Senator from California, and I see no objection to the amendment.

Mr. BINGHAM. Will the Senator permit the amendment to be made?

The PRESIDENT pro tempore. In the present status of the bill, does the Senator from California ask that it go over?

Mr. JOHNSON. I withhold the objection so that the Senator from Connecticut may present his amendment if he desires to; that is all. But I shall ask that the bill go over for the present.

Mr. BINGHAM. Mr. President, I move that the measure as proposed be amended by striking out all of line 6 and line 7 through the word "failings."

In accordance with the suggestion offered by my friend, the Senator from Arkansas, I also move to strike out the last three words on line 5, "punishable by law."

The PRESIDENT pro tempore. The clerk will state the amendments.

The CHIEF CLERK. On page 2, line 5, to strike out the words "punishable by law," and on line 6, to strike out the words "or (4) to expose any infirmities or failings of any person or to charge any person with infirmities or failings."

The amendments were agreed to.

The PRESIDENT pro tempore. On objection, the bill as amended will be passed over.

CARE OF DEPENDENT CHILDREN

The Senate proceeded to consider the bill (S. 4038) to amend section 1 of an act entitled "An act to provide home care for dependent children in the District of Columbia," approved June 22, 1926, which was read, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to provide home care for dependent children in the District of Columbia" is hereby amended by substituting for the words "one year" the words "two years."

Mr. ROBINSON of Arkansas. Mr. President, I think the effect of the amendment which this bill contemplates should be stated. The connection in which the substitution of two years for one year is made does not appear from the bill itself.

Mr. CAPPER. Mr. President, the Board of Welfare finds that a good many persons are coming to the District of Columbia from the States for the purpose of taking advantage of the mothers' pension act in the District of Columbia. Our law in the District of Columbia as it now stands requires a shorter period of residence than that required in most of the States. This measure would require that one seeking the benefits of the mothers' pension act would have to live in the District of Columbia two years instead of one year before becoming eligible. It would put us in line with the near-by States.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF MICHIGAN AVENUE

The bill (S. 4039) to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to extend and widen Michigan Avenue between First Street and Park Place NW. and to improve traffic condition the Commissioners of the District of Columbia be, and they are hereby, authorized to use for street purposes all of the land lying within the McMillan Park and the United States Soldiers' Home ground which is comprised within the parcels designated A and B as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, together with any and all additional land that may be necessary for slopes in the proper construction of roadway and sidewalks.

SEC. 2. The Chief of Engineers, United States Army, is hereby authorized and directed to transfer to the Commissioners of the District of Columbia for street purposes all of the land comprised within the parcels designated A, as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650; and the Board of Commissioners of the United States Soldiers' Home is hereby authorized and directed to transfer to said Commissioners of the District of Columbia for street purposes all of the land comprised within the parcels designated B, as shown on said map filed in the office of the surveyor of the District of Columbia and numbered as map 1650.

SEC. 3. That the Board of Commissioners of the United States Soldiers' Home shall transfer to the Chief of Engineers, United States Army, all of the land comprised within the parcels designated C, as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, to be used as part of the McMillan Park; and the Chief of Engineers, United States Army, shall transfer to the Board of Commissioners of the United States Soldiers' Home all of the land comprised within the parcels designated D, as shown on said map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, to be used as part of the United States Soldiers' Home Grounds.

SEC. 4. That the surveyor of the District of Columbia is hereby authorized to prepare the necessary plat or plats showing all parcels of land to be transferred in accordance with the provisions of this act, with a certificate affixed thereon to be signed by the parties in interest making the necessary transfers; which plat and certificate, after being signed by the various interested officials and approved by the Commissioners of the District of Columbia, shall be recorded upon order of said commissioners in the office of the surveyor of the District of Columbia; and said plat or plats, when duly recorded in said office of the surveyor of the District of Columbia, shall constitute a legal transfer for the purposes designated according to the provisions of this act.

SEC. 5. The District of Columbia shall perform the necessary work and shall pay any and all expenses for removing and re-

placing water mains, removing, reconstructing, and repainting the boundary fence of the United States Soldiers' Home and bringing the surface of the areas reconstructed to proper grade with loose earth suitable for growing vegetation and otherwise replacing the property of the United States Soldiers' Home in the same condition as it was before construction was undertaken; any trees required to be cut along the proposed route and on the areas authorized to be transferred by the United States Soldiers' Home to remain the property of the United States Soldiers' Home and to be cut into such lengths as may be suitable for cordwood or lumber, and to be split and stacked by said District of Columbia as directed by the governor of said home.

WITHDRAWALS OF PUBLIC LANDS

The Senate proceeded to consider the bill (H. R. 8087) authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservation of rights, ways, and easements.

Mr. ROBINSON of Arkansas. Let us have an explanation of that bill.

Mr. NYE. Mr. President, this bill merely provides for the withdrawal of such lands as have been set aside for reclamation purposes, but which are now found to be without value for reclamation purposes. If this measure shall be passed, I shall ask for the indefinite postponement of Calendar 484, Senate bill 3371, which is like the bill under consideration.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3371 will be indefinitely postponed.

CHELAN NATIONAL FOREST

The Senate proceeded to consider the bill (S. 3711) to authorize the adjustment of the boundaries of the Chelan National Forest, in the State of Washington, and for other purposes, which had been reported from the Committee on Public Lands with an amendment, on page 2, line 7, after the word "President," to insert a colon and the words "*Provided, however*, That nothing contained herein shall affect prior valid existing claims or entries or prior existing withdrawals or reservations," so as to read:

Be it enacted, etc., That the provisions of the act of Congress approved March 20, 1922 (42 Stat. 465; sec. 485, title 16, Code of Laws of the United States), be, and the same are hereby, extended and made applicable to any lands within four miles of the boundaries of the Chelan National Forest. Lands conveyed to the United States under this act shall, upon acceptance of title, become parts of the Chelan National Forest and subject to all laws relating thereto. Any lands in public ownership lying within the area described in this act and found to be valuable for national-forest purposes may, upon recommendation of the Secretary of Agriculture, be added to the Chelan National Forest by proclamation of the President: *Provided, however*, That nothing contained herein shall affect prior valid existing claims or entries or prior existing withdrawals or reservations.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 34) to provide for review of the action of consular officers in refusing immigration visas was announced as next in order.

Mr. ROBINSON of Arkansas. Over.

The PRESIDENT pro tempore. The bill will be passed over.

C. O. MEYER

The bill (S. 2990) for the relief of C. O. Meyer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of money in the Treasury not otherwise appropriated, to C. O. Meyer the sum of $297.68. Such sum represents the amount paid to C. O. Meyer as substitute carrier while he was postmaster at Meyers Mill, S. C., and which amount was charged by the department to the account of C. O. Meyer.

B. J. SAMPLE

The bill (S. 2991) for the relief of B. J. Sample, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of money in the Treasury not otherwise appropriated, to B. J. Sample the sum of $1,324.14 for carrying the mail upon star route No. 20183, between Allendale and Augusta, the said sum representing pay for mileage on said route in excess of the mileage advertised by the Post Office Department as a correct mileage of the route.

BILL PASSED OVER

The bill (S. 1335) to provide for the appointment of two additional district judges for the district of New Jersey was announced as next in order.

Mr. ROBINSON of Arkansas. Over.

The PRESIDENT pro tempore. The bill will be passed over.

RATE OF WAGES ON PUBLIC BUILDINGS

The bill (S. 3847) to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings was considered. The bill had been reported from the Committee on Education and Labor with amendments.

Mr. WALCOTT. Mr. President, this bill was introduced in order to prevent certain abuses in the employment of labor by which advantage was taken of imported labor from without the State. It applies only to public buildings and the rates of wages paid by contractors for labor on public buildings. The purpose of the bill is to protect labor so employed. The conclusions of the committee are set forth in its report, as follows:

This bill is necessary to the intelligent, economical, and efficient negotiation of contracts for public buildings. It will be of tremendous benefit to labor.

In this respect the bill was amended in two or three places for additional protection of labor.

Mr. ROBINSON of Arkansas. Mr. President, a casual inspection of the report on the bill submitted by the Senator from New York [Mr. COPELAND] discloses that a question of constitutionality of the proposed statute was raised. What was the constitutional question involved, may I ask the Senator from Connecticut?

Mr. WALCOTT. I will ask the Senator from New York to answer that question. I was told that the question of the constitutionality of the bill was settled favorably and that the measure is believed to be constitutional as it is now before the Senate.

Mr. COPELAND. Mr. President, the question of constitutionality was based on a decision made by a court in Illinois regarding a prevailing wage scale; but after the committee heard witnesses and considered the matter, they determined that probably it was declared void in Illinois because the terms of the act there involved were uncertain and indefinite. We thought by certain amendments which were made that we could do away with that indefiniteness, so as to make it a more positive declaration. I think those changes, according to those who are competent to judge of the law, would cause it to be determined to be constitutional. We were convinced, may I say further, that it was quite necessary to have the bill enacted if labor is to have the benefits which were expected by the enactment of the law.

Mr. ROBINSON of Arkansas. Was the report unanimous?

Mr. COPELAND. It was unanimous.

The PRESIDING OFFICER (Mr. FESS in the chair). The amendments will be stated.

The amendments were, on page 2, line 17, after the word "at," to insert "not less than"; on page 3, line 6, after the word "pay," to insert "not less than"; in line 11, after the word "wages," to insert the words "contained in the specifications"; in line 24, after the word "contractor," to strike out the words "and his subcontractors" and insert "or subcontractor"; in line 25, to strike out the word "fail" and insert the word "fails"; in the same line, after the word "pay," to insert "not less than"; on page 4, line 2, after the word "or," to insert "not less than"; on page 5, line 14, after the word "pay," to insert "not less than"; on page 6, line 4, after the word "pay," to insert "not less than"; and on page 6, after line 7, to insert a new section, as follows:

SEC. 4. If the provisions of section 1 of this act, or the application thereof to any person or circumstances, shall be held invalid,

the act of March 3, 1931, or the application thereof to any such person or circumstances, as the case may be, shall not be affected by the enactment of this act.

So as to make the bill read:

Be it enacted, etc., That the act entitled "An act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors or subcontractors, and for other purposes," approved March 3, 1931, is amended to read as follows:

"That the advertised specifications for every contract in excess of $5,000 for construction, alteration, or repair of public buildings or public works in the District of Columbia or in any city, town, village, or other civil subdivision of any State, to which the United States or the District of Columbia is to become a party and which requires or involves the employment of mechanics or laborers shall contain a provision stating the prevailing rate of wages as determined by the Secretary of Labor, for various grades of mechanics and laborers for work of a similar nature in the District of Columbia or in the city, town, village, or other civil subdivision of any State in which all or the principal part of the particular contract work is located, and every contract for the construction of public buildings or public works to which the United States or the District of Columbia shall become a party shall contain a stipulation that the contractor and his subcontractors shall pay the mechanics and laborers employed directly on the site of such work at not less than the rate of wages stated in the advertised specifications. If, however, the work contemplated by the contract requires more than three months for its completion, the Secretary of Labor, at the request of the head of the department, independent establishment, or other agency of the Government concerned, or on petition of the contractor or his subcontractors, or of not less than 20 laborers and/or mechanics employed on the work shall, from time to time, reexamine the prevailing rate of wages being paid to mechanics and/or laborers for work of a similar character in the District of Columbia, city, town, village, or other civil subdivision of the State in which all or a principal part of the work is located, and if such rate is found to be increased or decreased from that stated in the specifications and made a part of the contract, he shall notify the contractor thereof, and the contractor and his subcontractors shall pay not less than the rate of wages stated in said notification from the beginning of the next pay period following the date of receipt of such notification. In event the rate of wages contained in the specifications is so increased, an amount equal to the amount of such increase in wages in any one month shall be paid at the end of such month to the contractor by the United States upon a satisfactory showing by the contractor as to the amount thereof, and in the event of a decrease in the rate of wages, the contract price shall be decreased by the amount of such decrease in wages, and such decrease in the contract price shall be computed on the basis of satisfactory evidence submitted by the contractor. The books and pay rolls of the contractor and his subcontractors shall be so kept as to show the actual wages paid mechanics and laborers, and shall be open to inspection by an authorized officer or employee of the United States.

"SEC. 2. Any contractor or subcontractor who fails to pay not less than the rate of wages stated in the advertised specifications and made a part of the contract, or not less than any rate of wages subsequently ordered in writing by the Secretary of Labor in accordance with section 1 of this act, or who, after making proper payment, requires a laborer or mechanic to refund any part of the wages so paid, shall forfeit to the United States the sum of $10 per day per laborer or mechanic for every day any laborers or mechanics are paid less than such prevailing rate of wages, and for each such refund required from any mechanic or laborer, shall forfeit to the United States a sum not less than five times the value thereof. Any laborer or mechanic employed on any such work who accepts a rate of wages less than that prescribed in the advertised specifications, or in any subsequent revision thereof made by the Secretary of Labor, or who makes any refund to the contractor or subcontractors shall, within 10 days after such payment or refund, file a sworn statement with the Secretary of Labor setting forth the facts, and any amounts to be forfeited as provided in this section shall be deducted by the Comptroller General from any sums due the contractor from the United States, or if nothing remains due the contractor, such amounts may be recovered by the United States as a debt in a suit at law against either the contractor and his surety or his subcontractors. The amounts so forfeited or recovered shall be applied, first, to the payment to the laborers and mechanics of any difference between the amounts found by the Comptroller General to have been paid them and the prevailing rate of wages, or of the amounts which such laborers and mechanics were required to refund, and the balance shall be covered into the Treasury as miscellaneous receipts.

"SEC. 3. When any of the departments or independent establishments of the United States, including the District of Columbia, perform work by Government plant and hired labor which could have been performed under contract, but not including work in arsenals or navy yards, such departments and establishments, including the District of Columbia, shall also pay not less than the prevailing rate of wages as established by the Secretary of Labor at the time the work is undertaken. If, however, the work contemplated requires more than three months for its completion, the Secretary of Labor, at the request of the head of the department, independent establishment, or other agency of the Government concerned or of not less than 20 laborers and/or mechanics employed on the work, shall from time to time reexamine the prevailing rate of wages being paid to laborers and mechanics for work of a similar nature in the city, town, village, or other civil subdivision of the State or the District of Columbia, in which all or a principal part of the work is located, and if such rate is found by him to have increased or decreased he shall notify the head of the department, independent establishment, or other agency of the Government concerned, who shall pay not less than the rate of wages stated in said notification from the beginning of the next pay period following the date of receipt of such notification."

SEC. 2. If the provisions of section 1 of this act, or the application thereof to any person or circumstances, shall be held invalid, the act of March 3, 1931, or the application thereof to any such person or circumstances, as the case may be, shall not be affected by the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE, ELBOWOODS, N. DAK.

The bill (H. R. 9143) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Elbowoods, N. Dak., authorized to be built by the State of North Dakota, by an act of Congress approved March 4, 1931, are hereby extended one and three years, respectively, from March 4, 1932.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

BLACK RIVER BRIDGE, POCAHONTAS, ARK.

The bill (H. R. 9301) to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark., authorized to be built by the Arkansas State Highway Commission by an act of Congress approved April 12, 1930, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

SAVANNAH RIVER BRIDGE, GA.

The bill (H. R. 10088) to revive and reenact the act entitled "An act authorizing the South Carolina and the Georgia Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.," approved May 26, 1928, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved May 26, 1928, granting the consent of Congress to the South Carolina and the Georgia State Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga., be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within one year and completed within three years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

LAND TITLE IN CORPUS CHRISTI, TEX.

The bill (S. 3830) to remove a cloud on the title of certain land in the city of Corpus Christi, Tex., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to convey by quitclaim deed to Caroline Morris, her heirs and assigns, all right, title, and interest of the United States in and to all that parcel of land in the Bluff Portion of the city of Corpus Christi, Tex., described as lot 1, block 6, acquired through the Spanish grant known as the E. Villareal grant, by virtue of a deed dated March 30, 1857.

REGULATION OF PLUMBING IN THE DISTRICT OF COLUMBIA

The bill (S. 3400) to amend an act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia" was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, this appears to be a somewhat important bill. I should like to have an explanation of its provisions and purposes.

Mr. CAPPER. Mr. President, the bill was introduced at the request of the Commissioners of the District of Columbia. They are operating in the District under a law which was enacted many years ago, and which does not give the District commissioners the authority they should have in the way of suspending a license where a plumber constantly violates the regulations. It is in line with the practice in practically all other cities. Everyone interested in the plumbing work of the District is favorable to the bill.

Mr. ROBINSON of Arkansas. May I ask if there were hearings on the bill?

Mr. CAPPER. There were, and no opposition appeared.

Mr. ROBINSON of Arkansas. It appears that the committee proposed an amendment on page 2 striking out a provision relating to nonresident applicants for licenses to operate as master plumbers, and so forth. Why was that?

Mr. CAPPER. That was to make it so that nonresident applicants who desire to come here and do work should be subject to the regulations imposed by the superintendent of plumbing and the District Commissioners.

Mr. TRAMMELL. Mr. President, I think the restrictions provided in the bill would still make it almost impossible for a person to be licensed as a plumber in the District who had not resided here for a number of years. I do not think any cities or towns throughout the country have any such restrictions as that. The bill at first sought to prohibit anyone from engaging in plumbing work except those who were bona fide residents of the District of Columbia. The committee very wisely struck that provision from the bill.

Mr. CAPPER. We thought it was necessary that anyone coming here to engage in the plumbing business should first be subject to examination, so the authorities would know he was competent to carry on the work.

Mr. TRAMMELL. There was a provision under which a nonresident might obtain a license under requirements which would safeguard and protect the people against some fakir or some incompetent plumber, but that has been stricken from the bill. Suppose that a person makes an application. On page 2 of the bill it is provided that his application has to be accompanied with a certificate as to good character signed by at least three reputable residents of the District of Columbia, two of whom shall certify that the applicant has had at least four years' experience in the plumbing and gas-fitting business.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator from Florida a question?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Arkansas?

Mr. TRAMMELL. Certainly.

Mr. ROBINSON of Arkansas. Is it the policy of the District Committee to establish a requirement that a plumber or gas fitter must prove character before he may engage in his occupation or business?

Mr. CAPPER. Mr. President, if I may answer the question, it is the desire of the plumbing superintendent here that he shall have some supervision over those coming from outside of the District, and therefore the committee felt that such persons should be subject to an examination just the same as a local plumber who applies to-day.

Mr. TRAMMELL. I think it is all right to make some inquiry, of course, into the competency and skill of a man making application, and as to his character, but the restriction would make it impossible for a great many who desire to work here to qualify under the provision. That is the point I am making. He has to have his character certified by at least three reputable residents of the District of Columbia. He may not be able to obtain that kind of a certificate. In addition to that, two of those reputable citizens of the District of Columbia must certify that for four years he has been a plumber and that he is capable of doing the work. Some men coming into the District may have been here 12 months, but how can that fact be established? I am reminded of a little incident which was given publicity through the press of Washington affecting the matter of obtaining an automobile license or driver's permit here in the District. A few months ago I read in one of the papers of the experience of a lady who came here from some State and desired to obtain a driver's permit in the District. It seems it was her custom to visit here more or less probably every spring. She went to see about obtaining a permit to drive a car. She was told, "You will have to have two or three reputable citizens of the District of Columbia certify as to your character, and so forth." She said, "I know people in Kentucky, my home State, or Tennessee," wherever it was she lived, "and I can furnish all kinds of character references back where I came from, but I do not know personally anyone in the District of Columbia who can certify as to my character." The story went that she had to make six or seven trips to the license bureau before she could ever obtain a permit, and I believe she did not even obtain it then.

I think the bill should go over.

The PRESIDING OFFICER. On objection, the bill will be passed over.

EXTENSION OF MICHIGAN AVENUE, DISTRICT OF COLUMBIA

The PRESIDING OFFICER. The Chair would invite the attention of the Senator from Kansas [Mr. CAPPER] to the fact that a bill (S. 4039) to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes, was passed a little while ago and that there is an identical House bill on the calendar, Order of Business No. 581.

Mr. CAPPER. Mr. President, I ask unanimous consent that the vote by which Senate bill 4039, Order of Business 523, was passed may be reconsidered, that the House bill (H. R. 10489) may be substituted therefor and put upon its passage.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The Chair hears none.

The bill (H. R. 10489) to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to extend and widen Michigan Avenue between First Street and Park Place NW., and to improve traffic conditions, the Commissioners of the District of Columbia be, and they are hereby, authorized to use for street purposes all of the land lying within the McMillan Park and the United States Soldiers' Home grounds which is comprised within the parcels designated A and B as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, together with any and all additional land that may be necessary for slopes in the proper construction of roadway and sidewalks.

SEC. 2. The Chief of Engineers, United States Army, is hereby authorized and directed to transfer to the Commissioners of the District of Columbia for street purposes all of the land comprised within the parcels designated A, as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650; and the Board of Commissioners of the United States Soldiers' Home is hereby authorized and directed to transfer to said Commissioners of the District of Columbia for street purposes all of the land comprised within the parcels designated B, as shown on said map filed in the office of the surveyor of the District of Columbia and numbered as map 1650.

SEC. 3. That the Board of Commissioners of the United States Soldiers' Home shall transfer to the Chief of Engineers, United States Army, all of the land comprised within the parcels designated C, as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, to be used as part of the McMillan Park; and the Chief of Engineers, United States Army, shall transfer to the Board of Commissioners of the United States Soldiers' Home all of the land comprised within the parcels designated D, as shown on said map filed in the office of the surveyor of the District of Columbia, and numbered as map 1650, to be used as part of the United States Soldiers' Home grounds.

SEC. 4. That the surveyor of the District of Columbia is hereby authorized to prepare the necessary plat or plats showing all parcels of land to be transferred in accordance with the provisions of this act, with a certificate affixed thereon to be signed by the parties in interest making the necessary transfers; which plat and certificates, after being signed by the various interested officials and approved by the Commissioners of the District of Columbia, shall be recorded upon order of said commissioners in the office of the surveyor of the District of Columbia; and said plat or

plats, when duly recorded in said office of the surveyor of the District of Columbia, shall constitute a legal transfer for the purposes designated according to the provisions of this act.

SEC. 5. The District of Columbia shall perform the necessary work and shall pay any and all expenses for removing and replacing water mains, removing, reconstructing, and repainting the boundary fence of the United States Soldiers' Home and bringing the surface of the areas reconstructed to proper grade with loose earth suitable for growing vegetation and otherwise replacing the property of the United States Soldiers' Home in the same condition as it was before construction was undertaken; any trees required to be cut along the proposed route and on the areas authorized to be transferred by the United States Soldiers' Home to remain the property of the United States Soldiers' Home and to be cut into such lengths as may be suitable for cordwood or lumber, and to be split and stacked by said District of Columbia as directed by the governor of said home.

The PRESIDING OFFICER. Senate bill 4039 will be indefinitely postponed.

ESTATE OF ROBERT J. FRANZEL

The Senate proceeded to consider the bill (S. 1586) for the relief of the estate of Robert J. Franzel, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "of" where it first occurs, to strike out the words "the late Robert J. Franzel, of Miles City, Mont., sole heir of his son, the late Peter Paul Franzel," and to insert "Peter Paul Franzel, deceased," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Peter Paul Franzel, deceased, the sum of $168.36, in full satisfaction of all claims of such estate against the United States arising out of any payment made by the estate of Peter Paul Franzel in pursuance of an offer made by the said Peter Paul Franzel in compromise of liabilities alleged to have been incurred by him through violation of the national prohibition act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the estate of Peter Paul Franzel, deceased."

STATE NATIONAL BANK OF WILLS POINT, TEX.

The bill (H. R. 2594) for the relief of the State National Bank of Wills Point, Tex., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem in favor of the State National Bank of Wills Point, Tex., three 4½ per cent United States Treasury certificates of indebtedness, numbered 789, 790, and 791, in the denomination of $1,000 each, series TJ-1929, dated September 15, 1928, matured June 15, 1929, without interest and without presentation of the said certificates which are alleged to have been lost, stolen, or destroyed: *Provided*, That the said certificates shall not have been previously presented and paid and that no payment shall be made hereunder for any coupons which may have been attached to the certificates: *Provided further*, That said State National Bank of Wills Point, Tex., shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal of said certificates in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the certificates hereinbefore described.

FIREMAN'S FUND INSURANCE CO.

The bill (H. R. 3373) for the relief of Fireman's Fund Insurance Co. was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of the indefinite appropriation "Refunding moneys erroneously received and covered," the sum of $121.44 to Fireman's Fund Insurance Co., of San Francisco, Calif., which sum is the balance left after all costs had been deducted from the price obtained at auction in connection with libel filed against one Dodge coupé automobile engine No. A-917-841.

FIRST STATE BANK & TRUST CO., OF MISSION, TEX.

The bill (H. R. 3953) for the relief of the First State Bank & Trust Co., of Mission, Tex., was announced as next in order.

Mr. HOWELL. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ALTON B. PLATNER

The bill (H. R. 4329) for the relief of Alton B. Platner was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Alton B. Platner, former postmaster at Linlithgo, N. Y., with the sum of $162.50, such sum representing compensation due him for services rendered as mail messenger at the said office from October 17, 1927, to May 1, 1928, inclusive.

FRANK BAYER

The bill (H. R. 5272) for the relief of Frank Bayer was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Frank Bayer, in payment for certain radio apparatus belonging to Frank Bayer and seized by officers of the United States Navy on August 9, 1917, at 2270 Bathgate Avenue, New York City.

BILLS PASSED OVER

The bill (H. R. 1770) for the relief of Senelma Wirkkula, also known as Selma Kirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula, was announced as next in order.

Mr. HOWELL. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1231) for the relief of Grina Bros. was announced as next in order.

Mr. McKELLAR. Mr. President, I ask that that bill go over unless there shall be an explanation of it.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1768) for the relief of Alvina Hollis was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1523) for the relief of certain tribes or bands of Indians in the States of Washington, Idaho, and Montana was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3879) to amend an act approved May 14, 1926 (44 Stat. 555), entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims," was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

DISPOSAL OF SEMINOLE TRIBAL LAND

The bill (H. R. 10362) to require the approval of the general council of the Seminole Tribe or Nation in case of the disposal of any tribal land was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter the Secretary of the Interior shall not sell, lease, encumber, or in any manner dispose of any land or any interest in land belonging to the Seminole Tribe or Nation in Oklahoma or reserved for the benefit of such tribe except with the approval of the Seminole Tribe or Nation acting through its general council selected in pursuance of Seminole customs.

LIMITATION OF JURISDICTION OF UNITED STATES DISTRICT COURTS

The bill (S. 939) to limit the jurisdiction of district courts of the United States was announced as next in order.

Mr. COPELAND and Mr. VANDENBERG asked that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

NELLIE FRANCIS

The Senate proceeded to consider the bill (S. 3386) for the relief of Nellie Francis, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of," to strike out "$5,000" and to insert "$40 per month, for a period not exceeding 120 months," and in line 7, after the word "being," to insert "the equivalent of," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Nellie Francis, widow of William T. Francis, late minister resident and consul general to Liberia, the sum of $40 per month for a period not

exceeding 120 months, being the equivalent of one year's salary of her deceased husband, who died of illness incurred while in the Consular Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

G. W. WALL

The bill (H. R. 882) for the relief of G. W. Wall was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem in favor of George W. Wall, of Spartanburg, S. C., United States temporary coupon bond No. 13491081 for $50 of the third Liberty loan 4¼ per cent per annum bonds of 1928, with interest from September 15, 1919, to September 15, 1928, without presentation of the upper portion of the bond, the lower portion of said bond having been presented to the Treasury Department with coupon No. 4, due March 15, 1920, attached: *Provided*, That the upper portion of the said bond shall not have been previously presented or ascertained to be in existence and that no payment shall be made hereunder for any coupons which may have been attached to the temporary bond other than coupon No. 4 mentioned above: *And provided further*, That the said George W. Wall shall first file in the Treasury Department a bond in the equal sum of double the amount of the principal of the said bond and the interest payable thereon from September 15, 1919, to September 15, 1928, inclusive, in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the mutilated bond hereinbefore described.

JOHN J. CORCORAN

The bill (S. 903) for the relief of John J. Corcoran was announced as next in order.

Mr. HOWELL. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LEHDE & SCHOENHUT

The bill (H. R. 1202) for the relief of Lehde & Schoenhut was announced as next in order.

Mr. McKELLAR. Mr. President, may that bill be read? I do not see the Senator from Delaware [Mr. TOWNSEND], who has reported it, on the floor.

The PRESIDING OFFICER. The clerk will read the bill.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lehde & Schoenhut, of Gardenville, N. Y., the sum of $739.25, being the amount which the said Lehde & Schoenhut paid to the collector of customs of Buffalo, N. Y., as customs duties on certain shipments of spruce trees, aggregating three carloads, imported into the United States from Canada during the month of May, 1926. The aforementioned shipments of spruce trees were subsequently refused entry into the United States by a New York State inspector, who ordered them to be reshipped to Canada because of a State quarantine in the identical condition in which they entered this country, the said duty having been paid by the said Lehde & Schoenhut before the discovery of the quarantine order preventing entry of the said spruce trees: *Provided*, That it shall be shown to the satisfaction of the Secretary of the Treasury that all of said shipments of spruce trees were in fact reshipped to Canada in obedience to the quarantine order refusing their admission.

Mr. McKELLAR. I have no objection to the bill.

The bill was considered, ordered to a third reading, read the third time, and passed.

FRANCIS ENGLER

The bill (H. R. 2086) for the relief of Francis Engler was announced as next in order.

Mr. McKELLAR. Let that bill be read, Mr. President.

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to pay to Francis Engler $143.09 in full and complete payment and discharge of the claim filed under the act of March 4, 1925, entitled "An act to provide for carrying out the award of the National War Labor Board of July 31, 1918, in favor of certain employees of the Bethlehem Steel Co.," as amended by the act of February 16, 1929, entitled "An act to provide for further carrying out the award of the National War Labor Board of July 31, 1918, for the relief of employees of the Bethlehem Steel Co., Bethlehem, Pa."

SEC. 2. The payment hereby authorized and directed under the provisions of section 1 of this act shall be made from the unexpended balance of the amount appropriated under the act of March 4, 1925, above referred to.

Mr. McKELLAR. I have no objection to the bill.

The bill was considered, ordered to a third reading, read the third time, and passed.

BLACKFEET INDIAN RESERVATION POWER SITES, MONTANA

The Senate proceeded to consider the bill (S. 277) defining and regulating power sites upon the Blackfeet Indian Reservation, in the State of Montana, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 7, after the word "Indians," to insert the following proviso: "*Provided*, That this section shall not apply to any lands heretofore allotted to individual members of the Blackfeet Tribe of Indians, or to any lands the tribal title to which has otherwise been extinguished, or to any lands not adjudged by the Secretary of the Interior to possess value for power-site purposes," so as to make the bill read:

Be it enacted, etc., That all water-power sites or sites adapted for the installation or establishment of power projects situated upon the Blackfeet Indian Reservation, in the State of Montana, be, and the same are hereby, declared to be tribal property of the Blackfeet Tribe of Indians: *Provided*, That this section shall not apply to any lands heretofore allotted to individual members of the Blackfeet Tribe of Indians, or to any lands the tribal title to which has otherwise been extinguished, or to any lands not adjudged by the Secretary of the Interior to possess value for power-site purposes.

SEC. 2. That any said power sites shall be sold, leased, or disposed of only with the approval of the Secretary of the Interior and the Commissioner of Indian Affairs and with the consent of the Blackfeet Tribal Council, and the proceeds of said sale, lease, or disposal shall be placed to the credit of the Blackfeet Tribe of Indians.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONS TO FINAL ROLL OF FLATHEAD INDIANS, MONTANA

The bill (S. 2393) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to add to the final roll of the Indians of the Flathead Indian Reservation, Mont., approved January 22, 1920, under the act of May 25, 1918 (40 Stat. L. 591), and the act of June 30, 1919 (41 Stat. L. 9), the names of the following persons, descendants of the confederated Flathead Tribes of Indians: Joseph Russell Bird, Daniel Lawrence Pablo, Valerie Roullier, Henry Roullier, jr., Julia Roullier, Laura Soucie, Blanche Soucie, Joseph Soucie, Julie Soucie, Rose Marie Soucie, and Audra Jane Martin. The Secretary of the Interior is also authorized to pay each of the persons named a sum equal to that heretofore paid per capita to those whose names were upon the approved roll, and to allot each of these persons except Audra Jane Martin the same area of land allotted to children of the Flathead Reservation enrolled upon the final roll, such payments to be made from any tribal funds in the Treasury to the credit of the Flathead Indians, the allotments to be made from any available tribal unallotted lands of the Flathead Reservation.

COLORADO RIVER TRIBAL FUNDS

The Senate proceeded to consider the bill (S. 3864) authorizing expenditures from Colorado River tribal funds for reimbursable loans, which had been reported from the Committee on Indian Affairs with amendments.

The first amendment was, on page 2, line 2, after the word "support," to insert "and Indians having irrigable allotments to assist them in the development and cultivation thereof," and on the same page, after the word "of," to insert "loans on irrigable lands for permanent improvement of said lands in which the period for repayment may run for not exceeding 20 years, in the discretion of the Secretary of the Interior, and," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to use not to exceed $25,000 from tribal funds on deposit to the Indians of the Colorado River Indian Reservation, Ariz., for the construction of homes for individual members of the tribe, the purchase for sale to them of seed, animals,

machinery, tools, implements, building material, and other equipment and supplies, and for advances to old, disabled, or indigent Indians for their support, and Indians having irrigable allotments to assist them in the development and cultivation thereof: *Provided*, That expenditures for the purposes above set forth shall be limited to the fiscal years 1932 and 1933 and such expenditures shall be made under conditions to be prescribed by the Secretary of the Interior for repayment to the United States for deposit to the credit of the Colorado River Indian tribal fund on or before June 30, 1938, except in the case of loans on irrigable lands for permanent improvement of said lands in which the period for repayment may run for not exceeding 20 years, in the discretion of the Secretary of the Interior, and advances to old, disabled, or indigent Indians for their support, such advances to remain a charge and lien against their lands until paid.

The amendments were agreed to.

Mr. McNARY. Mr. President, in the absence of the two Senators from Arizona and on explanation, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

APPOINTMENTS OF MIDSHIPMEN

The Senate proceeded to consider the bill (H. R. 8083) providing for the appointment as ensigns in the line of the Navy of all midshipmen who gradute from the Naval Academy in 1932, which had been reported from the Committee on Naval Affairs with amendments.

The first amendment was, on page 1, line 6, after the words "Naval Academy," to strike out "in 1932"; at the beginning of line 7, to strike out "until after 1936"; in line 8, after the word "total," to strike out "authorized"; in line 9, after the word "officers," to insert "otherwise authorized by law"; and on page 2, line 2, after the word "computation," to insert "and shall be excluded from any computation made for the purpose of determining the authorized number of line officers in any grade on the active list above the grade of lieutenant, junior grade, until the total number of line officers shall have been reduced below the number otherwise authorized by law," so as to make the section read:

That the President of the United States is authorized, by and with the advice and consent of the Senate, to appoint as ensigns in the line of the Navy all midshipmen who graduate from the Naval Academy: *Provided*, That the number of such officers so appointed shall, while in excess of the total number of line officers otherwise authorized by law, be considered in excess of the number of officers in the grade of ensign as determined by any computation, and shall be excluded from any computation made for the purpose of determining the authorized number of line officers in any grade on the active list above the grade of lieutenant, junior grade, until the total number of line officers shall have been reduced below the number otherwise authorized by law.

The amendment was agreed to.

The next amendment was, on page 2, after line 7, to insert a new section, as follows:

SEC. 2. That all commissions hereafter issued as ensigns in the line of the Navy, second lieutenants in the Marine Corps, and in the lowest commissioned grades of the Staff Corps of the Navy with the rank of ensign, may be revoked by the Secretary of the Navy, under such regulations as he may prescribe, at any time during a period of two years from the dates of such commissions, and each officer whose commission is so revoked shall be discharged from the service with not more than one year's pay. The rank of such officers of the same date of commission among themselves at the end of said period shall be determined by boards of officers under such rules as may be prescribed by the Secretary of the Navy, and the recommendations of such boards shall be final when approved by him.

The amendment was agreed to.

The next amendment was, on page 2, after line 21, to insert a new section, as follows:

SEC. 3. That after January 1, 1933, the number of midshipmen allowed at the United States Naval Academy for each Senator, Representatitve, Delegate in Congress, Resident Commissioner, from Porto Rico, and the District of Columbia, by the act of July 11, 1919 (41 Stat. 140; U. S. C., title 34, sec. 1032), shall be reduced to two: *Provided*, That nothing herein shall exclude from the United States Naval Academy any midshipman appointed thereto prior to January 1, 1933.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy, and for other purposes."

LOAN OF EQUIPMENT FOR UNITED CONFEDERATE VETERANS' ENCAMPMENT

The bill (H. R. 5848) authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Richmond, Va., in June, 1932, was announced as next in order.

Mr. THOMAS of Oklahoma. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. REED. Mr. President, I inquire who asked that House bill 5848 go over?

The VICE PRESIDENT. The request was made by the Senator from Oklahoma [Mr. THOMAS].

Mr. THOMAS of Oklahoma. Mr. President, I asked that the bill go over as I asked the other day that a similar measure proposing to loan equipment for another occasion of this kind should likewise go over. There is on the calendar a joint resolution, being Senate Joint Resolution No. 80, which provides for furnishing equipment to communities in distress. If it be agreeable to attach that joint resolution as a section to one of these bills, I shall be very glad to have them considered at one and the same time.

Mr. FLETCHER. Mr. President, may I appeal to the Senator to allow this bill to pass? It is a House bill; there is no objection to it at all by anybody, and I wish the Senator would allow action to be taken upon it.

Mr. THOMAS of Oklahoma. I have no objection to this bill, but I am very greatly interested in having the other measure to which I have referred and which is on the calendar likewise become a law. I want a chance to vote upon it. I will not insist upon the Senate adopting my amendment, but I will insist upon the privilege of offering it as an amendment.

Mr. REED. Mr. President, House bill 5848 is in the usual form, permitting the United Confederate Veterans to have the loan of certain War Department property, with a surety bond to protect the Government on account of the equipment to be used at the national encampment to be held this year. It has been the custom of the Congress to allow that to be done for national encampments of veterans' organizations, such as the Grand Army of the Republic, the United Confederate Veterans, and the American Legion.

The Senator from Oklahoma wants the War Department to provide tents and cots and what not to take care of unemployed in the State of Oklahoma, and he is holding up the United Confederate Veterans' bill and the American Legion bill, which is similar in form, in order to compel us to give this accommodation to a group of unemployed in Oklahoma. If it is done in Oklahoma, it ought to be done in all the other 47 States; and, in that event, the War Department will find itself in the position of keeping hotels all over the country for anybody who claims to be unemployed.

I do not see any reason for associating the two propositions. The Senator's proposal which he is trying to force on this bill has nothing whatever to do with the annual encampment of these national organizations of veterans. We have always refused to lend tents and cots and what not even to State encampments of veterans. We never have passed a bill to that effect. Now, the Senator wants equipment furnished to a State encampment, so to speak, for the benefit of the unemployed in Oklahoma only. I see no justification for adding such an amendment to this bill. I think it is highly unfair to the United Confederate Veterans and to the American Legion for the Senator to hold up these bills.

Mr. GEORGE. Mr. President, of course, the Senator from Oklahoma has a right to raise his objection and insist upon it unless he can have his own joint resolution considered as an amendment to this bill; but I certainly agree with what the Senator from Pennsylvania [Mr. REED] has stated. I do not think the two matters are at all related. It looks to me that, on consideration, the Senator from Oklahoma might withdraw his objection to the consideration of these bills or his conditional consent to consider this bill and the American Legion bill as well and let the Senate pass upon them.

I am not raising any question as to the merits of the proposal made by the Senator from Oklahoma; no doubt there may be merit in his proposal; but, at the same time, others take a different view of it; and it certainly seems to me the two measures are not related. I therefore hope the Senator will not insist upon his objection.

The PRESIDING OFFICER. Does the Senator from Oklahoma withdraw his objection?

Mr. THOMAS of Oklahoma. Mr. President, the issue raised here is simply this: The joint resolution which has been objected to and sought to be killed by the senior Senator from Pennsylvania—and it was dead for a while until the Senate by force brought it back from the committee—merely provides that the governors of States may have the right to appeal to the Secretary of War in case of emergency and ask for such equipment as may be necessary to take care of such emergency—something similar to that which arose in Alabama and Georgia only a few days ago. At the present time when such an emergency arises and appeals are made to the Secretary of War, if he furnishes the equipment he admits that he breaks the law.

The joint resolution which I am sponsoring does not require the Secretary of War to do a single thing, Mr. President; it only permits the governor of a State in a case of that kind to make application for unused equipment, and then the Secretary of War, in his discretion, has the power under the law to furnish it. That is objected to. The joint resolution provides that if equipment is furnished the Secretary of War shall submit an estimate to the first succeeding Congress covering damage done to the equipment, or, if it has been lost or destroyed, covering its value, the Congress to appropriate for it. I can not understand why it is that that joint resolution is objected to, but it is objected to, and I contend it should pass. However, I am only asking for a chance to present it to the Senate, as every time it is reached it is objected to.

Mr. FLETCHER. Mr. President, may I ask the Senator a question?

Mr. THOMAS of Oklahoma. Yes, sir.

Mr. FLETCHER. Would the Senator be willing to take up this bill so that he could then offer his amendment to it and we could vote on it?

Mr. THOMAS of Oklahoma. That is all I am asking, that in the event we take up the bill I shall have the right to offer the amendment.

Mr. FLETCHER. If we take up the bill, then the Senator would have a right to offer his amendment.

The PRESIDING OFFICER. Is there objection to the consideration of the bill? The Chair hears none.

The Senate proceeded to consider the bill.

Mr. THOMAS of Oklahoma. Mr. President, I offer as a new section of this bill all that portion of Senate Joint Resolution No. 80 after the resolving clause.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. It is proposed to insert at the proper place in the bill the following words:

That upon the request from any governor or acting governor of any State, Territory, or possession of the United States, for equipment, goods, and supplies, the Secretary of War is hereby authorized to make available to any such governor or acting governor, such equipment, goods, and supplies, for the use and benefit of any such State, Territory, or possession, in connection with relief work for citizens in distress: *Provided*, That the Secretary of War shall make and promulgate rules and regulations for carrying into effect the provisions of this resolution.

Mr. THOMAS of Oklahoma. Mr. President, I sent as hurriedly as I could for a copy of the joint resolution, but the page has brought me the wrong copy. This is the copy as originally introduced. The joint resolution was sent to a subcommittee, and a substitute joint resolution was brought back. I desire to submit as my amending section the substitute as brought back and recommended by the subcommittee; and I ask that the matter go over until I can have a chance to get it in proper form.

The PRESIDING OFFICER. The bill will be passed over temporarily.

GEORGIA HIGHWAY DEPARTMENT

The bill (H. R. 7788) authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to grant to the highway department of the State of Georgia a right of way for a public, hard-surfaced road through a part of the uninclosed portion of the Government property embraced in the national cemetery reservation at Andersonville, Ga.

MANOB SURIYA

The joint resolution (S. J. Res. 134) authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Manob Suriya, a citizen of Siam, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to permit Manob Suriya to receive instruction at the United States Military Academy, at West Point: *Provided*, That no expense shall be caused to the United States thereby, and that Manob Suriya shall agree to comply with all regulations for the police and discipline of the Academy, to be studious, and to give his utmost efforts to accomplish the courses in the various departments of instruction, and that said Manob Suriya shall not be admitted to the academy until he shall have passed the mental and physical examinations prescribed for candidates from the United States and that he shall be immediately withdrawn if deficient in studies or in conduct and so recommended by the academic board: *Provided further*, That in the case of said Manob Suriya the provisions of sections 1320 and 1321 of the Revised Statutes shall be suspended.

WILLIAM M. SHERMAN

The Senate proceeded to consider the bill (S. 3334) for the relief of William M. Sherman, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 11, after the word "shall," to strike out "accrue" and insert "be held to have accrued," so as to make the bill read:

Be it enacted, etc., That in the administration of the pension laws William M. Sherman, who served as a private in the following organizations, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of Troop A, Eighth Regiment United States Cavalry, on the 18th day of May, 1900, and from Company I, Eighth Regiment United States Infantry, on the 7th day of March, 1901: *Provided*, That no bounty, pension, pay, or other emoluments shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES E. BOURKE

The Senate proceeded to consider the bill (S. 3179) for the relief of Charles E. Bourke, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 9, after the word "pension," to strike out "pay, or bounty" and insert "bounty, back pay, or allowances," so as to make the bill read:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army Charles E. Bourke shall be held and considered to have been honorably discharged on April 15, 1899, as a private, Company L, Eleventh Regiment United States Infantry: *Provided*, That no pension, bounty, back pay, or allowances shall be held to have accrued by reason of this act prior to its passage.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DAN DAVIS

The bill (S. 1385) for the relief of Dan Davis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Dan Davis, who was a member of Company L, Twenty-second Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 5th day of September, 1902: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

BILLS PASSED OVER

The bill (S. 2842) to authorize construction of the Casper-Alcova division, North Platte project, Nebraska-Wyoming, was announced as next in order.

Mr. COSTIGAN. I request that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8084) for the protection of the northern Pacific halibut fishery was announced as next in order.

Mr. DILL. I think that bill had better go over.

The VICE PRESIDENT. The bill will be passed over.

LANDS IN LOUISIANA

The bill (H. R. 8779) granting certain lands to the board of commissioners of the Orleans levee district in the city of New Orleans, State of Louisiana, for levee and street purposes was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following-described land, to wit: A strip of land 210.02 feet in length and 30 feet in depth, fronting on North Peters Street, between Barracks Street and Esplanade Avenue, being a part of the Old Mint Site, transferred to the control and custody of the Department of Justice by the Secretary of the Treasury on May 15, 1931, and shown on a plan made by the chief engineer of the Board of Levee Commissioners, dated January 2, 1932, be, and the same is hereby, granted to the board of commissioners of the Orleans levee district, of New Orleans, La., for levee and street purposes; and the Attorney General is, upon the passage of this act, authorized to execute a proper quit-claim deed upon due proof of the organization and legal existence of the board of commissioners of the Orleans levee district.

SEC. 2. That the said lands are granted solely for levee and street purposes, and shall revert to and become the property of the United States of America, if used for any purpose whatsoever other than or foreign to those for which this donation is made.

SEC. 3. The transfer of this property and its use for the purposes mentioned shall be without expense to the United States of America.

MISSISSIPPI RIVER BRIDGE, BETTENDORF, IOWA

The bill (H. R. 9066) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa, authorized to be built by B. F. Peek, G. A. Shallberg, and C. I. Josephson, of Moline, Ill.; J. W. Bettendorf, A. J. Russell, and J. L. Hecht, of Bettendorf and Davenport, Iowa, their heirs, legal representatives, and assigns, by the act of Congress approved May 26, 1928, heretofore extended by acts of Congress approved March 2, 1929, and June 10, 1930, are hereby further extended one and three years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

BILL PASSED OVER

The bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, was announced as next in order.

The VICE PRESIDENT. This bill, being the unfinished business, will be passed over.

GRAND ARMY OF THE REPUBLIC

The bill (S. 4235) to aid the Grand Army of the Republic in its Memorial Day services, May 30, 1932, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the sum of $2,500 be, and the same is hereby, authorized to be appropriated to aid the Grand Army of the Republic Memorial Day Corporation in its Memorial Day services, May 30, 1932, and in the decoration of the graves of the Union soldiers, sailors, and marines with flags and flowers in the national cemeteries in the District of Columbia and in the Arlington National Cemetery in Virginia.

SEC. 2. That said fund shall be paid to the treasurer of the Grand Army of the Republic Memorial Day Corporation and shall be disbursed by him for said memorial service.

APPOINTMENT OF PUBLIC-SCHOOL EMPLOYEES IN THE DISTRICT

The bill (H. R. 9974) to authorize employment of public-school employees between meetings of the Board of Education was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the superintendent of schools of the District of Columbia be, and he is hereby, authorized to accept the resignation or the application for retirement of any employee, to grant leave of absence to any employee, to extend or terminate any temporary appointment, and to make all changes in personnel and appointments growing out of such resignation, retirement, leave of absence, termination of temporary appointment, or caused by the decease or suspension of any employee, or the organization of a new class or classes, and to perform such other duties necessary for the operation of the public-school system as may be authorized by the Board of Education, provisionally and until the next regular meeting of the Board of Education.

SEC. 2. That the authority conferred on the superintendent of schools by this act shall, during his authorized absence, devolve on the person designated as acting superintendent of schools.

SEC. 3. All laws or parts of laws inconsistent with the provisions of this act be, and the same are hereby, repealed.

The VICE PRESIDENT. Without objection, the corresponding Senate bill, S. 3707, will be indefinitely postponed.

INDIAN IRRIGATION PROJECTS

The Senate proceeded to consider the bill (S. 3675) relating to the deferment and adjustment of construction charges for the years 1931 and 1932 on Indian irrigation projects, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 1, to strike out "heretofore or hereafter enacted applicable for the years 1931 and 1932 in the case of irrigation projects constructed and operated under the reclamation law" and to insert "for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law approved April 1, 1932 (Public, No. 70, 72d Cong.)," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized, under such rules and regulations as he may prescribe, to defer the payment of construction charges for the calendar year 1931 on irrigation projects under the direction of the Commissioner of Indian Affairs, and to adjust the construction charges for the calendar year 1932 on such projects, in the same manner and to the same extent as provided by any act of Congress for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law approved April 1, 1932 (Public, No. 70, 72d Cong.).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 4080) to regulate the manufacture and sale of stamped envelopes was announced as next in order.

Mr. McNARY. Mr. President, at the request of the Senator from Rhode Island [Mr. HEBERT], who was called from the Chamber, I ask that that bill be passed over for the moment.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3223) relative to the qualifications of practitioners of law in the District of Columbia was announced as next in order.

Mr. McKELLAR. I ask that that go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. McNARY. At the request of the Senator from South Dakota [Mr. NORBECK], I ask that that bill go over.

The VICE PRESIDENT. It has already gone over on objection of the Senator from Tennessee.

COORDINATION, ETC., OF EXECUTIVE DEPARTMENTS AND INDEPENDENT ESTABLISHMENTS

The joint resolution (S. J. Res. 135) creating a joint commission concerning the coordination and economical administration of the executive departments and independent establishments of the Government was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That there is hereby created a joint commission to be composed of 9 members, 3 Senators to be appointed by the Vice President of the United States, 3 Members of the House of Representatives to be appointed by the Speaker, and 3 members to be appointed by the President of the United States. This commission shall study the several executive departments and independent establishments of the Government with a view to their coordination and economical administration and within 30 days from the passage of this resolution make such recommendations to Congress as it may deem advisable. All agencies of the Government shall furnish to the commission such information as it is possible to furnish. The Director of the Bureau of the Budget is directed to furnish to the commission such clerical force as the commission may request. The commission may employ such stenographic help as may be necessary, the payment therefor being hereby authorized, at rates not exceeding 25 cents for 100 words, to be paid upon vouchers to be approved by the chairman of the commission, from the contingent funds of the Senate and House of Representatives in equal parts.

CLARA E. WIGHT

The Senate proceeded to consider the bill (H. R. 3580) for the relief of Clara E. Wight, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "Wight," to insert "or upon her death to her husband, if he survives"; in line 6, after the words "sum of," to strike out "$3,360" and insert "$50 per month, in an amount not to exceed $3,360"; and in line 8, after the words "death of," to strike out "her" and insert "their," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clara E. Wight, or upon her death to her husband, if he survives, the sum of $50 per month, in an amount not to exceed $3,360, in full compensation for the death of their son, Ralph L. Wight, who was a civilian employee of the Navy, and was overcome by gas and burned while working in submarine *S-44* at the navy yard, Portsmouth, N. H., on January 10, 1919, as a result of which he died January 15, 1919.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HAMILTON GROUNDS

The bill (S. 660) for the relief of Hamilton Grounds was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hamilton Grounds, a Walapai Indian residing on the Walapai Indian Reservation in Mohave County, near Valentine, Ariz., the sum of $40 per month for the remainder of his life, in full satisfaction of his claim against the United States for injuries caused by the explosion of a dynamite cap left by an employee of the United States on the grounds of the Truxton Canon Indian Boarding School at Valentine, Ariz.: *Provided*, That so long as the said Hamilton Grounds remains a minor such monthly payments shall be made to his guardian for the benefit of the said Hamilton Grounds. Such monthly payments shall date from the approval of this act.

HELEN PATRICIA SULLIVAN

The bill (H. R. 3909) for the relief of Helen Patricia Sullivan was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Helen Patricia Sullivan, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 in full settlement of damages sustained April 12, 1929, at Los Angeles, Calif., when she was struck by an automobile operated under the jurisdiction of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

STEVE FEKETE

The bill (H. R. 5259) for the relief of Steve Fekete was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Steve Fekete, of Detroit, Mich., the sum of $500, which was the amount of a bail bond given to the United States on January 13, 1928, to insure the departure of John Opalenik, an alien, which bond was declared forfeited by the Department of Labor prior to the time the alien was apprehended and deported.

GEORGE E. CASEY

The Senate proceeded to consider the bill (H. R. 4868) for the relief of George E. Casey, which had been reported from the Committee on Claims with an amendment, on page 1, line 3, after the words "That the," to strike out "Postmaster General" and insert "Comptroller General of the United States," so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the account of George E. Casey, former postmaster at Bunch, Okla., in the sum of $103.20. Such sum represents the amount of a deficit in the account of the said George E. Casey, caused by the burglarizing of the post office at Bunch, Okla., on the night of May 19, 1926, of $40.71 in cash and blank money-order forms, stolen and filled out, in the sum of $62.49, making a total of $103.20.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

W. J. SHIRLEY

The bill (H. R. 3265) for the relief of W. J. Shirley was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. J. Shirley the sum of $60.77 in reimbursement for value of his personal property destroyed by fire in the military service of the United States at Brest, France, on the 21st day of July, 1919, and for which loss he was in no wise responsible.

ESTATE OF GEORGE B. SPEARIN, DECEASED

The bill (S. 1271) for the relief of the estate of George B. Spearin, deceased, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, directed to pay to the estate of George B. Spearin, deceased, the sum of $5,616.29, which sum, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, said sum to be payment in full for all loss sustained by said Spearin by reason of failure, until April 11, 1917, of his attorney to file with the Treasury Department, in compliance with the provisions of the act of September 30, 1890 (26 Stat. L. 537), transcript of judgment of the Court of Claims in the case of Spearin against the United States.

BILLS PASSED OVER

The bill (H. R. 5484) extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation was announced as next in order.

Mr. McNARY. Mr. President, a request has been made that some explanation be made of the bill. In the absence of the Senator from North Dakota [Mr. NYE], the chairman of the committee, I ask that the bill go over temporarily.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8914) to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation in the State of Montana was announced as next in order.

Mr. McNARY. In the absence of an explanation of this bill, I ask that the same order be made.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V., title 47, ch. 4), and for other purposes, was announced as next in order.

Mr. WHITE. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

USE OF PUBLIC LANDS FOR CAMP SITES, ETC.

The Senate proceeded to consider the bill (S. 3638) to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 7, after the word "unoccupied" to insert "nonmineral"; on page 2, line 3, after the words "more than," to strike out "320" and insert "160"; and in line 10, after the word "acre," to insert: "*Provided further*, That such lessee or permittee shall be given a reasonable time after the termination of the lease or permit to remove personal property and improvements from such area," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior, in his discretion and as appurtenant to a lease or permit issued under any of the United States mineral leasing laws, is authorized to issue to any such lessee or permittee a permit to use an additional tract of unoccupied nonmineral public land for camp sites, refining works, mill, tipple, or other purposes connected with and necessary to the proper development and use of the deposits covered by the lease or permit: *Provided*, That such permit shall be for a period not longer than the term of the lease or permit, and for an area of not more than 160 acres, and conditioned on the continued use of the land for the purpose for which issued, and upon payment of a rental fixed by the Secretary of the Interior, payable in advance on the date of such use permit and annually thereafter on the anniversary thereof, the rental in no case to be less than 25 cents per acre: *Provided further*, That such lessee or permittee shall be given a reasonable time after the termination of the lease or permit to remove personal property and improvements from such area: *And provided further*, That all money received from rentals under the provisions of this act shall be disposed of in accordance with the provisions of section 35 of the act of February 25, 1920 (41 Stat. 437).

SEC. 2. That the Secretary of the Interior is authorized to adopt such rules and regulations governing the use and occupancy of the lands embraced in permits herein authorized and to carry out and accomplish the purposes of this act as he shall deem necessary.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES R. THORNTON

The Senate proceeded to consider the bill (S. 2144) authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton, which had been reported from the Committee on Public Lands and Surveys with an amendment to strike out all after the enacting clause and to insert:

That, notwithstanding the provisions and limitations of the acts of June 5, 1872 (17 Stat. 226), and February 11, 1874 (18 Stat. 15), the Secretary of the Interior is authorized and directed to approve the isolated tract application of Charles R. Thornton, of Missoula, Mont., numbered Great Falls 076803, covering the southeast quarter of the northeast quarter of section 24, township 10 north, range 20 west, principal meridian, Bitter Root Valley, Mont., and to grant to said Charles R. Thornton a patent in fee to such land upon payment by him of a reasonable price therefor as determined by the Secretary of the Interior, but not less than $1.25 per acre.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF RADIO ACT OF 1927

The bill (S. 4289) to amend the act of February 23, 1927, as amended (U. S. C., title 47, sec. 85), and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 5, subparagraph C, of the act of February 23, 1927, as amended (U. S. C., title 47, sec. 85), is amended by striking out the word "persons," after the words "issue them to such," and inserting the words "citizens of the United States," so that the amended paragraph will read: "To prescribe the qualifications of station operators, to classify them according to the duties to be performed, to fix the forms of such licenses, and to issue them to such citizens of the United States as he finds qualified."

LOAN OF EQUIPMENT FOR UNITED CONFEDERATE VETERANS' ENCAMPMENT

Mr. THOMAS of Oklahoma. Mr. President, a few moments ago we passed over temporarily Order of Business 568, being House bill 5848. At that time I offered an amendment; but the page brought me the original text, and I desired to offer as my amendment the final text as agreed to by the subcommittee. At this time I ask unanimous consent to return to this bill first.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, I have no objection to returning to the bill. I understand that it is simply for the purpose of proposing an amendment.

Mr. THOMAS of Oklahoma. Yes.

Mr. FLETCHER. I suggest the absence of a quorum. Other Senators who are interested in this matter are not here.

Mr. McNARY. I understand that the Senator from Oklahoma is not asking the opportunity to take up the measure at this time. He only wishes to propose an amendment to it.

Mr. FLETCHER. I understand; but the Senator from Pennsylvania is not here at the moment.

Mr. McNARY. The Senator from Pennsylvania could not prevent the proposing of the amendment. I shall object to its consideration, however.

Mr. FLETCHER. The Senator from Pennsylvania does not object to its consideration. The Senator from Oklahoma proposes an amendment to it, but there are Senators interested in the amendment who ought to be here.

Mr. McNARY. I understand that the Senator from Oklahoma is making no request for the immediate consideration of the bill. He simply wants to propose an amendment.

Mr. FLETCHER. No; he has called for the consideration of the bill. That is his object.

Mr. McNARY. I shall object to that.

Mr. FLETCHER. The Senator objected to the consideration of the bill this morning and then subsequently withdrew his objection and said he would consent to have it come up. Now he offers an amendment to it, which he has a right to do. I had hoped we could go on and dispose of the bill.

Mr. McNARY. Very well. Is it the pleasure of the Senator from Oklahoma to present the matter now and ask for its consideration?

Mr. THOMAS of Oklahoma. That is what I should like to have done, if that is agreeable.

Mr. McNARY. The Senator from Pennsylvania objected to the Senator's joint resolution as amended in connection with Order of Business 568. I thought the Senator only wanted to propose another amendment at this time.

Mr. THOMAS of Oklahoma. I desire to offer an amendment to this measure, the amendment being the exact language of the subcommittee report on the original bill offered by myself.

Mr. McNARY. I can state to the Senator that we will have a call of the calendar on Wednesday, and, as other Senators are absent now, probably he would be willing to take up the matter then.

Mr. FLETCHER. I suggest the absence of a quorum. Let us dispose of it now. I think we can get a vote on the Senator's amendment.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Byrnes	Fess	Hebert
Austin	Capper	Fletcher	Howell
Bailey	Caraway	Frazier	Hull
Bankhead	Carey	George	Johnson
Barbour	Connally	Glass	Jones
Barkley	Coolidge	Glenn	Kean
Bingham	Copeland	Goldsborough	Kendrick
Black	Costigan	Gore	La Follette
Blaine	Couzens	Hale	Lewis
Borah	Cutting	Harrison	Logan
Bratton	Dale	Hastings	McKellar
Brookhart	Dickinson	Hatfield	McNary
Bulow	Dill	Hayden	Morrison

Moses	Reed	Smoot	Vandenberg
Neely	Robinson, Ark.	Steiwer	Wagner
Norbeck	Robinson, Ind.	Stephens	Walcott
Norris	Schall	Thomas, Idaho	Waterman
Nye	Sheppard	Thomas, Okla.	Watson
Oddie	Shipstead	Trammell	Wheeler
Patterson	Smith	Tydings	White

The VICE PRESIDENT. Eighty Senators having answered to their names, there is a quorum present. The Secretary will state the unanimous-consent request of the Senator from Oklahoma [Mr. THOMAS].

The CHIEF CLERK. The Senator from Oklahoma asks unanimous consent that the Senate proceed to the consideration of Calendar No. 568, and that he might offer an amendment, to be introduced at a certain place in the bill.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. THOMAS of Oklahoma. Is an amendment in order to House bill 5848?

The VICE PRESIDENT. An amendment is in order.

Mr. THOMAS of Oklahoma. I submit the amendment, which I send to the desk.

The CHIEF CLERK. The Senator from Oklahoma proposes to insert in the proper place in House bill 5848 the following new section:

SEC. —. That whenever by reason of storm, flood, famine, earthquake, or other emergency, considerable numbers of the people of any State, Territory, or dependency of the United States are rendered destitute or in peril of death or suffering from starvation, natural violence, or exposure to the elements, the Secretary of War is hereby authorized, in his discretion, and under such regulations as he shall prescribe, and at the request of the chief executive of the State or Territorial government concerned, to employ such military forces, equipment, transportation, services, and supplies of the United States as are available for such emergency relief measures as the said Secretary shall deem appropriate; and the Secretary of War shall annually submit to Congress, through the Bureau of the Budget, estimates to cover the amounts necessary to be appropriated to reimburse the War Department for the funds expended and the property and equipment used, lost, damaged, or destroyed in carrying out the provisions of this section.

Mr. THOMAS of Oklahoma. Mr. President, the amendment just submitted and read is in the exact words of the report of a subcommittee of the Committee on Military Affairs, and later of the Military Affairs Committee to this body. After the bill was on the calendar for a few days, for some reason it was sent back to the committee. Later the Senate had the bill brought back and placed on the calendar. I am simply submitting the amendment in the form in which it came from the committee originally to this bill, and I ask for a vote on the amendment.

Mr. REED. Mr. President, I shall speak for only a moment or two.

The Army realizes that it exists to serve the people of the United States, and in the past where great emergencies have arisen it has not waited for legislative authority, or for word from Washington, before helping to the utmost of its power. Every particle of the military force that is in the neighborhood of a catastrophe has responded without any action of Congress or any orders from Washington.

The trouble with this amendment is that it would give every governor the right to call upon the Army to contribute its supplies in case of any emergency, and it is intended expressly to include unemployment emergencies, among others.

The enactment of this legislation would put the Army in a position of having to respond to possibly 48 different calls from 48 different States, to have to furnish its material to run free hotels for the benefit of anybody who chose to describe himself as unemployed. One can readily see what would happen to the equipment of the Army if we ever launched into such a program.

It is provided that at the end of each year the Army may come in and ask for an appropriation to make good the loss and the wreckage entailed in this experiment. With the Congress determined to cut down the appropriations to the bare bones, how can the Army spend its substance out of its annual appropriation and still preserve anything like that minimum degree of efficiency which we demand of them?

It seems to me that to couple such a proposition with the proposal to lend 250 tents to the annual encampment of a veterans' organization is foreign to the purpose of the bill, and can only have the effect of blocking the bill to which the Senator seeks to add the amendment.

I hope the amendment will be defeated.

Mr. THOMAS of Oklahoma. Mr. President, in behalf of some 48 governors I resent the insinuation that they would ask the War Department to come to their States and run hotels there, except at a time when a flood strikes a State, or a cyclone strikes a State, or an earthquake strikes a State, or even a depression strikes a State. If objection should be made to this bill, there would be no time to argue it now. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Hull	Patterson
Austin	Cutting	Johnson	Reed
Bailey	Dale	Jones	Robinson, Ark.
Bankhead	Dickinson	Kean	Robinson, Ind.
Barbour	Dill	Kendrick	Schall
Barkley	Fess	La Follette	Sheppard
Bingham	Fletcher	Lewis	Shipstead
Black	Frazier	Logan	Smith
Blaine	George	McGill	Steiwer
Bratton	Glass	McKellar	Thomas, Idaho
Brookhart	Glenn	McNary	Thomas, Okla.
Bulow	Goldsborough	Morrison	Trammell
Byrnes	Gore	Moses	Tydings
Capper	Hale	Neely	Vandenberg
Caraway	Hatfield	Norbeck	Walcott
Carey	Hayden	Norris	Watson
Coolidge	Hebert	Nye	Wheeler
Copeland	Howell	Oddie	White

The VICE PRESIDENT. Seventy-two Senators have answered to their names. A quorum is present. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

Mr. REED. Mr. President, I am just as anxious as is the Senator from Oklahoma [Mr. THOMAS] to get the decision of the Senate on his amendment. I ask unanimous consent that the unfinished business may be temporarily laid aside in the hope that the Senate within five minutes may dispose of the question that is pending.

Mr. McNARY. Mr. President, I have no objection to that proceeding for a limited time, but if it leads to debate I shall ask for the regular order.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The question is on the amendment submitted by the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Mr. President, I do not care to take additional time to discuss the matter. I am only asking that a vote be had. Perhaps one or two sentences would not be amiss.

At the present time when some community suffers disaster and makes application to the War Department for relief in the form of tents or cots or blankets, if the Secretary of War desires to furnish the goods he does so. If he does not desire to furnish the goods he tells the community that the law will not permit. In my State we have had in years past some cyclones, we have had some floods, we have had the depression. Perhaps that has not happened in the State of Pennsylvania. I hope not. In my State we have asked for help from the Secretary of War. He has made the statement that he could not supply the goods because the law would not permit. Then the responsible authorities in my State come to me as one Member of Congress and ask me why we do not amend the law. I have submitted the amendment. I alone can not have the amendment agreed to, but I think I am entitled to have a vote. I now ask for a record vote on the amendment. I demand the yeas and nays.

The VICE PRESIDENT. Is the demand seconded?

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. CAREY (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. BULKLEY]. In his absence I withhold my vote.

Mr. HEBERT (when his name was called). I have a general pair with the Senator from Louisiana [Mr. LONG]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I would vote "nay."

Mr. JONES (when his name was called). I have a general pair with the Senator from Virginia [Mr. SWANSON]. As I understand it he would vote as I intend to vote. Therefore I feel free to vote. I vote "nay."

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is necessarily absent. I do not know how he would vote. Therefore I withhold my vote.

Mr. McKELLAR (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. TOWNSEND]. In his absence I withhold my vote.

Mr. TYDINGS (when his name was called). I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. I transfer that pair to the junior Senator from Utah [Mr. KING] and vote "yea."

The roll call was concluded.

Mrs. CARAWAY. I have a general pair with the Senator from Delaware [Mr. HASTINGS]. Not knowing how he would vote on this question, I withhold my vote.

Mr. HATFIELD (after having voted in the negative). Has the Senator from North Carolina [Mr. MORRISON] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. HATFIELD. I have a general pair with that Senator and therefore withdraw my vote.

Mr. FESS. I desire to announce that the Senator from Utah [Mr. SMOOT] and the Senator from Mississippi [Mr. HARRISON] are detained in a committee meeting.

I also desire to announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH]; and

The Senator from California [Mr. SHORTRIDGE] with the Senator from Georgia [Mr. HARRIS].

Mr. SHEPPARD. I desire to announce that the following Senators are detained on official business:

The Senator from Mississippi [Mr. HARRISON], the Senator from Texas [Mr. CONNALLY], the Senator from Arizona [Mr. ASHURST], the Senator from Nevada [Mr. PITTMAN], the Senator from New York [Mr. WAGNER], the Senator from North Carolina [Mr. MORRISON], the Senator from Kansas [Mr. McGILL], and the Senator from Massachusetts [Mr. COOLIDGE].

The result was announced—yeas 27, nays 32, as follows:

YEAS—27

Barkley	Costigan	Kendrick	Shipstead
Black	Cutting	La Follette	Smith
Bratton	Dill	Lewis	Thomas, Okla.
Brookhart	Frazier	Neely	Trammell
Bulow	Gore	Nye	Tydings
Byrnes	Hayden	Robinson, Ark.	Wheeler
Copeland	Johnson	Robinson, Ind.	

NAYS—32

Austin	Dickinson	Howell	Reed
Bailey	Fess	Hull	Schall
Bankhead	Fletcher	Jones	Sheppard
Barbour	George	Kean	Steiwer
Bingham	Glass	McNary	Thomas, Idaho
Blaine	Glenn	Moses	Walcott
Capper	Goldsborough	Oddie	Watson
Dale	Hale	Patterson	White

NOT VOTING—37

Ashurst	Harris	McGill	Swanson
Borah	Harrison	McKellar	Townsend
Broussard	Hastings	Metcalf	Vandenberg
Bulkley	Hatfield	Morrison	Wagner
Caraway	Hawes	Norbeck	Walsh, Mass.
Carey	Hebert	Norris	Walsh, Mont.
Connally	Keyes	Pittman	Waterman
Coolidge	King	Shortridge	
Couzens	Logan	Smoot	
Davis	Long	Stephens	

So the amendment of Mr. THOMAS of Oklahoma was rejected.

The VICE PRESIDENT. The bill is still open to amendment. If there is no amendment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

POLICY OF SENATE IN REDUCTION OF APPROPRIATIONS

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. When we recessed on Friday, we had a resolution pending in reference to the Treasury and Post Office appropriation bill, to recommit the bill with instructions. What became of that?

The VICE PRESIDENT. The Senator is mistaken in that. The Senate adjourned on Friday and that disposed of the further consideration of the resolution for the time being. The only way it can be gotten up again is to request that the unfinished business be temporarily laid aside and that the resolution be further considered.

Mr. McKELLAR. I think debate has been exhausted; and if the Senator from Washington [Mr. JONES] will not object, I shall ask unanimous consent to renew the consideration of the resolution and ask that we may vote on it and have the matter settled.

The VICE PRESIDENT. Is there objection to laying aside the unfinished business temporarily and proceeding to the consideration of the resolution of the Senator from Tennessee?

Mr. JONES. Mr. President, I am in hopes that will be agreed to because we desire to get the subcommittee to work. The subcommittee is ready to begin to write up the Treasury and Post Office appropriation bill if it knows what the wishes of the Senate are, so I hope the request of the Senator from Tennessee will be granted.

Mr. BLAINE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BLAINE. If unanimous consent is not granted, what will be the next parliamentary step with relation to the resolution of the Senator from Tennessee?

The VICE PRESIDENT. The appropriation bill which is the unfinished business was laid before the Senate when the hour of 2 o'clock arrived.

Mr. BLAINE. Am I to understand that the resolution of the Senator from Tennessee has displaced the unfinished business?

The VICE PRESIDENT. The request is for unanimous consent that the bill be temporarily laid aside. Is there objection?

Mr. ROBINSON of Arkansas. What is the request?

The VICE PRESIDENT. The request is that the appropriation bill be temporarily laid aside for the consideration of the motion of the Senator from Tennessee [Mr. McKELLAR]. Is there objection? The Chair hears none.

The Senate resumed the consideration of the resolution (S. Res. 197) submitted by Mr. McKELLAR on the 13th instant.

The VICE PRESIDENT. The Secretary will state the pending motion.

The CHIEF CLERK. The Senator from Tennessee on the 13th instant offered the following resolution (S. Res. 197):

Resolved, That it is the sense of the Senate that the Committee on Appropriations, in its consideration of the bill (H. R. 9699) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes, should observe the policy adopted by the Senate in the cases of the Interior Department, and the State, Justice, Commerce, and Labor Departments appropriations bills, and report the said bill back to the Senate with amendments providing an aggregate reduction of 10 per cent in the amount of the appropriations contained in the bill as received from the House of Representatives.

In line 10 of the resolution the Senator from Maryland [Mr. TYDINGS] proposes the following amendment: After the words "10 per cent" to insert ", exclusive of provisions for buildings and construction."

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Maryland to the resolution of the Senator from Tennessee.

Mr. ODDIE. Mr. President, on Thursday and Friday last the pending McKellar resolution providing for a 10 per cent cut in the Treasury and Post Office appropriation bill was discussed at considerable length on the floor of the Senate, and the question was raised on the floor regarding the canceling of ocean mail contract appropriations. On Friday I requested the Post Office Department to send me a statement regarding the effect of such cancellation, and, in answer to my inquiry, I have just received a letter, dated April 18, from the executive assistant to the Postmaster General, Harold N. Graves, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., April 18, 1932.

Hon. TASKER L. ODDIE,
United States Senate.

MY DEAR SENATOR ODDIE: In accordance with your request by telephone, I am giving you information in connection with the debate on the floor of the Senate last Friday in which the position was taken by some of the Senators that mail contracts under the merchant marine act, 1928, are subject to cancellation at the option of the Government.

I am transmitting herewith a copy of one of the contracts marked to show the clauses under which it can be annulled or canceled. It will be seen that annulment or cancellation can not be effected except (a) for default of the contractor, (b) upon application of the contractor in case of failure of the Shipping Board to grant a loan, or (c) upon mutual agreement of the contractor and the Postmaster General after expiration of five years of the contract term.

Nineteen of the forty-four contracts have provisions for cancellation or annulment similar to those in the contract transmitted herewith. Twenty-five of the contracts do not have provision (b) with respect to cancellation upon refusal of the Shipping Board to grant a loan, and two of them do not contain provision (c) for cancellation by mutual agreement after expiration of five years of the contract term.

The Government has in no case reserved an option to cancel the contract except under the conditions here indicated. It follows, therefore, that, as the Postmaster General informed the chairman of the Committee on Appropriations by his letter of March 29, no reduction can be made in the department's ocean mail payments, unless the Government is to repudiate its contract obligations.

By direction of the Postmaster General.

Very truly yours,

HAROLD N. GRAVES,
Executive Assistant to the Postmaster General.

Mr. President, I ask that a copy of the contract referred to may be printed in the RECORD.

There being no objection, the contract was ordered to be placed in the RECORD, as follows:

CONTRACT FOR OCEAN MAIL SERVICE—ROUTE NO. 37

This contract, made this 29th day of March, A. D. 1930, under the provisions of the "merchant marine act, 1928," by the United States of America, represented by the Postmaster General, party of the first part, and the Panama Mail Steamship Co., a corporation duly organized and existing under the laws of the State of Delaware, hereinafter called the contractor, party of the second part.

Witnesseth that whereas the said Panama Mail Steamship Co. has been accepted as contractor for ocean mail service on route No. 37 in conformity with the advertisement inviting proposals for the service specified herein, issued by the Postmaster General under date of January 17, 1930, the said contractor, for the consideration hereinafter stated, undertakes, covenants, and agrees with the United States of America, pursuant to the provisions of the "merchant marine act, 1928," and the said advertisement of the Postmaster General, as follows:

1. (a) To carry all mails of the United States offered from San Francisco by Los Angeles (Calif.), Mazatlan and/or Acapulco (Mexico), Champerico, San Jose de Guatemala (Guatemala), Acajutla, La Libertad, and/or La Union (Salvador), Corinto (Nicaragua), Puntarenas (Costa Rica), Balboa, Cristobal (Canal Zone), and Cartagena to Puerto Colombia (Colombia), on a schedule approved by the Postmaster General that shall include approximately 26 trips per annum; and to any other ports at which the vessels of the contractor employed in this service may voluntarily call.

(b) To carry the mail, whatever may be its size, weight, or increase during the term of this contract, in a safe and secure manner, free from wet or other injury, and it is hereby understood and agreed that foreign transit closed mails shall be deemed and taken to be mails of the United States;

(c) To take the mail and every part of it from and deliver it into all post offices on the route, unless other provision is made; and it is hereby understood and agreed that the contractor shall be answerable in damages to the United States for any loss or damage resulting to such mail or any part thereof by reason of the failure of the said contractor or any of its officers, agents, or employees to exercise due care in the custody, handling, or transportation thereof;

(d) To transport upon each vessel employed in the service herein specified such mail messengers as the Postmaster General may require, and to provide for them subsistence, suitable staterooms, and working quarters, all free of charge;

(e) To convey without additional charge all necessary post-office supplies and mail equipment and, at the request of the Post Office Department, to provide, also without additional charge, first-class transportation for officials and accredited post-office inspectors engaged in the service of the said department;

(f) To carry as cadets or apprentices on all vessels operated under this contract American-born boys under 21 years of age at time of original employment, two boys per vessel; to educate said boys in the duties of seamanship and pay each of them for their services such compensation as may be reasonable, which compensation shall in no case be less than $30 per month;

(g) To carry on return trips parcel-post mail of United States origin being returned from foreign countries as undeliverable and any United States military or naval mails and empty United States mail bags, all without additional charge;

(h) To provide and operate in the performance of the service stipulated in this contract, combination passenger and cargo vessels of class 5, capable of maintaining a speed of 13 knots at sea in ordinary weather, and of a gross registered tonnage of not less than 4,500 tons;

(i) To substitute within three years from the beginning of the time of performance under this contract, for vessels originally accepted for service thereunder, two new American built and registered combination passenger and cargo vessels of class 3, with accommodations for not less than 150 passengers and refrigerator capacity of not less than 500 tons, capable of maintaining a speed of 18 knots at sea in ordinary weather and of a gross registered tonnage of not less than 8,000 tons.

2. (a) In consideration of the faithful performance of the services herein specified and upon receipt of satisfactory evidence thereof by the Postmaster General, the United States agrees to pay to the said contractor monthly, and as soon after the close of each month as accounts can be adjusted and settled, compensation based upon the mileage on the outbound voyages by the shortest practicable route between the ports specifically stated herein, by vessels of class 5 at the rate of $4 per nautical mile, and by vessels of class 3 at the rate of $8 per nautical mile, and in the event service is performed in additional vessels of these or other classes under agreement between the contractor and the Postmaster General, by vessels of class 7 at the rate of $1.50 per nautical mile, by vessels of class 6 at the rate of $2.50 per nautical mile, by vessels of class 5 at the rate of $4 per nautical mile, and by vessels of class 4 at the rate of $6 per nautical mile, by vessels of class 3 at the rate of $8 per nautical mile, by vessels of class 2 at the rate of $10 per nautical mile, and by vessels of class 1 at the rate of $12 per nautical mile;

(b) It is understood and agreed that where in the performance of this contract the contractor's vessels voluntarily call at ports not specified herein or pursuant to the terms of this contract, the contractor shall receive no additional compensation for any service rendered in and about the receipt and delivery of mail at those ports, and that the stipulated compensation for the carriage of the mails to the ports specified under this contract shall be deemed full compensation for all services rendered at the ports at which such vessels may voluntarily call.

3. It is hereby further understood and agreed

(a) That the contractor at its option may substitute for vessels required under section 1, paragraph (h), of this contract in addition to those required under section 1, paragraph (i), one or two vessels of class 3 which have been built for service on an ocean mail route under the merchant marine act, 1928, where transfer of the said vessels is permitted by the contract covering the route for which the vessels were built, and with the consent of the Postmaster General may operate in the performance of this contract other vessels of class 3 and/or vessels of other classes;

(b) That upon the agreement of the Postmaster General and the contractor, the Post Office Department may extend the service to additional ports; curtail the route to omit ports; omit or embrace intermediate ports; increase or reduce the number of trips, with allowance of not exceeding the contract rate for the increased outbound mileage involved and with a deduction at the contract rate for any decreased outbound mileage involved; and change the rate of pay stipulated herein to accord with laws that may hereafter be enacted by Congress;

(c) That the Postmaster General may annul this contract or impose fines or other penalties, in his discretion, for repeated failures of services required hereunder; for subletting the service without permission of the Postmaster General or assigning or transferring this contract; for combining to prevent others from bidding for the performance of postal service; for failure to provide and operate any vessel in accordance with the requirements of the advertisement and this contract; for violating the provisions of the merchant marine act, 1928, or the Postal Laws and Regulations applicable to service under this contract; or for other failure to perform service according to contract; or for default by the contractor with respect to any of the provisions of the contract; and such annulment shall not impair the right of the United States to claim damages from the contractor;

(d) That within one year from the date of the award of this contract, and at such times thereafter as the Postmaster General may require, the contractor shall furnish to the Postmaster General satisfactory evidence of its intention and ability to place in

service within the stipulated time the vessels required to be employed under the provisions of section 1, paragraph (i) hereof, and in the event of failure so to furnish such evidence the Postmaster General may annul this contract: *Provided*, That nothing in this paragraph shall be taken to conflict with the provisions of section 4, paragraph (a) of this contract;

(e) That the two vessels to be constructed under the provisions of section 1, paragraph (i) of this contract are to be constructed as provided by section 405 (b), merchant marine act, 1928, according to plans and specifications approved by the Secretary of the Navy;

(f) That in case vessels employed in the performance of this contract be taken by authority of the United States for national defense or during any national emergency as provided in the merchant marine act, 1928, or such vessels become unavailable for operation under the terms of this contract because of force majeure, the Postmaster General and the contractor may agree upon the suspension of the service herein stipulated or the termination of this contract, without penalty for failure of performance or liability upon either party;

(g) That the Postmaster General and the contractor may agree upon the construction and/or operation of vessels of other classes for a greater or less number of voyages than those specified, and upon the agreement of the contractor and the Postmaster General any vessels constructed in fulfillment of the contractor's obligation under this contract may be operated on any other American foreign trade or ocean mail route, the mail pay for any such operation to be governed by the authorization of service on the route over which the vessel is operated;

(h) That the classification of vessels employed under this contract shall be based upon speed without regard to tonnage;

(i) That in case the United States Shipping Board shall refuse to authorize a construction loan for the building of the new vessels to be employed by the contractor under the terms of this contract before the time the services thereunder are to begin, upon written notice of the fact before said time the Postmaster General, at the request of the contractor, shall relieve the contractor of the obligation of this contract, and the same shall be null and void;

(j) That this contract is subject to all of the provisions of the merchant marine act, 1928, and of the advertisement of the Postmaster General hereinbefore mentioned, and to the provisions of the Postal Laws and Regulations applicable to the ocean mail service, and the same are hereby made a part of this contract;

(k) That no Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit;

(l) That the contractor warrants that it has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to terminate this contract or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

4. (a) The term of this contract shall be 10 years, to begin July 1, 1930, or such subsequent date as the Postmaster General may designate.

(b) This contract, upon agreement of the Postmaster General and the contractor, may be terminated five years from the date thereof or at any time thereafter.

In witness whereof the parties hereto have executed this contract as of the day and year first above written.

THE UNITED STATES OF AMERICA,
By WALTER F. BROWN,
Postmaster General.

Signed March 29, 1930, in the presence of Alice Munmenhoff.

PANAMA MAIL STEAMSHIP CO.,
By E. T. FORD, *President.*

Signed March 29, 1930.

Witnesses:
R. H. PATCHIN.
WILLIAM F. COGSWELL.

I, Harold J. Roig, certify that I am secretary of the corporation named as contractor herein; that E. T. Ford, who signed this contract and bond on behalf of the contractor, was then president of the said corporation; that said contract and bond were duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

[CORPORATE SEAL.] HAROLD J. ROIG.

CERTIFICATE OF OATH OF CONTRACTOR

I, the undersigned, being employed in the care, custody, and conveyance of the mail as contractor on the route named in the foregoing contract, do solemnly swear that I will faithfully perform all the duties required by me and abstain from everything forbidden by the laws in relation to the establishment of post offices and post roads within the United States; and that I will honestly and truly account for and pay over any money belonging to the said United States which may come into my possession or control; and I also further swear that I will support the Constitution of the United States. So help me God.

PANAMA MAIL STEAMSHIP CO.,
E. T. FORD, *President.*

Sworn and subscribed before me, a notary public, this 29th day of March, 1930.

CHARLES E. WARREN,
Notary Public.

Approved as to fact.

W. IRVING GLOVER,
Second Assistant Postmaster General.

Approved as to form.

J. C. WISE,
Special Assistant to the Attorney General.

BOND

Know all men by these presents, that the Panama Mail Steamship Co., 2 Pine Street, San Francisco, Calif., as obligor, is held and firmly bound unto the United States of America, in the penal sum of $200,000, lawful money of the United States, for the payment of which sum, well and truly to be made to the United States, without relief from valuation or appraisement laws, does bind itself, its heirs, executors, administrators, successors, and assigns, firmly by these presents.

Whereas the aforesaid Panama Mail Steamship Co., obligor, has entered into the foregoing contract with the United States for ocean mail service on the route designated as No. 37 from San Francisco, Calif., by certain intermediate ports of Puerto Colombia, Colombia, and the placing in service of certain new and other vessels specified therein;

Now, the conditions of the above obligation are such, that if the said Panama Mail Steamship Co., obligor, shall place in service the two new vessels of class 3, as required, and otherwise perform the service according to its said contract to the time of the placing in service of the said two new vessels of class 3, thereafter this obligation shall diminish to $75,000, and if the said Panama Mail Steamship Co., obligor, shall perform the full service according to its said contract, including the placing in service and operation of the two new vessels of class 3, then this entire obligation shall be void; otherwise to be in full force and obligation in law.

The above bounden obligor, in order the more fully to secure the United States in the payment of the aforementioned sum, hereby pledges as security therefor bonds/notes of the United States in the principal sum of $200,000, which said bonds/notes are numbered serially and are in the denominations and amounts, and are otherwise more particularly described as follows: Fourth Liberty loan 4¼ per cent bonds of 1933–38, Nos. E 00174295 and F 00174296 of $5,000 face value each, and Nos. G 00208497, H 00203718, J 00203709, J 00205349, K 00205350, A 00205351, B 00205352, K 00205260, A 00055961, C 00055963, A 00205991, B 00205992, C 00205983, D 00205984, E 00205985, F 00205986, G 00205987, H 00205988, and J 00205989 of $10,000 face value each, which said bonds/notes have this day been deposited with W. Irving Glover, Second Assistant Postmaster General, and his receipt taken therefor, with the understanding that a partial withdrawal of said bonds/notes may be made in accordance with the diminishing obligation provided for in the condition of the obligation.

Contemporaneously herewith the undersigned has also executed and delivered a power of attorney and agreement in favor of W. Irving Glover, Second Assistant Postmaster General, authorizing and empowering said officer as such attorney to collect or sell the above-described bonds/notes so deposited, or any part thereof, in case of any default in the performance of any of the above-named conditions or stipulations.

In witness whereof this bond has been signed, sealed, and delivered by the above-named obligor this 29th day of March, 1930.

PANAMA MAIL STEAMSHIP CO.,
By E. T. FORD, *President.* [SEAL.]

Signed, sealed, and delivered in the presence of—
WILLIAM F. COGSWELL.
R. H. PATCHIN.

Mr. ODDIE. Mr. President, this question has been debated at considerable length, and I think the Members of the Senate understand the seriousness of the problems involved. The amendment offered by the Senator from Maryland [Mr. TYDINGS] providing for excluding the public-building program from the operation of the resolution of the Senator from Tennessee has considerable merit; but we must not lose sight of the fact that that will leave the remainder of the appropriations for the Treasury Department subject to a 10 per cent cut if the McKellar resolution shall be adopted, as well as all of the Post Office Department appropriations.

The Secretary of the Treasury has pointed out, as has been shown on the floor during the last few days, that the only place in the Treasury appropriation bill where a 10 per cent cut can be made without seriously injuring the operations of the department is in the building program. I am par-

ticularly anxious that the building program be not included in the 10 per cent cut, and I am also just as anxious that the remainder of the bill be not included in it, because I feel that, should that be done, it would do great harm to the various branches of the Treasury Department contained in other portions of the appropriation bill.

I have numbers of times on the floor during the last two weeks stated the serious effect this cut would have on the Post Office Department. I have just stated the fact that it is not possible to cancel the ocean mail contracts. The railroad mail contracts, which are determined by the Interstate Commerce Commission, can not be canceled; they are regulated by law. The air mail contracts can not be canceled, except possibly in a very small degree. So the only thing left for us, in order not seriously to cripple two of the greatest departments of our Government is to defeat the resolution of the Senator from Tennessee.

I understand the earnestness of the Senator from Tennessee in his efforts to effect reductions in governmental expenditures and to effectuate necessary economies; I commend him for the zeal and conscientiousness he has shown in this matter; but, Mr. President, the question involved is a very large one; the effect of the adoption of the resolution would be very far-reaching and damaging; if adopted, it will throw thousands and tens of thousands of men out of employment and will prolong the present period of depression. We can not afford to take that step. I hope, therefore, Mr. President, that the resolution will be defeated.

Mr. JOHNSON. Mr. President, I desire the attention of the Senator from Tennessee for a moment. The amendment which has been submitted by the Senator from Maryland [Mr. TYDINGS] exempts from the operation of the resolution the building and construction program. I perhaps do not state its effect exactly, but I state it in substance.

Mr. McKELLAR. That is correct.

Mr. JOHNSON. Is it the understanding of the Senator from Tennessee that if the amendment proposed by the Senator from Maryland shall be adopted, the proposed reduction of 10 per cent will apply to the gross appropriations of the particular bill?

Mr. McKELLAR. As I understand, if the exception is made as to building and construction appropriations, a corresponding deduction will be made on that account.

Mr. JOHNSON. Probably I did not make myself clear.

Mr. McKELLAR. There is a little over a billion dollars appropriated by the bill, and the amendment would remove from consideration $108,000,000; in other words, the amount subject to the 10 per cent cut would be reduced that much.

Mr. JOHNSON. It will be observed that the resolution provides for a 10 per cent reduction, but in making that 10 per cent reduction, if the amendment of the Senator from Maryland shall be adopted, the building or construction program shall not be touched?

Mr. McKELLAR. That is true.

Mr. JOHNSON. So the 10 per cent reduction is cast, then, upon the remainder of the appropriation?

Mr. McKELLAR. No. What would happen, as I understand the amendment, is this: The bill now carries a billion dollars——

Mr. JOHNSON. Exactly.

Mr. McKELLAR. And the amendment, if adopted, would take out of consideration $108,000,000.

Mr. JOHNSON. Yes.

Mr. McKELLAR. So that the 10 per cent reduction would apply to $892,000,000.

Mr. JOHNSON. However, is that what the resolution says?

Mr. McKELLAR. Yes; that is what it says, I think.

Mr. JOHNSON. Does not the resolution read quite the reverse, namely, that the 10 per cent shall be considered as applying to the gross amount of the bill, say a billion dollars, and there shall be eliminated a certain activity, but the reduction is to be 10 per cent nevertheless upon the remaining sum.

Mr. McKELLAR. I have not the amendment before me, but my understanding of it is that it simply removes $108,000,000 from consideration, and that means that the reduction of 10 per cent will apply to the remainder?

Mr. JOHNSON. That is what it ought to mean, but I am doubtful if the resolution does mean that.

Mr. McKELLAR. The Senator from Maryland, who was here a moment ago, undoubtedly can explain it.

Mr. JOHNSON. Let me read the resolution.

Mr. McKELLAR. I think we ought to work it out as suggested by the Senator.

Mr. JOHNSON. I think we can work it out in that way. The resolution as proposed to be amended reads:

Resolved, That it is the sense of the Senate that the Committee on Appropriations, in its consideration of the bill (H. R. 9699) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes, should observe the policy adopted by the Senate in the cases of the Interior Department, and the State, Justice, Commerce, and Labor Departments appropriations bills, and report the said bill back to the Senate with amendments providing an aggregate reduction of 10 per cent, exclusive of provisions for building and construction, in the amount of the appropriations contained in the bill as received from the House of Representatives.

As I read that language, it means that if the appropriation bill carries a billion dollars, of which say $108,000,000 is devoted to construction purposes, a reduction would be made of 10 per cent of the billion dollars, but that portion of the appropriation devoted to construction purposes would not be touched.

Mr. TYDINGS. That is right.

Mr. JOHNSON. I think the purpose of the Senator from Maryland and the purpose of the Senator from Tennessee and my purpose in voting for the amendment would be quite the reverse of that, and I doubt——

Mr. McKELLAR. I am not in favor of the amendment, I will say, but the author of the amendment is here and he probably can explain it better than I have been able to do. I thought it merely meant that, first, the entire appropriation contained in the bill would be reduced by $108,000,000 appropriated for the building program, and then the 10 per cent reduction would apply to the remainder.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Maryland?

Mr. JOHNSON. I yield.

Mr. TYDINGS. The purpose I had in mind in offering the amendment was not to disturb the building-construction program.

Mr. JOHNSON. Exactly.

Mr. TYDINGS. But to take the remainder of the appropriations and cut them down 10 per cent. I did not detail any particular cuts; I was merely trying to insure that the construction program would not be made subject to the cut.

Mr. JOHNSON. I am in entire sympathy with the amendment of the Senator from Maryland, and my purpose was to make plain to the Senate that that is the intent of the amendment, and, if that be understood, there is no need for further discussion.

Mr. McKELLAR. I think that is well understood.

Mr. TYDINGS. Mr. President, will the Senator yield for a moment further?

Mr. JOHNSON. I yield.

Mr. TYDINGS. Those who are opposed to any cut at all could still vote for my amendment and with consistency vote against the whole resolution.

Mr. JOHNSON. I quite agree with the Senator; he has stated exactly my position.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Maryland. (Putting the question.) The Chair is in doubt.

On a division the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the resolution as amended.

Mr. JOHNSON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. CAREY (when his name was called). I have a general pair with the Senator from Ohio [Mr. BULKLEY], and therefore withhold my vote.

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON]. He is not here. I do not know how he would vote, and therefore I shall have to withhold my vote. If at liberty to vote, I should vote "nay."

Mr. LOGAN (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. McKELLAR (when his name was called). On this question I have a pair with the junior Senator from Delaware [Mr. TOWNSEND]. I am informed, however, that if present he would vote as I intend to vote. Therefore I vote "yea."

Mr. TYDINGS (when his name was called). On this question I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. I understand that if he were present he would vote in the same way that I intend to vote. I therefore vote "yea."

The roll call was concluded.

Mr. HATFIELD. I have a general pair with the senior Senator from North Carolina [Mr. MORRISON], and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] is necessarily absent. If present, he would vote "nay."

Mrs. CARAWAY. I have a general pair with the senior Senator from Delaware [Mr. HASTINGS]. Not knowing how he would vote, I withhold my vote.

Mr. LOGAN. I transfer my pair, announced a moment ago, to the junior Senator from Utah [Mr. KING], and will vote. I vote "yea."

Mr. MOSES (after having voted in the affirmative). I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. Not knowing how he would vote on this question, I transfer my pair with him to the senior Senator from Rhode Island [Mr. METCALF], and will let my vote stand.

Mr. FESS. I desire to announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Georgia [Mr. HARRIS];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from Louisiana [Mr. LONG]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Mississippi [Mr. HARRISON].

Mr. SHEPPARD. I desire to announce that the Senator from Mississippi [Mr. HARRISON] is necessarily detained from the Senate on official business.

The result was announced—yeas 37, nays 31, as follows:

YEAS 37

Bailey	Capper	Gore	Sheppard
Bankhead	Connally	Hull	Shipstead
Barbour	Coolidge	Kean	Stephens
Barkley	Dill	Lewis	Thomas, Idaho
Bingham	Fletcher	Logan	Trammell
Black	Frazier	McGill	Tydings
Borah	George	McKellar	Vandenberg
Bratton	Glass	Moses	
Bulow	Glenn	Neely	
Byrnes	Goldsborough	Robinson, Ark.	

NAYS—31

Austin	Fess	Nye	Steiwer
Blaine	Hale	Oddie	Thomas, Okla.
Brookhart	Hayden	Patterson	Wagner
Copeland	Johnson	Reed	Walcott
Costigan	Kendrick	Robinson, Ind.	Watson
Cutting	La Follette	Schall	Wheeler
Dale	McNary	Smith	White
Dickinson	Norris	Smoot	

NOT VOTING—28

Ashurst	Carey	Harrison	Hebert
Broussard	Couzens	Hastings	Howell
Bulkley	Davis	Hatfield	Jones
Caraway	Harris	Hawes	Keyes
King	Morrison	Shortridge	Walsh, Mass.
Long	Norbeck	Swanson	Walsh, Mont.
Metcalf	Pittman	Townsend	Waterman

So Mr. McKELLAR's resolution, as amended, was agreed to.

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes.

Mr. JONES. Mr. President, this bill, as Senators remember, after it had been reported to the Senate, was sent back to the committee with instructions to cut off 10 per cent of the amount carried by the bill as it came from the House.

As the bill passed the House, it carried for the State Department $15,192,148.33. The bill carried a total of $124,215,992.33. The committee has reduced various items by 10 per cent—some by a larger amount and some by a smaller amount—but the average of the bill is just a little bit less than the 10 per cent.

We have done the very best we could to carry out the instructions of the Senate. The bill is not perfect; but I think the instructions given us by the Senate have been carried out just as equitably and as justly as possible.

The VICE PRESIDENT. The bill will be read.

The legislative clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of State, office of the Secretary of State," on page 2, line 8, after the designation "Secretary of State," to strike out "$1,915,540; in all, $1,940,540," and insert "$1,875,540; in all $1,900,540," so as to read:

Salaries: For Secretary of State, $15,000; Under Secretary of State, $10,000; and other personal services in the District of Columbia, including temporary employees, and not to exceed $6,500 for employees engaged on piecework at rates to be fixed by the Secretary of State, $1,875,540; in all, $1,900,540.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, Department of State," on page 4, line 8, after the word "foregoing," to strike out "$101,000" and insert "$80,000," so as to read:

For contingent and miscellaneous expenses, including stationery, furniture, fixtures; typewriters, adding machines, and other labor-saving devices, including their exchange, not exceeding $10,000; repairs and material for repairs; books, maps, and periodicals, domestic and foreign, and when authorized by the Secretary of State for dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, not exceeding $15,880; newspapers not exceeding $1,500; maintenance, repair, and storage of motor-propelled vehicles, to be used only for official purposes (one for the Secretary of State and two for dispatching mail, and one motor cycle for the general use of the department); automobile mail wagons, including storage, repair, and exchange of same; street-car fare not exceeding $150; refund of fees erroneously charged and paid for the issue of passports to persons who are exempted from the payment of such fee by section 1 of the act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, approved June 4, 1920 (U. S. C., Supp. V, title 22, sec. 214a); the examination of estimates of appropriations in the field; and other miscellaneous items not included in the foregoing, $80,000.

The amendment was agreed to.

The next amendment was, under the subhead "Printing and binding," on page 4, line 14, after the word "elsewhere," to strike out "$258,275" and insert "$220,000," so as to read:

For all printing and binding in the Department of State, including all of its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, $220,000.

The amendment was agreed to.

The next amendment was, under the subhead "Passport agencies," on page 4, line 21, after the name "Massachusetts," to strike out "$77,000" and insert "$65,000,'" so as to read:

For salaries and expenses of maintenance, traveling expenses not to exceed $1,000, and rent outside the District of Columbia, for

passport agencies at New York City, N. Y.; San Francisco, Calif.; Chicago, Ill.; Seattle, Wash.; New Orleans, La.; and Boston, Mass., $65,000.

The amendment was agreed to.

The next amendment was, under the subhead "Foreign intercourse, ambassadors and ministers," on page 6, line 1, before the figures "$10,000," to strike out "to the Serbs, Croats, and Slovenes" and insert "Yugoslavia," so as to read:

Envoys extraordinary and ministers plenipotentiary to Albania, Austria, Bolivia, Bulgaria, Czechoslovakia, Colombia, Costa Rica, Denmark, Dominican Republic, Dominion of Canada, Ecuador, Egypt, Finland, Greece, Guatemala, Haiti, Honduras, Hungary, Irish Free State, Liberia, Nicaragua, Norway, Panama, Paraguay, Persia, Portugal, Rumania, Salvador, Siam, Union of South Africa, Sweden, Switzerland, Uruguay, and Venezuela, at $10,000 each; Yugoslavia, $10,000; and to Estonia, Latvia, and Lithuania, $10,000.

The amendment was agreed to.

The next amendment was, on page 6, line 10, after the word "officer," to strike out "$25,000" and insert "$20,000," so as to read:

For salaries of Foreign Service officers or vice consuls while acting as chargés d'affaires ad interim or while in charge of a consulate general or consulate during the absence of the principal officer, $20,000.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries of clerks in the Foreign Service," on page 6, line 16, after the word "service," to strike out "$2,640,438" and insert "$2,365,438," so as to read:

For salaries of clerks in the Foreign Service, as provided in the act approved February 23, 1931 (U. S. C., Supp. V, title 22, sec. 23a), including salaries during transit to and from homes in the United States upon the beginning and after termination of service, $2,365,438.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, foreign missions," on page 8, line 9, after the word "authorized," to strike out "$847,740" and insert "$750,000," so as to read:

To enable the President to provide at the public expense all such stationery, blanks, record and other books, seals, presses, flags, and signs as he shall think necessary for the several embassies and legations in the transaction of their business, and also for repairs, including minor alterations, repairs, supervision, preservation, and maintenance of Government-owned diplomatic properties in foreign countries and properties acquired under the act approved May 7, 1926, as amended (U. S. C., Supp. V, title 22, secs. 291, 296), and including also custodial service, water, materials, supplies, tools, seeds, plants, shrubs, and similar objects; newspapers (foreign and domestic), postage, telegrams, advertising, ice, and drinking water for office purposes, hire of motor-propelled or horse-drawn passenger-carrying vehicles, and purchase, maintenance, operation, and hire of other passenger-carrying vehicles, uniforms, furniture, household furniture and furnishings, except as provided by the act of May 7, 1926, as amended, for Government-owned or rented buildings when in the judgment of the Secretary of State it would be in the public interest to do so, not to exceed $50,000, typewriters and exchange of same, messenger service, and operation, maintenance, and rental of launch for embassy at Constantinople not exceeding $3,500, compensation of kavasses, guards, dragomans, porters, interpreters, translators, and supervisors of construction, compensation of agents and employees of and rent and other expenses for dispatch agencies at London, New York, San Francisco, Seattle, and New Orleans, traveling expenses of Diplomatic and Foreign Service officers, including attendance at trade and other conferences or congresses under orders of the Secretary of State as authorized by the act approved February 23, 1931 (U. S. C., Supp. V, title 22, sec. 16), miscellaneous expenses of embassies and legations, and for loss on bills of exchange to and from embassies and legations, including such loss on bills of exchange to officers of the United States Court for China, and payment in advance of rent of dispatch agencies, cost, not exceeding $350 per annum each, of the tuition of Foreign Service officers assigned for the study of the languages of Asia and eastern Europe, telephone and other similar services under this appropriation are hereby authorized, $750,000.

The amendment was agreed to.

The next amendment was, under the subhead "Expenses of Foreign Service inspectors," on page 8, line 18, after the designation "Secretary of State," to strike out "$15,000" and insert "$10,000," so as to read:

For the traveling expenses of Foreign Service officers detailed for inspection while traveling and inspecting under instructions from the Secretary of State, $10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, United States consulates," on page 10, line 2, after the word "authorized," to strike out "$815,931" and insert "$700,000," so as to read:

For expenses of providing all such stationery, blanks, record and other books, seals, presses, flags, signs, repairs, including minor alterations, supervision, preservation, and maintenance of Government-owned consular properties in foreign countries, and properties acquired under the act approved May 7, 1926, as amended (U. S. C., Supp. V, title 22, secs. 291, 296), and including also custodial service, water, materials, supplies, tools, seeds, plants, shrubs, and similar objects, postage, furniture, household furniture and furnishings, except as provided by the act of May 7, 1926, as amended, for Government-owned or rented buildings when in the judgment of the Secretary of State it would be in the public interest to do so, not to exceed $25,000, typewriters and exchange of same, statistics, newspapers (foreign and domestic), freight, telegrams, advertising, ice and drinking water for office purposes, hire of motor-propelled or horse-drawn passenger-carrying vehicles, and purchase, maintenance, operation, and hire of other passenger-carrying vehicles, uniforms, messenger service, traveling expenses of Consular and Foreign Service officers, including attendance at trade and other conferences or congresses under orders of the Secretary of State as authorized by the act approved February 23, 1931 (U. S. C., Supp. V, title 22, sec. 16); compensation of interpreters, kavasses, guards, dragomans, translators, Chinese writers, and supervisors of construction, loss by exchange, and such other miscellaneous expenses as the President may think necessary for the several consulates and consular agencies in the transaction of their business and payment in advance of telephone, and other similar services under this appropriation are hereby authorized, $700,000.

The amendment was agreed to.

The next amendment was, under the subhead "Relief and protection of American seamen," on page 10, line 8, after the name "Virgin Islands," to strike out "$25,000" and insert "$15,000," so as to read:

For relief, protection, and burial of American seamen in foreign countries, in the Panama Canal Zone, and in the Philippine Islands, and shipwrecked American seamen in the Territory of Alaska, in the Hawaiian Islands, in Porto Rico, and in the Virgin Islands, $15,000.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries of Foreign Service officers," on page 10, at the end of line 12, to strike out "$3,373,500" and insert "$3,075,000," so as to read:

For salaries of Foreign Service officers as provided in the act approved February 23, 1931 (U. S. C., Supp. V, title 22, secs. 3, 3a), $3,075,000.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries, Foreign Service officers while receiving instructions and in transit," on page 10, at the end of line 21, to strike out "$23,000" and insert "$15,000," so as to read:

To pay the salaries of ambassadors, ministers, consuls, vice consuls, and other officers of the United States for the period actually and necessarily occupied in receiving instructions and in making transits to and from their posts, and while awaiting recognition and authority to act in pursuance with the provisions of section 1740 of the Revised Statutes (U. S. C., title 22, sec. 121), $15,000.

The amendment was agreed to.

The next amendment was, under the subhead "Transportation of Foreign Service officers," on page 11, line 13, after the word "interment," to strike out "$518,000" and insert "$450,000," so as to read:

TRANSPORTATION OF FOREIGN SERVICE OFFICERS

To pay the traveling expenses of diplomatic, consular, and Foreign Service officers, and other employees of the Foreign Service, including officers and employees of the United States Court for China, and the itemized and verified statements of the actual and necessary expenses of transportation and subsistence, under such regulations as the Secretary of State may prescribe, of their families and effects, in going to and returning from their posts, including not to exceed $25,000 incurred in connection with leaves of absence, and of the preparation and transportation of the remains of those officers and said employees of the Foreign Service, who have died or may die abroad or in transit while in the discharge of their official duties, to their former homes in this country or to a place not more distant for interment and for the ordinary expenses of such interment, $450,000.

The amendment was agreed to.

The next amendment was, under the subhead "Emergencies arising in the Diplomatic and Consular Service," on

page 12, at the end of line 3, to strike out "$200,000" and insert "$130,000," so as to read:

To enable the President to meet unforseen emergencies arising in the Diplomatic and Consular Service, and to extend the commercial and other interests of the United States and to meet the necessary expenses attendant upon the execution of the neutrality act, to be expended pursuant to the requirement of section 291 of the Revised Statutes (U. S. C., title 31, sec. 107), $130,000.

The amendment was agreed to.

The next amendment was, on page 12, after line 10, to strike out:

POST ALLOWANCES TO FOREIGN SERVICE OFFICERS

For post allowances as authorized by the act approved February 23, 1931 (U. S. C., Supp. V, title 22, sec. 12), $50,000.

The amendment was agreed to.

The next amendment was, on page 12, after line 20, to strike out:

REPRESENTATION ALLOWANCES

For representation allowances, as authorized by the act approved February 23, 1931 (U. S. C., Supp. V, title 22, sec. 12), $25,000.

The amendment was agreed to.

The next amendment was, under the subhead "Rent, heat, fuel, and light, Foreign Service," on page 13, line 9, after the word "light," to strike out "$2,017,709" and insert "$1,800,000, so as to read:

For rent, heat, fuel, and light for the Foreign Service and the United States Court for China for offices and grounds, including annual ground rent of the embassy at Tokyo, Japan, for the year ending March 15, 1933, and, as authorized by the act approved June 26, 1930 (U. S. C., Supp. V, title 5, sec. 118a), for living quarters and for allowances for living quarters, including heat, fuel, and light, $1,800,000.

The amendment was agreed to.

The next amendment was, on page 13, line 13, after the word "years," to strike out the colon and the following additional provisos:

Provided further, That no part of this appropriation shall be used for allowances for living quarters, including heat, fuel, and light in an amount exceeding $3,000 for an ambassador or a minister, and not exceeding $1,700 for any other Foreign Service officer: *Provided further*, That under this appropriation and the appropriation for "Contingent expenses, foreign missions," or the appropriation for "Contingent expenses, United States consulates," not more than $3,000 shall be expended for custodial service, heat, fuel, and light at any Government-owned building used for residence or residence and office purposes for an ambassador or minister, and not more than $1,700 for such purposes in the case of any other Foreign Service officer.

The amendment was agreed to.

The next amendment was, under the subhead "Water boundary, United States and Mexico," on page 15, line 13, after the word "expenditure," to strike out "$84,960" and insert "$70,000," so as to read:

For expenses of meeting the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906 between the United States and Mexico, including subscriptions to newspapers (foreign and domestic), rent, purchase, exchange, maintenance, and operation of motor-propelled vehicles for official use in field work, installation, maintenance, and operation of gauging stations where necessary and their equipment, and so much of the amount herein appropriated as may be necessary for these purposes may be transferred by the Secretary of State to the United States Geological Survey or other Federal agencies for direct expenditure, $70,000.

The amendment was agreed to.

The next amendment was, under the subhead "International Water Commission, United States and Canada and Alaska and Canada," on page 17, line 9, after the designation "Secretary of State," to strike out "$42,990" and insert "$30,000," so as to read:

To enable the President to perform the obligations of the United States under the treaty between the United States and Great Britain in respect of Canada, signed February 24, 1925; for salaries and expenses, including the salary of the commissioner and salaries of the necessary engineers, clerks, and other employees for duty at the seat of government and in the field; cost of office equipment and supplies; necessary traveling expenses; commutation of subsistence to employees while on field duty, not to exceed $4 per day each; for payment for timber necessarily cut in keeping the boundary line clear, not to exceed $500; and for all other necessary and reasonable expenses incurred by the United States in maintaining an effective demarcation of the international boundary line between the United States and Canada and Alaska and Canada under the terms of the treaty aforesaid, including the completion of such remaining work as may be required under the award of the Alaskan Boundary Tribunal and existing treaties between the United States and Great Britain, to be disbursed under the direction of the Secretary of State, $30,000.

The amendment was agreed to.

The next amendment was, on page 17, after line 9, to strike out:

INTERNATIONAL PRISON COMMISSION

For subscription of the United States as an adhering member of the International Prison Commission, and the expenses of a commission, including preparation of reports, $4,083.

The amendment was agreed to.

The next amendment was, on page 17, after line 19, to strike out:

SEVENTH INTERNATIONAL CONFERENCE OF AMERICAN STATES, MONTEVIDEO, URUGUAY

For participation by the United States in the Seventh International Conference of American States to be held in the city of Montevideo, Uruguay, including personal services without reference to the classification act of 1923, as amended, and rent in the District of Columbia and elsewhere, stenographic reporting and translating services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); traveling expenses and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto, and by indirect routes if specifically authorized by the Secretary of State as necessary in connection with the work of the conference); hire of automobiles; purchase of necessary books and documents; stationery, official cards; newspapers and periodicals; printing and binding; entertainment; equipment; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be immediately available, $80,000.

The amendment was agreed to.

The next amendment was, at the top of page 19, to strike out:

BUREAU OF INTERPARLIAMENTARY UNION FOR PROMOTION OF INTERNATIONAL ARBITRATION

For the contribution of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration, $7,289.21; and in addition the unobligated balances of the appropriations "Bureau of Interparliamentary Union for Promotion of International Arbitration, 1932," and "Expenses, American Group of the Interparliamentary Union, 1932," are hereby reappropriated for this purpose.

The amendment was agreed to.

The next amendment was, on page 19, after line 10, to strike out:

INTERNATIONAL COMMISSION ON ANNUAL TABLES OF CONSTANTS, ETC.

To the International Commission on Annual Tables of Constants and Numerical Data, Chemical, Physical, and Technological, as established by the Seventh International Congress of Applied Chemistry in London and as continued by the eighth congress in New York, as a contribution by the United States toward the publication of annual tables of constants, chemical, physical, and technological, $500.

The amendment was agreed to.

The next amendment was, on page 19, after line 20, to strike out:

INTERNATIONAL INSTITUTE OF AGRICULTURE AT ROME, ITALY

For payment of the quota of the United States, including the Territory of Hawaii, and the dependencies of the Philippine Islands, Porto Rico, and the Virgin Islands, for the support of the International Institute of Agriculture for the calendar year 1933, $5,400.

The amendment was agreed to.

The next amendment was, under the subhead "International Radiotelegraphic Convention, Madrid, Spain," on page 21, line 13, after the word "available," to strike out "$90,000" and insert "$80,000," so as to read:

For participation by the United States in the Conference for Revision of the International Radiotelegraph Convention of November 25, 1927, to be held in Madrid, Spain, including personal services, without reference to the classification act of 1923, as amended, and rent in the District of Columbia and elsewhere, stenographic reporting and translating services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); traveling expenses and sub-

sistence or per diem in lieu of subsistence (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto); hire of automobiles; purchase of necessary books and documents; stationery; official cards; newspapers and periodicals; printing and binding; entertainment; equipment; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments hay have been made for any of the purposes herein specified, to be immediately available, $80,000.

The amendment was agreed to.

The next amendment was, on page 21, line 24, after the word "commissioners," to strike out "not to exceed $7,500 each," and on page 22, line 15, after the figures "1909," to strike out "$45,855" and insert "$35,855," so as to read:

WATERWAYS TREATY, UNITED STATES AND GREAT BRITAIN: INTERNATIONAL JOINT COMMISSION, UNITED STATES AND GREAT BRITAIN

For salaries and expenses, including salaries of commissioners and salaries of clerks and other employees appointed by the commissioners on the part of the United States, with the approval solely of the Secretary of State; for necessary traveling expenses, and for expenses incident to holding hearings and conferences at such places in Canada and in the United States as shall be determined by the commission or by the American commissioners to be necessary, including travel expense and compensation of necessary witnesses, making necessary transcript of testimony and proceedings; for cost of law books, books of reference and periodicals, office equipment and supplies; and for one-half of all reasonable and necessary joint expenses of the International Joint Commission incurred under the terms of the treaty between the United States and Great Britain concerning the use of boundary waters between the United States and Canada, and for other purposes, signed January 11, 1909, $35,855, to be disbursed under the direction of the Secretary of State.

The amendment was agreed to.

The next amendment was, on page 23, line 7, after the word "vehicles," to strike out "$62,000" and insert "$82,000," so as to read:

For an additional amount for necessary special or technical investigations in connection with matters which fall within the scope of the jurisdiction of the International Joint Commission, including personal services in the District of Columbia or elsewhere, traveling expenses, procurement of technical and scientific equipment, and the purchase, exchange, hire, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles, $82,000, to be disbursed under the direction of the Secretary of State, who is authorized to transfer to any department or independent establishment of the Government, with the consent of the head thereof, any part of this amount for direct expenditure by such department or establishment for the purposes of this appropriation.

The amendment was agreed to.

The next amendment was, under the subhead "General Claims Commission, United States and Panama," on page 25, line 12, after the designation "Secretary of State," to strike out "$63,500" and insert "$50,000," so as to read:

General Claims Commission, United States and Panama: For the expenses of the United States in the arbitration of the claims pursuant to the claims convention between the United States and Panama, signed July 28, 1926, including the share of the United States in the joint expenses of the two Governments under the terms of the convention; salaries, without reference to the classification act of 1923, as amended, of the American commissioner, the American secretary, special counsel, stenographers, translators, other assistants and employees and rent in the District of Columbia and elsewhere, stenographic reporting and translating services, by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); traveling expenses and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto); purchase of necessary books and documents; stationery; official cards; printing and binding; and such other expenses as may be authorized by the Secretary of State, $50,000, and the unexpended balance, not to exceed $29,000 of the appropriation for this purpose contained in the second deficiency act, fiscal year 1931, is continued available until June 30, 1933.

The amendment was agreed to.

The next amendment was, under the subhead "Gorgas Memorial Laboratory," on page 25, at the end of line 21, to strike out "$50,000" and insert "$40,000," so as to read:

The Gorgas Memorial Laboratory: To enable the Secretary of State to pay the annual contribution of the United States to the maintenance and operation of the Gorgas Memorial Laboratory, as provided by the act approved May 7, 1928 (45 Stat. 491), $40,000.

The amendment was agreed to.

The next amendment was, under the subhead "International Fisheries Commission," on page 26, line 8, after the designation "Secretary of State," to strike out "$31,500" and insert "$25,000," so as to read:

INTERNATIONAL FISHERIES COMMISSION

For the share of the United States of the expenses of the International Fisheries Commission, under the convention between the United States and Great Britain, concluded May 9, 1930, including salaries of two members and other employees of the commission, traveling expenses, charter of vessels, purchase of books, periodicals, furniture, and scientific instruments, contingent expenses, rent in the District of Columbia, and such other expenses in the United States and elsewhere as the Secretary of State may deem proper, to be disbursed under the direction of the Secretary of State, $25,000.

The amendment was agreed to.

The next amendment was, on page 27, after line 22, to strike out:

INTERNATIONAL ROAD CONGRESS

To pay the quota of the United States in the Permanent Association of International Road Congresses, as authorized by the public resolution approved June 18, 1926 (U. S. C., Supp. V, title 22, sec. 269), $3,000.

The amendment was agreed to.

The next amendment was, on page 28, after line 8, to strike out:

INTERNATIONAL SOCIETY FOR THE EXPLORATION OF THE ARCTIC REGIONS BY MEANS OF THE AIRSHIP

To enable the Secretary of State to pay the annual contribution of the United States in the plans of the organization of the International Society for the Exploration of the Arctic Regions by Means of the Airship for the establishment of geophysical observations in the inner Arctic regions, as authorized by Public Resolution No. 87, approved February 16, 1929, $300.

The amendment was agreed to.

The next amendment was, on page 28, after line 17, to strike out:

CONVENTION RELATING TO THE LIQUOR TRAFFIC IN AFRICA

Convention relating to the liquor traffic in Africa: To meet the share of the United States in the expenses for the calendar year 1933 of the Central International Office, created under article 7 of the convention of September 10, 1919, relating to the liquor traffic in Africa, $55.

The amendment was agreed to.

The next amendment was, under the subhead "Fourteenth Annual Convention of the French Veterans of the World War, District of Columbia," on page 30, line 8, after the word "available," to strike out "$50,000" and insert "$40,000," so as to read:

For the contribution of the United States for the expenses and entertainment while in the United States of delegates and members participating in the Fourteenth Annual Convention of the French Veterans of the World War, to be held in the District of Columbia in September, 1932, including personal services in the District of Columbia and elsewhere without reference to the classification act of 1923, as amended, travel and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto), stenographic or other services by contract if deemed necessary without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), rent in the District of Columbia and elsewhere, purchase of necessary books and documents, newspapers and other periodicals, purchase of insignia, medals and souvenirs, printing and binding, entertainment, official cards, rental, operation and maintenance of motor-propelled passenger-carrying vehicles, and such other expenses as the Secretary of State shall deem proper to be expended by the national treasurer of the American Legion under such rules and regulations as the Secretary of State may prescribe, to be immediately available $40,000.

The amendment was agreed to.

The next amendment was, under the heading "Judicial United States Court for China," on page 30, line 14, after the word "purposes," to strike out "$41,650" and insert "$35,000," so as to read:

For salaries of the judge, district attorney, and other officers and employees of the court; court expenses, including reference law books, ice, and drinking water for office purposes, $35,000.

The amendment was agreed to.

The next amendment was, under the heading "Prisons for American convicts," on page 30, line 17, after the word "and," to strike out "Persia" and insert "Muscat," and on

page 31, line 2, after the word "and," to strike out "Persia" and insert "Muscat," so as to read:

For expenses of maintaining in China, the former Ottoman Empire, Egypt, Ethiopia, Morocco, and Muscat institutions for incarcerating American convicts and persons declared insane by the United States Court for China or any consular court; wages of prison keepers; rent of quarters for prisons; ice and drinking water for prison purposes; and for the expenses of keeping, feeding, and transportation of prisoners and persons declared insane by the United States Court for China or any consular court in China, the former Ottoman Empire, Egypt, Ethiopia, Morocco, and Muscat, so much as may be necessary; in all, $7,600.

The amendment was agreed to.

The next amendment was, under the subhead "Bringing home persons charged with crime," on page 31, at the end of line 8, to strike out "$3,000" and insert "$2,000," so as to read:

BRINGING HOME PERSONS CHARGED WITH CRIME

For every expenditure requisite for or incident to the bringing home from foreign countries of persons charged with crime as authorized by section 5275 of the Revised Statutes (U. S. C., title 18, sec. 659), $2,000.

The amendment was agreed to.

The next amendment was, under the heading "Title II.—Department of Justice, office of the Attorney General," on page 32, line 12, after the word "Departments," to strike out "$1,253,780; in all, $1,287,780" and insert "$1,100,000; in all, $1,134,000," so as to read:

Salaries: For Attorney General, $15,000; Solicitor General, $10,000; Assistant to the Attorney General, $9,000; and other personal services in the District of Columbia, including the Solicitors of the Treasury, Commerce, and Labor Departments, and the office forces of the Solicitors of the Treasury, Commerce, and Labor Departments, $1,100,000; in all, $1,134,000.

The amendment was agreed to.

The next amendment was, on page 32, line 16, after the designation "Department of Justice," to strike out "$9,000" and insert "$7,500," so as to read:

For the purchase of law books, books of reference, and periodicals, including the exchange thereof, for the Department of Justice, $7,500.

The amendment was agreed to.

The next amendment was, on page 33, line 3, to strike out the word "four" and to insert in lieu thereof the word "five"; on line 4, to strike out the word "one" and to insert in lieu thereof the word "two"; and on line 9, after the word "bicycles," to strike out "$93,000" and insert "$80,000: *Provided*, That this appropriation may be reimbursed for expenditures in connection with cars herein authorized for the Bureau of Investigation and Bureau of Prohibition from the appropriations for the expenses of said bureaus," so as to make the paragraph read:

CONTINGENT EXPENSES, DEPARTMENT OF JUSTICE

For stationery, furniture and repairs, floor coverings not exceeding $1,500, file holders and cases; miscellaneous expenditures, including telegraphing and telephones, postage, labor, typewriters and adding machines and the exchange thereof and repairs thereto, street-car fares not exceeding $300, newspapers, press clippings, and other necessaries ordered by the Attorney General; official transportation, including the repair, maintenance, and operation of five motor-driven passenger cars, two for the Attorney General, one for general use of the department, one for the Bureau of Investigation, and one for the Bureau of Prohibition for investigative work, delivery truck, and motor cycle, to be used only for official purposes, and purchase and repair of bicycles, $80,000: *Provided*, That this appropriation may be reimbursed for expenditures in connection with cars herein authorized for the Bureau of Investigation and Bureau of Prohibition from the appropriations for the expenses of said bureaus.

Mr. JONES. Mr. President, one page 33, line 15, the amendment would strike out "$122,000." I want the Senate to reject that amendment, and will change the amount on page 42 to take care of it.

Mr. ROBINSON of Arkansas. Mr. President, there is an amendment on page 33, commencing on line 9, extending down to the end of line 13, which I do not think has been agreed to. I wish the Senator would explain the application of that amendment.

Mr. JONES. This appropriation for the Attorney General provides for an additional automobile, and it is taken care of out of appropriations authorized for the Bureau of Investigation and the Bureau of Prohibition. There is no special appropriation made for it.

Mr. ROBINSON of Arkansas. Very well.

The VICE PRESIDENT. The question is on agreeing to the amendments on page 33, line 3 and line 9.

The amendments were agreed to.

The next amendment was, on page 33, line 15, after the name "District of Columbia," to strike out "$122,000" and insert "$100,000," so as to read:

For rent of buildings and parts of buildings in the District of Columbia, $100,000, if space can not be assigned by the Public Buildings Commission in buildings under the control of that commission.

Mr. JONES. I ask that the committee amendment proposed on line 15 be disagreed to, and I will take care of that amount later on.

The VICE PRESIDENT. Let the amendment be reported.

The LEGISLATIVE CLERK. On page 33, line 15, the committee proposes to strike out "$122,000" and to insert in lieu thereof "$100,000."

The amendment was rejected.

The next amendment was, on page 33, line 19, to reduce the appropriation for printing and binding for the Department of Justice from $350,000 to $300,000.

The amendment was agreed to.

The next amendment was, on page 33, at the end of line 22, to strike out "$20,000" and insert "$10,000," so as to read:

For traveling and other miscellaneous and emergency expenses, authorized and approved by the Attorney General, to be expended at his discretion, $10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous objects, Department of Justice," on page 34, line 13, after the words "in all," to strike out "$124,540" and insert "$110,000," so as to read:

Conduct of customs cases: Assistant Attorney General, special attorneys and counselors at law in the conduct of customs cases, to be employed and their compensation fixed by the Attorney General; necessary clerical assistance and other employees at the seat of government and elsewhere, to be employed and their compensation fixed by the Attorney General, including experts at such rates of compensation as may be authorized or approved by the Attorney General; supplies, Supreme Court Reports and Digests, and Federal Reporter and Digests, traveling, and other miscellaneous and incidental expenses, to be expended under the direction of the Attorney General; in all, $110,000.

The amendment was agreed to.

The next amendment was, on page 35, line 23, after the name "District of Columbia," to strike out "$2,826,210" and insert "$2,700,000," so as to read:

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of identification and other records and their exchange with the duly authorized officials of the Federal Government, of States, cities, and other institutions; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; hire, maintenance, upkeep, and operation of motor-propelled passenger-carrying vehicles when necessary; firearms and ammunition, such stationery, supplies, and equipment for use at the seat of government or elsewhere as the Attorney General may direct, including not to exceed $13,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph and to be expended under the direction of the Attorney General; traveling expenses; purchase of a motor-propelled passenger-carrying vehicle, including the exchange allowance of any vehicle given in part payment therefor; payment of rewards when specifically authorized by the Attorney General for information leading to the apprehension of fugitives from justice, and including not to exceed $477,356 for personal services in the District of Columbia, $2,700,000.

The amendment was agreed to.

The next amendment was, under the subhead "Examination of judicial offices," on page 36, line 13, after the word "exceed," to strike out "$136,940" and insert "$100,000," so as to read:

Examination of judicial offices: For the investigation of the official acts, records, and accounts of marshals, attorneys, clerks of

the United States courts and Territorial courts, probation officers, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Attorney General at any time; and also, when requested by the presiding judge, the official acts, records, and accounts of referees and trustees of such courts; for copying, in the District of Columbia or elsewhere, reports of examiners at folio rates; traveling expenses; and including not to exceed $100,000 for personal services in the District of Columbia.

Mr. JONES. Mr. President, I ask that this amendment be rejected.

The amendment was rejected.

The next amendment was, on page 36, line 14, to strike out "$250,000" and insert "$200,000."

The amendment was agreed to.

The next amendment was, on page 36, line 19, after the word "exceed," to strike out "$55,560" and insert "$42,560," and in line 20, after the name "District of Columbia," to strike out "$193,860" and insert "$150,000," so as to read:

Enforcement of antitrust laws: For the enforcement of antitrust laws, including experts at such rates of compensation as may be authorized or approved by the Attorney General, including not to exceed $42,560 for personal services in the District of Columbia, $150,000.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and expenses, Bureau of Prisons," on page 37, line 1, before the word "for," to strike out "$199,240" and insert "$165,240," so as to read:

Salaries and expenses: For salaries and expenses in connection with the supervision of the maintenance and care of United States prisoners, including not to exceed $165,240 for personal services in the District of Columbia and elsewhere, traveling expenses, and expenses of attendance at meetings concerned with the work of such bureau when authorized by the Attorney General.

Mr. JONES. Mr. President, I desire to offer an amendment to that amendment, to strike out "$165,240" and to insert in lieu thereof "$180,240." That increase will be taken care of later on.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 37, line 4, to strike out "$239,650" and insert in lieu thereof "$200,000."

Mr. JONES. In accordance with the amendment just agreed to, I move to strike out "$200,000" and to insert in lieu thereof "$215,000," in line 5.

The amendment to the amendment was agreed to.

Mr. BINGHAM. Mr. President, that is to come out of something else?

Mr. JONES. The total is changed because of the amendment just made and it will come out on another page.

The amendment as amended was agreed to.

The next amendment was, under the heading "Bureau of Prohibition," on page 38, line 14, after the word "use," to strike out "in field work"; in line 15, after the words "in all," to strike out "$11,369,500" and insert "$10,250,000"; and in line 16, after the word "exceed," to strike out "$370,-120" and insert "$335,120," so as to make the paragraph read:

Salaries and expenses: For expenses to enforce and administer the applicable provisions of the national prohibition act, as amended and supplemented (U. S. C., title 27), and internal revenue laws, pursuant to the act of March 3, 1927 (U. S. C., Supp. V, title 5, secs. 281–281e), and the act of May 27, 1930 (46 Stat., p. 427), including the employment of executive officers, attorneys, agents, inspectors, investigators, supervisors, clerks, messengers, and other personnel, in the District of Columbia and elsewhere, to be appointed as authorized by law; the securing of evidence of violations of the acts; the cost of chemical analysis made by other than employees of the United States and expenses incident to the giving of testimony in relation thereto; the purchase of stationary, supplies, equipment, mechanical devices, newspapers, periodicals, books, including law books and books of reference, and such other expenditures as may be necessary in the District of Columbia and the several field offices; costs incurred in the seizure, storage, and disposition of liquor and property seized under the national prohibition act, including seizures made under the internal revenue laws if a violation of the national prohibition act is involved and disposition is made under section 3460, Revised Statutes (U. S. C., title 26, sec. 1193); costs incurred in the seizure, storage, and disposition of any vehicle and team or automobile, boat, air or water craft, or any other conveyance seized pursuant to section 26, Title II, of the national prohibition act, when the proceeds of sale are insufficient therefor or where there is no sale; purchase of passenger-carrying motor vehicles at a total cost of not to exceed $50,000, including the value of any vehicles exchanged, and the hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles for official use; and for rental of quarters; in all $10,250,000, of which amount not to exceed $335,120 may be expended for personal services in the District of Columbia.

Mr. JOHNSON. Mr. President, I move to amend the amendment of the committee whereby $10,250,000 are allowed for prohibition enforcement, and in lieu thereof to insert $5,125,000.

Mr. President, I make this motion, not for the purpose of causing a discussion of the prohibition question but solely in the interest of economy. I propose to cut the appropriation in half, reducing it practically $5,000,000. I offer the amendment for this reason: If we face the realities, and we all know that the kind of prohibition enforcement we get to-day we can get in ample quantity, as it is now given us, for $5,000,000, and that it is wholly unnecessary to expend more. There will be no difference in the character of prohibition and there will be no difference in the quantity of enforcement, for our very senses teach us that for $5,000,000 we can acquire exactly as good enforcement in exactly as great quantity as we can get for $10,000,000, as enforcement is given us to-day. That much for the reason for this proposed cut.

Economy requires it. We are in a situation which has been descanted on and described here again and again and again, where we must cut to the bone, and where it is absolutely essential that every penny that can be saved should be saved. I recognize the justice of that particular cry that has gone up so often during this discussion, and I wish to give to those talking most of economy the opportunity to practice it. Here is a place where we can save $5,000,000 and where we can put it if we believe in scientific research for the Government of the United States and in real governmental activities in appropriate paragraphs of the bill we are now considering.

Mr. President, it is most unfortunate, in the cuts which have been made in the part of the bill relating to the Commerce Department, that we cut always those scientific investigations, aye, scientific necessities of the Government, and we starve the very departments of government which most require appropriations, and are to-day doing the most good. When we reach the particular point, I will have something to say about the Bureau of Standards and certain other bureaus where appropriations are cut so deeply and without rhyme or reason that personnel must be discharged.

I will endeavor to show that in the Bureau of Standards, for instance, we eliminate a couple of hundred scientific, well-trained men, that we can not have an organization dealing with scientific subjects, such as the Bureau of Standards deals with; we can not have a trained corps, and get it overnight. It takes time and development and labor and experience to accomplish that result.

We have accomplished it in this Government, and have a Bureau of Standards which does its work not only for the Government of the United States, but for every political subdivision in the United States, and does that work well. By the cut that has been made in the appropriation for that bureau, great harm will be wrought if it be carried out, and the organization which it has taken literally years to build up will be disrupted and partially destroyed.

I want to save, out of this rule of 10 per cent, sufficient money in this bill to enable us to retain and maintain the scientific departments of the Government which require the appropriations which originally were accorded them.

There is another aspect, too, where we should move with caution in the part of the bill relating to the Commerce Department. There have been cut out of the appropriation for the Commerce Department even the little appropriations which have been made for maintaining lighthouses. In one harbor of the State of California, the harbor of Stockton, where great work is being done, and where the Government is participating in that work in connection with the locality, $16,000 has been cut from the amount required and the only amount required, for fog signals for ships. By

that kind of economy we run the peril and the danger of ultimate harm—harm that may mean loss of millions in money and possibly even of human lives.

I want for some items of this kind to have the leeway, which can not be granted unless we do eliminate some of the amounts which are in the bill, and which we are now considering. The most likely place to go, it seemed to me, judging by the senses of every realist in this land to-day, is to this item of ten millions and some hundreds of thousands of dollars for prohibition enforcement.

I insist in closing, as I said in beginning, that we can get exactly the same kind of prohibition enforcement for $5,000,000 that to-day we get for $10,000,000, and we can get it in exactly the same quantity for $5,000,000 that we obtain for $10,000,000.

So it is in the interest solely of economy, and to give the economical the chance to follow their bent, that I move that the cut be made in line 15, page 38, from $10,250,000 to $5,125,000.

Mr. JONES. Mr. President, of course, I hope that amendment to the amendment will not be agreed to. We have treated this appropriation just as we treated the other appropriations in the bill. We made the cut in this amount, because the sentiment of the Senate would be strongly against reducing the amount of money for the enforcement of the liquor laws.

We felt that it was perfectly fair and perfectly just under all the circumstances to make a proportionate cut in that amount, but to cut the amount by an additional $5,000,000, in my judgment, is wholly unjustified and would meet with the condemnation of our people.

Mr. JOHNSON. Mr. President, the fact of the matter is that the cuts are not all alike. The Bureau of Standards is cut 19 per cent in this bill, and some other scientific activities are cut more than 20 per cent. The other day in an appropriation bill we saw blithely cut the item for Boulder Dam. As the bill was passed by the Senate, that item was reduced 40 per cent; and as it was passed by the House, it was reduced 20 per cent. The cuts are not alike. Here we can stand a cut without doing harm, and without doing harm we can give that excess which is thus accorded by the cut to the scientific departments of the Government.

Mr. JONES. Mr. President, I do not think I said, and I certainly did not intend to say, that the appropriation items had all been cut proportionately or exactly the same. We made a cut in this item very much along the line of the cuts in other items in the bill. There might be a very great difference of opinion with reference to the scientific matters, too. There will be a very great deal of difference of opinion. Some of those items, in my judgment, we might cut as much as 50 per cent or even as much as 75 per cent and not lose anything. We thought we had made a fair cut in this item considering all the circumstances.

Mr. McKELLAR. Mr. President, I want to indorse what the chairman of the Committee on Appropriations has said. I think the committee was exceedingly fair about it. It tried to pass on the merits of each item. We all know that the chairman of the committee, and I believe other members of the committee, under ordinary circumstances would not have felt like cutting the prohibition enforcement appropriation item at all. But as a matter of fact they agreed unanimously to cut it by more than $1,000,000. It seems to me the committee has done the very best thing possible. I hope the amendment of the Senator from California will be rejected and that the amendment of the committee will be agreed to.

Mr. SHEPPARD. Mr. President, where a cut as suggested by the Senator from California [Mr. JOHNSON] is unjust as compared with another cut, the matter may be adjusted satisfactorily in conference.

Permit me to suggest that a law may be said to be satisfactorily enforced when a majority of the people obey it and a majority of the prosecutions under the law result in convictions. Undoubtedly prohibition enforcement is meeting that standard and, on the whole, is a distinct success. In my judgment, to reduce the amount in any way beyond the proportion contemplated by the committee amendment would do the cause of prohibition harm. The reduction made by the committee is in line with its reductions of all other items in this bill and in all the other general appropriation bills which have been before us. I am supporting committee reductions in view of the emergency now confronting the Treasury.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from California to the amendment of the committee.

Mr. FESS. Mr. President, I think we should have a quorum called before we vote on this matter. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Cutting	Kean	Sheppard
Bailey	Dale	Kendrick	Smith
Barbour	Dickinson	Lewis	Steiwer
Bingham	Dill	McGill	Stephens
Black	Fess	McKellar	Thomas, Idaho
Blaine	George	McNary	Thomas, Okla.
Borah	Glenn	Morrison	Trammell
Bratton	Goldsborough	Moses	Tydings
Brookhart	Hale	Neely	Vandenberg
Bulow	Hatfield	Norbeck	Wagner
Byrnes	Hayden	Norris	Walcott
Capper	Hebert	Nye	Watson
Connally	Howell	Oddie	Wheeler
Coolidge	Hull	Patterson	White
Copeland	Johnson	Robinson, Ark.	
Costigan	Jones	Robinson, Ind.	

The VICE PRESIDENT. Sixty-two Senators have answered to their names. A quorum is present. The question is on the amendment proposed by the Senator from California to the amendment of the committee.

Mr. SHEPPARD. Let us have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HAYDEN (when Mr. ASHURST's name was called). My colleague the senior Senator from Arizona [Mr. ASHURST] is necessarily absent. If present, he would vote "nay."

Mrs. CARAWAY (when her name was called). I have a general pair with the Senator from Delaware [Mr. HASTINGS]. In his absence I withhold my vote. If at liberty to vote, I would vote "nay."

Mr. HEBERT (when his name was called). I have a general pair with the Senator from Louisiana [Mr. LONG]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON]. He is necessarily absent. I do not know how he would vote, and therefore I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. McKELLAR (when his name was called). On this vote I have a general pair with the Senator from Delaware [Mr. TOWNSEND]. I do not know how he would vote, and therefore I transfer my pair with him to the Senior Senator from Arizona [Mr. ASHURST], and vote "nay."

Mr. MOSES (when his name was called). I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. In his absence I withhold my vote.

Mr. TYDINGS (when his name was called). Making the same announcement as before, I desire to say I understand that if the Senator from Rhode Island [Mr. METCALF], with whom I am paired, were present he would vote the same as I intend to vote. I therefore feel free to vote, and vote "yea."

The roll call was concluded.

Mr. BINGHAM (after having voted in the affirmative). I have a general pair with the junior Senator from Virginia [Mr. GLASS]. In his absence I transfer that pair to the senior Senator from Rhode Island [Mr. METCALF], and permit my vote to stand.

Mr. WATSON. I was requested to announce that the Senator from Wyoming [Mr. CAREY], the Senator from Michigan [Mr. COUZENS], the Senator from Florida [Mr. FLETCHER], and the Senator from Kentucky [Mr. BARKLEY],

are absent in attendance on a meeting of the Committee on Banking and Currency.

Mr. ROBINSON of Arkansas (after having voted in the negative). I am advised that the Senator from Pennsylvania [Mr. REED], with whom I have a general pair, has not voted. I transfer my pair with that Senator to the Senator from Florida [Mr. FLETCHER], and will let my vote stand.

Mr. CONNALLY. The Senator from Oklahoma [Mr. GORE] is detained on official business in the Committee on Finance. I desire to make that statement also as to the Senator from Pennsylvania [Mr. REED], the Senator from Utah [Mr. SMOOT], the Senator from California [Mr. SHORTRIDGE], and the Senator from Mississippi [Mr. HARRISON].

Mr. COOLIDGE. I desire to announce that my colleague, the senior Senator from Massachusetts [Mr. WALSH], is necessarily absent. If he were present, he would vote "yea."

Mr. FESS. I have been requested to announce that the Senator from Wyoming [Mr. CAREY] is paired with my colleague the junior Senator from Ohio [Mr. BULKLEY].

I also wish to announce the following general pairs:

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN];

The Senator from Minnesota [Mr. SCHALL] with the Senator from Kentucky [Mr. BARKLEY];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Georgia [Mr. HARRIS];

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Mississippi [Mr. HARRISON]; and

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES].

The result was announced—yeas 17, nays 42, as follows:

YEAS—17

Bailey	Coolidge	Kean	Walcott
Barbour	Copeland	Lewis	Wheeler
Bingham	Cutting	Oddie	
Blaine	Glenn	Tydings	
Bulow	Johnson	Wagner	

NAYS—42

Austin	Dill	McKellar	Smith
Black	Fess	McNary	Stelwer
Borah	George	Morrison	Stephens
Bratton	Goldsborough	Neely	Thomas, Idaho
Brookhart	Hale	Norbeck	Thomas, Okla.
Byrnes	Hatfield	Norris	Trammell
Capper	Hayden	Nye	Vandenberg
Connally	Howell	Patterson	Watson
Costigan	Hull	Robinson, Ark.	White
Dale	Kendrick	Robinson, Ind.	
Dickinson	McGill	Sheppard	

NOT VOTING—37

Ashurst	Frazier	King	Shortridge
Bankhead	Glass	La Follette	Smoot
Barkley	Gore	Logan	Swanson
Broussard	Harris	Long	Townsend
Bulkley	Harrison	Metcalf	Walsh, Mass.
Caraway	Hastings	Moses	Walsh, Mont.
Carey	Hawes	Pittman	Waterman
Cousens	Hebert	Reed	
Davis	Jones	Schall	
Fletcher	Keyes	Shipstead	

So Mr. JOHNSON's amendment to the committee amendment was rejected.

Mr. TYDINGS. Mr. President, I shall take but a moment to add to what the Senator from California [Mr. JOHNSON] has already stated. I intend to offer an amendment to the committee amendment to strike out the figures "$10,250,000" and to insert in lieu thereof "$9,000,000," which would be a cut of only $1,250,000. While that may be a small sum in a Congress which deals with billions of dollars, it is, nevertheless, a sum not to be despised when we contemplate it is the taxes to be imposed on every man, woman, and child in the United States.

Mr. JONES. That would make an additional cut of a million dollars. The committee has reported a cut of over a million dollars, so the Senator's amendment, if adopted, would make a total cut of over $2,000,000.

Mr. TYDINGS. I believe the sum so nearly approximates that which the committee already has recommended that it has enough merit, aside from the "wet" and "dry" side of the question, to warrant the sober consideration of everyone. There may have been Members who voted in the negative on the last vote who thought the cut was too great. I, myself, did not think it was; I believe that perhaps a cut of $1,250,000 in this appropriation item may attract more support, and, therefore, without further debate, I offer the amendment to the committee amendment.

Mr. SHEPPARD. Mr. President, I am gratified to note that the Senator from Maryland is about to become a convert to prohibition. I see that he is advocating now the "sober consideration" of a measure. For the reasons I have heretofore indicated, I trust his amendment will be voted down.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment offered by the Senator from Maryland to the amendment of the committee.

Mr. TYDINGS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DILL. I inquire what is the pending question?

The PRESIDING OFFICER. The clerk will report the pending amendment.

The CHIEF CLERK. On page 38, line 15, in lieu of the committee amendment, the Senator from Maryland proposes to strike out "$10,250,000" and insert "$9,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mrs. CARAWAY (when her name was called). I have a general pair with the Senator from Delaware [Mr. HASTINGS]. Not knowing how he would vote, I withhold by vote. If I were at liberty to vote, I should vote "nay."

Mr. HEBERT (when his name was called). Making the same announcement as on the previous roll call, I withhold my vote.

Mr. JONES (when his name was called). I make the same announcement as before and withhold my vote. If at liberty to vote, I should vote "nay."

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. McKELLAR (when his name was called). Making the same announcement as before in regard to my pair and its transfer, I vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. REED] to the Senator from Florida [Mr. FLETCHER], and will vote. I vote "nay."

Mr. TYDINGS (when his name was called). Making the same announcement as before, I vote "yea."

The roll call was concluded.

Mr. MOSES. I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. He being absent, I transfer that pair to the senior Senator from Minnesota [Mr. SHIPSTEAD], and will vote. I vote "yea."

Mr. BINGHAM (after having voted in the affirmative). Making the same announcement as before, I transfer my pair with the junior Senator from Virginia [Mr. GLASS] to the senior Senator from Rhode Island [Mr. METCALF], and will permit my vote to stand.

Mr. McKELLAR (after having voted in the negative). When I voted, I transferred my pair to the senior Senator from Arizona [Mr. ASHURST]. He has since come into the Chamber. I now transfer my pair to the senior Senator from Mississippi [Mr. HARRISON], and will allow my vote to stand.

Mr. CONNALLY. I desire to announce that the Senator from Utah [Mr. SMOOT], the Senator from Mississippi [Mr. HARRISON], the Senator from Pennsylvania [Mr. REED], the Senator from California [Mr. SHORTRIDGE], and the Senator from Oklahoma [Mr. GORE] are detained on official business.

Mr. COOLIDGE. I desire to announce that my colleague, the Senior Senator from Massachusetts [Mr. WALSH], is necessarily absent. If he were present he would vote "yea."

Mr. FESS. I desire to announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Georgia [Mr. HARRIS];

The Senator from Wyoming [Mr. CAREY] with the Senator from Ohio [Mr. BULKLEY]; and

The Senator from Minnesota [Mr. SCHALL] with the Senator from Kentucky [Mr. BARKLEY].

The result was announced—yeas 18, nays 43, as follows:

YEAS—18

Bailey	Bulow	Johnson	Tydings
Bankhead	Byrnes	Kean	Wagner
Barbour	Copeland	Lewis	Wheeler
Bingham	Cutting	Moses	
Blaine	Glenn	Oddie	

NAYS—43

Ashurst	Dickinson	Kendrick	Sheppard
Austin	Dill	McGill	Smith
Black	Fess	McKellar	Steiwer
Borah	Frazier	McNary	Stephens
Bratton	George	Morrison	Thomas, Idaho
Brookhart	Goldsborough	Neely	Thomas, Okla.
Capper	Hale	Norris	Trammell
Connally	Hatfield	Nye	Vandenberg
Costigan	Hayden	Patterson	Watson
Couzens	Howell	Robinson, Ark.	White
Dale	Hull	Robinson, Ind.	

NOT VOTING—35

Barkley	Gore	La Follette	Shortridge
Broussard	Harris	Logan	Smoot
Bulkley	Harrison	Long	Swanson
Caraway	Hastings	Metcalf	Townsend
Carey	Hawes	Norbeck	Walcott
Coolidge	Hebert	Pittman	Walsh, Mass.
Davis	Jones	Reed	Walsh, Mont.
Fletcher	Keyes	Schall	Waterman
Glass	King	Shipstead	

So Mr. TYDINGS's amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment.

Mr. TYDINGS. On that I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BLACK. Mr. President, may the amendment be stated?

The PRESIDING OFFICER. Without objection, the clerk will state the amendment.

The CHIEF CLERK. On page 38, line 15, the committee proposes to strike out "$11,369,500" and insert "$10,250,000."

Mr. TYDINGS. Mr. President, as I understand the reading of the amendment, it means that the committee has cut the prohibition-enforcement appropriation a little over a million dollars. Is that correct?

The PRESIDING OFFICER. The clerk will continue the calling of the roll.

The Chief Clerk resumed the calling of the roll.

Mrs. CARAWAY (when her name was called). Making the same announcement that I made before, I desire to state that if I were at liberty to vote I should vote "yea."

Mr. JONES (when his name was called). I again announce my pair with the senior Senator from Virginia [Mr. SWANSON]. I am satisfied, however, that if present he would vote as I shall vote on this amendment. Therefore I feel at liberty to vote. I vote "yea."

Mr. LOGAN (when his name was called). I make the same announcement as heretofore and withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. MOSES (when his name was called). Repeating the announcement regarding my pair and its transfer that I made to the previous roll call, I vote "yea."

Mr. ROBINSON of Arkansas (when his name was called). Announcing the same pair and transfer as on the last roll call, I vote "yea."

Mr. TYDINGS (when his name was called). Making the same announcement as before, I vote "yea."

The roll call was concluded.

Mr. BINGHAM (after having voted in the affirmative). I desire to make the same announcement as before in regard to my pair and its transfer to the senior Senator from Rhode Island [Mr. METCALF]. I will let my vote stand.

Mr. LOGAN. I have learned that the junior Senator from Pennsylvania [Mr. DAVIS], if he were present, would vote as I intend to vote. Therefore I am at liberty to vote. I vote "yea."

Mr. McKELLAR (after having voted in the affirmative) I have a pair with the senior Senator from Delaware [Mr. TOWNSEND], which I transfer to the senior Senator from Mississippi [Mr. HARRISON], and will allow my vote to stand.

Mr. COOLIDGE. I desire to announce that my colleague [Mr. WALSH of Massachusetts] is necessarily detained from the Senate.

Mr. CONNALLY. I desire to announce that the Senator from Utah [Mr. SMOOT], the Senator from Mississippi [Mr. HARRISON], the Senator from Pennsylvania [Mr. REED], the Senator from California [Mr. SHORTRIDGE], and the Senator from Oklahoma [Mr. GORE] are detained on official business.

Mr. FESS. I desire to announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Georgia [Mr. HARRIS];

The Senator from Wyoming [Mr. CAREY] with the Senator from Ohio [Mr. BULKLEY]; and

The Senator from Minnesota [Mr. SCHALL] with the Senator from Kentucky [Mr. BARKLEY].

The result was announced—yeas 59, nays 2, as follows:

YEAS—59

Ashurst	Couzens	Jones	Robinson, Ind.
Austin	Cutting	Kean	Sheppard
Bailey	Dale	Kendrick	Smith
Bankhead	Dickinson	Lewis	Steiwer
Barbour	Dill	Logan	Stephens
Bingham	Fess	McGill	Thomas, Idaho
Black	Frazier	McKellar	Thomas, Okla.
Blaine	George	McNary	Trammell
Bratton	Glenn	Moses	Tydings
Bulow	Goldsborough	Neely	Vandenberg
Byrnes	Hale	Norris	Wagner
Capper	Hatfield	Nye	Watson
Connally	Hayden	Oddie	Wheeler
Coolidge	Hull	Patterson	White
Copeland	Johnson	Robinson, Ark.	

NAYS—2

Costigan	Howell

NOT VOTING—35

Barkley	Glass	La Follette	Shortridge
Borah	Gore	Long	Smoot
Brookhart	Harris	Metcalf	Swanson
Broussard	Harrison	Morrison	Townsend
Bulkley	Hastings	Norbeck	Walcott
Caraway	Hawes	Pittman	Walsh, Mass.
Carey	Hebert	Reed	Walsh, Mont.
Davis	Keyes	Schall	Waterman
Fletcher	King	Shipstead	

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the committee was, on page 38, line 16, where the committee proposed to strike out "$370,120" and insert in lieu thereof "$335,120," under the Bureau of Prohibition, so as to read:

In all, $10,250,000, of which amount not to exceed $335,120 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Judicial, United States Supreme Court," on page 39, line 1, after the word "reports," to strike out "$113,276; in all, $293,776" and insert "$100,000; in all, $280,500," so as to read:

Salaries: Chief Justice, $20,500; eight Associate Justices, at $20,000 each; and all other officers and employees, whose compensation shall be fixed by the court, except as otherwise provided by law, and who may be employed and assigned by the

Chief Justice to any office or work of the court, including an additional assistant to the reporter of the court, if the court deems one necessary, to enable the reporter to expedite the publication of its reports, $100,000; in all, $280,500.

The amendment was agreed to.

The next amendment was, on page 39, line 4, to reduce the appropriation for printing and binding for the Supreme Court of the United States from $22,500 to $21,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous expenses, Supreme Court," on page 39, line 12, to strike out "$16,644" and insert "$15,000," so as to read:

For miscellaneous expenses of the Supreme Court of the United States, including rent of office for the reporter in Washington, to be expended as the Chief Justice may direct, $15,000.

The amendment was agreed to.

The next amendment was, under the subhead "Court of Customs and Patent Appeals," on page 40, line 4, after the word "court," to strike out "$44,320; in all, $106,820" and insert "$37,500; in all, $100,000," so as to read:

Salaries: Presiding judge and four associate judges, at $12,500 each, and all other officers and employees of the court $37,500; in all, $100,000.

The amendment was agreed to.

The next amendment was, on page 40, line 5, to reduce the appropriation for printing and binding for the Court of Customs and Patent Appeals from $6,600 to $5,000.

The amendment was agreed to.

The next amendment was, on page 40, at the end of line 9, to strike out "$5,500" and insert "$4,500," so as to read:

For books and periodicals, including their exchange; stationery, supplies, traveling expenses; drugs, chemicals, cleansers, furniture; and for such other miscellaneous expenses as may be approved by the presiding judge, $4,500.

The amendment was agreed to.

The next amendment was, under the subhead "Customs Court," on page 40, line 14, after the word "court," to strike out "$156,260; in all, $246,260" and insert "$140,000; in all, $230,000," so as to read:

Salaries: Presiding judge and eight judges, at $10,000 each; and all other officers and employees of the court, $140,000; in all, $230,000.

The amendment was agreed to.

The next amendment was, on page 40, line 18, after the word "judge" to strike out "$19,350" and insert "$15,000," so as to read:

For books and periodicals, including their exchange; stationery, supplies, traveling expenses; and for such other miscellaneous expenses as may be approved by the presiding judge, $15,000.

The amendment was agreed to.

The next amendment was, on page 40, line 19, to reduce the appropriation for printing and binding for the Customs Court from $3,300 to $3,000.

The amendment was agreed to.

The next amendment was, under the subhead "Court of Claims," on page 40, line 23, after the word "court," to strike out "$67,623; in all, $130,123" and insert "$55,000; in all, "$117,500," so as to read:

Salaries: Chief justice, $12,500; four judges, at $12,500 each; and all other officers and employees of the court, $55,000; in all, $117,500.

The amendment was agreed to.

The next amendment was, on page 40, line 24, to reduce the appropriation for printing and binding for the Court of Claims from $38,000 to $35,000.

The amendment was agreed to.

The next amendment was, on page 41, line 3, after the word "expenses," to strike out "$7,500" and insert "$6,000," so as to read:

For stationery, court library, repairs, including repairs to bicycles, fuel, electric light, electric elevator, and other miscellaneous expenses, $6,000.

The amendment was agreed to.

The next amendment was, on page 41, at the end of line 15, to strike out "$84,870" and insert "$75,000," so as to read:

Salaries and expenses of commissioners: For salaries of seven commissioners at $7,500 each, and for travel expenses, compensation of stenographers authorized by the court, and for stenographic and other fees and charges necessary in the taking of testimony and in the performance of the duties as authorized by the act entitled "An act amending section 2 and repealing section 3 of the act approved February 24, 1925 (43 Stat., p. 964, ch. 301), entitled 'An act to authorize the appointment of commissioners by the Court of Claims and to prescribe their powers and compensation,' and for other purposes," approved June 23, 1930 (46 Stat. 799), $75,000.

The amendment was agreed to.

The next amendment was, on page 41, line 18, after the designation "Architect of the Capitol," to strike out "$5,000" and insert "$4,000," so as to read:

For necessary repairs and improvements to the Court of Claims Buildings, to be expended under the supervision of the Architect of the Capitol, $4,000.

The amendment was agreed to.

The next amendment was, on page 41, line 11, after the word "marshals," to strike out "$4,350,460" and insert "$4,100,000," so as to read:

MARSHALS, DISTRICT ATTORNEYS, CLERKS, AND OTHER EXPENSES OF UNITED STATES COURTS

For salaries, fees, and expenses of United States marshals and their deputies, including services rendered in behalf of the United States or otherwise, services in Alaska in collecting evidence for the United States when so specially directed by the Attorney General, traveling expenses, and maintenance, alteration, repair, and operation of motor-propelled passenger-carrying vehicles used in connection with the transaction of the official business of the United States marshals, $4,100,000.

The amendment was agreed to.

The next amendment was, on page 42, line 18, after the word "attorney," to strike out "$3,325,020" and insert "$3,000,000," so as to read:

For salaries, traveling, and other expenses of United States district attorneys and their regular assistants, clerks, and other employees, including the office expenses of United States district attorneys in Alaska, and for salaries of regularly appointed clerks to United States district attorneys for services rendered during vacancy in the office of the United States district attorney, $3,000,000.

The amendment was agreed to.

The next amendment was, on page 42, line 24, after the word "cases," to strike out "$447,000" and insert "$300,000," so as to read:

For compensation and traveling expenses of special attorneys and assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and for payment of foreign counsel employed by the Attorney General in special cases, $300,000.

Mr. JONES. Mr. President, I offer an amendment to the amendment, to take care of an increase we made on a preceding page.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 42, line 24, the Senator from Washington moves to strike out "$300,000" and insert in lieu thereof "$278,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 43, line 8, to strike out "$2,195,500" and insert "$1,925,000," so as to read:

For salaries of clerks of United States circuit courts of appeals and United States district courts, their deputies, and other assistants, travel expenses pursuant to the subsistence expense act of 1926 (U. S. C., title 5, secs. 821–833), and other expenses of conducting their respective offices, $1,925,000.

The amendment was agreed to.

The next amendment was, on page 43, at the end of line 11, to strike out "$600,000" and insert "$550,000," so as to read:

For fees of United States commissioners and other committing magistrates acting under section 1014, Revised Statutes (U. S. C., title 18, sec. 591), $550,000.

The amendment was agreed to.

The next amendment was, on page 43, line 22, before the word "*Provided*," to strike out "$4,150,000" and insert "$3,750,000," so as to read:

Fees of jurors and witnesses, United States courts: For mileage and per diems of jurors; for mileage and per diems of witnesses

and for per diems in lieu of subsistence; and for payment of the actual expenses of witnesses, as provided by section 850, Revised Statutes (U. S. C., title 28, sec. 604), including the expenses, mileage, and per diems of witnesses on behalf of the Government before the United States Customs Court, such payments to be made on the certification of the attorney for the United States and to be conclusive as provided by section 846, Revised Statutes (U. S. C., title 28, sec. 577), $3,750,000.

The amendment was agreed to.

The next amendment was, on page 44, line 7, to reduce the appropriation for rent of rooms for the United States courts and judicial officers from $100,000 to $90,000.

The amendment was agreed to.

The next amendment was, on page 44, line 22, after the word "court," to strike out "$470,000" and insert "$400,000," so as to read:

For bailiffs, not exceeding three bailiffs in each court, except in the southern district of New York and the northern district of Illinois; expenses of circuit and district judges of the United States and the judges of the district courts of the United States in Alaska, Porto Rico, and Hawaii, as provided by section 259 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911 (U. S. C., title 28, secs. 9 and 596); meals and lodging for jurors in United States cases, and of bailiffs in attendance upon the same, when ordered by the court, and meals and lodging for jurors in Alaska, as provided by section 193, Title II, of the act of June 6, 1900 (31 Stat. 639); and compensation for jury commissioners, $5 per day, not exceeding three days for any one term of court, $400,000: *Provided*, That no per diem shall be paid to any bailiff unless the court is actually in session and the judge present and presiding or present in chambers.

The amendment was agreed to.

The next amendment was, on page 45, line 10, before the word "*Provided*," to strike out "$1,160,000" and insert "$900,000," so as to read:

For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including experts at such rates of compensation as may be authorized or approved by the Attorney General, including also so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska and in courts other than Federal courts, and including traveling expenses pursuant to the subsistence expense act of 1926 (U. S. C., title 5, ch. 16), $900,000: *Provided*, That the maximum salary paid to any law clerk to any circuit judge shall not exceed $2,400 per annum.

The amendment was agreed to.

The next amendment was, on page 45, line 17, to strike out "$100,000" and insert "$75,000," so as to read:

For supplies, including the exchange of typewriting and adding machines, for the United States courts and judicial officers, including firearms and ammunition therefor, to be expended under the direction of the Attorney General, $75,000.

The amendment was agreed to.

The next amendment was, on page 45, line 24, after the designation "Attorney General," to strike out "$90,000" and insert "$75,000," so as to read:

For the purchase of law books, including the exchange thereof, for United States judges, district attorneys, and other judicial officers, including the libraries of the 10 United States circuit courts of appeals, for the purchase of the Federal Reporter and continuations thereto as issued, to be expended under the direction of the Attorney General, $75,000.

The amendment was agreed to.

The next amendment was, under the subhead "Medical and hospital service," on page 48, line 16, after the word "patients," to strike out "$330,471" and insert "$312,000," so as to read:

For medical relief for, and incident to the care and maintenance of, inmates of penal and correctional institutions, including personal services in the District of Columbia and elsewhere, and not to exceed $60,568 for pay and allowances of regular commissioned officers of the Public Health Service, and including medical, surgical, and hospital supplies, materials, equipment, and appliances, together with appliances necessary for patients, $312,000, which amount, in the discretion of the Attorney General, may be transferred to the Public Health Service for direct expenditure under the laws, appropriations, and regulations governing the Public Health Service.

The amendment was agreed to.

The next amendment was, on page 48, line 21, after the word "exceed," to strike out "$200,000" and insert "$191,000," so as to make the proviso read:

Provided, That of this appropriation not to exceed $191,000 may be expended for personal services.

The amendment was agreed to.

The next amendment was, on page 48, line 25, after the word "exceed," to strike out "$707,608" and insert "$657,608," and in line 26, after the word "employees," to strike out "$1,777,960" and insert "$1,645,000," so as to read:

United States penitentiary, Leavenworth, Kans.: For the United States penitentiary at Leavenworth, Kans., including not to exceed $657,608 for salaries and wages of all officers and employees, $1,645,000.

The amendment was agreed to.

The next amendment was, on page 49, line 5, after the word "institution," to strike out "$9,520" and insert "$8,000," so as to read:

For construction and repair of buildings, including the purchase and installation of machinery and equipment, and all expenses incident thereto, to be expended so as to give the maximum amount of employment to inmates of the institution, $8,000.

The amendment was agreed to.

The next amendment was, on page 49, after line 5, to insert:

No part of the appropriations made in this act for the Leavenworth Penitentiary shall be used in connection with the manufacture of machine-made brushes.

Mr. COSTIGAN rose.

Mr. JONES. I ask unanimous consent to withdraw that amendment, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. COPELAND rose.

Mr. JONES. I want to say to the Senator from New York that the amendment is subject to a point of order; but if the amendment were kept in the bill, the bill would go back to the committee. So, on behalf of the committee, I am withdrawing the amendment.

Mr. COPELAND. Would it go back to the committee automatically, in case nobody raised the point of order?

Mr. JONES. The point of order was about to be raised.

Mr. COSTIGAN. Mr. President, it was my intention to raise the point of order.

Mr. COPELAND. Mr. President, will the Senator withhold his point of order for just a moment?

Mr. COSTIGAN. Yes.

Mr. COPELAND. It is the practice in Leavenworth Penitentiary to have the prisoners make paint brushes and other brushes, brooms, and so on. Of course, the purpose of having that work done by the inmates of the prison is a very worthy one. It is humane that they should have work of some sort to occupy them. But the fact is that at Leavenworth Prison machinery has been installed—labor-saving machinery, if you will—and in consequence the amount of hand labor—of occupational labor—has been reduced. The filling in of time by the inmates of the prison is reduced by the fact that many of these brushes are made by machinery. It would seem to me that since we are not striving to make money out of the prisoners, that we are not seeking to compete with the industrial world, but simply to do the humane thing of occupying the time of the prisoners, we ought not to have labor-saving devices and machinery turn out these products en masse.

There is another thing. Of course, we do not want the prisoners in these institutions to compete with free men, with brush factories where men who have not committed crime are occupied and employed. Certainly in this time of financial depression we do not want the work of free men to be wiped out in order that the inmates of penitentiaries may be given work at labor-saving devices, in order to supply large quantities of brushes which replace those which would be made in private institutions by men who have not committed crime.

My friend from Colorado, I think, is the last man in the world who would interfere with the activity of free men. Of course, he is within his rights, I recognize—and I did recognize that fact in the committee—if he finds it necessary to raise the point that this is legislation; and I must

submit that perhaps while it is a border-line case, undoubtedly the Chair would be obliged to hold that it is legislation. But I hope the Senator from Colorado will withhold his objection and let this amendment remain in the bill.

The PRESIDING OFFICER. The chairman of the committee, acting within his right, has withdrawn the amendment.

Mr. COSTIGAN. Mr. President, in view of the statement of the able Senator from New York, I desire to submit a few remarks dealing with the suggestions made by him.

It is understood, of course, that I insist on the point of order.

The VICE PRESIDENT. The amendment was withdrawn.

Mr. COSTIGAN. According to doubtless reliable information, the amendment proposed by the Senate Committee on Appropriations, if adopted, would not be in the interest of economy.

It would cost the Government a substantial sum of money annually. Last year the brush shop at the Leavenworth Penitentiary is said to have paid into the Treasury of the United States profits to the amount of about $40,000 to be applied toward the expense of maintaining the prisoners. If this amendment were to prevail, the shop would be unable to make brushes satisfactory to other Government departments and this profit instead of going to the benefit of taxpayers would be diverted to a few private brush manufacturers.

In answer to the Senator from New York, it would also appear that the committee amendment is not in the interest of unemployment relief. I am advised that the prohibition of the use of machinery in this little brush industry will not put any free men to work. The brush manufacturers apparently are willing to allow the prisoners to do all handwork and protest only against the small part of the prison brush work which is done by machinery. The testimony indicates that only by using a bristle-mixing machine can certain brushes be satisfactorily produced, and that without the machine the prison would be forced out of production.

This amendment is inconsistent with the spirit of existing law. The committee amendment would, it is said, cause serious dislocations in the prisons of the country. The Federal Government is proceeding in harmony with the Hawes-Cooper Act. None of the affected products are sold in the open market but only to Government departments, thus saving the taxpayers money and eliminating unfair competition.

It is now supposed that the attempt to exempt a few commercial brush manufacturers repudiates the reported arrangement between the Federation of Labor and interested employers, which led to the adoption of the Hawes-Cooper bill and the Federal prison labor bill, approved by the American Federation of Labor.

The point of order is that the committee amendment, in effect, repeals in part the act of May 27, 1930. It seeks to incorporate legislation in an appropriation act.

The next amendment was, on page 49, line 11, after the word "exceed," to strike out "$419,612" and insert "$390,000," and at the end of line 12 to strike out "$1,126,040" and insert "$1,045,000," so as to read:

United States penitentiary, Atlanta, Ga.: For the United States penitentiary at Atlanta, Ga., including not to exceed $390,000 for salaries and wages of all officers and employees, $1,045,000.

The amendment was agreed to.

The next amendment was, on page 49, at the end of line 17, to strike out "$13,000" and insert "$8,500," so as to read:

For construction and repair of buildings, including the purchase and installation of machinery and equipment, and all expenses incident thereto, to be expended so as to give the maximum amount of employment to inmates of the institution, $8,500.

The amendment was agreed to.

The next amendment was, on page 49, line 20, after the word "exceed," to strike out "$209,672" and insert "$200,000," and in line 22 to strike out "$447,520" and insert "$428,500," so as to read:

United States penitentiary, McNeil Island, Wash.: For the United States penitentiary at McNeil Island, Wash., including not to exceed $200,000 for salaries and wages of all officers and employees, $428,500.

The amendment was agreed to.

The next amendment was, on page 50, line 2, after the word "institution," to strike out "$40,000" and insert "$32,000," so as to read:

For construction and repair of buildings, including the purchase and installation of machinery and equipment, and all expenses incident thereto, to be expended so as to give the maximum amount of employment to inmates of the institution, $32,000.

The amendment was agreed to.

The next amendment was, on page 50, line 5, after the word "exceed," to strike out "$259,500" and insert "$244,000," and at the end of line 6 to strike out "$469,000" and insert "$440,000," so as to read:

United States Northeastern Penitentiary: for the United States penitentiary in the Northeast, including not to exceed $244,000 for salaries and wages of all officers and employees, $440,000.

The amendment was agreed to.

The next amendment was, on page 50, line 10, before the word "for," to strike out "$146,326" and insert "$137,000," and at the end of line 11, strike out "$320,860" and insert "$300,000," so as to read:

Federal Industrial Institution for Women, Alderson, W. Va.: For the Federal Industrial Institution for Women at Alderson, W. Va., including not to exceed $137,000 for salaries and wages of all officers and employees, $300,000.

The amendment was agreed to.

The next amendment was, on page 50, line 14, after the word "exceed," to strike out "$279,900" and insert "$260,000" and, at the end of line 16, to strike out "$683,900" and insert "$634,000," so as to read:

United States Industrial Reformatory, Chillicothe, Ohio: For the United States Industrial Reformatory at Chillicothe, Ohio, including not to exceed $260,000 for salaries and wages of all officers and employees, $634,000.

The amendment was agreed to.

The next amendment was, on page 51, line 3, after the word "direct," to strike out "$700,000" and insert "$521,000," so as to read:

Construction: For the remodeling and construction of the necessary buildings and appurtenances, purchase of mechanical equipment, and other expenses incident to the construction of buildings in accordance with the provisions of "An act for the establishment of a United States Industrial Reformatory," approved January 7, 1925 (U. S. C., title 18, sec. 832), to be expended under the direction and upon the written order of the Attorney General, or his authorized representative, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $521,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 51, line 13, after the word "exceed," to strike out "$139,857" and insert "$130,000" and at the end of line 21, to strike out "$305,000" and insert "$284,000," so as to read:

United States Southwestern Reformatory, maintenance: For the United States Southwestern Reformatory, including not to exceed $130,000 for salaries and wages of all officers and employees and not to exceed $2,000 for the purchase of motor-propelled passenger-carrying vehicles, $284,000.

The amendment was agreed to.

The next amendment was, on page 52, line 12, after the word "direct," to strike out "$727,000" and insert "$520,000," so as to read:

United States Southwestern Reformatory, construction: For the United States Southwestern Reformatory, including any cost incident to the acquisition and occupation of the site selected on the Reno Quartermaster Depot Military Reservation, Okla., and for remodeling, constructing, and equipping the necessary buildings thereon, purchase of mechanical equipment, and other expenses incident thereto, as authorized by the act entitled "An act establishing two institutions for the confinement of United States prisoners," approved May 27, 1930 (U. S. C., Supp. V, title 18, secs. 901, 911, 912), to be expended under the direction and upon the written order of the Attorney General, by contract or purchase of material and hire of labor and services and utilization of labor of

United States prisoners, as the Attorney General may direct, $520,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 52, line 19, after the word "exceed," to strike out "$34,767" and insert "$31,000"; and in line 22, to strike out "$299,000" and insert "$270,000," so as to read:

United States Hospital for Defective Delinquents: For the United States Hospital for Defective Delinquents, including not to exceed $31,000 for salaries and wages of all officers and employees and not to exceed $2,500 for the purchase of motor-propelled passenger-carrying vehicles, $270,000.

The amendment was agreed to.

The next amendment was, on page 52, line 23, after the words "For the," to strike out "completion of the," and on page 53, line 9, after the word "direct," to strike out "$775,000" and insert "$468,000," so as to read:

For the United States Hospital for Defective Delinquents, including the cost of purchasing a site, remodeling, constructing and equipping the necessary buildings thereon, purchase of mechanical equipment and all other expenses incident thereto, as authorized by the act entitled "An act to establish a hospital for defective delinquents," approved May 13, 1930 (U. S. C., Supp. V, title 18, secs. 871, 872, 880), to be expended under the direction and upon the written order of the Attorney General, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $468,000, to remain available until expended.

Mr. PATTERSON. Mr. President, I desire to offer an amendment, which I send to the desk and ask to have read.

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. On page 53, line 9, after the word "direct," the Senator from Missouri moves to strike out the figures "$468,000" and to insert in lieu thereof the figures "$1,250,000."

Mr. PATTERSON. Mr. President, this item carries the appropriation for the erection of the United States Hospital for Defective Delinquents provided for by the act of May 13, 1930. It is wholly insufficient to complete the hospital. It is not even sufficient to take care of the obligation of the Government on outstanding contracts. The reduction of this appropriation is not an economy. It simply defers the day of payment. It constitutes an abandonment of a part of the building program inaugurated to relieve the unemployment situation. This is a very necessary institution.

There are between 400 and 500 patients who are either insane or are bordering on insanity in the Federal penal institutions of this country. There are approximately 150 prisoners who are afflicted with tuberculosis and about the same number suffering from other degenerative diseases.

These prisoners are in need of hospitalization and medical attention rather than punishment. At the present time there is no Federal institution where these unfortunates can receive the proper treatment. Those who have given thought and study to our penal problems have long urged the establishment of a separate institution where proper care and treatment could be administered delinquents suffering from mental and physical diseases.

When the question came before the Seventy-first Congress it was developed in the House hearings that at that time there were approximately 150 mental patients confined at St. Elizabeths and that the others were confined in various Federal penal institutions in the country. The same deplorable conditions were shown to exist with reference to those afflicted with physical diseases. For instance, at the Atlanta Penitentiary there were approximately 40 tubercular patients who lived in tents in the prison yard. During the winter they kept warm by means of oil stoves within their tents. These same conditions exist to-day.

It was to meet this condition that the Seventy-first Congress passed an act to establish a hospital for the proper care and treatment of defective delinquents suffering from mental or physical disease. The second deficiency bill of the Seventy-first Congress carried an appropriation of $1,250,000 for this purpose and limited the total cost to $2,500,000.

In accordance with this authority, the plans for the necessary buildings for such an institution were drawn by the architects. The contract for the erection of the main unit has already been awarded at a cost of $1,710,000, and the work is now under way. This unit when completed will take care of the mental patients and possibly other inmates, but it will not take care of the tubercular patients. The plans as drawn call for a separate tubercular unit. It should not require any argument that the tubercular patients should be kept in a separate building and not confined in the same building with the insane patients; and yet, if this amendment is not agreed to, that is exactly what will happen.

Unless this amendment is agreed to, it will disarrange the entire plan for this institution. The Department of Justice requested, and the Budget Bureau recommended, an appropriation of $1,250,000 for the completion of this hospital. The subcommittee of the House Appropriations Committee, after a full hearing, recommended an appropriation of $1,050,000, but the full Appropriations Committee of the House, without any further hearings, arbitrarily cut the appropriation to $775,000 for the completion of the hospital, and in that form the bill passed the House.

When the bill came to the Senate the Appropriations Committee after a hearing raised the appropriation to $1,050,000, and in that form it was first reported to the Senate. When the bill was recommitted to the Appropriations Committee the amount was reduced to $468,000, a sum which is insufficient to even pay the outstanding obligations of the Government on contracts that have already been let.

The total ascertainable outstanding obligation of the Government at this time amounts to $1,860,435.59. This does not include the obligation on a contract for rock excavation, as information relative to quantities to be excavated is not available.

If only the $468,000 carried in this bill is added to the amount already appropriated the total appropriation will amount to only $1,718,000, which will leave a deficit of more than $142,435 on outstanding obligations of the Government on contracts already awarded and under which work is being carried on at this time.

Instead of a hospital costing $2,500,000, as originally intended by Congress and for which the plans have already been drawn and a part of the building contracts already let and construction under way, we will have one that will cost only $1,718,000, and one that will be incapable of rendering the service originally intended by Congress.

The act establishing this hospital provided that the Attorney General should select the site and empowered him to accept a donation of a site for that purpose. After a careful inspection of many sites in various States, one was selected near Springfield, Mo., on a tract of 435 acres. The people of Springfield were requested to donate the site to the Government. It was represented to the citizens that the Government would build a hospital unit at a cost of approximately $2,500,000. Indeed, the act of Congress so provided. The people of Springfield by popular subscription raised the sum of $135,000 for the purchase of the site and donated it to the Government on this assumption.

It appears to me that it would be a breach of faith on the part of the Government not to build at this time the character of hospital that it was held out to the citizens was in contemplation when the site was donated. The work should not be deferred but should go forward at once.

In addition to its being a very necessary institution in properly handling our penal problems, it is also a part of the building program to relieve the unemployed. Springfield is a city of approximately 60,000 inhabitants and has suffered rather severely as a result of the depression. One of its chief industries, the general shops of the St. Louis & San Francisco Railroad Co., has been closed down a large part of the time.

One of the representations made to the citizens when subscriptions were asked for the purchase of the site was that the construction would relieve to some extent the unemployment situation in the community. The Government

should keep faith with its citizens. As a matter of economy the construction of this hospital should go forward now, as it can be built at a less cost than it could be at some future time.

From a humane standpoint the institution should be built at the earliest possible time, for we have no other institution for the proper care and treatment of these unfortunates suffering from tubercular and mental afflictions.

It seems to me, Mr. President, in view of the action of the Senate this afternoon in relation to the building program, that there ought not to be any question about the adoption of the amendment which I have sent to the desk.

Mr. JONES. Mr. President, I have very much sympathy with what the Senator from Missouri has said. There is truth in the situation as he has stated it. The committee, when it first reported the bill, recommended this item, but when the bill was recommitted by the Senate with instructions to make a cut of 10 per cent, we followed the advice of the Attorney General with reference to this particular item. We would like to have all that the Senator from Missouri has mentioned and desires, but under all the circumstances I hope the amendment proposed by him will not be accepted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Missouri to the amendment of the committee.

The amendment to the amendment was rejected.

The amendment of the committee was agreed to.

The next amendment of the Committee on Appropriations was, on page 53, line 15, after the word "exceed," to strike out "$488,810" and insert "$453,000," and at the end of line 16, to strike out "$877,200" and insert "$815,000," so as to read:

Federal jails: For maintenance and operation of Federal jails established under authority of the act of May 14, 1930 (U. S. C., Supp. V, title 18, sec. 753b), and the house of detention for Federal prisoners in New York City, including not to exceed $453,000 for salaries and wages of all officers and employees, $815,000.

The amendment was agreed to.

The next amendment was, on page 54, line 7, before the word "to," to strike out "$500" and insert "$10,000," so as to read:

Federal jails: For the purchase of sites, constructing, remodeling, and equipping necessary buildings, purchase and installation of machinery and equipment, and all necessary expenses incident thereto, for establishing new Federal jails and altering and adapting other Government property for jail purposes, as authorized by the act entitled "An act to reorganize the administration of Federal prisons; to authorize the Attorney General to contract for the care of United States prisoners; to establish Federal jails, and for other purposes," approved May 14, 1930 (U. S. C., Supp. V, title 18, secs. 753c, 753d), to be expended under the direction and upon the written order of the Attorney General, by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners, as the Attorney General may direct, $10,000, to remain available until expended; and the Attorney General may contract with such suitable person or firm as he may select for the work of preparing plans, drawings, designs, specifications, and estimates for remodeling and construction of the necessary buildings.

The amendment was agreed to.

The next amendment was, on page 54, line 19, after the word "prisoners," to strike out "$878,000" and insert "$800,000," so as to read:

Prison camps: For the construction and repair of buildings at prison camps, the purchase and installation of machinery and equipment, and all necessary expenses incident thereto, and for the maintenance of United States prisoners at prison camps, including the maintenance, alteration, repair, and operation of a motor-propelled passenger-carrying bus, to be expended so as to give the maximum amount of employment to prisoners, $800,000.

The amendment was agreed to.

The next amendment was, on page 55, line 2, before the word "for," to strike out "$128,080" and insert "$120,000," and at the end of line 3, to strike out "$265,260" and insert "$248,000," so as to read:

National Training School for Boys, Washington, D. C.: For the National Training School for Boys, Washington, D. C., including not to exceed $120,000 for salaries and wages of all officers and employees, $248,000.

The amendment was agreed to.

The next amendment was, on page 55, at the end of line 8, to strike out "$124,000" and insert "$76,000," so as to read:

For construction, repairs, and alterations of buildings, including the purchase and installation of machinery and equipment, and all expenses incident thereto, to be expended so as to give the maximum amount of employment to inmates of the institution, $76,000.

The amendment was agreed to.

The next amendment was, on page 55, line 14, before the word *"Provided,"* to strike out "$440,000" and insert "$415,000," so as to read:

Probation system, United States courts: For salaries and expenses of probation officers, as authorized by the act entitled "An act to amend the act of March 4, 1925, chapter 521, and for other purposes," approved June 6, 1930 (U. S. C., Supp. V, title 18, sec. 726), $415,000.

The amendment was agreed to.

The next amendment was, in the items for probation system, United States courts, on page 55, line 14, after the word "exceed," to strike out "$80,000" and insert "$70,000," so as to make the proviso read:

Provided, That not to exceed $70,000 of this appropriation may be expended for travel and subsistence.

The amendment was agreed to.

The next amendment was, on page 55, line 16, after the word "subsistence," to strike out the colon and the following additional proviso:

Provided further, That no part of the appropriation herein made shall be used to pay any probation officer a salary in excess of $2,600 per annum.

The amendment was agreed to.

The next amendment was, on page 56, at the end of line 18, to strike out "$2,942,281" and insert "$2,870,000," so as to read:

Support of prisoners: For support of United States prisoners, in non-Federal institutions and in the Territory of Alaska, including necessary clothing and medical aid, discharge gratuities provided by law and transportation to place of conviction or place of bona fide residence in the United States, or such other place within the United States as may be authorized by the Attorney General; and including rent, repair, alteration, and maintenance of buildings and the maintenance of prisoners therein, occupied under authority of sections 4 and 5 of the act of May 14, 1930 (U. S. C., Supp. V, title 18, sec. 696); support of prisoners becoming insane during imprisonment, and who continue insane after expiration of sentence, who have no friends to whom they can be sent; shipping remains of deceased prisoners to their friends or relatives in the United States, and interment of deceased prisoners whose remains are unclaimed; expenses incurred in identifying and pursuing escaped prisoners and for rewards for their recapture; and for repairs, betterments, and improvements of United States jails, including sidewalks, $2,870,000.

Mr. JONES. Mr. President, on page 56, line 18, I offer an amendment to carry out what the Senate has previously done.

The PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 56, line 18, in the committee amendment strike out "$2,870,000" and insert "$2,855,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the heading "Title III.—Department of Commerce, office of the Secretary," on page 57, line 3, after the word "department," to strike out "$331,142; in all, $346,142" and insert "$300,000; in all, $315,000," so as to read:

Salaries: Secretary of Commerce, $15,000; Assistant Secretary and other personal services in the District of Columbia, including the chief clerk and superintendent, who shall be chief executive officer of the department and who may be designated by the Secretary of Commerce to sign official papers and documents during the temporary absence of the Secretary and the Assistant Secretary of the department, $300,000; in all, $315,000.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, Department of Commerce," on page 58, line 4, after the word "foregoing," to strike out "$303,200" and insert "$238,200," so as to read:

For contingent and miscellaneous expenses of the offices and bureaus of the department, except the Patent Office, including those for which appropriations for contingent and miscellaneous

expenses are specifically made, including professional and scientific books, law books, books of reference, periodicals, blank books, pamphlets, maps, newspapers (not exceeding $2,500); purchase of atlases or maps; stationery; furniture and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges; fuel, lighting, and heating; not to exceed $3,500 for the purchase and exchange of one passenger-carrying automobile for the Secretary of Commerce; purchase and exchange of motor trucks and bicycles; maintenance, repair, and operation of three motor-propelled passenger-carrying vehicles (one for the Secretary of Commerce and two for the general use of the department), and motor trucks and bicycles, to be used only for official purposes; freight and express charges; postage to foreign countries; telegraph and telephone service; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; first-aid outfits for use in the buildings occupied by employees of this department; street-car fares, not exceeding $500; and all other miscellaneous items and necessary expenses not included in the foregoing, $238,200, which sum shall constitute the appropriation for contingent expenses of the department, except the Patent Office, and shall also be available for the purchase of necessary supplies and equipment for field services of bureaus and offices of the department for which contingent and miscellaneous appropriations are specifically made in order to facilitate the purchase through the central purchasing office (division of purchases and sales), as provided by law.

The amendment was agreed to.

The next amendment was, on page 58, line 22, after the name "Patent Office," to strike out "$708,750" and insert "$600,000," so as to read:

For all printing and binding for the Department of Commerce, including all of its bureaus, offices, institutions, and services in the District of Columbia and elsewhere except the Patent Office, $600,000: *Provided*, That an amount not to exceed $2,000 of this appropriation may be expended for salaries of persons detailed from the Government Printing Office for service as copy editors.

The amendment was agreed to.

The next amendment was, under the subhead "Federal Employment Stabilization Board," on page 59, line 13, before the word "of," to strike out "$90,000" and insert "$75,000," and in line 14, before the word "may," to strike out "$70,000" and insert "$58,000," so as to read:

Salaries and expenses: To enable the Secretary of Commerce to carry out the provisions of the "employment stabilization act of 1931," approved February 10, 1931 (46 Stat. 1084–1087), including personal services in the District of Columbia and elsewhere, traveling expenses, purchase of equipment, furniture, stationery and office supplies, printing and binding, repairs to equipment, law books, books of reference, and other necessary publications, and to procure by contract or otherwise any information or data concerning construction which may be considered pertinent, and all other incidental expenses not included in the foregoing, $75,000, of which amount not to exceed $58,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Radio Division," on page 60, line 6, after the word "foregoing," to strike out "$590,000" and insert "$490,000," and in line 7, after the word "exceed," to strike out "$78,315" and insert "$65,315," so as to read:

Wireless communication laws: To enable the Secretary of Commerce to enforce the acts of Congress "to require apparatus and operators for radio communication on certain ocean steamers" and "to regulate radio communication" and carry out the provisions of the international radiotelegraphic convention, examine and settle international radio accounts, including personal services in the District of Columbia, and to employ such persons and means as may be necessary, traveling and subsistence expenses, purchase and exchange of instruments, technical books, tabulating, duplicating, and other office machinery and devices, rent, improvement and care of grounds and repairs to buildings not to exceed $1,500, and all other miscellaneous items, including rubber gloves, aprons, rubber boots, and necessary expenses not included in the foregoing, $490,000, of which amount not to exceed $65,315 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Aircraft in commerce," on page 60, line 18, after the word "exceed," to strike out "$325,520" and insert "$270,520," and on page 61, line 11, after the words "in all," to strike out "$1,301,160" and insert "$1,000,000," so as to read:

Aircraft in commerce: To carry out the provisions of the act approved May 20, 1926, entitled "An act to encourage and regulate the use of aircraft in commerce, and for other purposes" (U. S. C., title 49, secs. 171–184), as amended by the act approved February 28, 1929 (U. S. C., Supp. V, title 49, sec. 173d), including salary of Assistant Secretary of Commerce (provided for in the act cited above) and other personal services in the District of Columbia (not to exceed $270,520) and elsewhere; rent in the District of Columbia and elsewhere; traveling expenses; contract stenographic reporting services; fees and mileage of witnesses; purchase of furniture and equipment; stationery and supplies, including medical supplies, typewriting, adding and computing machines, accessories and repairs; purchase, including exchange, not to exceed $3,000; maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work; purchase and replacement, including exchange, of airplanes (not to exceed $65,000); purchase of airplane motors, airplane and motor accessories and spare parts; maintenance, operation, and repair of airplanes and airplane motors; purchase of special clothing, wearing apparel, and similar equipment for aviation purposes; purchase of books of reference and periodicals; newspapers, reports, documents, plans, specifications, maps, manuscripts, and all other publications; and all other necessary expenses not included in the foregoing; in all, $1,000,000.

The amendment was agreed to.

The next amendment was, on page 61, line 20, after the word "exceed," to strike out "$160,310" and insert "$155,310," and on page 62, line 3, after the word "grant," to strike out "$7,553,500" and insert "$7,350,000: *Provided*, That $200,000 of said sum shall be expended toward establishing a line between Puget Sound and the Twin Cities," so as to make the paragraph read:

Air-navigation facilities: For the establishment and maintenance of aids to air navigation, including the equipment of additional air mail routes for day and night flying; the construction of necessary lighting, radio, and other signalling and communicating structures and apparatus; repairs, alterations, and all expenses of maintenance and operation; investigation, research, and experimentation to develop and improve aids to air navigation; for personal services in the District of Columbia (not to exceed $155,310) and elsewhere; purchase, maintenance, operation, and repair of motor-propelled, passenger-carrying vehicles for official use in field work, including their exchange; replacement, including exchange, of not to exceed four airplanes, maintenance, operation, and repair of airplanes, including accessories and spare parts and special clothing, wearing apparel, and suitable equipment for aviation purposes; and for the acquisition of the necessary sites by lease or grant, $7,350,000: *Provided*, That $200,000 of said sum shall be expended toward establishing a line between Puget Sound and the Twin Cities: *Provided further*, That no part of this appropriation shall be used for any purpose not authorized by the air commerce act of 1926.

The amendment was agreed to.

The next amendment was, on page 62, line 18, after the name "District of Columbia," to strike out "$273,000" and insert "$250,000," so as to read:

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Salaries: For the director and other personal services in the District of Columbia, $250,000.

The amendment was agreed to.

The next amendment was, on page 63, line 17, after the name "United States," to strike out "$828,000" and insert "$670,000," so as to read:

Promoting commerce in Europe and other areas: Investigations in Europe and other areas for the promotion and development of the foreign commerce of the United States, $670,000.

The amendment was agreed to.

The next amendment was, on page 63, line 20, after the name "United States," to strike out "$476,000" and insert "$431,000," so as to read:

Promoting commerce in Latin America: Investigations in Latin America for the promotion and development of the foreign commerce of the United States, $431,000.

The amendment was agreed to.

The next amendment was, on page 63, line 24, after the name "United States," to strike out "$408,000" and insert "$360,000," so as to read:

Promoting commerce in the Far East: Investigations in the Far East for the promotion and development of the foreign commerce of the United States, $360,000;

The amendment was agreed to.

The next amendment was, on page 64, line 3, after the name "United States," to strike out "$95,000" and insert "$85,000," so as to read:

Promoting commerce in Africa: Investigations in Africa for the promotion and development of the foreign commerce of the United States, $85,000.

The amendment was agreed to.

The next amendment was, on page 64, line 17, after the word "foregoing," to strike out "$664,000" and insert "$462,000," so as to read:

District and cooperative office service: For all expenses necessary to operate and maintain district and cooperative offices, including personal services in the District of Columbia and elsewhere, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, purchase of maps, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, not exceeding $1,200 for newspapers, both foreign and domestic, and all other publications necessary for the promotion of the commercial interests of the United States, and all other incidental expenses not included in the foregoing, $462,000.

The amendment was agreed to.

The next amendment was, on page 64, line 19, after the word "office," to insert "except in cases where space is available in Federal buildings or plans for the construction of such buildings are under way," so as to make the proviso read:

Provided, That the Secretary of Commerce shall require as a condition for the opening of a new office or the continuation of an existing office, except in cases where space is available in Federal buildings or plans for the construction of such buildings are under way, that commercial organizations in the district affected provide suitable quarters without cost to the Government on and after September 1, 1932.

The amendment was agreed to.

The next amendment was, on page 65, line 13, after the word "foregoing," to strike out "$22,000" and insert "$17,000," so as to read:

Enforcement of China trade act: To carry out the provisions of the act entitled "China trade act, 1922" (U. S. C., title 15, secs. 141–162), including personal services in the District of Columbia and elsewhere, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, purchase of books of reference and periodicals, reports, documents, plans, specifications, maps, manuscripts and all other publications; rent outside the District of Columbia; ice and drinking water for office purposes, and all necessary expenses not included in the foregoing, $17,000: *Provided*, That payment in advance for telephone and other similar services under this appropriation is hereby authorized.

The amendment was agreed to.

The next amendment was, on page 66, at the end of line 5, to strike out "$915,000" and insert "$750,000," so as to read:

Export industries: To enable the Bureau of Foreign and Domestic Commerce to investigate and report on domestic as well as foreign problems relating to the production, distribution, and marketing, in so far as they relate to the important export industries of the United States, including personal services in the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside of the District of Columbia, ice and drinking water for office purposes, and all other incidental expenses connected therewith, $750,000.

The amendment was agreed to.

The next amendment was, on page 66, at the end of line 21, to strike out "$446,531" and insert "$300,000," so as to read:

Domestic commerce and raw materials investigations: For all expenses, including personal services in the District of Columbia and elsewhere, purchase of books of reference and periodicals, furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, medical supplies and first-aid outfits, reports, documents, plans, specifications, manuscripts, maps, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to enable the Bureau of Foreign and Domestic Commerce to collect and compile information regarding the disposition and handling of raw materials and manufactures within the United States; and to investigate the conditions of production and marketing of foreign raw materials essential for American industries, $300,000.

The amendment was agreed to.

The next amendment was, on page 67, at the end of line 15, to strike out "$360,000" and insert "$250,000," so as to read:

Customs statistics: For all expenses necessary for the operation of the section of customs statistics transferred to the Department of Commerce from the Treasury Department by the act approved January 5, 1923 (U. S. C., title 15, sec. 194), including personal services in the District of Columbia and elsewhere; rent of or purchase of tabulating, punching, sorting, and other mechanical labor-saving machinery or devices, including adding, typewriting, billing, computing, mimeographing, multigraphing, photostat, and other duplicating machines and devices, including their exchange and repair; telegraph and telephone service; subsistence and traveling expenses of officers and employees while traveling on official business; freight, express, drayage; tabulating cards, stationery, and miscellaneous office supplies; books of reference and periodicals; furniture and equipment; ice, water, heat, light, and power; street-car fare; and all other necessary and incidental expenses not included in the foregoing, $250,000.

The amendment was agreed to.

The next amendment was, on page 68, line 1, after the word "buyers," to strike out "$70,000" and insert "$60,000," so as to read:

Lists of foreign buyers: For all necessary expenses, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, lists of foreign buyers, books of reference, periodicals, reports, documents, plans, specifications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to enable the Bureau of Foreign and Domestic Commerce to collect and compile lists of foreign buyers, $60,000.

The amendment was agreed to.

The next amendment was, on page 68, at the end of line 20, to strike out "$62,000" and insert "$50,000," so as to read:

Investigation of foreign trade restrictions: For all necessary expenses, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to enable the Bureau of Foreign and Domestic Commerce to collect and compile information regarding the restrictions and regulations of trade imposed by foreign countries, $50,000.

The amendment was agreed to.

The next amendment was, on page 69, at the end of line 10, to strike out "$50,000" and insert "$45,000," so as to read:

Transportation of families and effects of officers and employees: To pay the itemized and verified statements of the actual and necessary expenses of transportation and subsistence, under such regulations as the Secretary of Commerce may prescribe, of families and effects of officers and employees of the Bureau of Foreign and Domestic Commerce in going to and returning from their posts, or when traveling under the order of the Secretary of Commerce, and also for defraying the expenses of preparing and transporting the remains of officers and employees of the Bureau of Foreign and Domestic Commerce who may die abroad or in transit, while in the discharge of their official duties, to their former homes in this country, or to a place not more distant for interment, and for the ordinary expenses of such interment, $45,000.

The amendment was agreed to.

Mr. CONNALLY. Mr. President, I offer the amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 69, beginning in line 11, strike out the remainder of the paragraph, including lines 1 and 2, on page 70, as follows:

To enable the Secretary of Commerce, under such regulations as he may prescribe, in accordance with the provisions of the act entitled "An act to amend the act entitled 'An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce, a Foreign Commerce Service of the United States, and for other purposes,' approved March 3, 1927," approved April 12, 1930 (46 Stat., p. 163), to furnish the officers in the Foreign Commerce Service of the Bureau of Foreign and Domestic Commerce stationed in a foreign country, without cost to them and within the limits of this appropriation, allowances for living quarters, heat, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (U. S. C., title 5, sec. 70), $175,000: *Provided*, That the maximum allowance to any officer shall not exceed $1,700.

The PRESIDENT pro tempore. The amendment is not in order at the present time. We are proceeding to the consideration of committee amendments only at this time.

However, the Senator from Texas may be recognized though the amendment may not be considered at the moment.

Mr. CONNALLY. Then I offer an amendment to the committee amendment to strike out "$175,000" and insert "$100,000." I ask that the amendment offered a moment ago may lie on the table.

The PRESIDENT pro tempore. The amendment to the committee amendment as now stated by the Senator from Texas is in order. The amendment previously offered by him will lie on the table.

Mr. CONNALLY. Mr. President, it will be observed that this paragraph provides a fund out of which the Bureau of Foreign and Domestic Commerce makes allowances to its employees in foreign countries to pay house rent, heat, light, and expenses of that kind, in addition to their regular salaries. I want to invite the attention of the Senate to the generous manner in which these employees are treated by the department.

On page 62 of the bill it will be noted that each commercial attaché is provided with a clerk at a salary of not to exceed $3,000 per annum. That is more than is paid to the clerks of Senators, with the exception of secretaries to Senators. That is much more than is received by most of the clerks in the departments here in Washington.

On pages 68 and 69 is a paragraph which makes appropriation of $45,000 to pay the transportation of these employees from the United States to their foreign posts and return. No limitation is made as to whether they return of their own will on leave or whether they are traveling on official business.

In addition to their salaries, in addition to the payment of their transportation to and from their posts, in the paragraph now before us the Government is proposing to appropriate $175,000 per year to hand to these employees in the form of allowances for house rent or quarters, for light, and for heat. Those are privileges and advantages which no one at home enjoys except possibly in the Army and Navy under the old laws which have been in operation for many, many years.

Under the present condition of affairs in the world, living expenses abroad are cheaper than they are in the United States as compared to what they were some years ago. Because of the depreciation of foreign currency, because of the depreciation of commodity prices in other countries, these clerks in the Bureau of Foreign and Domestic Commerce and other employees of that bureau, have the softest snaps of anybody in the Government service. No cuts are made in their salaries. If the Senate really wants to economize, if the President really wants to economize, if anybody really wants to economize, here is a place where economy can be practiced without any hardship to anyone on earth.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Arizona?

Mr. CONNALLY. I am glad to yield.

Mr. ASHURST. The able Senator from Texas, if he deigns to remember anything that I say, will recall that I have inveighed from time to time against the flat 10 per cent cut. Not over two weeks ago when asked by the able senior Senator from Tennessee [Mr. McKELLAR] where I would cut if we should not make a 10 per cent flat cut, I referred to this particular item.

I think the Senator from Texas is rising to the heights of statesmanship by courageously singling out items that ought to be cut. Instead of being subjected to a 10 per cent cut, there are in every bill many items that ought to be cut 50 per cent or even 70 per cent; and there are also items that should be increased 10 per cent instead of being reduced 10 per cent. I am very pleased that the able Senator from Texas has spoken on this subject. I hope he will have more success than I have had, and I shall take pleasure in voting with him. What he has said about the partiality to the particular employees mentioned is true. Those at home doing faithful work during many hours a day receive a cut while those gallivanting—if the Senator knows what that word means—abroad have their expenses paid whether on pleasure or business or what not.

Mr. CONNALLY. I will say to the Senator that I understand that, because I was abroad with the Senator on one occasion. [Laughter.]

Mr. ASHURST. I think the Senator is making a splendid plea, and we had opportunity for ocular observation to ascertain whether or not such employees and appointees of the Government should have their salaries reduced.

Mr. CONNALLY. I thank the Senator from Arizona for his suggestion.

Many are going about Washington now, like old Diogenes with a lantern, looking for men whom we can remove from the Government service. We hear much about duplications and overlapping and economy. The White House has a multigraphing department that turns out bales of that kind of material every day. We have here on the Senate floor and in the House of Representatives oratory by the ton, if it could be cornered and dehydrated and condensed. There is much talk about economy and cutting off useless bureaus and useless expenditures; but when some of us undertake to put our hand on an item and eliminate it, others rise up and vote us down.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Tennessee?

Mr. CONNALLY. I yield.

Mr. McKELLAR. I want to say that it strikes me that this item ought to be cut out.

Mr. CONNALLY. Certainly, it ought to be cut out.

Mr. McKELLAR. I have no objection to that being done.

Mr. CONNALLY. I am glad to have the Senator from Tennessee agree that this item ought to be cut. We talk about bureaucracy. The Bureau of Foreign and Domestic Commerce in its organization abroad is the very essence of bureaucracy.

Mr. ASHURST. Mr. President, will the Senator allow me to interrupt him?

Mr. CONNALLY. I shall yield in just a moment. That bureau has its representatives scattered all over the earth and, in addition to having them, we have commercial attachés and consuls all over the world; and most of the work that the attachés of the Bureau of Foreign and Domestic Commerce are performing could be performed by the United States consuls, and ought to be performed by them. I now yield to the Senator from Arizona.

Mr. ASHURST. Take for example, Mr. President, on page 45, lines 10 to 11, there is a proviso that the maximum salary paid to any law clerk to a circuit judge shall not exceed $2,400 per annum. If in this Government there be men who are underpaid, it is the law clerks of circuit judges. I happen to know that the law clerk to a circuit judge works with as much diligence as and performs more onerous duties than sometimes the most successful lawyer in this country. Quite frequently the law clerk to a circuit judge does more work than does the judge himself. Yet we propose to pay such law clerks $200 a month; and then not only refuse to cut the pay of employees abroad, who possibly work one hour a day, but we propose to give them their traveling expenses without any limitation as to whether they are traveling on business or pleasure. So, I say again it is now becoming obvious how ridiculous it was to make a cut of 10 per cent when there are some items which should have been cut 100 per cent, some that should have been cut 50 per cent, and some that should have been raised 10 per cent.

Mr. JONES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Washington?

Mr. CONNALLY. I yield.

Mr. JONES. I should like to ask to what page of the bill the Senator from Arizona refers?

Mr. ASHURST. I refer to page 45.

I read from the bill reported by the Senator from Washington [Mr. JONES] with amendments on April 11 the following proviso:

That the maximum salary paid to any law clerk to any circuit judge shall not exceed $2,400 per annum.

That provision is found in lines 10, 11, and 12.

Mr. JONES. That is correct; that is the House language; the Senate made no provision of that kind but merely accepted the House language.

Mr. ASHURST. I am saying that here is an item that ought to be increased. I have never been on the circuit bench or on the Federal district bench, but I am sure that every lawyer here will bear me out that it is—I was going to say the height of folly, but I will say it is the depth of folly, to pay the law clerk of a circuit judge only $200 per month, and then furnish a traveling-expense account, heat, light, and fuel, to other employees who are sent abroad by the Government and who do not work one-tenth of the time the law clerks to the circuit judges work.

So the Senator from Texas, with that splendid ability of his, is directing his fire to an abuse that ought to be corrected and is now demonstrating what I tried to demonstrate, namely, the folly of a 10 per cent reduction. How was the 10 per cent arrived at? By what process of subtraction was it concluded that it would be well to cut all items 10 per cent? Why was it not made 12 per cent? The very arbitrariness of the figure 10 per cent discloses an absolute bankruptcy of ideas on the subject.

Mr. CONNALLY. Mr. President, I am glad to have the remarks which I undertook to deliver so forcefully reinforced by the Senator from Arizona. I submit, in all fairness, to the Senator that when a man in this country is given a job abroad and the Government pays his traveling expenses to and from his foreign assignment and then, in addition, pays his house rent, it is giving that man, even if the salary were the same, a higher rate of pay than is given the employees of the Government here at home. Then, when it is recollected that clothing is cheaper abroad, that food is cheaper abroad, and when, on top of that fact, it is realized that by reason of the inflated currencies of foreign countries the value of their money has depreciated, there results a situation whereby we are paying these employees in foreign countries perhaps twice the rate that we are paying employees in the Government service at home.

Mr. KEAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from New Jersey?

Mr. CONNALLY. I shall yield in a moment.

Mr. KEAN. I should like to ask a question.

Mr. CONNALLY. Just a second. And in addition to that, it is provided in this bill that clerks—ordinary clerks—who serve abroad may draw as high as $3,000 a year.

Mr. KEAN. I should like to say to the Senator that I would be very glad to support any move to cut out the whole paragraph.

Mr. CONNALLY. I am going to move to do so; I have a motion to that effect to make, but it is not in order just now. I shall move to cut it all out when we get to it, but I want to make a cut of a hundred thousand dollars now.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. JOHNSON. Have we not done exactly this thing this afternoon in the case of the Department of State?

Mr. CONNALLY. I can not answer the Senator as to that, because I was out of the Chamber for a while, serving on the Finance Committee.

Mr. JOHNSON. Let me say to the Senator that my understanding is that in the portions of the bill applying to the Department of State through which we have gone we have done exactly the same thing as to which in the case of employees of the Department of Commerce the Senator complains. I have but this to say: I think we ought to play the game alike.

Mr. CONNALLY. I am in favor of playing the game fairly.

Mr. JOHNSON. And if we are going to provide these allowances for the representatives abroad of the Department of State, we ought to let the provision for the representatives abroad of the Department of Commerce remain in the bill.

Mr. CONNALLY. I think the Senator is partially correct about that. Some years ago, I shall say to the Senator, when Congress passed the authorization act providing for what are called post allowances in the Foreign Service, the Senator from Texas opposed it and voted against it. The reason which was advanced at that time was just the opposite of the reason that exists to-day. It was argued then that, by reason of conditions immediately following the war, living costs abroad were much higher than they were in the United States, and that employees of the United States, living in foreign countries, were entitled to post allowances for entertainment, and for tea, and Congress gave them a large amount of money with which to supplement their salaries.

Mr. JONES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Washington?

Mr. CONNALLY. I yield.

Mr. JONES. The item in the bill to which the Senator is referring is not covered by post allowances. In the case of the State Department rent, light, fuel, and so forth, are provided in another item, but these allowances are the result, I may say to the Senator, of the passage of a law about two years ago which this appropriation is intended to carry out. It was felt that there was the same reason for employees of the Department of Commerce serving abroad to have these allowances as there was for the employees of the State Department who were serving abroad. These are distinct from the post allowances in the State Department, however.

Mr. CONNALLY. I understand they are distinct, but the Senator from California was calling attention to the fact that the principle was the same; and, so far as that is concerned, I shall say to the Senator from California I shall vote to strike out or reduce the post-allowance item from the State Department provision just as I shall here, although I might in fairness admit that there is some little obligation perhaps on the part of State Department officers abroad to do some little entertaining. There is none, however, with reference to the attachés of the Commerce Department; and when it comes to furnishing them house rent and paying them for their heat and their light, those items do not enter into entertainment at all but are living expenses.

Mr. FESS. Mr. President——

Mr. CONNALLY. I yield to the Senator from Ohio.

Mr. FESS. I have not investigated the matter at all and have been interested in what the Senator has said and am considerably in sympathy with what he has in mind. I wondered, however, whether this is not the explanation: The Senator will recall that when the World War opened we found that, in connection with our Foreign Service abroad, large numbers of foreign citizens were employed, both in the diplomatic and consular, as well as in the commercial service. I was amazed to ascertain the number of Germans employed at rather low salaries in our service, who, as the Senator knows, are usually very well educated. When the inevitable time came to displace the aliens thus employed in our Foreign Service, because of our entrance into the war against Germany, we had to supply their places with Americans. Up to that time we had paid little attention to that situation. So I am wondering whether that element does not enter into the situation? I myself know nothing about it.

Mr. CONNALLY. I shall say to the Senator that I was on the committee in the House of Representatives that handled this matter at that time, and the allowances then authorized were not due to the inadequacy of salaries, but it was claimed that, by reason of the disparity of exchange and the differing values of foreign money, there were certain posts in foreign countries where living costs were so out of balance with those of a normal period that employees of the United States in

such service ought to have a post allowance in order to equalize such costs. That was the case immediately after the war.

All of this, together with what the Senator from California [Mr. JOHNSON] has said, as well as what the Senator from Washington [Mr. JONES] has said, illustrates that whenever we establish a little precedent, and give one class of employees or one special group or one special interest an advantage, it is then utilized by every other group to obtain the same sort of treatment. The Senator from Washington admits that this provision was adopted only two or three years ago because many years before that employees of the State Department had been given these privileges and these bounties.

The Senator from Washington does not contend that two or three years ago foreign currencies were out of balance; he does not even contend that normal conditions were not operating; but, because there was that sort of a precedent, there were given to these Foreign Service employees these special advantages which amount, in effect, to a substantial increase in their salaries.

Mr. JONES. Mr. President——

Mr. CONNALLY. I yield to the Senator from Washington.

Mr. JONES. Mr. President, my committee did not handle this legislation, I will say to the Senator, but I think he is correct, that it was largely done because it was felt that employees of the Commerce Department in foreign countries ought to be treated substantially the same as employees of the State Department serving abroad, and that was largely the reason why that legislation was passed.

Mr. CONNALLY. That was the reason; yes. Somebody else was getting a handout, and they wanted a handout.

Mr. JONES. We are simply complying with the law.

Mr. CONNALLY. I am not criticising the Senator's committee.

Mr. JONES. I know it.

Mr. CONNALLY. There is an authorization for it, and the Senator takes the department's recommendations and those of the Budget, and what was done last year is done this year. I want to say, however, that we are talking about economy, and now is the time and this is the place to economize.

These Foreign Service officers are not suffering by reason of these conditions. They are profiting by these conditions. There is not a capital in Europe where, on the same basic rate of pay, a man may not live as cheaply as he lives in Washington; perhaps more cheaply. We are not only giving them handsome salaries, but we are paying their expenses to and from Europe, and then we are paying their house-rent and their heat and their light to as much as $1,700 each. It is not right. It is not just. It is not fair to other employees, who, no doubt, are going to have their salaries reduced.

Talk about bureaucracy and overlapping! Go abroad. You will find there representatives of the State Department, diplomats; you will find scattered all over the earth United States consuls; and then, in the same capital, you will find these Department of Commerce men rushing around, trying to imitate the Department of State, and suspending operations about 3 o'clock and going to tea for the rest of the day. You will find that the Department of Agriculture has its agents scattered all over the world. What are they doing? Mostly spending Government money, and they are on allowances of this kind. They are better paid, with more allowances, less work, and easier times than the Government employees here at home.

I am going to make a point on this amendment. I am going to make a motion later on to strike it out entirely; and I shall say to the Senator from California that I propose to offer a similar amendment on the State Department allowance. These expenditures are out of line. They are too high, and they are unjust to the other departments of the Government. More than that, however, they are unjust and unfair to the Treasury of the United States. They are unjust and unfair to the taxpayers, when we are loading them over in the Finance Committee, in which I have been sitting all day, with new taxes, burdensome taxes, taxes on the soap that they use for the purpose of cleanliness, taxes on necessaries of life, taxes on their income, and reducing below the present rates the minimum exemption.

In the face of that sort of a situation I want to appeal to Senators, are you going to perpetrate this sort of an inequality and this sort of an outrage upon all the other Federal employees of this Government, and upon the Treasury, and upon the taxpayers?

As far as I am concerned, I would strike out all of this foreign service of the Bureau of Foreign and Domestic Commerce. I think it is of very negligible value. The real sales of American goods abroad are made by representatives of commercial houses who travel all over the earth and sell these goods. These men are semidiplomatic functionaries. They stay in the cities. They do not get out over the country very much; and if I had my way, I would cut off half of the appropriation for the maintenance of these foreign emissaries who cover the globe, and have so greatly increased the expenses of the Department of Commerce.

In 1921, when Mr. Hoover became Secretary of Commerce, the Department of Commerce was spending $25,000,000 a year. To-day, it is spending $62,000,000 a year. There has been an increase of almost 250 per cent under the administration of Mr. Hoover. If the President wants to economize, if the Congress wants to economize, if we here in the Senate want to economize, the place and time are here and now.

PROPOSED TAX ON BEER

Mr. TYDINGS. Mr. President, I desire to offer an amendment to the tax bill which is now being considered by the Committee on Finance; and I hope it may be important enough to command the attention of the Senate prior to the time when it is taken up for consideration.

The bill is called "the emergency construction act" by title, and has for its purpose taking care of unemployment in this country. It authorizes a bond issue of $1,500,000,000. It provides for the repayment of that bond issue through an amortization fund of one-tenth each year, or $150,000,000 per year, plus, of course, the interest, or an average of $200,000,000 per year. It provides that all the projects, buildings, roads, and the like which have been authorized by Congress, but for which no appropriations have been made, shall be built out of the fund derived from the sale of these bonds. It furthermore provides for the repayment of these bonds through a stamp tax placed on 2.75 per cent beer. It amends the Volstead Act in that respect so as to make these sales legal, and it sets forth in some detail the allocation of the money derived from the sale of bonds to carry out the building program under construction.

Heretofore I have made many speeches on prohibition, and I hope those who may read my remarks will not think this is a "wet" or a "dry" speech. It is one offered in the most sincere way, in the utmost of good faith, as a means of taking care of unemployment in this country.

We are beginning to look forward to next winter. Every man knows that the community funds next winter are not going to be sufficient to feed and house and clothe those who are out of employment. Every man here knows that if food is not available a situation may arise which will make it very difficult for the Government to function at all.

What are the conditions in America? We know that the State of Mississippi has already acquired 25 per cent of its total area through the sale of land in default of taxes. We know that the school-teachers of that State have not been paid for a period exceeding a year, I believe. We know that in Chicago the municipal employees were not paid for long periods of time and that the school-teachers have been getting scrip, which now is not bankable. We know that in the city of Philadelphia several thousand families a week are being evicted. We know all of this; and we know that the country has a deficit of $2,500,000,000, which it is sought to eliminate by way of new taxation and by a reduction of governmental expenditures. We know that it is very diffi-

cult to sell bonds at this time without taking from the banks money that is badly needed in credit, which may bring on a collapse of banks which are having great difficulty in holding together.

But what are we going to do about it? We can not raise $1,250,000,000 at this time except with the greatest amount of ingenuity; and it is said that we must have that sum, together with a curtailment of appropriations, if we are to balance the Budget. Certainly if we can not raise $1,250,000,000 with which to balance our Budget, we have a very poor chance of raising taxation so as to create a fund to take care of unemployment.

There are, we are told, between nine and ten million people in this country without work. That would not be so bad if the problem were a temporary one; but these people have been without work for over a year. From present indications it looks as if the suffering will increase, the army of unemployed will grow, and the results next winter will be disastrous, unless we can do something to turn the wheels of industry and furnish the people of this country with a chance to earn a respectable living.

What is simpler, therefore, than not to transgress upon the eighteenth amendment, not to change its philosophy, but simply to raise the alcoholic content of beer from one-half of 1 per cent to 2.75 per cent, which medical authorities say is not intoxicating, and from that beer to get enough revenue to finance this bond issue and start this billion and a half reconstruction program under way? If we do not do it, will it be better to let these people starve, to storm the streets in search of jobs, to be evicted from their homes, to have their lands sold for nonpayment of taxes? And how long can we go on before those who find themselves in this plight will not tolerate our delay longer?

The last year that beer was sold in this country, according to the figures furnished me by the Department of the Census, 1,930,000,000 gallons were consumed in the United States. Assuming the consumption to-day to equal that of 1914, a tax of 25 cents a gallon would produce $500,000,000 revenue, which the Government needs, which we could use to start public construction all over this country, which we could use to build roads, and to improve our rivers and harbors, and for flood control, and put into circulation a tremendous sum of money now withheld from the marts and channels of trade.

Who is getting the money now, however? Is the Government getting it? No; the Government is not getting it. Men like Al Capone are getting it. Bootleggers are getting it; and when they get it, they bury it in the ground, hoard it in safe-deposit boxes, pay no income taxes, and the mass of the people are deprived of this revenue. Instead of its finding its way into the Federal Treasury, it goes into the pockets of the criminals, and furnishes a huge slush fund with which all crime is financed throughout our land.

We might be able to tolerate that condition in prosperous times. It might be that we could turn a deaf ear to it when people have enough to eat, enough to wear, and warm homes; but can we tolerate it when 10,000,000 people are out of work, and when the tax on this one article would produce enough revenue to raise $2,000,000,000 in four years?

If this amendment should be adopted—and we are sure to have a vote on it, because it will be offered as an amendment to the revenue bill when it comes before the Senate—$1,500,000,000 would be turned loose in all sorts of building activities, a sum equivalent to $100 for every man, woman, and child in this country, or $400 worth of work per family, without taxing anybody's automobile, without taxing anybody's food, without taxing anybody's clothing, without taxing anyone's income, without taking anyone's inheritance, without taxing anyone's soap or radio or all of the other things in the tax bill; simply by taxing an article which anybody now can buy, which quite often is deleterious at present, which has enriched millions of criminals in the United States, while 10,000,000 people knock at the gates and ask only for a chance to earn a respectable living.

Mark you, Senators, next winter is coming, and it is plain that nothing is to be done to provide some measure to alleviate the suffering and other effects of unemployment in this country. Nine million men have been carried through the past winter because citizens went down into their pockets, quite often beyond the point which they could afford, to provide—meagerly, of course, but to provide, nevertheless—the necessities of life for those who were without employment. But next winter that situation will not be present. Every man knows that next year the community funds in our large industrial centers are apt to be too little to begin to cope with this problem. Already throughout our large industrial centers the exhaustion of the funds raised to carry over the community until the following year is at hand, and no new funds are in sight.

If prohibition were being enforced, if there were no beer being consumed, if there were no crime, if there were temperance and total abstinence in this country, we might hesitate. But can we hesitate when here at hand is the means of providing some relief for the unemployed, when we know that prohibition is not enforced, that crime flourishes upon its ill-gotten revenues, that liquor can be obtained anywhere? Why, then, should we refuse to raise the alcoholic content—not to conflict with the eighteenth amendment, but only up to 2.75 per cent of alcoholic volume, which medical authority says is not intoxicating—and thereby line the pockets of the Government with sufficient money to take care of these people, who will not be much longer put off?

Mr. President, what is one-half of 1 per cent? It is an arbitrary rule, an arbitrary measurement, an arbitrary figure, not put in because anything more than one-half of 1 per cent was intoxicating, but placed in the Volstead law for the simple, sole reason that it was thought that if it were put too near the limit of intoxication it would be hard to say when beer as a beverage was and when it was not intoxicating. But shall we be bound by the magic of that figure? Shall we refuse to use our common sense and write the law honestly? Shall we make nonintoxicating beverages prohibited when the clear intent of the eighteenth amendment was only to limit those beverages which were in fact intoxicating?

Mr. President, I now yield, with the understanding that an announcement is to be made which I regret to hear. I ask unanimous consent that when the Senate reconvenes to-morrow I may have the floor.

The PRESIDENT pro tempore. The present occupant of the chair will undertake to recognize the Senator from Maryland at that time.

DEATH OF SENATOR HARRIS

Mr. GEORGE. Mr. President, I am profoundly grieved to announce the death of my colleague the senior Senator from the State of Georgia, the Hon. WILLIAM J. HARRIS, who passed away at 4 o'clock, eastern standard time, to-day in this city.

I send to the desk the following resolutions and ask for their immediate consideration.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 201) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. WILLIAM J. HARRIS, late a Senator from the State of Georgia.

Resolved, That a committee of 15 Senators be appointed by the Vice President to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. GEORGE. Mr. President, at a later date I shall ask the Senate to properly notice the passing of my distinguished colleague, but as a further mark of respect at this time I move that the Senate do now adjourn.

The motion was unanimously agreed to; and the Senate (at 4 o'clock and 50 minutes p. m.) adjourned until to-morrow, Tuesday, April 19, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 18, 1932

The House was called to order by the Speaker at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

From day to day, our Father, we pray that we may live in the trust of God and in that peace which was the benediction of the Master. Grant that this connection between Thee and us may be deeply realized; to this end do Thou purify our hearts and justify our lives. Crown us with unfaltering fidelity and patience in the place to which our country has assigned us. May we rise to a fine conception of the public service in the discussion of all problems. Allow nothing to disturb or supersede us in the discharge of our obligation to the Republic. Almighty God, in the very soul of the Nation do Thou establish righteous stability and confidence in our institutions that make for happiness and prosperity. Defeat the evils that make us mourn. Do Thou bless all of us with the light, with the sweetness, and with the atmosphere of the upper world. Amen.

The Journal of the proceedings of Friday, April 15, 1932, was read and approved.

STOCK TRANSFER TAX LEGISLATION

Mr. LaGUARDIA. Mr. Speaker, before we start consideration of the Consent Calendar, I ask unanimous consent to make a statement for three minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LaGUARDIA. Mr. Speaker, I am sure the membership of the House has been following with a great deal of interest statements that have been made by prominent stockbrokers in paid advertisements and circular letters and officials of the stock exchange, particularly in reference to the stock transfer tax, and their attack on any legislation regulating stock exchanges. One of the prominent firms that have joined in this chorus of attack on the tax bill and any regulatory legislation is a firm which was responsible for having floated in this country the Kreuger bonds. One billion dollars of Kreuger bonds were issued, of which $250,000,000 were sold in the United States. I say to all holders of Kreuger bonds in this country, that they could not have been swindled out of their money had it not been either for the carelessness, indifference, or connivance of the New York Stock Exchange. This is what happened. Under the rules of the stock exchange a statement must be filed before they list any bonds. These Kreuger bonds were secured not by real property or other tangible property, but by other bonds and the list of bonds was attached to the statement. That statement and the original list of bonds securing American investors appeared to be satisfactory. But there was a joker there which provided that the bonds held by the Kreuger Co. securing the bonds purchased in this country could be substituted by other bonds of "equal par value"—not of equal market value, of equal intrinsic value, but of equal par value. So that after the Kreuger bonds had been sold to American investors in the United States, the Kreuger gang in Europe, taking advantage of this crooked provision in the agreement, and unknown to American investors, sold the good bonds, and no-good worthless bonds of Austria and other countries that were selling at about 5 cents on the dollar were substituted. So that the American investor, on the representation made by the New York Exchange, thinking he was investing in something that was sound, now finds himself entirely wiped out with bonds, the security and collateral for which have been entirely removed. Let the stockbrokers and the New York Stock Exchange explain that, if they can.

Why do they not insert paid advertisements and tell the public about this perfidious, crooked piece of work which cost the American investors $250,000,000? [Applause.]

ORDER OF BUSINESS

Mr. DOWELL. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. The Chair does not know what his duty in the premises is. It was the custom of Speaker Gillett and the late Speaker Longworth to protect this day, Consent Day and Suspension Day. The Chair does not like to take the responsibility of keeping any gentleman from addressing the House, but he thinks gentlemen should try to arrange matters so as not to take up too much time on Consent Day in general discussion.

Mr. DOWELL. I have not asked for time usually. I shall take only the time that I have asked for. The matter I wish to call to the attention of the House is the matter of the economy program.

Mr. O'CONNOR. Mr. Speaker, I am compelled to object.

Mr. SNELL. Mr. Speaker, is it contemplated to have any suspensions to-day?

The SPEAKER. The Chair was just about to state that there will be three suspensions to-day. The first will be by the gentleman from Tennessee [Mr. BYRNS], who will move to suspend the rules and agree to the Senate amendments to the Interior appropriation bill. The second will be by the gentleman from Nebraska [Mr. HOWARD] on the bill H. R. 9071, the Pueblo Indian bill, which was considered on last Wednesday. The third will be by the gentleman from New York [Mr. DICKSTEIN] on what is known as the actors' bill, which was unanimously reported from the Committee on Immigration.

SUITS BEFORE THE VETERANS' ADMINISTRATION

Mr. DOWELL. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOWELL. Mr. Speaker, I take this time to call the attention of the House to a provision in what purports to be the tentative program respecting the Veterans' Administration. While I have not been able to examine all of these tentative changes, I ask the attention of the House to just one provision as it appears in the Washington Star of April 17. This relates to the provisions on testimony in suits where a veteran has brought suit to collect his claim after his claim has been denied by the Veterans' Bureau. May I have your attention while I read this proposed amendment as it appears in the Washington Star?

SEC. 207. The first paragraph of section 19 of the World War veterans' act of 1924 * * * is hereby amended by adding at the end thereof two new provisions to read as follows:

"*Provided*, That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose statement has not previously been submitted to the United States Veterans' Bureau of the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of the denial of the claim."

Should this amendment be adopted the veteran may be deprived of the right to present all of his case in a court of law. He finds the hands of the court tied so that the court can not consider any facts which the veteran did not submit to the Veterans' Bureau prior to the termination of his case in that bureau. In other words, under the law, if his claim is refused by the bureau, he is permitted to try his case in a court of law, but by this amendment the court is prevented from hearing all of his case if he has not submitted it before the Veterans' Bureau.

Mr. PARSONS. Will the gentleman yield?

Mr. DOWELL. I can not. I do not have time.

In every court in which I have had any experience whatever, newly discovered material evidence, even when it is found after the rendition of a verdict, when presented to the court, will be cause for a new trial, whereby that testimony can be used in determining the rights of the parties. In this instance if this amendment is adopted, the veteran, when he gets into court, finds the hands of the court tied so that the court can not consider the facts in the case and render impartial justice.

Mr. PARSONS. Whose ruling is that?

Mr. DOWELL. This is a tentative amendment suggested to the veterans' act.

Mr. BANKHEAD. Will the gentleman yield?

Mr. DOWELL. I yield.

Mr. BANKHEAD. Well, whose plan is it?

Mr. DOWELL. This was submitted by the Veterans' Administration, as I understand.

Mr. BANKHEAD. Is that indorsed in the President's program?

Mr. DOWELL. It is in the proposals submitted in the program.

Now, it seems to me there should not be a specific prohibition against a veteran, who has lost his health in the service, and who presented his case to the Veterans' Bureau, and whose claim was denied by the bureau, afterward presenting his case in full to the court.

He should not come to the courts of the land to present his case and find the courts may not consider all of the evidence he may be able to present, which would determine the facts in the case.

Whatever the Veterans' Bureau may do or require, the courts should be left free to pass upon the claims of every veteran after all of the facts have been submitted to the court.

I am submitting this matter at this time, with the hope that the courts may be left with full power to determine each case on its merits after the parties have submitted all of the facts obtainable.

The SPEAKER pro tempore (Mr. O'CONNOR). The time of the gentleman from Iowa has expired.

OIL PORTRAIT OF FORMER PRESIDENT CALVIN COOLIDGE

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

The Clerk called the first business on the Consent Calendar, S. J. Res. 75, authorizing the Joint Committee on the Library to procure an oil portrait of former President Calvin Coolidge.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, the gentleman from Kentucky [Mr. GILBERT] is present to-day. We have constantly objected to these bills unless a proviso is written in that the portrait be the work of an American artist. I have prepared an amendment, and if the gentleman from Kentucky accepts the amendment I shall not object. If the gentleman does not accept the amendment, I am constrained to object.

Mr. DYER. Mr. Speaker, I also reserve the right to object.

Mr. GILBERT. I would like to answer the gentleman.

Mr. LAGUARDIA. I have taken this matter up, and I have here the report of the National Academy of Design, and there are several hundred artists in this country, artists of high repute and high artistic standing, who believe that when Government work of this nature is to be given out American artists should be given preference.

Mr. GILBERT. It is true that this matter has been considered time and time again. It would be a reflection upon American artists to provide in any law that only American artists could be employed. The amendment, instead of benefiting American artists, would cast a slur upon them and be an admission that they need legislative protection.

For instance, this portrait has already been painted. It is acceptable to everybody. It was painted by an American artist. I understand that the artist is from the gentleman's own State of New York. It would deprive him of the honor he has won when we provide by law that it must be given to an American artist.

Let me say further to the House, the committee has several times considered this matter, as the gentleman has suggested, and has uniformly held, and has been sustained by the House, that that is an unwise provision to put into this kind of a bill. We have American artists who do not require legislative favors; they do not ask any; they are fully able to meet the artists of other countries in fair competition and win the prizes without our paternalism.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. LAGUARDIA. Mr. Speaker, unless the amendment is acceptable I shall be constrained to object. I asked the gentleman from Kentucky if he would accept the amendment.

Mr. GILBERT. Will the gentleman not let the House consider it without having an agreement in advance? I will be willing to discuss the amendment on its merits when it is offered.

Mr. LAGUARDIA. Mr. Speaker, I object.

BRIDGE ACROSS INLET WATERWAY FROM NORFOLK, VA., TO BEAUFORT INLET, N. C.

The Clerk called the next bill on the Consent Calendar, H. R. 6184, for the improvement of the inland waterway from Norfolk, Va., to Beaufort Inlet, N. C.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, how is it that we have a Federal bridge at this point? Is this some new policy—the construction of Federal bridges to connect Federal-aid roads?

Mr. WARREN. I am very glad to explain that to the gentleman. When the great Alligator-Pungo River land cut of the inland waterway in North Carolina was constructed, the land cut being 28 miles in length, the legislation passed by the Congress provided that whenever a public road was cut it would be the duty of the Government to build a bridge and to maintain it. This was a public road for a hundred years. A condemnation proceeding was necessary, and the county was given notice in a newspaper published 75 miles away. The county did not appear at that condemnation proceeding.

Mr. LAGUARDIA. It had no notice?

Mr. WARREN. Only general notice in the newspaper. This has been unanimously approved by the engineers, in a well-considered report, and unanimously approved by the Rivers and Harbors Committee. It can only happen in this one case.

Mr. DYER. Mr. Speaker, reserving the right to object, will the gentleman state what the expense involved in this bill will be?

Mr. WARREN. Yes. It calls for the construction of a bridge to cost $90,000, which I remind the gentleman will come out of the lump-sum appropriation on this particular project in the War Department bill.

It also requires the State of North Carolina to put the roads in good condition, which they are now doing.

Mr. DYER. Does the gentleman think this could be put off until the Treasury is in better shape? We are doing that as to many public buildings.

Mr. WARREN. It can never be constructed until the Secretary of War says it is necessary, and until the State of North Carolina has met all the requirements in this document. The Government, realizing the equity of it, has been maintaining a ferry there ever since.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following works of improvement are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of Chief of Engineers, in accordance with the plans recommended in the report hereinafter designated: Inland waterway from Norfolk, Va., to Beaufort Inlet, N. C., in accordance with the report submitted in House Document No. 5, Seventy-second Congress, first session, and subject to the conditions set forth in said document.

Mr. WARREN. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WARREN: Strike out the word "House" in line 9 and insert in lieu thereof the following: "Rivers and Harbors Committee."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

THOMAS JEFFERSON

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech made by my colleague, Mr. LUDLOW, at Anderson, Ind., at the Jefferson Day banquet.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GREENWOOD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Representative LOUIS LUDLOW to Madison County Jefferson Club, April 14, 1932, at Anderson, Ind.:

There are times when the tongue can not speak the language of the heart, and that is the fix I am in to-night. My faltering tongue gropes in vain for words to express the gratitude that pours from my heart for this generous reception. This is to me a very happy evening. The only fly in the ointment is a realization of my own shortcomings. The multitude assembled here and the aura of expectancy fill my soul with an ominous feeling that I shall not be able to measure up to this occasion. I have wanted for a very long time to do two things:

1. To make a straight-out political speech.
2. To make that speech at Anderson, Ind.

To-night, on this occasion arranged to celebrate the anniversary of the birth of our patron saint, the author of the Declaration of Independence and the founder of the Democratic Party, both of these ambitions are to be realized. Never did I make a public speech of any kind until four years ago; and, while I have spoken occasionally on various phases of public problems since then, this is my first attempt at a real political speech, in which I hope to discuss the fundamental philosophy of government.

I have wanted to make my speech in Anderson because, while others have been a little squeamish about running the risk of inviting me, you long ago took me on faith. During several consecutive years you have invited me to come and share your hospitality and I was unable to do so. Those invitations made me feel immensely grateful to you and this year I made up my mind that if you still wanted me to come and punish you with what I call one of my ham orations I would do so, even if I knew that the pillars of government at Washington, D. C., would crumble and fall during my absence. So, paraphrasing one of our great generals, "Lafayette, I am here!" and I only hope that when I have departed you will not think that you have been gluttons for punishment.

I wanted to make my speech at Anderson, too, because of old friendships and old associations. There is a quaint saying handed down from preprohibition days that "old wine is the best." While friendship is a holy word and friends both new and old are God's priceless gift to man, the friendship that grips our hearts and binds us as with hoops of steel is the friendship which, beginning in the days of our youth, has continued undiminished and unimpaired throughout the years.

It was this longing to be among old friends who know and understand the impulses of my heart that brought me here to mingle elbow to elbow with Dale Crittenberger; Willis Ellis; J. J. Netterville; Harry Neff; Walter Hays; Mr. Campbell, the honored chairman of this meeting; and others whose faces radiate friendship and hospitality. My joy in meeting these friends of the yesteryear does not obscure the saddening recollection of another distinguished Anderson Democrat, notwithstanding the friendship we had for each other has long since touched a grave, and I would feel remiss if I let this occasion go by without paying my humble tribute of love to that great orator and man of the people, William R. Myers. As I stand here my memory dwells not only among the living citizens of Madison County who have been faithful in the service of their fellow men but reaches out into the silent city of the dead and lingers reverentially at the grave of a genial and kind friend who recently left us to join the choir invisible, Albert H. Vestal, and also at the grave of another friend who was not of my political faith but who was close to me and true as the magnet to the pole, Winfield T. Durbin.

The chances are that in my speech to-night I shall inflict upon you a great deal of what I call "shop talk." As a member of the Appropriations Committee of the United States Congress and of one of its important subcommittees my mind has been on appropriations for many weeks. I have thought of appropriations by day and dreamed of appropriations by night. If there were such a thing as eating an appropriation, I think I would be masticating them all of the time. I have had borne upon me by the most direct visual evidence a sickening sense of the awful waste of the taxpayers' money that has been going on for many years, but especially during the last one and a half decades. I have been appalled by the evidence that has come to me through my own eyes and ears that the government of the people, for the people, and by the people founded by Jefferson and his compatriots has ceased to be a government of simplicity and economy, dedicated to the protection of equal rights among men, and has become a government of bureaucratic domination that is squandering the taxpayers' money in the most lavish way to maintain a thousand forms of special privilege. I am so full of what I have seen and heard that my speech is likely to flare forth in outbursts of indignation as I proceed.

When Speaker GARNER, Mr. RAINEY, the majority leader, and my Democratic colleagues placed me on the great Appropriations Committee at the beginning of the present Congress, my gratitude was beyond expression, but I want to confess that I could not escape the conclusion that my appointment was a bit incongruous. I will state confidentially that I had not been used to dealing with finances in such big units as is customary in that committee. It seemed to me there was something wrong with the picture.

I recalled that often during my career of struggle and of poverty I had been hard pressed to display the financial acumen necessary to the acquisition of a hot-dog sandwich and a plate of beans, and the more I thought about it the more it seemed to me I was in about the same fix as the benevolent old colored man who when asked if he could change a 10-dollar bill replied, with gratitude exuding at every pore:

"I cain't change de bill for you, boss—no; I cain't do that—but I'se suttingly very much 'bleeged for de compliment."

At first blush I was inclined to think that if I were to do the right and appropriate thing I would say to our subcommittee of six:

"Gentlemen, I am much obliged for being invited into your splendid circle, but it seems to me I am out of place here, and I shall now retire."

OLD-FASHIONED IDEAS OF ECONOMY

And then it occurred to me that there might be a real opportunity on that committee, especially at this time when the country is groaning with the cost of government, for an old-fashioned Hoosier, with old-fashioned ideas of economy. I recalled that over half a century ago another Indiana Democrat, whose shoe laces I do not pretend to be worthy to tie, served on that committee in that very room and did his work so well that he earned the everlasting gratitude of the common people of America from whose loins he sprang.

I thought of William S. Holman, who was the Representative of the district where I was born and raised, and I remembered how the common people worshiped him. I could visualize him as he appeared when he moved among them, unspoiled, unaffected by the honor of office, a charming conversationalist with a diction as pure as Macaulay's, distinctly human, capable of taking a chew of tobacco, and with a sympathy that encircled all of the human race. I recalled that he was very poor, but he possessed what was infinitely greater and more important than all of the wealth of the Indies. He had character. I recalled that he regarded office as a sacred trust; that by zeal in protecting the public interest he become known throughout the world as "the watchdog of the Treasury" and that when he died he left no worldly goods, but he did leave a legacy of inestimable value to the American Nation in "the Holman rule" which remains engrafted to this day in our parliamentary procedure and which makes legislation in order on appropriation bills if its effect is to reduce appropriations. It seemed to me that if in these modern times when bureaucracy is tightening its tentacles, and extravagance is running away with reason, I could in any degree, whatsoever, translate Holman's idealism into action, my efforts to serve the Nation would not be in vain.

Around the big table in the Appropriations Committee six of us composing the Subcommittee on Appropriations for the Treasury and Post Office Departments prepared the supply bill for those two activities, which appropriated more than a billion dollars—more than a thousand million dollars. Think of it! Nothing could more vividly illustrate how the cost of Government has grown. The exact amount carried in the Treasury and Post Office bill for the next fiscal year 1933 is $1,059,898,563. That is more than the entire cost of Government 24 years ago. The United States did not become a "billion-dollar country," speaking in fiscal language, until 1909, when the appropriations crossed the billion-dollar mark and totaled $1,006,431,726.90. Thirty years ago, for the fiscal year 1902, the total cost of running the Government was $730,241,862.51, or less than one-seventh of the 1932 expenditures. The sum total of appropriations for the current fiscal year 1932 is $5,178,524,967.95. This is the equivalent of $7,343 for every day that has elapsed during the 1932 years since the birth of Christ. There are 10 subcommittees of the Appropriations Committee, each of which brings in its own supply bill.

Sitting at the head of our subcommittee table was JOSEPH W. BYRNS, a courtly southern gentleman who represents the Tennessee district where Andrew Jackson lived, and who is as distinctly a man of the people as was that patron saint of Democracy. Mr. BYRNS is chairman of the entire Committee on Appropriations as well as of its largest subcommittee, and as chairman of the Democratic national congressional committee he commands high respect in party councils. It was a privilege, indeed, to sit by the side of one so learned, so conservative, so safe and sane, so wise in counsel, and yet so very human and so sympathetic in his responsiveness to the needs of the country in these distressing times. We met forenoons and afternoons, day after day, week after week. Streams of witnesses came before us, from the Secretary of the Treasury and the Postmaster General down the line of assistants and bureau and division chiefs. We used our pruning knives and cut $22,677,342 off of the estimates sent to us by the President. When the bill came out of the committee it was $44,688,327 below the appropriations for the current fiscal year, and while Chairman BYRNS was handy with the pruning knife, he gives me credit for cutting in some instances even deeper than he did. On that one bill we reduced appropriations the equivalent of more than six times the price the United States paid for Alaska below the appropriations for the same activities last year.

PICTURE OF GOVERNMENTAL BUREAUCRACY

Service on the Appropriations Committee affords one a vantage point from which he can see the whole picture of governmental bureaucracy. He soon learns how the cost of government is causing the deficit we all abhor. He sees the most shocking evidences of unbusinesslike methods and unbelievable extravagances. He sees a thousand rat holes through which the taxpayers' money flows out of the Treasury to support activities that were wrong in their inception and that fasten varied forms of blighting paternalism on the country. He learns of as much as $5,000 of the money raised by taxation being spent to transplant and reset a single tree to conform to somebody's idea of landscape beauty. He learns of orchid plants being purchased at the cost of hundreds of dollars per plant to make a botanical display in Washington that will be attractive for tourists to look at, although times are so bad and people are so hard up that tourists have almost ceased to go to the Capital City.

As a member of the Appropriations Committee, I had the pleasure of helping to knock out a proposal to spend $25,000 for orchids and other beautiful and attractive plants during the next fiscal year. When I thought of 8,000,000 Americans out of work, tramping the streets with their hearts filled with despair, and 25,000,000 of our fellow citizens—men, women, and children—without means of support, it really was not hard for me to decide against orchids. That decision did not wrench my soul one bit. Nor was it a bit painful to me to vote to abolish the abuse that has grown up of officials being furnished Government automobiles for the personal and social activities of themselves and their families.

When we learned of an assistant to the head of one of the departments rolling down to his office every day in a high-powered automobile, with a Government chauffeur at the wheel, and passing Justices of the United States Supreme Court going to work on foot, we decided there was something wrong with that picture, also; and we wrote into every appropriation bill a provision which restricts the furnishing of automobiles to a comparatively few heads of essential activities and limits them strictly to official use.

The fathers erected a government on the principle of dual sovereignty, a government in which the people were to manage their home affairs as local welfare might dictate—a society of self-governing States in which the people were to be left to rule themselves to as great an extent as possible. Under this well-devised order of things the Federal Government would touch the citizens lightly and would hardly be felt except in situations and crises that require unified national action.

From this idealistic concept which the wisdom of the ages has accepted as best adapted to promote the happiness and contentment of a free people we have departed as far as one pole is from the other. The once-treasured doctrine, "The least governed the best governed" has given away to its antithesis, "The most governed the best governed." We no longer have a Government with local autonomy as the major factor, but a Government by an overshadowing and compelling Federal bureaucracy.

We have in Washington the great departments of government through which all of the executive functions would be transacted under the scheme of Jefferson and the other founding fathers, but while these are 10 in number, we also have more than 40 commissions, boards, and independent establishments that have reached out in all directions and usurped governmental functions, and which now spend a billion dollars annually of the people's money. The growth of paternalism in America is vividly indicated by the preponderance of bureaus, commissions, and boards. As the spirit of paternalism waxed strong these commissions and other extra-constitutional forms began to spring up like mushrooms, the difference being that while a mushroom dies, a bureau or commission once created goes on forever. The State governments patterned after the national example, and they, too, created commissions and boards and bureaus and what not, and the people have found themselves oppressed by supervising and directing authorities and their taxes pyramided at a horrid rate. Federal commissions have literally wasted billions of dollars of the taxpayers' money, which is bad enough; but when it is considered that they have been a potential medium in enforcing an enslaving paternalism upon the country, every patriot must rue their creation.

There is a story going the rounds which well illustrates the predominance of the commission idea in government. A man afflicted with amnesia was found by a policeman wandering in the streets of Washington. Cases of amnesia are not so rare as to be considered phenomenal, but this man was in extraordinary specimen because when he was interrogated he could not for the life of him remember his name, his address, or the commission he belonged to! Think of an officeholder not being able to remember the commission he belonged to—especially on pay day!

LONG LIFE TO THE SCREW THREADERS!

Commissions once created never die. Once I thought I had found a Government commission that was not gifted with everlasting life, but I was mistaken. It was the National Screw Thread Commission. I doted on that commission because, of all the commissions I knew, it apparently was one that was mortal. And then it was such a romantic commission. After Congress seemingly had exhausted the whole gamut of possibilities in devising commissions to exercise paternalistic dominion over the people it scratched its collective head, thought long and hard, and then brought forth a commission to standardize screw threads. There is your beau ideal of a commission—one to standardize screw threads! I was in the press gallery when the bill passed and I gave three inward cheers because tucked on at the end of the act was a clause limiting the life of the commission to six months.

That was back in 1918. Fourteen long, eventful years have elapsed and the commission is still going strong. It has attained a robust existence and an honored and permanent place in the Congressional Directory, where it may be seen on page 343. Three times its life was extended, and finally Congress got tired of this piecemeal business and made it a "continuing commission," so I suppose we shall have the screw threaders with us forever. And in this land of opportunity what an incentive it is to every honest and ambitious statesman to so live and serve his party that in the mellow evening of life he may approach the lengthening shadows with calm and peaceful dignity as a member of the Screw Thread Commission.

Paternalism has fastened upon our people an amazing multiplicity of laws. Bureaucracy, reaching for more and more power, never satiated but always looking for new fields to invade, goes to the fountainhead of authority, and asks for laws which legislators too often grant for the asking. The American citizen is hedged about with a bewildering maze of "thou shalts" and "thou shalt nots."

After working many years a committee of Congress has completed a codification of the United States statutes. The result is a volume of 2,465 pages. There are 5,212,416 words in the volume and 14,808,000 ems in the composition. To put it in another way, there are written in statutes for the regulation of the American people by this single body of lawmakers 5,212,416 words, and the whole of the law and the gospel was put in the Ten Commandments of Moses and those commandments could be printed on a single page! I sincerely believe that if the usual order could be reversed and an entire Congress could be devoted, not to enacting laws but to repealing archaic, harmful, bureaucratic statutes, that Congress would go down in history with a halo that will never attach to any other Congress.

Let me cite to you a few more of the almost unbelievable examples of illogical and wasteful departures from the standards of Jeffersonian simplicity in government. No one would imagine that any great corporation conducted on business principles would establish competing agencies to purchase supplies, each agency with its separate offices, personnel, and overhead. Now listen to what the United States Government does in that respect. I quote from page 92 of the printed hearings before our subcommittee and from the stenographic report of the cross-examination of Capt. Robert Le Fevre, superintendent of the General Supply Committee:

"Mr. LUDLOW. How many, or approximately how many, different agencies are making purchases of supplies for the Government?

"Mr. LE FEVRE. I do not know. They are so numerous I do not know that anybody ever counted them.

"Mr. LUDLOW. What would be your estimate?

"Mr. LE FEVRE. I suppose there are probably four or five hundred.

"Mr. LUDLOW. Is not there a tremendous lot of duplication and extra cost that could be eliminated if there was a consolidation and they were centralized under one central purchasing agency, such as yours?

"Mr. LE FEVRE. Provided it is done with care; yes, sir."

Here we have direct testimony from the most competent authority that the Government's purchasing agencies number 400 or 500 and that there is a possibility of great savings by consolidation. Why, during the World War, the War Department and the Navy Department, notwithstanding both were arms of the United States Government and supported by the taxpayers, went into the market and competed in the most cut-throat and despicable fashion for supplies to win the war.

GONE TO JOIN THE DINOSAURS

We carried in the Treasury and Post Office appropriation bill a clause abolishing 22 useless offices, 15 appraisers of customs, and 7 surveyors of customs, with salaries ranging from $3,800 to $9,000 a year and totaling $111,000 per annum. I feel a bit chesty about that because it was my questioning of Capt. F. X. A. Eble, Commissioner of Customs, before our subcommittee that developed the opening for this economy move. Captain Eble was one of the frankest and fairest witnesses who came before us, and when I asked him if surveyors of customs could not be dispensed with I drew from him the candid admission that they are "excess baggage." Later, in a letter to me, Secretary of Treasury Ogden L. Mills confirmed the uselessness of appraisers and surveyors of customs, and they will now go to join the dinosaurs and other relics of a bygone age. They were excess a long time ago and, as the Irishman says, "they should have died a-bornin."

There is another place in our public service that is loaded down with excess officials whom I hope to see shuffled into the discard. All along our far-flung borders are duplicate forces of immigration inspectors and customs inspectors. When a traveler returning from Mexico or Canada crosses the border at a port of entry an immigration inspector intercepts him and asks him where he lives, and when he replies "Indianapolis" or "Anderson," a customs inspector steps up and asks him about his baggage.

Now, why in the name of common sense can not the same inspector ask him both questions? I have here a long list of officeholders who could be dispensed with if one man were to perform both of these trifling services and Captain Eble, Commissioner of Customs, estimates that $1,000,000 a year could be saved by the elimination of this overlapping.

I was brought up in the hard life of a pioneer farmer boy, when every dollar gained was thrice earned in the sweat and toil of long hours of labor, and for years it has wrenched my economic

soul to see money scoop shoveled out of the United States Treasury for any old project and under any old pretext. Can it be that we have discovered the strange alchemy that transforms a debit into a thing to be desired—at least into something not to be avoided? I do not think so. I have an old-fashioned idea that money still represents sweat and toil and that officials occupying positions of public trust are in duty bound to see that public funds are wisely and economically administered and that not a dollar is taken from the pockets of the taxpayers that can be left there. That, I think, is good business and good sense and the only policy on which to found a happy and contented state.

I said a while ago that money has been scoop shoveled out of the United States Treasury to meet the demands of the most varied and fantastic extravagances. I made a mistake. I should have said steam shoveled. You know this is the steam age. Treasury raiding has kept pace with the march of progress and is high geared and high powered. Peace-time appropriations have shot upward from a little over a billion dollars a year 23 years ago to more than five billions in this year of the Lord 1932—in other words, from $11 per capita to $38 per capita.

How is all of this money spent, you ask. A more pertinent inquiry is, How isn't it spent? If there is any fad or nostrum that Congress has not subsidized in some form or way or other during the last 20 years its promoters must be sloths or morons. Otherwise a little energy would have brought them under the blanket, too. I will cite just a few examples which probably will make you laugh, though I would hope they would make you cry. It would be better if you would shed a few tears of resentment and then get busy on some of the Members of Congress who are particeps criminis in such extravagances. The District of Columbia appropriation law of the last Congress (Public Act 721), approved on February 23, 1931, carried this appropriation:

"For the control and prevention of the spread of mosquitoes in the District of Columbia, including personal services, purchase, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles, purchase of oil, and other necessary expenses, $45,000."

This act supplements a similar appropriation of $60,000 for the previous fiscal year. Altogether $105,060 has so far been appropriated to chase mosquitoes in the District of Columbia. The valiant band of chasers, known as "mosquito inspectors," have eight easy-riding automobiles with which to do their chasing, and each chaser receives $140 a month for his valuable services. Uncle Sam supplies the gas and pays the garage bills. The superintendent in charge of the work, the generalissimo of the attacking forces, gets $2,100 a year and an automobile is assigned to his special use. The mosquito fighters comprise a happy little family, and so far no mosquito has been heard to complain.

MANEUVERS OF THE MOSQUITO FLEET

There is no more reason that I can conceive of why the Federal Treasury should be drained to fight mosquitoes in Washington than in Indianapolis or Anderson. If the campaign spreads out and becomes general, there will be a lot of soft jobs for meritorious Republicans or deserving Democrats, according to which party is in power, but if a Federal offensive is ever undertaken against the fierce, man-eating mosquitoes of New Jersey and along the Atlantic seaboard, it may be necessary to substitute armored cars for light-running automobiles, and in engagements of extreme violence battleships may be brought up as reserves. Possibly our nautical experts were inspired by prophetic vision when they coined the phrase "mosquito fleet" and the time may come when the great ships of the American Navy will be drawn up annually for maneuvers against the winged and scissor-beaked enemy.

It may be there is some excuse for part of the building program that is going on at the National Capital, where not only whole blocks but acres of buildings are being torn down to jazz up the appearance of the old city; but when we consider the fact that the taxpayers of the United States already are bled white, there certainly is no justification for part of the program, especially that which involves the tearing down of certain monumental buildings simply because they grate on somebody's æsthetic sense. I now have particularly in mind the Post Office Department Building, one of the landmarks on historic Pennsylvania Avenue, which is soon to make a fadeaway before the so-called march of progress.

This 8-story building, adorned with a tower, Big Ben clock and all, is as solid, substantial, and convenient a public building as there is in America. If it were located in London or Paris or any of the Old World capitals, it would be regarded 100 years from now as just beginning to be properly weather-stained; but it is to be nipped in the bud and torn away at the early age of 43 years because its style of architecture is Romanesque and out of harmony with the modernistic style exemplified in the other public buildings now being constructed around it. Styles in architecture change like styles in skirts, and who knows that 20 years hence Romanesque will not be all the rage?

The critics whose keen sensibilities are offended by this Romanesque building are Pollyannesque in the easy way they have of conjuring up the millions that will be required to tear down this landmark and to erect a building in its place to suit their hypercritical fancy. As for myself, I prefer the Romanesque to the Pollyannesque style of architecture; but a few years ago Congress not only provided for the demolition of the present building, which was erected in 1889 at a cost of $3,241,326, but went further, and in pursuance of the fanciful ideals of the art connoisseurs a new Post Office Department Building is to be erected at a cost of more than $10,000,000, with a façade that will tickle the high-brow critics.

Congress in recent years has generously appropriated $190,000,000 to construct Government buildings in a limited area in Washington. This is 26 times the price the United States paid for the great empire of Alaska. Secretary of State Seward was nearly run out of the country when he bargained for Alaska at a cost of $7,200,000. He would consider himself a piker if he could return to the flesh and see what is going on in Washington now. George Washington had a reputation as a thrower, being accredited with having once tossed a dollar across the Potomac River; and if he were alive and his powess remained undiminished, he could toss a dollar over half a dozen buildings, each the equivalent in cost of Alaska; but in this critical period with business flat and incomes cut off he would have a hard time scraping together enough dollars to pay for all of this lavishness. One building just completed—the palace de luxe of the Department of Commerce—is costing $17,500,000, or more than twice the price paid for Alaska, and $1,500,000 more than Jefferson paid to Napoleon for the vast Louisiana Purchase, out of which were carved many great States. That building is bedecked, wainscoted, decorated, and beautified so that it looks like an enlarged Buckingham Palace.

Everybody is trying to horn into the money-spending orgy. The Court of Claims, which now occupies a substantial and well-located building diagonally across Pennsylvania Avenue from the White House, decided that its home is not dressy enough and went to Congress for a mere bagatelle of $1,250,000 for a new building, citing the powerful argument that the Customs Court had been provided handsome quarters in the new Internal Revenue Building and the Customs Court was no higher in dignity and no more deserving than it was—about the same sort of plea as that of the small boy who demands a new red toy because he sees that another youngster has one. It was only recently when the Court of Claims nosed in and it hasn't got its new building yet, but if the beauty fans have their way it will! Meanwhile plans are on foot to tear down the District Government Building at Pennsylvania Avenue and Fourteenth Street, a splendid $5,000,000 structure, because it does not quite measure up to the artistic notions of the planners, who believe that for a bagatelle of ten millions or fifteen millions they could put up a nicer looking building there.

The new Navy Building and its twin, the Munitions Building, erected during the World War, are slated to go the way of the others. These enormous structures, if allowed to stand, would be as solid and serviceable 100 years from now as they are to-day, but they are marked to take the count because the members of the Fine Arts Commission say they are unbecoming. Cæsar wanted men around him who were fat. Members of the Fine Arts Commission want buildings around them that are easy on the eye.

MAKING RESPECTABLE AGE LOOK LIKE A FLAPPER

One of the money-spending dreams of this commission is that $3,000,000 be spent in changing the exterior appearance of the War, State, and Navy Building. That structure may not be exactly a flapper among Government buildings, though it was warmly praised for its beauty by architects and artists of bygone generations. The plan to remodel it was going strong and was about to succeed when our Committee on Appropriations stepped in and decided that the building is perfectly good and serviceable as it stands, and that this is no time to have its face lifted.

The Seventy-first Congress appropriated a trifle over $1,500,000 to buy some incunabula, or old books. It didn't do so with my vote, but my chirp wasn't even heard in the storm of whoops accompanying passage of the measure. When the bill was first proposed not more than half a dozen Members had ever heard of the word "incunabula" and the others rushed to their dictionaries to see what it was about. They found that incunabula are books that were printed in the fifteenth century. Here was something out of the ordinary to spend money on.

After a brief and vigorous campaign Doctor Vollbehr, owner of the books, was in possession of a Treasury warrant for a million and a half and the Library of Congress was in possession of the books. I realize the importance of cultural advantages and I hope I am not lacking in comprehension of the things of the spirit, but I could not bring myself to indorse the spending of $1,500,000 for a collection of books which are printed in old Latin and which only about one expert scholar in fifty can read. When my mails day by day were filled with pleas from unemployed and poverty-stricken people who were extending a thousand hands for help and when unknown numbers of sick and disabled soldiers were languishing for lack of hospital facilities, I could not reconcile myself to spend $1,500,000 for old books to be kept in Washington, and I have no apologies to offer for opposing the appropriation.

That sum would build three hospitals of the size of the Indiana Veterans' Hospital at Indianapolis, and as long as so many of our sick and disabled veterans remain unhospitalized I hope no scholar will think harshly of me if I prefer hospitals to incunabula. As an alternative between leaving $1,500,000 in the pockets of the taxpayers and spending that amount for some old books printed in Latin to be kept in Washington, I would favor leaving it in the pockets of the taxpayers, which are drained enough, Heaven knows, for other governmental expenses.

Our paternalistic Government, at the expense of the taxpayers and at a cost of thousands of dollars, has issued an interesting document entitled "The Love Adventures of an American Bullfrog." A Cornell University professor was paid $1,740 of the taxpayers' money to write the pamphlet. It gives the important information that the gentleman frog croaks or sings only when he is in love. The Clerk of the House of Representatives has been required by law to publish a statistical report on the operations

of his office, which nobody on earth was ever known to read. The issue consists of 1,300 copies, and the cost is over $7,000. Our committee has nipped this publication in the bud, and it will not be issued again.

Sheer waste in printing costs the taxpayers $200,000 a year, and there are now a million books and printed documents stacked in mountainous heaps in the basement of the Capitol and House Office Building in their original wrappers ready to be junked because they are useless. During the last 36 years $7,200,000 has been wasted on printing, and that, again, happens to be exactly the price the United States paid for Alaska. I have introduced a bill to abolish this tremendous waste.

MONEY FOR DIRIGIBLES WASTED

Money for dirigibles is another glaring example of money unwisely expended. Do you realize it costs $1,500,000 every year simply to maintain the Lakehurst, N. J., dirigible station? A little 1-horse airplane could tear a hole the size of an elephant in a $6,000,000 dirigible without half trying any time it chose to do so. In a modern war a dirigible would be about as effective a fighting unit as a barnyard rooster, and it would really be worth less, for after the battle the rooster would be good eating, while there would not be anything left of the dirigible worth saving. Yet we have already spent, or contracted to spend, on dirigibles twice what we spent for the Territory of Alaska.

The disregard of economy that has been so much in evidence in our national life is the natural concomitant of bureaucracy, and it measures the vast distance we have gotten away from the simple faith and principles of the fathers who founded here on American soil the greatest government ever devised by the ingenuity of man for the protection of equal rights and the promotion of human happiness. If we had stuck to the principles of Jefferson we would not to-day be beset by evils on every hand, many of which are so insidious that it requires a seer's vision to tie them in with their real source of origin, but which are really due to the surrender, step by step, of our heritage of liberty to a ruthless bureaucracy. The citadel of freedom which the founding fathers established on this continent is being undermined by this bureaucratic growth, and some time it will topple and fall unless there is a return to original ideals.

If I were to undertake to cover the entire gamut of extravagances and paternalism of our national bureaucracy, I would wear out your patience and would keep you here all night. I would like to tell you about the new Memorial Bridge connecting the North and South at Arlington, which is perfectly fine from a sentimental standpoint and is appropriately recognized as the most beautiful and artistic bridge in the world, but which is as unnecessary as the fifth wheel of a wagon from a utilitarian standpoint, as the Potomac is spanned with other bridges, and the $14,750,000 which it cost might well have been left in the pockets of the taxpayers at a time when the specter of want stalks throughout the land and little children go to bed hungry.

With Government headed out as it is to-day in the form of a bureaucracy, the most wasteful and costly form of government on earth; with businesses everywhere crashing to ruin under the weight of taxes; with thousands of honest men penniless and begging on the streets our people may well exclaim as they raise their face to heaven, "What relief is there, O God?"

Relief is possible, but it needs must be slow and painful. The perversions of government that are the growth of decades can not be corrected in a day. We must get out of this situation by reversing the processes by which we entered it. We have centralized our Government to the very last degree; now we must decentralize it. We have made lavish appropriations for nonessential purposes; now we must exercise the most rigid economy in appropriating only for the most essential purposes. We have listened to the lure of every group and bloc bent on securing costly special privileges; now we must hear and heed the voice of the American people calling in anguish for relief from taxation and asking only for a return to the simplicity of Thomas Jefferson and for a practical application of the Jeffersonian doctrine of equal rights to all and special privileges to none.

The movement that will ultimately bring relief must originate among the people themselves, and it will only originate when the people arise and in the voice of Jehovah demand that Congress shall put the ax to the root of bureaucracy. The system, with its various groups and blocs, has such a hold on Washington that Members of Congress can not stem it and can not reform it without the help that comes from the people themselves, in whom sovereignty abides. Congress does not have the power of regeneration within itself. The people must take these matters in hand.

PROPOSED CATECHISM FOR CANDIDATES

I would like to propose a catechism to be addressed by the people of every congressional district in America to the candidates who are asking their support for Congress this year. There would be four questions in my catechism, as follows:

1. If elected, will you hew to the line of strict economy and oppose every appropriation except for the bare necessities of government?

2. Will you help to decentralize the Federal Government by abolishing useless departments, bureaus, and commissions and consolidating others that overlap?

3. Will you vote to take the special privilege out of government?

4. Will you help to remove the paternalistic restrictions and meddling supervision that fetter every man and every business in the country?

If I could have my way, no candidate for Representative and Senator in Congress, regardless of the ticket on which he may run, should escape these questions, and those who do not give satisfying answers would be left at home.

A few campaigns pitched by the people on the economy issue and backed by a spirit of determination that will tolerate no evasion will accomplish wonders in redirecting the course of government into safer channels.

Bureaucracy has advanced until its enormous personnel is sucking the public like leeches, and it is estimated that every 11 persons in America are supporting 1 person on a public pay roll. To strike down this bureaucracy and restore the Government that was designed by the foundling fathers is not a partisan task but it is a citizens' task, and it is the biggest citizens' task of our day and generation. What we have accomplished by using the pruning knife on appropriations in this Congress is a good start, but it is a mere bagatelle compared with what must be done if the country is to get real relief. Our reforms must go deeper into the fundamentals of government. Many bureaus and commissions and tax-eating agencies must be stricken from the structure of government and there is no reason why some of the departments should not be abolished. The Department of the Interior could be wiped out entirely and its essential functions transferred to the Department of Commerce. Other departments could be combined at a saving of hundreds of millions of dollars a year. Similar reorganizations carried along sensible and constructive lines into all bureaus and branches of the public service would eliminate many bureaus and agencies that have no excuse for existing and would bring a large reduction of taxes.

The people of America are praying for that reduction and no other blessing that could come from heaven would be quite so welcome. Men and women who have toiled and slaved all their lives to secure a little accumulation that would be their comfort and security in their old age are threatened with having that accumulation taken away from them. City residents are surrendering their homes by wholesale and farmers are forfeiting their farms in job lots. We hear time after time of good people losing their homes, their most precious possessions, where they spent their happy honeymoons, where the children were born, and where, perchance, death came to bind with tighter ties the solemn covenant they assumed at the marriage altar, and the phrase, "God bless our home," once so sacred to father and mother and little tots, has been changed to "God bless the home that once was ours."

People are becoming tired of seeing an army of unemployed walking the streets; also they are tired of being implored for a few cents to buy a sandwich and a cup of coffee; also they are tired of sending coal to some friend, and also they are tired of helping to pay rent; also they are tired of being continually importuned to donate to charity; also the millions who compose the army of unemployed are feeling humiliated in asking for a hand-out and are becoming very restless. These things ought not to be, and they would not be if special privilege had not entered our national life to warp the minds and control the acts of men. The time will come when they will not be if we who occupy positions of responsibility will have the vision and the courage to strike off the shackles of bureaucracy and to redirect the course of government along constitutional lines charted by Jefferson and those who shared with him the marvelous vision that inspired the Declaration of Independence.

When that time comes the United States of America will once again be a "government of the people, for the people, and by the people." The money that is now wasted on taxes will be used to give employment, to reestablish happy and contented homes, and to clothe and educate children, and we will not have any trouble about finding work for honest men.

GREATEST HUMANITARIAN SINCE JESUS

One hundred and eighty-nine years ago yesterday a Virginia mother gave birth to the greatest humanitarian who has trod this planet since Jesus of Nazareth. We are assembled to-night to honor his memory and to gain from his example some inspiration and some glimmer of hope for a nation in travail.

It is well for us to turn backward in solemn contemplation to the basic philosophy on which this Nation was founded. That credo is expressed in the briefest possible compass in Jefferson's own words in the preamble of the Declaration of Independence:

"We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness."

This is the very essence of the franchise of freedom. It is the corner stone upon which was builded the magnificent temple of government called the United States of America. It came as a voice from heaven to the beleaguered, the downtrodden, and oppressed of every land. Freedom! Freedom of political action! Freedom of conscience!

Freedom from the whip of masters! Freedom to order one's life as one pleases provided he does no injustice to others! Equality of rights and opportunities! Oh, Jefferson had indeed spoken as if from the throne of God.

THE VISION OF JEFFERSON

To get a full appreciation of the beauty of his conception let us try to grasp the vision that was before him when he wrote the immortal declaration.

It is a vision of God the Architect, the loving Father of us all, creating a cosmic commonwealth of infinite beauty and making it ready for His children. Vast, fertile plains to yield the things

that sustain life, great rivers that flow in majesty to the seas, cascades that dance and sparkle in the sunlight, mountain slopes that rise in towering grandeur to the very feet of the Creator. Vineyards and orange groves, and the sunshine and the shadow chasing each other over waving fields of wheat and corn. In the depths of the earth God deposited untold billions of tons of coal to warm the human family, in the waterfalls he placed power without limit to drive the wheels of commerce. All things that make for prosperity, welfare, and happiness of the human race are embraced in God's gift to man on the morning of creation.

It would be presumptuous to try to fathom the purposes of the Infinite, but right-thinking minds always have agreed, and always will agree, that God intended this gift as a great universal commonwealth to be shared by all of His children; and, arguing from that premise, who can doubt that Jefferson spoke with divine authority when he declared that "all men are created equal" and when he enunciated his immortal doctrine of "equal rights to all; special privileges to none"? His was the voice of the seer who lives close to the eternal verities and draws his inspiration from the fountain of life.

He saw things as the Creator intended them to be. When I think of America I like to think of it as a great big family of 120,000,000 souls, a circle of equality, at whose table is always spread a feast of love and whosoever will may come. The beauty of this philosophy is that it fosters comradeship. It makes brothers of you and me and all of us. That was the ideal of Jefferson. That is the vision of government that was caught and put on canvas in the Declaration of Independence and the Constitution of the United States.

Government of to-day is a monstrous libel on the plan of government that was conceived by Jefferson. Government of to-day is characterized by a million departures from the Jeffersonian philosophy of equal rights and no special privileges. Every time a judge listens to a politician's plea that "Bill Jones is my friend; let him off easily," he murders Jeffersonianism, for the courts above all things else should be immune from special privilege. Nine-tenths of the bureaus and commissions of the Federal Government do violence to the Jeffersonian theory of equality, for they are created for the express purpose, and none other, of promoting the selfish interest of this, that, or the other group or class. The money of the taxpayers that should be used for the commonweal is drained to maintain this, that, and the other bureau and agency created for the benefit of this, that, and the other bloc.

The seekers of special favors have all but shot to death the Jeffersonian idea of equal rights, while they have fastened unbelievable charges on the taxpayers and have brought the country almost to the brink of ruin. They have written upon the statute books a tariff law that is not a tariff for protection and can not be defended as such, but is a tariff for grab, which goes far beyond the limits necessary for protection, with rates so high that they offend every nation on earth, putting us in the anomalous position of slapping the rest of the world in the face with one hand while we hold out the other hand and ask for its trade. Under the circumstances how much of that trade do you think we will get? On this point I can cite no more impressive testimony than the export statistics.

Since this law went into effect our foreign trade has fallen off $2,290,027,000, thus adding to the staggering unemployment at home, besides giving rise to a swarm of embargoes and retaliatory tariffs in other countries, and adding to hatred of America all around the world. A tariff that looks after the interests of American industry by equalizing the difference in the cost of production at home and abroad is not undemocratic; but a tariff that cuts off our foreign markets and enables monopolies to prey on the people at home is not only undemocratic, but it is un-American and unconscionable.

What is the answer? Let no one doubt the meaningful portent of that question or the solemnity of the issue. On our ability to see clearly through this crisis rests the decision as to whether or not free government shall endure. We know, if we stop to think and reason, that our present misfortunes are directly traceable in large measure to departure from the teachings of Jefferson. We can only trust that by retracing our steps and placing our Government in harmony with his precepts we may yet be able to salvage and make secure the future of America. To no holier task could we consecrate ourselves. We owe this duty no less to posterity than to our day and generation, for we are trustees of the future and hold in our protecting arms the children of countless generations yet unborn.

FROM OUT OF THE BACKGROUND OF HISTORY

Few of us there are who would not gladly die for our children. We want our sons to have every chance to acquire useful knowledge, to develop high ideals, and to grow up to be clean, manly men. We want our daughters to have respectable clothes to wear at school and to have some of the advantages of culture, music, and art as they grow up, so that they will be altogether good and lovely when they reach womanhood's radiant bloom. And we want all of the children of all of the centuries to come to enjoy these unalloyed blessings.

With the love that fills our hearts for the children no less of the future than of to-day we should one and all regard ourselves as trustees under the will of Thomas Jefferson to do all within our power, as God gives us vision and strength, to keep the lanes of opportunity open to our children and our children's children to the most remote generation.

When a wayfarer wanders far out of the beaten road into the stony paths that lead to the jungles where death and destruction lurk, there is only one thing for him to do, and that is to retrace his steps to safety. That is what this Nation must do if it would live. From out of the background of history comes Thomas Jefferson to point the way. In him the image of God shines most brightly. Just as he held true to human rights in the beginning, he will not fail us now. Let us then reconsecrate ourselves at the feet of Jefferson and learn once more from him that we should esteem our fellow citizens not for what we can squeeze out of them by the rack and thumbscrew of special privilege, but for what we can do for them to give them a larger part in life and to make them happy and contented. May this ideal of service grow until it fills all of America with its presence and takes possession of all of our hearts. In the language of Webster at Bunker Hill: "Let it arise until it meets the sun in his coming; until the first streaks of morning gild it and parting day lingers and plays upon its summit!"

NEW CODE OF CIVIL PROCEDURE FOR THE CANAL ZONE AND NEW CIVIL CODE FOR THE CANAL ZONE

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that consideration of the next two bills (H. R. 7521) to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, and (H. R. 7522) to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code, be temporarily deferred until later in the afternoon.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that the bills H. R. 7521 and H. R. 7522 be temporarily laid aside for later consideration this afternoon. Is there objection?

There was no objection.

UNALLOTTED TRIBAL INDIAN LAND IN THE RED LAKE INDIAN RESERVATION, MINN.

The Clerk called the next bill, H. R. 472, to authorize the leasing of unallotted tribal Indian land in the Red Lake Indian Reservation, Minn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CONSTRUCTION AND IMPROVEMENT OF ROADS AND TRAILS IN THE NATIONAL PARKS AND MONUMENTS

The Clerk called the next bill, H. R. 6059, to continue the authorization for the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges in, and approach roads to, the national parks and monuments under the jurisdiction of the Department of the Interior, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent that this bill may be stricken from the Consent Calendar without prejudice.

The SPEAKER pro tempore. The gentleman from Montana asks unanimous consent that this bill may be stricken from the Consent Calendar without prejudice. Is there objection?

There was no objection.

MAINTENANCE OF GOVERNMENT WHARF AT JUNEAU, ALASKA

The Clerk called the next bill, H. R. 6713, for estimates necessary for the proper maintenance of the Government wharf at Juneau, Alaska.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, I have been unable to ascertain the necessity of a bill of this kind. I would like to have some explanation of this bill made by some member of the Committee on Territories. I want to point out that if it is necessary to submit an estimate for maintenance what is really necessary is legislation for maintenance.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

RATES OF POSTAGE ON CERTAIN PERIODICALS

The Clerk called the next bill, H. R. 6688, to fix the rates of postage on certain periodicals exceeding 8 ounces in weight.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over temporarily without prejudice.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that this bill may be passed over temporarily without prejudice. Is there objection?

There was no objection.

CRATER LAKE NATIONAL PARK

The Clerk called the next bill, H. R. 9970, to add certain land to the Crater Lake National Park, in the State of Oregon, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all of unsurveyed sections 2 and 11, north half and north half south half section 14, and those parts of unsurveyed sections 1, 12, and 13, lying west of Anna Creek, in township 32 south, range 6 east, Willamette meridian, in—

With the following committee amendments:

On page 1, strike out all of lines 3, 4, 5, and 6, and insert the following:

"That all of that certain tract described as follows: Beginning on the south boundary line of Crater Lake National Park at 4-mile post No. 112; thence west along the south boundary line of said park 4.26 chains, which is the northwest corner of this tract; thence south 114.42 chains; thence south 40° 59' east, 84.39 chains; thence east 15.13 chains to highway stake No. 130; thence north 89° 30' east, 18.06 chains; thence north 20.83 chains; thence north 19° and 40' west, 126.04 chains; thence north 27° 52' west, 43.50 chains to the south boundary of Crater Lake National Park; thence west 24 chains following the south boundary of said park to the place of beginning in the State of Oregon be, and the same are hereby, excluded from the Crater National Forest and made a part of the Crater Lake National Park subject to all laws and regulations applicable to and governing said park."

In line 15, page 2, strike out the word "are" and insert the word "is."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The Clerk called the next bill on the Consent Calendar, H. R. 9877, to repeal obsolete sections of the Revised Statutes, omitted from the United States Code.

Mr. DYER. Mr. Speaker, reserving the right to object, I think it is a very dangerous practice, by unanimous consent, to repeal statutes where we have no opportunity to compare them or know what statutes they are or their connection with existing law. I ask unanimous consent that this bill may go over and will state that I shall object, eventually, unless the matter can be brought before the House in some way so that we may have full opportunity to consider it.

Mr. HARLAN. Mr. Speaker, will the gentleman withhold his request for a moment?

Mr. DYER. I withhold it, Mr. Speaker.

Mr. HARLAN. I may say there has been a complete report on every one of these sections with the comment of the department on each section. This bill was passed over without prejudice at the last call of the calendar with the express purpose of allowing the Members to have an opportunity to examine the report. I have here a copy of all the sections that are to be repealed with the comment of the different departments on the sections.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. HARLAN. Certainly.

Mr. LAGUARDIA. I want to say to the gentleman that since last Consent Day I have looked over this report; and while, of course, I do not pretend that I have examined every statute, yet it is the most complete and the most satisfying report I have ever read on an omnibus repeal bill. I may say to my colleague from Missouri that I can not imagine any way this House would ever be able to take up a bill of this kind and analyze every statute. The report is most informative, is very carefully prepared, and in a case of this kind we must absolutely rely on the committee.

Mr. DYER. Does the gentleman expect his committee to have the call on Calendar Wednesday some time during the session?

Mr. HARLAN. I have never heard of our committee having the call. We have only had two bills.

Mr. DYER. If the gentleman will bear with me and let the bill go over, I shall examine it myself and try to cooperate with the gentleman.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. HARLAN. I yield to the gentleman.

Mr. EATON of Colorado. May I say for the benefit of the gentleman from Missouri [Mr. DYER] that every one of these paragraphs has been read by some member of the committee. I read the entire report with respect to the sections that were assigned to me, and every section was checked and those about which there was the slightest question—not reason but question—were deleted, and every statute included here has been the subject of at least two reports.

Mr. DYER. Mr. Speaker, I ask unanimous consent that the bill may be passed over temporarily.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXEMPTION FROM QUOTA OF HUSBANDS OF AMERICAN CITIZENS

The Clerk called the next business on the Consent Calendar, the bill (H. R. 10600), to exempt from the quota husbands of American citizens.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to inquire as to the consistency of the gentleman's committee in allowing picture husbands or husbands who are not picture husbands of American citizens to be admitted to this country if their wives are American citizens and barring other classes of immigrants who come here temporarily.

Mr. DICKSTEIN. I do not quite get the gentleman's point. This bill simply provides that we shall put the American woman citizen upon a par with the American male citizen. The bill simply exempts from the quota husbands of American citizens legally married and affects probably 112 or 115 members of one organization which appeared before our committee, whose husbands are unable to come here by reason of quota conditions, although they already have children born in the United States. The children have not even seen their father.

Mr. STAFFORD. I was under the impression that a woman who has gained lawful entry into this country and then taken out her citizenship papers and then goes abroad on a temporary visit and is married, would have such a status as to extend the privilege of citizenship to the husband.

Mr. DICKSTEIN. No; citizenship is not extended by reason of any such marriage.

Mr. STAFFORD. I beg the gentleman's pardon. The gentleman's position is well taken. I referred to admission into this country.

Mr. DICKSTEIN. No.

Mr. BURTNESS. Mr. Speaker, reserving the right to object, does this do anything more than give the same privilege to women that is now given to husbands?

Mr. DICKSTEIN. That is all.

Mr. STAFFORD. It gives to husbands the same privilege that is now given to wives of American citizens.

Mr. DICKSTEIN. Under present law, a citizen of the United States may bring in his wife and minor children, outside of the quota, whereas a female citizen, who is an American girl and happens to be married to a foreigner, does not have the same equality of privilege, and yet we are always talking about extending them equal rights.

Mr. STAFFORD. How does the gentleman reconcile that position with the position the gentleman takes in barring

from this country, temporarily, actors who come here on a visitor's passport?

Mr. DICKSTEIN. That is a different situation entirely, because the actors' bill, which we will be pleased to discuss when it comes up, simply deals with the fact that we want men of distinction to come here and not a horde of people who claim to be actors but who seek the exemption just because they are actors. The law has been very loose for years so that persons who come before the consul by stating they are actors are exempt from the contract labor law, and we only want actors to come here who are actors of distinction and actors of merit.

Mr. LaGUARDIA. The distinction is this. In the case of the actor he comes here seeking employment. In this case they must show conclusively that they are not likely to become a public charge.

Mr. JOHNSON of Washington. The gentleman says there are 112 alien husbands of citizen wives in a position to come to the United States. Have they been examined as to insanity, poverty, previous records, and so forth?

Mr. DICKSTEIN. If they do not qualify under every requirement of the law as to mentality, ability, and so forth, we do not want them. We are taking the case of an able-bodied man marrying an American girl, married over three years.

Mr. JOHNSON of Washington. I did not object to consideration, inasmuch as a minority report was not filed, but I predict—and I want the House to know—I am sorry I have not the list here, but there were 175 of these particular recognized husbands, and the State Department now has the list down to 112; some are bigamists, 2 or 3 fled from justice, others whose wives do not now want them. You will have an endless chain of these aliens who have married American girls. They married them just to get into the United States.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the bill S. 2656, an identical bill, be substituted for the House bill.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to substitute the bill S. 2656 for the House bill. Is there objection?

Mr. TARVER. I object.

The SPEAKER. The Clerk will report the House bill.

The Clerk read as follows:

Be it enacted, etc., That subdivision (a) of section 4 of the immigration act of 1924, as amended, is amended to read as follows:

"(a) An immigrant who is the unmarried child under 21 years of age, or the wife, or the husband, of a citizen of the United States; ".

SEC. 2. Clause (A) of paragraph (1) of subdivision (a) of section 6 of the immigration act of 1924, as amended, is amended to read as follows:

"(A) Quota immigrants who are the fathers or the mothers of citizens of the United States who are 21 years of age or over; ".

Mr. JOHNSON of Washington. Mr. Speaker, I move to strike out the last word. I would like to call attention to the fact that this bill, in my opinion, is the wrong way to cure the alien-husband situation. It means a pretended relief to 112 alien husbands who have been married the last year or two to women citizens of the United States, but it opens the way to an endless chain of men, who as husbands of American citizen wives will be given nonquota status. The bill is a mistake. More than half of the 112 husbands will never get here.

A far better plan is in the bill introduced by the gentleman from Ohio [Mr. JENKINS], which gives a preference within the quota, and does not set up an endless chain which so many are afraid of. The Jenkins bill also takes care of the only three countries where the quota is so small that it otherwise might not take care of all of those who seek admission as preference within quotas.

Nobody wants to keep these husbands out if they can be legally admitted, but no one should want an opportunity to be opened for a new racket—racketeering in the admissions of aliens who have become husbands abroad and who can not get into the United States any other way.

There has been no examination of these husbands except that made by the State Department. As I said, the list has been cut down from 175 to 112. This act will not help the remaining 112 at all, for they must be examined abroad and again at Ellis Island. Extreme poverty and other causes will keep them out.

Mr. LaGUARDIA. This only gives them a status and does not admit them.

Mr. JOHNSON of Washington. But many seem to think that this is a bill to admit them.

Mr. LaGUARDIA. It gives them a status only. It does not admit them.

Mr. JOHNSON of Washington. That is correct, and the State Department has gone to the limit in reducing the number from about 175 to 112. A lot of the wives who are here—American citizens—are going to be fooled. Congress relieved all these husbands up to a date certain, some time in 1928. We could again amend the date—to say—May 15 for all husbands who are abroad and who are eligible to admission under existing laws. But a better plan would be the Jenkins plan. That bill was to have been offered here today as a substitute. Now, we know from experience that quite a number of men from Europe came to Cuba, married American women citizens and then came right into the United States, later to procure divorces. So the department had to begin a careful scrutiny of such marriages. It is not so easy to prove that a marriage is not bona fide. Only last year quite a number of girls, mostly from New York, went abroad, mostly to Poland, and were married on very short acquaintance to men trying to get to the United States, or to find a mode of livelihood. A few of them married old acquaintances.

This bill is not so for the 112 husbands who are on the outside—half of them will never be able to qualify—as it is to make an opening for the future. It will lead to many an American girl being imposed upon, made a tool of, and it will lead to distress, deception, and divorce, all in the United States. In fact, it will open a new racket.

Mr. DYER. Under the present existing law wives of American citizens can now come in?

Mr. JOHNSON of Washington. Yes.

Mr. DYER. Under the regular law?

Mr. JOHNSON of Washington. Yes; except certain Orientals, and the next sniping appeal will be for them.

Mr. DYER. And this is for the purpose of giving to husbands of American citizens the same privilege?

Mr. JOHNSON of Washington. Yes; if those husbands are qualified to enter. And in my opinion it is a dangerous and unnecessary way to cure the situation. The gentleman from New York [Mr. DICKSTEIN], himself, will come to the day when he will regret the endless chain likely to be brought about through the bringing of men to this country in this method. The women will be the sufferers unless they are of the "don't care" kind.

Mr. DYER. We are endeavoring now to give an equal status to men and women in our country, and I think this is only fair.

Mr. JOHNSON of Washington. If you want to start an endless chain, well and good. The Filipinos here want their wives. So do the Japanese. I look for the time under this provision when steamship companies, mostly foreign-owned, will advertise marriage excursions so that one girl can go abroad alone, but with a round-trip ticket good for husband and wife on the return trip. The steamships want business badly, and a few extra meals for the new husband will amount to very little. Cuba is likely to become a veritable Gretna Green for the convenience of European men trying to get to the United States through the marriage route. We have given men the right to bring their wives nonquota, in recognition of the natural desire of man to support his wife. This turns it around, and the wives must agree to support their non-English speaking husbands until they learn the language and customs here, and secure jobs.

Mr. DICKSTEIN. Mr. Speaker, I want the House to understand this bill. We talk about equal rights to women in this country, yet in the immigration law we now discrim-

inate against American women. If the husband or prospective husband, whatever the case may be, is physically or mentally unfit, he can not pass any barrier at all. He must qualify under the immigration law, just like every other alien. This does not make him a citizen of the United States, it does not give him any standing at all. This bill simply gives rights to women equal to those we have given to men who seek to bring in their wives.

Mr. SMITH of Idaho. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. SMITH of Idaho. If this bill were to become a law, would it permit women or men who are American citizens to go abroad, marry a foreigner, live with that spouse for two or three years, and have them come in without being charged to the quota?

Mr. DICKSTEIN. Yes. Understand the situation. Marriages have been contracted three and four years ago in certain countries, whose quota is behind about 40 years. These have been contracted in good faith, not merely for the purpose of marriage, but for the honest purpose of living together as God intended. Children have been born. These children have not seen the father in four years. Now, must they wait for that quota for 40 or 50 years? For God's sake, what objection could there be if they meet with every requirement of the law, to let these husbands of American citizens come in on equal footing we now give the wives of American citizens?

Mr. BURTNESS. In order to be consistent with reference to rights of men and women, is it not either necessary to pass this bill or repeal the present provision which permit the wives of American citizens to come in outside of the quota?

Mr. DICKSTEIN. I agree with the gentleman. Do one thing or the other. This does not bring in any aliens, it does not open the door in the slightest degree. It simply removes a discriminatory provision which has been in the law for some time, and puts a man and a wife on an equal footing. I ask you gentlemen to pass the bill.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

Mr. JOHNSON of Washington. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Line 13, at the end of the bill, add the following: "*Provided*, That the marriage shall have occurred prior to issuance of visa."

Mr. JOHNSON of Washington. Mr. Speaker, all that is intended by this amendment is to make sure that we do not open the way for a marriage of the kind not recognized in the United States. The consular officer of the State Department issues the visa. I am not sure as to what the process will be as to husbands, but it will be affirmed that these couples are married. Not the present 112, but all of those in the future. We had a lot of trouble on the oriental side of the world with the "picture-bride" system. This, in my opinion, is a protective amendment to make sure that we do not get into trouble through other odd marriage customs. For instance, in Portugal, perhaps Spain and other countries, a marriage by proxy is legal and proper.

Mr. DYER. In other words, they must show that they have been married before the visa is issued, by a marriage license.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. JOHNSON of Washington. I yield.

Mr. DICKSTEIN. That does not enter into this. All this law does is to say that an American woman is on a par with an American man.

Mr. LAGUARDIA. But do I understand the purpose and intent of the amendment offered by the gentleman from Washington [Mr. JOHNSON] to be that before a visa is issued, they must establish a legal marriage?

Mr. JOHNSON of Washington. Certainly.

Mr. DICKSTEIN. I have no objection to that.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. JOHNSON].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 60, nays 3.

Mr. TARVER. Mr. Speaker, I object to the vote on the ground that there is not a quorum present.

The SPEAKER pro tempore. Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 209, nays 112, not voting 111, as follows:

[Roll No. 50]

YEAS—209

Adkins	Cross	Kahn	Ragon
Allen	Crosser	Keller	Ransley
Almon	Crowther	Kelly, Ill.	Rayburn
Amlie	Culkin	Kelly, Pa.	Reed, N. Y.
Andresen	Dallinger	Kendall	Reid, Ill.
Andrew, Mass.	Darrow	Kerr	Rogers, Mass.
Andrews, N. Y.	Delaney	Kniffin	Rogers, N. H.
Arentz	Dickinson	Knutson	Romjue
Auf der Heide	Dickstein	Kopp	Sanders, N. Y.
Bacharach	Dieterich	Kvale	Sandlin
Bachmann	Douglass, Mass.	LaGuardia	Schafer
Bacon	Driver	Lambeth	Schneider
Baldrige	Dyer	Lanham	Seger
Bankhead	Eaton, N. J.	Larsen	Shallenberger
Barbour	Erk	Lea	Shannon
Barton	Eslick	Leavitt	Shott
Beam	Evans, Mont.	Lichtenwalner	Shreve
Blanton	Fernandez	Lonergan	Sinclair
Bloom	Fish	Loofbourow	Sirovich
Boehne	Fishburne	Lozier	Smith, W. Va.
Bohn	Fitzpatrick	Luce	Snell
Boileau	Foss	McCormack	Snow
Bolton	Frear	McLeod	Spence
Bowman	Free	Maas	Stafford
Browning	Fuller	Major	Stalker
Buchanan	Gambrill	Maloney	Sutphin
Buckbee	Garber	Manlove	Sweeney
Bulwinkle	Gibson	Mansfield	Taber
Burdick	Gifford	Martin, Mass.	Taylor, Tenn.
Burtness	Gilchrist	Martin, Oreg.	Tierney
Byrns	Goldsborough	May	Timberlake
Cable	Goodwin	Millard	Tinkham
Campbell, Iowa	Goss	Montague	Treadway
Campbell, Pa.	Griffin	Morehead	Underhill
Carden	Guyer	Nelson, Me.	Warren
Carter, Calif.	Hall, Miss.	Nelson, Mo.	Wason
Cartwright	Hall, N. Dak.	Niedringhaus	Watson
Cavicchia	Hancock, N. Y.	Nolan	Weaver
Celler	Harlan	Norton, Nebr.	Weeks
Chavez	Hartley	O'Connor	West
Chindblom	Haugen	Overton	Whittington
Christgau	Hill, Ala.	Owen	Wigglesworth
Christopherson	Hollister	Palmisano	Williams, Mo.
Clague	Holmes	Parker, Ga.	Williams, Tex.
Clancy	Hornor	Parsons	Wilson
Cochran, Mo.	Horr	Partridge	Wingo
Cole, Md.	Howard	Peavey	Withrow
Colton	Huddleston	Person	Wolverton
Cooke	Jacobsen	Pittenger	Woodruff
Cooper, Tenn.	James	Pou	Yates
Cox	Johnson, Mo.	Prall	
Coyle	Johnson, Tex.	Pratt, Harcourt J.	
Crail	Kading	Pratt, Ruth	

NAYS—112

Allgood	Doxey	Hess	McClintock, Ohio
Arnold	Eaton, Colo.	Hill, Wash.	McMillan
Bland	Englebright	Hoch	McReynolds
Brand, Ga.	Evans, Calif.	Hogg, Ind.	McSwain
Briggs	Fiesinger	Hogg, W. Va.	Mapes
Burch	Fulmer	Holaday	Michener
Busby	Garrett	Hooper	Miller
Butler	Gasque	Hope	Mitchell
Canfield	Gilbert	Hopkins	Mobley
Cannon	Gillen	Johnson, Okla.	Moore, Ky.
Cary	Glover	Johnson, S. Dak.	Moore, Ohio
Chiperfield	Green	Johnson, Wash.	Mouser
Cole, Iowa	Greenwood	Jones	Parks
Collins	Gregory	Kemp	Patman
Crisp	Griswold	Ketcham	Patterson
Crowe	Hadley	Kinzer	Perkins
Davis	Hall, Ill.	Lambertson	Polk
Dies	Hardy	Lankford, Ga.	Purnell
Disney	Hare	Lankford, Va.	Rainey
Dominick	Hastings	Ludlow	Ramspeck
Dowell	Hawley	McClintic, Okla.	Rankin

Robinson	Strong, Kans.	Thatcher	Whitley
Sanders, Tex.	Summers, Wash.	Thomason	Williamson
Selberling	Swank	Thurston	Wolcott
Simmons	Swanson	Underwood	Wood, Ga.
Smith, Idaho	Swing	Vinson, Ga.	Woodrum
Smith, Va.	Tarver	Vinson, Ky.	Wright
Steagall	Taylor, Colo.	Welch, Calif.	Yon

NOT VOTING—111

Abernethy	Curry	Johnson, Ill.	Pettengill
Aldrich	Davenport	Karch	Ramseyer
Ayres	De Priest	Kennedy	Reilly
Beck	DeRouen	Kleberg	Rich
Beedy	Doughton	Kunz	Rudd
Beers	Douglas, Ariz.	Kurtz	Sabath
Black	Doutrich	Lamneck	Schuetz
Boland	Drane	Larrabee	Selvig
Boylan	Drewry	Lehlbach	Somers, N. Y.
Brand, Ohio	Ellzey	Lewis	Sparks
Britten	Estep	Lindsay	Stevenson
Brumm	Finley	Linthicum	Stewart
Brunner	Flannagan	Lovette	Stokes
Carley	Freeman	McDuffie	Strong, Pa.
Carter, Wyo.	French	McFadden	Sullivan, N. Y.
Chapman	Fulbright	McGugin	Sullivan, Pa.
Chase	Gavagan	McKeown	Sumners, Tex.
Clark, N. C.	Golder	McLaughlin	Swick
Clarke, N. Y.	Granfield	Magrady	Temple
Cochran, Pa.	Haines	Mead	Tilson
Collier	Hancock, N. C.	Milligan	Tucker
Condon	Hart	Montet	Turpin
Connery	Houston, Del.	Murphy	Welsh, Pa.
Connolly	Hull, Morton D.	Nelson, Wis.	White
Cooper, Ohio	Hull, William E.	Norton, N. J.	Wolfenden
Corning	Igoe	Oliver, Ala.	Wood, Ind.
Crump	Jeffers	Oliver, N. Y.	Wyant
Cullen	Jenkins	Parker, N. Y.	

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Doughton with Mr. Aldrich.
Mr. Stewart with Mr. Igoe.
Mr. Granfield with Mr. Wyant.
Mr. Connery with Mr. Clarke of New York.
Mr. Cullen with Mr. Beedy.
Mr. McDuffie with Mr. McFadden.
Mr. Crump with Mr. Carter of Wyoming.
Mr. Collier with Mr. Rich.
Mr. Ayres with Mr. French.
Mr. Carley with Mr. Connolly.
Mr. Linthicum with Mr. Ramseyer.
Mr. Boylan with Mr. Wood of Indiana.
Mr. Tucker with Mr. Curry.
Mr. Hancock of North Carolina with Mr. Swick.
Mr. Sullivan of New York with Mr. Finley.
Mr. Drewry with Mr. Tilson.
Mr. Somers of New York with Mr. Golder.
Mr. Corning with Mr. Jenkins.
Mr. Drane with Mr. Sullivan of Pennsylvania.
Mr. Milligan with Mr. Davenport.
Mr. Brunner with Mr. Cochran of Pennsylvania.
Mr. Kleberg with Mr. Murphy.
Mr. Ellzey with Mr. Beck.
Mr. Oliver of Alabama with Mr. Lehlbach.
Mr. Rudd with Mr. Britten.
Mr. Haines with Mr. McLaughlin.
Mr. Gavagan with Mr. Cooper of Ohio.
Mr. Schuetz with Mr. Wolfenden.
Mrs. Norton with Mr. Freeman.
Mr. Karch with Mr. Parker of New York.
Mr. Clark of North Carolina with Mr. Kurtz.
Mr. Oliver of New York with Mr. McGugin.
Mr. Fulbright with Mr. Beers.
Mr. Stevenson with Mr. Nelson of Wisconsin.
Mr. Hart with Mr. Selvig.
Mr. Flanagan with Mr. Doutrich.
Mr. Montet with Mr. Brand of Ohio.
Mr. McKeown with Mr. Lovette.
Mr. Larrabee with Mr. Magrady.
Mr. Black with Mr. Stokes.
Mr. Kunz with Mr. De Priest.
Mr. Lamneck with Mr. Houston.
Mr. Kennedy with Mr. White.
Mr. Pettengill with Mr. William E. Hull.
Mr. Sumners of Texas with Mr. Temple.
Mr. DeRouen with Mr. Estep.
Mr. Reilly with Mr. Morton D. Hull.
Mr. Condon with Mr. Johnson of Illinois.
Mr. Lewis with Mr. Sparks.
Mr. Boland with Mr. Brumm.
Mr. Abernethy with Mr. Chase.
Mr. Jeffers with Mr. Turpin.
Mr. Chapman with Mr. Strong of Pennsylvania.
Mr. Douglas of Arizona with Mr. Welsh of Pennsylvania.
Mr. Sabath with Mr. Lindsay.

Mr. DOUGLASS of Massachusetts. Mr. Speaker, my colleague, Mr. GRANFIELD, is unavoidably absent. If present, he would vote "aye."

Mr. McCORMACK. Mr. Speaker, my colleague, the gentleman from Massachusetts, Mr. CONNERY, is unavoidably absent. If present, he would vote "aye."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The doors were opened.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that the amendment which I proposed and which was adopted by the House be inserted at the end of line 7 instead of at the end of line 13.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

LEASING UNALLOTTED TRIBAL INDIAN LAND IN RED LAKE INDIAN RESERVATION, MINN.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to return to Calendar 156, H. R. 472, a bill to authorize the leasing of unallotted tribal Indian land in the Red Lake Indian Reservation, Minn.

When that bill was reached on the calendar I looked around the Chamber under reservation of objection to see whether the gentleman from Minnesota, Mr. SELVIG, the author of the bill, was present. The gentleman was not present. I have been informed since by his colleagues that the gentleman is ill in the hospital. Accordingly, Mr. Speaker, I ask unanimous consent to return to Calendar 156, H. R. 472.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. STAFFORD]?

Mr. CRAIL. Mr. Speaker, reserving the right to object, I understand this is a lengthy bill and will require some time.

Mr. KVALE. No. It is a very short bill, and amendments will be offered which will make it acceptable to the gentleman from Wisconsin [Mr. STAFFORD] and others who have heretofore objected.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, when this bill was originally brought up tentatively for consideration I expressed to the author of the bill that I had grave objection to the length of term for which this land, bordering on an interior Minnesota lake on an Indian reservation, should be leased. Since then I have had representatives of an Indian tribe call upon me, presented by a Representative from Minnesota, who also objected to that length of term. I have no objection to the bill if the length of tenure is reduced from 25 years to 10 years. I believe that is acceptable to the gentleman from Minnesota, who reflects the opinion of the author of the bill.

Mr. KVALE. My colleague [Mr. SELVIG] has instructed me to say that, while he prefers the 25-year provision, he will accept the amendment suggested by the gentleman from Wisconsin if the gentleman insists upon its addition.

Mr. LaGUARDIA. I will say to the gentleman from Wisconsin that I had the same observation to make and I am glad he has suggested such an amendment to the bill.

Mr. STAFFORD. With that understanding, Mr. Speaker, I withdraw the reservation of objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, with the consent of the council or other authorized body representing the Indians of the Red Lake Indian Reservation, Minn., the Secretary of the Interior be, and he is hereby, authorized to lease, under such rules and regulations as he may prescribe, not to exceed 200 acres of unallotted tribal land in township 153 north, range 34 west, within said Indian reservation, for summer resort or other commercial purposes for a term not to exceed 25 years.

With the following committee amendments:

Page 1, line 3, strike out the words "or other authorized body representing the Indians."

Page 1, line 5, after the word "Minnesota" insert the words "recognized by."

Page 1, line 6, after the word "Interior," insert the words "said Secretary."

Page 1, line 10, after the word "resort," strike out the words "or other commercial."

Page 2, line 1, after the word "years," insert:

"*Provided*, That nothing herein shall authorize the leasing of any lands save such as have been previously leased for more than five years, nor unless substantial improvements have been erected under said prior leases."

The committee amendments were agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment. Page 2, line 1, strike out the words "twenty-five" and insert in lieu thereof the word "ten."

The SPEAKER pro tempore. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 1, strike out the words "twenty-five" and insert in lieu thereof the word "ten."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended.

REPEAL OF OBSOLETE SECTIONS OF THE REVISED STATUTES OMITTED FROM THE UNITED STATES CODE

Mr. HARLAN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 207, H. R. 9877, to repeal obsolete sections of the Revised Statutes omitted from the United States Code, which bill was temporarily passed over.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to return to Calendar No. 207, H. R. 9877. Is there objection?

Mr. PATTERSON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Ohio how long he expects to spend on this bill?

Mr. HARLAN. I think all the objections have been covered. It all depends on whether any Member wants to make additional objections. I am not going to say anything.

Mr. PATTERSON. I understand there is no objection to the consideration of the bill but it will take some time to consider the bill.

Mr. HARLAN. No; I do not think so.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the following sections of the Revised Statutes are hereby repealed:

R. S. 14
R. S. 15
R. S. 16
R. S. 17
R. S. 20
R. S. 21
R. S. 23
R. S. 42
R. S. 51
R. S. 52
R. S. 53
R. S. 75
R. S. 76
R. S. 77
R. S. 78
R. S. 85
R. S. 86
R. S. 87
R. S. 88
R. S. 90
R. S. 91
R. S. 92
R. S. 93
R. S. 130
R. S. 135
R. S. 142
R. S. 155
R. S. 156
R. S. 157
R. S. 163
R. S. 164
R. S. 167
R. S. 168
R. S. 171
R. S. 198
R. S. 201
R. S. 212
R. S. 221
R. S. 222
R. S. 223
R. S. 227
R. S. 231
R. S. 235
R. S. 238
R. S. 242
R. S. 253
R. S. 255
R. S. 268
R. S. 271
R. S. 276
R. S. 279
R. S. 299
R. S. 300A
R. S. 300B
R. S. 316
R. S. 317
R. S. 322
R. S. 323
R. S. 332
R. S. 334
R. S. 351
R. S. 352
R. S. 393
R. S. 394
R. S. 414
R. S. 416
R. S. 433
R. S. 440
R. S. 443
R. S. 445
R. S. 466
R. S. 477
R. S. 484
R. S. 485
R. S. 490
R. S. 491
R. S. 492
R. S. 503
R. S. 511
R. S. 521
R. S. 522
R. S. 561
R. S. 638
R. S. 768
R. S. 770
R. S. 777
R. S. 778
R. S. 781
R. S. 825
R. S. 826
R. S. 827
R. S. 831
R. S. 835
R. S. 836
R. S. 837
R. S. 839
R. S. 840
R. S. 841
R. S. 842
R. S. 843
R. S. 844
R. S. 845
R. S. 847
R. S. 980
R. S. 1008
R. S. 1009
R. S. 1037
R. S. 1038
R. S. 1039
R. S. 1040
R. S. 1048
R. S. 1090
R. S. 1094
R. S. 1099
R. S. 1100
R. S. 1101
R. S. 1102
R. S. 1103
R. S. 1106
R. S. 1107
R. S. 1109
R. S. 1113
R. S. 1114
R. S. 1115
R. S. 1117
R. S. 1119
R. S. 1121
R. S. 1123
R. S. 1124
R. S. 1126
R. S. 1128
R. S. 1129
R. S. 1130
R. S. 1131
R. S. 1133
R. S. 1134
R. S. 1137
R. S. 1139
R. S. 1140
R. S. 1142
R. S. 1146
R. S. 1147
R. S. 1148
R. S. 1151
R. S. 1152
R. S. 1154
R. S. 1155
R. S. 1159
R. S. 1160
R. S. 1161
R. S. 1162
R. S. 1163
R. S. 1168
R. S. 1170
R. S. 1171
R. S. 1172
R. S. 1173
R. S. 1179
R. S. 1180
R. S. 1181
R. S. 1182
R. S. 1184
R. S. 1185
R. S. 1186
R. S. 1187
R. S. 1188
R. S. 1190
R. S. 1193
R. S. 1195
R. S. 1196
R. S. 1197
R. S. 1198
R. S. 1200
R. S. 1202
R. S. 1203
R. S. 1204
R. S. 1205
R. S. 1206
R. S. 1207
R. S. 1208
R. S. 1213
R. S. 1214
R. S. 1215
R. S. 1216
R. S. 1217
R. S. 1219
R. S. 1220
R. S. 1221
R. S. 1235
R. S. 1236
R. S. 1238
R. S. 1239
R. S. 1240
R. S. 1262
R. S. 1263
R. S. 1267
R. S. 1269
R. S. 1271
R. S. 1272
R. S. 1273
R. S. 1277
R. S. 1279
R. S. 1282
R. S. 1283
R. S. 1286
R. S. 1287
R. S. 1289
R. S. 1290
R. S. 1292
R. S. 1295
R. S. 1297
R. S. 1315
R. S. 1316
R. S. 1326
R. S. 1332
R. S. 1339
R. S. 1340
R. S. 1343
R. S. 1363
R. S. 1364
R. S. 1365
R. S. 1366
R. S. 1368
R. S. 1371
R. S. 1373
R. S. 1376
R. S. 1377
R. S. 1390
R. S. 1391
R. S. 1392
R. S. 1394
R. S. 1399
R. S. 1400
R. S. 1412
R. S. 1416
R. S. 1423
R. S. 1424
R. S. 1425
R. S. 1446
R. S. 1447
R. S. 1460
R. S. 1461
R. S. 1472
R. S. 1476
R. S. 1478
R. S. 1479
R. S. 1484
R. S. 1491
R. S. 1492
R. S. 1497
R. S. 1513
R. S. 1514
R. S. 1522
R. S. 1523
R. S. 1524
R. S. 1525
R. S. 1529
R. S. 1530
R. S. 1531
R. S. 1540
R. S. 1541
R. S. 1556
R. S. 1558
R. S. 1559
R. S. 1561
R. S. 1562
R. S. 1565
R. S. 1566
R. S. 1567
R. S. 1568
R. S. 1569
R. S. 1570
R. S. 1572
R. S. 1573
R. S. 1577
R. S. 1578
R. S. 1579
R. S. 1589
R. S. 1590
R. S. 1594
R. S. 1595
R. S. 1596
R. S. 1597
R. S. 1598
R. S. 1599
R. S. 1601
R. S. 1602
R. S. 1608
R. S. 1615
R. S. 1618
R. S. 1661
R. S. 1662
R. S. 1663
R. S. 1667
R. S. 1670
R. S. 1672
R. S. 1673
R. S. 1676
R. S. 1677
R. S. 1678
R. S. 1679
R. S. 1682
R. S. 1684
R. S. 1687
R. S. 1690
R. S. 1691
R. S. 1694
R. S. 1702
R. S. 1703
R. S. 1704
R. S. 1705
R. S. 1720
R. S. 1729
R. S. 1730
R. S. 1732
R. S. 1733
R. S. 1739
R. S. 1741
R. S. 1747
R. S. 1751
R. S. 1762
R. S. 1799
R. S. 1817
R. S. 1842
R. S. 1845
R. S. 1846
R. S. 1847
R. S. 1848
R. S. 1849
R. S. 1850
R. S. 1851
R. S. 1852
R. S. 1853
R. S. 1856
R. S. 1859
R. S. 1862
R. S. 1863
R. S. 1865
R. S. 1866
R. S. 1867
R. S. 1869
R. S. 1870
R. S. 1871
R. S. 1872
R. S. 1874
R. S. 1875
R. S. 1876
R. S. 1877
R. S. 1879
R. S. 1880
R. S. 1881
R. S. 1882
R. S. 1885
R. S. 1887
R. S. 1889
R. S. 1891
R. S. 1896
R. S. 1897
R. S. 1898
R. S. 1899
R. S. 1900
R. S. 1901
R. S. 1902
R. S. 1903
R. S. 1904
R. S. 1905
R. S. 1906
R. S. 1907
R. S. 1908
R. S. 1909
R. S. 1910
R. S. 1911
R. S. 1912
R. S. 1913
R. S. 1914
R. S. 1915
R. S. 1916
R. S. 1917
R. S. 1918
R. S. 1919
R. S. 1920
R. S. 1921
R. S. 1922
R. S. 1923
R. S. 1924
R. S. 1925
R. S. 1926
R. S. 1927
R. S. 1928
R. S. 1929
R. S. 1930
R. S. 1931
R. S. 1932

R. S. 1933
R. S. 1934
R. S. 1935
R. S. 1936
R. S. 1937
R. S. 1938
R. S. 1939
R. S. 1940
R. S. 1941
R. S. 1942
R. S. 1943
R. S. 1944
R. S. 1945
R. S. 1946
R. S. 1947
R. S. 1948
R. S. 1949
R. S. 1950
R. S. 1951
R. S. 1952
R. S. 1953
R. S. 1954
R. S. 1958
R. S. 1991
R. S. 2034
R. S. 2036
R. S. 2041
R. S. 2043
R. S. 2044
R. S. 2045
R. S. 2046
R. S. 2047
R. S. 2048
R. S. 2049
R. S. 2050
R. S. 2051
R. S. 2054
R. S. 2055
R. S. 2062
R. S. 2065
R. S. 2099
R. S. 2102
R. S. 2107
R. S. 2128
R. S. 2129
R. S. 2130
R. S. 2131
R. S. 2175
R. S. 2176
R. S. 2177
R. S. 2178
R. S. 2179
R. S. 2180
R. S. 2181
R. S. 2182
R. S. 2183
R. S. 2184
R. S. 2185
R. S. 2186
R. S. 2187
R. S. 2188
R. S. 2189
R. S. 2190
R. S. 2191
R. S. 2192
R. S. 2193
R. S. 2194
R. S. 2195
R. S. 2196
R. S. 2197
R. S. 2198
R. S. 2199
R. S. 2200
R. S. 2201
R. S. 2202
R. S. 2203
R. S. 2204
R. S. 2205
R. S. 2206
R. S. 2207
R. S. 2208
R. S. 2209
R. S. 2210
R. S. 2211
R. S. 2212
R. S. 2213
R. S. 2214
R. S. 2215
R. S. 2216
R. S. 2217
R. S. 2226
R. S. 2227
R. S. 2233
R. S. 2241
R. S. 2256
R. S. 2299
R. S. 2312
R. S. 2313
R. S. 2314
R. S. 2315
R. S. 2316
R. S. 2317
R. S. 2367
R. S. 2390
R. S. 2489
R. S. 2491
R. S. 2492
R. S. 2493
R. S. 2494
R. S. 2496
R. S. 2496
R. S. 2497
R. S. 2498
R. S. 2499
R. S. 2500
R. S. 2501
R. S. 2502
R. S. 2503
R. S. 2504
R. S. 2505
R. S. 2506
R. S. 2507
R. S. 2508
R. S. 2509
R. S. 2510
R. S. 2511
R. S. 2512
R. S. 2513
R. S. 2517
R. S. 2518
R. S. 2519
R. S. 2522
R. S. 2523
R. S. 2525
R. S. 2526
R. S. 2527
R. S. 2528
R. S. 2529
R. S. 2530
R. S. 2531
R. S. 2532
R. S. 2533
R. S. 2534
R. S. 2535
R. S. 2536
R. S. 2538
R. S. 2539
R. S. 2541
R. S. 2542
R. S. 2543
R. S. 2544
R. S. 2545
R. S. 2546
R. S. 2547
R. S. 2548
R. S. 2549
R. S. 2550
R. S. 2551
R. S. 2552
R. S. 2553
R. S. 2555
R. S. 2556
R. S. 2557
R. S. 2558
R. S. 2559
R. S. 2560
R. S. 2562
R. S. 2563
R. S. 2564
R. S. 2565
R. S. 2566
R. S. 2567
R. S. 2568
R. S. 2569
R. S. 2576
R. S. 2577
R. S. 2578
R. S. 2579
R. S. 2582
R. S. 2583
R. S. 2586
R. S. 2587
R. S. 2591
R. S. 2592
R. S. 2593
R. S. 2594
R. S. 2595
R. S. 2596
R. S. 2597
R. S. 2598
R. S. 2599
R. S. 2600
R. S. 2601
R. S. 2602
R. S. 2603
R. S. 2604
R. S. 2605
R. S. 2606
R. S. 2607
R. S. 2618
R. S. 2624
R. S. 2634
R. R. 2642
R. S. 2650
R. S. 2653
R. S. 2655
R. S. 2656
R. S. 2657
R. S. 2658
R. S. 2659
R. S. 2660
R. S. 2661
R. S. 2662
R. S. 2663
R. S. 2664
R. S. 2665
R. S. 2666
R. S. 2667
R. S. 2668
R. S. 2669
R. S. 2670
R. S. 2671
R. S. 2672
R. S. 2673
R. S. 2674
R. S. 2675
R. S. 2676
R. S. 2677
R. S. 2678
R. S. 2679
R. S. 2680
R. S. 2681
R. S. 2682
R. S. 2683
R. S. 2684
R. S. 2685
R. S. 2686
R. S. 2688
R. S. 2689
R. S. 2690
R. S. 2691
R. S. 2692
R. S. 2693
R. S. 2694
R. S. 2695
R. S. 2696
R. S. 2697
R. S. 2698
R. S. 2699
R. S. 2700
R. S. 2701
R. S. 2702
R. S. 2703
R. S. 2704
R. S. 2705
R. S. 2706
R. S. 2707
R. S. 2708
R. S. 2709
R. S. 2710
R. S. 2712
R. S. 2713
R. S. 2714
R. S. 2715
R. S. 2716
R. S. 2717
R. S. 2718
R. S. 2719
R. S. 2720
R. S. 2721
R. S. 2722
R. S. 2723
R. S. 2724
R. S. 2725
R. S. 2726
R. S. 2728
R. S. 2729
R. S. 2730
R. S. 2731
R. S. 2732
R. S. 2733
R. S. 2734
R. S. 2735
R. S. 2736
R. S. 2737
R. S. 2738
R. S. 2739
R. S. 2740
R. S. 2741
R. S. 2742
R. S. 2743
R. S. 2744
R. S. 2745
R. S. 2746
R. S. 2750
R. S. 2752
R. S. 2753
R. S. 2754
R. S. 2755
R. S. 2757
R. S. 2917
R. S. 3109
R. S. 3112
R. S. 3145
R. S. 3148
R. S. 3178
R. S. 3222
R. S. 3237
R. S. 3245
R. S. 3328
R. S. 3365
R. S. 3378
R. S. 3379
R. S. 3380
R. S. 3401
R. S. 3410
R. S. 3412
R. S. 3413
R. S. 3420
R. S. 3421
R. S. 3422
R. S. 3423
R. S. 3424
R. S. 3425
R. S. 3426
R. S. 3427
R. S. 3428
R. S. 3429
R. S. 3430
R. S. 3431
R. S. 3432
R. S. 3433
R. S. 3435
R. S. 3436
R. S. 3438
R. S. 3439
R. S. 3440
R. S. 3441
R. S. 3442
R. S. 3465
R. S. 3489
R. S. 3564
R. S. 3572
R. S. 3573
R. S. 3574
R. S. 3575
R. S. 3579
R. S. 3582
R. S. 3586
R. S. 3592
R. S. 3594
R. S. 3596
R. S. 3597
R. S. 3598
R. S. 3599
R. S. 3601
R. S. 3602
R. S. 3603
R. S. 3604
R. S. 3605
R. S. 3606
R. S. 3607
R. S. 3608
R. S. 3609
R. S. 3610
R. S. 3611
R. S. 3612
R. S. 3654
R. S. 3655
R. S. 3656
R. S. 3657
R. S. 3658
R. S. 3666
R. S. 3669
R. S. 3680
R. S. 3697
R. S. 3756
R. S. 3757
R. S. 3758
R. S. 3759
R. S. 3760
R. S. 3761
R. S. 3762
R. S. 3763
R. S. 3764
R. S. 3765
R. S. 3766
R. S. 3767
R. S. 3768
R. S. 3769
R. S. 3770
R. S. 3771
R. S. 3772
R. S. 3773
R. S. 3774
R. S. 3775
R. S. 3776
R. S. 3777
R. S. 3778
R. S. 3779
R. S. 3780
R. S. 3781
R. S. 3782
R. S. 3783
R. S. 3784
R. S. 3785
R. S. 3786
R. S. 3787
R. S. 3788
R. S. 3789
R. S. 3790
R. S. 3791
R. S. 3792
R. S. 3793
R. S. 3794
R. S. 3795
R. S. 3796
R. S. 3797
R. S. 3798
R. S. 3799
R. S. 3800
R. S. 3801
R. S. 3802
R. S. 3807
R. S. 3808
R. S. 3809
R. S. 3811
R. S. 3813
R. S. 3814
R. S. 3815
R. S. 3816
R. S. 3817
R. S. 3818
R. S. 3819
R. S. 3820
R. S. 3821
R. S. 3822
R. S. 3823
R. S. 3824
R. S. 3825
R. S. 3826
R. S. 3827
R. S. 3837
R. S. 3865
R. S. 3866
R. S. 3872
R. S. 3875
R. S. 3876
R. S. 3877
R. S. 3878
R. S. 3881
R. S. 3884
R. S. 3886
R. S. 3897
R. S. 3902
R. S. 3903
R. S. 3904
R. S. 3905
R. S. 3906
R. S. 3907
R. S. 3908
R. S. 3909
R. S. 3910
R. S. 3970
R. S. 3997
R. S. 3998
R. S. 4000
R. S. 4001
R. S. 4002
R. S. 4003
R. S. 4004
R. S. 4005
R. S. 4024
R. S. 4025
R. S. 4032
R. S. 4047
R. S. 4092
R. S. 4093
R. S. 4094
R. S. 4095
R. S. 4096
R. S. 4123
R. S. 4124
R. S. 4135
R. S. 4140
R. S. 4175
R. S. 4185
R. S. 4186
R. S. 4212
R. S. 4229
R. S. 4230
R. S. 4231
R. S. 4243
R. S. 4244
R. S. 4246
R. S. 4247
R. S. 4248
R. S. 4346
R. S. 4347
R. S. 4458
R. S. 4592
R. S. 4593
R. S. 4594
R. S. 4616
R. S. 4631
R. S. 4632
R. S. 4633
R. S. 4634
R. S. 4635
R. S. 4642
R. S. 4643
R. S. 4648
R. S. 4649
R. S. 4672
R. S. 4675
R. S. 4689
R. S. 4710
R. S. 4714
R. S. 4718
R. S. 4723
R. S. 4725
R. S. 4726
R. S. 4727
R. S. 4730
R. S. 4731
R. S. 4732
R. S. 4733
R. S. 4736
R. S. 4737
R. S. 4738
R. S. 4739
R. S. 4740
R. S. 4743
R. S. 4751
R. S. 4758
R. S. 4759
R. S. 4760
R. S. 4761
R. S. 4762
R. S. 4763
R. S. 4764
R. S. 4765
R. S. 4767
R. S. 4768
R. S. 4769
R. S. 4774
R. S. 4775
R. S. 4777
R. S. 4779
R. S. 4781
R. S. 4782
R. S. 4789
R. S. 4817
R. S. 4828
R. S. 4832
R. S. 4836
R. S. 4837
R. S. 4845
R. S. 4846
R. S. 4847
R. S. 4848
R. S. 4864
R. S. 4924
R. S. 4925
R. S. 4926
R. S. 4927
R. S. 4928
R. S. 4932
R. S. 4937
R. S. 4938
R. S. 4939
R. S. 4940
R. S. 4941
R. S. 4942
R. S. 4943
R. S. 4944
R. S. 4945
R. S. 4946
R. S. 4947
R. S. 4948
R. S. 4949
R. S. 4950
R. S. 4952
R. S. 4954
R. S. 4955

R. S. 4956	R. S. 4966	R. S. 5255
R. S. 4957	R. S. 4967	R. S. 5411
R. S. 4958	R. S. 4968	R. S. 5412
R. S. 4959	R. S. 4969	R. S. 5568
R. S. 4960	R. S. 4970	R. S. 5569
R. S. 4961	R. S. 5180	R. S. 5597
R. S. 4962	R. S. 5181	R. S. 5598
R. S. 4963	R. S. 5194	R. S. 5599
R. S. 4964	R. S. 5245	
R. S. 4965	R. S. 5249	

SEC. 2. The question as to whether any other provisions of law now omitted from the United States Code and supplements, have present force or effect as general and permanent law, shall be determined without regard to this act.

SEC. 3. No inference shall be raised by the enactment of this act that the sections of the Revised Statutes repealed by this act were in force or effect at the time of such enactment: *Provided, however,* That any rights or liabilities existing under such repealed sections shall not be affected by their repeal.

Mr. STAFFORD. Will the gentleman explain in a few words the purport of section 2?

Mr. HARLAN. The fact of the matter is that most of these sections have not been the law for a great many years past. The repealing of them was just overlooked. It was feared there might be an inference that inasmuch as we were repealing them now they might be considered as having been in force and effect during the time that they have not been in force and effect.

Mr. STAFFORD. Is the gentleman acquainted with any other dead-letter laws that are on the statute books other than those laws referred to here?

Mr. HARLAN. I will say that this bill, when enacted, will repeal every section of the Revised Statutes that is not now included in the code. For the information of the gentlemen who may be interested and not informed, in 1873 we adopted the Revised Statutes of the United States, which were passed and were the law then. After that we got out the Statutes at Large, and then we adopted the code, which was not the law.

Mr. STAFFORD. The code is not a revision of the statutes but is a mere codification.

Mr. HARLAN. Exactly. It is merely the codification of the Statutes at Large and the Revised Statutes. Now, when the code was passed all these sections were left out of the code because it was not deemed by the publishers that they were still existing law, yet there has been no act passed at any time expressly repealing these sections.

Mr. STAFFORD. May I inquire as to one further matter? Is there any movement being undertaken to have a later revision of the statutes of the United States?

Mr. HARLAN. The committee is working on that at the present time. I may say that our present plan is to take the code up by sections. It is utterly impossible, under present conditions, to codify all the laws and get them adopted as a statute, but we are hoping, as soon as the present revenue bill is passed, to take up all the sections pertaining to revenue laws and have them passed and adopted as the law, and by taking up one section at a time we will, in the course of a few years, get another codification.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ISSUANCE OF PATENTS FOR CERTAIN LANDS IN COLORADO

The Clerk called the next business on the Consent Calendar, the bill (H. R. 10744) to authorize the issuance of patents for certain lands in the State of Colorado to certain persons.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, since this bill was last on the Consent Calendar the gentleman from Colorado [Mr. EATON], the author of the bill, has favored me with considerable information concerning the lands included in this bill.

I would like to inquire whether the lands which were included in a land grant to certain railroads back in the sixties were ever contested by the United States as to whether the railroad had completed its part of the contract?

Mr. EATON of Colorado. The answer is no; and, on the contrary, an officer of the United States, the register of the land office at the Denver land office, issued a certificate under date of March 20, 1908, stating that these lands were in fact a part of the land grant.

Mr. STAFFORD. Oh, yes.

Mr. EATON of Colorado. Since that time, when the settlement was made with the Union Pacific Railroad Co. and the order was issued by the Commissioner of the General Land Office on the 20th day of May, 1931, to put these lands out for homestead entry, it was recognized that they were a part of the land grant for which patent had not yet been issued.

This is a bill to furnish a means to quiet title to 19,910.69 acres of land in the counties of Jefferson, Boulder, and Weld in the State of Colorado. Some of the lands are in the mountain park system of the city and county of Denver and were purchased by the city from the owner who had had his title for many years, but no patent from the Government. A part of the lands are in a townsite named Crags. The balance is all farm lands, and all have been on the tax rolls for from 40 to 60 years. A photostat of one of the county tax rolls of 1871 shows a large portion of the lands in private ownership at that time. The titles to all these lands were obtained by purchase from those who sold the lands under this land grant from the United States to the Denver Pacific Railway & Telegraph Co.

Mr. STAFFORD. Has there ever been any lawsuit wherein the United States was represented, with respect to whether the original conditions of the land grant had been met? It is rather strange that in 75 years the Government of the United States has never issued a patent to this 19,000 acres of land.

Mr. EATON of Colorado. Perhaps I ought to make a complete statement, if the gentleman wishes the RECORD to show it.

When the land grant was made it contained a little over 800,000 acres of land. The lands are all in the district of the gentleman from Colorado [Mr. TIMBERLAKE], and they run from near Denver to near Cheyenne, and on both sides of what was called the Denver Pacific Railway. The lands were all taken up and settled and sold. Part were settled by homestead entry. The railroad sold all this acreage prior to 1890. About that time there was a lawsuit in regard to this 19,000 acres of land in the United States court.

Mr. STAFFORD. But the United States was not a party to that action?

Mr. EATON of Colorado. No; it was not a party to it. In that suit it was determined that the Union Pacific Railroad Co. should issue a deed in accordance with the decree, and a copy of the decree I submitted to the Department of the Interior, to the gentleman from Wisconsin, and to our committee. It happens that since that time the Union Pacific Railroad Co. did not obtain a patent to the lands covered by this bill. It did not follow out that order of the court; but the land had already been sold and had passed into the ownership of other people at that time, and is so stated in the decree.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. LAGUARDIA. This bill typifies the arrogance and the indifference to law and order of the old Union Pacific in the old Union Pacific days. What they did was this: They got the original grant of land and then they started to convey part of this land, and they conveyed and ignored the requirements with respect to obtaining patents or granting patents to their grantees; is not that right?

Mr. EATON of Colorado. Yes; that is right.

Mr. STAFFORD. Perhaps the Government declined to give a patent because they had not complied with the conditions of the grant.

Mr. LAGUARDIA. I do not think that is the case.

Mr. SCHAFER. Mr. Speaker, reserving the right to object, and I believe I shall object, I would like the author

of the bill to indicate any justifiable reason why the payment of the usual $1.25 per acre should be waived in the case of these Government lands?

Mr. LAGUARDIA. Because the grantees are not to blame.

Mr. EATON of Colorado. I will answer that in a few words, and, if the gentleman will permit, I shall put a citation of the decisions of the United States Supreme Court into the RECORD. The answer is quite simple.

When the land grant was made by the United States in the sixties, it was required that all contiguous alternate sections of land owned by the Government within the limits of the grant should be sold for $2.50 an acre, and those who sat in the Congress said at that time that by increasing the price to $2.50 per acre from the $1.25 per acre then being charged for the land, it was not going to cost the Government anything, but the United States would get its full price of $1.25 per acre for all lands within the grant by charging this price of $2.50 per acre for all its reserved lands in the alternate sections in these land grants. And the Government did so sell these lands and get the money.

The following memorandum includes the citation referred to from the United States Supreme Court reports and from the records of the Thirty-third Congress:

In the opinion of U. S. *v.* Healey (160 U. S. (1895)), Mr. Justice Harlan discusses the difference in price of land in the alternate reserved sections of public lands along the lines of railroads for the construction of which public lands had been or might thereafter be granted by acts of Congress.

On page 142 of the opinion he states:

Lands reserved to the United States along the lines of railroads are made double minimum in price because of their enhanced value in consequence of the proximity of such roads.

And on page 146 he states:

The principal, if not the only, object of the requirement that the alternate reserved sections along the lines of land-grant railroads should not be sold for less than double the minimum price fixed for other lands was to compensate the United States for the loss of the sections given away by the Government.

In the Congressional Globe for January 22, 1852, page 350, there are found the remarks of Senator Douglas in regard to the bill requiring the payment of $2.50 per acre for certain reserved sections of public lands along lines of railroad. During the course of the debate he says:

Would not the half of the lands thus remaining to you be worth more after the road was made than the whole would be before it was constructed? That is the simple question; and, viewing it as such, I am satisfied that there is not a single Senator on this floor who would not gladly make the arrangement if he were the individual landowner. And if this would be a good arrangement for any Senator here, why would it not be a good policy for the country and for the Government of the United States to adopt as landowners? Mr. President, we insist that these grants in aid of the construction of railroads enhance the value of the land fund. Instead of diminishing the revenue that will be derivable from public lands, we contend that it will increase it; instead of diminishing your fund by this course, we increase its value; instead of depriving you of anything which is really valuable to you, we show you a way whereby you can make that valuable which under your present policy is practically valueless. * * * If you make this grant, you will double the value and double the price of the alternate sections; and you will thus obtain for one-half all that you pretend to ask for the whole. * * * If, then, the road doubles the price of your adjacent lands, you lose nothing.

Mr. SCHAFER. And for every acre for which the Government will issue a patent if this bill becomes the law, with a waiver of the $1.25 per acre fee, the Government has already received the usual amount.

Mr. EATON of Colorado. Yes.

Mr. SCHAFER. I shall not object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his judgment and discretion, is hereby authorized, after due inquiry, to issue patents in the manner hereinafter provided for any of those lands situated in the State of Colorado which were, as a result of the adjustment of the land grant to Leavenworth, Pawnee & Western Railroad Co. to which the Union Pacific Railroad Co. succeeded, restored to the public domain by the Secretary of the Interior on May 20, 1931, to be disposed of under existing applicable public land laws.

SEC. 2. That any person, association, corporation, or municipality which, in good faith under color of title prior to the date of said restoration, placed valuable improvements upon, occupied, or cultivated, or otherwise exercised dominion over any of the lands so restored, or who on or since said date of restoration became the grantee, transferee, or assignee of such person, association, corporation, or municipality, shall have a preference right to purchase the lands so held by him upon the filing of an application therefor and payment of $1.25 per acre, or fraction thereof within six years from the date of the passage of this act: *Provided*, That upon any such application filed within three years from the date of the enactment hereof payment of said $1.25 per acre is hereby waived. Every such application must be accompanied with satisfactory proof that the applicant is entitled to such preference right, and that the lands which he applies to purchase are not in the legal possession of an adverse claimant: *Provided further*, That any such applicant may, if he so elects, perfect his title under any applicable public land law, if qualified thereunder.

SEC. 3. That the Secretary of the Interior is authorized to issue all necessary rules and regulations for the purpose of carrying out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent that there be inserted in the RECORD at this point an order of the General Land Office of May 20, 1931, to which this bill refers, and also a copy of statement of the register of the Denver land office of March 20, 1908, which was recorded in various Colorado counties, as shown by the recordation data thereon.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The matter above referred to is as follows:

U. S. DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, May 20, 1931.

Order of restoration from withdrawal of certain land in limits of railroad grant in the State of Colorado.

REGISTER,
Denver, Colo.

SIR: By acts of July 1, 1862 (12 Stat. 489), July 2, 1864 (13 Stat. 356), and July 3, 1866 (14 Stat. 79), a grant of land was made to the Leavenworth, Pawnee & Western Railroad Co. in aid of construction of a railroad from the Missouri River, at the mouth of the Kansas River, to a connection with the Union Pacific Railroad, to be made at a point not more than 50 miles west of the meridian of Denver, Colo., whose rights and interest in said grant have been assigned and transferred through its successor to the Union Pacific Railroad Co.

An adjustment of said grant was recently made by this office, which adjustment was approved by the Secretary, and the grant formally closed on October 20, 1930, the grant having been fully satisfied. The adjustment disclosed that there were 19,910.69 acres of vacant unlisted land in odd-numbered sections (granted sections) within the limits of the grant lying between Denver and the north boundary line of the State of Colorado, which are not required in satisfaction of the grant, a list of which lands is herewith inclosed.

On August 20, 1869, the Denver Pacific Railway & Telegraph Co. filed its map of definite location of its line of road from Denver, Colo., to Cheyenne, Wyo., said company being then the claimant or owner, by assignment under act of March 3, 1869 (15 Stat. 324), of this portion of said grant. Subsequently, by directions of the Secretary given under dates of June 14 and August 27, 1869, in pursuance to the grant, this office, on October 4, 1869, ordered and instructed the Register and Receiver of the district land offices (then Denver City and Central City) to withdraw from preemption, private entry, and sale all land in the odd-numbered sections falling within the 20-mile limits of the grant from Denver to the north boundary line of the State of Colorado, and the lands described in the accompanying list which appear to be vacant and not needed in satisfaction of the grant are embraced in said withdrawal which still remains intact.

The grant, as above stated, was adjusted and closed by the Secretary, the same having been fully satisfied. The withdrawal made October 4, 1869, in pursuance to the grant, would seem theretofore to have served its purpose and is no longer required. Accordingly, to the end that the land described in the accompanying list may be restored to entry, said withdrawal is hereby revoked as to said lands, and the same restored to the public domain.

In view of the foregoing, it is hereby ordered, pursuant to Public Resolution No. 85, approved June 12, 1930 (46 Stat. 580), that the lands described in the accompanying list shall be opened to entry under the homestead and desert-land laws for a period of 91 days beginning with the thirty-fifth day from and after the date of this order by qualified ex-service men for whose service recogni-

tion is granted by said resolution, and to entry under any applicable public-land laws by those persons claiming a preference right of entry superior to that of the ex-service man, and thereafter any of said lands remaining unreserved and unappropriated shall be opened to entry by the public generally under any applicable public-land law. Particular attention being invited to section 5 of the act of March 3, 1887 (24 Stat. 556), and instructions in 8 L. D. 351, 352, pursuant to which such persons as may be claiming ownership of any of the land by reason of the sale thereof by the railroad company may be permitted, if otherwise qualified, to present their claims and file application to purchase the land and perfect title thereto under said act.

Upon receipt of this order you will make proper notations thereof on your records. Post a copy of the order in your office and give the restoration as much publicity as possible without expense to the Government. This may be done by forwarding copies of such notice of the restoration as you may prepare to the post offices nearest the lands for posting therein for the information of the public, and to the newspapers published nearest the land as an item of news, being careful not to send such copies to the publishers without calling their particular attention that they are furnished only as an item of news, and that the Government will not be responsible for the cost of publication thereof. Any items or notices furnished concerning this restoration should contain a statement to the effect that all inquiries relative thereto must be addressed to the district land office at Denver, Colo.

Kindly report promptly your compliance with the instructions herein given.

Very respectfully,

THOS. C. HAVELL,
Acting Commissioner.

Approved May 20, 1931, by—

JOHN H. EDWARDS.
Assistant Secretary.

Memorandum of effective dates

Soldiers' simultaneous filing period from June 4, 1931, to June 23, 1931, inclusive.

Soldiers' preference-right period from June 24, 1931, to September 22, 1931, inclusive.

General simultaneous filing period from September 3, 1931, to September 22, 1931, inclusive.

Land open to general entry September 23, 1931.

List of vacant lands in limits of grant made under acts of July 1, 1862 (12 Stat. 489); July 2, 1864 (13 Stat. 356); and July 3, 1866 (14 Stat. 79), in the State of Colorado (Denver Pacific Railway & Telegraph Co., now Union Pacific Railroad Co.)

	Section	Township	Range	Area
SW. ¼ SW. ¼	19	3 S.	70 W.	36.52
W. ½	27	4 S.	70 W.	320.00
SE. ¼ SE. ¼, W. ½ SE. ¼, NE. ¼ (tract 130)	35	1 S.	71 W.	280.00
W. ½	1	2 S.	71 W.	321.20
All	11	2 S.	71 W.	640.00
NW. ¼	13	2 S.	71 W.	160.00
N. ½	15	2 S.	71 W.	320.00
N. ½ NW. ¼	35	2 S.	71 W.	80.00
All	9	3 S.	71 W.	640.00
W. ½	33	3 S.	71 W.	320.00
NE. ¼ NE. ¼	7	4 S.	71 W.	40.00
S. ½ SE. ¼	9	4 S.	71 W.	80.00
NW. ¼	33	4 N.	62 W.	160.00
W. ½ E. ½	3	5 N.	62 W.	482.87
All	5	5 N.	62 W.	640.20
W. ½ W. ½ E. ½	15	5 N.	62 W.	480.00
All	17	5 N.	62 W.	640.00
All	19	5 N.	62 W.	640.16
All	21	5 N.	62 W.	640.00
W. ½ W. ½ E. ½	27	5 N.	62 W.	480.00
All	29	5 N.	62 W.	640.00
All	33	5 N.	62 W.	640.80
W. ½	7	9 N.	63 W.	325.48
S. ½	15	9 N.	63 W.	320.00
All	17	9 N.	63 W.	640.00
N. ½ NE. ¼, W. ½	19	9 N.	63 W.	402.92
All	23	9 N.	63 W.	640.00
All	29	9 N.	63 W.	640.00
All	5	10 N.	63 W.	641.60
SE. ¼, N. ½	7	10 N.	63 W.	482.93
All	17	10 N.	63 W.	640.00
W. ½	27	10 N.	63 W.	320.00
NW. ¼	1	9 N.	64 W.	162.69
S. ½	1	9 N.	64 W.	320.00
W. ½ SE. ¼, SW. ¼, N. ½	11	9 N.	64 W.	360.00
W. ½	13	9 N.	64 W.	320.00
All	3	10 N.	64 W.	642.14
All	11	10 N.	64 W.	640.00
All	13	10 N.	64 W.	640.00
All	17	10 N.	64 W.	640.00
SW. ¼	19	10 N.	64 W.	164.23
N. ½	19	10 N.	64 W.	327.75
E. ½	21	10 N.	64 W.	320.00
All	27	10 N.	64 W.	640.00
All	35	11 N.	64 W.	640.00
NE. ¼	13	10 N.	65 W.	160.00
Total				19,910.69

LAND OFFICE OF THE UNITED STATES,
Denver, Colo.:

The undersigned, register of the Land Office of the United States at the city of Denver and State of Colorado, hereby certifies that the following lands, to wit—

Part of section	Section	Township	Range	Acres
WELD COUNTY				
Northwest quarter	3	4 N.	62 W.	170.21
All	5	4 N.	62 W.	663.82
Do	9	4 N.	62 W.	640.00
Northeast quarter of northeast quarter	17	4 N.	62 W.	40.00
Northwest quarter	33	4 N.	62 W.	160.00
West half and west half of east half	3	5 N.	62 W.	482.87
All	5	5 N.	62 W.	640.20
Do	7	5 N.	62 W.	643.13
Do	9	5 N.	62 W.	640.00
West half and west half of east half	15	5 N.	62 W.	480.00
All	17	5 N.	62 W.	640.00
Do	19	5 N.	62 W.	640.16
Do	21	5 N.	62 W.	640.00
West half and west half of east half	27	5 N.	62 W.	480.00
All	29	5 N.	62 W.	640.00
Do	31	5 N.	62 W.	640.20
Do	33	5 N.	62 W.	640.00
Do	5	6 N.	62 W.	639.16
Do	9	6 N.	62 W.	640.00
West half	15	6 N.	62 W.	320.00
All	31	7 N.	62 W.	635.68
Do	19	8 N.	62 W.	643.36
Do	5	9 N.	63 W.	643.04
Do	7	9 N.	63 W.	645.48
Do	9	9 N.	63 W.	640.00
Do	15	9 N.	63 W.	640.00
Do	17	9 N.	63 W.	640.00
Do	19	9 N.	63 W.	642.92
Do	21	9 N.	63 W.	640.00
Do	23	9 N.	63 W.	640.00
West half and west half of east half	25	9 N.	63 W.	480.00
All	29	9 N.	63 W.	640.00
Do	5	10 N.	63 W.	641.60
Do	7	10 N.	63 W.	645.24
West half	9	10 N.	63 W.	320.00
All	17	10 N.	63 W.	640.00
Do	21	10 N.	63 W.	640.00
West half	27	10 N.	63 W.	320.00
All	31	10 N.	63 W.	646.28
West half	29	11 N.	63 W.	320.00
All	31	11 N.	63 W.	643.92
Do	1	9 N.	64 W.	643.58
Do	11	9 N.	64 W.	640.00
Do	13	9 N.	64 W.	640.00
Do	1	10 N.	64 W.	643.48
Do	3	10 N.	64 W.	642.14
Do	7	10 N.	64 W.	670.64
Do	11	10 N.	64 W.	640.00
Do	13	10 N.	64 W.	640.00
Do	17	10 N.	64 W.	640.00
Do	19	10 N.	64 W.	652.08
Do	21	10 N.	64 W.	640.00
Do	27	10 N.	64 W.	640.00
Do	29	10 N.	64 W.	640.00
Do	25	11 N.	64 W.	640.00
Do	35	11 N.	64 W.	640.00
South half	1	10 N.	65 W.	320.00
The east 352.20 acres of	13	10 N.	65 W.	352.20
LARIMER COUNTY				
North half of north half	29	8 N.	69 W.	160.00
JEFFERSON COUNTY				
Southwest quarter of southwest quarter	19	3 S.	70 W.	37.02
North half and north half of southeast quarter, and southwest quarter of southeast quarter	31	3 S.	70 W.	434.60
West half	27	4 S.	70 W.	320.00
Do	1	2 S.	71 W.	321.20
All	11	2 S.	71 W.	640.00
Northwest quarter	13	2 S.	71 W.	160.00
North half	15	2 S.	71 W.	320.00
North half of northwest quarter	35	2 S.	71 W.	80.00
West half of northwest quarter	23	3 S.	71 W.	80.00
North half and north half of south half	33	3 S.	71 W.	160.00
Northeast quarter of northeast quarter	7	4 S.	71 W.	40.00
Southeast quarter	9	4 S.	71 W.	160.00
North half of southwest quarter	9	4 S.	71 W.	80.00
BOULDER COUNTY				
East half	35	1 S.	71 W.	320.00

as appears by the records of this office are and each of the said sections and parts of sections were within the grant of lands "granted to The Leavenworth, Pawnee & Western Railway Co. of Kansas by the act of Congress approved July 2, 1862, and which by a certain other act of Congress entitled 'An act to authorize the transfer of lands granted to the Union Pacific Railway Co., eastern division, between Denver and the point of its connection with the Union Pacific Railroad, to the Denver Pacific Railway & Telegraph Co., and to expedite the completion of railroads to Denver in the territory of Colorado,' approved March 3, 1869, the Union Pacific Railway Co., eastern division, successors to said The Leavenworth, Pawnee & Western Railway Co. of Kansas were authorized to transfer to said Denver, Pacific Railway & Telegraph Co.; that

the same were afterwards selected and claimed by the said Denver, Pacific Railway & Telegraph Co. as part of the said grant of lands, and the successors in interest to said the Denver, Pacific Railway & Telegraph Co. are now entitled to the patents for said lands."

In witness whereof I have set my hand and the seal of said office this 20th day of March, 1908.

C. D. FORD, *Register.*

DISTRICT AND STATE OF COLORADO,
City and county of Denver, ss.:

Before the undersigned, clerk of the Circuit Court of the United States in and for the District of Colorado, this day personally came C. D. Ford, personally known to me to be the same person who, as register of the land office of the United States at Denver, in said district, executed the foregoing certificate, and acknowledged to me that he had executed the same.

In witness whereof I have set my hand and the seal of said court this 20th day of March, 1908.

CHARLES W. BISHOP,
Clerk United States Circuit Court, District of Colorado.

Certificate, United States to Denver Pacific Railway & Telegraph Co. Grant.

STATE OF COLORADO,
County of Larimer, ss:

I hereby certify that this instrument was filed for record at 8.35 o'clock a. m. April 16, 1908, in my office and duly recorded in book 250, page No. 368.

F. G. BURNETT,
County Recorder.
By F. W. SECRIST,
Deputy Recorder.

Evans Investment Co., 20–21 Evans Block, Denver, Colo. Fee, $2.
Examined. No. 127838.
The United States to the Denver Pacific Railway & Telegraph Co. Grant.

STATE OF COLORADO,
County of Weld, ss:

I hereby certify that this instrument was filed for record in my office at 2.35 o'clock p. m. March 24, 1908, and is duly recorded in book No. 259, page 79.

CHAS. DAVIS, *Recorder.*

Fee, $1.50.
Please mail to the Evans Investment Co., 20–21 Evans Block, Denver, Colo.
Examined. 75550. Indexed.
Certificate, United States to Denver Pacific Railway & Telegraph Co. Grant.

STATE OF COLORADO,
County of Jefferson, ss:

I hereby certify that this instrument was filed for record in my office at 10.30 o'clock a. m. April 25, A. D. 1908, and recorded in book 141, on page 540.

H. J. JUCHEM, *Recorder.*

Fee, $2, paid.
Examined, 84620. Indexed, reserved page.

STATE OF COLORADO,
County of Boulder, ss:

I hereby certify that this instrument was filed for record in my office this 30th day of December, A. D. 1910, at 8.30 o'clock a. m., and duly recorded in book 337, on pages 242–243.

OLNEY NEWELL,
Recorder.
AGNES O'DAY,
Deputy.

Fee, $1.50, paid.
Ret. George F. Keller, 319 Chamber of Commerce Building.

TO CLARIFY THE APPLICATION OF THE CONTRACT PROVISION OF THE IMMIGRATION LAWS TO ACTORS

The Clerk read the next bill on the Consent Calendar, H. R. 8877, to clarify the application of the contract-labor provisions of the immigration laws to actors.

The SPEAKER pro tempore. Is there objection?

Mr. DICKSTEIN. Mr. Speaker, this is the bill that the Speaker said he would recognize me under suspension of the rules. It is a 100 per cent restriction bill. It is to restrict actors coming in here and displacing American actors.

Mr. DYER. And it is a very good bill.

Mr. CELLER. I object.

BRIDGE ACROSS THE RIO GRANDE AT FORT HANCOCK, TEX.

The Clerk read the next bill on the Consent Calendar, H. R. 10555, authorizing the Fort Hancock Porvenir Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at Fort Hancock, Tex.

The SPEAKER pro tempore. Is there objection?

Mr. LaGUARDIA. In view of the adoption of the resolution by the American Association of State Highway Officials, at which representatives of the Mexican Government attended and said they disapproved of any extension because there would be another plan whereby the international bridge would be constructed and operated——

Mr. THOMASON. If the gentleman will yield, I am familiar with the situation, for I have been on the ground. In spite of what the Secretary says, the situation is this: There are two prosperous communities, one at Fort Hancock, Tex., and the other across the Rio Grande at Porvenir, Mexico. They have trade and social relations. They have developed mining interests on the Porvenir side.

There is no way in the world for them to carry on their trade or social relations without this bridge. The river is not fordable but a part of the time. The nearest bridge west is 50 miles, and the nearest bridge east is 200 miles,

The Bankhead Highway runs across Texas and through the town of Fort Hancock, which is about half a mile away. But these communities are prosperous and are entitled to some means of crossing the river. I am opposed to toll bridges as much as any gentleman here, but this is to be an international bridge and there is no other way to get it. No State or Federal highway system is involved.

I am quite willing that the bill should be amended so that if any State, county, or municipality ever wants to take it over, they can do so by paying the cost price.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. Yes.

Mr. SCHAFER. Will the building of this bridge result in an additional drain on the Treasury by reason of the necessity to add additional personnel to guard the bridge to prevent the smuggling of aliens and contraband liquor?

Mr. THOMASON. In my judgment, it will not; or, at any rate, the cost would be small. I can not say positively, although the Department of State approves the bill, but the reason in my judgment that it will not add any expense is that already the departments of the United States Government interested in this are now represented at Fort Hancock in this community, because when the river is low they do ford it as best they can either on horseback or in some other way. There is a lot of trade carried on between these two towns, and on account of the great distance to another bridge they are entitled to this relief.

The SPEAKER pro tempore. Is there objection?

Mr. LaGUARDIA. I object.

POSTAGE CHARGE ON NOTICES TO PUBLISHERS

The next business on the Consent Calendar was the bill (H. R. 10494) to provide a postage charge on notices to publishers regarding undeliverable second-class matter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the next to the last paragraph of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1911, and for other purposes," approved May 12, 1910 (36 Stat. 366; U. S. C., title 39, sec. 277), is hereby amended by the addition after the first sentence of the following sentence: *"Provided,* That there shall be a postage charge of 2 cents for such notice regarding undeliverable copies, which shall be collected from the publisher upon delivery of the notice."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

USE OF MAILS IN PUZZLE CONTESTS

The next business on the Consent Calendar was the bill (H. R. 10462) to prohibit the use of the United States mails for the transmission of any matter advertising puzzle contests, naming contests, prize offers, or any other form of competition for a prize wherein such offers are made to induce persons to compete in another contest which involves either the purchase or sale of goods as a requisite of winning.

The SPEAKER pro tempore. Is there objection?

Mr. CRAIL. Mr. Speaker, I reserve the right to object. This bill strikes at harmless puzzle contests as fiercely as it does at puzzle contests that are obnoxious, iniquitous, and detrimental to the public welfare. The first section of the

bill does a very good job, striking at these progressive puzzle contests that get you in and drag you along as a sucker and educate you as you go along that to get a prize you must put up more money, puzzle contests in which your chances of getting a prize depend upon the amount of money you put up. It would go a long way to outlaw those pernicious puzzle contests in which it is according to how much money you put in what kind of a prize you get. Section 4 provides the penalty. I am in favor of those two sections of the bill and would offer no objection to them whatever, if they stood alone; but section 3 of the bill exempts publishers and periodicals and newspapers from the penalties of the bill and permits them to carry on the worst kind of puzzle contests. There is no reason for such exemption except political influence. They should not be exempt from the law. Section 2 of the bill discriminates against legitimate puzzle contests, and there are some legitimate puzzle contests that are open and aboveboard and that tell you in advance what the conditions are, what the costs are, and what you receive for your money. I am informed that section 2 was put in at the request of and is for the special benefit of house-to-house canvassers and salesmen, front-doorbell-ringing salesmen who are able to overpersuade your wife by plausible conversation to buy something that she does not need and does not want.

The Postmaster General has made an adverse report on the bill. The Federal Trades Commission has refused to recommend the bill. There are many reasons why the bill should be defeated in its present form. Unless the proponents of the bill are willing to strike out sections 2 and 3 and leave the bill with only sections 1 and 4 remaining, I shall be constrained to object to the consideration of the bill.

Mr. HOGG of Indiana. Mr. Speaker, this bill is aimed at puzzle contests whereby the public is humbugged by being told one thing and led into another and an altogether different contest. There is nothing in the United States mail that humbugs the American people out of more money, except patent medicines.

Mr. DYER. Mr. Speaker, there is no excuse or need for this legislation. It does not have the recommendation of the head of the department, nor has it ever been submitted to nor has it the approval of the Attorney General, who has in charge the enforcement of the law with reference to the violation of the postal laws. I object.

TRANSFER OF CERTAIN SCHOOL LANDS

The next business on the Consent Calendar was the bill (S. 3570) to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. This is a rather important matter to pass by unanimous consent.

Mr. COLTON. It is important, but I think I can explain the matter, Mr. Speaker. Under the original grants of school-section lands the acts provide that when a reservation or withdrawal was canceled the State would have the right to take the land in fee. When we passed the act of January 25, 1927, we omitted to provide that when the reservation was withdrawn or canceled the State rights would attach. We did not include the word "reservations." This is simply to correct that omission, so that as to lands that were in reservation or withdrawal in 1927 would pass to the State when the reservation was canceled or withdrawn; that is, the rights of the States would then attach.

Mr. STAFFORD. As I read the act, it has a retroactive effect.

Mr. COLTON. No. Section (b) that we seek to amend will clarify this point. It is possible without this amendment that lands disposed of by the State prior to 1927 would be affected, and this provides where the State has heretofore disposed of this land the provision of section (b) would be amended or modified.

Mr. STAFFORD. Has the gentleman any idea as to the amount of acreage that will be affected by this act?

Mr. COLTON. It would be very difficult to say because it is only on school sections affected. The law granting these lands to States provides that the minerals must be kept by the State for a perpetual school fund.

Mr. STAFFORD. There is no possibility of any conflict in rights developing as a result of this act?

Mr. COLTON. No.

Mr. STAFFORD. Take the case cited by the gentleman where the school section lands have been transferred. What rights would the States have under that condition?

Mr. COLTON. The State would sell the land or lease it, but they must reserve to the State for the benefit of the schools all of the minerals.

Mr. STAFFORD. What rights have the States to the school section lands and reservations?

Mr. COLTON. They have the absolute right when the reservation is canceled to all school lands not affected by the act of January 25, 1927. This bill will place all school lands in the same class. That is, the act of January, 1927, was only to lift a cloud that was upon the school lands because of the minerals, and the Federal Government said in effect, "If you will keep the mineral for the benefit of the schools, we will grant them to you." This would place lands affected by the act of January 25, 1927, in the same position as all the rest of the school lands that belong to the States.

Mr. STAFFORD. There can not be any condition developed whereby there will be any conflicting interests if this act is passed?

Mr. COLTON. There can not, so far as I can possibly see.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That subsection (c) of section 1 of the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927, be amended to read as follows:

"(c) That any lands included within the limits of existing reservations of or by the United States, or specifically reserved for water-power purposes, or included in any pending suit or proceeding in the courts of the United States, or subject to or included in any valid application, claim, or right initiated or held under any of the existing laws of the United States, unless or until such reservation, application, claim, or right is extinguished, relinquished, or canceled, and all lands in the Territory of Alaska, are excluded from the provisions of this act."

SEC. 2. This amendatory act shall take effect as of January 25, 1927; and in any case in which a State has selected lieu lands since such date under the act approved February 28, 1891 (26 Stat. 796), and still retains title thereto, such State may, within 90 days after the date of the enactment of this act, relinquish to the United States all right, title, and interest in such lands and shall thereupon be entitled to all the benefits of the act of January 25, 1927, as amended by this act.

With the following committee amendments:

On page 1, line 3, strike out "subsection" and insert in lieu thereof "subsections (b) and," and in line 7, after the word "follows," insert the following:

"(b) That the additional grant made by this act is upon the express condition that all sales, grants, deeds, or patents for any of the lands so granted shall hereafter be subject to and contain a reservation to the State of all the coal and other minerals in the lands so sold, granted, deeded, or patented, together with the right to prospect for, mine, and remove the same. The coal and other mineral deposits in such lands not heretofore disposed of by the State shall be subject to lease by the State as the State legislature may direct, the proceeds and rentals and royalties therefrom to be utilized for the support or in aid of the common or public schools: *Provided*, That any lands or minerals hereafter disposed of contrary to the provisions of this act shall be forfeited to the United States by appropriate proceedings instituted by the Attorney General for that purpose in the United States district court for the district in which the property or some part thereof is located."

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

FEDERAL BUILDING AT PONCA CITY, OKLA.

The Clerk called the next bill on the Consent Calendar, H. R. 8075, relating to the construction of a Federal building at Ponca City, Okla.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, I would like to obtain a little information. Where are the sessions of the Federal court now held in this city?

Mr. GARBER. As far as my information goes, they are held in the municipal building.

Mr. SCHAFER. But the Federal court is holding sessions in the city?

Mr. GARBER. Oh, yes.

Mr. SCHAFER. And it has been found necessary to have the Federal court hold sessions there in order to clean up the calendar?

Mr. GARBER. That is the requirement of the law.

The SPEAKER pro tempore. Three objections are required. Are there three objections?

Mr. BALDRIGE. Mr. Speaker, reserving the right to object, how much expense is there attached to this?

Mr. GARBER. None whatever.

Mr. BALDRIGE. There is no additional appropriation?

Mr. GARBER. None whatever.

Mr. SCHAFER. Then how is it that at a time prior to the writing of the letter of March 3, 1932, by the Assistant Secretary of the Treasury, it was estimated that if this project was carried out and quarters were made available in the Federal building for holding court, the cost of the building would jump from $250,000 to $360,000.

Mr. GARBER. That was on the erroneous assumption that an addition would be made to the building.

Mr. SCHAFER. The gentleman is confident that with the total limit provided in this bill, $250,000, a building can be erected and quarters for holding court located therein, and the gentleman will not come to a subsequent session of Congress asking for $100,000 additional?

Mr. GARBER. I am absolutely certain of that, as shown by the statement of the architects.

Mr. SCHAFER. Mr. Speaker, in view of the assurances given by the diligent and able gentleman from Oklahoma I shall not object.

Mr. GARBER. Mr. Speaker, I ask unanimous consent that S. 3086, now on the Speaker's table, be substituted for the bill, H. R. 8075, the same being an identical bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That in the construction of the Federal building at Ponca City, Okla., authorized by an act making appropriations to supply deficiencies in certain appropriations (Public, No. 519, 71st Cong.), the Secretary of the Treasury is hereby authorized to provide facilities for the holding of terms of the district court for the Western District of Oklahoma, provided that the total cost of said building, including the site, shall not exceed the sum of $250,000 heretofore appropriated and now available for such construction.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

AMENDING ACT RELATING TO STATES OF NORTH DAKOTA, SOUTH DAKOTA, MONTANA, AND WYOMING

The Clerk called the next bill on the Consent Calendar, S. 2396, to amend section 11 of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

Mr. EVANS of Montana. Will the gentleman withhold that request for a moment?

Mr. STAFFORD. I will reserve the request for a moment.

Mr. EVANS of Montana. Mr. Speaker, this bill provides for an amendment to the enabling act of four States, namely, the two Dakotas, Washington, and Montana. The enabling act provided that considerable grants of land should be made to those several States for school purposes, public buildings, and the like. It provided that none of the land should be sold for less than $10 an acre. Now it transpires that much of the land will not sell for $10 an acre, and it lies there unused because the State can not sell it. The amendment provides that the agricultural land shall not be sold for less than $10 an acre, and that the grazing land may be sold for not less than $5 an acre. Those are the principal changes in the bill.

There are some other changes, providing for the leasing of some of these lands which now do not have that right; and a third provision is that the Government shall issue patents to section 16 and 36, which are commonly called the school sections.

The original act provided that those sections 16 and 36 should go to the State, but it did not provide that they would ever be patented to the States. They can not go to the States until they have been surveyed and determined to be nonmineral. They then sort of clear-list them to the State, without giving patent to them, and it has caused endless confusion about the matter. These are amendments to the enabling acts.

Mr. STAFFORD. Mr. Speaker, I am indebted to the gentleman for his explanation, but I wish to consider this bill further. I have gone over it at considerable length but I wish to consider it further, and therefore I ask unanimous consent that it may go over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

TRANSFER OF LINCOLN COUNTY FROM THE COLUMBIA DIVISION TO THE WINCHESTER DIVISION OF THE MIDDLE TENNESSEE JUDICIAL DISTRICT

The Clerk called the next bill, H. R. 10277, to transfer Lincoln County from the Columbia division to the Winchester division of the middle Tennessee judicial district.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DYER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Tennessee if this will involve any expense whatever?

Mr. BROWNING. None in the world. Except that it saves the expense of mileage for witnesses. That is about the only difference.

Mr. DYER. It will not have the effect of requiring an additional place in which to hold court in that district?

Mr. BROWNING. Oh, no. Court is already held there. All this bill does is to transfer this county from one division to another.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Lincoln County of the Columbia division of the middle district of the State of Tennessee is hereby detached from the Columbia division and attached to and made a part of the Winchester division of the middle district of such State.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

USE OF NET WEIGHTS IN INTERSTATE AND FOREIGN COMMERCE TRANSACTIONS IN COTTON

The Clerk called the next bill, H. R. 8559, to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WRIGHT, Mr. DICKSTEIN, Mr. McCORMACK, Mr. HOLMES, and Mr. WIGGLESWORTH objected.

Mr. FULMER. Mr. Speaker, will the gentlemen withhold their objection?

Objection was withheld.

Mr. FULMER. Mr. Speaker, ladies and gentlemen of the House, I realize it is almost impossible to pass this very meritorious bill under the rules governing the Consent Cal-

endar. For instance, on Monday the 4th, when this bill was called, the gentlemen—Mr. LANKFORD, Virginia; Mr. GRANFIELD, Massachusetts; and Mr. BLACK, New York—objected to its consideration. To-day we have Mr. DICKSTEIN, Mr. HOLMES, Mr. WIGGLESWORTH, Mr. MCCORMACK, and Mr. WRIGHT, Georgia, objecting.

I can understand why these gentlemen from Massachusetts, as well as the gentlemen from Norfolk and New York can afford to object to the bill, regardless of its merits, inasmuch as they represent the very hotbed of the Jute Trust. I am at a loss, however, to understand why my good friend Mr. WRIGHT, of Georgia, opposes the bill. Massachusetts is really the seat of the Jute Trust. The Ludlow (jute) Manufacturing Associates have mills there as well as in India. We have the American (jute) Manufacturing Co. in Brooklyn, N. Y.; Jute Mills (Inc.), Norfolk, Va.; Claud H. Hutchison, jute bagging manufacturer, Jonesboro, Ga., located in the new district in which Mr. WRIGHT resides. I expect to quote Mr. Hutchison later on in the extensions of my remarks. He bitterly opposes the bill. I want to quote at this point a telegram from the commissioner of agriculture, Atlanta, Ga.:

Note net weight bill set for a vote to-day. Certainly hope it will pass. It is the lead for us to use cotton bagging instead of jute. I know jute manufacturers are flooding House with telegrams to effect that farmers do not want bill. They are wrong. Cotton is docked 30 pounds for tare. Net weight bill would create a demand for cotton in this country.

I especially want to answer the gentleman from Massachusetts [Mr. GRANFIELD] in his extension of remarks following his objection to the bill known as the net weight bill on April 4, as well as to give to Members real information thereon. Practically every statement made by the gentleman from Massachusetts is a misstatement made either through lack of knowledge of the provisions of the bill or for the lack of information on this most important subject.

First. He states:

I object to the bill because it by indirection discriminates against "jute."

There is not a word or line in the bill that prevents the use of jute for covering cotton if jute is manufactured in such weight as to come within the maximum tare allowance, 16 pounds, including patches.

Second. He states:

The bill authorizes the Secretary of Agriculture to establish the materials to be used in bale covering.

The bill authorizes the Secretary to study the materials used in bale covering and from time to time to establish "standards for materials, size, and weight of covering." The bill does not say anything about establishing materials.

Third. He states:

The bill as amended and so forth.

The bill has not been amended, as it has not had a chance to be considered on the floor of the House.

Fourth. He states:

Cotton has been wrapped in jute for years because of its serviceableness.

I quote from a statement made by William T. Free, American consul, Bremen, Germany:

I witnessed the unloading of a steamer carrying 11,000 bales of American cotton. The "jute" wrapping was, in most instances, badly torn and ragged, which gave the cotton a bad appearance and exposed it to damage.

Let us see what Mr. E. H. L. Mummehoff, vice consul general, Hamburg, Germany, says about its service:

A tour of the docks for the purpose of this report, the writer walked into the cotton section, where the floor was strewn with quantities of loose cotton. In a corner of the building a great quantity of loose cotton. In consequence of the "poor baling," the loss from farm to factory must be enormous in the course of a year of American cotton.

After considerable testing on the part of the Agricultural Department here is what the department states:

The lightest-weight "cotton bagging" thus far tested is superior to 2-pound "jute" bagging and to the burlap covering commonly used on the Egyptian bale, which has the reputation of being the most attractive covering now entering the world's markets.

Fifth. He states:

Jute is used because of its "suitableness."

Let's see what the Department of Agriculture says about this:

The physical test, including the breaking-strength test and the shipping test, indicate that from the viewpoint of durability, protection to the cotton, and neatness, "cotton bagging" is a more "suitable" covering for American cotton bale than is "jute."

May I state that no other cotton country in the world uses the type of "jute" that we use in covering cotton, not even India, the second largest cotton-producing country and where "jute" is produced.

Sixth. He states:

If this bill passes it will cost the already overburdened farmers $5,400,000.

I quote from an editorial carried in the Boston Transcript April 2, 1932:

In the substitution of cotton for jute covering it has been estimated that the additional cost would run to $7,500,000.

Naturally the representatives of and the jute interest would be interested in what this would do to the farmers of the South. Let us see what some of the friends of the legislation and those who are in a position to give real facts about what it will do to the farmer say. I quote from a statement coming from the Department of Agriculture:

It is estimated that something like 200,000 bales of low-grade cotton would be required on the average to cover the American cotton crop with a light-weight "cotton bagging." It is thought that the consumption of 200,000 bales would have approximately the same effect upon price level as a reduction of that amount in available supply; that the rise in price might amount to as much as one-half cent per pound or $2.50 per bale. On an average crop of 15,000,000 bales at $2.50 this would amount to $27,500,000.

Listen to Mr. Harvey Jordon, president American Cotton Association, Atlanta, Ga.:

The annual losses incurred by the growers and spinners of American cotton as a result of continued adherence to our "primitive" and "wasteful" system of baling cotton amount to at least $150,000,000 annually.

His estimate includes savings by high-density gin compression which is covered in my bill H. R. 112. I quote from William I. Holt, a representative of the Department of Agriculture in Europe:

I think it is agreed that what is needed now and what would result in greatest benefit to producers and everybody in the trade is "net-weight" contracts which discourage putting more covering on than is actually necessary to protect the bale. Anything in excess of that is an unnecessary charge upon the industry and an economic loss, and for the past 20 years tables have been compiled about it to show a loss ranging all the way from $6,000,000 to $15,000,000.

Mr. Henry T. Crosby, editor of the Texas Weekly, states:

About one-third of the American cotton is produced in Texas; consequently about one-third of the loss that results from the "obsolete" and "wasteful" marketing practice is borne by Texas. This loss, according to the Government figures, amounts to millions annually.

Mr. Pat Daniel, Austin, Tex., states:

The present arbitrary trade rule of deducting 5 or 6 per cent (30 pounds per bale) from the gross weight of cotton for bagging and ties is costing "producers" approximately $30,000,000 annually, a sum equal to the amount set aside by the Federal Farm Board to finance the entire cotton crop.

ACTUAL SAVINGS BASED ON FIGURES LARGELY SECURED FROM A PRELIMINARY REPORT ISSUED BY THE DEPARTMENT OF AGRICULTURE FEBRUARY, 1928

(a) Taring cotton in Europe (say 80 per cent cotton tared) at 15 cents per bale, 7,500,000 bales exported	$1,125,000
(b) Ocean freights difference between 16 pounds and 30 pounds, 7,500,000 bales at 65 cents per hundred pounds	682,500
(c) Domestic freights difference between 16 pounds and 24 pounds, mill rule, 7,500,000 bales at $1.10 per hundred pounds	660,000

(d) Insurance, commission, discount, etc., say, 2 per cent on difference between 16 and 30 pounds on 7,500,000 bales of cotton selling at 10 cents per pound	210,000
(e) Insurance, commission, discounts, exchange, etc., say, 1 per cent on difference between 16 and 24 pounds on 7,500,000 bales of cotton selling at 10 cents per pound	60,000
(f) Usual increase in price-consuming 200,000 bales at one-fourth cent per pound crop of 15,000,000 bales	18,750,000
(g) Extra price because of neat package in comparison to old ragged jute bale, 15,000,000 bales, at 25 cents per bale	3,750,000
(h) Garnetted cotton bagging waste value over garnetted jute, 7,500,000 bales	1,500,000

STATEMENT OF DEPARTMENT OF AGRICULTURE

The cotton shipped to Germany and back to the United States to test "cotton" and "jute" bagging was stripped on its return to get the value of both types of bagging for reuse value. The garnetted cotton bagging waste was stapled and found to have a staple length of from one-half to seven-eighths inch. This bagging was originally manufactured out of good ordinary cotton having a length of seven-eighths inch. It was found to have a value of from 10 to 12 cents per pound against 15½ cents, price of good ordinary cotton at that time.

GARNETTED JUTE BAGGING

Jute bagging is similarly torn apart after use and respun, but the value of garnetted jute is appreciably less than that of garnetted cotton. Its reuse value depends largely upon a demand for rewoven bagging, wadding, packing, and paper stock.

1. Loss in cotton sticking to jute bagging and jute fiber sticking to cotton when stripped for manufacturing, estimated from one-half to 3 pounds, on 15,000,000 bales, at 10 cents per bale, $1,500,000.

Listen to the statement of Mr. S. Odenheimer, president Lane Cotton Mills Co., New Orleans, La., given in the hearings:

Cotton covered with jute bagging entails a loss of from 1 to 3 pounds per bale by sticking to the bagging and the open weave not protecting the cotton.

INTERNATIONAL COTTON COMMITTEE, TEXTILE-PRODUCING COUNTRIES OF EUROPE

Among the advantages for cotton bagging is the elimination of the difficulty frequently encountered of spinning American cotton when there are intermixed with it fibers of jute material now commonly used for bale covering of American cotton.

DEPARTMENT OF AGRICULTURE

From 10 bales of jute-covered bales of cotton shipped to Germany stripped we recovered 12 pounds of lint cotton.

In the preliminary report of the Department of Agriculture we find the following:

From this study it seems evident that—

(1) Cotton bagging may be manufactured from the lowest grade and staple length of cotton.

(2) Decided economies in transportation and insurance cost would result from the use of a lighter-weight bagging.

(3) Cotton lint does not adhere to cotton bagging so tenaciously as it does to jute bagging.

(4) The lighter-weight "cotton" bagging thus far tested is superior to 2-pound "jute" bagging and to the burlap covering commonly used on the Egyptian bale.

(5) Cotton bagging makes a respectable looking package in comparison to the disgraceful jute-covered bale.

(6) Fire hazard is practically eliminated.

(7) Country damage will be reduced by half.

(8) It withstands cotton hooks better.

(9) It protects cotton better.

TAKEN FROM HEARINGS ON NET WEIGHT BILL

Mr. Bartee, cotton merchant, testifying:

Mr. SWANK. If the bill was enacted into law, 250,000 bales would be required to make cotton bagging and this cotton would have to be manufactured in the mills in this country?

Mr. BARTEE. Yes, sir. They do not consider the crop contains a certain amount of low-grade and a certain amount of high-grade cotton. The low grades are what pull down the price, the overproduction of low grades.

Mr. FULMER. In other words, the low grades usually fix the price of the high grades?

Mr. BARTEE. The low grades pull down the price of the high grades.

Mr. Cheatham, Department of Agriculture, testifying:

Mr. FULMER. The lowest grades of cotton or maybe the best type of linters could be used for manufacturing cotton bagging?

Mr. CHEATHAM. Yes, sir; linters and card waste, which would reduce the cost.

Mr. William I. Holt, representing the Department of Agriculture in Europe, testifying:

Mr. HOLT. The amount of tare put on American cotton is twice as much as put on Egyptian, African, and East Indian cotton. The American cotton, the condition of it when it arrives in Europe, is really considered a disgrace. It is far below the condition of any other cotton.

Mr. Odenheimer, Lane Cotton Mills, testifying:

Mr. ANDRESEN. It costs the shipper something, does it not, to put on 9 pounds of patches?

Mr. ODENHEIMER. Oh, yes; it cost some 2 or 3 cents per pound for which, if cotton is selling for 20 cents, he gets 20 cents per pound, or a profit of $1.53 per bale.

Claud H. Hutchison, jute manufacturer, testifying:

Mr. FULMER. Mr. Hutchison, you used to run a good big farm yourself?

Mr. HUTCHISON. Yes, sir.

Mr. FULMER. You are not farming now?

Mr. HUTCHISON. No.

Mr. ASWELL. Why?

Mr. HUTCHISON. I can not make any money out of it.

Mr. ADKINS. The motive behind your opposition to this bill is prompted by the profits the importers of jute and the manufacturers of jute bagging get out of that individually, is it not?

Mr. HUTCHISON. Of course, they make some profit.

Mr. ADKINS. What is the motive of opposing this legislation?

Mr. HUTCHISON. Well, I am opposing it because I do not think the farmer would benefit.

Mr. ADKINS. Many come here trying to shed crocodile tears over the farmer. But let us get down to the case. You know and I know that the cost of bagging is charged back to the farmer. The sole motive behind this bill is not what the cotton bagging is going to cost the farmer, but that it will cut out the profits of the importer of jute and the manufacturer of jute bagging; and that is the fly in the ointment, is it not?

I have had a great many Members stating that the farmers get or they believe they get paid for bagging and ties in selling gross weight. I have bought and sold thousands of bales of cotton and I know that this is not true. Listen to the following statements given before our committee.

Mr. E. A. BEVERIDGE (cotton specialist). We have been so long selling cotton on gross weight in this country that we think it is the only way to sell cotton. But it is unscientific, and though it appears that a buyer is paying the farmer on gross weight of bale at the price of cotton, you will find on analyzing it that he is doing nothing of the kind as he has simply "lowered his price" to offset the tare on the bale.

Mr. J. M. Bowen, spot cotton merchant, New Orleans, La.:

The tare rules in the Carolinas, in New England, Liverpool, and other points are all different. So far as the American farmer is concerned, I feel that these rules having been made by cotton merchants and mills at the points that receive the cotton naturally favor the receiving points and operate against the farmer.

Mr. C. B. Howard testifying:

Mr. ANDRESEN. Who stands the loss of the tare when it is sold in export?

Mr. HOWARD. This unnecessary tare, naturally, in the last analysis comes out of the price of cotton.

Mr. Harvey Jordon, Atlanta, Ga.:

American cotton baling is so primitive and wasteful, causing unnecessary losses of millions of dollars annually in handling, which must come out of the pockets of the growers.

Mr. John F. Jinkens, New Orleans cotton merchant:

Mr. FULMER. Do you think it is bad practice to allow 30 pounds tare when we do not need that much?

Mr. JINKENS. The buyer pays less for it and the mill that buys that bale with 30 pounds tare on it is buying the cotton just a little cheaper.

Mr. S. B. Locke, cotton merchant, Oklahoma:

Mr. LOCKE. Answering the point you bring out, I quite agree that in the final analysis when the mill buys a bale of cotton they know that they are not going to consume tare and they "figure" accordingly.

Mr. FULMER. And when the farmer gets gross-weight price, naturally he is getting a price less the amount "figured off" by the mill for tare?

Mr. LOCKE. Yes, sir.

Mr. Locke also represents the American Cotton Shippers Association and very strongly opposes the bill:

Mr. J. M. Levy, cotton commission merchant, New Orleans, La.:

A bale of cotton weighing 500 pounds is allowed to carry when delivered in New Orleans market, approximately 26½ pounds (9 pounds ties and 17½ pounds bagging), the only deduction or exception made to this rule is that a buyer will pay a higher price, ranging from 8 to 15 cents, depending on the price of cotton.

If the cotton is offered for sale with 12 pounds of bagging, 21 pounds bagging and ties (as put on by farmer), this enables the buyer to patch on more bagging and consequently makes the cotton heavier and more valuable to the buyer.

Mr. J. M. Bowen, member Spot Cotton Merchants' Association, New Orleans, La.:

There is no question that the disreputable appearance of our cotton bales has given American cotton a "black eye" in Europe. There is not a doubt that legitimate exporters suffer from excess tare claims. Also, there is another thing that gives the American bale of cotton and the American shipper a "black eye" and that is the "fights" an exporter has with his customers over tare claims.

May I state for the information of Members that, in estimating losses to the cotton industry, I have not taken into consideration the facts contained in Mr. Bowen's statement. Thousands of claims come back to the exporter that have to be paid, all of which is another charge on the producer. My friends, I agree with Henry T. Crosby, editor the Texas Weekly, wherein he states:

Farmers, spinners, cotton shippers, and the Department of Agriculture have all agreed for years that a "great saving" would be made in selling cotton on "net weight," yet nothing is being done about it.

Mr. Locke, representing the American Cotton Shippers Association in his report to a convention of the members of the association made the following report:

Your committee does feel that it is our duty to so change existing "tare rules" as will permit the use of lighter forms of covering as they are developed, as, under existing tare rules of both domestic and export markets, lighter forms of covering are practically prohibited. We believe the time has come for us to give this careful consideration.

Yet, Mr. Locke and his jute-patching cohorts have been and are now fighting my bill with money and unsound propaganda. Mr. Locke states:

Leave it to us.

We have been leaving it to "us" for the past 100 years and farmers are still being robbed out of millions annually.

THESE PEOPLE ARE NOT IN THE JUTE BUSINESS

Mr. H. Robinson, secretary, the Manchester Cotton Association, Liverpool:

After all the talk and agitation which has been carried on for years, no headway has been made in the matter of securing a neater bale of cotton from the United States. The present "untidy and partly" covered American bale, without question, results in "heavy losses" not only to the consumer but more especially to the "producer," from this "inefficient covering" of the bales and the South "suffers in the prices" they obtain for their cotton in competition with other countries whose cotton is packed efficiently with no resultant loss. We extend our full support to the movement for having American cotton bales covered with "cotton fabric." This committee has made an appeal to the Secretary of Agriculture, Washington, D. C., to urge the adoption of cotton bagging material. The practice of sale of cotton by gross weight now in vogue is "unsound and inefficient."

Walter D. Hines, ex-president New Orleans Cotton Exchange:

Undoubtedly American cotton should be sold on "net weight" like any other cotton. So much has been written on this subject that it seems unnecessary to repeat the reasons. The most potent one is the "great economic saving" that would be made which naturally would be shared in by "producer and consumer" alike. The people who would lose "most" by it are the manufacturers who sell the "bagging now used," which is much "heavier than required" because of antiquated customs and rules.

E. A. Beveridge, with E. A. Pierce & Co., New York City:

If this bill is adopted, this and future generations of cotton planters will "rise up" and call you blessed.

Talmadge, commissioner of agriculture, Atlanta, Ga.:

Jute manufacturers are flooding the House with telegrams to the effect that farmers do not want the "net weight" bill, are wrong. Cotton now docked with 30-pound tare net weight bill would give opportunity for use of cotton to cover cotton instead of jute, making an "additional demand for cotton" in this country.

San Antonio Express, issued June 28, 1931:

Preparing a bale (with cotton bagging) might cost a few cents more than if the customary "jute" bagging were used, but the transaction surely would "profit the farmer" in the end.

S. Odenheimer, Lane Cotton Mills Co., New Orleans, La.:

The cotton grower and cotton spinner both, are in full accord with this bill, and I see no reason why Congress should not readily pass it.

J. C. Horton, commissioner, Jackson, Miss.:

I am very much in sympathy with this legislation. Will come to Washington in the near future to personally interview Members of Congress and the Senate from this State.

U. Benton Blalock, president American Cotton Cooperative Association, Raleigh, N. C.:

At our meeting of the board of directors of the American Cotton Cooperative Association in New Orleans, December 7 and 8, 1931, we passed a resolution indorsing this movement and pledging our support to it.

J. E. McDonald, commissioner, Austin, Tex.:

I want to assure you as commissioner of agriculture of Texas I will give your measure every bit of support possible.

Howard D. Gore, Acting Secretary Department of Agriculture, December 26, 1924:

In regard to the question of legislation regulating the tare on cotton, our people are wholly in sympathy with the idea of providing adequate legislation that will take care of this "difficult" question.

W. M. McLaurine, secretary American Cotton Manufacturing Association, Charlotte, N. C.:

We are very much interested in your bill and want to do everything in our power to assist you.

Edwin G. Seibels, cotton, fire, and marine insurance, Columbia, S. C.:

The method of "baling" and handling American cotton is the "worst in the world" and causes "untold loss annually" to the American cotton farmer.

B. W. Kilgore, chairman American Cotton Growers' Association, Raleigh, N. C.:

I do not know of any one thing that would be more valuable at this time than "net weight" in the sale of cotton.

T. O. Walton, president Agricultural College, Texas:

Why the farmers of the South have not insisted long ago that the practice of charging "30 pounds" of tare against each bale of cotton should be discontinued has puzzled me through the years. The bill should be pressed vigorously and I hope every southern Congressman and Senator will assist you in the passage of your bill.

D. W. Watkins, director extension service Clemson Agricultural College, South Carolina:

The iniquitous system which permits exporters to attach 30-pound tare per bale for foreign markets but only permits growers to use 21 pounds tare per bale is unworthy of a people claiming to be engaged in honest commercial enterprise.

Louis B. Farley, financing and insurance, Montgomery, Ala.:

I am advised that there are certain bills pending in Congress providing for the better baling and regulating the tare on cotton. These are "important bills" from the South's viewpoint, cotton being the greatest and most valuable of its agricultural products.

E. C. EVANS, COTTON FARMER, ELLOREE, S. C.

I sold three bales of cotton to-day in Orangeburg, S. C., and 5 pounds were knocked off for tare on each bale. All cotton sold here to-day was dealt with the same way; therefore, the farmers lost $100 in one day. Please investigate this matter.

I hope that the information given you at this time will not only convince you that this is a very worthy piece of legislation but will create within you, especially Members from the cotton South, a real fighting spirit for justice for millions of unorganized cotton farmers and that you will give me your hearty cooperation to the final passage of H. R. 8559.

In closing I want to insert the following:

A COTTON FARMER'S CREED

I believe in cotton, my money crop, the provider of my family, and the payer of my taxes; its by-product, cottonseed—planted by me, born of the soil, suffered under weather, pests, and low prices, often replanted to grow and bear King Cotton, who is crucified on the cross of neglect, dead and buried under depression. He descended into the hell of surplus, but will arise and ascend to the throne of crops, from thence to rule over our banks, schools, public institutions, and people.

I believe in the wearing of cotton, the use of cotton and cottonseed products, thereby resurrecting my dead prosperity and bringing welfare to me in the years to come.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WRIGHT, Mr. DICKSTEIN, Mr. McCORMACK, Mr. HOLMES, and Mr. WIGGLESWORTH objected.

WAR-TIME COMMISSIONED RANK TO RETIRED WARRANT OFFICERS AND ENLISTED MEN

The Clerk called the next bill, S. 460, to give war-time commissioned rank to retired warrant officers and enlisted men.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER. Mr. Speaker, I object.

Mr. KVALE. Will the gentleman withhold his objection.

Mr. SCHAFER. I will.

Mr. KVALE. What is the gentleman's objection to this measure? Will he state it?

Mr. SCHAFER. I would like to have the gentleman furnish some concrete facts and reasons justifying the passage of this bill. If at the time they were discharged from the service they held a certain rank why should they now be given a different rank than they held at the time of discharge and thus get the benefits of the higher rank?

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. I will.

Mr. BLANTON. The whole matter of retirement is up for consideration before one of our committees and until they thrash out that question we ought not to pass any more bills relating to retirement.

Mr. KVALE. This refers only to retirement rank and in no way relates to retirement pay. It will not cost the Treasury a cent, but will merely give this honorary title to these men. They have earned those titles.

Mr. BLANTON. I do not think we should pass any retirement legislation until this whole matter has been passed on by the committee now considering it.

Mr. KVALE. The gentleman is interested primarily in the financial phase of the matter, is he not? The gentleman certainly would not wish to deprive these enlisted men of the rank they earned in active service. Furthermore, only a handful of them are affected.

Mr. BLANTON. I will say to my friend that when the emergency retired officers' act first came before the Congress in 1926 they represented that it involved only 900 men. When we passed it in 1928 they had changed their figures and said it involved 3,200 men, and now there are nearly 7,000 retired.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

ATTENDANCE OF THE MARINE BAND AT THE CONFEDERATE VETERANS' REUNION AT RICHMOND, VA.

The Clerk called the next bill, H. R. 5847, to authorize the attendance of the Marine Band at the Confederate veterans' reunion, to be held at Richmond, Va.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LaGUARDIA, Mr. BLANTON, and Mr. BALDRIGE objected.

Mr. MONTAGUE. I ask that the objection be withheld for a moment.

Objection was withheld.

Mr. MONTAGUE. Mr. Speaker, as the author of the bill, I would like to say that its purpose is to authorize the attendance of the Marine Band at the Confederate reunion, which is to be held in Richmond from June 21 to June 24 next, for which an appropriation of $2,150 is asked.

Mr. BLANTON. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. BLANTON. I hate to object to this bill, but there are similar bills pending which would permit the Marine Band and other bands to go to certain conventions. I have in my office—and I wish the gentleman could see them—letters and telegrams from American Legion men in those various vicinities approving my action in stopping those bills. They say we ought not to go to this expense this year, and they come from American Legion men. This will take over $2,000 out of the Treasury.

Mr. MONTAGUE. Yes; I understand so.

Mr. BLANTON. Well, that is $2,000.

Mr. MONTAGUE. That is true. It has been a very small sum heretofore, but it is a great sum now.

Mr. BLANTON. If we lacked $2,000 in balancing the Budget, the spending of this money would keep us from balancing it.

Mr. MONTAGUE. Yes.

Mr. BLANTON. I want to balance the Budget. I hate to go against the distinguished gentleman, because I know he never espouses anything that is not worthy.

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. MONTAGUE] be permitted to address the House for five minutes at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MONTAGUE. Now, if I may proceed without interruption, I respectfully submit to the House that this bill is not analogous or on all fours with the other bills mentioned by the gentleman from Texas [Mr. BLANTON].

This is a bill to permit a band to attend a reunion of the Confederate soldiers which takes place at Richmond, and which, in the nature of things, must be the last reunion of this historic organization. You may never have another chance thus to recognize these people. These gentlemen have reflected credit upon the American Nation, because wherever there has been bravery by the Union soldiers it has been emulated or contested by equal bravery of the Confederate soldiers, and is now the common heritage of the American Nation.

Mr. BLANTON. Will the gentleman yield?

Mr. MONTAGUE. No; I can not yield now.

Mr. BLANTON. I was going to withdraw my objection.

Mr. SCHAFER. Mr. Speaker, I make the point of order the gentleman from Texas is out of order.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MONTAGUE. Yes, I yield; but do not take all of my five minutes.

Mr. BLANTON. I want to say that the gentleman's appeal has touched my heart. My father was born close to Richmond, Va., and was a Confederate soldier. I withdraw my objection.

Mr. MONTAGUE. I thank the gentleman; his heritage has awaked his better judgment. There are very few of these soldiers left. The Marine Corps has been in some way connected with both sides of the service. It is a historic organization. Gen. Robert E. Lee commanded the Marine Corps on a certain historic occasion.

So these old men who are struggling for their last pilgrimage to Richmond have asked this and the request has been stressed by various organizations. I may say that the leading people on both sides and of all parties are very eager to have this band at Richmond. This city is a little over 100 miles away, and I do hope the House will not withhold the music and cheer that this band will bring to these people who are meeting in comradeship, perhaps for the last time, 67 years after the date of their surrender. Let us wipe out all the past and give these old men this music which will so refresh their memories and affections, and so inspiringly direct their contemplations to the power and glory of their reunited country.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. JOHNSON of Washington. What makes up the cost?

Mr. MONTAGUE. That is stated in the bill. I have not the details at hand.

Mr. JOHNSON of Washington. Is it railroad fare?

Mr. MONTAGUE. Yes; that is part of it.

Mr. JOHNSON of Washington. What precedent is there for this?

Mr. MONTAGUE. They have had it several times.

Mr. JOHNSON of Washington. For the Confederate organization?

Mr. MONTAGUE. Oh, yes. They have had bands; I do not know whether it was the Marine Band or not. They have had the Army or the Navy Band, and I believe they had one of them last year at Montgomery.

Mr. JOHNSON of Washington. What is the opinion of the department in the matter?

Mr. MONTAGUE. The department opposes it on the general ground they do not want this to be repeated over and over, but I submit to the gentleman from Washington, who is a broad-minded man, that the last call of the trumpet does not give the precedent; it closes the event.

Mr. BALDRIGE. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. BALDRIGE. We who have stood here and objected day after day to these bills have taken a lot of fire from the Veterans of Foreign Wars, the Spanish-American War Veterans, the American Legion, and the other organizations who have tried to get these bands. We have done this because we are trying to save money. We appreciate what the gentleman says about this matter, but why should we go out of our regular order and allow this in one particular instance when we have stood here on every one of these bills and objected. These other people might come in and make the same argument that the gentleman has made.

Mr. MONTAGUE. They may do it much better than I do, but I submit they can not make the same argument, for they have not the case.

Mr. BALDRIGE. I am sorry, but I still feel constrained to object.

Mr. DYER. The Treasury is empty, and we have not enacted any revenue legislation to bring in money.

Mr. MONTAGUE. But the gentleman, with his long experience, knows that $2,100 is not dust in the balance and can not affect the Treasury. There are other things besides money, there are nobler things that underlie our civilization and which have to be stimulated if we are to maintain our institutions. They are above price, and I submit the bill to the open-minded, generous Americans who constitute this great parliamentary body, the House of Representatives. I beg that you not deny these old men this request.

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent to address the House for five minutes on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHAFER. Mr. Speaker, I know that after the eloquent plea of our distinguished colleague, if, under the rules under which we are operating to-day, his bill could come before this body at this moment for a vote, there would only be five or six votes against it. [Applause.]

I sincerely hope that if you regular objectors prevent the consideration of the bill at this time that the Rules Committee will grant a rule to provide for the consideration of H. R. 5847, having for its purpose the sending of the United States Marine Band to the Confederate Veterans' Reunion at Richmond, Va.; and also H. R. 5828, to send the United States Navy Band to the Veterans of Foreign Wars' convention at Sacramento, Calif.; as well as H. R. 8635, which I introduced, and which provides that the Navy Band shall play at the United Spanish War Veterans' convention at Milwaukee, Wis.

I want the attention of the self-styled economy experts who object to the consideration of these bills. The taxpayers of the Nation and not the taxpayers of the District of Columbia are spending over $450,000 each year to maintain the Army, Navy, and Marine Bands. Is there any reason why these bands should not play at the national conventions of war veterans, such as the Confederate Veterans' Reunion, the conventions of the Grand Army of the Republic, the American Legion, the United Spanish War Veterans, the Disabled American Veterans of the World War, and the Veterans of Foreign Wars?

Should the taxpayers of the Nation be compelled to pay almost half a million dollars annually so that these three service bands can play only for the benefit of the people of the District of Columbia and at White House and other social functions in the District? I suggest to you economy experts who oppose the consideration of this bill carrying an appropriation of $2,150 that if you are to be consistent you should sponsor legislation to abolish the United States Army, Navy, and Marine Bands, and save $500,000 each year.

If the President of the United States, in the name of economy, opposes this $2,150 bill through his Secretary of the Navy and Director of the Budget, in order to be consistent he ought to ask for the abolishment of these three bands.

If the people of the District of Columbia and the White House are the only ones entitled to hear and see these three service bands, then let the half a million dollars annually for their maintenance be charged to the District and White House appropriations, if you believe the District should have this special privilege. If these service bands are to be continued, certainly the national conventions of veterans' organizations should have an opportunity to hear them. [Applause.]

I urge that the three objections be withdrawn so that the matter can come before the House and let a majority of the membership settle this policy. I firmly believe that you would not have six votes against this bill.

We will soon be through with the Consent Calendar, so let us come to a vote on this question. Let the entire membership representing those who foot the bill vote on this policy. These Confederate veterans are American citizens, as you and I. We know no North and South. The sons and grandsons of those who fought on both sides in the War between the States fought shoulder to shoulder in the Nation's succeeding wars. They fought and died together, these sons of the North and South land, for our common country. The ranks of the Confederate veterans are thinning. This reunion at Richmond will be the last for many. It will be the last time they will ever hear and see the United States Marine Band. Shall we deny them their request and opportunity in order to save $2,150? [Applause.]

The SPEAKER pro tempore. Is there objection to the consideration of the bill? Three objections are required.

Mr. LAGUARDIA. Mr. Speaker, I object.

Mr. DYER. Mr. Speaker, I object.

Mr. BALDRIGE. Mr. Speaker, I object.

RELIEF OF STATE OF IDAHO

The next business on the Consent Calendar was House Joint Resolution 138, for the relief of the State of Idaho.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object. There is a long list of whereases in this resolution. The gentleman is going to move to strike them out?

Mr. SMITH of Idaho. Oh, yes; after the resolution is adopted.

Mr. LAGUARDIA. Under the reservation of objection I believe the gentleman is rather audacious in not going through with the obligation to pay for this building. True, the building is burned and would not now be occupied, but it is going to be pretty hard to avoid the precedent that we establish to-day, when buildings given to States or municipalities for similar use are destroyed. What has the gentleman to say about that?

Mr. SMITH of Idaho. It would be of no advantage to the Government to reconstruct the building, and as far as reimbursing the Government is concerned it is manifestly unfair to impose upon the State the expense of a building that was absolutely useless to the Government. The Government could not possibly use the building for any purpose. For that reason we feel that this account should be adjusted as proposed in the pending measure.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read as follows:

Whereas the Boise Barracks Military Reservation, Boise, Idaho, was abandoned for military purposes by the War Department many years ago; and

Whereas a portion of said reservation was held under a revocable lease by the State of Idaho for the use of the Idaho National Guard; and

Whereas a brick building which was used by the National Guard of the State of Idaho as a stable was destroyed by fire on January 28, 1928, through unavoidable causes; and

Whereas the State of Idaho has been called upon by the War Department to replace the building, at an approximate cost of $15,000; and

Whereas the Veterans' Administration is now occupying the Boise Barracks Military Reservation for hospital purposes, and there is no use to which the building, if restored, could be put; and

Whereas if the building had been still standing it would have been included among other buildings which were turned over to the Veterans' Administration, without any expectation on the part of the War Department of payment therefor; and

Whereas the Veterans' Administration would have incurred considerable expense in razing and removing the building, as it could not have been put to a beneficial use by the Veterans' Administration: Therefore be it

Resolved, etc., That the State of Idaho be, and is hereby, relieved of any obligation to replace the building or to reimburse the United States for the amount of damage to the building resulting from fire.

With the following committee amendments:

Page 2, line 4, after the word "building," insert the words "on the Boise Barracks Military Reservation, Boise, Idaho," and in line 7, strike out the words "resulting from" and insert "destroyed by," and after the word "fire," insert "on January 8, 1928."

The committee amendments were agreed to; and the joint resolution as amended was ordered to be read a third time and was read the third time. The whereases were stricken out and the joint resolution was passed, and a motion to reconsider was laid on the table.

GOVERNMENT PURCHASE OF AMERICAN GOODS

The next business on the Consent Calendar was the bill (H. R. 10743) to require the purchase of domestic supplies for public use and the use of domestic materials in public buildings and works.

The SPEAKER pro tempore. Is there objection?

Mr. FOSS. Mr. Speaker, I object.

COMPACTS BETWEEN STATES

The next business on the Consent Calendar was the bill (H. R. 8897) to authorize compacts or agreements between States relating to service of process and production of witnesses in criminal cases.

The SPEAKER pro tempore. Is there objection?

Mr. DYER. Mr. Speaker, I reserve the right to object. This is a very important bill. I am in favor of it, but it is something new in the way of legislation. I suggest to the chairman of the committee that we take this up on the call of the committee on Calendar Wednesday, when there will be more opportunity to explain it. Several gentlemen have asked me about it. I ask unanimous consent that the bill be passed over without prejudice.

Mr. SUMNERS of Texas rose.

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent that the gentleman from Texas may have five minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, the members of the Committee on the Judiciary regard this as an important bill in that it is leading the way in a direction which we believe we shall have to go if we do not wind up absorbing all of the criminal functions of the States not already taken over that it is possible to take over under the ever-broadening Federal powers extended by construction. If members wish to object to the bill, very well. We hear much complaint about the Federal Government absorbing all of the functions of the States. There is just one of two things that we have to do. We have to send these powers of the States which fall within the governmental capacity of the States back to the States when we have opportunity to do it, or we must reconcile ourselves to be governed by a great Federal bureaucracy. That is all there is to it.

What do we do in this bill? We simply give to the States, if they want to do it, permission to enter into compacts under which it is possible, by mutual agreement, to bring witnesses in criminal cases from a consenting State to testify in the jurisdiction where the criminal case is being tried. As soon as we come to this Congress, it seems that we develop a superiority complex. We do not think the States have sense enough to govern themselves, and we proceed to tell them how to do it. How anybody who believes in the American system of government is not willing to have two sovereign States enter into a mutual agreement under which they will help to get back witnesses in criminal cases, kidnaping or any other, is quite beyond me. Whom are we representing here? As far as I am concerned, I have seen enough slobbering over these criminals and heard enough maudlin sentimentality about them. When we came to this country fugitives from governmental oppression, we thought all we had to do was to protect the individual against the crimes of the State. Now we have a situation in America when free-born American citizens are afraid to go out on the streets, are afraid in their own homes, and are afraid everywhere. We strut around and brag about our liberty. We are not free. We live under the tyranny of crime. We are unwilling to give two sovereign States the privilege of entering into any agreement they want to, to protect their citizens against these people who ought to be shot on sight, as a matter of fact. Now object, if you want to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri that the bill be passed over without prejudice?

Mr. BROWNING. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DYER. Mr. Speaker, I object.

The SPEAKER pro tempore. Three objections are required. The Chair hears only one objection, and the Clerk will read the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to any State to enter into an agreement or compact with any other State providing for the service of process upon a person within one of such States and his attendance as a witness in the other in connection with a criminal proceeding under the law of the latter.

SEC. 2. No such compact or agreement shall be binding or obligatory upon such States unless it has been approved by the legislatures thereof and by the Congress of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, at the beginning of line 9, strike out all of section 2, ending in line 2, on page 2, and, in line 3, on page 2, strike out the figure "3" and insert the figure "2."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DYER) there were ayes 41 and noes 3.

Mr. DYER. Mr. Speaker, I object to the vote, no quorum being present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and nineteen Members are present, a quorum.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

CLOTHING ALLOWANCE FOR ENLISTED MEN OF THE NAVY

The Clerk called the next bill on the Consent Calendar, H. R. 6735, to authorize the Secretary of the Navy to fix the clothing allowance for enlisted men of the Navy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, is this the $1.73 bill from the Navy Department?

Mr. VINSON of Georgia. Yes.

Mr. LAGUARDIA. Then I object.

Mr. VINSON of Georgia. Will the gentleman withhold his objection for a moment?

Mr. LAGUARDIA. Certainly.

Mr. VINSON of Georgia. I will say to the gentleman that this bill saves practically $23,000 a year. It is a bill which does not cost anything, but it makes a saving of $23,000 a year, because under the law to-day the department allows $100 for clothing. As a matter of fact, the clothing only costs about $99.

Mr. LAGUARDIA. Ninety-eight dollars and twenty-seven cents.

Mr. VINSON of Georgia. It is in the interest of economy to let the department furnish the clothes instead of furnishing the money. I trust the gentleman from New York will withdraw his objection, because this is a meritorious bill and is in the interest of economy.

Mr. STAFFORD. Will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. STAFFORD. The letter from the Secretary of the Navy shows that the Army has similar authority.

Mr. VINSON of Georgia. Exactly; and it is recommended favorably by the department. It will save $20,000 this year, and I hope the gentleman will not object.

Mr. LAGUARDIA. Well, we will take it up two weeks from to-day.

Mr. VINSON of Georgia. The gentleman states "will take it up two weeks from to-day." This is a meritorious proposition.

Mr. LAGUARDIA. Oh, it is so picayunish.

Mr. VINSON of Georgia. That is the only way we have of saving this great deficit that has been created.

Mr. LAGUARDIA. Are you going to give them a toothbrush or haircomb less, or a pair of drawers less?

Mr. VINSON of Georgia. The gentleman misunderstands the point. It does not give anything less; not one thing in the world.

Mr. LAGUARDIA. I know all about that. With the inflation of currency that is going on now, commodity prices will increase, and it will be necessary to increase the appropriation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I object.

DISPOSITION OF NAVAL ORDNANCE PLANT, SOUTH CHARLESTON, W. VA.

The Clerk called the next bill on the Consent Calendar, H. R. 4657, to authorize the disposition of the naval ordnance plant, South Charleston, W. Va., and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker.

Mr. STAFFORD. This is not a picayunish bill, because it involves $23,000,000.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. VINSON of Georgia. This bill merely permits the Government——

Mr. LAGUARDIA. Will the gentleman accept an amendment? The gentleman from Wisconsin suggests that here is economy and I agree with him.

Mr. STAFFORD. No. I said this is not a picayunish bill, but it involves $23,000,000.

Mr. ANDREW of Massachusetts. It involves also $200,000 a year for maintenance.

Mr. LAGUARDIA. If I may be permitted to make a suggestion, instead of depositing in the Treasury to the credit of the naval public works construction fund, created by section 9 of said act, I say, "to be covered into the Treasury," and I stop there.

Mr. VINSON of Georgia. If the gentleman will permit, the law under which all these sales have been made has put that money into that particular fund, but it requires an act of Congress to get it out of that fund, to be used.

Mr. LAGUARDIA. The more we have in that fund the more we spend. I submit that suggestion to my colleague, the gentleman from Wisconsin.

Mr. STAFFORD. Reserving the right to object, it is proposed under this bill to authorize the Navy Department to offer an armor and projectile plant, which cost the Government more than $23,000,000, for sale.

Everyone knows, who knows anything about industrial conditions, that there is no demand whatsoever at the present time for the sale of industrial plants. What is the use of sacrificing on the auction block something that has cost the Government $23,000,000, and permit some person who has a large amount of money to buy for virtually nothing something of great value?

Mr. ANDREW of Massachusetts. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. ANDREW of Massachusetts. It costs the Government some $200,000 a year to guard and maintain that plant. Since it was constructed in war time it has never produced anything, and for 10 years it has been lying idle. The Navy Department has no intention of ever using it in the future, and there is no possible use for it. It is true $23,000,000 was spent on the plant, but by the passage of this bill we can save the $200,000 a year that is now required to maintain it.

Mr. STAFFORD. Does the gentleman, as a business man, think that this is a time to sell any industrial property, especially industrial property of this consequence?

Mr. DYER. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is: Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

PROCUREMENT OF AIRCRAFT AND AIRCRAFT EQUIPMENT IN THE NAVY AND MARINE CORPS

The Clerk called the next bill, H. R. 6599, to amend the act entitled "An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps, and to adjust and define the status of the operating personnel in connection therewith," approved June 24, 1926, with reference to the number of enlisted pilots in the Navy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

BETTER ADMINISTRATION OF JUSTICE IN THE NAVY

The Clerk called the next bill, H. R. 5352, to provide for better administration of justice in the Navy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA and Mr. SCHAFER objected.

PAYMENT OF SIX MONTHS' DEATH GRATUITY TO DEPENDENT RELATIVES OF OFFICERS AND ENLISTED MEN

The Clerk called the next bill, H. R. 6734, to amend an act entitled "An act to authorize the payment of six months' death gratuity to dependent relatives of officers, enlisted men, or nurses whose death results from wounds or disease not resulting from their own misconduct," approved May 22, 1928.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

MAINTENANCE OF A NAVAL RESERVE AND A MARINE RESERVE

The Clerk called the next bill, H. R. 5329, to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval reserve and a Marine Corps reserve," as amended by the act of March 2, 1929.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

IMPROVEMENT OF MERIDIAN HILL PARK

The Clerk called House Joint Resolution 305 for the improvement of Meridian Hill Park.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, I want to ask my friend from Kentucky about a word in the report. When I read the gentleman's report yesterday I was rather confused. What do we mean by "castle" on our democracy? I am sure my colleague from Texas wants to know, too. Then the report says it was occupied by the late Mrs. Henderson. I do not know the lady. Who is she?

Mr. GILBERT. I will say she is quite a well-known lady. The word "castle" is not in the bill, but that is the name by which it is generally known, and in order that the House might be advised I used that word.

Mr. BLANTON. She is the lady who built this fine castle out on Sixteenth Street as a gift for the Vice President of the United States to live in, that would have cost the Government about $100,000 a year to maintain, and which we did not accept. However, she was a splendid character, generous and public-spirited.

Mr. LaGUARDIA. I am interested in ascertaining if we are going to have castles in our democracy.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the House joint resolution, as follows:

Resolved, etc., That the Director of Public Buildings and Public Parks of the National Capital is authorized to accept on behalf of the United States the gift of an armillary sphere designed by C. Paul Jennewein to be placed in Meridian Hill Park in the District of Columbia. The United States shall be put to no expense in connection with such gift. The plan, design, and location of such sphere shall be subject to the approval of the National Commission of Fine Arts.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the House joint resolution was passed was laid on the table.

NEW CODE OF CIVIL PROCEDURE FOR THE CANAL ZONE

Mr. STAFFORD. Mr. Speaker, earlier in the session I asked unanimous consent that H. R. 7521, a bill to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, and H. R. 7522, a bill to provide a new Civil Code for the Canal Zone, and to repeal the existing Civil Code, be passed over temporarily. I ask unanimous consent that they now be taken up for consideration.

The SPEAKER pro tempore. The Clerk will report the first bill by title.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the bill.

With the following committee amendments:

Page 12, after line 25, insert:

"4. Any person of good moral character who has attained the age of 21 years may be admitted to the practice of law in the courts of the Canal Zone by the judge of the United States district court thereof upon giving satisfactory evidence that he has a general education equivalent to graduation from a high school of the Canal Zone, has studied law under proper instruction for at least three years, and has passed an examination in the law to be prescribed and conducted by the judge of the district court or by a committee of the bar appointed by him for that purpose. The judge of the district court is empowered to make rules to establish the qualifications of the candidates."

Page 214, line 18, strike out the words "the sections of this code from section 224 to 243, both inclusive," and insert in lieu thereof the words "section 121 and sections 224 to 243, both inclusive, of this code."

Page 234, line 8, strike out the figures "$50" and insert in lieu thereof the figures "$25."

Page 234, line 9, strike out the figures "$50" and insert in lieu thereof the figures "$25."

Page 234, line 10, strike out the word "twice."

Page 253, line 5, after the word "principal" and the period following it, insert:

"The clerk and his assistants shall have the duties of registrar so as to give constructive notice in all cases where provision is made for such notice by law."

The committee amendments were agreed to.

Mr. STAFFORD. Mr. Speaker, it would be informing for the House to have the chairman of the subcommittee make a brief explanation as to what the bill proposes before we vote on the passage of the bill.

Mr. LEA. Mr. Speaker, in 1907, the President issued an Executive order which provided a code of civil procedure for the Canal Zone. At that time there was no code of civil procedure in the zone. The code of California was partly adopted for the Canal Zone so far as it was deemed pertinent. Since that time the right of jury trial has been established in the zone and there have been many other developments in the jurisprudence of the zone. So this bill provides a complete code of civil procedure for the Canal Zone. It is to accompany the civil code which is the bill to follow this one, and these two codes will form the great body of civil law and procedure for the Canal Zone.

This bill provides for all matters concerning procedure in the district court, and in the magistrates courts. It provides for the summoning of jurors and for the administration and procedure of the courts in general.

Mr. STAFFORD. Will the gentleman yield?

Mr. LEA. I yield.

Mr. STAFFORD. From prior explanations of companion bills, the gentleman has stated to the House that in the code of procedure and in the Criminal Code the committee is following largely the Code of California.

Mr. LEA. Almost exactly.

Mr. STAFFORD. As I read the report, this voluminous bill has been scrutinized very carefully not only by the gentleman's committee but by certain officials of the War Department and also by the authorities on the Canal Zone.

Mr. LEA. Yes; and by a codifier furnished by the West Publishing Co., who spent 15 months on this work.

Mr. STAFFORD. Is it the gentleman's opinion that conditions on the Canal Zone are suitable toward having the procedure of California followed rather than the procedure of Colombia, which is the present law there?

Mr. LEA. I think it is very desirable that procedure similar to that in the State of California should be followed instead of the Colombian Code, which is a foreign importation of law into the judicial system of the United States. When these two codes are adopted, all the law of Panama will have its origin in American sources instead of foreign.

Mr. STAFFORD. And one further advantage is that under statutory construction the codification will carry the construction that these provisions have had by the State of California.

Mr. LEA. That is a very important feature. The code in California is over 60 years old, and there is a large volume of judicial interpretation that makes this code much more valuable for that reason than if it were a new one. Adoption of this code carries with it the interpretation of the courts of California, and thus it immediately becomes an old and well established and clarified system of court practice.

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CIVIL CODE FOR THE CANAL ZONE

The Clerk called the next business on the Consent Calendar, the bill (H. R. 7522) to provide a new civil code for the Canal Zone and to repeal the existing civil code.

There being no objection, the Clerk read the bill.

With the following committee amendments:

Page 14, line 19, strike out the words "both parties to such marriage" and insert in lieu thereof "the petitioner shall have."

Page 97, line 14, after the word "country," insert "or before any officer of such foreign country authorized to take acknowledgments, the signature and official character of such officer shall be certified by a diplomatic, consular, or commercial official of the United States."

Page 381, line 20, strike out the word "thirty" and insert in lieu thereof the word "twenty."

The committee amendments were agreed to.

Mr. GILLEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GILLEN: On page 378, line 19, after the word "premium," insert "above the customary short-rate premium."

Mr. STAFFORD. Mr. Speaker, I ask recognition on the amendment.

Will the gentleman give a brief explanation of the amendment just reported as to premiums?

Mr. LEA. Section 1218 on page 378 provides for the return of the premium. If the insured desires to cancel his policy on a short term, he should pay short-term rates instead of being given the prorata rate for the whole period of the insurance.

Mr. STAFFORD. That is according to existing practice among insurance companies?

Mr. LEA. Yes; this is to make it conform with the general practice.

The amendment was agreed to.

Mr. GILLEN. Mr. Speaker, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. GILLEN: On page 381, line 22, strike out the word "thirty" and insert in lieu thereof the word "twenty."

The amendment was agreed to.

Mr. GILLEN. Mr. Speaker, I offer another amendment.

The Clerk read as follows:

Page 390, line 3, strike out the word "conduct" and insert in lieu thereof "engage in the conduct of."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXTENDING THE PERIOD OF TIME DURING WHICH FINAL PROOF MAY BE OFFERED BY HOMESTEAD ENTRYMEN

The Clerk read the next bill on the Consent Calendar, H. R. 9591, to extend the period of time during which final proof may be offered by homestead entrymen.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I want to call the attention of the gentleman to page 1, line 11. I think it would be better if you struck out the words "by proper evidence" so that it would read "that any such entryman shall be required to show that it is a hardship upon himself" and so forth. I feel that the words "proper evidence" are too rigid and may defeat the purpose the gentleman has in mind.

Mr. LEAVITT. I shall be glad to accept the amendment.

Mr. ARENTZ. The gentleman wants to strike out the language but does not want to insert anything.

Mr. LAGUARDIA. No. The language as it is in the bill may narrow the purpose, and I think "any reasonable showing" is the intent of the committee, is it not?

Mr. LEAVITT. Yes. I think the gentleman's amendment is a good one.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to extend for a period of not to exceed two years the period during which final proof may be offered by any homestead entryman upon public lands of the United States if the date requiring the submission of such final proof by any such entryman under existing law falls within the period beginning July 1, 1931, and ending December 31, 1933: *Provided*, That any such entryman shall be required to show by proper evidence that it is a hardship upon himself to meet the requirements incident to final proof upon the date required by existing law, due to adverse weather or economic conditions.

SEC. 2. The Secretary of the Interior is authorized to make such rules and regulations as are necessary to carry out the purposes of this act.

Mr. LAGUARDIA. Mr. Speaker, I move to strike out on page 1, line 11, the words "by proper evidence."

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: Page 1, line 11, strike out the words "by proper evidence."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SILVER SERVICE OF THE GUNBOAT "NO. 9, HELENA"

The Clerk read the next bill on the Consent Calendar, S. 1047, authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Historical Society of Montana for preservation and exhibition the silver service which was in use on the gunboat No. 9, *Helena*.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, this is rather a novel case seeking the return of a silver service on a boat still in the service. It seems to me rather anticipatory of the time when it may become obsolete.

Mr. COYLE. It will go out of service very soon.

Mr. STAFFORD. What is the reason for being so previous? Why not have a general law providing that all silver services on vessels that will become obsolete in 10 or 20 years may be returned?

Mr. LAGUARDIA. I thought maybe that we first part with the silver service, and then they come in and say that the ship is obsolete because Congress has given away her service. [Laughter.]

Mr. STAFFORD. And that would be an argument for putting it out of commission.

Mr. LAGUARDIA. Yes; for buying a new ship.

Mr. STAFFORD. Would the gentleman from Montana have any objection to an amendment providing that whenever the Secretary of the Navy might desire to have it for another ship it should be returned?

Mr. LEAVITT. There would be no objection to that, because it is usually done.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, in his discretion, to deliver to the custody of the Historical Society of Montana for preservation and exhibition in the city of Helena, in that State, the silver service which was in use on the gunboat No. 9, *Helena: Provided*, That no expense shall be incurred by the United States for the delivery of such silver service.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Line 4, strike out the words "to deliver to the custody of" and insert "to loan to."

The amendment was agreed to.

Mr. STAFFORD. I offer another amendment.

The Clerk read as follows:

Line 7, after the word "loan," insert "until such time as he may order its return to the Navy."

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended.

A motion to reconsider was laid on the table.

AMENDING SECTION 5 OF CRIMINAL CODE

The next business on the Consent Calendar was the bill (S. 2682) to amend section 5 of the Criminal Code.

The SPEAKER pro tempore. Is there objection?

Mr. DYER. Mr. Speaker, I reserve the right to object, to have the chairman of the committee make a statement.

Mr. SUMNERS of Texas. Mr. Speaker, the only amendment proposed is to insert the word "who" in two places in the bill for the purpose of correcting the language. This is a Senate bill and the House has accepted the suggestion of the Senate.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of March 4, 1909, c. 321 (sec. 5, title 18, U. S. C.), be, and the same is hereby, amended to read as follows:

"SEC. 5. Every citizen of the United States, whether actually resident or abiding within the same, or in any place subject to the jurisdiction thereof, or in any foreign country, who, without the permission or authority of the Government, directly or in-

directly, commences or carries on any verbal or written correspondence or intercourse with any foreign government or any officer or agent thereof, with an intent to influence the measures or conduct of any foreign government or of any officer or agent thereof, in relation to any disputes or controversies with the United States, or to defeat the measures of the Government of the United States; and every person, being a citizen of or resident within the United States or in any place subject to the jurisdiction thereof, and not duly authorized, who counsels, advises, or assists in any such correspondence with such intent, shall be fined not more than $5,000 and imprisoned not more than three years; but nothing in this section shall be construed to abridge the right of a citizen to apply, himself or his agent, to any foreign government or the agents thereof for redress of any injury which he may have sustained from such government or any of its agents or subjects."

The bill was ordered to be read a third time was read the third time, and passed, and a motion to reconsider laid on the table.

THE TARIFF BILL

Mr. CRISP. Mr. Speaker, I ask unanimous consent that to-morrow, after the reading of the Journal and disposition of business on the Speaker's table, it shall be in order to take from the Speaker's table the tariff bill, and proceed to consider the Senate amendments thereto under the general rules of the House.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, it seems to me that is a rather unusual procedure. I do not remember ever having followed that before. I think the gentleman should ask unanimous consent to send the bill to conference.

Mr. CRISP. I think this has been done before, but I say to my friend from New York that the majority members of the Committee on Ways and Means have decided to move to concur in the Senate amendment. I prefer if possible to get the bill up in this way and to have it considered under the general rules of the House. If objection be made to it, the alternative course for me to pursue is to introduce a rule asking the Rules Committee to make it in order to take up the bill and concur in the Senate amendment.

Mr. SNELL. I shall have to object for the present.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8397) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes, with Senate amendments thereto, and consider the Senate amendments en bloc in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

Mr. LaGUARDIA. Mr. Speaker, did I understand the gentleman to request that the Senate amendments be considered en bloc?

Mr. BYRNS. That is correct.

Mr. LaGUARDIA. Is not that unusual? I hope the gentleman will not press his request—it is too comprehensive.

Mr. BYRNS. This would not cut off the right of discussion of these amendments, unless the House so decided later on.

Mr. LaGUARDIA. But that would be the only merit of the request.

Mr. STAFFORD. Mr. Speaker, is it the purpose of the gentleman to move to concur in all of the Senate amendments?

Mr. BYRNS. That is my purpose if this consent is given.

Mr. FRENCH. Mr. Speaker, I am compelled to object to the request. In its broad terms it seems to me it should not be asked. Quite a number of amendments have been put on by the Senate that are unjustifiable that the House ought to consider. The amendments ought to be considered in conference. I object.

Mr. BYRNS. Mr. Speaker, I move to suspend the rules and take from the Speaker's table the bill H. R. 8397, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The gentleman from Tennessee moves to suspend the rules and take from the Speaker's table the Interior Department appropriation bill, with Senate amendments thereto, and concur in the same. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 2, line 5, strike out "$363,580; in all, $378,580" and insert "$338,580; in all $353,580."

Page 3, line 7, strike out "$116,200" and insert "$111,200."

Page 4, line 3, strike out "one" and insert "two."

Page 4, line 3, strike out "vehicle" and insert "vehicles."

Page 4, line 17, strike out "$94,500" and insert "$90,000."

Page 5, line 3, strike out "$94,500" and insert "$90,000."

Page 5, line 13, strike out "$2,000" and insert "$1,800."

Page 5, line 14, strike out "$2,000" and insert "$1,800."

Page 5, line 21, strike out "$172,000" and insert "$125,000."

Page 5, line 21, strike out "$50,000" and insert "$35,000."

Page 5, line 22, strike out "$62,000" and insert "$40,000."

Page 6, line 8, strike out "$725,000" and insert "$700,000."

Page 9, line 8, strike out "$450,000" and insert "$400,000."

Page 10, line 4, strike out "$472,900" and insert "$400,000."

Page 11, line 3, strike out "$23,000" and insert "$20,000."

Page 11, line 6, strike out "$18,000" and insert "$15,000."

Page 11, line 11, strike out "$163,000" and insert "$150,000."

Page 11, line 19, strike out "$225,000" and insert "$165,000."

Page 11, line 21, strike out "$50,000; in all, $275,000" and insert "$30,000; in all, $195,000."

Page 11, line 24, strike out "$225,000" and insert "$200,000."

Page 12, line 7, strike out "$125,000" and insert "$100,000."

Page 12, line 11, strike out "$100,000" and insert "$75,000."

Page 13, line 1, strike out "$12,000" and insert "$10,000."

Page 13, line 11, strike out "$73,000" and insert "$60,000."

Page 13, line 12, strike out "$16,000" and insert "$13,250."

Page 13, line 22, strike out "$35,000" and insert "$30,000."

Page 15, strike out lines 7 to 13, inclusive.

Page 18, line 3, strike out "$225,000" and insert "$200,000."

Page 18, line 12, strike out "$140,000" and insert "$125,000."

Page 19, line 18, strike out "$75,000" and insert "$60,000."

Page 20, line 7, strike out "$500,000" and insert "$475,000."

Page 25, line 6, strike out "$102,000" and insert "$75,000."

Page 25, line 8, strike out "$190,000" and insert "$163,000."

Page 26, line 16, strike out "$100,000" and insert "$75,000."

Page 27, line 1, strike out "$28,000" and insert "$20,000."

Page 27, line 15, strike out "$42,000" and insert "$35,000."

Page 27, line 20, strike out "$332,500" and insert "$250,000."

Page 27, line 24, after "act," insert "*Provided further*, That no part of this appropriation shall be available for the extension of canals or ditches in connection with the Michaud division."

Page 28, line 12, strike out "$20,000" and insert "$17,500."

Page 28, line 17, strike out "$8,000" and insert "$5,000."

Page 29, line 2, strike out "$85,000" and insert "$80,000."

Page 29, line 4, strike out all after "$5,000;" down to and including "$436,000" in line 7 and insert "in all, $254,000."

Page 29, line 16, strike out all after "$41,000" down to and including "$86,000" in line 20.

Page 30, line 1, strike out "$20,000" and insert "$18,000."

Page 30, line 23, strike out "$15,000" and insert "$10,000."

Page 34, line 9, strike out "$55,000 and insert "$45,000."

Page 37, line 1, strike out "$290,000" and insert "$275,000."

Page 37, line 2, strike out "$207,000; in all, $497,000" and insert "$167,000; in all, $442,000."

Page 37, line 14, strike out all after "Montana," down to and including "$50,000" in line 15 and insert "for remodeling and repairing school building, $10,000."

Page 37, line 16, after "$10,000," insert ": *Provided further*, That the unexpended balance of the appropriation for employees' building, San Carlos, Ariz., fiscal year 1932, is hereby continued available until June 30, 1933."

Page 37, line 18, strike out "$40,000" and insert "$10,000."

Page 37, line 19, after "available," insert ": *Provided*, That in the discretion of the Secretary so much of this amount as may be necessary may be used for preliminary investigations of sites for relocation or replacement of present facilities, including tests for the purpose of determining adequacy of water supplies."

Page 37, after line 19, insert:

"The unexpended balance of the appropriation for school building, auditorium, gymnasium, heating plant, and conversion of present school building into dormitory, Pawnee School, Okla., contained in the Interior Department appropriation act, fiscal year 1932, is hereby continued available for the same purposes until June 30, 1933."

Page 39, line 4, after "1933," insert ": *Provided further*, That the unexpended balance of the appropriation for employees' building, including equipment, fiscal year 1932, is hereby made available until June 30, 1933, for the construction of cottages for employees."

Page 40, line 4, strike out "two."

Page 45, line 17, strike out "$406,500" and insert "$350,000."

Page 45, after line 17, insert "Not to exceed $500,000 of the appropriations herein specified for Indian educational purposes shall be expended, in the discretion of the Secretary of the Interior, for the construction of new day schools, the enlargement of existing day schools, the provision of transportation facilities between Indian homes and day schools, and for other purposes necessary to a substitution of day school for boarding school

facilities, wherever in the discretion of the Secretary of the Interior it is practicable."

Page 46, line 3, striking out all after "of" where it appears the first time, down to and including "Boxer" in line 4 and insert "vessels."

Page 46, line 6, strike out "$366,900" and insert "$341,900."

Page 46, line 7, strike out "$24,000" and insert "$22,000."

Page 46, line 8, strike out "$192,600" and insert "$182,600."

Page 46, line 9, strike out "$25,000" and insert "$22,000."

Page 46, line 11, strike out all after "of" where it appears the first time, down to and including "Boxer" in line 12 and insert "vessels."

Page 46, line 13, strike out "$690,000" and insert "$650,000."

Page 50, line 10, after "in" insert "or continued available by."

Page 50, line 13, strike out "and sanatoria" and insert ", sanatoria, and other physical improvements under this heading."

Page 51, line 7, strike out "$225,000" and insert "$200,000."

Page 51, line 18, strike out "$50,000" and insert "$40,000."

Page 52, line 8, strike out all after "employees," down to and including "$8,120," in line 21, and insert "$1,400,000: *Provided*, That no part of the money appropriated in this act shall be used for the payment of the salary or expenses of a special commissioner to negotiate with Indians.

Page 52, after line 21, insert:

"For an additional amount for support of Indians and administration of Indian property, including pay of employees, $135,000, to be immediately available and to remain available until June 30, 1932: *Provided*, That the limitation of $160,000 for relief, contained in the Interior Department appropriation act for the fiscal year 1932, is hereby increased to $570,000: *Provided further*, That this appropriation shall be available for the employment of Indian labor on any necessary project or activity."

Page 53, line 19, strike out "$25,000" and insert "$20,000."

Page 53, line 20, strike out "$120,000" and insert "$100,000."

Page 53, lines 20 and 21, strike out "$20,000; in all, $179,000" and insert "$16,000; in all, $150,000."

Page 53, line 24, strike out "$20,000" and insert "$15,000."

Page 53, line 25, strike out "$20,000" and insert "$15,000."

Page 53, line 25, strike out "$40,000" and insert "$30,000."

Page 54, line 1, strike out "$20,000" and insert "$15,000: *Provided*, That the unexpended balance of the appropriation for eradication of noxious weeds, fiscal year 1932, is hereby continued available for the same purposes until June 30, 1933."

Page 54, line 1, strike out "$10,000" and insert "$7,500."

Page 54, line 2, strike out "$31,980" and insert "$24,480."

Page 54, line 3, strike out "$2,000" and insert "$1,000."

Page 54, line 4, strike out "$2,000" and insert "$1,000."

Page 54, line 6, strike out "$53,000" and insert "$45,000."

Page 54, line 7, strike out "$7,500" and insert $5,000."

Page 54, line 7, strike out "$40,000" and insert "$30,000."

Page 54, line 8, strike out "$10,000" and insert "$5,000."

Page 54, line 8, strike out "$15,100" and insert "$10,000."

Page 54, line 9, strike out "$2,000" and insert "$1,000."

Page 54, line 9, strike out "$74,600" and insert "$51,000."

Page 54, line 10, strike out "$2,000" and insert "$1,000."

Page 54, line 12, strike out "$5,000" and insert "$2,500."

Page 54, line 13, strike out "$10,000" and insert "$5,000."

Page 54, line 13, strike out "$16,400" and insert "$8,900."

Page 54, line 14, strike out "$30,000" and insert "$25,000."

Page 54, line 14, strike out "$40,000" and insert "$25,000."

Page 54, line 15, strike out "$70,000" and insert "$50,000."

Page 54, line 17, strike out "$1,500" and insert "$1,000."

Page 54, line 17, strike out "$3,000" and insert "$2,000."

Page 54, line 18, strike out "$4,500" and insert "$3,000."

Page 54, line 18, strike out "$3,100" and insert "$2,000."

Page 54, line 19, strike out "$3,000" and insert "$2,000."

Page 54, line 20, strike out "$10,600" and insert "$7,000."

Page 54, line 21, strike out "$75,000" and insert "$50,000."

Page 54, line 21, strike out "$9,100" and insert "$5,000."

Page 54, line 22, strike out "$84,100" and insert "$55,000."

Page 54, line 23, strike out "$90,300" and insert "$75,000."

Page 54, line 24, strike out "$7,000" and insert "$4,000."

Page 54, line 24, strike out "$97,300" and insert "$79,000."

Page 55, line 1, strike out "$15,000" and insert "$10,000."

Page 55, line 6, strike out "$40,500" and insert "$30,000."

Page 55, line 6, strike out "$7,500" and insert "$5,000."

Page 55, line 7, strike out "$4,000" and insert "$2,000."

Page 55, line 9, strike out "$10,000" and insert "7,500."

Page 55, line 9, strike out "$36,000" and insert "$30,000."

Page 55, lines 11 and 12, strike out "$30,000; in all, $128,000" and insert "$20,000; in all, $94,500."

Page 55, line 14, strike out "$75,000" and insert "$50,000."

Page 55, line 19, strike out "$77,000" and insert "$52,000."

Page 55, line 20, strike out "$50,000" and insert "$40,000."

Page 55, line 21, strike out "$945,480" and insert "$712,380."

Page 55, line 24, strike out "$100,000" and insert "$75,000."

Page 56, line 6, strike out "$60,000" and insert "$45,000."

Page 56, line 7, strike out "$40,000" and insert "$30,000."

Page 57, line 15, strike out "$175,000" and insert "$150,000."

Page 57, line 23, strike out "$68,000" and insert "$60,000."

Page 57, line 25, strike out "$48,000" and insert "$42,500."

Page 58, line 3, strike out "$20,000" and insert "$17,500."

Page 59, line 11, strike out all after "construction" down to and including "labor" in line 14.

Page 62, line 15, strike out "$140,360" and insert "$130,000."

Page 62, line 16 and 17, strike out "$23,000; in all, $173,360" and insert "$20,000; in all, $160,000."

Page 62, line 22, strike out "$178,000" and insert "$170,000."

Page 62, line 24, strike out "$25,000" and insert "$20,000."

Page 62, line 25, strike out "$7,000" and insert "$5,000."

Page 63, line 1, strike out "$54,000" and insert "$45,000."

Page 63, line 2, strike out "$12,000" and insert "$10,000."

Page 63, line 5, strike out "$20,000" and insert "$15,000."

Page 65, line 25, strike out "$60,000" and insert "$50,000."

Page 66, line 1, strike out "$80,000" and insert "$70,000."

Page 66, line 6, strike out "$39,000" and insert "$35,000."

Page 66, line 9, strike out "$25,000; in all, $40,000" and insert "$20,000; in all, $35,000."

Page 66, line 11, strike out "$65,000" and insert "$55,000."

Page 66, line 19, strike out "$165,000" and insert "$155,000."

Page 67, after line 6, insert:

"Sun River project, Montana: Of the unexpended balance of the appropriation for continuation of construction for the fiscal year 1932, $25,000 is reappropriated and made available for the fiscal year 1932, $25,000 is reappropriated and made available for the fiscal year 1933 for drainage construction, Greenfields division."

Page 67, line 12, strike out "$30,000" and insert "$25,000."

Page 67, line 17, strike out "$365,000" and insert "$300,000."

Page 67, line 18, strike out "$411,000" and insert "$346,000."

Page 67, line 23, strike out "$1,000,000" and insert "$590,000."

Page 68, line 9, strike out "$48,000" and insert "$45,000."

Page 68, line 10, strike out "$123,000" and insert "$120,000."

Page 69, strike out lines 23 and 24, and lines 1 and 2, page 69, and insert:

"Salt Lake Basin project, Utah, second division: The unexpended balance of the appropriation for the fiscal year 1932, originally made in the Appropriation Act of May 14, 1930 (46 Stat. 308), for the Interior Department for the fiscal year ending June 30, 1931, and continued available for the fiscal year 1932 by the act of February 14, 1931 (46 Stat. 1115), shall remain available for the same purposes for the fiscal year 1933, the proviso to said original appropriation for said second division being hereby amended so as to read as follows: '*Provided*, That no part of this sum shall be available for construction work until a contract or contracts shall be made as required by the reclamation laws with an irrigation district or districts or water users' association or associations for the payment to the United States of the cost of such second division.'"

Page 69, line 4, strike out "$300,000" and insert "$250,000."

Page 69, line 5, strike out "$800,000" and insert "$750,000."

Page 69, line 7, strike out "$45,000" and insert "$40,000."

Page 69, line 12, strike out "$20,000" where it occurs the first time and insert "$17,500."

Page 69, line 17, strike out "$12,000" and insert "$10,000."

Page 72, line 3, strike out "$3,089,360" and insert "$2,414,500."

Page 72, line 24, strike out "$8,000,000" and insert "$6,000,000."

Page 73, line 7, strike out "$45,000" and insert "$70,000."

Page 73, line 18, strike out "$150,000" and insert "$125,000."

Page 75, line 1, strike out "$350,000" and insert "$325,000."

Page 75, line 7, strike out "$350,000" and insert "$325,000."

Page 75, line 10, strike out "$50,000" and insert "$40,000."

Page 75, line 13, strike out "$21,000" and insert "$15,000."

Page 75, line 15, strike out "$67,500" and insert "$60,000."

Page 75, line 16, strike out "$36,000" and insert "$30,000."

Page 76, line 9, strike out "$400,000" and insert "$450,000."

Page 77, line 11, strike out "$250,000" and insert "$225,000."

Page 77, line 12, strike out "$45,000" and insert "$40,000."

Page 79, line 21, strike out "$2,279,500" and insert "$2,181,000."

Page 82, line 12, strike out "appropriation" and insert "appropriations for Carlsbad Caverns National Park."

Page 95, after line 1, insert "areas to be established as national parks under the act of May 22, 1926 (U. S. C., title 16, sec. 403)."

Page 95, after line 1, insert "for the removal of the present Otter Cliffs radio station and its reconstruction within the Acadia National Park in connection with the Acadia Park motor road, Maine, at a cost not to exceed $250,000."

Page 95, line 6, strike out "$5,000,000" and insert "$4,500,000."

Page 95, line 13, after "1933," insert "*Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior may also approve projects, incur obligations, and enter into contracts for additional work, including work on approach roads authorized by the act of January 31, 1931, not exceeding a total of $2,500,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for the construction of roads in national parks and monuments shall be considered available for the purpose of discharging the obligation so created."

Page 95, line 20, strike out "$280,000" and insert "$250,000."

Page 96, line 9, strike out "$25,000" and insert "$20,000."

Page 96, line 18, strike out "$70,000" and insert "$50,000."

Page 97, strike out lines 8 to 15, inclusive.

Page 98, line 15, strike out "of Alaskan natives."

Page 98, line 17, strike out all after "Alaska," down to and including "herds," in line 19.

Page 98, line 22, after "immediately," insert: ": *Provided*, That no part of this appropriation shall be available for the payment of employees who are not experienced in animal husbandry."

Page 100, line 8, after "Railroad;" insert "operation and maintenance of agricultural experiment stations heretofore operated by the Department of Agriculture on the line of the railroad."

Page 100, line 19, strike out "$500,000" and insert "$450,000."

Page 102, line 22, after "$110,000," insert ": *Provided further*, That should the revenues of the municipality of St. Thomas and St. John, during the fiscal year 1933, exceed $112,032, and/or the

revenues of the municipality of St. Croix exceed $124,355, such excess revenues may be expended for municipal improvements and operating costs of the municipalities under such rules and regulations as the President may prescribe: *Provided further*, That the unobligated balance of the appropriation for expenses of the temporary government for the Virgin Islands contained in the second deficiency act, fiscal year 1931, shall be available for the fiscal year 1933 for such projects for the further development of agriculture and industry, and for promoting the general welfare of the islands as may be approved by the President, including the acquisition by purchase, condemnation, or otherwise, of land and the construction of buildings for use in administering the affairs of the islands; the purchase of land for sale as homesteads to citizens of the Virgin Islands; and the making of loans for the construction of buildings, for the purchase of farming implements and equipment, and for other expenses incident to the cultivation of land purchased for resale as homesteads."

Page 104, line 11, after "residence:" insert "*Provided further*, That no part of this appropriation shall be expended for the purchase of oleomargarine or butter substitutes except for cooking purposes."

Page 106, strike out lines 1 to 3, inclusive.

Page 106, strike out lines 4 to 6, inclusive.

Page 106, line 7, strike out "$1,075,000" and insert: "$675,000."

Page 107, line 6, strike out all after "equipment:" down to and including "Interior" in line 24 and insert "*Provided*, That no part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, ambulances, and station wagons) at a cost, completely equipped for operation, in excess of $750, except where, in the judgment of the department, special requirements can not thus be efficiently met, such exceptions, however, to be limited to not to exceed 10 per cent of the total expenditures for such motor vehicles purchased during the fiscal year, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment, except in cases of officers and employees engaged in field work the character of whose duties make such transportation necessary and then only when the same is approved by the head of the department. The limitations of this proviso shall not apply to any motor vehicle for official use of the Secretary of the Interior."

Page 108, strike out lines 1 to 24, inclusive, and lines 1 and 2, page 109.

Page 109, strike out lines 3 to 20, inclusive, and insert:

"SEC. 3. No appropriation under the Department of the Interior, available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act to pay the compensation of an incumbent appointed to any position under the Federal Government which is vacant on the date of the approval of this act or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filing of which may be authorized or approved in writing by the President of the United States, either individually or in groups, or (b) to temporary, emergency, seasonal, and cooperative positions. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session: *Provided*, That such impounding of funds may be waived in writing by the President of the United States in connection with any appropriation or portion of appropriation, when, in his judgment, such action is necessary and in the public interest."

The SPEAKER. Is a second demanded?

Mr. FRENCH. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. SCHAFER. Mr. Speaker, in view of this unusual procedure I believe we should have a quorum present. Evidently there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seven Members are present, not a quorum.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 51]

Abernethy	Andresen	Beers	Brand, Ohio
Adkins	Bachmann	Black	Britten
Aldrich	Beck	Boland	Brumm
Allen	Beedy	Boylan	Brunner
Campbell, Pa.	Estep	Kurtz	Rudd
Carley	Evans, Calif.	Lamneck	Sabath
Carter, Calif.	Finley	Lankford, Va.	Selvig
Cavicchia	Flannagan	Larrabee	Smith, Va.
Chapman	Freeman	Lehlbach	Somers, N. Y.
Chase	Fulbright	Lewis	Sparks
Clark, N. C.	Gavagan	Lindsay	Steagall
Clarke, N. Y.	Golder	Linthicum	Stevenson
Cochran, Pa.	Granfield	Lovette	Stewart
Collier	Griswold	McClintock, Ohio	Stokes
Condon	Guyer	McFadden	Strong, Pa.
Connery	Haines	McLaughlin	Sullivan, N. Y.
Connolly	Hart	McMillan	Sullivan, Pa.
Cooke	Haugen	Magrady	Swick
Cooper, Ohio	Hawley	Manlove	Temple
Corning	Holaday	Mead	Tilson
Crump	Hopkins	Montet	Timberlake
Cullen	Houston	Murphy	Treadway
Curry	Hull, Morton D.	Nelson, Wis.	Tucker
De Priest	Hull, William E.	Niedringhaus	Turpin
DeRouen	Igoe	Norton, N. J.	Watson
Disney	Jeffers	Oliver, N. Y.	Welsh, Pa.
Doughton	Jenkins	Parker, N. Y.	Withrow
Douglas, Ariz.	Johnson, Ill.	Patman	Wolfenden
Douglass, Mass.	Kelly, Pa.	Peavey	Wood, Ind.
Doutrich	Kendall	Pou	Wyant
Drane	Kennedy	Pratt, Ruth	Yates
Drewry	Kleberg	Reid, Ill.	
Elsey	Kuns	Rich	

The SPEAKER. Three hundred and two Members have answered to their names. A quorum is present.

Mr. BYRNS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The gentleman from Tennessee [Mr. BYRNS] has 20 minutes, and the gentleman from Idaho [Mr. FRENCH] has 20 minutes.

Mr. BYRNS. Mr. Speaker, the motion pending before the House is to suspend the rules and concur in the Senate amendments to the bill making appropriations for the Interior Department, which involves a reduction of $5,047,760. In other words, those who vote "aye" upon the motion will vote to reduce the appropriation in the sum of $5,047,760, Those who vote "no" will, of course, be in the position that they are not willing to reduce the bill in that amount.

The bill making appropriations for the Department of the Interior passed the House, carrying $50,446,432.33, which was a reduction under the President's estimates of $6,258,920. The Senate committee, after consideration of the House bill, made a further reduction, as I have stated, and reported the bill with that reduction, to the Senate, where it was discussed over a period of several days, as I recall, and the Senate concurred in those reductions.

In this day of economy, in this day when everybody is pleading for a reduction in Federal expenses, it occurs to me that the House of Representatives, which is the popular body of Congress, can not afford to refuse to make those reductions which the Senate has agreed upon, after careful consideration. [Applause.] It is the first time we have had an opportunity to agree with the Senate and by doing so save money to the Treasury.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. EVANS of Montana. The reduction in the Interior Department bill actually amounts to more than 20 per cent, does it not?

Mr. BYRNS. It amounts to about 20 per cent, and I will say to my friend, the gentleman from Montana, who I know is interested in the subject of economy, that other bills will carry something similar to that before we get through with them.

There may be some of these reductions to which some Members of this House may be opposed, but it was the opinion of the Senate and its committee that the reductions could be made without injury to the service. Inasmuch as the Senate has taken that action, it has occurred to some of us that we should adopt them.

So, therefore, there is before you one simple proposition, and that is whether, by your vote to-day, you will vote to reduce the appropriations of the Government still further in the sum of over $5,000,000, or whether you will take the other course.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BLANTON. And by cutting down the money, it gives the President an opportunity to abolish certain useless bureaus that he ought to abolish?

Mr. BYRNS. Yes; and I may say that I think the House and the Congress will have an opportunity later on to vote for some propositions looking to the interchangeability of appropriations.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. I yield.

Mr. SNELL. Would the gentleman tell the House a few of the more important reductions? I mean a half a dozen of the largest?

Mr. BYRNS. Yes. The largest reduction is in the case of Boulder Dam, which the Senate cut in the sum of $2,000,000.

Mr. SMITH of Idaho. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. I yield.

Mr. SMITH of Idaho. Can the gentleman say how many men will be thrown out of employment if these amendments are agreed to?

Mr. BYRNS. I will say to my friend, the gentleman from Idaho, that I fancy there will not be many, if any, thrown out of employment. They will doubtless be taken care of in vacancies. Of course I do not know. I will say that these reductions made in the Senate involve about 723 employees. One hundred and eighty-five of them are in the city of Washington.

Mr. SMITH of Idaho. I have information from the Secretary of the Interior that over 4,000 men will be thrown out of employment if these amendments are agreed to.

Mr. BYRNS. These reductions involve only 723 employees; and I ask the gentleman from Idaho and other Members of this House: Are you willing to tax the people over $5,000,000 in order to retain 723 employees in the service? That is the proposition which confronts us. For my part I believe in looking to the interest of the taxpayer and relieving the taxpayer. [Applause.] I will say to you that unless we all look at it from that standpoint there will be many new faces in the next Congress, because sentiment is widespread all over this country that there must be reductions in the expenditures of the National Government and in the State and municipal governments.

This is not a haphazard motion. When this bill was passed in the Senate and came to the House, those who would have served upon the House conference committee, headed by the gentleman from Colorado [Mr. TAYLOR], chairman of the subcommittee which prepared this bill, met in conference among themselves. They spent the greater portion of one day going over these amendments, and this motion is made with the concurrence of those gentlemen, with the single exception of the gentleman from Idaho [Mr. FRENCH]; and I am not so certain in my own mind that the gentleman from Idaho is opposed to many of these amendments.

So this had consideration by the conferees of the House; and what is the use in going into conference and going over to the Senate, when at least three of your conferees—Mr. MURPHY, of Ohio, being unfortunately ill at home—have already agreed to these amendments, and would simply go there, accept them, and report them back to the House?

Mr. Speaker, I do not want to consume the time of the House. I am going to yield to the gentleman from Colorado [Mr. TAYLOR] in a few moments, as he helped to prepare this bill and is more familiar with it.

Mr. KETCHAM. Will the gentleman yield?

Mr. BYRNS. For a brief question.

Mr. KETCHAM. Has the gentleman's attention been attracted to amendment 172, on page 98?

Mr. BYRNS. No; not particularly, although I have read all of these amendments.

Mr. KETCHAM. It seems to me that along the line of economy, for which the gentleman has been so eloquently pleading, a very substantial reduction might be made in that amendment, which was added by the Senate and which, as I understand, was rejected by the House.

Mr. BYRNS. I will say to the gentleman that this provision does not carry any appropriation. It is simply an authorization to make a contract; and then, if they come back, after having made a contract, it will be up to the Congress to decide whether or not it will make the appropriation. But there is not a dollar of appropriation involved in that Senate amendment. I am informed it has been in the bill for a number of years, I will say to my friend, and does not require any money, and it will not require any money if Congress is unwilling to make the appropriation.

Mr. GOSS. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. GOSS. I had that stricken out on a point of order because it was legislation unauthorized by law, but it was put back in the Senate.

Mr. BYRNS. That is true. The Senate put it back, but in putting it back the Senate has saved over $5,000,000. Therefore, I think the gentleman can well afford to waive his point of order—although, of course, he could not make it now—in consideration of the fact that he has the opportunity to vote to save over $5,000,000.

Mr. GOSS. I shall be glad to vote for the reduction.

Mr. BYRNS. Mr. Speaker, I reserve the balance of my time. [Applause.]

Mr. FRENCH. Mr. Speaker, I am one of the Members of the Congress who is in deepest sympathy with the gentleman from Tennessee in his efforts to bring about reductions in governmental expenditures. The gentleman has moved to concur in the Senate amendments. It is my judgment that a sounder way to proceed would be to send the bill to conference. The first statement my colleague made, however, that Members of this body who vote in favor of the motion to concur in the Senate amendments vote to save more than $5,000,000 to the Treasury and that those who vote against the motion vote to expend $5,000,000 more than otherwise would be spent, I am sure could not have been made with deliberation. In other words, I am not opposing this bill because a reduction has been made of $5,000,000. I am not asking that it be sent to conference in order to add $5,000,000 to the bill. I hope that that much may be saved and more. I am asking that it be sent to conference in order that in orderly fashion the conferees of the Senate and the House may meet together and eliminate everything that can be eliminated, and it will be within the possibilities to bring back a bill that will mean reductions of more than the $5,000,000, to which the gentleman refers. [Applause.]

In other words, the points at issue are not totals but whether or not the amendments added by the Senate are sound amendments; whether the allocations made by the Senate in order to meet the task the Senate set for itself of reducing the bill 10 per cent below the House bill have been made in ways that the House would approve.

Mr. BYRNS. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BYRNS. No one in the House is more familiar with the jurisdiction of conferees than the gentleman from Idaho. I would like to have the gentleman explain his statement that if conferees were appointed they would be able to reduce this bill in money appropriated to a greater extent than the reductions made in the Senate. Are not the conferees bound between those sums, the amount passed by the House and the amount passed by the Senate?

Mr. FRENCH. Not necessarily. The gentleman overlooks that the Senate has added to the bill as well as subtracted from it. The conferees will be bound on specific items by the figures inserted by the House and the amounts added or subtracted by Senate amendments.

Mr. BYRNS. But after all, is it not true that in no case could the conferees under their jurisdiction and under the rules of both the Senate and the House reduce this bill more than the Senate has already reduced it?

Mr. FRENCH. Yes; it would be possible.

Mr. BYRNS. How? The gentleman is telling me something I would like to know, because I have always been

under a different impression, and it might be valuable in the future.

Mr. FRENCH. It would be possible for the House to force the Senate to recede upon amendments that involve considerable items or obligations and the House to recede on provisions that involve less. The net result might be to lower the total of the bill and not increase it.

Mr. TABER. Will the gentleman yield for a question?

Mr. FRENCH. Yes.

Mr. TABER. On page 98, amendment No. 172, there is a contract authorization to spend $2,500,000 more than was carried in the bill to start with. That ought to be cut out.

Mr. FRENCH. The statement the gentleman has just made is correct and illustrates my point. That item ought to be cut at least $1,000,000. The gentleman from Tennessee, in referring to the question of the gentleman from Michigan [Mr. KETCHAM] a moment ago, stated with respect to the $2,500,000 authorization that it had never cost the Government anything up to the present time, although the provision had been in the bill in the past. On the other hand, a similar provision was in the bill last year carrying $2,850,000 of authorization, and every dollar of it is carried in the present bill with a direct money appropriation of $2,850,000.

Now, gentlemen, let me direct attention to just two or three factors, because I have promised time and I must yield to others.

I could hope as a result of conferees getting together that we could reduce the total of the bill—money appropriations and authorizations. I could hope, if it were not possible to reduce the total of the bill, that we could reallocate the moneys carried in the bill so that we could care for needed items, so that we would not spend the money in ways that I think it is not so wisely provided that it be spent as in the provisions of the House bill.

Consider another factor. Are the so-called reductions real reductions or are they paper reductions? The Senate, under the McKellar motion, instructed the Senate Appropriations Committee to cut the bill 10 per cent below the House bill, or by about $5,000,000.

The Senate proceeded to do just that thing on paper; but as it reduced the items so that a sum total of reduction would show up on paper of $5,000,000, it made those reductions to the extent of probably 50 per cent or more in ways that must be taken care of by the Congress in the deficiency appropriation bill.

Mr. BYRNS. Then my friend, who just said a while ago that if it went to conference they might save money, is now advocating an increase in the appropriations?

Mr. FRENCH. No; not at all.

Mr. BYRNS. The statement of the gentleman proves it.

Mr. FRENCH. No; not at all, as the gentleman will see if he will follow me through. Let me direct attention to two or three amendments put on by the Senate. After passing the motion with a flourish authorizing or directing the Committee on Appropriations of the Senate to reduce the bill by 10 per cent, we then find a reduction of $2,000,000 for Boulder Dam. Was that reduction made with the thought of actual reduction, or just to comply technically with the mandate to reduce?

On the floor of the Senate the other day, when this so-called reduction was considered, what did the chairman of the Appropriations Committee say as he presented this bill to the Senate? Here is his language, on page 8019 of the RECORD, under date of April 12, referring to the Boulder Dam appropriation:

> Mr. SMOOT. Mr. President, I simply want to repeat what I said yesterday. I would agree with all the Senator says if it were not for the fact that we were to have further appropriations for this activity [Boulder Dam] of the Government. I am as sure as that I live that in a deficiency appropriation bill there will be appropriated all the money necessary to carry on that work. No human being would ever think of stopping the work if he knew what it meant. It is impossible to stop it. If that work were to stop to-day, the diversion tunnels more than likely would be destroyed, and that can not be done. Congress will not do it. Congress is going to appropriate every dollar necessary for that work, and we will know more about how much we will need when the deficiency appropriation bills come before us. * * *
>
> There is no chance whatever of Congress failing to appropriate the money for that great undertaking.

In other words, the chairman of the Appropriations Committee, as he presented the bill to the Senate, has himself indicated that they have taken this means of satisfying the strict terms of the motion to reduce 10 per cent; they have made a reduction here of $2,000,000 that the gentleman's deficiency committee will be called upon to take care of in the present Congress or in the Congress that will convene in December.

Mr. BYRNS. Will the gentleman yield for a question?

Mr. FRENCH. I yield.

Mr. BYRNS. If that be true, would the gentleman then advocate and vote for the elimination of that amendment if he went into conference?

Mr. FRENCH. I do not think it ought to be eliminated, but I will tell the gentleman this——

Mr. BYRNS. That means, then, that the gentleman would take from the Senate reductions an item of $2,000,000. How does the gentleman reconcile that statement with the statement a while ago to the effect that if this bill went to conference he would be able to save money?

Mr. FRENCH. That is not the only item in the bill. I have already referred to one contract authorization involving a greater sum. Does the gentleman want to stand upon his statement he made at first that a vote against sending this bill to conference means saving $5,000,000?

Mr. BYRNS. I do not know how much it will finally save, but I will say to the gentleman that it undoubtedly saves over $5,000,000 at this time; and I am not prepared to agree with the Senator from Utah, who made the statement, rather than the chairman of the Appropriations Committee, that $2,000,000 will be needed next year. Why is it that you can not defer some of this work until the people get in a better financial condition?

Mr. FRENCH. We ought to wherever it may be done without greater loss. If there were a reasonable way by which this work could be deferred, I should be glad to defer it.

Mr. BYRNS. I will say to my friend that even after this reduction you will have $6,000,000 for work on the Boulder Dam during the year 1933, besides whatever they may have on hand, and this is in addition to what has already been spent.

Mr. TABER. Will the gentleman from Idaho yield for another question?

Mr. FRENCH. I yield for a question.

Mr. TABER. On page 53, amendment No. 70, there is $570,000 added, and these two items, the $2,500,000 and the $570,000 item, could be cut out in conference if the House allowed the bill to go to conference.

Mr. FRENCH. Yes. It would be the duty of the conferees to pick out the most important items and eliminate the rest.

Now let me say a word or two more, and I shall conclude. All the way through the bill reductions have been made in arbitrary fashion in the Bureau of Education, in the Geological Survey, in the Indian Service in its schools and hospitals, in Howard University, and in the different institutions under the jurisdiction of the Department of the Interior, apparently without sound regard for the work that must be carried forward, without regard to ultimate economies that will be served, but only to carry out the mandate to reduce appropriations by 10 per cent.

Gentlemen, I am in favor of going the limit in effecting economy in all appropriation bills where reductions can be sustained, and the House and the Senate ought to compete with each other not only in making money reductions but most of all and primarily in making reductions that can be defended. [Applause.]

Mr. SCHAFER. Will the gentleman yield?

Was the $2,500,000 appropriation, on page 98 of the bill, considered in the total amount of saving by the Senate bill, or is it merely a camouflage saving?

Mr. BYRNS. Let me say to the gentleman that this is an economy of the Senate.

Mr. SCHAFER. It is a camouflage if you have not considered the $2,500,000 in the total.

[Here the gavel fell.]

Mr. FRENCH. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I want to call the attention of the House to this very important situation, that the arbitrary decrease in this appropriation bill is made without any regard, without taking into consideration any remedy which may come from the so-called Committee on Economy. The Committee on Economy, in turn, I am informed, is proceeding without considering reductions made in appropriation bills. Where reductions have been made that necessitate the discharge of employees or the reduction of pay, it will be in addition to any recommendation that will be made by the Economy Committee. There seems to be no consultation, cooperation, or correlation of the proposed economies.

Mr. BYRNS. I will say to the gentleman that the Economy Committee will make no recommendation with reference to these provisions.

Mr. LAGUARDIA. Exactly. Their study and recommendations ignore these cuts. There are large reductions in many small bureaus, and assuming that the Economy Committee recommends additional reductions many bureaus may be wiped out entirely. Take the Geological Survey, with a decrease of $25,000 in salary, and take the Bureau of Indian Affairs, with a decrease of $72,900 in salary—if Congress is to pass a straight horizontal reduction it brings in additional decreases which may absolutely destroy or impair the functions of many of these bureaus.

Take the Bureau of Education—but a small unit. This bill reduces salaries, general expenses and other items by $105,000. The Committee on Economy ignoring this reduction, making recommendations of reductions applicable to all departments, would entirely destroy this bureau. In an office as small as that of the Bureau of Education in the Department of the Interior a reduction of $105,000 is more than it can absorb. I am pointing out why the reductions, economies, and decreased appropriations must be all taken together in a comprehensive study.

This piecemeal work is unsound and unscientific. First, the Budget Bureau reduces, then the House reduces, and then the Senate arbitrarily reduces, and the Committee on Economy not taking into consideration these reductions, will come in later with further reductions, I predict now that the whole governmental service will be disorganized and thrown out of gear. That is the reason that I shall oppose the procedure proposed here to-day, and vote against concurring in the Senate amendments.

And I want to say that the Power Trust will be very happy when it reads that the House is playing right into its slimy hands by reducing the appropriation $2,000,000 which will retard and hinder the construction of Boulder Dam. [Applause.]

[Here the gavel fell.]

Mr. FRENCH. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts.

Mr. LUCE. Mr. Speaker, when I came to the House in 1919 the Republicans were in control of it. A tide of resentment against the domination of the House by conference committees had been rising. Coming into control of the House in 1920 the Republicans changed the rules so that in case the Senate violated the spirit of our Holman rule, the House might have a vote on separate amendments.

I would call attention to the significant fact that after a dozen years of Democratic criticism of the Republicans in the House for applying what is known as the gag, we are now seeing a stronger application of the gag than in all of those 12 years, for we are not only to lose the chance of a separate vote on Senate amendments, but also to lose such protection as a conference committee might give. We now see this House refused an opportunity to discuss provisions that the Senate has inserted. The Committee on Appropriations gets no chance to defend its details; other members who are acquainted with some of the things concerned, as for instance, I am through a visit to the localities this last summer, can not present personal testimony on the matter. We are obliged to take this thing and swallow it without even knowing what we are doing. Shall we thus surrender our dignity, surrender our rights, surrender our responsibility, and make a greater inroad on the accustomed procedure of this House than I have known since coming here? I am told that there is precedent for it, but if so it was created before that day in 1920 when the House asserted its right to exercise its own judgment upon Senate amendments.

What is happening? The Committee on Appropriations hereby confesses that in various particulars it was wrong in sending the bill to the House. The House confesses that it was wrong in these respects in sending the bill to the Senate. We break down the principle of the bicameral system, which calls for the deliberate and independent judgment of both House and Senate, both prior to and after conference between the two Houses when differences arise, before conclusion is reached. That seems to me to be an invasion of our orderly procedure of far more importance than the dollars that are involved. You are sowing dragons' teeth, and these teeth will fruit in time, and you will repent of your action when you deny the membership of the House, each and every man of us, the opportunity to say what we think about what the other body does. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. BYRNS. Mr. Speaker, I yield the remainder of my time to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Speaker, I must decline in the very few minutes I have to answer questions or to be interrupted. I will first refer to amendment 172, which has been questioned and criticized by several gentlemen. Several years ago the then members of this Interior Department Appropriation Subcommittee, including Mr. Cramton, Mr. MURPHY, Mr. FRENCH, Mr. Carter of Oklahoma, and me, enlarged the appropriations for roads in the national parks and inaugurated the policy of spending $5,000,000 a year on that construction, and we have been carrying that item for this purpose in the bill ever since. Every Interior Department appropriation bill has for several years past carried this identical item in this identical language. It authorizes the entering into contracts in advance; that is, so that they could run over for two years' time. In that way the park can and does get very much better contracts than we could for a 1-year program. There is nothing new about this item. We have authorized this identical item of two and a half million dollars to carry over the contracts for the next year. That is all there is to this. It is true that it has been subject to a point of order all these years, but everybody seemed to understand it and no one ever made a point of order against it until the gentleman from Connecticut made the point and it went out just before we passed the bill in the House. The Senate has put it back in the identical and original language that it has been in for I think some six or eight years. So much for that.

Last year this bill carried in round numbers nearly $70,000,000. The Budget cut it down to $56,700,000 plus this year. The subcommittee, of which I feel highly honored in being chairman, cut off over $6,000,000, and the House approved our action. The bill then went to the Senate carrying $50,431,000.

The Senate discussed it for several days and added about $7,000,000 to it. Then a motion was introduced and passed on March 17, by a roll call vote of 40 to 25, directing the Senate Interior Department Subcommittee on Appropriations to cut the bill 10 per cent below the amount it carried when it came from the House. The Senate committee obeyed that motion. They took the bill up again and considered it very carefully and fully item by item, and they cut off $5,047,760. They made 189 amendments to the bill. They very earnestly tried to reduce the bill 10 per cent and at the same time do as little harm as possible. Candidly I think in nearly all of those items they did a splendid job.

I may say that the House subcommittee has gone over every one of those 189 amendments very carefully. This pamphlet I hold in my hand gives all those amounts tabulated and it has been printed about a week, so that everyone could examine it. Actually, if this subcommittee had been ordered by this House to cut that bill 10 per cent from the amount it carried when it went to the Senate, I doubt if we would have done much better than the Senate did; and if the bill should be sent to conference now, I venture to say there are not a half dozen amendments in there that we would change, unless we increased the amount a great deal. The amended provisions in the bill concerning not filling vacancies and concerning the purchase of automobiles have, I understand, been agreed on in this identical language in the agricultural appropriation bill.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Colorado. I can not yield. I want to give you a comparison of the cuts in the appropriation bills that have thus far passed the House at this session. The agricultural bill was cut only 6 per cent below the Budget. The District of Columbia bill was cut 9.5 per cent below the Budget. The legislative bill was cut 10.2 per cent below the Budget.

The independent offices bill was cut 5.2 per cent below the Budget.

The Departments of State, Justice, and Commerce bill was cut only 4 per cent. The Treasury Department bill was cut only 2 per cent below the Budget, while our committee cut this Interior bill 11 per cent below the Budget and the Senate has cut that reduced amount 10 per cent more. I want to see all bills treated alike. But the question before the House now is purely a question of whether or not we want to concur substantially in these 189 Senate amendments. I may say that the bill has of course been referred to the Secretary of the Interior and he, like all of the other department heads, is vigorously opposed to practically all of these cuts. But, gentlemen, the only way to reduce the cost of government is to reduce its appropriations, and that reduction has got to come from Congress. The departments and hundreds of bureaus, boards, and commissions will never on earth reduce themselves any. Appointed officials never have the same concern about the taxpayers that elected officials have. This is no time to use a little pruning knife. We have got to use an ax or the people at home will use an ax on us.

Of course, I do not approve of all those amendments. But no bill carrying thousands of items is ever perfect. After the Senate committee spent several days in making these reductions the bill was brought back to the floor of the Senate, and the Senate considered and debated the items fully and approved every one of them, and had several roll calls on them and the amendments were carried by quite substantial majorities. Even if we should send this bill to conference the hands of the Senate conferees are actually tied by their positive instructions and those repeated votes. I do not see that we would gain anything.

I think the Senate conferees would feel that they were instructed by the many notes and roll calls on these amendments, and it would therefore be futile for us to discuss the greater portion of them with the Senate conferees. The House of Representatives has always been the watchdog of the Treasury. This is the first time in over 23 years that I ever remember an appropriation bill coming back from the Senate reduced any. How can this House consistently refuse to concur in this reduction? The question is squarely whether or not this House is willing to unhesitatingly join with the Senate in a reduction on these appropriation bills? I may say that this bill is the first one of the big supply bills, and it will probably determine its action on all the rest of them. This is the first show-down. Congress has been in session four months and a half, and not one of these large annual appropriation bills has been passed yet. The country is anxiously watching to see some substantial and expeditious reductions of expenses. I feel that if you send this back to conference it may stay there for several weeks longer and that practically nothing will be gained thereby. I hope in the interest of economy the House will support the action of the Senate and approve the bill.

The SPEAKER. The question is on the motion to suspend the rules and concur in the Senate amendments.

The question was taken.

Mr. BYRNS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 268, nays 42, not voting 122, as follows:

[Roll No. 52]

YEAS—268

Allen	Disney	Kvale	Ransley
Allgood	Dominick	Lambertson	Rayburn
Almon	Douglas, Ariz.	Lambeth	Reed, N. Y.
Andrew, Mass.	Dowell	Lanham	Reilly
Andrews, N. Y.	Doxy	Lankford, Ga.	Robinson
Arnold	Driver	Larsen	Rogers, Mass.
Auf der Heide	Dyer	Lea	Rogers, N. H.
Bachmann	Eslick	Leavitt	Romjue
Bacon	Fernandes	Lichtenwalner	Sanders, N. Y.
Baldrige	Fiesinger	Lonergan	Sanders, Tex.
Bankhead	Fishburne	Lozier	Sandlin
Barton	Fitzpatrick	Ludlow	Schuetz
Beam	Foss	McClintic, Okla.	Seger
Bland	Frear	McClintock, Ohio	Selberling
Blanton	Free	McCormack	Shallenberger
Bloom	Fuller	McDuffie	Shannon
Boehne	Fulmer	McGugin	Shott
Bohn	Gambrill	McKeown	Shreve
Boileau	Garber	McLeod	Simmons
Bowman	Garrett	McReynolds	Sirovich
Brand, Ga.	Gasque	McSwain	Smith, Va.
Brand, Ohio	Gibson	Maas	Smith, W. Va.
Briggs	Gifford	Major	Snell
Britten	Gilbert	Maloney	Snow
Browning	Gilchrist	Manlove	Somers, N. Y.
Buchanan	Gillen	Mansfield	Spence
Buckbee	Glover	Mapes	Stafford
Bulwinkle	Goodwin	Martin, Mass.	Stalker
Burch	Green	Martin, Oreg.	Steagall
Burtness	Greenwood	May	Summers, Wash.
Byrns	Gregory	Michener	Sumners, Tex.
Cable	Griffin	Millard	Sutphin
Campbell, Iowa	Guyer	Miller	Swank
Campbell, Pa.	Hall, Ill.	Milligan	Swanson
Canfield	Hall, Miss.	Mitchell	Tarver
Cannon	Hancock, N. Y.	Mobley	Taylor, Colo.
Carden	Hancock, N. C.	Montague	Taylor, Tenn.
Cartwright	Hare	Moore, Ky.	Thatcher
Cary	Harlan	Moore, Ohio	Thomason
Cavicchia	Hastings	Morehead	Thurston
Celler	Hill, Ala.	Mouser	Tierney
Chavez	Hill, Wash.	Nelson, Me.	Timberlake
Chindblom	Hoch	Nelson, Mo.	Tinkham
Chiperfield	Hogg, W. Va.	Niedringhaus	Underhill
Christgau	Holmes	Nolan	Underwood
Christopherson	Hooper	Norton, Nebr.	Vinson, Ga.
Clague	Hope	O'Connor	Vinson, Ky.
Clancy	Hornor	Oliver, Ala.	Warren
Cochran, Mo.	Howard	Overton	Wason
Cole, Iowa	Huddleston	Owen	Weaver
Cole, Md.	Jacobsen	Palmisano	Weeks
Collins	James	Parker, Ga.	West
Cooper, Tenn.	Johnson, Mo.	Parks	White
Cox	Johnson, Okla.	Parsons	Whitley
Coyle	Johnson, S. Dak.	Partridge	Whittington
Crisp	Johnson, Tex.	Patterson	Wigglesworth
Cross	Jones	Perkins	Williams, Mo.
Crowe	Kading	Person	Williams, Tex.
Cullen	Karch	Pettengill	Williamson
Dallinger	Keller	Pittenger	Wilson
Darrow	Kelly, Ill.	Polk	Wingo
Davis	Kemp	Purnell	Wolcott
Delaney	Kerr	Ragon	Wood, Ga.
Dickinson	Ketcham	Rainey	Woodruff
Dickstein	Kinzer	Ramseyer	Woodrum
Dies	Kniffin	Ramspeck	Wright
Dieterich	Kopp	Rankin	Yon

NAYS—42

Amlie	Crowther	Hall, N. Dak.	Luce
Arentz	Culkin	Hardy	Schafer
Barbour	Curry	Hess	Schneider
Bolton	Eaton, Colo.	Hogg, Ind.	Sinclair
Burdick	Eaton, N. J.	Hollister	Smith, Idaho
Butler	Englebright	Horr	Sweeney
Carter, Calif.	Erk	Hull, Morton D.	Swing
Carter, Wyo.	Evans, Mont.	Johnson, Wash.	Taber
Colton	French	Kahn	Welch, Calif.
Crail	Goss	LaGuardia	
Crosser	Hadley	Loofbourow	

NOT VOTING—122

Abernethy	Beedy	Busby	Collier
Adkins	Beers	Carley	Condon
Aldrich	Black	Chapman	Connery
Andresen	Boland	Chase	Connolly
Ayres	Boylan	Clark, N. C.	Cooke
Bacharach	Brumm	Clarke, N. Y.	Cooper, Ohio
Beck	Brunner	Cochran, Pa.	Corning

Crump	Hartley	Linthicum	Sparks
Davenport	Haugen	Lovette	Stevenson
De Priest	Hawley	McFadden	Stewart
DeRouen	Holaday	McLaughlin	Stokes
Doughton	Hopkins	McMillan	Strong, Kans.
Douglass, Mass.	Houston, Del.	Magrady	Strong, Pa.
Doutrich	Hull, William E.	Mead	Sullivan, N. Y.
Drane	Igoe	Montet	Sullivan, Pa.
Drewry	Jeffers	Murphy	Swick
Elizey	Jenkins	Nelson, Wis.	Temple
Estep	Johnson, Ill.	Norton, N. J.	Tilson
Evans, Calif.	Kelly, Pa.	Oliver, N. Y.	Treadway
Finley	Kendall	Parker, N. Y.	Tucker
Fish	Kennedy	Patman	Turpin
Flannagan	Kleberg	Peavey	Watson
Freeman	Knutson	Pou	Welsh, Pa.
Fulbright	Kunz	Prall	Withrow
Gavagan	Kurtz	Pratt, Harcourt J.	Wolfenden
Golder	Lamneck	Pratt, Ruth	Wolverton
Goldsborough	Lankford, Va.	Reid, Ill.	Wood, Ind.
Granfield	Larrabee	Rich	Wyant
Griswold	Lehlbach	Rudd	Yates
Haines	Lewis	Sabath	
Hart	Lindsay	Selvig	

So (two-thirds having voted in favor thereof) the rules were suspended, and the Senate amendments were agreed to.

The Clerk announced the following pairs:

Mr. Parker of New York and Mr. Rudd (for) with Mr. Murphy (against).

Mr. Drury and Mr. Flanagan (for) with Mr. Hawley (against).

Additional general pairs:

Mr. Linthicum with Mr. Treadway.
Mr. Tucker with Mr. Reid of Illinois.
Mr. Pou with Mr. Beedy.
Mr. Prall with Mr. Golder.
Mr. Kleberg with Mr. Bacharach.
Mr. Busby with Mr. Hopkins.
Mr. Stewart with Mr. McFadden.
Mr. Ayres with Mr. Watson.
Mr. Mead with Mr. Hartley.
Mr. Patman with Mr. Evans of California.
Mr. McMillan with Mr. Tilson.
Mr. Griswold with Mr. Temple.
Mr. Douglass of Massachusetts with Mr. Pratt.
Mr. Lindsay with Mr. Wolfenden.
Mr. Montet with Mr. Holaday.
Mr. Kennedy with Mr. Kendall.
Mr. Crump with Mr. Lehlbach.
Mr. Oliver of New York with Mr. Wolverton.
Mr. Sabath with Mr. Swick.
Mr. Igoe with Mr. Knutson.
Mr. Lovette with Mr. Davenport.

Mr. ADKINS. Mr. Speaker, I was not present when my name was called; but if permitted to vote, I would have voted "aye."

The result of the vote was announced as above recorded.

RESIGNATION FROM BOARD OF VISITORS TO UNITED STATES NAVAL ACADEMY

The SPEAKER laid before the House the following communication, which was read by the Clerk:

APRIL 18, 1932.

MY DEAR MR. SPEAKER: Due to pressure of business, I am unable to attend as a member of the Board of Visitors to the United States Naval Academy, and I hereby tender my resignation.

With very best wishes, I remain, sincerely,

JOHN J. DELANEY.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Louisiana, Mr. FERNANDEZ, to fill the vacancy on the Board of Visitors to the Naval Academy, caused by the resignation of the gentleman from New York, Mr. DELANEY.

CONTRACT-LABOR PROVISIONS OF IMMIGRATION LAWS WITH REFERENCE TO ACTORS

Mr. DICKSTEIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8877) to clarify the application of the contract-labor provisions of the immigration laws to actors.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass the bill H. R. 8877, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That the contract-labor provisions of the immigration laws shall be applicable to alien actors, whether coming for permanent residence or for a temporary period.

SEC. 2. No alien actor shall, as such, be considered a "professional actor," an "artist," or a "singer" within the meaning of the fifth proviso of section 3 of the immigration act of 1917 (U. S. C., title 8, sec. 136 (h), second proviso), unless—

(1) He is of distinguished merit and ability as an actor; and

(2) His professional engagements within the United States are of a character requiring superior talent.

SEC. 3. In the case of an alien actor coming for a temporary period, who is exempted from the contract-labor provisions of the immigration laws by the fifth proviso of section 3 of the immigration act of 1917 as limited by section 2 of this act, his admission to the United States shall be under such conditions as may be by regulations prescribed by the Secretary of Labor (including where deemed necessary the giving of bond with sufficient surety) to insure that at the termination of his contract he will depart voluntarily from the United States.

The SPEAKER pro tempore (Mr. BANKHEAD). Is a second demanded?

Mr. STAFFORD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Is the gentleman from Wisconsin opposed to the bill?

Mr. STAFFORD. Strongly opposed to the bill, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. STAFFORD] demands a second.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I am presenting for the consideration of the House a real honest-to-goodness restriction measure that will save the American actor and his family from starvation.

Under the present law an actor who applies to the American consul seeking to come here to do work is exempt from the contract-labor provision. In other words, if it is sought to bring some one into this country for the purpose of doing labor, application must be made to the Secretary of Labor and proof beyond question of doubt that the kind of labor which is sought to be brought into the United States can not be obtained in the United States must be made. Until it is proven that there is no kind of labor to do that type of work nobody can be brought into the United States to do the work.

Under the provision of the immigration law which has been sadly neglected for many years we find a provision that a person who claims to be an actor is exempt from the contract-labor provisions. In other words, he goes to the consul, presents a contract of employment in the United States, and he is exempt from any further conditions with respect to coming into the United States of America.

In the last few years the moving-picture industry has brought in a horde of aliens, close to two or three hundred, for the purpose of building them up. They are not actors. They are a lot of amateurs. That is all. They roam around the country, and extension after extension is granted, and then it is a difficult task to get them out of the country. In a number of places they have displaced American talent and refused to give the American girl and young man an opportunity to build up in the moving-picture industry.

Nevertheless, it would appear that the moving-picture people favor this bill, because during the hearings on this bill before our committee, Mr. Charles C. Pettijohn, who is counsel for the Motion Picture Producers and Distributors' Association, when testifying stated:

MR. PETTIJOHN. I do not appear here, hardly in opposition to this bill; there is so much in this bill, it strikes me, that is good, along the lines we are all interested—matters that we are interested in seeing come about—we want to see American labor employed, and there is no other industry in this country that wants to see American labor employed more than the picture industry itself, and we want to be counted up in the front row, as far as that desire is concerned, and particularly at this time. I do not know that we even want to suggest to this committee, and I shall make my remarks very brief; I do not know that we even want to suggest even an amendment to this bill.

The Picture Players Alliance feels the need for legislation such as this bill will provide. There was submitted during our hearings a statement by the secretary of their welfare committee which I submit for your information. In

this statement you will find further evidence that the United States has been lagging behind other nations in protecting our citizen actors and actresses here.

PICTURE PLAYERS ALLIANCE,
Los Angeles, Calif., February 18, 1932.

Hon. SAMUEL DICKSTEIN,
Chairman Committee on Immigration and Naturalization, House of Representatives, Washington, D. C.

MY DEAR MR. DICKSTEIN: We note in the press that you are sponsoring a bill on the immigration of foreign actors and actresses. We are also informed that you are the chairman of the Immigration and Naturalization Committee. That suggests these comments.

The welfare committee of the Picture Players Alliance wishes me to convey to you their best wishes, and it is our sincere wish that your efforts will meet with success. May we give you our support?

You no doubt are acquainted with the fact that right here in the motion-picture industry there is much want and suffering, especially among the men and women extra players, but we wonder if you are really familiar with the many cases of suffering that could be spared these workers if it was not for the vicious practices of the casting fraternity.

The actors and actresses as well as the extra players in motion pictures represent a large group of unorganized workers—roughly, some 20,000 men and women. Much of the suffering of these people could be avoided if it were not for the vicious practices of the studio casting offices, studio officials, and the Central Casting Corporation.

The Motion Picture Producers Association in January, 1926, sponsored the Central Casting Corporation. It was supposedly founded for the benefit of the industry at large. At present it has the placement of these day workers with the various studios and is operated under the guise of a free labor-placement agency, but in reality it has grown into a monopoly under the present management, with Mr. Fred W. Beetson, president, and Mr. Dave Allen, the manager.

It seems that their interest is to give out work calls to people who really don't need or depend on the the work in pictures, such as wives, sweeties, relatives, and friends, and foreigners. By their malicious discrimination and arbitrary denial of work to the many capable and worthy picture players, who in many cases have given their best years to the industry, this small group of "great casting experts" have shown by their actions that they are totally lacking in sympathy with the starving workers in this crisis.

Here is a vital question to be answered by Mr. Will Hays and Mr. L. B. Mayer, especially now with so many starving workers in this crisis. At the various studios, or the Central Casting Corporation, whether it be atmosphere, bits, or parts, who are the most favored workers the American actors and actresses, or the foreigners?

Our committee is making a careful survey of the actual conditions as they are here in the film industry, and from time to time will mail you our reports. This will be our opening report. The most outstanding question now to deal with is, What can be done by Congress to help the American actors and actresses?

We are inclosing a clipping from the Los Angeles Herald Express, dated February 18, 1932, for your information. It points out how the studios cater to the foreigners.

What is needed at the present time is a new drive on the studios, from the Immigration Department. The last drive here very many disappeared for the time being, but are back again thicker than ever. We will do our duty to help the officers to locate these foreigners if our service is needed. Can not something be done right away?

May we have a copy of the bill on foreign actors and actresses? Thanking you in advance for anything you may do in the future to help this good cause,

Very truly yours,

J. EDWARD DAHLEN,
Secretary Welfare Committee.

Mr. HOLMES. Will the gentleman yield for a question?

Mr. DICKSTEIN. Yes; I yield.

Mr. HOLMES. Is there any country that has restrictions against Americans?

Mr. DICKSTEIN. Yes. We have been the "suckers" for everybody. England has absolutely refused our American actors opportunity to perform for one day. France, Germany, and all the countries of Europe have refused our American actors an opportunity to work for even one day, and we, under our immigration laws, have permitted hordes of those people to come here and displace American talent, as a result of which—let me call attention to something very funny. On Broadway in New York to-day there are about 4 or 5 American actors, and there are over 250 aliens who have displaced Americans.

Regarding similar action on the part of other countries in barring American actors, in reply I might submit, for the information they contain, news items which were placed in the record of the hearings on this bill showing the way our American actors are now held up in England and the attitude taken by the British Actors Equity on the subject.

[New York Times, Thursday, November 26, 1931]

BRITAIN WOULD BAN ALIEN ACTORS UNLESS OF "EXCEPTIONAL TALENT"

(By the Canadian Press)

LONDON, November 25.—There is trouble ahead between the Ministry of Labor and large London vaudeville interests and it all started with the ministry's reputed determination to tighten up regulations regarding the admission to Britain of foreign variety stage artists.

The ministry purposes to exclude foreign performers "except those of exceptional talent," and the music-hall managers question the officials' ability to decide on such a point. They maintain also that an adequate program can not be staged without the inclusion of a substantial foreign element.

In any case the point is undecided who will judge what constitutes "exceptional talent," and speculation has arisen whether the ministry purposes to put continental acrobats and jugglers and American "wise-crack" comedians through their paces in some office in Whitehall.

[New York Morning Telegram, February 17, 1932]

BRITISH EQUITY BIT NERVOUS—FEARFUL OF WHAT UNITED STATES MAY DO REGARDING ALIEN ACTORS

LONDON, February 16.—Fearful that retaliatory measures will be taken in the United States, British Actors Equity Association has lodged a forceful protest with the Government here against the increasing restrictions against alien actors.

The association, recently formed after the pattern of Actors Equity in New York, has forwarded complaints to the Prime Minister, the Home Secretary, Viscount Snowden, and the Ministry of Labor.

These have been asked to recognize that continued refusal of permits, or permit renewals to alien performers, particularly to American actors, will result in discrimination against British actors abroad.

Reference is made to the bill lately introduced at Washington by Congressman DICKSTEIN, of New York City, who recommends a severe tightening of the laws governing admission of alien talent to the United States. (The bill has been reported favorably by a House committee and would bar all but "artists of proven distinction.")

The British Government has been asked to allow all foreign entertainers to perform here unless British Actors Equity submits reason to the contrary. This would give the association pretty much the same power as is now enjoyed by American Actors Equity, for in the final analysis it is the American association, rather than governmental decision, which decides the fate of foreign actors in America.

The Ministry of Labor has followed a strict policy lately regarding the appearance of Americans on the British stage. One of the most notable cases was its refusal to permit Susan Glaspell, winner of the last Pulitzer drama prize, to take a part in one of her own plays here. Subsequently, after a storm of protest came from all corners of literary and artistic London, the ministry capitulated, but Miss Glaspell declined to take the part in view of the original ruling.

TWO AMERICANS RULED OFF BRITISH STAGE

LONDON, January 26.—Evelyn Herbert and Robert Halliday, American stage stars, to-day were "off the boards" of British theaters, the first important players to be affected by the new ruling regarding foreign entertainers. Their appearance last night was their last. The Government refused to renew their permits.

I present for your consideration a petition of 2,000 actors and their families who are starving as a result of this condition. The names on this petition are the names of Americans, high-class citizens, actors of note, who have been displaced by actors from England and other parts of the country.

I present for your consideration another petition from the Lambs Club, of the city of New York. I present to you another petition from the Equity Association, which is back of this bill. The American Federation of Labor is back of this bill. Every American man and woman is back of this bill, because it will once for all try to keep our American actors working.

P. S.—Do you know that we only have three American stars playing on Broadway now; the rest are English; and American actors starve.

Hon. SAMUEL DICKSTEIN,
House of Representatives, Washington, D. C.

HONORABLE SIR: Inclosed please find the Lambs Club's hearty indorsement of H. R. 8877. In order to make it easier for you, you will find below the typewritten list of all the signatures attached to the indorsement which is herewith inclosed.

Yours sincerely,

A. O. Brown, *Shepherd;* Robert L. Hague, Frederick Perry, Donald Brian, William Gaxton, Paul J. Lannin, Roger Pryor, Walter Fenner, Charles D. Brown, D. H. Poppen, Norval Keedwell, Earle Boothe, Kenneth Loane, Vin-

cent Serrano, Joe Allen, John Bertin, Carroll Ashburn, George Meeker, Burke Clarke, Jerome Daley, Walter Percival, Hal Forde, Joseph R. Garry, Edward Eddy, Earl Larrimore, John Ravold, Malcolm Duncan, Charles P. Hammond, John Leffler, Owen Davis, jr., Lew Hollister, William B. Mack, Fred. Manatt, Minor Watson, Frank Thomas, Samuel Wallach, Charles Hatton, Eric Dressler, Frank McCormack, Gene Buck, Raymond Peck, James J. Corbett, John M. Kline, Richie Ling, Taylor Holmes, Hal Skelly, Herbert Corthell, Adrian Rosley, Effingham Pinto, Ernest Shackelford, Arthur Aylesworth, Brian Donlevy, Edgar Nelson, Frank Allworth, Luke Conness, John T. Doyle, William Corbett, Sidney Riggs, Dan E. Hanlon, William H. Philbrick, Paul Huber, Joseph Eggenton, Joseph Santley, Edward Ellis, Edmund Elton, David Leonard, William J. Kelly, John Westley, J. C. Nugent, C. H. Martin, James Wolfe, John E. Henshaw, Calvin Thomas, Glenn H. Coulter, Richard W. Craig, Addison Pitt, Offee J. Vanasse, Percy Moore, Earl Benham, Frank Crumit, Arthur Hurley, Priestly Morrison, William Danforth, Malcolm Williams, Morgan Coman, Arthur Hartley, John McCloskey, Maurice Greet, Edward Butler, Frank Hatch, Howard Lang, Frank Otto, Charles O'Connor, Frank Wilcox, Al Ochs, Clifford Stork, Harrt Short, James R. Marshall, Hobart Cavanaugh, John McKee, Nate Leipzig, Frank Moulan, Thomas McGrath, J. C. Dunn, Frank Conlan, A. J. Wood, Frank McIntyre, Ernest Lawford, Richard Taber, James Thatcher, John Henry Mears, Jefferson de Angelis, Richard Baravalle, Charles Dalton, Louis Hector, Jack Whiting, Robert Hosea, B. J. McOwen, Stanley C. Ridges, Mark Swan, Jack Raffael, Julius Tannen, Karl Stall, Roy Cropper, Charles Withers, Sam Ash, Roy Atwell, William Frawley, Frank Monroe, Frank Elliott, Frank Lalor, Ryder Keane, J. Arthur Young, Hap Ward, Don Barclay, John Hundley, Harold Healy, Walter M. Greaza, George MacQuarrie, Aubrey Yates, Alan Bunce, Roger Gray, W. L. Romaine, Percy Wenrich, Harry Tyler, Harold DeBecker, Albert Mack, Harry Archer, Don Tompkins, John Hobble, W. Spencer Wright, John Hamilton, John Carmody, Leonard Doyle, Ralph Theodore, Robert Taber, Robert Toms, J. Anthony Hughes, Robert G. Pitkin, Victor Moore, John T. Dwyer, Homer Miles, Dave Herblin, Clyde North, Joseph Crehan, Harry E. McKee, Walter Glass, Jonathan Hole, Ralph Whitehead, Sidney Booth, Al. Spink, John Hendricks, Clyde Veaux, Lionel Adams, Hansford Wilson, Harry McNaughton, Averill Harris, Matthew Smith, John B. McCauley, Bruce Elmore, Brandon Peters, Grant Mills, Hugh Cameron, Johnny Boyle, John Hammond Dailey, Edward Keane, Otto Kruger, Raymond Bramley, G. E. Planck, Walter Armin, Henry O'Neill, M. H. Weldon, Ralph Riggs, Paul Everton, Lester Wallack, George Nash, Alexander Clark, jr., Edward Locke, Tom Cowan, Ivan Miller, Francis M. Verdi, Leo Kennedy, T. J. Martin, Reginald Sheffield, John Cherry, Hugh O'Connell, William H. Holbrook, George Vivian, Albert Phillips, Fred Hillebrand, Ed Wynn, Bert Lytell, Arthur Pryor, T. Daniel Frawley, Brandon Tynan, Louis Calhern, Ed. G. Lilley, Phil Dunning, William Courtney, J. P. Gilroy, Hugh Huntley, W. Bart. Simmons, Robert Hyman, Harry T. Shannon, David Higgins, John Galladet, Sydney Grant, John Rice Hockster, Peter Lang, Reginald Pach, Mercer Templeton, Walter D. Greene, Thomas Mitchell, C. F. (Jay) Gould, Harry S. Talmadge, Jay Whitmark, D. M. Shirk, Ed De Camp, William Lytell, Jack Dean, Hiram C. Bloomingdale, F. G. Ericson, E. J. Blunkall, Dr. William Frieder, E. B. Hay, Clarence Bellair, Clark and McCullough, Arthur Gordoni, Fred Irving Lewis, George Randall, Jack Connors, William Jeffries, James C. Templeton, Carl Eckstrom, Edward Milton Royle, De Wolf Hopper, Justice Sheffield, R. H. Burnside, Jack McGowan, Harlan Dixon, H. A. Silvey, James C. Morton, Harry K. Morton, Ross Hertz, George Sweet, Frederick C. Lewis, Phillips Lord, Leonard Lord, Paul Porter, Ernest Lubitsch, Leonard Liebling, James E. Mieghan, John A. Campbell, William Neel Smith, Bob Rice, John B. Lytel, Joseph Ratliff.

Under this bill I am not depriving any Englishman, German, or Frenchman from entering this country if he has distinction or merit. In other words, if he can establish the fact that he is an actor of distinction or merit he can come here without any difficulty, but under the present law he does not have to establish anything. All he has to say is, "I am an actor," and a visa is issued to him and he is permitted to come into this country. And what does he do? He will work for less than an American actor.

Mr. LaGUARDIA. And some go to work in factories.

Mr. DICKSTEIN. Yes. They like a long name that is foreign, that they can put on their billboards—a foreigner from England, Germany, or some other part of the world.

Mr. BRITTEN. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. BRITTEN. Tell me, please, who determines whether an actor is of distinguished merit and ability?

Mr. DICKSTEIN. We have in the Department of Labor a special board that considers all of these facts. Suppose you desired to bring in an engineer to put up this building? That is contract labor. Before you could bring that person in you would have to go to the Department of Labor and prove that you can not get an engineer in the United States, an American person, who can put up this building. Then they investigate these facts.

Mr. BRITTEN. Let me go a little farther. Suppose a distinguished actor from another country wishes to come here for the purpose of getting a contract.

Mr. DICKSTEIN. That would be contract labor.

Mr. BRITTEN. But suppose he did not have a contract but wanted to come here to get a contract?

Mr. DICKSTEIN. He would have to furnish affidavits showing his ability and that he was an actor of distinction or merit.

Mr. BRITTEN. To whom would he furnish those facts?

Mr. DICKSTEIN. To the Department of Labor in Washington. Then they will make an investigation, and when they find that he is an actor of distinction or merit he can come here, because the contract labor provision of the law will be waived and he will be allowed to come in.

Mr. BRITTEN. I am not asking about the contract-labor class at all. I am asking about a distinguished actor in Europe who desires to come here. To whom would have to apply for a passport visa in order to come to America? Would he apply to an American consulate or would that have to go through the Department of Labor in Washington?

Mr. DICKSTEIN. He could come in under the quota law.

Mr. BRITTEN. How is he going to establish the fact that he is an actor of distinguished merit?

Mr. DICKSTEIN. As I have tried to explain to the gentleman, that will have to be done through the Labor Department in Washington.

Mr. LaGUARDIA. The gentleman from Illinois asked how he is going to establish those facts. He can present proof as to his ability and furnish his record as an actor.

Mr. BRITTEN. Who determines whether he is an actor of distinction or merit? Does the American consul on the other side determine that or does that have to come through the Department of Labor here in Washington?

Mr. DICKSTEIN. I have tried to explain that to the gentleman.

Mr. JOHNSON of Washington. It will be a pleasure for the Members of the House to know that for once the chairman and myself are in full agreement. This bill is clear and will not work against a distinguished actor but will work against the hamfat.

Mr. DICKSTEIN. Under the present law a man goes to a consul and says, "I am an actor." He does not have to prove anything at all. He shows a contract which will permit him to work here at cut wages.

Now, under the present law all that man is compelled to do is to go to a consul and have his passport visaed and he can come here, and in doing that he displaces an American actor who may have a family, and that is what we want to prevent. What we propose to do under this new law is to make him prove that he has some distinction or merit, and those here who desire to have him come into the country must prove that they can not find a person of like kind in the United States to take his place. That is a matter for rules and regulations to be enacted by the proper department and that is the Department of Labor which controls the whole situation.

Mr. MILLARD. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. MILLARD. As I understand, this has the unanimous approval of the gentleman's committee?

Mr. DICKSTEIN. Yes.

Mr. MILLARD. And of the Department of Labor?

Mr. DICKSTEIN. Yes. It also has the unanimous approval of the Actors Equity Association of the United States.

Mr. Speaker, I reserve the balance of my time.

Mr. STAFFORD. Mr. Speaker, will the Chair notify me when I have spoken eight minutes? The effect of this act would be a deterrent upon an actor, upon any artist or singer from attempting to come to this country to entertain the American public.

If I had not, during the many years of the past, received great entertainment from foreign actors of all kinds, I would not rise here and protest against the provincial policy which this Government is now attempting to follow.

Time and time again I have known Presidents of the United States—and notably President Wilson—to be entertained by traveling troubadours, acrobats, monologuists, like Mr. Crawford, of England, not of eminent ability, and by other actors who at that time did not have deserved distinction. Under the proposed law such men would be barred from coming to this country, and they could not be duplicated by American talent.

I take the position that art has no territorial boundaries, and yet to-day you are trying to raise a barrier against persons who come here temporarily, not only for the purpose of seeking a livelihood but for the prime purpose of entertaining the American public.

In my home city we have what is known as the Pabst Stock Co., which produces German plays throughout the dramatic season. They not only produce dramatic plays but musical plays as well. There is no American actor who has the qualifications necessary to entertain the people who attend those performances, because the actors must be able to speak the German language and satisfy that local clientele. They come here for the brief period of six months and then go back. They get a small salary for the services they render here.

I challenge the exclusionist from New York to cite wherein there are any American actors who are barred from employment by reason of the special character of entertainment that these German actors give the German-Americans of my home city.

Again, there are instances where actors of other nationality have entertained audiences in this country. Nazimova, when she first came here from Poland, came without a reputation and would have been barred by this bill. Wilson Barrett, that great and illustrious English actor of years gone by, who had not established a reputation when he came here, would have been barred. Edward Willard, when he came to this country and entertained audience after audience for years and years with his great characterizations, which I well recall from my high-school and college days, would have been barred because he did not have a reputation when he came here, as would also Salvini, and many others.

What are you proposing, may I ask the gentleman from Washington and the gentleman from New York, who are exclusionists? You are even barring Japanese, and perhaps Filipinos, if they are granted their independence. You are barring Japanese actors who come here to give acrobatic and jiujitsu performances, which can not be done by Americans.

Mr. JOHNSON of Washington. Will the gentleman yield? The gentleman has referred to me.

Mr. STAFFORD. The gentleman can answer in his own time.

You are establishing by this policy an invitation to foreign governments to do the same thing toward American actors.

Mr. DICKSTEIN. They are doing that now.

Mr. STAFFORD. And we should not encourage any such provincial policy.

Mr. BRITTEN, Mr. BLANTON, and Mr. BLOOM rose.

Mr. STAFFORD. I shall yield in a moment.

Let me say to this audience here, America is in the vanguard and is the leader in the production of movie pictures. Ninety per cent of all the movie pictures produced in the world are manufactured in the United States. The moving picture must necessarily have these foreign artists come here and make the films, and any number of them are admitted to this country for that purpose. There are films made in the United States for production in Germany, where the German tongue is required, and there are films made here for production in Poland and most of the other foreign countries.

Gentlemen, you are going wild in your position when you seek to bar everybody who wishes to entertain the American public, as is proposed by this bill.

I now yield to the gentleman from Illinois.

Mr. BRITTEN. Would my friend from Wisconsin suggest that Max Schmeling, the prize fighter, is an artist or an actor and could he be excluded under the provisions of this bill?

Mr. STAFFORD. He certainly could be excluded, because he is a pugilistic artist. He is not a singer or a warbler——

Mr. BRITTEN. He is a good runner.

Mr. STAFFORD. I am speaking of those who have entertained President Wilson in years back in Keith's Theater before it was Poli's, and later at Keith's Theater on Fifteenth Street, where there were traveling acrobats who came from Syria and Armenia and engaged in all manner of acts that entertained us, which acts could not be done by Americans. I have seen these actors for the past many, many years. Are you going to grant this power to the Department of Labor and encourage them to bar persons from coming here under the foolish guise that they are taking the place of American talent when that is not the fact?

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BLANTON. What we are proposing to do under this bill to them they have already done to us. I had a university cowboys' band on the water going over there, and they issued orders they could not land in London or Paris. It took about four days for our State Department to get them permission to land.

Mr. STAFFORD. I question whether the French Government has adopted any such policy. I question whether the British Government has forbidden any actor from America to perform in London, and the fact that actors are out of employment in this country is not because other foreign actors are coming here to take their places, but because of the industrial depression.

Mr. DICKSTEIN. Will the gentleman yield for a question?

Mr. STAFFORD. Yes.

[Here the gavel fell.]

Mr. DICKSTEIN. I yield the gentleman one minute to answer the question, if he will yield for that purpose.

Mr. STAFFORD. I yield.

Mr. DICKSTEIN. Does the gentleman know that Great Britain and all the countries like France and Germany are absolutely excluding any American from working for even one hour? Does the gentleman doubt that statement?

Mr. STAFFORD. I want to be frank with my audience. I have read where Great Britain, under certain conditions, has excluded some American actors, but I have not read where any other country has done that, and I have not read where the American screen that is manufactured here with foreigners as the principal actors has been barred from showing in France, Germany, or Great Britain.

Mr. DICKSTEIN. Will the gentleman look at this list? Here is a group of foreign actors who are signed up beginning September 1, 1932, in practically every show in the United States under a contract to come here and work.

Mr. STAFFORD. I know full well that the German group that comes to Milwaukee to entertain the German-American population there fill a void that can not be filled by any American actors.

Mr. Speaker, I yield six and a half minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I am opposed to this bill. We have done nothing but restrict and restrict during the nine years I have been a Member of this House. Every immigration bill that has come before us has been of that character, except that, for the first time this afternoon, we passed that which was not restrictive but liberal—the bill

introduced by the gentleman from New York [Mr. DICKSTEIN], giving the same right to wives as to husbands, who are citizens, in bringing over their respective spouses.

We have undoubtedly developed in this country an intense chauvinism, which is aggravated by the passage of restrictive bills of this character. The instant bill provides, in effect, that all actors, artists, or singers shall be excluded from entering into this country unless they be of distinguished merit and recognized ability.

We have enacted embargoes of all sorts, high tariff walls, Chinese immigration laws—keeping everybody and everything out. There are some, even, who wish to adopt a measure requiring American-made goods in all Government contracts.

Europe and South America are not going to stand idly by and take that kind of punishment. In retaliation and revenge they do the selfsame thing. We build high walls against France, against England, and against Canada, shutting out their persons and their goods. They build higher walls against us. We and these countries stand on top of these walls and thumb our noses at each other. Trade becomes stagnant and depression ensues.

Is it not time to call a halt? Yesterday the French Government announced an edict against certain American goods. England raises the tariff against American goods 10 per cent. Canada is irritated by the immigration rules, which prevent her nationals from crossing the boundaries around Detroit and other metropolitan centers, and has just announced a 3 per cent increase against our goods.

So I say to you gentlemen, pause before you pass this kind of legislation. I hold no brief for the motion-picture industry. It has offended in many respects. I am utterly opposed to their method of block-booking. But if you pass this bill you put the motion-picture industry into a straitjacket.

Let me tell you why: This industry makes many pictures for foreign consumption. They take pictures which have been outstanding successes in this country and revise them into French, German, Spanish, and English pictures, in which the lines, spoken originally by the American actors, are reread by the Frenchman who speaks purest French, the Spaniard who speaks purest Spanish, the German who speaks purest German, and the Englishman who speaks the English of England and not the English of America. The picture remains the same, only the sound is changed.

This is done by alien actors appearing only in the "sound track." They are called "dubbers." The process is called "synchronizing" or "dubbing." To secure those who speak perfectly these languages it is essential to import these "dubbers." They are not actors necessarily, for their merit lies in their perfect speaking voices. An American, speaking English, is not acceptable to London audiences. He does not speak their "language"—British English. Even a Frenchman who comes here and remains six months, developing an American-French accent, is not acceptable to French audiences. These "talkers" or "dubbers" must therefore be selected with a great amount of care.

And since this bill states that they must be actors of distinguished merit and recognized ability to permit their entry into this country, these "dubbers" will be excluded, since their merit lies in their ability to synchronize their lines with the lip movements and actions of the American actors, as well as their ability to modulate their voices to the mood of the actor on the screen. They are not "distinguished actors."

There are some 250 to 300 of such persons who have been imported. The presence of each one in the pictures gives employment to 50 American workmen, designers, mechanics, painters, carpenters, and so forth. This bill, therefore, far from aiding employment, makes for increased idleness.

Without "dubbing," American pictures for foreign consumption can not be made here. As a consequence, the industry would be forced to move abroad. This would be another blow to a preeminent American industry, employing over 300,000 people, one which is surely entitled to fair consideration.

The Assistant Secretary of Commerce, in a radio address, said:

> There is a growing conviction among foreign merchants that our films are the subtlest but most effective type of advertising for American goods.

The auxiliary services rendered by the American motion-picture industry to world trade are too well known to require extended description. It has been proved beyond question that our motion pictures, bringing to other peoples an idea of the comforts and conveniences of American life, help to sell countless other kinds of American merchandise, thereby stimulating our entire foreign trade and commerce.

The motion-picture industry is the best salesman we have. It aids our sales abroad of our typewriters, autos, sewing machines, farm tractors and machinery, and mechanical devices. Furthermore, as the gentleman from Wisconsin [Mr. STAFFORD] very properly stated, we have developed many foreign actors and actresses in our country. The list of famous foreign-born actors is impressive. Amongst them are Charles Chaplin, Maurice Chevalier, Greta Garbo, Norma Shearer, Marlene Dietrich, George Arliss, Clive Brook, and Marie Dressler. Most of these actors came to this country not when they were already stars but only mediocre players. If this law had been passed at the time of their entry, they would have been denied admission, and we would have been denied the pleasure of being entertained by them. We would have also been denied the huge income taxes which these stars pay our Government.

Then, too, there is the blow you strike in this bill at the spoken drama. Actors like George Arliss, Leslie Howard, Cyril Chadwick, Lynn Fontanne, Evelyn Hall, Vera Gordon, Greta Nissen, H. B. Warner, and others too numerous to mention, would have been lost to the American stage had this law been passed at the time of their entry. Remember, they were not always well known.

You can not place legislative restrictions on an art. It must remain forever untrammeled. The free choice of talent to create outstanding plays and motion pictures is vital to the success of the spoken and the silent drama. It is personalities that count, and not persons. The entertainment personalities imported from Europe and South America have helped give a universal appeal to the American drama and "talkie."

H. R. 8877 requires the actor to be "of distinguished merit and ability" before he or she will be permitted entry into this country. Prior to an actor's or actress's entry on the stage or moving-picture screen, it can not be well determined how satisfactorily his or her performance will be. There are very technical and mechanical problems involved in the production of a play or of a movie which sometimes make or mar chances for success. A distinguished actor on the dramatic stage may at times fail miserably in motion pictures. Oftentimes a distinguished motion-picture actor can obtain no foothold in the spoken drama. On the other hand the most obscure, when given an opportunity to show their talents, have easily climbed the stairs to stardom in either media.

This bill, which in effect calls for stage censorship, says to the director of the screen or drama that he shall not have free choice to select a given artist for a given rôle, until after that artist has proven his or her ability. Yet, as we have shown, it is the final picture that must and only can determine whether or not an actor or actress has rare ability. Certainly, this determination can not be left to an American consul abroad, who often has no knowledge of the facts and no knowledge of the complex and intricate problems facing the motion-picture industry or the drama. Yet, under this bill, it will be left to him to determine the fitness of an artist.

Such legislation will undoubtedly hamper and hinder the genius and the enterprise of American producers. This bill, therefore, should not pass.

The SPEAKER pro tempore (Mr. BANKHEAD). The time of the gentleman from New York has expired. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 86, noes 18.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. MURPHY, indefinitely, on account of illness.

Mr. STEWART, for to-day, on account of illness.

Mr. KLEBERG, for one week, on account of illness in family.

SUPPLEMENTARY REPORT

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to file a supplemental report to bill H. R. 1536, and to include therein a letter from the War Department.

The SPEAKER pro tempore. Is there objection?

There was no objection.

RESUBMISSION OF THE EIGHTEENTH AMENDMENT

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a speech I made the other evening before the Woman's Organization for National Prohibition Reform.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mrs. KAHN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech made by me recently before the Woman's Organization for National Prohibition Reform:

A dozen times I have considered the outlines of this evening's remarks, but the picture is changing so rapidly that what is pertinent to-day is passé to-morrow, for day by day in every way we are growing wetter and wetter.

Never in my wildest dreams could I have imagined as swift and radical a change as has come over the people of this country. While always hopeful, I could see no prospect of immediate change—mayhap because I was right here in the center of things when that battle was fought and realized the bitterness, the fanaticism, the unreasoning and unreasonable prejudice that rode roughshod over everything to foist the most vicious and most disastrous piece of legislation on an optimistic, happy, unorganized majority, with an "Oh, it can't happen" attitude. But it did happen, and in its wake has followed a war more dreadful in its consequences, more deadly in its operation, a war that has incapacitated more of the youth of this country, wrecked its institutions, devastated its whole moral fiber, more sinister and cruel than any war ever fought on battlefields; and at last you mothers, you women, have raised your hands and cried, "Cease! This can no longer continue!" and lo, the voice has been heard, and it is ceasing.

Unfortunately, I have been unable to attend your sessions, and probably much I will say will be but a repetition of what you have heard, and so I will confine myself generally to the economic and legislative side rather than to the social and moral side.

The Talmud, that ancient collection of wise sayings of the Hebrews, says: "No legislation can be enforced that makes a crime out of what was not even a sin." It almost seems as if these old sages might have had the eighteenth amendment in mind, and certainly no law ever passed in modern times by any civilized government has ever wrought such havoc. It is no longer a political issue—it is a national question—and the time has come to consider it as such; not as wet or dry, not as Democrat or Republican, but as a question affecting our whole people socially and economically, and threatening the very stability of our Government. We are now the only nation having tried out prohibition and realizing its baneful consequences that has not repealed the law.

What is the legislative situation regarding its repeal? How can it be effected? What is the probability of legislative action? And what can you do to help bring about this repeal? Up to the present Congress, on all usual prohibition questions, from 60 to 65 votes were about all we could muster. On unusual questions such as "Should the Government put poison into alcohol and sell it" (and this is no hypothetical question), we mustered about 90 votes—90 who were willing to go on record as against legalized murder, and in so doing run the risk of being stigmatized as wet.

The last election increased the number appreciably, but aside from those elected definitely as wet, how many were seeing the handwriting on the wall no one could tell, for a wave of indignation, of resentment, was sweeping the country, for which, to a great extent, your organization, the Young Crusaders, and kindred groups are responsible. I wonder how many of you know the procedure that was followed to gauge this sentiment? I am emphasizing this because you all know that Congress must initiate all measures that will relieve us nationally of this monstrosity. That relief lies in the hands of the legislators, not executives nor judiciary, and it is on legislators you must concentrate—but more of that later.

Now, as to procedure: A resolution was introduced jointly (an unusual procedure in the House) by Mr. LINTHICUM, a Democrat, and Mr. BECK, a Republican, to divest it of any partisan bias and was referred to the Committee on the Judiciary. Now, the only way to find out if the American people are for or against prohibition is to give them a chance to say so.

This resolution provided, first, for the repeal of the eighteenth amendment; second, placed the regulation of the traffic of liquor in the hands of the Federal Government; third, permitted each State to determine for itself whether to be wet or dry, and Federal protection for those States desiring to be dry. The Judiciary Committee refused to report the resolution to the House, so a petition requiring the signatures of 145 Members was placed upon the Speaker's desk requesting the committee be discharged, and the House proceed to the consideration of the resolution. We felt sure we could muster the 145 names. We had many surprises. Some upon whom we depended, failed; others most unexpectedly joined our forces, and we had the names. The Speaker set a time to vote on the discharge of the committee, and on that we recorded 187 votes, the largest number ever polled on any question involving prohibition since the passage of the Volstead Act. Of course, this was not a majority, and the committee was not discharged, but it was a test vote, and for the opposition a pyrrhic victory. Had the committee been discharged, the House would then have considered the resolution, which, being in the nature of a constitutional amendment, would have required a two-thirds vote. It would then have gone to the Senate, and a two-thirds vote would have been necessary there also. Then it would have been submitted to the States for ratification by State conventions to which delegates had been elected solely for that purpose. Note that being a concurrent resolution executive approval would not be necessary—legislative approval only.

So let me urge you to concentrate your political efforts on your legislators—that is the first line of defense. For the first time in the history of prohibition we have the drys on the defensive, and we are advancing upon their outposts, capturing them one by one. That is the work for you to do. Don't dissipate your efforts in other directions. If we can win the legislators, whether in city or country, State or Nation, we need not fear. Those are the important offices, for we must have them.

The cost of prohibition in dollars and cents to the United States is almost unbelievable, and on account of the present financial condition of the Treasury of the United States an analysis may be timely. Several weeks ago the St. Louis Post-Dispatch published an article by its Washington correspondent, Mr. Charles Ross, that was most illuminating, and without the permission of the copyright owners I am using these figures, as I know how nearly accurate they would be. According to Mr. Ross, the present annual cost is well over a half billion dollars; the cost for the 12 years over five billion. Nowadays we use billions as if they meant very little.

How much is a billion dollars? If from January 1 of the year 1 until January 1, 1931, $1 had been paid into the Treasury every minute of that time, we would still lack several hundred thousand of one billion. (If you don't believe it, take a pencil and work it out.) So the five billion and over we are out is quite a sum and would go a long way toward balancing the Budget. Its annual cost is 12½ per cent of our normal Budget. Its total cost is about one-third of our national debt and about one-half the amount owed to the United States by foreign governments. The cost of prohibition to the Government is twofold: First, the cost of enforcement; second, loss of revenue. I haven't time to go into the details, but shall take Mr. Ross's balances. After a careful analysis of the figures, the conclusion is reached that in the 12 years of its operation the enforcement has cost $324,532,503. This cost has been gradually mounting. As an example, the expenditures of the Prohibition Bureau have increased from slightly more than six millions in 1921 to nearly fourteen millions in 1931. Even deducting fines, we have a net cost of over $260,000,000—just a little pocket money for Uncle Sam.

Now, what has Uncle Sam lost in revenue? Basing calculations on the 1919 tax rate, making no provision for increase in rate, Uncle Sam is out over $5,000,000,000, a most conservative estimate; certainly a most astounding object lesson in these distressful financial times. For the first time since the war England presents a balanced budget, due in no small part to the revenue derived from excise taxes, licenses, and duties placed upon alcoholic beverages. With the governmental regulation and high taxes England has not only partially solved her financial problem but has definitely solved her liquor problem.

I would not question even these expenditures and losses if we were any ways near a solution of our problem; but the longer prohibition is with us, the more complicated and difficult it becomes. I have often told of the night the Volstead Act passed. Mr. Kahn had fought it to the bitter end, seeing almost with the vision of a prophet what its dire consequences would be—the hypocrisy, the misery, the evil it would bring upon this country. "Why worry," said I, "By the time our children are grown they'll never know what liquor is like—they'll never miss it because they will never have had it."

That's the kind of an innocent I was. And it is these very children upon whom we, our generation, you and I, have wished this thing. They, realizing what we have done to them, have risen up in their glorious youth and are crying out, "Help us kill this monster that is sapping our strength, ruining our future, debasing our morals, threatening our social and economic structure, and depriving us of the rights that are ours."

Are their accusations unfair? Are not these the things prohibition has done to them? Is the arraignment unjust?

The prohibitionists point with pride to the number of arrests made as a proof of enforcement. I bow my head with shame that upon our statute books is a law that is broken with no qualms of conscience by thousands of otherwise law-abiding, patriotic, decent citizens.

The liquor industry in this country? Why ignore a patent fact? There is a well-organized liquor industry, involving millions of dollars annually. An illegal industry, in the hands of organized criminals, breeding other organized criminal activities that touch every home and every person. Talk about a sales tax, taxing the necessities of life—why, the racketeers' tax is paid by all of us—in the milk we drink, the bread we at, the clothes we wear. They are all ready to spend untold millions to keep the eighteenth amendment on the statute book. Don't let the drys delude themselves—the bootlegger and racketeer are their greatest allies.

The drys have taken the position that the eighteenth amendment is sacrosanct. All others may ye change, but touch that at your peril. As irrevocable as the laws of the Medes and Persians. If that be true, then no longer are we a democracy. We are not asking for a repeal, but for a resubmission. Let the people, after 12 years, decide. A failure to resubmit will only intensify the bitterness, not solve the problem, and a majority of the people can speak through their representatives in Congress, who could, as a last resort, refuse to appropriate to enforce an unenforceable law, thus nullifying the law. This only as a last resort if and when the minority of 12 States—constituting, it may be, but a very small proportion of the population—should refuse approval.

In the last few weeks an effort has been made to place a tax upon beer made strictly within the law, containing no more alcoholic content, nonintoxicating in fact, than legally permitted. Besides raising an estimated revenue of about $300,000,000 a year, it would use up about 120,000,000 bushels of barley, a large amount of hops and other agricultural products, and increase employment in about 42 allied trades. But the drys in Congress said "Thumbs down. Rather poison liquor, encourage bootlegging, than give way by so much as a jot or tittle" to help the farmer, relieve unemployment, and increase the revenue, reduce the deficit, and lessen taxes.

To a group like this I need not emphasize or explain present-day conditions. Public questions of great moment, on which the stability of our Government depends, are pressing for solution, but around them all we find entwined the long tentacles of this octopus—prohibition. It touches directly or indirectly every activity of public and private life. For example—recently the President issued an appeal to stop hoarding, to bring the money out of the safe deposits, wherever or whatever they may be, and put it back into circulation. A number of millions were brought out, but nowhere near the amount that is in hoarding. Why? Let's go back just a little. Not so very long ago the heads of a number of racketeering groups were sent to the Federal penitentiary. For what crime? Bootlegging? No. Racketeering? No. Assassination? No. Sabotage? No. For evading the income tax law! That was the only crime, of all we feel morally certain they were connected with, directly or indirectly, that the Federal authorities could fasten on them. How was the evidence obtained? Through tracing bank deposits. Now, what becomes of the millions they now collect? Invested? No. Deposited in banks? I guess not. Either sent out of the country or hoarded. And this sum is not insignificant—mayhap hundreds of millions, mayhap even more. Just think about that!

In urging a resubmission of the eighteenth amendment we are simply urging the American people to exercise their constitutional right and express their opinion on this important question, each State to determine for itself as to whether it shall be wet or dry, and the United States Government will protect it in its decision.

STATEMENT OF HON. BYRON B. HARLAN

Mr. HARLAN. Mr. Speaker, I ask unanimous consent to extend my remarks made before the Post Office Committee on the question of printed envelopes.

Mr. UNDERHILL. Reserving the right to object, do not those remarks now appear in the hearings?

Mr. HARLAN. They are not going to have the hearings printed.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HARLAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech delivered by myself before the subcommittee of the Committee on the Post Office and Post Roads, pertaining to proposed legislation prohibiting the Post Office Department from entering into contracts to have the writer's name and address printed in the upper left-hand corner of stamped envelopes:

At the risk of some repetition, let us look briefly at the way this matter of printing stamped envelopes is handled. The Government advertises every four years for bids from anyone capable of printing and embossing envelopes. It does not make any difference who it is—anybody who can manufacture these envelopes.

I think it was either six or eight years ago, a concern took this contract away from the Government contractor in Dayton who was then doing the work, bought out the plant of the Dayton concern through some arrangement with which I am not entirely familiar, and went into business at the same place. They chose Dayton because it was right in the center of a big paper industry, they had excellent railroad facilities, were centrally located, and everything there that was adaptable to this business.

There is a whole coterie of paper and envelope companies around there, supplying not only this part of the country but the country at large.

Now, the company that gets this contract, bids in competition with all other companies to print this corner card for a certain price. The contract the last time was 2.1 cents a thousand. They can do that at that price because practically all it costs them to do that is to set the type. That is practically all the cost that is involved if the work is done at the time the envelopes are running through their machines.

I have not been out at this plant since 1926, and there may have been some big improvements since that time. But at that time, this plant did everything in one operation. They just took a stack of forms and fed them into the machine and they came out gummed, folded, printed, and embossed, and one machine there could turn out a hundred thousand of those envelopes in a day. The smaller machines would turn out from thirty-five to fifty thousand.

I have no doubt that they have improved on that machine considerably since that time.

They are paying their rent. The Government has not contributed a cent to their rent. They are paying their insurance. They are paying everything that any other factory would pay. It is not costing the Government a cent.

Not only that, but they pay for the printing of this stamp, which does cost the Government something when the Government prints it. All other stamps that the Government has to print and gum cost the Government something. In other words, only a portion of the price received for these other stamps represents a profit. On these envelopes everything that they get for the stamp is profit.

In view of the argument of the gentleman from the Federation of Labor I inquired as to the condition of the plant out there. I wanted to get a direct report on it, and here is a letter that I have just received from the International Envelope Co.:

"I will give you some of the information which I believe you should have, part of which is a report from the Dayton Safety Council as the result of an inspection recently made by the president of the safety council, Dayton Chamber of Commerce, together with the chief of the local fire department. Copy of their report you will find herewith.

"It would also be well to advise you that we have possibly the lowest rates for workmen's compensation in the State of Ohio. This is the result of few accidents and little request for compensation from our employees from the State Industrial Insurance Bureau. We paid into the State Insurance Fund in 1931 $1,-315.37. All claims against this fund from our employees amounted to but $128.90 for the entire year. This, of course, speaks for itself and nothing could more clearly indicate the efficiency of operation.

"You are no doubt aware of the fact that we have an employees' insurance here which is applicable to all employees who have been with us for six months. It includes both sick and death benefits, also accident."

I am reading this to you because of the statement about these poor, underpaid, ignorant girls who were being imposed upon, as you got the information the other day. This company, in addition to their workmen's compensation, carries insurance, so that if employees get sick they will be taken care of.

Let me say that this factory is as light and fine a place in which to work as you gentlemen can find in any community in which you may happen to be.

In 1928 a committee from the Senate went out there to investigate this plant and the conditions of the plant. The committee consisted of Senator MCKELLAR, of Tennessee, Senator FRAZIER, of North Dakota, and Senator Phipps, of Colorado. This committee was favorably impressed and reported that the plant was well regulated and efficiently conducted. At the hearing of the Senate Committee on Post Offices and Post Roads which was held April 24, 1928, Senator MCKELLAR read his report, dated March 29, 1928; also Senator Phipps gave a report of the inspection of the plant. Senator FRAZIER made a verbal report to the committee. To refer to that, see pages 2, 3, 4, 5, 6, and 7 of the hearings on S. 1752.

The working conditions at this plant, gentlemen, as compared to the working conditions in any country newspaper office that I have ever been in, are as champagne compares to rain water. I do not know whether that means anything to this committee any more or not.

But if you are discussing this bill from the standpoint of labor conditions, those are the labor conditions that they have out there. You could not have better condftions than they have out there.

There was a remark made, gentlemen, about paying low wages. I have lived in that community a long time. I have never heard any local complaints in that regard, but I have a suggestion in that connection. It might be possible for the Government to prescribe a wage rate if they are not satisfied with the one that is in vogue there if the Federation of Labor, after examination, find that they are being underpaid.

We are now providing a general clause in all of our public-buildings contracts that the prevailing rate of wages shall apply. I think that is a very unfair provision unless we put in specifi-

cally what we mean by the prevailing rate of wages. But I can see no objection to putting that clause in this contract.

Let me read you a little further from this letter.

"In connection with this we have a welfare department with a registered nurse in charge. This service also includes home service, which is looked after by our visiting nurse. We have a well-stocked library, a dining room, and a cafeteria, where food may be purchased at a nominal price. It is unnecessary that all these things be mentioned for the department's personal attention; but I believe it advisable that you have all these facts, which can be substantiated by the Government agency.

"As you know, we discontinued all night work for females two years ago."

That was two years ago, when we were in a state of prosperity. How many plants can say the same thing?

"The only exception to this case has been during the heavy demand for bicentennial stamps in January. We operated 11 machines 21¾ hours per day. This was done with the aid of three shifts, each working seven and a quarter hours. This lasted for a duration of but two weeks and was done at the insistent demand of the stamp division of the Post Office Department.

"The only other department in the factory operating at night, and where girls were formerly employed, is the box shop. At the time we discontinued night work for females we could not get along without the night production from this department, consequently we replaced the women with middle-aged men, who handle the work very efficiently.

"There are many other creditable things too numerous to mention that could be said concerning our organization. It is hardly necessary to mention these unless, as in the past, further criticisms are brought up against us, in which case it will be a distinct benefit to us to bring these up. The Government agents here, the officials at Washington, and other disinterested parties can say so much in our favor that I would be pleased to have the opportunity to have these things brought forth before any of the committees of the House or Senate.

"You are probably aware that the State laws of Ohio require each boy or girl to attend school until they are 18 years of age and are not permitted to work until that time; therefore, all employees entering our service are high-school graduates. This assists us in building up a very efficient organization.

"You will pardon me for saying all these nice things concerning our organization, and you may rest assured that we have nothing to fear from any criticism such as has been presented by labor organizations in past hearings."

This is signed by "J. J. O'Connell, manager."

If this committee is interested in labor conditions and wants to see twelve or fifteen hundred people who are hygienically and properly employed thrown out of employment by people who are working under practically no restrictions in these small printing shops here and there, they can see them at this plant. I do not believe you will be operating for the benefit of labor if you throw those people out of employment.

We have heard from but one group that is to be affected by this bill, the job printers. I submit that we should consider three other groups.

Mr. John Common Man has almost been ignored. The interests of the Federal Government have not been fully discussed. The small printer has not been completely covered—his problem, in my opinion.

Then the interest of the gentlemen in the woodpile has not been touched upon, and he is the envelope manufacturer of this country.

The envelope manufacturers of this country have been conspicuous by their absence here. But their association is the real backer of all this agitation, and we will talk about them in just a little bit.

Now, this is the very best way that this matter can be handled so far as the small consumer of envelopes, Mr. John Commonman, is concerned. In the first place, it is one of the few costs that enter into small business that is not reduced very largely as you get into increased purchases. The small man, so far as his postage and printing is concerned, stands on exactly the same footing with the big fellow, because the big fellow pays just as much per thousand for his envelopes, no matter how many he orders, as does the small fellow, which is something that you can not say in a great many cases.

The records of the Post Office Department show that last year 37 per cent of these orders were for lots of less than 500. Thirty-two per cent were for lots of 500 to a thousand. Two per cent were for lots of 1,500 and 12 per cent were for lots of 2,000.

In other words, 83 per cent of the envelopes that are printed in this plant are for lots of under 2,000. The small lodge, the missionary society, the ministers and teachers and people of this kind who would not ordinarily have envelopes with return cards at all if they did not write it up in the corner themselves—those are the people that you gentlemen have not heard from—not at all. Those are the people who will be most hard hit if you take away this service.

You have heard some discussion here of the price. Take the 37 per cent who buy their envelopes in lots of 500. If they were to go to a job printer they would have to pay as much to have 500 printed as to have a thousand, because by the time the printer gets his press set up the price is practically the same.

So that while these men indicated here that their price would run in the neighborhood of from eight to ten times as much as is being charged by the Government, taking the lots of 500, the man who buys in lots of 500, instead of getting them for 12 cents, as he does here, would have to pay in the neighborhood of fifteen or twenty times as much to make the work done in a small printing shop. Gentlemen, that is absolutely a ridiculous waste of money, it seems to me.

If we are going to carry that argument out, why not carry it to its logical conclusion? Why not let us require these country printers to use old Ben Franklin hand printing presses, because you certainly would employ a lot more people that way, and I do not believe you would increase the price of the country paper as much as fifteen or twenty times, as you would the price of these envelopes.

Or let us carry Mahatma Gandhi's argument a little further and require the city newspaper to do away with their linotype machines, or let us do away with the woolen mills and let us all go back to operating spinning wheels in our houses, so that we may give lots more employment. But you are putting men into employment on utterly useless tasks. That is what would happen in these small printing shops if they would get any of the business. I will take that up a little bit later on. They will not get any of the business. But if they would, that is what would happen.

If you could create such a unique situation, you might just as well go ahead and go the whole way. I do not know of any backsliding, any reversion to the middle of the last century that would be any more expensive than to increase printing cost from ten to fifteen to twenty times, as you would in this particular case.

And you are putting that burden on the minister, the country grange, the small lodge in the country town; you are increasing the cost 800 to 1,500 per cent to practically 862,000 users of this service in the United States, in order to take care of something like 11,000 printers. And may I say that the 862,000 users who are affected by this only represent a very small part because some of those users, in fact most of them, are little societies that have a very large membership; and, gentlemen, when they all get interested in this and find out what is being done, there will be two sides to this picture.

The Government has been very much maligned here about going into private business. It has been asked, Why do they not print the letterheads, and all that sort of thing? Well, gentlemen, the Government is not interested in any way in this matter except in the matter of efficiency in the Post Office Department, and that efficiency is promoted by having the name and the address printed on the corner card. There is no advertising. You can not put the name of your business on there. The Government would not stand for that. But what they put on is the name and the address, so that the post office will know where to return the letter, if it has to be returned.

It has been brought out here by Mr. ROMJUE, I believe, that it costs as much to send the letter to the dead-letter office as it does to send it back to the private individual. At the dead-letter office you have to have a man open the mail, read it, and then if he can find an address, the Government is put to the expense of sending that letter to that address, sending it back to the sender. But most of those letters that are sent without any corner card are signed "Mother" or "Norah" or "John" or something of that kind. And those letters contained $94,000 in money last year, and in many cases they could find no place to send it. Those same envelopes that went to the dead-letter office required all of this extra attention.

Mr. ROMJUE. May I interrupt you at that point, Mr. HARLAN?

Mr. HARLAN. Yes.

Mr. ROMJUE. You spoke about the amount of money that was contained in the letters that went to the dead-letter office last year. That went there under your efficiency system, did it not?

Mr. HARLAN. Yes; that is true.

Unfortunately, only the people who buy these envelopes are benefited. We have no way of forcing anyone to use this corner card. But, gentlemen, it is a remarkable thing, to me at least, that of those who did use these corner cards not one of the letters went to the dead-letter office. That is a record that you can not beat.

Suppose we did away with these something like one and one-half billion corner-card envelopes. How many more would we have in the dead-letter office? There is not anything that will operate effectively unless the people use it.

Now, in addition to the $94,000 that I mentioned a moment ago, there were $3,924,000 in checks found in letters at the dead-letter office. Those were sent out by small-business men. Gentlemen, these are not the big-business men. This is the little fellow who only writes a letter once in a while. He goes into the post office and buys a stamped envelope for 3 cents and sends it out. He does not put his name on it. He sends a remittance to mother or to auntie. That is what those are.

Now, if you take away this corner card, the man up in the rural community, away off in some little village where they do not even have a printing shop, he will just let it go without having any name on it at all, and we will increase this evil that we have at the present time.

To show you that the United States Government is not interested in boosting this industry, they have authorized the printing of these envelopes [indicating special return envelopes]. You have all seen them. Every printer all over the country can print them. The Government has nothing to do with that.

Mr. ROMJUE. What is that you are referring to now?

Mr. HARLAN. That is a return envelope. The use of these has grown very greatly. There is a provision by which the sender has to pay the Post Office Department for each one of these that is delivered back to him. They are sent out without any stamps on

them. All the big mail users in this country are now using that card. That return card and the meter machine is all that they are using.

May I say that the meter machines are all made in Dayton, Ohio, too; so that it does not make any difference what angle of this we take, Dayton is bound to win.

Mr. ROMJUE. You say that this is now being sent out to the printers?

Mr. HARLAN. Anybody can have those printed.

Mr. ROMJUE. If that is a proper practice, is there any reason why this should not also be done by the Government?

Mr. HARLAN. There is this difference, that the Government has to supervise the printing of the stamp. It has to do that. Now, you will notice there is no stamp on that [indicating special-return envelope]. The Government supervises the printing of the stamp for its own purposes, for the efficiency of the Post Office Department, and for the benefit of the consumer. At the same time it is able to have that corner card printed up there at practically no expense. So the consumer pays substantially 2.1 cents a thousand for the printing, plus 22 cents for the postage.

You will notice, no doubt, that while the corner-card envelopes number one and a half billions, the envelopes without corner cards are just a little over 1,000,000,000. Originally they were about the same. That was just a few years ago, in one of the early reports, but they are not any more, and it is because of this metering service. The Government is encouraging that.

Mr. HOGG of Indiana. What in the world has that to do with the stamped-envelope proposition?

Mr. HARLAN. It was stated here that the Government was boosting this business and trying to urge people to use this service. They are not trying to urge people to do that at all. They are simply trying to get the most efficient service that they can.

In the stamped-envelope business, the Government makes a profit in the neighborhood of $2,000,000. They have no cost of printing the stamp. It costs them $1,500,000 to print the other stamps and gum them. I am referring to the individual stamps, not these stamped envelopes.

Mr. HOGG of Indiana. What would be the cost of this number of stamps printed individually?

Mr. HARLAN. I can only give you an estimate on that. I would say it would be about one-sixteenth of $1,500,000. It would not be an excessive cost.

Mr. EMSNESS. Approximately $250,000. That is what the Government gains by this.

Mr. HARLAN. In addition to that the Government gains another item that I do not believe has been considered here. That is, these users who buy one and two thousand envelopes, buy them mostly to run them over a year or two years and they pay the money down right away, when they buy the envelope. The Government gets the benefit of the use of that money during all of that time, a year or a year and a half, or whatever it is—the time that it takes them to use up those envelopes. Whereas if they went out and bought stamps, they would just buy sufficient to use from day to day or from week to week.

Let us look at the small printer who is interested in this proposition. You have heard read in these hearings a statement that the mail-order houses are now offering to print envelopes at—what was it—$1.25 or $1.50 a thousand; a price, at any rate, that the small printer could not compete with at all.

But as it is now, the small printer has quite a lot of protection in the matter of competition against the stamped envelope, because the Government does not print any advertising on it. The small printer can say to the consumer, "Here, I can put your business on there. I can give you something that the Government can not give you." He has a talking point. But if you take this away from the Government, you open up a market for one and a half billion envelopes, and then see what these mail-order houses, like Sears, Roebuck can do.

This is a business that lends itself very easily to mass production, something that the little fellow with his hand press or small power press can not touch; and when Sears, Roebuck or the other mail-order houses get access to this big market, they will install the same machinery that is installed in Dayton, Ohio. In fact, I have no doubt, gentlemen, that if you take this away from the Government, the only thing that will happen will be that this company in Dayton will simply reincorporate under another name and use the same machines to print the same envelopes and use the mail-order houses to solicit the business and do it for something in the neighborhood of 75 cents a thousand. They can do it very easily at that price.

Mr. ROMJUE. But in case that occurred, just as you describe, this company would not have the Government with its machinery collecting all this business for them in competition with other people.

Mr. HARLAN. No. They would simply do it through the mail-order house, and, of course, they have now these users' lists, but these people are coming here and making a plea on behalf of the small printer. The smaller printer would not be able to touch any of this stuff because of the very nature of the business. The business is such that it will be done by mass production. They can so far outstrip the small-job printer that he would have no chance.

Mr. HOGG of Indiana. Would not an answer to all that be that the small printer does print the letterheads?

Mr. HARLAN. The small printer prints the letterhead.

Mr. HOGG of Indiana. Yes. That has not gone to the jobber.

Mr. HARLAN. There is quite a difference between that and this. In the first place, the large printing houses are now held off this envelope business because of the Government contract with these other people. There is no doubt that some of the small houses would get some little percentage of this business, but not enough to make any difference.

Mr. ROMJUE. I do not know from your answer yet whether you got Mr. HOGG's question, which seems to be very pertinent. Why is it, now, that Sears, Roebuck do not get the printing of these letterheads? There is nothing to prevent them from doing that, just like any other contractors.

Mr. HARLAN. Well, the fact of the matter is I do not know that they do not get some letterheads. They may or they may not. But the soliciting and printing of letterheads is quite a different proposition from the soliciting and printing of envelopes. I do not know what price Sears, Roebuck put on letterheads, if they do that work at all.

Mr. FOSS. The envelope requires a process of manufacture and the letterhead does not.

Mr. HARLAN. Yes. You see, there is this much about it. The company that makes this envelope, by gumming the envelope and folding, can make a sufficient profit on the envelope, as compared with the small printer, who would have to buy that envelope already manufactured, to make his printing cost too great. A letterhead is just a sheet of paper that can be bought at very little variation in price, any place else on the market.

I have certainly convinced myself, anyway, that these small printers are not the ones who are very much interested in the proposition. That is some consideration when a man persuades himself on a point.

Mr. HAINES. Will you allow me an interruption there?

Mr. HARLAN. Certainly.

Mr. HAINES. I think they are interested.

Mr. HARLAN. What is that?

Mr. HAINES. The small printers are interested. Perhaps you are in a different position from the balance of the Members of the House.

Mr. HARLAN. Mr. Chairman, I will say that apparently this National Editorial Association is the party who is making the fight. But let me call your attention to the hearings in 1926 before this committee.

Mr. HOGG of Indiana. Nobody asked me to introduce my bill. I do not know whether they asked Mr. ROMJUE to introduce his bill or not.

Mr. ROMJUE. Nobody asked me to introduce my bill.

Mr. HARLAN. Gentlemen, there is one concern, I will say, that unquestionably will make a tremendous profit out of this thing if it is taken away from the concern in Dayton. That is, there is one group of people, and that is the associated envelope manufacturers.

Mr. FOSS. This bill would only do away with the printing of the corner card. The Government would still continue to make the envelope and stamp and print the skeleton, as they call it.

Mr. HARLAN. The fact of the matter is that if they do away with the corner card——

Mr. FOSS. That would cut out the envelope manufacturers.

Mr. HARLAN. Yes. At the present time that would do away with 1,078,000 of these envelopes. If you do away with the corner card, practically all of these small users will do away with the stamped envelope, because it does not cost them any more to buy their envelopes at the post office and stamp it on. The only person it costs more is the Government. It would cost them $1,500,000 to stamp those envelopes.

In 1926 hearings were had on this subject, and there was a statement of Robert S. Regar, the Third Assistant Postmaster General. These were hearings before a subcommittee of the Committee on the Post Office and Post Roads, House of Representatives, in February of 1926. Mr. Regar said:

"I desire at this time to place before the committee a copy of a letter received by the department purporting to have been written by the president and treasurer of the American Envelope Co. asking for contributions of $300 to $500 for the envelope legislative committee, dated October 3, 1924."

Then followed some discussion, and the letter was introduced. Here is the letter that was sent:

"GENTLEMEN: I am inclosing copy of bill which it is proposed to introduce in the next Congress limiting the printing of envelopes by the Post Office Department in competition with its taxpayers and citizens, so that on stamped envelopes nothing more than the city and State can be designated for return cards.

"I believe that you will recognize the unfairness of Government competition with printers * * *."

Listen to the envelope company trying to get these printers excited!

"* * * just as much as Government competition with your own business, and will give your sympathy and support to this movement.

"May we count on you for a nominal cash contribution to the above—$300 to $500? Please make your check payable to the Envelope Legislative Committee."

Then followed some discussion very briefly, and Mr. Regar said:

"In further reference to this matter, I desire also to read a copy of general letter No. 47, purporting to have been written by the Bureau of Envelope Manufacturers of America, 19 West Forty-fourth Street, New York City, dated August 14, 1923."

Then there follows some discussion about the date of the letter and the date of the previous letter that Mr. Regar read, which was October 3, 1924, and on request of Mr. Sproul to read the whole letter, Mr. Regar read this letter:

"Knowing how vitally interested you all are in the proposed campaign to secure a modification of the present stamped envelope law, I think I should report on the progress I have made since the Niagara Falls meeting.

"Since that time I have had several conferences with Buckley and Thayer, of the United States Envelope Co., and they have finally and definitely agreed to participate in the campaign. They have definitely agreed to contribute $15,000, provided total contributions of $75,000 can be secured.

"In view of their having agreed to contribute $15,000, I stated that, in my opinion, I thought the members of the bureau would contribute $22,500. This seemed to both Buckley and myself a fair apportionment between the United States Envelope Co. and the members of the bureau."

Again, in 1929, just before this bill was introduced in Congress, there was written an editorial in the Envelope Industry, a magazine, which I would like to read:

"The fight against the Government envelope policy will not be allowed to languish this spring. Keeping everlastingly at it is the motto, even in the face of the warning that the new Congress will have no time for miscellaneous legislation at the extra session. Tariff revision and farm relief are supposed to have a monopoly of attention at the special session; but, at that, the crusaders for envelope reform are keeping the pot of propaganda boiling and will be on the alert for any opportunity to edge in, as an entering wedge, the proposal to restrict the printing of return cards."

This is just the entering wedge, Mr. Foss. The next fight will be to take the rest of it away. Continuing with this editorial:

"In the Seventy-first Congress, as in the former Congress, the envelope manufacturers will not appear as instigators, because of the criticism that they are selfishly interested. The campaign of education and promotion will be left to the legislative committee of the National Editorial Association which attacks this injustice of governmental competition with private business from the standpoint of the commercial printers who are bereft of envelope-printing jobs that are rightfully theirs. As on previous occasions, the renewal of the envelope fight will be first made in the Senate where, for various reasons, the situation is most favorable."

This is their own magazine talking. This is the concern that raised the $75,000 slush fund a couple of years before.

Mr. BRUNNER. Have you heard of any this year?

Mr. HARLAN. Yes, sir; I have a little later data than this.

Mr. FOSS. Have you any knowledge as to what this money was to be used for?

Mr. HARLAN. No; I have not.

Mr. ROMJUE. What is the date of this editorial that you are reading?

Mr. HARLAN. April, 1929. These country editors that have come here, with no chance of getting this business, however the thing is handled, are sincere, gentlemen; I will say they are sincere. They think they are helping themselves, but they are just going to be a cat's-paw to put the Envelope Association into a business that they have lost in competitive bidding against the International Envelope Co.

That is the situation in a nutshell, so far as that is concerned.

Oh, they have selected these farm people to make this protest, because we all know the attitude of Congress toward the rural people. Why, if you introduced in Congress a bill to take the Indian off the top of the Capitol because somebody thinks that it might make good fertilizer for some farming community, they would tear it down, grind it up, and give it to them. We all want to help the rural communities as much as we can, but that is no reason why we should allow a lobbying industry to come before this committee and this Congress and use these rural people as cat's-paws and tools to pull their chestnuts out of the fire.

The gentleman asked me for some later data. The latest I have is the edition of the same magazine of March, 1932, and here is what it says:

"The report of the stamped envelope committee and the discussion which followed was the high point of the annual midwinter meeting of the Envelope Manufacturers' Association of America, held at the Blackstone Hotel, Chicago, March 10 and 11."

That is the one point that the envelope manufacturers are taking up at their national meeting. They should worry whether or not the small user has to pay from eight to fifteen times as much for his envelopes. They give a lot of thought to the little lodge and the minister and the country grange as long as they can cut in on the profits of the business of envelopes. That is all they are interested in.

Mr. ROMJUE. Are you referring to the local editor now?

Mr. HARLAN. No. I am talking about this envelope concern here, the real lobbyist before this committee. I will continue with this article in their magazine:

"C. R. Stevenson, association secretary, is chairman of that committee, which has as its other members L. G. Reineman, Rochester Envelope Co., Rochester, N. Y., F. P. Schneider, Transo Envelope Co., Chicago, and R. L. Gray, Gray Envelope Manufacturing Co., Brooklyn, N. Y.

"The stamped-envelope situation has aroused the resentment of envelope manufacturers for many years, since it takes business away from envelope companies and printers, although the Government actually loses money on every 1,000 stamped envelopes sold."

That is a sample of the propaganda that is handed out. That is absolutely false, as you gentlemen know from the figures that these representatives of the Post Office Department have given you, unless you believe that they are here to commit perjury.

"It was brought out at the convention discussion that the Government competes with private organizations in the envelope business, and yet sells Government envelopes with a printed corner card, at only a few cents more per thousand than the cost of the printing alone.

"Those attending the convention felt strongly that now is the time to get some action on the Government stamped-envelope problem. A fund of $5,000 was raised for propaganda toward meeting this issue."

Of course, if you think that some little printer up in Minnesota can perhaps make $25 a year more than he is now making if this whole practice were abandoned and he got all the business that he expected, and can afford to lobby in Washington for a week, that is your privilege. Those people do not have the money to put on a campaign of this kind. Somebody else has to be back of it. But I think, for the benefit of the public and for the benefit of this Congress, people who are really interested in it ought to come here and say so.

Mr. ROMJUE. Let me ask you a question. I think this is in all fairness to the members of the committee. I have not seen any of those people who are behind this propaganda, and the only communication that has come to the members of the committee has been from the people that we have already mentioned. It is not fair to the editors of the country newspapers to say that this is being propagandized by somebody else; that they are wholly ignorant; that somebody else is financing all this propaganda.

Let me say that I introduced my bill on my own judgment, because I believe that this business ought to be abolished. I want to ask you right at this point this question. You come from Dayton, Ohio. The Burroughs adding machine is manufactured there.

Mr. HARLAN. It is now; yes.

Mr. ROMJUE. What would you think about turning that business over to the Government to supervise, to get the lowest bid for manufacturing a number of these adding machines and give the contract to this one company?

Mr. HARLAN. There is no occasion for the Government supervising the adding-machine industry that I know of.

Mr. ROMJUE. I am making the point: Would it not save the banks and those people who have to use those machines money?

Mr. HARLAN. No; it would not. I do not believe the Government could go into that business. The Government would not be in this envelope business if it were not for the fact that by having this contract, for example, they can specify the tensile strength of those envelopes. They can regulate the size of them. They can specify the kind of paper that shall go into the envelopes and they can protect themselves from a lot of useless work and a lot of loss in the Post Office Department by having return cards printed on them, and they save themselves a lot of money by having the stamp printed on the envelope rather than having it printed separately.

Let me say that I can not see anything to this opposition, gentlemen. All the arguments that have been presented here would require the small man in business to pay from eight to fifteen times as much for his printing as he has to pay now.

To hold up the small business man for this excise charge is nothing less than a racket.

We find the same kind of a situation in Chicago, gentlemen, where in certain neighborhoods if you do not park your car at a certain garage, when you come out you find that your tires have been cut. Or if you are in the beer business and do not go to one particular gang to place your business, you will find your establishment broken up. It is nothing but a racket, and this is nothing but the spirit of a racket on the part of the envelope companies.

Now, the suggestion was made that we ought to penalize everyone who did not have corner cards printed by charging them an extra cent for postage. I can not subscribe to that. Just think of it, gentlemen. A man has to send out only a few letters a week. Shall we require him to pay 3 cents postage because he does not have a sufficient business to justify his having corner cards printed on his envelopes? The large manufacturer can compel him to go to the local printer and have some work done which he does not find necessary, just as they compelled the transient customer, in the illustration I gave, to go to the local garage and park his car, even if he does not find it necessary or desirable.

Mr. ROMJUE. I made that suggestion, Congressman. I did not recommend it, but the thought occurred to me at the time. But when you stop to think about it, the man who goes to the post office and mails his letter without a return card on it gets an extra service from the post office in this way: Let us suppose that you mail your letter without a return card and I mail one with a return card. They can not find the addressee in either instance. They send back my letter, because there is a return card on it. Yours goes to the dead-letter office, and, of course, has to receive extra service.

Mr. HARLAN. It does.

Mr. ROMJUE. If the man gets that extra service, he ought to pay the extra postage. I am not urging that; but as a matter of fact, it does cost the Government something to examine that letter at the dead-letter office and return it; and if he receives that extra service, it seems to me he ought to pay for it.

I realize that these are matters that can not be worked out to an exact mathematical certainty. But if you charge both of them the same, as is done now, one gets a greater service than

the other, at no additional expense. As I say, I am not advocating that; but happening to think of it, I made the suggestion.

Mr. HARLAN. I can not see any possible argument that we can advance here to justify that. If the country printer could get this job at 10 or 15 per cent additional cost to the purchaser, there might be an advantage in distributing this out over the country. That might probably compensate for having it all done at one place under very favorable conditions. But to increase the cost of this service and put it on the small man who buys 500 or a thousand envelopes—and that is the man whom you hit, as well as the little organization—to increase that cost from eight to fifteen times just because we are told that there are 11,000 country printers—how many of them there really are who are interested in this we do not know—who might get some of this business if it were taken away from the International Envelope Co.—I can not see any economic justification for that, gentlemen.

I will say this, gentlemen, that the International Envelope Co., who are interested in this, feel that their position is so clear that there has been absolutely no letter written, no lobbying being done on behalf of the opponents of this bill. They felt that when the matter was presented, it would be so clear that nothing else would be necessary.

Mr. ROMJUE. Was it not agreed that the lobbying would be done a little later?

Mr. HARLAN. There is no question about it, gentlemen, there will be lots of lobbying if you report the bill favorably. When this was up heretofore, the big metropolitan papers, like the Boston Transcript and the New York papers—well, they just barely got started on it when Congress discovered what a hornet's nest had been stirred up, and it was stopped.

But here you are touching something that is of very vital interest to the people of this country and, needless to say, if this bill is voted out to the House for passage, these people who are the users will bring in their side of the argument.

Mr. LAMNECK. May I ask the gentleman a question?

Mr. HARLAN. Surely.

Mr. LAMNECK. Considerable protest has been made to the effect that the Government is shipping these envelopes from Dayton to the customer without charging him anything for that service. Is that true?

Mr. HARLAN. Mr. Tilton will be able to answer that.

Mr. TILTON. Yes, sir.

Mr. LAMNECK. That is, if I order some envelopes here in Washington you print them at Dayton at so much per thousand and ship them without any charge for the transportation?

Mr. TILTON. The selling price includes the cost of transportation and it is uniform throughout the country. The price is arrived at by taking an average.

Mr. LAMNECK. Then the statement that the Government charges nothing for transportation is not true?

Mr. TILTON. No; it is included in the charge.

Mr. ROMJUE. How much is the transportation of 2,000 envelopes from Dayton, Ohio, to San Francisco, Mr. Tilton? Do you know how much that would cost?

Mr. TILTON. The transportation item covers other matters. It is the cost of distribution. The rental of post offices, and so forth, is included.

Mr. ROMJUE. I think you read those figures in the record in the early part of the hearing. Will you repeat those figures?

Mr. TILTON. The taking of the order and the delivery expense at the post office from which the order is taken is 4.7 cents per order.

The departmental and Dayton Agency expense is 7¼ cents per order.

The incidental penalty mail expense for transmitting orders is 6.36 cents per order.

Transportation and other expense is $1.0599 per order. The total of all those distribution expenses is $1.666 per order.

Mr. HARLAN. And when all of that is taken into consideration the Government still makes a profit, even after paying for transportation charges?

Mr. TILTON. Reduced to thousands, the average per 1,000, the cost of distribution is 78.4 cents per thousand.

Mr. ROMJUE. Which is the greater expense, the printing of the envelope or the distribution and transportation?

Mr. TILTON. The distribution. The printing alone costs 2.1 cents per thousand.

Mr. LAMNECK. The statement was made the other day that you charge the customer 24 cents a thousand.

Mr. TILTON. Twenty-four cents.

Mr. LAMNECK. But you only pay 2 cents?

Mr. TILTON. Two and one-tenth cents.

Mr. FOSS. Would it be possible for the Government to manufacture these stamped envelopes at the bureau?

Mr. TILTON. I think the bureau has from time to time figured on it, but they are all higher than the commercial contracts. Mr. Lovejoy has been here longer than I have and may be able to answer that.

Mr. LOVEJOY. I do not know whether the bureau has figured on that, but the Public Printer has.

Mr. FOSS. Is the use of these stamped envelopes increasing or decreasing?

Mr. LOVEJOY. Decreasing.

Mr. FOSS. I would like to ask the Congressman the number of employees involved in this industry.

Mr. HARLAN. I think it is 1,200.

Mr. EDSNESS. Approximately 1,200.

Mr. FOSS. And they have to pay taxes?

Mr. HARLAN. They all pay taxes. I may say that they are all high-school graduates.

Mr. FOSS. I mean the concern.

Mr. HARLAN. They pay taxes. They do everything just as every other manufacturing concern does it. They have always been able, as I understand it, to do this at a lesser cost than the Government could do it in their own plants.

Mr. FESS. Have you any estimate as to the amount of their profits?

Mr. HARLAN. I have not. Their profit is not abnormal. Every four years they have to figure it, and they have to compete against these other envelope manufacturers. I may say that this concern got the contract because of the invention of certain machinery, about four or six years ago, which enabled them to take it away from the concern that was doing the work before that.

Mr. HAINES. If there are no further questions, we thank you for your statement, Mr. Harlan.

PROHIBITION

Mr. CANNON. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON. Mr. Speaker, the prohibition question is not primarily a political question. It is an economic question. But apparently there is such widespread demand for a vote on the subject as to bring it into the political forum, where it challenges the attention of both political conventions.

Ours is a democratic form of government. It is a government of the people and by the people. In the language of my own State, "the will of the people is the supreme law." No enactment can survive without their approval. No law can be enforced without their sanction. And when the question of that sanction is properly raised there is no alternative but to submit it to the expression of their will for authoritative determination.

For this reason I would gladly stand with my party on a platform recommending a constitutional amendment permitting the people to vote directly on the question by States at a special election called solely for that purpose in order to permit the question to be determined once and for all. Until so determined, it will remain a mooted question, obscuring other issues, complicating national politics and retarding the consideration of national legislation indefinitely.

Let us not temporize with makeshift measures. Let us carry it directly to the highest tribunal and submit it to the vote of the people themselves.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did April 15, 1932, present to the President for his approval a bill of the House of the following title:

H. R. 9575. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

EXTENSION OF REMARKS

MOUNT VERNON

Mr. HALL of Mississippi. Mr. Speaker, in discussing the resolution offered by the gentleman from Massachusetts [Mr. TREADWAY], which paves the way for the acquisition of Mount Vernon, the home of George Washington, by the Federal Government, I feel that it would be exceptionally appropriate to complete this transaction, if possible, during the bicentennial year, while people throughout the country are paying tribute to the memory of our first President.

Wakefield, on the lower Potomac River, the birthplace of George Washington, has been restored as nearly as possible to its original state and presented to the Government as a national memorial to Washington. It was at Wakefield that Col. John Washington, the great-grandfather of George Washington and the first member of the family to venture to the New World from England, settled about 1657. Moreover, in 1674 Col. John Washington, in copartnership with Nicholas Spencer, obtained the land grant on the original Mount Vernon estate consisting of 5,000 acres on the upper Potomac River, then known as Epsewassen or Hunting Creek.

This property later was divided, and George Washington, at the age of 20, inherited the 2,500 acres from his half brother, Lawrence, subsequently increasing the size of the plantation to 8,000 acres.

The house that Washington was born in at Wakefield was built about 1720, and destroyed by fire on the Christmas Eve of 1780. After ascertaining the type and dimensions of the birth house, the Wakefield Memorial Association constructed a virtual replica of the building, which has been accepted by the Federal Government as a national memorial. As a consequence, it seems to me that Mount Vernon, too, should now be acquired by the Government and converted into a national memorial, thus restoring the relationship of the two places as it was in the days of Washington, with a broad national highway for the connecting link. It is only about 70 miles from Wakefield to Mount Vernon, a relatively short distance in this era of fast motor transportation.

The Treadway resolution requests the Secretary of the Interior to sound out officials of the Mount Vernon Ladies' Association to ascertain the terms and conditions under which the Government might obtain Mount Vernon; also to find out if the association would like to take care of the place over a period of years under Government supervision. Peradventure, the association would be averse to relinquishing its ownership of Mount Vernon; and there is justification for opposition to the proposal.

When John Augustine Washington, a kinsman of George Washington, placed Mount Vernon on the auction block in 1853, after it had been sadly neglected for many years, Ann Pamela Cunningham, a patriotic daughter of South Carolina, pitched in and raised the $200,000 required for purchasing the place. She also organized the Mount Vernon Ladies' Association and served as the first regent. Incorporated under the laws of Virginia in 1856, the association since has maintained Mount Vernon almost exactly as it was in Washington's day. Of the 8,000 acres comprising the plantation in his day, the association has acquired more than 250 acres, repaired the mansion, restored buildings that had fallen into ruin, retrieved and assembled numerous articles of furniture, valuable relics, and mementos of the Washingtons and of their period.

I revere the patriotic action of the Mount Vernon Ladies' Association in preserving for posterity the one-time home of George Washington. No nobler deed has ever been recorded in the annals of the Nation. On the other hand, I concede that the failure of Congress to buy Mount Vernon when it was offered for sale in 1853 is absolutely inexcusable.

Nevertheless, I feel—and I believe the good ladies eventually will concur with me—that Mount Vernon should be the priceless heritage of all the American people, and that the Government should now atone for its gross negligence by acquiring the property in a manner satisfactory to the association and forever thereafter preserve it as a patriotic shrine. And I am in favor of permitting the association to look after the place under Government supervision as long as it so desires.

Mount Vernon was in the possession of the Washington family for 258 years—from 1674 to 1853. As I have already pointed out, the original land grant was obtained by Col. John Washington, the first member of the family to come from England to this country, and that George Washington, his great-grandson, eventually fell heir to the property. According to the Recollections of G. W. P. Custis, Lawrence Washington, who inherited the estate from his father, joined the American expeditionary force raised by Governor Gooch, of Virginia, to aid the British Navy in its attack on Cartagena during the war with Spain. Because of his admiration for Admiral Vernon, commander of the British fleet, Lawrence named the estate after him—and Mount Vernon it has remained.

George Washington first went to Mount Vernon in 1747 to live with his brother Lawrence, and came into possession of the property on the death of his brother in 1752. The central part of the present mansion house was built in 1743—189 years ago—when young George was only 11 years old. In 1759 he remodeled the house, so that it measured 50 by 32 feet and contained 12 rooms. Shortly thereafter he married the dashing young widow, Martha Daindridge Custis, and installed her as the mistress of Mount Vernon. He added two wings in 1773, increasing the number of rooms to 19; and the front portico was built in 1778, while Washington was serving as Commander in Chief of the Continental Army during the Revolutionary War. The framework is of rough-hewn white oak timbers, cut from trees growing on the plantation. George Washington was a natural-born farmer, and he would have preferred to remain on his plantation permanently, superintending the cultivation of his goodly acres; but fate decreed otherwise. However, a kindly disposed Providence permitted him to spend his last years at home as well as to breathe his last in the big house overlooking the historic Potomac River.

The more one sees of Mount Vernon the more one appreciates the significance of the timely action of Ann Pamela Cunningham in saving it for the American people. To have lost Mount Vernon, so closely associated with the home life of George and Martha Washington, would have been a national disgrace. But it yet remains to make Mount Vernon a national memorial, and I hope the Treadway resolution may be approved, so that the Secretary of the Interior and the officials of the Mount Vernon Ladies' Association may sit down together at a round table, discuss the proposition with an open mind, as well as agree upon ways and means of transferring the property to the Federal Government that will be satisfactory to all concerned.

Among outstanding national memorials constructed in connection with the celebration of the two hundredth anniversary of Washington's birth is the Mount Vernon Memorial Boulevard, one of the most beautiful and historically interesting roads in the world, linking the National Capital with the former home of George Washington. This 15-mile-long stretch of highway, built at a cost of approximately $5,000,000, begins at the Virginia end of the new Arlington Memorial Bridge, skirts the Arlington National Cemetery, centers historic Alexandria, Washington's home town and voting precinct, and terminates at the postern gates of Mount Vernon.

Except in Alexandria, it is 200 feet wide, with a 60-foot paved driveway in the center; and its scenic beauty subsequently will be enhanced with suitable landscape plantings. Assuredly, many thousands of pilgrims annually will drive to Mount Vernon over this striking highway—all the more reason why Mount Vernon should be placed under the supervision of the United States Government.

More than 40 years ago the Mount Vernon Avenue Association was created with the view of constructing a broad avenue that would connect Washington City with Mount Vernon. The charter provided for a right of way 200 feet wide, with a 60-foot driveway in the center. It was suggested that 1 mile be allotted to each of the Thirteen Original States for setting out trees and flowering plants, erecting monuments to favorite sons, as well as such other specimens of architecture as would enhance the scenic beauty and historic interest of the avenue. Under an act of Congress passed in 1889 Gen. Peter Hains, of the Army Engineers, surveyed and reported on three alternative routes, but for some reason the avenue did not materialize. However, the river route, chosen for the present boulevard, approximates the so-called eastern route surveyed by General Hains.

Unusual interest also attracts to the magnificent new Arlington Memorial Bridge, spanning the Potomac River and connecting Washington City with the Mount Vernon Memorial Boulevard. Symbolically, this $7,000,000 arch, 2,138 feet long, with a 60-foot driveway in the center supported by granite columns 166 feet high, forms the connecting link between the North and the South. Construction of a bridge at this site was first advocated by President Andrew Jackson; and the project since was continually pending in Congress until the plans for the present bridge were approved. To forge an enduring link between the North and the South was also Jackson's controlling purpose.

It is exceedingly appropriate that both the Arlington Memorial Bridge and the Mount Vernon Memorial Boulevard should have been formally dedicated on the two hundredth anniversary of George Washington's birth. What could be more fitting than for the Government to acquire and convert Mount Vernon into a national memorial during the bicentennial year?

VOCATIONAL EDUCATION

Mr. SANDERS of Texas. Mr. Speaker, one of the Washington newspapers carried the report a few days ago that President Hoover had made, or was about to make, 85 suggestions of ways to save. He has been President three years, and it seems to be a little late for him to wait until the country is broke and for the eve of a presidential election to make any kind of a statement about saving. I am wondering why he did not adopt a saving program when he was first inaugurated? The Washington Star of Sunday contained his saving program, but there was not 85 ways mentioned. Of those he did mention, some have merit and some have no merit. I want to call particular attention at this time to the most vicious suggestion that he made, and one which ought to be especially defeated. He advocates discontinuing the appropriation for vocational education. His recommendation as given in the press is as follows:

SEC. 404. The annual appropriations provided for the fiscal year ending June 30, 1933, by sections 1, 2, 3, and 4 of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917, as amended (U. S. C., title 20, secs. 11 to 14, inclusive), shall not be expended. No appropriation made for the fiscal year ending June 30, 1933, to carry out the provisions of acts and parts of acts amendatory of or supplementary to such act of February 23, 1917 (U. S. C., title 20, sec. 29; U. S. C., Sup. V, title 20, secs. 15a, 15b, 15c, and 30), shall be expended and the amount thereof shall be impounded and returned to the Treasury.

This clearly puts Mr. Hoover as being against education; and so far as my information goes, he is the only President we ever had that took that position with reference to this very vital and important subject. It was King Solomon who said—

That where there is no vision the people perish.

Let us contrast this position of our President with the position of some of the other Presidents. Thomas Jefferson said:

Those who expect to remain free and ignorant in a state of civilization expect that which has never happened and never will happen.

George Washington said:

That in proportion as the structure of government gives force to public opinion, it is essential that public opinion should be enlightened.

John Quincy Adams said:

To preserve, to inform, and to perpetuate the sources, and direct their most effective channels the streams which contribute to the public weal is the purpose for which government was instituted.

The great Edmund Burke declared that "education is the chief defense of nations." Democracy depends upon the intelligence of the masses for its existence, and yet in the name of economy our President seeks to disrupt the program of our public schools; in the name of economy he seeks to deprive 1,250,000 boys and girls of the privilege and opportunity of finishing their vocational courses. Appeals to prevent this have come to me from numerous citizens in my district—from people in all the walks of life and from different civic organizations. There is a flood of protest against discontinuing this fund, and there should be. This House should give a unanimous vote against it. If the boys and girls who are now taking these courses are thrown out and have to stop, it means much to them and much to this country. They have made their plans, and will be disappointed and embittered if they are not permitted to complete their plans. They have selected these courses to prepare themselves for lives of usefulness. If this item is discontinued now by the Government, it may never be taken up again; and even if it should be reinstated after one year, the 1,250,000 boys and girls now taking these courses will be deprived of ever taking up and finishing them. There is no economy in the proposition. It is a crime. There is no reason why this step should be taken, and there is every reason why it should be continued. If the appropriation is discontinued, it means only the sum of $8,500,000. We saved nearly that much yesterday by concurring in the Senate amendments to the Interior Department appropriation bill. The more ignorant a people are the easier it is to exploit them.

According to the press the President contends that his program for economy will save approximately $250,000,000. That amount would be in the Treasury of the United States at this very time had not the President extended a moratorium to the foreign nations last year and voted the Congress by telegraph—had he not by that means transferred $250,000,000 which the foreign nations owe us to the already overburdened taxpayers of America. The President could have economized there, but he did not. He seems to think more of the foreigners than he does of the American children. He might have economized by taking out $110,000,000 appropriated recently for mountain roads and trails in the national parks of this country. Thus it appears that our President thinks more of mountain roads and trails in our national parks than he does of the 1,250,000 school children who will be thrown out of the vocational schools in the event his recommendation is adopted. Then again, the President might have economized by taking out of the river and harbor bill $8,000,000 for new projects. The President could have economized again in sending in his Budget to this Congress, and all the preceding Congresses, which have been held during his administration. The President is responsible for the Budget. He appoints the officers of it and they make it up for him; and all of the appropriation bills which have been considered by this House at this session have been reduced from the amounts called for in his Budget, which shows that Congress has been more economical than the President. The President's Budget for the fiscal year 1931 exceeded the receipts for that year by $902,716,845.07. Was that good business? Why did he not say something about balancing the Budget sooner? Why did he permit that deficit I have just mentioned? The deficit today is the President's deficit. He has had his party in power and he has had the right of veto.

When the President sent us his message last December, together with his Budget for the calendar year 1933, he knew then that his recommendation of $3,996,672,450 exceeded the estimated receipts by more than a billion dollars. The Appropriations Committee of the House has already cut one hundred and fifty million from the President's Budget. There has not been a year under his administration when he could not have saved money to the taxpayers of this Nation by sending in a proper Budget. With these indisputable facts and others which I shall mention he is played up now as desiring economy. His Cabinet heads have not advocated economy when they have appeared before committees. It has been the President's duty to keep the Budget balanced. The President could have weeded out useless bureaus and employees by cutting out the money to sustain them, but it has taken three years for the thought to occur to him. How much longer are we going to use the Presidency for an economic kindergarten? He has, however, put the Rapidan on the map and made rabbits good to eat in August. He has permitted some officers in some of the departments to draw unreasonable salaries. This he continues to permit. He talks about duplication of the activities in some of the departments, and yet he has done nothing about it for the three years he has been in office. It is belated talk, and action seems to be more belated than the talk.

Just a few days ago the public press carried the item that—

A fleet of 11 new automobiles of various colors came to the White House—that the President had set the example of his recent plea to buy new cars.

This dispatch went on to say that—

The cars are of various makes, and, with the exception of three stately sedans with the White House seal on the door, are in blue, green, maroon, and brown.

The President promised us, during the campaign, two chickens in every pot and a car in every garage, but many of the garages are empty, while the President has 11—blue, green, maroon, and brown. But perhaps it takes that many cars to carry his friends to the Rapidan, where considerable of the public money has been spent to fix him a road. The President could have imitated the example of Speaker GARNER and thereby economized on the car item. Speaker GARNER refused to let the Public Treasury pay for a car for him. The President could have economized by appointing fewer commissions, which have done little more than draw their salaries. In mentioning the 11 automobiles, I am reminded of the fact that the President has been the most expensive one we have ever had in the White House. The total expense of the White House under President Wilson was $293,680 per annum. Under Mr. Hoover for 1932 it is $542,380. Out of this fund in the President's Budget 48 White House policemen are paid. One of these, a captain, receives $3,600 per annum; a lieutenant, $3,060; 3 sergeants, $2,750 each; and 43 privates are paid as provided by law. It seems to me that the President could have economized on policemen.

A Washington newspaper in a recent issue gave some description of the Commerce Department Building, which cost $17,500,000. The land upon which it stands is worth $30,000,000. It has an auditorium which seats 1,000 people and which is not needed. It is a monument of extravagance. They have a place where they raise fish, and then they send them down to the Rapidan for the President to catch, and sometimes they fail to put them in the right water. They have a private elevator for the exclusive use of Secretary Lamont. Its operation costs the Government in wages $6.35 per day. It is operated by one who draws $90 per month. It has a heavy bronze door and it is watched by a guard that draws $100 a month. Secretary Lamont must pass within 5 feet of three public elevators in order to reach his private elevator. This private elevator leads to the fifth floor of the 7-story building, where the Secretary's walnut-paneled and air-conditioned suite is located. This lift has no connection with the two other elevators assigned to this suite. It is understood the other two are to be used only by special guests. They are in the center of the vast public reception room, and their doors on this floor are finished in American walnut to match the walls of the vast room. Instead, the exclusive elevator is on the south side of the suite, allowing the Secretary the privilege of reaching his office through the south end of what the building contractors describe as a "secret passageway," which separates the offices proper from the reception room. And thus we see something about the extravagance of a building which rivals that of King Solomon.

Again we are reminded that the gentleman from Indiana [Mr. WOOD] was right when he proclaimed a few years ago that Mr. Hoover "is the most expensive luxury we have ever had." According to the New York Times, on April 1, 1920, Senator FESS, of Ohio, said:

The Republican Party can not accept an internationalist as its standard bearer. Hoover must be greatly embarrassed in seeking the nomination at the hands of the party he conspired against with the party's opponents to defeat in 1918. It will demand a leader whose Americanism is not in question and whose political views are not a matter of speculation.

In 1928 Senator WATSON, of Indiana, said:

We have come upon strange times. We used to nominate men because of what they stood for. Now we are asked to name voiceless candidates to lead us.

In March, 1932, Mrs. Dolly Gann, who, according to press reports, likes to sit at the head of the table, in making a speech in Chicago, said:

The Democrats will try to talk about depression, but there is no depression. It is over. They can not make it an issue. As a result of the constructive measures the President has taken, the great masses of the people have never discovered that they were in hard times and have gone about their employment without ever having found it necessary to limit in any degree their standard of living.

This reminds us of the late popular song:

"We're forever blowing bubbles,
Pretty bubbles in the air.
They fly so high,
Nearly reach the sky,
Then, like a dream, they fade and die.
Fortunes always hiding
We've looked everywhere.
We're forever blowing bubbles,
Pretty bubbles in the air."

In the campaign of 1928 at Palo Alto, Calif., Candidate Hoover said:

Unemployment in the sense of distress is widely disappearing. We in America to-day are nearer to the final triumph over poverty than ever before in the history of our land. The poorhouse is vanishing from among us. We have not yet reached the goal, but, given a chance to go forward with the policies of the last eight years, and we shall soon, with the help of God, be in sight of the day when poverty will be banished from this Nation. There is no guaranty against poverty equal to a job for every man. That is the primary purpose of the economic policies we advocate.

Of course, by this time the American people have realized just what that promise is worth.

One of the reasons why our national finances are in the condition which they are to-day is because of the fact that Andrew Mellon was a failure as Secretary of the Treasury. The man who said that he was the greatest Secretary since Alexander Hamilton was day-dreaming and deserves to be placed in a class with Ananias. The fact is that the gross national debt of the United States on July 1, 1920, was $24,297,918,411. The sinking-fund provision which went into effect on this date required this debt to be provided for in a certain way, but this provision did not prohibit the retirement of the debt in excess of the amount required by law if the surplus was available for such purpose.

It will be interesting to show the public debt retirements which were required by law and which were charged against ordinary receipts and also to show the excess of the actual debt retirements over and above this required amount. These data follow for the fiscal years 1921 to 1930, inclusive.

Fiscal year	Debt retirements required by law chargeable to ordinary receipts	Excess of actual debt retirements over retirements chargeable to ordinary receipts
1921	$422,113,000	$105,064,152
1922	422,694,600	591,374,244
1923	402,850,491	210,823,852
1924	457,999,750	460,894,626
1925	466,538,114	468,080,988
1926	487,376,051	385,601,522
1927	519,554,845	611,754,539
1928	540,255,020	867,358,710
1929	549,603,704	123,601,014
1930	563,883,603	192,005,845
Total	4,822,869,178	3,496,579,492

It will be observed from the above figures that during the 10-year period mentioned, the public debt was reduced by $4,822,869,178, as required by law, and by a further amount of $3,496,579,492 which was not required by law. This latter debt retirement has been paid almost entirely out of the surplus in the Treasury at the close of each fiscal year. There was a surplus every year for the 10 years from 1921 to 1930, inclusive, and the total amount of this surplus was $3,247,205,875. It can be computed from these facts that the public debt has been retired during the 10-year period mentioned at an average rate of 72 per cent greater than the rate required by the statute.

Therefore, with all of these facts and many more which I could mention, we can easily see why our country is in the condition that it is to-day. If the President had been economical, there would be no reason why this administration should want to discontinue the appropriation for vocational education. In a democracy the right of suffrage without universal education is but a reef of rocks in front of the

helm of the ship of state, and as far as I am concerned I can not give my assent to any matter of legislation that would deprive 1,250,000 boys and girls of vocational education.

The wealth of the world isn't silver or gold,
Or the diamonds and rubies its caverns may hold,
Or the trees in its woods or the power in its pools;
The wealth of the world is to-day in its schools.
For nothing has value which lies in our ken
Without the high thinking of women and men.

PAYMENT OF THE ADJUSTED-COMPENSATION CERTIFICATES

Mr. GARBER. Mr. Speaker and Members of the House, in its issue of April 14 the Garber Sentinel, of Garber, Okla., published the following editorial upon the subject of the payment of the adjusted-compensation certificates, a subject that is now being considered by the House Ways and Means Committee:

DOLLAR PROTECTORS LET OUT SQUAWK AGAINST CURRENT INFLATION

What is the proposed soldier bonus bill and why the squawk?

It should be remembered that Congress passed the adjusted compensation bill seven years ago and asked the soldiers to wait until 1945 to get it. The ex-soldiers are not making a raid upon the Treasury Department. The money has been voted and is being collected annually to meet the obligation when it becomes due.

There are several proposals under consideration in the committee room, but none have been reported to the floor of the House. The one which seems likely to be presented provides for Government bonds in the amount of $2,500,000,000 to be delivered to the Federal reserve banks, which are in turn to issue Federal reserve bank notes for their full face value. These notes are to be paid to the soldiers. They will circulate as money, because they are nothing other than good old United States currency. They are to be retired by 1945 out of the funds set aside and accumulating over the 20-year period.

A rather simple program and one that will not cost the taxpayer one penny in addition to what he is being and will be taxed to meet the obligation in 1945.

Why the squawk? Simply this: It will inflate currency and lower the value of the dollar. Now, let's begin at the beginning and trace the movement that has set a high price on the dollar.

In 1921 our international bankers came into existence. Until that time they were just ordinary bankers, but the world had been made safe for democracy, whatever that is, and it seemed to be an opportune time to do a banking business on a large scale. How they arrived at the conclusion no one knows, but they decided that there was too much money in the hands of the American people. Money was too cheap. Everybody had it. There was no way to distinguish the rich from the poor. A program of restricting credits, calling in loans, and retiring currency was launched and poor Uncle Sam fell for it like a ton of brick, turning the Federal reserve system over to Wall Street and moving the money capital from Washington back to New York City.

The northern farmer, with his high-priced land, went broke. Then the Texas cattleman and one by one every farming community woke up to the distressing fact that they didn't have anything to use for money. There has been no prosperity in agriculture since that time, although 1929 was a great year and marks the peak of what is said to be a wonderful era.

In 1921 the per capita currency circulation was about $59. Now, it is $36. That means that what was bought for $59 in 1921 must sell now for $36.

A new standard has been set for the dollar. It is worth 2 bushels of wheat f. o. b. Garber, plus the old freight rate and the recent 15 per cent hike. It is worth one day of common labor and about 12½ dozen eggs. Partly because there is an oversupply of wheat, labor, and eggs, but more on account of there being an undersupply of money.

Get this. Too much wheat means cheap wheat. Too much money means cheap money. If the supply of wheat increases, the price goes down. If the supply decreases, up goes the price. That economic law will work if the money manipulators will leave the value of the dollar alone. However, if the production of wheat remains the same and the supply of money is decreased, the price of wheat will drop for the very simple reason that there is more wheat than there is money. In other words, the value of the dollar is increased because the number is decreased. The more it is worth the more wheat it will buy. And by wheat we mean commodities in general.

Uncle Sam has wasted a half billion dollars trying to tell the farmers that there is an overproduction of farm products, but not one thin dime to warn the dollar protectors that there is an undersupply of money. He gives advice to the farmers and takes it from Wall Street.

That is where you get the squawk on the bonus bill. The $23 per capita deflation of currency since 1921 amounts to $2,700,000,000. If the Government now puts back into circulation this $2,500,000,000 through the bonus proposal, it will put the volume of currency back to the level of prosperous times and the process of deflation will be reversed.

It will raise the general commodity price level, because there will be almost $2 where there is $1 now. The dollar will decline about 40 per cent.

Thus the controversy really lies between those who have cornered the dollar and those who are forced to sell 30-cent wheat, dollar-a-day labor, and 8-cent eggs to get a high-priced dollar.

What does the latter care about the gold standard, all the banking wisdom of Carter Glass or the millionaire warnings of Secretary Mills? He wants a dollar that isn't worth any more to-day than it was when he planned his crop, or when he borrowed it. He wants his dollar to remain constant.

It would better suit the big bankers, if there is any such a thing as a big banker, for the Government to sell the bonds outright, taking the money out of circulation by the sale and putting it back through payment of the adjusted-compensation certificates. There would be no new money. The volume of currency would remain the same and the high value of the dollar maintained.

It will be a great battle. The boys may get their pay. We doubt it. If they do, it will be after they have whipped organized finance, big business, big bankers, and every other "big" which have bigged the country to death. And believe you us, that is some job!

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 4 minutes p. m.) the House adjourned until to-morrow, Tuesday, April 19, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Tuesday, April 19, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

PUBLIC LANDS

(10.30 a. m.)

Hearings on Mount Vernon bill and public domain.

DISTRICT OF COLUMBIA

(10.30 a. m.)

Hearings on bill for closing barber shops on Sunday.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EVANS of Montana: Committee on the Public Lands. H. R. 9072. A bill to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases; without amendment (Rept. No. 1078). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 11084. A bill to amend section 35 of the Criminal Code of the United States; without amendment (Rept. No. 1079). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PITTENGER: Committee on Claims. H. R. 3810. A bill for the relief of M. N. Lipinski; with amendment (Rept. No. 1080). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 8596) for the relief of John A. Carney, and the same was referred to the Committee on Naval Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREGORY: A bill (H. R. 11417) authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Cairo, Ill., and permitting

the Commonwealth of Kentucky to act jointly with the State of Illinois in the construction, maintenance, and operation of said bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. DALLINGER: A bill (H. R. 11418) to erect a statue of George Washington in Cambridge, Mass.; to the Committee on Military Affairs.

By Mr. ARENTZ: A bill (H. R. 11419) for liquidating bonded and other outstanding indebtedness of the Walker River irrigation district, Nevada; to the Committee on Irrigation and Reclamation.

By Mr. WELSH of Pennsylvania: A bill (H. R. 11420) to amend paragraphs 4 and 6 of section 1 of an act entitled "An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce," approved June 10, 1930 (46 Stats. 531), of the Seventy-first Congress, designating live or dressed poultry and eggs as perishable agricultural commodities; to the Committee on Agriculture.

By Mr. BUTLER: A bill (H. R. 11421) to provide for the construction of works for the development of the Columbia River and minor tributaries, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. KELLER: A bill (H. R. 11422) to regulate the value of money, and for other purposes; to the Committee on Banking and Currency.

By Mr. SWING: A bill (H. R. 11423) authorizing the Secretary of War to set apart as a national cemetery certain lands of the United States military reservation of Fort Rosecrans, Calif.; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 11424) to provide for the discontinuance of certain forms and publications by the Bureau of the Census, Department of Commerce, and for other purposes; to the Committee on the Census.

Also, a bill (H. R. 11425) to authorize the Secretary of the Interior to release any contractor from or to postpone the performance of contracts for the purchase of timber on Indian reservations, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 11426) to authorize the Secretary of Agriculture to release any contractor from or postpone the performance of contracts for the purchase of timber on forest reserves, and for other purposes; to the Committee on Agriculture.

By Mr. TIMBERLAKE: A bill (H. R. 11427) to authorize construction of the North Platte Tunnel project, Colorado; to the Committee on Irrigation and Reclamation.

By Mr. CRISP: Resolution (H. Res. 195) relative to the concurrence of the House in the Senate amendment to H. R. 6662; to the Committee on Rules.

By Mr. McSWAIN: Joint resolution (H. J. Res. 365) authorizing the Secretary of War to make available certain War Department material for unemployed World War Veterans; to the Committee on Military Affairs.

By Mr. CROWE: Joint resolution (H. J. Res. 366) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

By Mr. LINTHICUM: Joint resolution (H. J. Res. 367) authorizing an appropriation for the expenses of participation by the United States Government in the Ninth Pan American Sanitary Conference to be held at Buenos Aires, Argentina, in 1932; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 368) to authorize an appropriation of $10,000 for the expenses of participation by the United States in the Seventh International Congress of Military Medicine and Pharmacy; to the Committee on Foreign Affairs.

MEMORIAL

Under clause 3 of Rule XXII, a memorial was presented and referred as follows:

Memorial of the Michigan State Senate, memorializing the Congress to provide means for the immediate payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 11428) for the relief of James H. Covert; to the Committee on Military Affairs.

By Mr. BRUMM: A bill (H. R. 11429) to authorize the Department of Agriculture to issue a duplicate check in favor of the department of forests and waters, Commonwealth of Pennsylvania, the original check having been lost; to the Committee on Claims.

By Mr. BUCKBEE: A bill (H. R. 11430) granting an increase of pension to Adda Austin; to the Committee on Invalid Pensions.

By Mr. CARTWRIGHT: A bill (H. R. 11431) for the relief of George W. Washington; to the Committee on Military Affairs.

Also, a bill (H. R. 11432) for the relief of Daniel Craig; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 11433) granting an increase of pension to Hattie S. Morgan; to the Committee on Invalid Pensions.

By Mr. DICKINSON: A bill (H. R. 11434) granting a pension to Sarah E. Gillespie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11435) granting an increase of pension to Christine Hounshell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11436) granting an increase of pension to Nancy J. Niblack; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 11437) granting an increase of pension to Harvey L. Biggs; to the Committee on Pensions.

By Mr. FITZPATRICK: A bill (H. R. 11438) for the relief of Isadore Parnes; to the Committee on Military Affairs.

By Mr. HASTINGS: A bill (H. R. 11439) granting an increase of pension to Rufus Busby; to the Committee on Pensions.

By Mr. HOWARD: A bill (H. R. 11440) granting an increase of pension to Julia M. McQuown; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 11441) for the relief of Joseph Eugene Coscone; to the Committee on Naval Affairs.

By Mr. LANKFORD of Virginia: A bill (H. R. 11442) for the relief of Charles L. Kee; to the Committee on Claims.

By Mr. LEA: A bill (H. R. 11443) granting a pension to Fordyce Tucker; to the Committee on Pensions.

By Mr. MAY: A bill (H. R. 11444) to provide for the refund and repayment to A. L. Martin, former postmaster of Drift, Floyd County, Ky., of funds heretofore twice paid by him to the Government; to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 11445) granting an increase of pension to Elizabeth Burrell; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 11446) granting an increase of pension to Frances S. Webster; to the Committee on Invalid Pensions.

By Mr. NORTON: A bill (H. R. 11447) granting a pension to Mary G. LaMunyon; to the Committee on Invalid Pensions.

By Mr. PRATT: A bill (H. R. 11448) granting an increase of pension to Georgianna Barker; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 11449) granting a pension to Elsie Latshaw; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 11450) for the relief of the legal representatives of Lyman Randall, J. E. Sarrazin, and James Williams; to the Committee on War Claims.

By Mr. TIERNEY: A bill (H. R. 11451) to correct the military record of Howard F. Cunningham; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and paper were laid on the Clerk's desk and referred as follows:

6089. By Mr. BACON: Petition of six members of the Bay Shore, Long Island (N. Y.) post of the American Legion, urging payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

6090. Also, petition of sundry citizens of Hollis, Long Island, N. Y., protesting against the reduction of salaries of Government employees; to the Committee on Economy.

6091. Also, petition of sundry citizens of Garden City, Hempstead, and Stewart Manor, Long Island, N. Y., protesting against the payment of the adjusted-compensation certificates at this time; to the Committee on Ways and Means.

6092. Also, petition of sundry citizens of the State of New York, protesting against the passage of House bill 8759 or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

6093. Also, petition of sundry citizens of St. Albans, Long Island, N. Y., urging the payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

6094. By Mr. CARTWRIGHT: Petition of LeFlore County Woman's Christian Temperance Union, opposing the resubmission of the eighteenth amendment to the States; to the Committee on the Judiciary.

6095. By Mr. COLE of Iowa: Petition of Stemple White, of 409 Thirty-fourth Street NE., and 271 other signers, all residents of Cedar Rapids, Iowa, protesting against compulsory Sunday observance and the passage of Senate bill 1202, known as the Sunday observance bill for the District of Columbia; to the Committee on the District of Columbia.

6096. By Mr. COYLE: Petition of 104 citizens of Monroe County, Pa., opposing the bill, S. 1202, or any other compulsory Sunday observance bills which have been or may be introduced; to the Committee on the District of Columbia.

6097. By Mr. CULLEN: Petition of New York State Hotel Association, urging the Congress to take appropriate steps to submit for the consideration of the respective States the repeal of the eighteenth amendment; and in the interim, to modify the national prohibition act so as to permit the sale of beverages of such high alcoholic content as will not violate the eighteenth amendment; to the Committee on the Judiciary.

6098. Also, petition of Fleet Reserve Association, Branch No. 2, Brooklyn, N. Y., favoring the passage of bill H. R. 8083, introduced by Representative VINSON; to the Committee on Naval Affairs.

6099. Also, petition of Fleet Reserve Association, Branch No. 2, Brooklyn, N. Y., advocating the passage of the veterans' bonus bill and urging the Congress to enact same; to the Committee on Ways and Means.

6100. By Mr. DAVENPORT: Petition of members of the Stone Presbyterian Church, Clinton, N. Y., supporting the principle of national prohibition as embodied in the eighteenth amendment and asking that only those same orderly and legal processes which our Constitution provides should be employed in dealing with the question of prohibition; to the Committee on the Judiciary.

6101. By Mr. DICKINSON: Petition of 38 citizens of Butler, Mo., opposing the passage of House bill 8092 or any other compulsory Sunday observance law; to the Committee on the District of Columbia.

6102. By Mr. FULLER: Petition of 41 business men and firms of Gravette, Ark., requesting the full payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

6103. Also, petition of H. A. Shepherd and 60 other citizens of Springdale, Ark., protesting against the passage of House bill 8092; to the Committee on the District of Columbia.

6104. Also, petition of A. F. Williams and 60 other taxpayers of Sulphur Springs, Ark., requesting the full payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

6105. By Mr. GARBER: Petition of citizens of the eighth district of Oklahoma, favoring continuance of vocational aid from the Federal Government; to the Committee on Agriculture.

6106. Also, petition of citizens of the eighth district of Oklahoma, protesting against discontinuance of appropriations for vocational education; to the Committee on Economy.

6107. Also, petition of Veterans of Foreign Wars of Tulsa, Okla., urging the passage of the bonus bill; to the Committee on Ways and Means.

6108. Also, petition of C. D. Williams, of Wakita, Okla., protesting against proposed sales tax on automobiles; to the Committee on Ways and Means.

6109. Also, petition of the Farmers' Union local of Union Center, No. 686, indorsing Senate bills 1197 and 2487 and House bill 7797, and expressing opposition to the sales tax and the principle involved, and demanding a tax system wherein a tax on net income shall pay all cost of government; to the Committee on Agriculture.

6110. Also, petition of the fifth district of Oklahoma's wheat growers, indorsed by Grant County Pomona Grange, No. 4, urging retention of the agricultural marketing act and certain amendments thereto, opposing the impounding of stabilization wheat, and demanding a complete investigation of the efforts of commodity exchanges to depress prices through short selling; to the Committee on Agriculture.

6111. Also, petition of the Tri-County Farmers' Union of Harper County, indorsing the organized farmers' program, including Senate bills 1197 and 2487 and House bill 7797, and expressing opposition to the sales tax and the principle involved, and demanding a tax system wherein a tax on net income shall pay all cost of government; to the Committee on Agriculture.

6112. Also, petition of M. L. Dague, Fairview, Okla., representing the Fairview Lions' Club, urging that some disposition be made of wheat now held by the Farm Board, so that it will not continue to be a weight on the American market; to the Committee on Agriculture.

6113. By Mr. GLOVER: Resolution of Arkansas farmers and business men from 24 counties of the State, assembled at the Rice Branch Experiment Station, Stuttgart, Ark.; to the Committee on Agriculture.

6114. Also, resolution of members of Warren Townsend Post, No. 13, Hot Springs, Ark.; to the Committee on Ways and Means.

6115. By Mr. HOGG of West Virginia: Petition of Kiwanis Club of Bluefield, protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6116. Also, petition of the Kiwanis Club of Beckley, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6117. Also, petition of Raleigh County Bar Association, opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6118. Also, petition of Chamber of Commerce of Mullens, W. Va., protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6119. Also, petition of New River and Winding Gulf Mining Institute, opposing the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6120. Also, petition of Railway Employees' and Tax Payers' Association of West Virginia, Charleston unit, opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6121. Also, petition of Russell Division, No. 686, of Russell, Ky., opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6122. Also, petition of Williamson Chamber of Commerce, opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6123. Also, petition of Railway Employees and Taxpayers' Association of West Virginia, opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6124. Also, petition of board of directors of the Kanawha Coal Operators' Association, protesting the passage of Senate bill 2935; to the Committee on Interstate and Foreign Commerce.

6125. Also, petition of Allingham Division, No. 271, Brotherhood of Locomotive Engineers, Covington, Ky., opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6126. By Mr. HOLLISTER: Petition of members of United National Association of Post Office Clerks, Branch No. 9, Cincinnati, Ohio, protesting against any reduction in the salaries of Federal Government employees; to the Committee on Expenditures in the Executive Departments.

6127. By Mr. JAMES: Petition of Calumet Lodge, No. 271, Free and Accepted Masons, of Calumet, Mich., through Richard Brown, worshipful master, favoring a tariff on copper; to the Committee on Ways and Means.

6128. Also, petition of General Buller Lodge, No. 515, American Order Sons of St. George, Houghton, Mich., through Wilfred LeClaire, president, and Edgar Rashleigh, secretary, favoring a tariff on copper; to the Committee on Ways and Means.

6129. Also, petition of the Slovenic-Croatian Union of the United States of America, of Calumet, Mich., through Paul M. Shaltz, grand president, and Anton Geshel, grand secretary, favoring a tariff on copper; to the Committee on Ways and Means.

6130. Also, resolution from a group of farmers of the Tapiola district, Chassell, Houghton County, Mich., through John Jarnenpoa, William T. Michaelson, and Bernard F. Gaffeny, committee, favoring a tariff on copper; to the Committee on Ways and Means.

6131. Also, resolution of the Columbian Temple of Honor and Temperance, No. 52, of Hancock, Mich., through William J. Towsey, Herbert H. Spear, and William Goudge, committee, favoring a tariff on copper; to the Committee on Ways and Means.

6132. Also, petition of St. Rok Society Lodge, No. 9, of the Slovenian-Croation Union of Calumet, Mich., through Marcom Rebunos, president; Vinko Ozanich, secretary; and Lawrence Kaifesh, treasurer, favoring a tariff on copper; to the Committee on Ways and Means.

6133. By Mr. JOHNSON of Texas: Telegram of Hon. J. Webb Stollenwerck, of Hillsboro, Tex., favoring repeal of recapture clause in transportation act; to the Committee on Interstate and Foreign Commerce.

6134. Also, telegram from American Legion Post, No. 9, of Cameron, Tex., advising unanimous indorsement of legislation for immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6135. Also, telegram of postal employees of Corsicana, Tex., opposing salary reduction of Government employees; to the Committee on Economy.

6136. By Mr. KADING: Petition signed by 51 residents of Watertown, Wis., protesting against legislation providing for compulsory Sunday observance; to the Committee on the District of Columbia.

6137. By Mr. KVALE: Petition of Railroad Employees National Pension Association, Denver, Colo., urging enactment of House bill 9891; to the Committee on Interstate and Foreign Commerce.

6138. Also, petition of Minnesota State Legislative Board of Brotherhood of Railroad Trainmen, protesting against all pay cuts; to the Committee on Economy.

6139. Also, petition of 32 residents of Renville, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

6140. Also, petition of Local No. 139 of the Farmers Union, Montevideo, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6141. Also, petition of Local No. 139 of the Farmers Union, Montevideo, Minn., urging enactment of Senate bill 2487 and House bill 7797; to the Committee on Agriculture.

6142. Also, petition of board of directors of the Kiwanis and Commercial Club of Glenwood, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

6143. Also, petition of Post No. 375 of the American Legion, Atwater, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

6144. Also, petition of Civic and Commerce Association of Montevideo, Minn., urging enactment of House bill 9891; to the Committee on Interstate and Foreign Commerce.

6145. Also, petition of Post No. 364 of the American Legion, of Dassell, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

6146. Also, petition of commission of the city of Glenwood, urging enactment of House bill 1; to the Committee on Ways and Means.

6147. Also, petition of village council of the village of Hibbing, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

6148. Also, petition of Kiwanis Club of Montevideo, Minn., urging enactment of House bill 9891; to the Committee on Interstate and Foreign Commerce.

6149. Also, petition of Twin City Milk Producers Association of St. Paul, Minn., urging reduction of salaries of Government employees; to the Committee on Economy.

6150. Also, petition of Benson Chamber of Commerce, Benson, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

6151. Also, petition of 300 citizens of Milan, Minn., and vicinity, urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6152. Also, petition of Odessa Farmers' Union Local, No. 149, Ortonville, Minn., urging enactment of House bill 7797 and Senate bill 2487; to the Committee on Agriculture.

6153. Also, petition of Odessa Farmers' Union Local, No. 149, Ortonville, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6154. Also, petition of Civic and Commerce Association, Montevideo, Minn., urging enactment of Senate bill 2409; to the Committee on Banking and Currency.

6155. Also, petition of Tenth Division Railway Mail Association of St. Paul, Minn., protesting against any wage cuts in salaries of postal employees; to the Committee on Economy.

6156. Also, petition of Marshall Postal Employees, Marshall, Minn., protesting against salary reductions; to the Committee on Economy.

6157. Also, petition of Minnesota Federation of Post Office Clerks, Crookston, Minn., opposing salary reductions; to the Committee on Economy.

6158. Also, petition of Traverse County Farm Bureau, Wheaton, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6159. Also, petition of Local No. 7 of the National Federation of Post Office Motor Vehicle Employees, Minneapolis, Minn., protesting against any cut in Federal salaries; to the Committee on Economy.

6160. Also, petition of Chippewa Lodge, No. 764, Brotherhood of Railroad Trainmen, Montevideo, Minn., protesting against pay cuts in Federal salaries; to the Committee on Economy.

6161. Also, petition of Twelfth Ward Farmer-Labor Club, Minneapolis, urging enactment of House bill 1; to the Committee on Ways and Means.

6162. Also, petition of Tunsberg Farmers Union Local, of Chippewa County, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6163. Also, petition of Tunsberg Farmers Union Local, of Chippewa County, Minn., urging enactment of House bill 7797 and Senate bill 2487; to the Committee on Agriculture.

6164. Also, petition of Farmers Union, Local No. 202, Swift County, Minn., urging enactment of Senate bill 2487 and House bill 7797; to the Committee on Agriculture.

6165. Also, petition of Local No. 202, Farmers' Union, Swift County, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6166. Also, petition of Minnesota State Legislative Board, urging enactment of Senate bill 3892 and House bill 10023; to the Committee on Interstate and Foreign Commerce.

6167. By Mr. LAMBETH: Petition signed by 139 ex-service men of Moore County, N. C., urging the passage of necessary legislation in order to pay all ex-service men the balance of their compensation certificates; to the Committee on Ways and Means.

6168. By Mr. LANHAM: Petition of residents of Johnson County, Tex., opposing House bill 8092, or any other compulsory Sunday bills; to the Committee on the District of Columbia.

6169. By Mr. LEA: Petition of 71 residents of Del Norte County, Calif., protesting against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

6170. By Mr. LEWIS: Petition of officers of the Chemical Society of Washington, protesting against a reduction in salary as affecting the scientific group of Government employees; to the Committee on Economy.

6171. By Mr. LINDSAY: Petition of the Propeller Club of the United States, Port of Pittsburgh, Pa., favoring the passage of House bill 11207; to the Committee on Economy.

6172. Also, petition of National Customs Service Association, United States customhouse, Philadelphia, Pa., opposing drastic salary reduction of the Federal employees' salaries; to the Committee on Economy.

6173. Also, petition of National Rural Letter Carriers Association, opposing the President's plan to suspend for one year their equipment allowance; to the Committee on Economy.

6174. Also, petition of National Organized Masters, Mates, and Pilots of America, New York City, opposing the passage of House bill 11207; to the Committee on Economy.

6175. Also, petition of American Fruit and Vegetable Shippers Association, Chicago, Ill., opposing the Federal Government engaging in any and all forms of business enterprise in competition with its own people; to the Committee on Ways and Means.

6176. Also, petition of International Brotherhood of Paper Makers, St. Regis Local, No. 45, Deferiet, N. Y., for the protection of the pulp and paper industry and its workers; to the Committee on Ways and Means.

6177. Also, petition of International Mercantile Marine Co., New York, opposing House bill 10794, with reference to the consolidation of the Employees' Compensation Commission with the Civil Service Commission; to the Committee on Expenditures in the Executive Departments.

6178. Also, petition of teachers of the Bronx Industrial High School for Girls, Bronx, N. Y., opposing the suspension for one year of all Federal aid for vocational education; to the Committee on Economy.

6179. Also, petition of American League for Progressive Legislation, Bloomington, Ill., favoring the Patman bill (H. R. 1) so-called soldiers' bonus bill; to the Committee on Ways and Means.

6180. By Mr. FITZPATRICK: Petition of the Missionary Society of the First Presbyterian Church of Mount Vernon, N. Y., in relation to safeguarding the rights of the Eskimo of Alaska in the ownership of the reindeer; to the Committee on Agriculture.

6181. By Mr. McFADDEN: Petition of Canton Chamber of Commerce, Canton, Pa., by C. Arthur Bullock, secretary, protesting against the proposed item 7, of House Economy Committee, to suspend for one year all payments to the States under the Federal Board for Vocational Education except those for industrial rehabilitation; to the Committee on Economy.

6182. Also, petition of William W. Evans, president of the Bloomsburg (Pa.) Rotary Club and superintendent of Columbia County public schools, and 40 members of the Rotary Club, addressed to the President of the United States, the Secretary of the Interior, the two Senators from Pennsylvania, and Representative LOUIS T. McFADDEN and JOHN McDUFFIE, protesting against proposed item 7 of House Economy Committee, to suspend for one year all payments to the States under the Federal Board for Vocational Education except those for industrial rehabilitation, being letter addressed to Hon. LOUIS T. McFADDEN; to the Committee on Economy.

6183. Also, petition of D. D. Wright, president the Kiwanis Club of Bloomsburg, Pa., and 62 members, addressed to the President of the United States, Secretary of the Interior, the two Senators from Pennsylvania, and Representatives LOUIS T. McFADDEN, FRED W. MAGRADY, and JOHN McDUFFIE, protesting against proposed item 7 of House Economy Committee to suspend for one year all payments to the States under the Federal Board for Vocational Education except those for industrial rehabilitation, being letter addressed to Hon. LOUIS T. McFADDEN; to the Committee on Economy.

6184. By Mr. McMILLAN: Petition of Charleston Post, No. 10, the American Legion, favoring immediate payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

6185. Also, petition of Palmetto Post, No. 112, the American Legion, Charleston, S. C., favoring immediate payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

6186. By Mr. MILLARD: Petition of 50 citizens of Irvington, N. Y., protesting against payment of the bonus at this time; to the Committee on Ways and Means.

6187. By Mr. NIEDRINGHAUS: Petition of C. E. Covert, president of the board of education, and other citizens, of Houston, Mo., protesting against reduction in appropriation for vocational education; to the Committee on Appropriations.

6188. Also, petition of St. Louis Safe Deposit Association, St. Louis, Mo., opposing the 10 per cent excise tax on safe-deposit boxes; to the Committee on Ways and Means.

6189. Also, resolution adopted by the Walter J. Hatzfeld Post, No. 356, American Legion, department of Missouri, St. Louis, asking for immediate cash payment of full face value of adjusted-service certificates; to the Committee on Ways and Means.

6190. By Mr. PARKER of Georgia: Petition of Jack Mosley, of Vidalia, Ga., protesting against proposed cuts in the appropriation for Federal vocational education; to the Committee on Economy.

6191. Also, petition of rural letter carriers of Screven County and George V. Spivey and M. D. Bazemore, of Metter, Ga., protesting against any cut in the equipment allowance of rural mail carriers; to the Committee on Economy.

6192. Also, petition of S. H. Levy and three other citizens of Savannah, Ga., urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

6193. Also, petition of R. B. Peterman, of Savannah, Ga., and four other citizens of Georgia, urging the passage of railroad pension bill, H. R. 9891, and voicing opposition to Senate bill 3892 and House bill 10023; to the Committee on Interstate and Foreign Commerce.

6194. Also, petition of Guy Alford and 94 other World War veterans residing in Emanuel County, and resolution passed by the board of education, Emanuel County, Ga., urging the immediate payment of the balance due on adjusted-service certificates of ex-service men; to the Committee on Ways and Means.

6195. By Mr. PARTRIDGE: Petition of 355 World War veterans of Rumford, Me., and vicinity, favoring immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6196. By Mr. RUDD: Petition of American Fruit and Vegetable Shippers' Association, strongly opposing the Government engaging in any and all forms of business enterprise in competition with its own people; to the Committee on Ways and Means.

6197. Also, petition of International Brotherhood of Paper Makers, St. Regis Local No. 45, Deferiet, N. Y., with refer-

ence to protection of the pulp and paper industry and its workers; to the Committee on Ways and Means.

6198. Also, petition of Mansfield B. Snevily, 35 South William Street, New York City, opposing a tax on stocks, bonds, and dividends; to the Committee on Ways and Means.

6199. Also, petition of National Rural Letter Carriers' Association, opposing President Hoover's plan to suspend payment of their equipment allowance for one year; to the Committee on Economy.

6200. Also, petition of the Propeller Club of the United States, Port of Pittsburgh, Pa., favoring the passage of House bill 11207; to the Committee on Merchant Marine, Radio, and Fisheries.

6201. Also, petition of the teachers of the Bronx Industrial High School for Girls, Bronx, New York City, opposing the suspension of one year of all Federal aid for vocational education; to the Committee on Economy.

6202. Also, petition of the Peelle Co., Brooklyn, N. Y., favoring a tax of $5 per barrel on 4 per cent beer; to the Committee on Ways and Means.

6203. Also, petition of International Mercantile Marine Co. of New York City, opposing the passage of House bill 10794, consolidating the Employees' Compensation Commission with the Civil Service Administration; to the Committee on Expenditures in Executive Departments.

6204. Also, petition of National Federation of Federal Employees, Local No. 411, West Point, N. Y., opposing any reduction of Federal employees' salaries; to the Committee on Economy.

6205. Also, petition of S. S. Stafford (Inc.), New York City, opposing the proposed soldiers' bonus bill; to the Committee on Ways and Means.

6206. Also, petition of Philadelphia Branch National Customs Service Association, Philadelphia, Pa., protesting against the proposed drastic cut in Federal employees' salaries; to the Committee on Economy.

6207. Also, petition of National Federation of Federal Employees, Federal Employees Union No. 384, navy yard, Brooklyn, N. Y., opposing the reduction of salaries for Federal employees; to the Committee on Economy.

6208. Also, petition of Corbett, Harrison & MacMurray, architects, New York City, favoring the passage of House bill 9892; to the Committee on Foreign Affairs.

6209. By Mr. SHANNON: Petition of 942 citizens of the State of Missouri, opposing reduction in salaries of Government employees; to the Committee on Ways and Means.

6210. By Mr. SHOTT: Petition of Princeton (W. Va.) Chamber of Commerce, protesting against the passage of the Davis-Kelly bill, to create a coal commission; to the Committee on Interstate and Foreign Commerce.

6211. Also, memorial of Bluefield Chamber of Commerce, Bluefield, W. Va., setting forth reasons for the opposition of the body to the bituminous coal commission bills, H. R. 7536 and S. 2935; to the Committee on Interstate and Foreign Commerce.

6212. Also, petition of L. T. Akers and 49 other taxpayers of Mercer County and employees of the Virginian Railway Co., opposing, as detrimental to the coal-carrying railroads, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6213. Also, letter from B. F. Parrish, member of the Order of Railroad Telegraphers, opposing, as detrimental to the bituminous-coal industry and the railroad interests, the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6214. Also, letter from the Princeton-Athens Kiwanis Club, signed by L. H. Vermillion, secretary, opposing, as an insurmountable restriction to the bituminous-coal industry, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6215. Also, telegram from County Court of McDowell County, W. Va., signed by H. K. Carper, clerk, opposing vigorously the passage of the Davis-Kelly coal control bill, believing that its passage would be a step toward despotism and communism, and urging all American citizens and Representatives in Congress to do their utmost to defeat such legislation; to the Committee on Interstate and Foreign Commerce.

6216. By Mr. SINCLAIR: Petition of P. S. Jungers and 34 other residents of Hebron, N. Dak., and vicinity, favoring the farmers' farm relief bill, H. R. 7524; to the Committee on Banking and Currency.

6217. By Mr. SMITH of West Virginia: Resolution of the Chamber of Commerce and the Rotary Club, of Oak Hill, W. Va., protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6218. Also, resolution of the Coal River Mining Institute, Madison, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6219. Also, resolution of the Raleigh County Bar Association, Beckley, W. Va., protesting against the passage of Senate bill 2935 and House bill 7536, known as the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6220. Also, resolution of the Chesapeake & Ohio Railway Clerks Association, protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6221. Also, resolution of the Fairmont Coal Operators' Association, of Fairmont, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6222. Also, resolution of the Chamber of Commerce, Bluefield, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6223. Also, resolution of the John Brawley Post, No. 20, the American Legion, Charleston, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6224. Also, resolution of the Williamson Chamber of Commerce, Williamson, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6225. Also, resolution of the Kiwanis Club, of Beckley, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6226. Also, resolution of the Railway Employees and Taxpayers' Association of West Virginia, Charleston, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6227. Also, resolution of the city council of St. Albans, W. Va., protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6228. Also, petition of the Railway Empolyees and Taxpayers' Association of West Virginia, representing a membership of 18,790, protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6229. Also resolution of the Chamber of Commerce of Mullens, W. Va., protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6230. Also, resolution of the Allingham Division, No. 271, Brotherhood of Locomotive Engineers, of Covington, Ky., and the Russell Division, No. 689, of Railway Employees, protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6231. By Mr. SNOW: Petition of R. R. Johnston and many other citizens of Fort Fairfield, Me., protesting against proposed cut in salaries of Federal employees; to the Committee on Ways and Means.

6232. By Mr. STRONG of Pennsylvania: Petition of Allied Post, No. 654, the American Legion, Ford City, Pa., favoring the immediate payment in cash of the adjusted-service certificates; to the Committee on Ways and Means.

6233. Also, resolution adopted by a mass meeting of ex-service men on Sunday afternoon, April 10, 1932, at Conemaugh, Pa., and signed by Ira D. McCleester, commander, and attested to by C. T. Cassidy, adjutant, of Conemaugh-Franklin Post, No. 633, American Legion, demanding the

immediate payment of the adjusted-service certificates, plus the interest already deducted; to the Committee on Ways and Means.

6234. Also, petition of ex-service men of Black Lick, and telegrams from American Legion, No. 141, Indiana, and American Legion Post, No. 407, Blairsville, all of Indiana County, Pa., favoring the immediate full payment of adjusted-service certificates; to the Committee on Ways and Means.

6235. Also, petition of American Legion Post, No. 552, of Blandburg, and American Legion Post, No. 174, of Gallitzin, Cambria County, Pa., favoring the immediate full cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

6236. Also, petition of honorably discharged soldiers, sailors, and marines of Freeport, Pa., urging the immediate full cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6237. Also, petition of honorably discharged soldiers, sailors, and marines of Conemaugh, Pa., favoring the immediate full cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6238. By Mr. SWING: Petition signed by 629 citizens of San Diego County, Calif., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6239. By Mr. WATSON: Resolution adopted by the Council of the American Institute of Consulting Engineers, relative to the balancing of the Budget, and in opposition to further veterans' bonuses; to the Committee on Ways and Means.

6240. Also, resolution passed by the Sportsmen's Rest Club of Kintnersville, Pa., opposing House bill 10604, placing 1-cent tax on gun shells; to the Committee on Ways and Means.

6241. Also, resolution passed by the members of the Bristol Fish and Game Protective Association, of Bristol, Pa., protesting against the cent-a-shell tax on shotgun shells as proposed in House bill 10604; to the Committee on Ways and Means.

6242. By Mr. WELCH of California: Memorial of the American Legion, department of California, opposing immigration quota for Japan and further immigration of Filipinos; to the Committee on Immigration and Naturalization.

6243. By Mr. WEST: Petition signed by James E. Gates and J. Ward Pfeifer, instructors of vocational agriculture, and 27 students, of Ashland, Ohio, asking for continuation of Federal appropriation for vocational education; to the Committee on Economy.

SENATE

TUESDAY, APRIL 19, 1932

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Savior of the World, who by Thy death hast destroyed death and by Thy rising to life again hast restored to us everlasting life; in this hour of deep bereavement be Thou our all in all, that amid these wild waters of the world we may be rescued by Thy assurance, that in the light of Thy countenance despondency may flee away.

Enable us to summon now the great resources of the soul—memory, imagination, faith, hope, love—that we may live even more constantly in the companionship of the noble spirit of him whom Thou hast called to be at rest with Thee. Deal tenderly, O Christ, with the dear ones whose grief and poignant sorrow we are permitted to share; enfold them in Thy loving arms, comfort them with the sense of Thy indwelling, give to them that peace which passeth understanding.

And as we tread the aisles of earth, these homely paths of common life, make us to be as those who, having put on the immortal body, now see the dear familiar things through the larger other eyes of the redeemed, that we may find that garden of the soul where hedges burst into bloom at the fall of an approaching shadow, where Thou dost walk with flowers springing up beneath Thy wounded feet.

There like an Eden blossoming in gladness,
Bloom the fair flowers the earth too rudely prest.
Come unto Me all ye who droop in sadness,
Come unto Me and I will give you rest.

Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. TYDINGS obtained the floor.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Ohio?

Mr. TYDINGS. Mr. President, at the adjournment yesterday I had the floor and of course yielded to circumstances. It was the general understanding that I should proceed this morning, but I shall be glad to yield at this time for routine morning business.

Mr. FESS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Johnson	Schall
Austin	Costigan	Jones	Sheppard
Bailey	Couzens	Kean	Shipstead
Bankhead	Cutting	Kendrick	Shortridge
Barbour	Dale	La Follette	Smith
Barkley	Davis	Logan	Smoot
Bingham	Dickinson	McGill	Steiwer
Black	Dill	McKellar	Stephens
Blaine	Fess	McNary	Thomas, Idaho
Borah	Fletcher	Morrison	Thomas, Okla.
Bratton	Frazier	Moses	Trammell
Brookhart	George	Neely	Tydings
Bulkley	Glenn	Norbeck	Vandenberg
Bulow	Goldsborough	Norris	Wagner
Byrnes	Hale	Nye	Walcott
Capper	Harrison	Oddie	Walsh, Mass.
Caraway	Hatfield	Patterson	Watson
Carey	Hayden	Reed	Wheeler
Connally	Howell	Robinson, Ark.	White
Coolidge	Hull	Robinson, Ind.	

Mr. SHEPPARD. I wish to announce that the senior Senator from Louisiana [Mr. BROUSSARD] is necessarily detained from the Senate.

I also wish to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

I also desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness.

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

FUNERAL OF SENATOR HARRIS

Mr. ROBINSON of Arkansas. Mr. President, on behalf of the Senator from Georgia [Mr. GEORGE] I present a privileged resolution and ask for its immediate consideration.

The resolution (S. Res. 202) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of the Hon. WILLIAM J. HARRIS, late a Senator from the State of Georgia.

Resolved, That a committee of 15 Senators be appointed by the President of the Senate to take order for superintending the funeral of Mr. HARRIS, which shall take place in the Senate Chamber at 11 o'clock a. m. on Wednesday, April 20, 1932, and that the Senate attend the same.

Resolved, That as a further mark of respect his remains be removed from Washington to Cedartown, Ga., for burial in charge of the Sergeant at Arms, attended by the committee, who shall have full power to carry these resolutions into effect; and that the necessary expenses in connection therewith be paid out of the contingent fund of the Senate.

Resolved, That the Secretary communicate these resolutions to the House of Representatives, transmit a copy thereof to the family of the deceased, and invite the House of Representatives to attend the funeral in the Senate Chamber and to appoint a committee to act with the committee of the Senate.

Resolved, That invitations be extended to the President of the United States and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the diplomatic corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard to attend the funeral in the Senate Chamber.

Resolved, That at the conclusion of the services in the Senate Chamber the Senate stand adjourned until 12 o'clock noon on Thursday, April 21, 1932.

The PRESIDENT pro tempore. The Chair names as the committee provided for under the second resolution the Senator from Georgia [Mr. GEORGE], the senior Senator from Indiana [Mr. WATSON], the senior Senator from Arkansas [Mr. ROBINSON], the senior Senator from New Hampshire [Mr. MOSES], the senior Senator from Wyoming [Mr. KENDRICK], the senior Senator from Washington [Mr. JONES], the senior Senator from Tennessee [Mr. MCKELLAR], the senior Senator from Pennsylvania [Mr. REED], the junior Senator from Florida [Mr. TRAMMELL], the junior Senator from Michigan [Mr. VANDENBERG], the senior Senator from New York [Mr. COPELAND], the senior Senator from Illinois [Mr. GLENN], the senior Senator from New Mexico [Mr. BRATTON], the senior Senator from West Virginia [Mr. HATFIELD], and the senior Senator from Alabama [Mr. BLACK].

Mr. MCNARY. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it shall adjourn until 11 o'clock a. m. to-morrow.

The PRESIDENT pro tempore. In the absence of objection, that order will be entered.

GATES AT INTERNATIONAL BOUNDARY, PORT OF SAN YSIDRO, CALIF. (S. DOC. NO. 83)

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to an item for the Treasury Department, making immediately available an appropriation of not to exceed $6,000 for the construction of gates at the international boundary across the highway at the port of San Ysidro, Calif., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CLAIM OF THE NATIONAL SURETY CO.

The PRESIDENT pro tempore laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of the National Surety Co. against the United States, which, with the accompanying report, was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following joint resolution of the Legislature of the State of Virginia, which was referred to the Committee on Interstate Commerce:

Joint resolution, agreed to by the General Assembly of Virginia, memorializing Congress to repeal the recapture provisions of the transportation act of 1920

Whereas the transportation act of 1920 provides that if in any one year the net railway operating income of a railroad exceed 6 per cent of the value of the railroad property, such railroad must pay one-half of such excess to the Interstate Commerce Commission, constituting a fund which does not go into the General Treasury of the Government, nor can it be returned to shippers to reduce the rate burden; and

Whereas this recapture provision has been in effect for 12 years, and experience has demonstrated that it is unworkable, and it has already cost the Government $37,000,000, and the railroads $136,000,000, a total of $173,000,000, and the principles of valuation have not yet been determined by the United States Supreme Court; and

Whereas the Interstate Commerce Commission is claiming that under the recapture provisions of this act some 200 railroads owe to this fund at the present time about $378,000,000, of which amount only about $13,000,000 has been paid, and none of this has the Interstate Commerce Commission been able to use for any purpose; and

Whereas the amount finally found to be due depends upon what constitutes the value of railroad property, which is a matter of great dispute, and is leading to expensive litigation; and

Whereas the Interstate Commerce Commission, the State Corporation Commission of Virginia, and the National Association of Railroad and Utilities Commissioners, recognizing the unworkability and unfairness of the recapture provisions of the Federal transportation act of 1920, have indorsed the repeal of these provisions; and

Whereas the railroads, which are generally now barely earning operating expenses and some in receiverships, have no reserve funds from which to pay these large amounts into the recapture fund to meet the demands of the Government, and if called upon to pay this sum the result would be to intensify the existing depression and render their securities even more unstable than they are at present: Now, therefore, be it

Resolved by the Senate of Virginia (the House of Delegates concurring therein), That the President of the United States and the Members of the Senate and House of Representatives of the present Congress be memorialized to enact legislation repealing the recapture provisions of the transportation act of 1920 ab initio, and returning the sum of such recapture fund already collected from the railroads to the contributors thereto; and be it further

Resolved, That a copy of this preamble and resolution be forwarded to the President of the United States, the President of the Senate and Speaker of the House of Representatives of the present Congress and to each Senator and Representative therein from the State of Virginia.

Agreed to by the senate, February 18, 1932.

O. V. HAUGE,
Clerk of the Senate.

Agreed to by the house of delegates, February 25, 1932.

JNO. W. WILLIAMS,
Clerk of the House of Delegates.

The PRESIDENT pro tempore also laid before the Senate the following resolution of the Senate of the State of Michigan, which was referred to the Committee on Finance:

Senate Resolution No. 19

Whereas Michigan has over 150,000 World War veterans who served in the ranks for $30 per month, out of which was taken $15 for compulsory allotment, about $7 for workingmen's war-time insurance, and $5 for Liberty bonds, leaving the soldier about 10 cents per day for the barber, laundry, and the like necessities, while relief agencies like the Salvation Army, Knights of Columbus, Young Men's Christian Association, and the like supplied his doughnuts and smokes, while young men of the same age found physically unfit to serve in our Army or Navy in time of war were earning an average of about $200 per month, with workingmen's compensation given free at home; and

Whereas the late-lamented Joseph W. Fordney, of Saginaw, then chairman of the Ways and Means Committee in Congress, after six years of effort to overcome the opposition of President Wilson, President Harding, and President Coolidge, managed finally by a very narrow margin to pass the soldiers' adjusted compensation bill over the last veto, providing for payment of $1 per day for homeland training and $1.25 for overseas fighting service per day, payable at death or in 20 years, with high interest charges for loans permitted on these adjusted-pay certificates; and

Whereas Congress in 1931 changed the law to permit loans up to 50 per cent of the face value of these service certificates at such a high rate of interest that little would be left due of the balance at death, or in 1945, which loans, however, did put a billion dollars into immediate circulation for debts due, for taxes and rents, for shoes and clothing, for better food and the like, and kept hundreds of thousands of these World War veterans from charity and doles the past year; and

Whereas the Michigan State Convention of the American Legion at Pontiac, July 1 to 4, 1931, voted in favor of immediate payment of this adjusted compensation in order to keep these veterans and their families from charity and the dole, to provide money for paying taxes and rent, buy clothing and shoes, pay accumulated debts, provide better food and the like, thereby putting several billion dollars into immediate circulation for stimulating business, nation-wide; and

Whereas our national financiers found billions of dollars for foreign countries' rehabilitation since the close of the war, found other billions of dollars for financial and industrial rehabilitation here at home from 1919 to 1931, while only France of all our Allies remains on the gold standard in this hour, which foreign business stability encourages us to believe that the richest nation in all the world might in this hour find the credits and means for immediate payment of this adjusted compensation without injustice or detriment to any, and actually create new buying power and business stimulation, nation-wide: Now, therefore, be it

Resolved, That we urge Congress forthwith to do all in its power to provide the means for immediate payment of this long-past-due adjusted compensation to the enlisted men among our World War veterans and for the much-needed help in time of need for their families and dependents; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the chairmen of the Committees on Appropriations and Ways and Means of the United States Senate and House of Representatives and to the Members of the United States Senate and House of Representatives from Michigan.

The PRESIDENT pro tempore also laid before the Senate the following resolution of the House of Representatives of the State of Michigan, which was referred to the Committee on Finance:

House Resolution 9, memorializing Congress on the passage of a tariff on copper

Whereas the Congress of the United States has under consideration a tariff on copper; and

Whereas the copper industry of the State of Michigan is one of our important natural-resource industries; and

Whereas the copper industry of the State of Michigan would greatly benefit from a tariff on copper, and such a tariff on copper would aid in securing to this State industry an opportunity to stabilize its market in the United States: Therefore be it

Resolved by the House of Representatives of the State of Michigan, That the House of Representatives of the State of Michigan place itself on record in the urgent request that Congress give favorable consideration to the subject of a tariff on copper; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States and to each of the Michigan Senators and Representatives in the Congress of the United States.

FRED R. WING,
Speaker of the House of Representatives.

The PRESIDENT pro tempore also laid before the Senate a resolution of the Propeller Club of the United States, Port of Pittsburgh, Pa., favoring the passage of House bill 11207, providing for the consolidation of the Bureau of Navigation and the Steamboat Inspection Service, provided that the latter service be left in its present state, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the executive committee of the American Institute of Steel Construction, of New York City, N. Y., favoring a substantial reduction of governmental expenditures and the elimination of unessential boards and bureaus, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by Federal Employees Union, Local No. 274, Veterans' Administration Hospital, Oteen, N. C., protesting against the proposed reductions in the compensation of Federal employees, which was referred to the Committee on Civil Service.

He also laid before the Senate the memorial of K. L. Brown, president of the Peoples National Bank, of Kansas City, Kans., remonstrating against the enactment of so-called bank-reform legislation restricting the operations of the Federal reserve system, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the New York State Hotel Association, of New York City, N. Y., favoring a referendum on the repeal of the eighteenth amendment to the Constitution and a modification of the Volstead Act so as to permit the sale of certain beverages, which was referred to the Committee on the Judiciary.

He also laid before the Senate a communication from the production superintendent of the Electro-Chemical Engraving Co., of New York City, N. Y., favoring the repeal or modification of the eighteenth amendment to the Constitution as a means of improving economic conditions, which was referred to the Committee on the Judiciary.

He also laid before the Senate a petition of the Musicians' Guild of Los Angeles, Calif., praying for the adoption of John Philip Sousa's march entitled "The Stars and Stripes Forever" as the national march, which was referred to the Committee on the Library.

He also laid before the Senate a petition of the United Front Antiwar Committee, of Cleveland, Ohio, praying for the withdrawal of American troops from Chinese territory and from Central and South America, and remonstrating against the alleged war preparations of American imperialists, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted at Milwaukee, Wis., by the Wisconsin Turn District, favoring a revision of the treaty of Versailles, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Harlem Board of Commerce, of New York City, N. Y., protesting against the enactment of legislation providing for the cash payment of World War adjusted-compensation certificates (bonus), which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the Board of Aldermen of Chelsea, Mass., and of Emanuel County Post, No. 103, American Legion, of Swainsboro, Ga., favoring the cash payment of World War adjusted-service certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate a petition of the Monroe Commercial Club, of Monroe, Wash., praying for the creation of a scientific board to determine the amount of money that should be in circulation, to aid in the stabilization of agricultural and other products, etc., which was referred to the Committee on Finance.

He also laid before the Senate a communication from Emil Schumacher, of Seattle, Wash., submitting a plan for reviving business and economic conditions by the issuance of "prosperity trade dollars," which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted at Emporia, Kans., by the convention of the Fourth Kansas Congressional District National League of District Postmasters and Rural Carriers' Association, indorsing the President and Vice President of the United States, and pledging to the Postmaster General their support of his policies and administration of his office, and favoring the passage of legislation making all rural routes county roads, which was ordered to lie on the table.

Mr. SHIPSTEAD presented resolutions adopted by the Board of County Commissioners of Hennepin County, Minn., favoring the passage of legislation granting immediate payment in cash of adjusted-service certificates of World War veterans (bonus), which were referred to the Committee on Finance.

Mr. TYDINGS presented a memorial of members of the Boonsboro Chapter of Future Farmers (advisor, faculty, trustees, and farmers), of the Boonsboro (Md.) High School, remonstrating against reducing or eliminating the appropriation for Federal vocational education, which was ordered to lie on the table.

Mr. NORBECK presented the petition of J. A. Fortner and 296 other citizens (being farmers, laborers, business and professional men) of Bruce, Volga, and vicinity, in the State of South Dakota, praying for the passage of Senate bill 1197, known as the Frazier farm relief bill, and other measures in aid of agriculture, which was referred to the Committee on Agriculture and Forestry.

Mr. SHORTRIDGE presented a letter, in the nature of a petition, from the Beverly Hills (Calif.) Chamber of Commerce, praying for retrenchment in governmental expenditures to the end that the Budget may be balanced, which was referred to the Committee on Appropriations.

He also presented letters and papers, in the nature of petitions, from the Long Beach Central Labor Council, by C. E. Edmonds, secretary; Long Beach Manufacturers and Wholesalers Association, by J. R. Gunn, secretary; and the City Council of the City of Long Beach, by A. E. Fickling, mayor, all of Long Beach; the California Oil and Gas Association, by Edwin Higgins, managing director, of Los Angeles; the Palms Chamber of Commerce, by A. K. Folger, president, of Palms; the Whittier Chamber of Commerce, by Burl G. Martin, secretary, of Whittier; the Civic Commercial Association of Bakersfield, by Harrison Elliott, secretary, of Bakersfield; the Florence Chamber of Commerce, by Walter Smith, secretary, of Florence; and the Riverside County Chamber of Commerce, by James L. Davis, secretary, of Riverside, all in the State of California, praying for the imposition of tariff duties on petroleum and its by-products, which were referred to the Committee on Finance.

Mr. ASHURST presented telegrams, in the nature of memorials, from Local No. 246, John D. Keeley, president; E. C. Warren, secretary-treasurer, of Keams Canyon, and Grand Canyon Local, No. 426, National Federation of Federal Employees, of Grand Canyon, both in the State of Arizona, remonstrating against the proposed reduction in compensation of Federal employees, which were referred to the Committee on Civil Service.

He also presented telegrams, in the nature of memorials, from Herbert C. Thompson, commander Veterans of Foreign Wars, of Prescott, and F. L. Carroll, department com-

mander, of Phoenix, both in the State of Arizona, remonstrating against the adoption of an economy program effecting reductions in veterans' benefits, etc., which were referred to the Committee on Finance.

He also presented a telegram, in the nature of a memorial, from R. R. Knotts, commander Sunshine Capitol Post, Veterans of Foreign Wars, of Yuma, Ariz., remonstrating against any reduction in veterans' benefits or pensions and favoring full payment of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

Mr. WALSH of Massachusetts presented letters, in the nature of petitions, from 34 citizens of the State of Massachusetts, praying for the immediate payment in full of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

He also presented a letter, in the nature of a memorial, from Leonard Opdycke, of Boston, Mass., a veteran, remonstrating against the passage of legislation providing for the cash payment of soldiers' adjusted compensation certificates (bonus), which was referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from 46 citizens of the State of Massachusetts, remonstrating against the imposition of a tax on sales of securities in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from 49 citizens of the State of Massachusetts, remonstrating against the proposed 50 per cent increase in postal rates in the pending tax bill, which were referred to the Committee on Finance.

He also presented a memorial of 14 citizens of the State of Massachusetts, remonstrating against the imposition of a 10 per cent tax on fountain pens in the pending tax bill, which was referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from 242 citizens of the State of Massachusetts, remonstrating against the proposed reduction in the compensation of postal and other Federal employees, which were referred to the Committee on Civil Service.

He also presented papers, in the nature of petitions, from 351 citizens of the State of Massachusetts, praying for the modification of the Volstead Act and for the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented papers, in the nature of memorials, from 26 citizens of the State of Massachusetts, remonstrating against the modification of the Volstead Act and the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented petitions of 157 citizens of the State of Massachusetts, praying for the passage of the bill (H. R. 9891) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

Mr. JONES presented the memorial of Thomas B. Greening & Co., signed by officers and employees, of Seattle, Wash., remonstrating against the proposed tax on sales of securities, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Kiwanis Club, of Ballard (Seattle), Wash., favoring the passage of legislation imposing an adequate tariff duty on raw copper, which was referred to the Committee on Finance.

He also presented petitions numerously signed by sundry citizens of Aberdeen, Arlington, Everett, Hoquiam, Montesano, East Stanwood, and Stanwood, all in the State of Washington, praying for the imposition of adequate tariff duties on importations of logs, lumber, shingles, and pulp, which were referred to the Committee on Finance.

He also presented a resolution of the Monroe Commercial Club, of Monroe, Snohomish County, Wash., favoring the passage of legislation creating a scientific board to determine the amount of money that should be in circulation, so as to regulate and stabilize conditions according to the law of supply and demand, etc., which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by Ellensburg (Wash.) Chamber of Commerce, favoring the passage of Senate bill No. 2793, to regulate interstate transportation by motor truck, bus, and stage, etc., which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented a memorial of sundry citizens of Medicine Lodge, Kans., remonstrating against the imposition of a tax on automobiles, which was referred to the Committee on Finance.

He also presented resolutions adopted by Holmes-Anderson Post, No. 127, American Legion, of Geneseo, and Homer White Post, No. 66, American Legion, of Hiawatha, both in the State of Kansas, favoring the immediate cash payment of adjusted-service-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of Seneca, Kans., praying for the maintenance of the prohibition law and its enforcement and protesting against any measure looking toward its modification, resubmission to the States, or repeal, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Woman's Christian Temperance Union of Seneca, Kans., protesting against the proposed resubmission of the eighteenth amendment of the Constitution to the States and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

Mr. COPELAND presented memorials of Chautauqua Branch, No. 165, National Association of Letter Carriers, of Jamestown, N. Y.; Fleet Reserve Association, Branch No. 42, of Bronx, N. Y.; and citizens of Port Richmond, Long Island, N. Y., remonstrating against proposed reduction in the compensation of Federal employees, which were referred to the Committee on Civil Service.

He also presented a petition of the Propeller Club of the United States, Port of Pittsburgh, Pa., praying for the enactment of legislation proposing the consolidation of the Bureau of Navigation and the Steamboat Inspection Service with a provision that the Steamboat Inspection Service be left in its present state, which was referred to the Committee on Commerce.

He also presented a petition of citizens of Jamestown, N. Y., praying for the passage of House bill 7230, granting pensions to widows and dependents of certain war veterans, which was referred to the Committee on Pensions.

He also presented a petition of members of the Missionary Society of the First Presbyterian Church of Mount Vernon, N. Y., praying for action by the Department of the Interior to safeguard the interests of the Esquimo in the reindeer industry of Alaska, which was referred to the Committee on Territories and Insular Affairs.

He also presented a petition of the Syracuse Polish Community (Inc.), of Syracuse, N. Y., praying for the designation of October 11 in each year as General Pulaski's Memorial Day, which was referred to the Committee on the Judiciary.

He also presented a petition of members of the Stone Presbyterian Church, of Clinton, N. Y., praying for the maintenance of the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted at New York City by the New York State Hotel Association, favoring the taking of appropriate steps to secure repeal of the eighteenth amendment of the Constitution and favoring a modification of the Volstead Act, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by Captain Clarence R. Oliver Post, No. 154, of Elmira Heights, N. Y., and of Richard E. Bentley Post, No. 442, of Horseheads, N. Y., favoring the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented a petition of the Rochester Chamber of Commerce, of Rochester, N. Y., praying for the appointment of a committee to consider the effect of further economies in governmental expenditures, which was referred to the Committee on Appropriations.

He also presented memorials of sundry citizens of Elmhurst, Long Island, Webster, and Macedon, N. Y., remonstrating against the withdrawal for one year of Federal aid to the States for vocational education, which were referred to the Committee on Appropriations.

He also presented a memorial of civil-service employees of the Section Customs Statistics, of New York City, N. Y., remonstrating against the proposed cut in appropriations for customs statistics, which was referred to the Committee on Appropriations.

He also presented a memorial of members of the Kimble Kowalski Chapter, No. 7, Disabled American Veterans of the World War, of Bath, N. Y., remonstrating against the passage of the so-called bipartisan economy bill, which was referred to the Committee on Appropriations.

He also presented a resolution of Fleet Reserve Association, Branch No. 2, of Brooklyn, N. Y., favoring the enactment of legislation providing for the cash payment of World War veterans' adjusted-compensation certificates (bonus), which was referred to the Committee on Finance.

He also presented memorials of the Chamber of Commerce of Cooperstown, N. Y., the Fifth Avenue Association (Inc.), and sundry citizens of New York City, remonstrating against the enactment of legislation providing for the cash payment of World War veterans' adjusted-compensation certificates, which were referred to the Committee on Finance.

He also presented a resolution of the Mail Advertising Service Association of New York City (Inc.), remonstrating against the proposed increase in first-class postage rates, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Amagansett, N. Y., praying for the enactment of legislation proposing a tax on importations of oils and meals and scrap of fish, which was referred to the Committee on Finance.

He also presented the petition of Ahmeek Village, Mich., praying for the imposition of a tariff on copper, which was referred to the Committee on Finance.

He also presented a memorial of the Mid-Continent Oil & Gas Association, of Tulsa, Okla., remonstrating against the proposed tax on transportation of oil by pipe lines, which was referred to the Committee on Finance.

He also presented memorials of several organizations and sundry citizens of the State of New York remonstrating against the proposed tax on automobiles, which were referred to the Committee on Finance.

He also presented a resolution of the Argentine-American Chamber of Commerce (Inc.), of New York City, N. Y., remonstrating against the limitations imposed upon the Tariff Commission by House bill No. 6662, and favoring the establishment of an economic tariff conference, which was ordered to lie on the table.

He also presented a resolution of Fleet Reserve Association, Branch No. 2, of Brooklyn, N. Y., favoring the appointment as ensigns of midshipmen who graduate from the Naval Academy in 1932, which was ordered to lie on the table.

He also presented a resolution of Fleet Reserve Association, Branch No. 42, of Bronx, N. Y., favoring the enactment of legislation increasing the Navy to the limits prescribed by the Washington and London treaties, which was ordered to lie on the table.

PROPOSED BOND ISSUE FOR PUBLIC WORKS

Mr. WAGNER. Mr. President, I send to the desk a telegram which I have just received, and which I ask may be read and appropriately referred.

There being no objection, the telegram was read and referred to the Committee on Finance, as follows:

NEW YORK, N. Y., *April 17, 1932.*

Senator WAGNER,
Washington, D. C.:

The congregation of St. Simeon's Episcopal Church, One hundred and sixty-fifth Street, New York, unanimously passed the following resolution at the close of the rector's sermon, Sunday, April 17:

"*Resolved*, That we urge upon our President and Federal Government the immediate necessity of a bond issue for public works to give employment to the hundreds of thousands of our citizens who are unemployed through no fault of their own. There have been several cases of actual deaths from starvation and thousands are suffering from malnutrition. The local charities can not cope with the extraordinary situation and present funds are almost exhausted. If we could give millions for starving Russian children, as well as Chinese, in God's name why not do something for our own citizens?"

REV. JOSEPH DODSHON,
Rector of St. Simeon's Church, New York.

REPORTS OF COMMITTEES

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (S. 4123) to amend the District of Columbia traffic acts, as amended, reported it without amendment and submitted a report (No. 572) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 8754) to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes, reported it with amendments and submitted a report (No. 575) thereon.

Mr. KEAN, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3911. An act to authorize the Commissioners of the District of Columbia to close Quintana Place, between Seventh Street and Seventh Place NW. (Rept. No. 576); and

S. 4106. An act to provide for the closing of certain streets and alleys in the District of Columbia, and for other purposes (Rept. No. 577).

Mr. BRATTON, from the Committee on the Judiciary, to which was referred the bill (S. 3145) providing for the appointment of commissioners to hear cases arising under contracts of war-risk insurance in the district courts for the eastern and western districts of South Carolina, reported it with amendments and submitted a report (No. 573) thereon.

He also, from the same committee, to which was referred the bill (S. 4148) to permit the United States to be made a party defendant in certain cases, reported it without amendment and submitted a report (No. 574) thereon.

INVESTIGATION OF CAMPAIGN EXPENDITURES IN 1932

Mr. SHORTRIDGE, from the Committee on Privileges and Elections, to which was referred the resolution (S. Res. 174) for an investigation of campaign expenditures of presidential, vice presidential, and senatorial candidates in 1932 (submitted by Mr. DICKINSON), reported it with amendments, and, under the rule, it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

SENATOR FROM NORTH CAROLINA

Mr. SHORTRIDGE. Mr. President, from the Committee on Privileges and Elections I report back favorably without amendment the resolution (S. Res. 60) authorizing that committee to hear and determine the contest of George M. Pritchard against Josiah W. Bailey for a seat in the United States Senate as a Senator from North Carolina. The resolution was referred to the Committee on Privileges and Elections and is reported favorably. I ask unanimous consent for its immediate consideration.

Mr. ROBINSON of Arkansas. I ask that the resolution may go over under the rule.

The PRESIDENT pro tempore. The resolution will be placed on the calendar.

ENROLLED BILLS PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 18th instant that committee presented

to the President of the United States the following enrolled bills:

S. 2405. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; and

S. 3569. An act to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.

EXECUTIVE REPORTS OF THE POST OFFICE COMMITTEE

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LOGAN:

A bill (S. 4426) to consolidate the personnel activities of the United States Government, to provide for the appointment of an administrator, and a board of review, and for other purposes; to the Committee on Civil Service.

By Mr. THOMAS of Oklahoma:

A bill (S. 4427) to secure to the farmer a price for agricultural products for domestic consumption at least equal to the cost of production thereof, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. DILL:

A bill (S. 4428) granting a pension to Hamilton Miller (with accompanying papers); to the Committee on Pensions.

By Mrs. CARAWAY:

A bill (S. 4431) granting a pension to Ernest McCord; to the Committee on Pensions.

By Mr. STEPHENS:

A bill (S. 4432) for the relief of Benjamin David Wilder; to the Committee on Commerce.

By Mr. DAVIS:

A bill (S. 4433) granting a pension to Alice McCoy; to the Committee on Pensions.

A bill (S. 4434) to amend the act entitled "An act for the retirement of employees of the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Civil Service.

By Mr. GLENN:

A bill (S. 4435) granting a pension to William H. Beidleman; to the Committee on Pensions.

By Mr. COPELAND:

A joint resolution (S. J. Res. 147) directing the Comptroller General of the United States to correct an error made in the adjustment of the account between the State of New York and the United States, adjusted under the authority contained in the act of February 24, 1905 (33 Stat. L. 777), and appropriated for in the deficiency act of February 27, 1906; to the Committee on the Judiciary.

By Mr. THOMAS of Idaho:

A joint resolution (S. J. Res. 148) to permit a compact or agreement between the States of Idaho and Wyoming respecting the disposition and apportionment of the waters of the Snake River and its tributaries, and for other purposes; to the Committee on Irrigation and Reclamation.

RESTORATION AND MAINTENANCE OF PURCHASING POWER OF THE DOLLAR

Mr. FLETCHER. Mr. President, I desire to introduce a bill to restore and maintain the average purchasing power of the dollar by the expansion and contraction of credits and currency, and for other purposes.

I should like to say, Mr. President, that I have read very carefully the hearings before the subcommittee of the Banking and Currency Committee of the House of Representatives, presided over by Mr. GOLDSBOROUGH, and I am impressed with the very convincing statements made at those hearings by the former Senator from Oklahoma, Robert L. Owen, by Doctor Fisher, Mr. GOLDSBOROUGH, Mr. McFADDEN, and others. So I am prompted to introduce this bill defining the national policy with reference to the subject of the expansion of credit for the purpose of stabilizing the dollar and regulating the purchasing power of the dollar based on the price of commodities. You will fix the commodity values when you fix the dollar as measured by commodities and commodities as measured by the dollar.

The bill provides for the means and methods of carrying that policy into effect. It imposes upon certain agencies and officials of the Government certain duties and makes mandatory the exercise of powers which perhaps they have had more or less in the past but have not used. I think, Mr. President, that the hearings demonstrate that there has been a survey of some 550 commodities measured one by one for 365 days a year through the years 1922, 1923, 1924, 1925, 1926, 1927, 1928, and 1929. I have provided in the bill for the standard index of 1926 as an average price level. I think it well now to define a national policy with reference to this subject and to make it the duty of certain agencies of the Federal Government to carry that policy into effect. The dollar ought to be measured by its purchasing power in commodities. I should like to have this bill printed in the RECORD.

The bill (S. 4429) to restore and maintain the average purchasing power of the dollar by the expansion and contraction of credits and currency, and for other purposes, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That it is hereby declared to be the policy of the United States that the average purchasing power of the dollar as ascertained by the Department of Labor in the wholesale commodity markets for the year 1926 shall be restored and maintained by the expansion and contraction of credits and currency through the powers of the United States and its agencies.

SEC. 2. The Federal Reserve Board, the Federal reserve banks, and the Secretary of the Treasury are hereby charged with the duty of making effective this policy.

SEC. 3. To enable the Federal reserve banks to achieve this end they are hereby given the right to receive, and the Federal reserve agents are directed to deliver, Federal reserve notes at par for United States obligations deposited as security therefor.

LANDS AT POINT SAN JOSE MILITARY RESERVATION, CALIF.

Mr. SHORTRIDGE. Mr. President, I introduce a bill to relinquish the interest of the United States in certain lands to the city and county of San Francisco. I ask that I may make a brief explanatory statement concerning the bill, and that the bill itself may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the request of the Senator from California is granted.

Mr. SHORTRIDGE. Mr. President, I have introduced a bill to restore to the city and county of San Francisco a 50-acre strip of land—Point San Jose—seized by the Army in 1863 for an emergency which never materialized. The military occupancy of this land now blocks the growth of the city, cuts off the use of its park and thoroughfares, and deprives it of much-needed tax money. Behind this prosaic statement lies interesting history, a record that reflects no credit on our Federal Government.

Point San Jose, now in the heart of San Francisco, slopes to the waters of the Golden Gate—peaceful waters now, but in 1863 Washington watched that blue expanse with grave anxiety. The Civil War was under way. England was in an ugly mood. At any time, it was feared, hostile ships, privateers, might effect entrance into San Francisco's inner harbor and seize the city and the new and comparatively defenseless State of California. Anticipating such action, the War Department, although it had a presidio of 1,540 acres 1½ miles away and directly fronting the Golden Gate, took over as an emergency measure 100 acres on Point San Jose inside the gate and fortified them.

This was regular war-time military procedure. But to certain dispossessed families it meant tragedy. On that lovely "suburban" point various people had bought land from San Francisco and built homes. Notable among them was Gen. John C. Frémont, who had in the forties rendered distinguished service in wresting California from Mexico and bringing it into the Union. This General Frémont did after

five expeditions, involving almost incredible hardship and danger, during which he and his troops starved, fought off Indian raids, were lost for months in the Sierra snows, but with heroic courage and splendid loyalty carried our flag westward. With the State of California safely in the Union, he now sought to establish a home where he and his family might find well-deserved rest. Accordingly he bought land on Point San Jose and built a home at a cost of $80,000. Hardly was this home completed when the army seized the entire tract, razed the beautiful new building, and placed batteries in its place. Never again did General Frémont see his home, nor did he nor his heirs ever receive a cent of compensation. During his last years he who had so valiantly served his country lived in need. He died a poor and embittered man. The guns which had displaced his home never fired a shot.

To-day the empty battery pits are filled with wild flowers. The commanding general lives in the one house which was not razed at the time of seizure. All around, the city has expanded into an exclusive residential section, thus isolating Point San Jose still more completely from the regular military reservation.

Thus, Point San Jose serves no useful Federal purpose. It is a burden and a waste. And the city of San Francisco is petitioning for relief, for the return to it of the land seized by the Federal Government in 1863 as a military necessity.

My bill has the twofold purpose—economy for the Nation and the city of San Francisco, and belated recognition of an obligation to one of America's great benefactors.

No valid argument can be advanced for maintaining this occupancy. Even if an emergency should arise, modern conditions of warfare make Point San Jose impractical for defense purposes. Any uses which it serves could be as well, if not better, served in the presidio, which is 1½ miles distant and has approximately 1,000 unused acres of available land.

The growth of a great city is being seriously checked by this occupancy and the city is being deprived of much needed tax money. Governor Rolph, both during the time when he was mayor of San Francisco and at present, has earnestly promoted efforts to regain the land. The supervisors of San Francisco and the State Legislature of California have passed resolutions memorializing Congress for its return.

Not only do they desire use of the money and lands now tied up by military occupancy, but they have a feeling, which is shared by all of California, that such occupancy is shameful ingratitude to a great benefactor.

The unfairness of the present position is emphasized by the fact that half of the land originally seized was restored by act of Congress to those who had bought it from the city. But these remaining acres involved in my bill—the legal status of which was identical with that of the restored lands—are still held by the Federal Government.

I invite the attention of Senators to a letter addressed to me by the honored Governor of California, which reads as follows:

SACRAMENTO, CALIF., *January 20, 1932.*

Hon. SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.

DEAR SENATOR SHORTRIDGE: The city of San Francisco is vitally interested in a bill which it is proposed to introduce at the present session of Congress to eliminate Fort Mason from a military establishment and return the land held therein by the Government to the city and county of San Francisco and to the Fremont heirs.

A few years ago the Board of Supervisors of the City and County of San Francisco adopted a resolution urging the restoring of this land, and the California Legislature also memorialized Congress on this subject.

It is my belief that Fort Mason should be eliminated as an unnecessary military fort, and it is hoped that you will do everything possible to assist in this respect.

It is believed that in view of the expense of maintenance of the old buildings on the grounds of said fort that there can be no objections at this time to returning the land to the city and county of San Francisco and the Fremont heirs.

With my compliments and every good wish,

Very sincerely yours, JAMES ROLPH, Jr.,
Governor of California.

The bill (S. 4430) to relinquish the interest of the United States in certain lands to the city and county of San Francisco was read twice by its title, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That all of the right and title of the United States to that part of the lands known as Point San Jose Military Reservation, in the city and county of San Francisco, Calif., which was occupied under order of the Secretary of War in 1863 for emergency military purposes, and which was not relinquished and granted under the act entitled "An act to relinquish the interest of the United States in certain lands to the city and county of San Francisco," approved July 1, 1870, be, and the same are hereby, relinquished and granted to the said city and county and its successors for the uses and purposes as follows: First, to maintain the park, known as Alcatraz Square, as laid out upon the official map of the city of San Francisco, and now included within these lands; second, to maintain all streets as were laid out and delineated on the official map of the city and county of San Francisco at the time of the enactment of the said act; third, the said city and county to take in trust the remainder of said lands, to grant and convey the same to the parties severally (and if deceased, to the respective heirs, successors, and assigns of such parties) who were deprived thereof by the United States military authorities or were deprived thereof by intruders or trespassers against whom possession may be recovered by legal process; fourth, to have and to hold all the residue, if any, of said lands for the use and benefit of said city and county.

Be it further enacted, That all laws and parts of laws in conflict with the provisions of this act be, and the same are, hereby declared inapplicable to the lands herein above granted.

This act shall take effect immediately.

REVENUE AND TAXATION—AMENDMENTS

Mr. WATSON submitted an amendment intended to be proposed by him to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed, as follows:

On page 234, line 4, after the word "instruments" and before the parenthesis, insert "or silver-plated flat tableware."

Mr. FLETCHER and Mr. TRAMMELL jointly submitted an amendment intended to be proposed by them to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed, as follows:

On page 233, line 2, strike out the period, insert a semicolon, and add the following: "Upon phosphate rock (phosphorites, collophane, and apatites) one-tenth of 1 cent per pound.

INVESTIGATION OF CONSERVATION OF WILD ANIMAL LIFE—EXPENSES

Mr. WALCOTT submitted the following resolution (S. Res. 203), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee directed by Senate Resolution 246, agreed to April 17, 1930, to investigate appropriate methods for the replacement and conservation of wild animal life, hereby is authorized to expend in furtherance of such purposes $10,000 in addition to the amount heretofore authorized.

MARY B. LEE

Mr. FLETCHER. Mr. President, I request permission to withdraw all papers filed in support of the bill (S. 1297) granting a pension to Mary B. Lee, introduced by me on December 10, 1931. The Committee on Pensions declined to consider the bill favorably, and Mrs. Lee desires the return of the evidence submitted by her.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, leave is granted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. WILLIAM J. HARRIS, late a Senator from the State of Georgia, and providing for a committee of 15 Members to be appointed on the part of the House of Representatives to join the committee appointed on the part of the Senate to attend the funeral.

The message announced that the House had passed without amendment the following bills of the Senate:

S. 2682. An act to amend section 5 of the Criminal Code; and

S. 3086. An act relating to the construction of a Federal building at Ponca City, Okla.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1047. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Historical Society of Montana, for preservation and exhibition, the silver service which was in use on the gunboat *No. 9, Helena;* and

S. 3570. An act to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8397) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 472. An act to authorize business leases of unallotted Indian land;

H. R. 6184. An act for the improvement of the inland waterway from Norfolk, Va., to Beaufort Inlet, N. C.;

H. R. 7521. An act to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure;

H. R. 8877. An act to clarify the application of the contract-labor provisions of the immigration laws to actors;

H. R. 8897. An act to authorize compacts or agreements between States relating to service of process and production of witnesses in criminal cases;

H. R. 9591. An act to extend the period of time during which final proof may be offered by homestead entrymen;

H. R. 9877. An act to repeal obsolete sections of the Revised Statutes omitted from the United States Code;

H. R. 9970. An act to add certain land to the Crater Lake National Park in the State of Oregon, and for other purposes;

H. R. 10277. An act to transfer Lincoln County from the Columbia division to the Winchester division of the middle Tennessee judicial district;

H. R. 10494. An act to provide a postage charge on notices to publishers regarding undeliverable second-class matter;

H. R. 10600. An act to exempt from the quota husbands of American citizens;

H. R. 10744. An act to authorize the issuance of patents for certain lands in the State of Colorado to certain persons;

H. J. Res. 138. Joint resolution for the relief of the State of Idaho; and

H. J. Res. 305. Joint resolution for the improvement of Meridian Hill Park.

ST. PAUL SPEECH OF GOVERNOR ROOSEVELT, OF NEW YORK

Mr. DILL. Mr. President, last night at St. Paul, Minn., Gov. Franklin D. Roosevelt made a great speech. That speech, I predict, will become historic in the campaign. In that discussion he rose above all petty bickerings with any other man, and presented a declaration of policies of such high purpose and such exalted vision that I think it will command the attention of the people of the entire country. I want to read just one paragraph—the central thought of that address:

> I am pleading for a policy broad enough to include every part of our economic structure, a policy that seeks to help all simultaneously, that shows an understanding of the fact that there are millions of our people who can not be helped by merely helping their employers, because they are not employees in the strict sense of the word—the farmers, the small business man, the professional people.
>
> Help for them means a greater consumption, not of luxuries but of the necessities of life, and this means more factory wheels turning in the cities, more employment for the strictly industrial population, for the railroad workers, and for the distributors. That kind of buying power makes itself felt more quickly than any other. * * *
>
> I plead not for class control, but for a true concert of interests.

His presentation of the power issue shows that he proposes to be fair to all interests affected, but he is determined that public control shall be effective in the interests of the people who buy and use power rather than in the interests of those who would use our natural resources to exploit the people. He summed up his power policy in these words:

> Electricity is a great unifying interest, doing more to make us a united Nation than any other material factor. To control it for the common good requires national thinking by a national party.

Mr. Roosevelt showed that his proposals are based upon the same principles enunciated by Jefferson and applied by Jackson, Lincoln, and Wilson. He closed his address by saying:

> Jefferson labored for a widespread unity of thought, capable of directing united action, based on a fair and just unity of interest. Jefferson labored to bring the scattered farmers, the workers, the business men into a participation of national affairs. This was his purpose and this is the principle upon which the party he founded was based. Let his party continue to dedicate itself to that great purpose. Let it present itself as a party of unity to carry out the purpose of social and economic unity throughout the Nation.
>
> I say with Lincoln, "Having thus chosen our course, without guile and with pure purpose, let us renew our trust in God and go forward without fear and with manly hearts."

Mr. President, I ask that the speech of Governor Roosevelt in its entirety may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The speech referred to is as follows:

> What is the real reason that Jefferson Day dinners are being given throughout the length and breadth of the land a century and a quarter after Thomas Jefferson was at the height of his career?
>
> No doubt it is in part because Democrats use the opportunity of the anniversary to assemble in furtherance of party plans and for the advancement of candidacies, but, in a larger sense, they are held to give renewed allegiance to the foundation principles of which Jefferson was the chief builder and on which still rests the social and political structure of the Republic.
>
> It is not necessary for us in any way to discredit the great financial genius of an Alexander Hamilton or the school of thought of the early Federalist to point out that they were frank in their belief that certain sections of the Nation and certain individuals within those sections were more fitted than others to conduct government.
>
> The Federalists, as Woodrow Wilson so wisely put it, were a group "possessed of unity and informed by a conscious solidarity of interest."
>
> It was the purpose of Jefferson to teach the country that the solidarity of Federalism was only a partial one, that it represented only a minority of the people, and that to build a great nation the interests of all groups in every part must be considered; that only in a large, national unity could real security be found.
>
> The whole life and all of the methods of Jefferson were an exemplification of this fundamental. He has been called a politician because he devoted years to the building of a political party. But this labor was in itself a definite and practical act, aimed at the unification of all parts of the country in support of common principles.
>
> NEED FOR THE PARTY SYSTEM
>
> When people carelessly or snobbishly deride political parties, they overlook the fact that the party system of government is one of the greatest methods of unification and of teaching people to think in common terms.
>
> We have had in our own history three men who chiefly stand out for the universality of their interest and of their knowledge—Benjamin Franklin, Thomas Jefferson, and Theodore Roosevelt. All three knew at first hand every cross current of national and of international life. All three were possessed of a profound culture in the best sense of the word, and yet all three understood the yearnings and the lack of opportunity—the hopes and fears of millions of their fellow beings. All true culture finally comes down to an appreciation of just that.
>
> And of the three, Jefferson was in many ways the deepest student—the one with the most inquiring and diversified intellect, and above all, the one who at all times looked the furthest into the future, examining the ultimate effects on humanity of the actions of the present.
>
> Jefferson's methods were wholly illustrative of this purpose of government based on a universality of interest. I can picture the weeks on horseback, when he was traveling into the different States of the Union, slowly and laboriously accumulating an understanding of the people of his country. He was drinking in the needs of the people in every walk of life. He was one of the first to recognize the community of interest between the shipowner in New York and the boatman on the upper reaches of the Ohio.
>
> JEFFERSON A CONCILIATOR
>
> He was one of the first to reconcile the problems of the South with those of the North. He was one of the first to preach the

interdependence of town and country, and he was one of the first to bring to the conservatism of leaders of the eastern seaboard the hopes and aspirations of the pioneer.

He was willing to stake his fortunes on the stroke of a pen which purchased the imperial domain that trebled the size of the Nation overnight. He was no local American; he was no little American.

Jefferson was so big in mind and in spirit that he knew the average man would understand when he said, "I shall often go wrong through defective judgment, and when right, I shall often be thought wrong by those whose positions will not command a view of the whole ground. I ask your support against the errors of others who may condemn what they would not condemn if seen in all its parts." His, after all, was the essential point of view that has been held by our truly great leaders in every generation.

Andrew Jackson had it. I like his blunt statement that "The spirit of equity requires that the great interests of agriculture, commerce, and manufacturers should be equally favored."

Abraham Lincoln had it. He could say to-day, as he said in 1861: "Physically speaking, we can not separate. We can not remove our respective sections from each other nor build an impassable wall between them. A husband and wife may be divorced, and go out of the presence and beyond the reach of each other. But the different parts of our country can not do this. They can not but remain face to face."

QUOTES FROM THEODORE ROOSEVELT

Theodore Roosevelt brought home to us once more the fundamental point of view when he said:

"The kind of business prosperity that blunts the standard of honor, that puts an inordinate value on mere wealth, that makes a man ruthless and conscienceless in trade, and weak and cowardly in citizenship, is not a good thing at all, but a very bad thing for the Nation. This Government stands for manhood first and for business only as an adjunct of manhood."

In the past the most direful among the influences which have brought about the downfall of republics has ever been the growth of the class spirit, the growth of the spirit which tends to make a man subordinate the welfare of the public as a whole to the welfare of the particular class to which he belongs, the substitution of loyalty to a class for loyalty to the Nation. This inevitably brings about a tendency to treat each man not on his merits as an individual but on his position as belonging to a certain class in the community.

If we substitute for the standard of personal judgment which treats each man according to his merits another standard in accordance with which all men of one class are favored and all men of another class discriminated against, we shall do irreparable damage to the body politic. This Government is not and never shall be governed by a plutocracy. This Government is not and never shall be government by mob.

It is to this national community of interest that we should dedicate ourselves to-night. If that be treason, make the most of it.

SIZE CREATES BIG PROBLEM

The great size of the country enlarged by Jefferson's Louisiana Purchase offers vast advantages for those who live in it. But it imposes grave problems upon those who are vested with its direction and control. In normal times it is likely to live in the isolation of sectionalism, it becomes a loose association of communities, with little common thought and little realization of mutual independence.

This reminds me of what Chesterton keenly remarked concerning the members of the British Empire. They are, he says, like the passengers in an omnibus—they get to know each other only in case of an accident.

It is only in a crisis that we look to our common concern.

The stress of a vast emergency rudely wakes us all from our local concerns and turns us to wider concerns. Then for the first time we look to a larger measure of cooperation, a more exact measuring of our resources, and, what is more important, a more imaginative and purposeful planning.

Two weeks ago I said that we were facing an emergency to-day more grave than that of war. This I repeat to-night.

That a great fear has swept the country few can doubt. Normal times lull us into complacency, we become lazy and contented. Then with the coming of economic stress we feel the disturbing hand of fear. This fear spreads to the entire country and with more or less unity we turn to our common Government at Washington.

If you live in a house that has been shaken by an earthquake of national proportions and the foundation has cracked and the roof leaks, it is right to mend the roof, but at the same time your house will not be safe until you have repaired the foundation as well. I want the house to stand through all the years to come as well as to keep the rain out of the top story.

CALLS FOR A POLICY TO HELP ALL

I am pleading for a policy broad enough to include every part of our economic structure, a policy that seeks to help all simultaneously, that shows an understanding of the fact that there are millions of our people who can not be helped by merely helping their employers, because they are not employees in the strict sense of the word—the farmers, the small business man, the professional people.

Help for them means a greater consumption not of luxuries but of the necessities of life, and this means more factory wheels turning in the cities, more employment for the strictly industrial population, for the railroad workers, and for the distributors. That kind of buying power makes itself felt more quickly than any other.

Not only among the sections of this country but among its economic units and the various groups in these units there must be common participation, planned on the basis of a shared common life, the low as well as the high. In much of our present plans there is too much disposition to mistake the part for the whole, the head for the body. I plead not for class control but for a true concert of interests.

The plans we make for this emergency, if we plan wisely and rest our structure upon a base sufficiently broad, will show the way to a more permanent safeguarding of our social and economic life. I favor economic planning, not for this period alone but for our needs for a long time to come.

AS TO POWER REGULATION

Take the example of electricity, a modern commodity that either is or ought to be in every home, a commodity that, it is said, actually turns the wheels of 65 per cent of our industries.

It is a simple, clear fact that for centuries the principle of the regulation of public utilities has been a component part of the common law, and that concentrated in its simplest terms this control has involved two very simple mandates: First, that the service itself should be adequate to the needs of the public; and secondly, that the price charged should be reasonable to the extent that it provides a reasonable return on the actual cash wisely and necessarily invested in the property.

I have stated the principle and the purpose of the principle which underlie government regulation of public utilities. Every court has recognized the principle, and it is only in the application of the principle that we have gone astray. The great problem to-day is how we shall return to a simple, clear-cut carrying out of the purpose of the common law.

Let me illustrate by telling you simply and briefly the story of the long fight which I have had in the State of New York for making available for the use of the public of the State a million and one-quarter horsepower provided by nature and capable of development at an exceedingly low price on the St. Lawrence River.

There is no doubt that because the people of the State have always owned the bed of the St. Lawrence River out to the international boundary, the people of the State and no private corporations have the definite right to build the necessary dam or dams to develop the power.

HOLD OF STATE STRENGTHENED

Twenty-five years ago, when the people of the State were little aware of their great heritage, a legislature attempted to alienate this great possession to the Aluminum Co. of America. This was happily frustrated, and then began a 20-year struggle to prevent a new alienation of this great possession under the guise of a lease running for 50 years or more.

In this contest my distinguished predecessor, Governor Smith, was happily able to prevent the control from passing out of the hands of the State. When I took office, I undertook at once a definite plan for the development of this great power, and I laid down a very definite application of the principle to which I have alluded.

In order to be absolutely certain that the actual possession of the power itself should never be alienated from the people, I insisted that the actual dam or dams and the actual power houses should be constructed by a public authority and always remain in the physical possession of that authority.

Then came the question of how and under what terms this power should be distributed to the actual consuming public; I laid down the principle that this task of transmission and of distribution should be offered in the first instance to private capital and private management, but under very definite terms. These terms were intended to carry out the purpose of getting the electricity into the houses of the people at the lowest reasonable price.

My very definite plan has been to invite private capital to contract with the State to do this transmitting and distribution on these entirely proper and reasonable terms. But at that point it became necessary to provide an alternative in the event that private capital was unwilling to undertake transmission and distribution on terms involving only a reasonable profit to that private capital.

I said in my message to the legislature at that time: "Are the business men of this State willing to transmit and distribute this latent water power on a fair return on their investment? If they are satisfied, here is their opportunity. If not, then the State may have to go into the transmission business itself."

HOLDS MERGERS TOO LARGE

That is the obvious development of any sound government control over private utilities—that government itself should not engage in the utility business if it can find private initiative and private capital willing to undertake the business for a reasonable and fair return on the capital which it is necessary and wise to invest in the project—and, on the other hand, if government is not able to find private individuals or corporations willing to do this, then government must step in and do it itself.

If, during this past generation, that fundamental had been observed by our courts, by all of our public-service commissions, by our legislatures, there would be no problem of the control of utilities to-day. It is an unfortunate fact, which is not denied

by the leading bankers or the leading utility men themselves, that largely through the building up of a series of great merger and a series of great holding companies the capital structure, especially in the case of the electric utilities, has been allowed to expand to an extent far beyond the actual wise and necessary cash investment.

It is a simple fact that in thousands of cases throughout the United States electric utility companies have sought, and in many instances have succeeded, in obtaining permission to charge rates which will bring an unnecessarily large return, not on the cash investment, but on a definite inflation of capital.

I am putting this case very calmly and conservatively. It could be put much more forcibly, and it would be easy to make accusations against many of the great utility companies now operating in this country.

ELECTRICITY TOO HIGH, HE SAYS

Recrimination, however, is not particularly useful—it is more useful to state the principles than go back for centuries in such a way that the people of this country will understand those principles and will understand how, in losing sight of them, we ourselves the victims, the net result of our blindness, of our failure to regulate, and of our failure to say that if private capital will not operate for a reasonable profit, Government will have to operate itself—that is, in most places of the United States the householder and the farmers and the small business men are paying vastly more for that very necessary part of our modern life—electricity—than they have any right to be paying.

It is neither radical nor a violation of any principles of sound business for me to state in definite terms that public servants with a proper regard for the interests of the people themselves must exert every effort to restore the fundamentals of public control. And this applies not only in every State capital but also in the control by the National Government over those great sources of power which fall under the jurisdiction of the National Government.

Those who have read the papers these past few days have seen an example of the vast national scope of the public-utility structure. Interrelated companies stretch into literally dozens of States. Investors, customers, and management constitute a national community of interest of enormous importance. I wonder if it is not true that even those far in the upper reaches of such structure would not themselves recognize the soundness of national public protection of all the associated factors in this structure.

A very deep study over many years makes it clearer to me with every passing day that where a public service like the transmission of electricity passes beyond State lines and becomes interstate in its actual operation, in such a case the control can not effectively be maintained by States alone, or through agreements between neighboring States. That problem is national in its scope and can be solved only by the firm establishment of national control.

Electricity is a great unifying interest, doing more to make us a united nation than any other material factor. To control it for the common good requires national thinking by a national party.

HOLDS TARIFF CAUSES TRADE LOSS

The same broad national view must direct our dealings with the tariff. The Republican administration has greatly intensified the depression by its tariff policy. The Hawley-Smoot tariff law of 1930 was a drastic revision of the tariff upward.

The existing tariff levels were already high enough to protect American industries which needed protection. The increases which the Hawley-Smoot bill made were not based on any scientific analysis of tariffs. The increases were political favors. The consequences of the Hawley-Smoot bill have been tremendous, both directly and indirectly.

Directly, American foreign trade has been steadily dwindling. Indirectly, the high schedules of the Hawley-Smoot bill caused European nations to raise their own tariff walls, and these walls were raised not only against us but against each other.

The result has been that the value of goods exchanged internationally in the last year or so has been less than 50 per cent of what it was three or four years ago. When the Hawley-Smoot bill was passed, European States were endeavoring to negotiate reciprocal arrangements which might have caused the lowering of European tariff walls. Our action prevented such an arrangement, and since 1930, when Congress acted and the President signed the law, European tariff barriers have gone higher and higher.

This means a lower standard of living in many quarters because prosperity exists only when goods are exchanged internationally.

HOOVER IGNORED WARNING

Just before the Hawley-Smoot bill was presented to President Hoover for his signature, a thousand American economists told President Hoover that he should not sign the law. I am told that never before in history have so many economists been able to agree upon anything, but the faults of this bill were so open and palpable that they found easy agreement.

With really prophetic insight, they warned him in detail of what would happen, and the detail that they gave him is the detail of what has happened—no benefit to the farmers, injury to American export trade, weakening of the security of American investments abroad, increase of unemployment and encouragement of a world-wide tariff war.

President Hoover ignored this warning. Would he have ignored a warning by a thousand engineers that a bridge which the National Government was building would be unsafe?

To my mind, a proper tariff policy must be a complete reversal of the methods of the present administration. The scientific determination of economic facts and the scientific determination of probable results of proposed changes are all for good, and should, of course, be used. But this action in itself does nothing to bring about the actual reciprocal exchange of goods so necessary to us and to all nations. That is the only real method of making goods move.

The task of statesmanship is to determine what these products are, to bring about by bilateral or groups international agreements to effectuate their exchange. The world is looking for that type of statesmanship, for such a plan that goes far beyond mere scale reductions, that fills in the gaps in the mere advocating of "expert" tariff boards, and, above all, that provides a real beginning of that international resumption of business that everyone favors and expects.

JEFFERSONIAN PRINCIPLES REMAIN

If Jefferson would return to the councils of the party, he would find that while economical changes of a century have changed the necessary methods of Government action, the principles of that action are still wholly his own. As the great Virginian sat at Monticello in the twilight of his life he saw the rise of manufacturing and the growth of the cities, and he still held fast to the first principles that a truly national economy is many-sided.

A great disciple of Jefferson said: "Jefferson's principles are sources of light, because they are not made up of pure reason but spring out of aspiration, impulse, vision, sympathy. They burn with the fervor of the heart; they wear the light of the interpretation he sought, the authentic terms of honest, human ambition. And the law, in his mind, was the guardian of all legitimate ambition. It was the great umpire standing by to see that the game was honorably and fairly played in the spirit of generous rivalry and to open the field free to every sportsmanlike contestant."

That was spoken in 1912 by Woodrow Wilson. It was the voice that the people of the country recognized as the authentic and clear spokesman of the Jeffersonian heritage.

PLEADS "TO GET A NEW CAR"

There will be many in this Nation during the coming months who will implore you not to swap horses crossing a stream; there will be others who will laughingly tell you that the appeal should have been worded "do not swap toboggans while you are sliding downhill." But it seems to me that the more truthful, the more accurate plea to the people of the Nation should be this: "If the old car, in spite of frequent emergency repairs, has been bumping along downhill on only two cylinders for three long years, it is time to get another car that will start uphill on all four."

I say with Lincoln, "Having thus chosen our course, without guile and with pure purpose, let us renew our trust in God and go forward without fear and with manly hearts."

Jefferson labored for a widespread unity of thought, capable of directing united action, based on a fair and just unity of interest. Jefferson labored to bring the scattered farmers, the workers, the business men into a participation of national affairs. This was his purpose, and this is the principle upon which the party he founded was based. Let his party continue to dedicate itself to that great purpose. Let it present itself as a party of unity to carry out the purpose of social and economic unity throughout the Nation.

SOLVING OF DESTITUTION PROBLEM BY CHARLESTON, W. VA.

Mr. NEELY. Mr. President, the Charleston Gazette—West Virginia's most widely circulated newspaper—in its issue of April 17 tells a heart-warming story about the heroic, effective, and highly praiseworthy achievements of the county court, certain organizations, and the generous people of Kanawha County in healing the sick, feeding the hungry, and generally relieving the distress of the unemployed. I respectfully commend the story to the favorable consideration of the relief organizations of the country and request that it be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article referred to is as follows:

[From the Charleston (W. Va.) Gazette of April 17, 1932]

KANAWHA COUNTY SOLVES HER DESTITUTION PROBLEM—12,000 FED, CLOTHED, REHABILITATED DURING WINTER BY VOLUNTEERS AND OFFICIALS UNDER DIRECTION OF COMMISSIONERS

Kanawha County has met and is mastering the gigantic problem of sustaining and rehabilitating some 12,000 victims of unemployment within its borders. With the beginning of the winter of 1931-32 the majority of these people found themselves facing the possible fact of starvation. With the advent of spring, the tale is told that they have been fed, housed, clothed, given medical attention, and the majority of their children kept in attendance at the county schools.

Details of how relief work on such a scale was accomplished and by what agencies are only now becoming generally known, even to many who participated in the work of relief.

The desperate situation which existed in many county communities last fall drew the attention of officials and private citizens. The Kanawha County court, with an organization designed

only to care for the small normal amount of poverty and destitution, found itself swamped with urgent calls for help. Many persons far back in the hills of West Virginia's "little empire," as the county is sometimes termed, actually believed they and their families might starve. Their appeals stirred the interest of prominent citizens of Charleston. A citizens' committee, headed by the Rev. Dr. John Gass, met and pledged to Dr. C. A. Ray, John C. Blackwood, and Henry Walker, members of the Kanawha County court, their assistance. They cooperated in getting private citizens to join with the court in a relief program.

The members of the county court were almost overwhelmed with reports of urgent need coming from various districts. They met the situation by reorganizing the county welfare department. Mrs. Pearl Poteet, of Charleston, was chosen to head the department. She was known to be an excellent organizer. The next step was to readjust the manner of distributing food to the needy.

The old system was to write an order for groceries on a store in the vicinity of the destitute family. This system had proved enormously expensive. A new system was instituted. Under direction of the court, a food-distributing depot was established by Mrs. Poteet at 109 Dunbar Street, in Charleston. Foodstuffs were purchased by the carload or in large quantities. D. K. Richardson was chosen to take charge. Richardson was assisted by unemployed men, some of whom helped in assembling and preparing the food for shipment in return for their supplies. Everything from the beginning was, and still is, handled according to suggestions from United States Government experts.

Conditions under which the food is handled are clean and sanitary. An efficient system for packing and shipping is used. Order sheets naming families who upon investigation have been found to be actually in need are sent to this station after being approved by the department head or her assistants. Each county district has its supervisor. Each supervisor is responsible for investigation of his own district.

DELIVERIES SYSTEMATIZED

County trucks are used to carry the shipments of weekly supplies to the several sections of the county. Each family head signs a receipt. From 300 to 400 orders per day are shipped. A total of 2,500 orders per week reached some time ago has been slightly decreased recently.

Menus for the food issued are changed weekly in conformance with Government specifications. One menu, listed for the period April 4–9, is as follows: For family of from two to three, 5 pounds flour, 10 pounds meal, 2 pounds bacon, 2 pounds beans, ½ pound coffee, ½ pound powdered milk, ½ pound oats, 2 pounds sugar, 1 gallon potatoes, 1 package salt, 1 can baking powder. This menu is expanded proportionately for families of larger size.

Many private agencies, including gas companies, wholesale groceries, local manufacturing plants, and individuals, joined with the county court in the relief program. These agencies are contributing immense amounts of supplies. Employees of a number of companies have voluntarily donated a percentage of their pay for the purchase of supplies. When necessary, the companies donated trucks.

OTHER DEPARTMENTS JOIN

Paralleling the institution of the systematic distribution of food from the Dunbar Street Station, other county departments were called upon to share in the work. In cooperation with Mrs. Poteet and the welfare department, Miss Elizabeth Goodall, county superintendent of schools, through teachers of county schools, made a survey of the needs of families in practically every community. This information was tabulated by the welfare department and checked by district supervisors. Every effort has been and is being used, Mrs. Poteet states, to avoid the attempts of unprincipled people who do not actually need help to "get something for nothing" from the county. This feature has been almost eliminated and is being strictly dealt with.

As this situation stands now, Commissioner Blackwood said yesterday, food for the unemployed is being purchased at lowest prices; information as to who is actually in need is at hand and the distribution is being handled economically and efficiently.

County farm women's clubs, under leadership of Miss Eleanor McClung, county home demonstration agent, and the county agricultural department, under direction of T. Y. McGovran, have aided in the food program. During last summer and fall these agencies, with the assistance of farmers who contributed surplus vegetables and fruits, canned an immense amount of such foods. During the past winter and this spring these supplies were sent out through the Dunbar Street Station. The women are seeing to it that all empty cans and jars are returned.

For a time from $1,500 to $2,000 worth of groceries were sent out from the station each week.

SICK CARED FOR

While the food problem is the largest, there are other important phases of the relief work which require detailed attention. Cases of sickness have been and are being cared for. This has been under the supervision of Dr. A. L. Amick, county health physician. The welfare department has had to act in cases of deaths where the county had to bear the expense. Tents had to be secured in many cases where families had lost their homes. Babies arrived in many families. The county has had to care for them.

The county poor farm, near Institute, 7 miles west of Charleston, has cared for many old and partially disabled persons. The farm, however, officials say, has been handled in such a manner under Superintendent D. H. McClung, that large quantities of garden and farm produce have been produced and stored so that these inmates have to some extent been self-supporting.

DISEASE PREVENTION

Dr. John Thames, of the county health unit, is given signal credit for the part his department has taken in the prevention of disease in communities where the unemployment percentage is the largest. County officials point to the fact that there have been no serious epidemics in these communities or in the county otherwise. They attribute the unusual record to Doctor Thames's activity and untiring perseverance in carrying on the work of immunizing as many persons as it has been possible to reach against typhoid fever, diphtheria, and smallpox. Smallpox has been almost wiped out in Kanawha County, they report.

LEGION ENTERS FIGHT

Early in the year substantial assistance was given in cooperation with the relief program by outside agencies, the county commissioners state. The American Legion, John Brawley Post, No. 20; the Red Cross; the United Fuel Gas Co.; the Friends Society of Pennsylvania; Sheriff D. H. Stephenson, of Kanawha County; private corporation; and Charleston business firms and individuals joined hands to help their more unfortunate fellows.

One phase of the work which was handled by the Legion in direct conjunction with the county welfare department under Mrs. Poteet was that of providing shoes and clothing for the most needy cases. During January Comdr. E. T. Williams, of the Brawley post, became interested and requested John Cork, of the Charleston Gazette staff, to address a Legion meeting upon conditions in the Cabin Creek coal fields, particularly among children of school age.

Immediately following this meeting Commander Williams secured through W. R. Fletcher, of the trust department of the Kanawha Banking & Trust Co., the use of an unoccupied business building at 215 Hale Street. Here a fully equipped relief station was established, manned by volunteer workers. T. J. Joan was placed in charge. A Legion campaign for shoes and clothes brought thousands of donations from Charleston individuals and business firms. Members of 1,400 families, who were in desperate need for clothing, were supplied. W. O. Taylor headed the Legion committee. Mrs. N. A. Barth, Mrs. John Walker, Mrs. Fred Walls, and Mrs. J. Boscher represented the Women's Legion Auxiliary and personally made many trips into the coal fields, where they fitted shoes on school children to enable them to continue school attendance.

"The Legion was glad to serve, but the generosity of Charleston people, also the newspapers and WOBU radio station, deserve the real mention," said Commander Williams yesterday.

A fund donated by Gazette employees was used by the Legion to buy milk for babies.

Full records of all who made donations are being preserved in the Legion archives.

RED CROSS HELPS

Soon, through the agency of the local department of the American Red Cross, which has been actively engaged in relief work, there is to be distributed 954,000 pounds of flour among unemployed in Kanawha, Putnam, and Clay counties. The wheat will be milled by the Charleston Milling Co. Feeding programs, school lunches, nursing service, and rehabilitation work in the form of distribution of garden seeds form a part of the organization program locally. Seed to the value of $8,000 has been distributed to date in the three counties. Boyd Stutler is president of the Charleston Red Cross chapter.; Mrs. Nell Huneke is secretary and field worker. Several other assistants comprise the local office personnel.

Rehabilitation of unemployed in Kanawha County is rapidly taking form. Where possible, families are encouraged to raise gardens. Farm-home demonstrators will supervise canning among the affected families during the summer. The county court will provide much road work for unemployed heads of families.

NOTIFICATION TO PRESIDENT OF CONFIRMATION OF W. HARRY KING

Mr. NORBECK. As in executive session, I rise to ask unanimous consent that the President be notified of the confirmation on last Thursday of the nomination of W. Harry King to be member of the Federal Board for Vocational Education.

The PRESIDENT pro tempore. As in executive session, the Senator from North Dakota asks unanimous consent that the President be notified of the confirmation on last Thursday of the nomination mentioned by him. Is there objection? The Chair hears none, and that order will be entered.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 472. An act to authorize business leases of unallotted Indian land; to the Committee on Indian Affairs.

H. R. 6184. An act for the improvement of the inland waterway from Norfolk, Va., to Beaufort Inlet, N. C.; to the Committee on Commerce.

H. R. 7521. An act to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure; to the Committee on Interoceanic Canals.

H. R. 8877. An act to clarify the application of the contract-labor provisions of the immigration laws to actors; and

H. R. 10600. An act to exempt from the quota husbands of American citizens; to the Committee on Immigration.

H. R. 8897. An act to authorize compacts or agreements between States relating to service of process and production of witnesses in criminal cases;

H. R. 9877. An act to repeal obsolete sections of the Revised Statutes omitted from the United States Code;

H. R. 10277. An act to transfer Lincoln County from the Columbia division to the Winchester division of the middle Tennessee judicial district; to the Committee on the Judiciary.

H. R. 9591. An act to extend the period of time during which final proof may be offered by homestead entrymen;

H. R. 9970. An act to add certain land to the Crater Lake National Park in the State of Oregon, and for other purposes; and

H. R. 10744. An act to authorize the issuance of patents for certain lands in the State of Colorado to certain persons; to the Committee on Public Lands and Surveys.

H. R. 10494. An act to provide a postage charge on notices to publishers regarding undeliverable second-class matter; to the Committee on Post Offices and Post Roads.

H. J. Res. 138. Joint resolution for the relief of the State of Idaho; to the Committee on Military Affairs.

H. J. Res. 305. Joint resolution for the improvement of Meridian Hill Park; to the Committee on Public Buildings and Grounds.

NATIONAL PROHIBITION REFORM

Mr. TYDINGS. Mr. President, I ask permission to have printed in the RECORD an address by Breckinridge Long, Assistant Secretary of State during the Wilson administration, before the national conference of the Women's Organization for National Prohibition Reform, April 12, 1932, at Washington, D. C., on the subject of "A Damaged Constitution."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A DAMAGED CONSTITUTION

Various arguments have been advanced in opposition to the eighteenth amendment, but the one which has been given least public attention is that directed at the constitutional situation which has developed since its adoption. This embraces the question of the propriety of including that subject matter in a constitutional document, and it is these aspects of the matter to which I ask your attention this evening.

CONSTITUTIONAL PROVISIONS

The Constitution is simply a set of rules to regulate the process of government. But it is a definite and rigid set of rules. The Constitution does not govern. It lays out a program through which government shall be achieved. The Constitution does not elect a President; it provides how he shall be elected. It does not elect a Congress, but provides how its Members shall be elected and who shall be eligible. It does not decide any cases at law, but it provides for the establishment of courts which shall try cases and decide them. It does not make any law nor declare any law, but provides how the law shall be declared.

In other words, the Constitution sets out an orderly plan of procedure in order that government may be achieved, and that desirable objective is attained under its authority when the steps outlined in it are followed. But it can not be attained under authority of the Constitution if the steps outlined in the Constitution are not followed.

When it comes to making law, the Constitution is specific as to how law shall be made. The first line in the first paragraph of the Constitution states, "All legislative powers herein granted shall be vested in the Congress of the United States, which shall consist of a Senate and a House of Representatives."

This does not read "All legislative powers, except some * * *" which would indicate that other ways are provided for making laws. Nor does it read, "Some legislative powers herein granted shall be vested in Congress and other methods shall be also provided." Its language is plain, simple, all inclusive. It reads, "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives"—and nowhere else.

The words "legislative powers" as used in the Constitution in this connection need no further explanation. Their meaning at the time they were placed in the Constitution was well known, and has continued to be certain and definite since before 1787. Those words were used in the constitutions of New York, Massachusetts, New Hampshire, New Jersey, North Carolina, South Carolina, and Georgia in the years between 1777 and 1784, before our Federal Constitution was drafted. Those words mean "the power to pass law" and when the Constitution was drafted and there were used the words "All legislative powers," it was meant to provide that no law could be passed unless it was passed by the Congress of the United States sitting in its legislative capacity and as a part of the other steps set out in the Constitution which it is necessary to follow in order to declare law.

A little further on in the Constitution (Art. I, sec. 7) it is provided "every bill which shall have passed the House of Representatives and the Senate shall, before it becomes a law, be presented to the President of the United States * * *."

And a little further along in the same section appear the words "every order, resolution, or vote to which the concurrence of the Senate and the House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States * * *."

These sections of the Constitution do not read "some of the bills which shall have passed the House of Representatives and the Senate shall * * * etc."; nor do they read "some orders, resolutions, or votes to which the concurrence of the Senate and the House of Representatives may be necessary, etc. * * *"; nor do these sections of the Constitution read "every bill, except what the Congress shall otherwise decide, etc. * * *"; nor do they read "every order, resolution, or vote, except when otherwise decided by the House and Senate, etc. * * *." The language of these provisions of the Constitution is just as plain, definite, simple, and unmistakable in its verbiage and in its meaning as it is possible to reduce sentences to writing in the English language. The intent is specific and the meaning of the words is clear. In each place it is plainly said "every bill and every order, resolution, or vote." In other words, there was no other way in which any bill, order, resolution, or vote could "become a law" or "take effect" other than by following the procedure so carefully set out in the Constitution of the United States.

That procedure was definitely agreed upon and carefully specified and it contemplated that in passing law the Congress of the United States would be sitting in its legislative capacity. By "its legislative capacity" is meant that function of the Congress in the exercise of which it passes laws. Each House of the Congress has other than legislative functions. The House of Representatives sits as a grand jury when it votes impeachments. The Senate sits as a court when it tries impeachments. The House sits as an election board when it canvasses the returns of the election for President. The Senate sits in a quasi executive capacity when it considers advising and consenting to treaties; or when it sits to confirm nominations made by the President. The President acts in a legislative capacity when he considers the bills laid before him after their passage by the Congress. And the Congress sits as a constitutional assembly when it considers amendments to the Constitution of the United States. And so the Constitution provided that when the House sat in its legislative capacity to consider bills, orders, resolutions, or votes, and passed them, they must be sent to the President for him to exercise his legislative function. It would have been quite superfluous to use in the Constitution all of the words "bill, order, resolution, or vote" had it not been the intention to use all the words descriptive of the activities of the Congress sitting in its legislative capacity. Nor would all those words have been used if it had been intended to leave open the door in order that some other method might be discovered for the making of laws.

The Constitution very plainly says that no bill shall become a law unless it has been acted upon by the Congress sitting in its legislative capacity and presented to the President so that he can perform his part of the legislative function. There is no power in the Congress to pass any law by any other method. Nor is there any authorization in the Constitution for the passage of any law by the use of any other method.

So we see that the Congress is bound by the provisions of the Constitution and restricted in its legislative activities to the steps laid out in the Constitution. And we have seen that the Constitution does not declare law and was not intended to be the body of law. Rather it is a set of rules carefully set out and intended to be entirely controlling as to the manner in which laws should be passed.

LAW

A law is something different. A law sets out a rule of conduct. "You shall not murder" is a law. "You shall not steal" is a law. "Railroads engaged in interstate commerce are required to do this and are prevented from doing that" is a law. "You shall not transport, manufacture, or sell intoxicating liquors" is a law. The framers of the Constitution contemplated—and the Constitution still provides—that all matters of that character shall be voted upon by the Congress sitting in its legislative capacity; and that, if passed by the Congress, the bill be laid before the President for him to exercise his legislative function in approving or disapproving the bill; and that that be done "before it becomes a law." The conclusion is inescapable that the Constitution contemplates a hard and finely drawn line of distinction between laws, as such, which declare rules of conduct, and by which the people or the institution of the United States are governed, on the one hand; and, on the other, the substantial and inexorable requirements of the Constitution which must be specifically complied with and which the Congress has no power to set aside.

AMENDMENT

There is a method of amending the Constitution. The steps to be taken to that end are just as carefully set out, and those steps have always been complied with. There is no doubt that those who framed the Constitution intended that the power of amendment should be used to make changes in the constitutional structure or in the method of operation of government, or to make additions to or subtractions from the powers granted to the Federal Government. But it was never contemplated that the power to amend should be used as a vehicle to place a law in the body of the Constitution; and to do so is to argue that the provisions of the Constitution deny its own specific language, where it requires every bill to be passed by the Congress sitting in its legislative capacity and presented to the President for the exercise of his legislative function before it shall become a law.

The power to amend has been used very sparingly. The first 10 amendments were added immediately the Constitution itself was adopted, practically as a part of the document and as the result of an agreement made by the various States as part of their ratifications. During the Civil War period and the stress and strain of that sectional strife the Constitution was amended three times. But, except for those two periods, that power to amend was used only four times up to the time of the adoption of the eighteenth amendment. These amendments were each directed at the structure of government. One of them limited the use of the judicial power of Federal courts. One changed the method of electing the President and Vice-President. Another increased the powers of the Federal Government by authorizing the Congress to levy taxes on incomes, and another changed the method of electing Senators. In none of them is there a declaration of law. Nor was it contemplated from the time the Constitutional Convention sat in 1787 until the passage of the eighteenth amendment that the power to amend could be used to pass a law. It was never dreamed that the Constitution could be so distorted as to set aside its own definite requirements of the manner in which law should be passed nor that that power could be used to circumvent the fundamental rules of the Government in America.

So that we arrive at a point in philosophy where, if we are correct in our statements—first, that the Constitution is an outline of a limited method of procedure; second, that the Congress is authorized to pass laws in only one way; third, that a law is a statement of a rule of conduct; and fourth, that the power of amendment can not properly be used to circumvent the expressed declaration of the Constitution as to the manner in which law shall be passed, then we must arrive at the conclusion that the eighteenth amendment is improperly a part of the Constitution of the United States of America.

There is no doubt that the Congress may propose an amendment to the Constitution to provide that laws may be made by some method other than that detailed in the Constitution, but until such an amendment has been adopted any attempt to give any vote of the Congress the status of law is a violation of the principles of constitutional government in the United States and an act in derogation of the authority of the Constitution itself.

There is no doubt that by constitutional amendment the Congress of the United States might have been authorized to pass laws to prohibit the importation, transportation, and sale of intoxicating liquors. If such an amendment had been adopted and the Congress had passed laws to carry it out, we would find ourselves in a vastly different position than we find ourselves to-day. We would find ourselves in a position that the Constitution itself and those who framed the Constitution contemplated we would find ourselves in if we so desired. In that case, and the Congress having passed laws to effectuate such constitutional provision, those laws could be repealed by the Congress by majority vote in case the people of the United States desired them repealed.

But the situation in which the eighteenth amendment has left government in the United States is one in which some of the fundamental principles of democratic government are violated and through which some of the well-considered arrangements of our plan of government have been rendered inoperative. The consequences of the improper use of the power to amend are apparent in the manner in which the delicately arranged system of checks and balances is disarranged.

CHECKS AND BALANCES

One of the most important features of our plan of government is this system of checks and balances by which the power delegated to one branch of the Government or to an official is shared by another branch.

We have already referred to one—that which requires the Congress, when it shall have passed a bill, to present it to the President in order that he may share the responsibility. If he signs it, it becomes a law. If he vetoes it, it goes back to the Congress, but then must be passed by a two-thirds majority in order to become a law.

Another we have referred to is the provision that the President shall not have plenary power to make appointments to office but that he shall first obtain the consent of the Senate before he shall appoint any person to office.

Another is that the President shall not be allowed to make treaties with foreign governments and possibly compromise the sovereign power of the United States without obtaining by two-thirds vote of the Senate consent for him to make any treaty arrangements.

Another is that after a bill becomes a law it may be submitted to the Supreme Court for its determination as to whether the Congress exceeded its authority in passing it.

The law contained in the eighteenth amendment was never submitted to the President of the United States for his approval or disapproval. It was not passed by the Congress sitting in its legislative capacity but was passed by the Congress sitting as a constitutional body and in a constitution-making capacity as distinct from its legislative capacity. Furthermore, this law is not, as intended by the Constitution, susceptible of interpretation by the Supreme Court for the very simple reason that when it became a part of the Constitution, whether properly or improperly, it assumed a character superior to the Supreme Court, for that court itself owes its own authority to the Constitution of the United States, which it must regard as superior to itself. Nor can the Supreme Court differentiate between parts of the Constitution. It can not say that one part is good and one part is bad. It must look upon the Constitution as a whole, and whatever obtains a place in the Constitution it must regard as superior to its own authority for the very reason that it is the source of its own authority. So that the Supreme Court is unable, provided the proper steps were taken to secure its adoption, to hold that an amendment is not a part of the Constitution; and that court finds itself under the particular necessity of declaring to be a part of the Constitution a law, even though every member of the court should be of opinion that such a law had no place in the Constitution.

Furthermore, rule by majority is one of the fundamental principles of American Government. Unless there is rule by majority, there is rule by minority. And rule by minority may be just as autocratic as rule by a dictator, and may assume any or all the unwholesome and unpleasant features of tyranny. While I do not say, for the simple reason that I do not know, that a majority of the people of the United States to-day are opposed to the eighteenth amendment, I do definitely say that if a majority of the people of the United States were opposed to the eighteenth amendment, they would be powerless to change it unless they were an overwhelming majority of two-thirds or three-fourths. And the effect of the eighteenth amendment is that, having been passed as a law through the power to amend, there is nullified, so far as that question is concerned, the operation of the rule of the majority which is an integral part of our system of political jurisprudence.

CONCENTRATION OF POWER

Another phase which disturbs the equanimity of our political existence is the inordinate power which the eighteenth amendment has placed in the hands of the Chief Executive. It has done more to centralize power than any decision ever made by the people of the United States or their representatives except a declaration of war. Attenuated particles of executive power run rampant through every section of the United States, on land armed to the teeth and on water represented by ships of war.

Some of these ships are boats transferred from the Navy, armed with cannon, and are so much of the character of warships that at a recent disarmament conference an attempt was made by some of the other governments to have them included in the naval strength of the United States and counted as part of the quota of tonnage to be allowed this Government on the seas. They are not officered by personnel of the Navy, but they are officered by men who got their training in the Navy; and in appearance they are indistinguishable from warships of the United States. And the farther they get from base and the farther away the armed officers on land get from Washington, the fewer become the contacts between them and the chief of an executive bureau who issues their orders, and the less amenable they are to the dictates of legal restraint.

The trouble is not so much with the orders which are given to them but in the situation that permits a concentration of power in the hands of the President which was never contemplated by the Constitution—and never contemplated for the very good reason that it was never intended that a law should be passed except by the methods prescribed in the Constitution. But the result is the same, and a power of unwarranted extent finds itself in the hands of the Chief Executive, with his prohibition navy on the sea and his prohibition army on the land engaged in enforcing a law which was passed in violation of the principles of constitutional government in the United States and which has become so embedded in the Constitution itself that even the Supreme Court must bow before it. It has set aside the checks and balances of government, it has disturbed the distribution of power, it has nullified the specific application of majority rule, and it has created a centralization of authority which is inimical to proper government in the United States, and it ought to be repealed.

MISTAKE

Many of us may have supported the eighteenth amendment in the thought that it was a moral and beneficent principle in full accord with the provision for government in this country. To have thought so seems now to have been a mistake. There is no moral turpitude involved in making a mistake, but there is a great deal of moral turpitude involved in continuing a mistake after it has been discovered to be wrong. And while we may not be censured for having believed that it was a good thing for America, we can not but be guilty of an act of great dishonor to ourselves and injustice to our country if we realize it is wrong and fail to do our part to rectify it.

Our duty is to preserve our Government and to restore our Constitution to its former purity; to pay to the memory of our

ancestors who gave it to us the duty of preserving our inheritance and to pay to our progeny the duty we will owe them, handing down our institutions, not impaired but improved, that they may enjoy the privileges of the most satisfactory system of government the mind of man has yet evolved.

We speak of the Constitution, and should speak of it, with something of reverence, but we must remember that our Constitution is simply a means to an end. That end is good government, according to the will of the majority, in an orderly process, according to the rules, to protect the rights of the individual.

BEFORE THE CONSTITUTION

Government under the Constitution is not the first government of the United States. Nor can it be understood and properly appreciated without a knowledge of its predecessors and of the reasons which brought it into being. In the contemplation of current political activities, we are prone to forget the Revolutionary War, and its reasons, and the effect that our early history had upon the political principles of America. Bunker Hill, Valley Forge, and Yorktown are not just names in history. They have a meaning, without an understanding of which America's institutions can not be properly appreciated. But they were not fought to protect our Constitution. It did not then exist. They were fought for the principles of liberty and freedom and to establish those principles in America.

From the opening gun at Lexington, through the long years of campaigning, the cold winter at Valley Forge, to the eventual triumph at Yorktown, Washington led his valiant little army actuated by the highest of patriotic motives. They had suffered from a tyranny of government; from an improper use of the functions of government; from the effects of an excessive centralized power. They had had soldiers quartered upon them in times of peace. They had seen their friends removed from the neighborhood when charged with a crime and taken to a distant country for trial. They had seen suspended the writ of habeas corpus. They had had freedom of speech denied; they had been taxed without a voice in assessing the tax. And in order to redress these grievances they met in the Continental Congress and petitioned that they be not longer oppressed. And when armed ships on the sea and soldiers on land came in answer to their supplications, they declared their independence and fought and set up a government under the Continental Congress. They fought for things they considered more important than the leisure which submission would have afforded, more desirable than the wealth which might have dribbled down to them from an ingracious autocratic rule. They fought for their liberties; they fought to establish on a sound basis their right to the enjoyment of life, liberty, and the pursuit of happiness. During the struggles they set up another Government, under the Articles of Confederation of the United States, and they set it up during the war with the purpose of effectuating the principles for which they were fighting. And after the war, when it appeared that their plan of government was not adapted as well as it might be for the accomplishment of those ends, they called a Constitutional Convention and drafted the instrument, parts of which we have considered, known as the Constitution of the United States. That instrument was proposed for the purpose of protecting and preserving the rights which had been so dearly won in the Revolutionary War and the leader of the victorious army himself sat as president of the convention which drafted it.

RATIFICATION

After the Constitution had been drawn and had been submitted to the States there arose against it violent opposition because it did not specifically preserve those rights. In the debates which ensued there arose two schools. One of them advocated the adoption of the Constitution as drafted because, they held, the Federal Government had not power to abrogate those rights or to interfere with them, because the Federal Government had only such powers as were specifically delegated to it. The other school held that they would not be satisfied unless those rights were specifically set out in the text of the Constitution as indubitable guaranties, set apart as things with which the Federal Government could not interfere. So it was agreed beforehand that the subject matter of the first 10 amendments would be immediately added. They became known as the Bill of Rights.

There is one thing which the historian can point out with certitude; that the Constitution of the United States would never have become operative had there been the slightest thought in the minds of those who agreed to its adoption that any of the guaranties of the Bill of Rights could be abrogated, altered, or repealed, for those were the things the Revolutionary War had been fought to attain. Some of the greatest statesmen and greatest patriots of that period, men whose names have come down to emblazon the pages of history and who will ever continue as beacon lights of patriotic virtue, were particularly opposed to the adoption of the Constitution as it was originally proposed and would have waged a successful fight to defeat it if it had not been a part of the understanding that the Bill of Rights be included. They were the reasons for government. They were the objects to be secured by government. They were the sacred thing which government was set up to protect. And had it not been for the agreement to insert the Bill of Rights as part of the constitutional document there would not have been a Government of the United States under the Constitution.

Nor was there any one of the men who sat in the Constitutional Convention and who drafted the Constitution, nor a single man who sat in any State convention to ratify the Constitution, who held to the thought that the powers delegated to the Federal Government could be used to impair the Bill of Rights, which was considered to be perpetual and not subject to modification, repeal, derogation, or denial.

So that if there is anything sacred about government in the United States it is the rights and liberties of the people of this country as guaranteed by the Bill of Rights, and government under the Constitution is the agency to be used to secure that end.

If the power of amendment can be used to prohibit the manufacture, transportation, and sale of liquor, and efforts in its enforcement can search and seize without warrant, or can transfer those taken to another jurisdiction for trial, then the power to amend can be used to require any other thing or to prohibit any other thing. Under that hypothesis, the power of amendment can be used to deny freedom of speech, the liberty of the press, the right to trial by jury, the right to a public trial, the freedom from search without warrant, or any of the other rights and liberties which the Revolutionary War was fought to attain. But when that is done the purpose of the Constitution is defeated, and the very reasons for its establishment are repudiated.

The people of the United States have the power to change the Constitution in any way they see fit. They have the power to repeal the whole Constitution or to abrogate any part of it just as they had the power to adopt the eighteenth amendment. But there is no power in America, nor any power on earth, which can destroy the Constitution and continue government under it. Either you have got to have this Constitution or you have got to have something else. If you are governed by this Constitution, you submit to government by a certain set of well-defined rules which declare an orderly procedure which must be followed.

When you deviate from that procedure, or when you prostitute part of it so as to divert it to another purpose, then you are no longer being governed by the principles of the Constitution of the United States. When you pass a law into the body of the Constitution in violation of its own provisions as to how a law shall be passed, then you violate the letter of the Constitution itself. And when that law as a part of the Constitution upsets the system of checks and balances of power, removes the subject matter from the contemplation of the Supreme Court, and concentrates an inordinate power in the hands of the Chief Executive which can be used, and from time to time has been used, to nullify the guaranties of the Bill of Rights, then you have by so much done violence to the principles of constitutional government as known in this country.

There is only one wholesome way to proceed. That is to repeal the eighteenth amendment and take out of the Constitution a law which should never have been in it, and restore that instrument to its former purity. If after that the people of the United States desire a prohibition law, let them procure it through the orderly processes provided in the Constitution. Let them authorize by a constitutional amendment that each State may decide such matters for itself, with power in the Federal Government to control the interstate features of it, or that the Congress may pass such a law by majority vote; so that when a majority of the people of the United States want to amend the law, to change the law, or to repeal the law, it too can be done by majority vote; and so that the Supreme Court can construe it as a law, like it does any other law, and stand as a bulwark between the rights and liberties of the American citizen, and defend them against the encroachments of unjustified Federal power.

But the first step in any program which contemplates continued government under the principles of our Constitution is to repeal the eighteenth amendment.

RELIEF SITUATION IN 40 CITIES—ARTICLE FROM THE SURVEY

Mr. WAGNER. Mr. President, I send to the desk a symposium on the relief situation in 40 cities, which appears in the Survey of this month's issue, and ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Survey, April 15, 1932]

HOW THE CITIES STAND—RELIEF: GOING UP—WORK: STATIC—FUNDS: GOING DOWN

By telegraph, by air mail, and by post the Survey has collected from correspondents in 37 of the largest American cities swift summaries of the unemployment-relief situation at the moment when winter breaks into spring. Fitted together they make a sorry picture for a proud country to contemplate. Practically all the letters tell the same story. Without plans, without strong national leadership, with meager and uncertain funds these cities have some way, somehow muddled through the winter, keeping their people alive, but at what cost of broken spirit and human suffering only God knows.

Now, with the break of spring they find themselves in no better case. Still planless, with no sign of improved employment, with relief needs growing and relief funds dwindling to exhaustion, they turn blind eyes to the future, where already the specter of another winter is rising.

A comparison of the reports indicates that, relatively speaking, New England and upstate New York have the situation in hand better than other sections of the country. The industrial cities of the Middle West and the large cities of Pennsylvania are in desperate plight. The huge relief funds raised in New York, Chicago, and Philadelphia have been unequal to the staggering

load in these centers of industrial dislocation. Complete breakdown is imminent. The fallacy of the idea that private funds could cope with a situation of such proportions as this one is remorselessly exposed. Private funds have been little more than a thin emollient on a deep wound. Even in the South, where there is slight tradition for the use of tax funds for outdoor relief, city and county officials have been forced into new policies. In Washington, which has no established system of public outdoor relief, President Hoover has himself asked Congress for $600,000 to take up the burden which exhausted private resources can no longer carry.

State action, first launched by New York last September, has been slow and reluctant. But New Jersey, Rhode Island, Wisconsin, Illinois, Pennsylvania, and, probably by the time these words are read, Ohio have moved, fumblingly and inadequately perhaps, to create at least a thin cushion for the present and a pdecedent for the future. The tragic desperation of the situation is illustrated in Pennsylvania, where a pending court decision is holding up a possible State fund of $10,000,000. Spread over the whole State, this sum will be the merest temporary poultice to the existing human misery, yet it represents the only hope in sight.

More disturbing than the evidence of past muddling is the lack of evidence of any real statesmanship for the future. No rational adult can be blind to what lies ahead. The summer will bring little surcease in human need. Next winter will be worse, not better. Yet Congress is deaf, legislatures are adjourning, cities and counties are temporizing with pinchbeck appropriations and private social agencies are in positions they can not sustain. There is no evidence of any real facing of what is on the doorstep, let alone any preparation to deal with it.

New York is the only one of the States that has looked beyond the moment. The 1932 legislature has provided $5,000,000 to extend the program of the Temporary Emergency Relief Administration to November 15, and has agreed to submit to the voters in November a $30,000,000 bond issue, which would carry it through 1933.

In the following pages the Survey gives its readers the picture of conditions as it has come from those closest to what is happening. It has full confidence in the judgment of its correspondents, including those few whose names are withheld.

THEY SPEAK FOR THEMSELVES

Akron, Ohio: Funds from the community fund and the city now budgeted will carry the present relief program to the end of May. The city has agreed to appropriate funds to carry through the calendar year, but its ability to do so depends on the special session of the legislature. Should this prospect fail, and dire necessity develop, more private funds might be raised, but we hope this will be unnecessary. The peak of relief cases was reached in February, but direct relief expenditures are less than a year ago. This is due to the drop in commodity prices, to the city's work-relief program, and to the staggering of work by the large rubber industries. We have had little change in employment in the past 18 months, but there is no indication of improvement. No crystallized community opinion on Federal relief is evident. (E. J. Larrick, executive secretary, community fund.)

Atlanta, Ga.: Relief funds now in sight are adequate for another four or five months. Fulton County has appropriated $150,000, the only public fund applicable to unemployment relief, and $52,000 is still collectible from the emergency relief fund pledged last fall. When this is exhausted the county will be asked for further funds. February saw the highest point in relief applications. If last year's experience repeats itself there will be a considerable drop in applications in May and June and a sharp rise the succeeding months. I do not see signs of a pick-up in industry, but the American Legion has produced about 1,500 temporary jobs and has influenced a good many industries to take measures to care for their employees. There is a decided division of opinion among social workers on Federal relief and a definite opposition to it on the part of business interests. Atlanta has up to now been able to care for its unemployed relatively well, and I believe that if any grave crisis arose funds could be secured from public and private sources to continue this care. (Frank Miller, executive secretary, community chest.)

Birmingham, Ala.: Family relief, normally $34,000 a year, mounted to $245,000 in 1931. We estimated a total of $284,000 for 1932, $200,000 budgeted as emergency. But the case load has gone far above estimates and the emergency fund will be exhausted by April 1. New estimates put the 1932 requirements at $630,000. The county contributes nothing to family relief. The city, contrary to precedents, is contributing $1,250 per month, and will, I believe, assume a larger responsibility when private funds fail. There is no indication of county action, though 20 per cent of the relief load is outside the city limits. There are no State funds in sight and there is little hope of industry absorbing any of the unemployed. Gardening and Federal-aid road work are the only prospect. I am of the opinion that the city and county together can and should take care of the situation without Federal aid. (H. J. Early, director community chest.)

Boston, Mass.: Relief expenditures have been mounting and more and more families are seeking aid. It looks as though the curve would follow last year's, with the figures just about double. The department of public welfare, which carries the bulk of the load, expended $975,839 in February, 1932, as against $578,063 in February, 1931; the Family Welfare Society, $38,106 against $17,789. As yet white-collar folk have not come to the relief agencies in very great numbers, though there is evidence of increasing distress in this group. The State department of labor and industries reports a slight increase in employment, particularly in manufactures, in Boston and throughout the State. (Roy M. Cushman, executive secretary, council of social agencies.)

Buffalo, N. Y.: Relief funds are in hand or substantially guaranteed to continue the present program for another year. We expect additional appropriations from the city on July 1. The county has already provideil money for the calendar year, and State aid has been extended until November, and possibly through 1933. Our chest campaign comes this spring; but if it should be necessary, we could probably raise more funds in the fall as we did in 1931. Relief demands are still increasing; and even if business picks up at an early date, it will be, in my judgment, at least a year before the relief situation begins to show a change. My impression is that local opinion is opposed to Federal relief. (David C. Adie, executive secretary, council of social agencies.)

Chicago, Ill.: Funds are not sufficient to give adequate relief to all who apply. However, all families do receive something. I believe that food is adequate and that no one is suffering from cold. Most evictions are being prevented. All funds in sight were exhausted in January, but State funds, which may amount to $20,000,000, will carry the present program until August 1. We certainly expect further county and State money, but probably not until the next regular session of the legislature in January. I think more private funds could be raised early this summer, and I hope the effort will be made. I believe that our peak came in February, but the change in systems of accounting due to the transfer of all employment cases to public funds has delayed comparable figures. A slight improvement in the relief situation seems probable, and there are certain slight indications of improvement in business, especially in banking. The majority of social workers and the trustees of social organizations appear to favor Federal relief in the form of State aid. (Joel D. Hunter, general superintendent, united charities.)

Cincinnati, Ohio: Relief allowances are not adequate, many of them are dangerously small, but even so all funds in sight will be exhausted by the end of March. Relief demands will probably continue to increase as more people exhaust their private resources. There is little prospect of a change in employment conditions, and we must anticipate a heavy relief load next fall and winter. We hope that the special meeting of the legislature will provide aid through local and perhaps State funds, but at the best these will be inadequate for industrial communities. Unless large private funds are made available the inadequacy of relief will be even more apparent the rest of the year than it is now. We anticipate difficulty in our chest campaign for $2,500,000, of which $500,000 is for unemployment relief. For the most part the community feeling is against Federal relief, but I personally think that if the situation continues much longer we shall have to come to it. Local governments are now staggering under the load. Certainly State aid is inevitable. (Fred H. Hoehler, commissioner of public welfare.)

During February 14,000 of the 21,000 families registered with our social agencies were given relief. They are increasing at the rate of 1,000 a month and with the prospect of only a slight falling off during the summer and of relief needs next fall and winter considerably in excess of the past. Unemployment relief, exclusive of other relief, is now running at the rate of $325,000 a month. On this basis we face a deficit of approximately $2,500,000 beyond any funds in sight from either private giving or public appropriations. This estimate takes into account the $500,000 item for direct unemployment relief which we hope to raise in the April chest campaign. The governor's program, now before the special session of the legislature, will produce part of the deficit and may provide a way whereby Cincinnati, through bond issues, can secure the balance. I sense a little more optimism here concerning business, but I am convinced that next fall and winter will require far more money from taxation than has been expended from these sources up to the present time. A way must be found by which the States and the Federal Government can back up the local communities if real suffering is to be avoided. (C. M. Bookman, secretary community chest.)

Cleveland, Ohio: Relief funds, public and private, are not adequate at the moment, and the present program can not be continued through May. The peak of relief families will probably come the end of March. We expect only a slight decrease through the summer, and unless conditions improve the load will begin to rise again in September. It is possible that more private funds could be raised this spring if necessary, but we believe that this would make next fall's campaign much less likely to succeed. We hope and expect to secure additional public funds as a result of the present special session of the legislature. There are no indications of employment picking up sufficiently to change the relief situation. In so far as we can sense community feeling it is that given legislative authority our own city and county resources will be sufficient to meet the needs of the community without Federal relief. (Raymond Clapp, director Welfare Federation.)

Columbus, Ohio: Standards of relief are utterly inadequate, but the present program, such as it is, can be continued for about two months. The private emergency fund is being stretched thin to last through the year, but the city fund must soon be replenished if we are to go on. Relief demands are increasing and we see no prospect of improved employment except a little seasonal work. No new large amounts could be gained from private sources. We are having the hardest possible time collecting last fall's pledges. Community opinion seems divided on Federal relief with social workers generally favoring it. Our situation is tragic with our only hope in the action of the special session of the legislature. State aid will enable us to maintain present standards.

Federal aid would enable us to improve them—a vital necessity. (Stockton Raymond, secretary community fund.)

Dayton, Ohio: Since January 1 the city has provided the bulk of relief funds which have been administered by the Family Welfare Association. At the rate we are going these funds will be exhausted by June 1. The association's funds, for items other than food and fuel, will last until November. Relief demands reached a peak on March 1, and have not receded. If the experience of other years is a guide our load should be reduced by half by early summer, but of this we have no assurance as there is no sign that employment will pick up to any substantial extent. I doubt very much if funds could be raised from private sources this spring, but we hope that the special session of the legislature will enable the city and county to secure funds to see us through the year. The feeling toward Federal relief is distinctly divided. (Arch Mandel, executive secretary community chest.)

Denver, Colo.: Relief funds, both public and private, have been adequate up to now, but will not support the present program beyond May 1. We shall probably reach our peak in March, with a considerable improvement in April and May due to seasonal employment. We are expecting further and increased appropriations from the city. No help is expected and probably would not be possible from the State. More private funds could probably be raised, though it would be difficult to raise enough to carry on at the present rate. Unless the general situation improves we shall have a much harder time next fall than we have had the past fall and winter. We see no signs of an improvement sufficient to ease up the relief situation. The community feeling, I believe, is against Federal aid, and I think we shall be able to handle the situation without it, but I am told that in other sections of the State it is greatly needed. (Guy T. Justin, executive secretary community chest.)

Des Moines, Iowa: Relief funds are inadequate and can not carry the present program longer than three or four months. More private funds can, I believe, be raised if necessary, but we anticipate additional county appropriations to help carry the load. The peak came in February. The summer will be lighter, but next fall and winter will be the same as this, or worse. So far as I can see it will not be better, though there are some slight indications of a pick-up in industry. This community appears opposed to Federal relief. (Charles I. Madison, secretary community chest.)

Detroit, Mich.: Public and private relief funds are adequate at the moment, though relief per family is at the lowest rate for two years. The present program can be continued through June only if employment picks up definitely. Relief demands are increasing daily and the 1932 peak is evidently not yet reached. The public welfare department had 16,000 families under care last November and now has 27,000. Present indications are that automobile employment will improve rapidly during the next three months and so relieve the situation. After that no one can guess. The city welfare fund of $7,000,000, budgeted to July 1, is now slightly behind its schedule. Since January the emergency relief committee has raised three quarters of its million-dollar goal, and will raise the rest, but I doubt if any more private funds could be raised this spring. The business community generally is against Federal relief and is now looking toward State action, though as yet State officials have refused assistance. These attitudes may change rapidly, however, if city and county funds are exhausted and employment drops again after the seasonal pick-up. (Percival Dodge, secretary community fund.)

Fall River, Mass.: Funds in sight, public and private, will support the present program about one week. What will happen after that no tongue can tell. Probably more private funds can be raised this spring in the event of an acute situation. Relief demands appeared to reach a peak in mid-March, though there are no indications of a pick-up in industry. "Positively do not approve" is the sentiment of the community toward Federal relief.

Grand Rapids, Mich.: About 90 per cent of the dependent families in the metropolitan area are eligible for care by municipal and county authorities. Municipal funds, including a calamity bond issue of $700,000, will be exhausted on March 31. The county is in better shape and anticipates no difficulty in caring for its dependents for the rest of the year. Funds for private agencies are wholly inadequate and will probably be exhausted in July. The peak in relief came in February, with seven public and private agencies expending $106,715. I believe that we shall have but little falling off in demand during the summer, and that next fall it will be greater than ever before in our history. There is no evidence of an improved employment prospect. We might possibly raise more private funds, but no campaign is likely. At the present time a committee of one hundred, appointed by the city commissioners, is attempting to study the set-up, methods of operation, and needs of our municipal welfare department. Both of our daily papers and perhaps a majority of our citizens are opposed to Federal relief. The chapter of the American Association of Social Workers has declared in favor of it. (Victor S. Woodward, secretary welfare union.)

Hartford, Conn.: Total relief funds for the Hartford metropolitan area are adequate in that they are providing, I think, nearly everything which the general sentiment of the community demands. We estimated total relief expenditures for the calendar year 1932 at $1,625,000, the community chest to cover about one-third and the department of public welfare the balance. The chest will meet its schedule. The city will undoubtedly follow its usual custom of making deficit appropriations according to need. Relief expenditures are running about 20 per cent above the estimates, and will probably be nearer $2,000,000 for the year than the total estimated. Applications for relief began to decline in January, but expenditures remain steady. We expect a drop in April but unless there is a very substantial improvement in employment the decline will not be as great as we hoped for. At the present moment there are no indications whatever of an improvement sufficient to change the situation within the next six months. The sentiment in this community is definitely and predominantly opposed to Federal relief in any form. (Leroy A. Ramsdell, executive secretary council of social agencies.)

Kansas City, Mo.: Private relief funds are nearing exhaustion and there is no public fund for unemployment relief. The city has been providing staggered work for some 6,000 men, but this program has now been greatly curtailed. The Provident Association, the chief family agency, has exhausted its allotment of $400,000 and will require as much more to carry its load to November 1, the end of the fiscal year. Relief expenditures have been dropping since the peak of $96,000 in December. We have some hope of getting upwards of half a million accumulated income from an estate still in litigation, but if decision is delayed we shall have to look elsewhere for funds. There is talk of some sort of local tax for direct relief only. That failing we should have to try for more private funds, though the general feeling is that such an effort would be disastrous, both in the amount raised and in its effect on next year. We anticipate some seasonal improvement in business but not enough to affect the relief situation materially. There is no strong feeling here in favor of Federal relief. The local chapter of the American Association of Social Workers is strongly divided. Business leaders seem to feel that somehow we will take care of the situation without knowing just how it is going to be done. (C. W. Pfeiffer, secretary charities bureau.)

Los Angeles, Calif.: Relief funds, public and private, are inadequate, with demands on the county welfare department increasing, and demands on private family agencies slightly decreasing. Funds in sight will support the present program until May 1 when, it is hoped, the county will make an appropriation to carry the load to July 1, the end of its fiscal year. Such seasonal employment as is developing is entirely unequal to the need. The community is divided in its attitude toward Federal aid, but most of the social agencies seem to favor it for work rather than for direct relief.

Milwaukee, Wis.: Public and private relief funds seem adequate at the moment, but demands are still increasing and it is impossible to tell how long the present program can be continued. The State emergency-relief fund is helping the general situation. More private funds could probably be raised, but there is no evidence that this will be considered necessary. Some support for Federal relief is heard, but an emphatic division of opinion among taxpayers is apparent. There are no indications at the present of enough improvement in industry to ease up the demands for relief.

Minneapolis, Minn.: Public and private relief funds are reasonably adequate at the moment, and with additional funds for public relief, which we have every reason to believe the city will provide, the present program can continue through the year. Relief demands are increasing, and we hope for little during the summer than a flattening of the curve, with another rise in the fall. I see no industrial development sufficient to ease the relief situation. There are different opinions here regarding Federal relief. The Hennepin County Farmer-Labor delegates have indorsed it. Others favor local responsibility. Most people seem to feel that Minnesota can meet its own relief problem. (Otto F. Bradley, executive secretary, community fund.)

New Haven, Conn.: My impression is that we are doing a more extensive job in relation to need and a more adequate job on individual cases than was done in previous depressions, though we still have nothing to boast about. Funds now in sight, public and private, will carry the present program through the current year. It will not be necessary to raise additional private funds this spring. The city is not making specific appropriations for public relief but is charging the excess to a special account, thereby creating a deficit which it hopes to wipe out, if necessary, by a special tax over a period of years. A State fund has been discussed, but no action taken. The local industrial situation holds no promise of any easing of relief demands. We do not anticipate a better condition next fall, but we do anticipate a particularly difficult time in fund raising. In so far as there is any community opinion on the subject, it seems opposed to Federal relief. There is a widespread feeling that the possibility of State funds has not been sufficiently explored. (John B. Dawson, secretary, community chest.)

Newark, N. J.: Relief funds, public and private, are inadequate, with private agencies obliged to limit intake and the public agency barring certain groups—childless couples and nonresident families—with some unfortunate consequences. Relief demands are distinctly increasing, with the peak yet ahead. The spring pick-up of work will hardly keep pace with the increasing number of families who are at the end of their rope. Additional private funds might be raised this spring, but it would have to be undertaken by an independent group outside of the federation, and there seems little likelihood of such activity. Political leaders are averse to taking responsibility for increased taxation, and city, county, and State appropriations are all smaller than the admitted need. There are as yet very few indications of industrial improvement. Federal relief is not generally understood and most people seem opposed to it.

New Orleans, La.: Since July 1, 1931, unemployment-relief funds totaling $50,000 a month have come from a 5 per cent salary com-

tribution from city and State employees and appropriations by two State boards. On March 1 the city and State announced general salary reductions and all salary contributions ceased. Pressure is now being brought for a city bond issue of $750,000 to last one year from May 1, which would relieve but not meet the need. No more private funds are in sight. Unless employment conditions improve, of which there is no indication, relief needs will increase. The proposed bond issue is a first step in the use of city funds for relief. Public sentiment in favor of Federal relief is weak.

New York, N. Y.: Relief funds are inadequate and will not carry the present program beyond June 1. Demands and expenditures are both increasing month by month. March, with an expenditure close to $6,000,000, is the highest to date. Relief expenditures, from all sources, public and private, from October, 1931, to April, 1932, add up to approximately $24,501,210. For the next six months, to October 1, we have available about $11,000,000. To maintain the status quo till that date that is to care for a number equivalent to those now being cared for by public and private agencies and to meet the needs of new applicants at the rate at which they are now applying would take an additional $25,000,000. By reducing the work-relief wage from three days a week to two and reducing the numbers receiving care on the theory that fewer will need help during the summer we might get by with an additional $20,000,000 for the six months. The future plan committee of the council's coordinating committee is now working on the program with Frank J. Taylor, commissioner of public welfare. I do not believe that any substantial amount will be raised privately this spring. Further public appropriations must be forthcoming. There is no evidence that business conditions are improving or that the relief load will ease off. Bankers, business men, and the press are on the whole opposed to Federal relief. (William Hodson, executive director welfare council.)

Omaha, Nebr.: Private funds have carried the bulk of unemployment relief here, up to the present, fairly adequately. But the program can not continue more than two months with funds now in sight. We hope that relief demands will begin to fall off in April, but from all indications the drop will not be the normal decrease or even the decrease experienced last year. We do not anticipate that the seasonal pick-up of unemployment will be sufficient to affect the relief load materially. (Philip L. Ketchum, director community chest.)

(NOTE.—Private funds in Omaha consistently carry 75 per cent of the outdoor relief program, and taxation for relief purposes is low. An effort is being made to secure a county appropriation of $300,000 for relief for the remainder of 1932. Should this fail an attempt will be made to induce the governor to call a special session of the legislature. A supplementary community-chest campaign this spring could not be expected to realize more than $150,000. In general, the community appears to be opposed to Federal relief.)

Philadelphia, Pa.: Relief funds are at the point of exhaustion. We have had no public funds since December 23 and we shall be most fortunate if the private funds secured through the united campaign in November last until May 1. Even should the Talbot bill for State aid be declared constitutional and the city receive $2,500,000 from that source it would last only a little more than two months. The committee for unemployment relief is spending at the rate of $50,000 a day. Sixty thousand families are receiving relief. The financial situation of Philadelphia is such that no great help can be hoped for from the city. Since pledges to the united campaign continue to fall due until next October it is difficult to see how additional private funds could be raised. Our chief hope for the future lies in the calling of a special session of the State legislature. There is no improvement in the industrial situation. Taking the community as a whole there seems to be no united sentiment in favor of Federal relief. (Karl de Schweinitz, executive secretary, community council.)

Pittsburgh, Pa.: The Allegheny County Emergency Association, with 18,000 families dependent upon it for relief, has exhausted its resources. Its outdoor relief budget, distributed through six family welfare agencies, was to have lasted until fall, but due to the continued increase in relief needs and the collapse of the outdoor relief program of the directors of the poor, it has all been expended. Funds earmarked for specific work-relief projects have been diverted to meet these relief needs, and the work program, affecting 10,000 additional families, has been suspended. This move will only carry the outdoor relief load for three weeks. The poor tax has been doubled, but funds from this source will not be available until July. Budgets of the private agencies can not carry any additional load. The city council, at the request of a joint committee from the welfare fund and the emergency association, has agreed to submit a $5,000,000 bond issue to the voters in April. The county commissioners have been asked to submit a $10,000,000 bond issue for work relief on public projects, but have not yet given their decision. The city council has appropriated $260,000 to provide relief until other funds can be secured. The directors of the poor may match this. A drive to raise 28,000 subscriptions of $100 each to carry as many families until summer has just started. At present relief demands are increasing, but at a slightly slower rate than in midwinter. Opinion has tended to regard Federal relief as a last resort, but there is probably less opposition now than several months ago, and there is still a question as to whether State and local resources have been fully tapped. (Frederick F. Stephen, director, bureau of social research, federation of social agencies.)

Providence, R. I.: I question very much whether the word "adequate" is applicable to any relief program at the present time. However, the program in Providence is operating efficiently. Public emergency relief funds will be exhausted by August 1. Last November the State appropriated $1,500,000 for unemployment relief, and an additional appropriation is now proposed to carry the program through the calendar year. It is generally agreed in Rhode Island that unemployment relief should come from tax funds and be administered by directors of public aid. We believe that more private funds could be raised this spring, but are confident that it will not be necessary. Unemployment is not increasing, but there is a rising curve of relief applications due to depleted individual resources. We expect to reach the peak the end of March, with little change during the spring months. Indications of improved employment conditions are not encouraging. This community is generally opposed to Federal relief, and it is my personal opinion that Rhode Island is well able to meet the situation for months to come. (Henry L. Burt, executive secretary community fund.)

Richmond, Va.: Funds in sight, public and private, are apparently sufficient to carry the present relief program through 1932. The adequacy of the scale of relief to maintain normal family life is open to question. Relief demands are heavier than at any time, and we anticipate little change. Unemployment seems to be static. We have no State funds for outdoor relief, but the county supervisors seem to be planning to increase appropriations for the area adjacent to the city, and we expect additional appropriations from the city. I do not believe additional private funds will be necessary this spring. The local press, the chamber of commerce, and the wealthier citizens are opposed to Federal relief, while individuals representing labor favor it. (Arthur A. Guild, director community fund.)

Rochester, N. Y.: Relief funds appropriated to date are not adequate for the balance of the calendar year, but the chest campaign will be held in May, and the municipal authorities are expected to make further appropriations. The number of cases under care apparently reached its peak in January; but as employment conditions are not noticeably improving, no immediate reduction in relief requirements is expected. Community opinion is divided on Federal relief.

San Francisco, Calif.: Funds in sight, adequate at the moment, will carry the present program to July 1, the beginning of a new municipal fiscal year. How adequate the new municipal appropriation will be we can not say. Relief demands for families are still increasing, but for single men decreasing. We anticipate March as the peak, but we do not anticipate anything better than a leveling off of the curve during the summer. November will probably bring a large increase in relief demands. More private funds might be raised this spring, but this, in my opinion, would have an unfortunate effect on the regular chest campaign next fall. The governor's State unemployment commission is studying relief conditions throughout the State and will presently hold public hearings to discuss possible participation by the State in the relief program. But no aid from this quarter can be expected before next winter, if at all. I see no indications of a sufficient revival of local industry to affect the relief needs. The usual seasonal pick-up promises to be much less than normal. There is considerable community feeling in favor of Federal relief chiefly on account of the practical difficulties of getting sufficient funds locally. Municipal officeholders seem to feel that the Federal Government should participate in the program. (Ray W. Smith, executive secretary community chest.)

Seattle, Wash.: At the moment relief funds, public and private, are adequate. The county is supplying from $125,000 to $150,000 a month for emergency relief, and I see no reason to doubt its continuance of necessary appropriations. The city, however, is running into tax limitations and further help for work relief is in doubt. Relief demands for homeless men reached a peak in late February and for families in late March. We expect a drop in relief requirements of from 20 to 30 per cent by August or September. Then, unless general conditions improve, the curve will turn upward. Those closest to the relief problem are inclined to believe that Federal relief will be necessary next winter, but there is a substantial body of influential public opinion which does not favor it. (John F. Hall, executive secretary community fund.)

Springfield, Mass.: Families on aid have tripled in a year, and expenditures for outdoor relief more than doubled. The work-relief program, with public and private effort closely coordinated, has been useful and productive. I believe that March will see the peak of the year. Even though industry shows no sign of picking up, there is more optimism in the community than I have seen for a long time. The spirit of the community is strong and I believe that whatever the needs may be they will be met. I do not believe that Federal relief would be welcome here until all other resources are exhausted. (Fred Stephenson, executive manager community chest.)

St. Louis, Mo.: Relief funds in St. Louis appear to be adequate to meet present needs. The crisis fund of approximately $1,123,000 raised early in the spring by popular subscription—$700,000 of it from wage earners, including school-teachers—plus the $600,000 promised by the city should be sufficient to carry the present program to the end of 1932. The peak of relief requirements should be past by the end of March. There has not been at any time any serious suggestion of State funds nor any indication that the community considers Federal relief as desirable or necessary. The county, an area of 1,500 square miles surrounding the city, has appropriated $23,000 for relief purposes.

and some people believe that it will get by on this. There is a general feeling and some evidence that employment is picking up, enough at least to hold relief at its present level and perhaps to ease it off a little before the end of the year. (Robert W. Kelso, community fund.)

St. Paul, Minn: I would not describe St. Paul's relief as adequate, but it is furnishing basic necessities in a way which prevents hunger and cold. City and county officials, as well as those of the chest and of private agencies, believe we can meet our obligations until 1933, when new budgets become effective, though there are certain factors which may throw off our calculations. Monthly relief bills have risen steadily to a peak of $120,000 in March. We should drop to $80,000 in April, and stick fairly close to $50,000 during the summer months. It does not now appear that additional private funds will be necessary. Employment conditions show no substantial gain, but on the other hand we do not anticipate any new large-scale dislocation. There appears to be sentiment against Federal relief, largely on account of a spirit, almost of revolt, against increased taxation. (Pierce Atwater, executive secretary, community chest.)

Washington, D. C.: Relief funds are not adequate, and a chest deficit of perhaps $300,000 for the year due to excess relief expenditures seems probable. This means that the present program could not be continued beyond October 1. President Hoover has approved a joint resolution, now before Congress, for $600,000 for outdoor relief. This, if it passes, will relieve the situation greatly. March is probably the peak month, though we expect an increase rather than a decrease in white-collar applicants. If the appropriation fails, I believe that further private funds could be raised. (Elwood Street, director community chest.)

Washington has no system of public outdoor relief. Resources of this committee, $250,000 from the community fund, will be exhausted by May 1. We are informed that about 1,000 men will be put to work on District projects on April 10 and that several thousand will be so employed by July 1. This should relieve the situation so far as laborers are concerned. (Paul L. Benjamin, executive secretary District of Columbia Committee on Employment.)

Relief demands are increasing and will probably continue to do so, as the committee on employment ceases operations during April. We believe Washington sentiment to be against Federal relief, though the local chapter of the American Association of Social Workers has approved it. (Walter S. Ufford, general secretary associated charities.)

Worcester, Mass.: Relief funds, public and private, are adequate at the moment. The community chest will not need to raise any more funds this spring, but further city appropriations will undoubtedly be necessary before the end of the fiscal year, November 30. Relief demands are still increasing, though we expect a seasonal falling off beginning in April. There is no indication of any improvement in employment conditions. I believe that the people of this city are opposed to Federal relief. (David W. Armstrong, executive secretary community chest.)

LETTER OF J. W. BATCHELLER, FORMER PRESIDENT OF THE SOUTH DAKOTA FARMERS UNION

Mr. NORBECK. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by Mr. J. W. Batcheller, former president of the South Dakota Farmers Union, to Hon. John A. Simpson, president of the National Farmers Union.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GAYVILLE, S. DAK., *March 29, 1932.*

Mr. JOHN A. SIMPSON,
President National Farmers Union, Washington, D. C.

FRIEND J. A.: Well, this time I got you on the air and was more than pleased with all addresses, as were all the others who were listening in with me, in front of a store in Mission Hill.

Have just written Senators FRAZIER, WHEELER, and THOMAS (though words seem inadequate) my appreciation of that opportunity, of listening in, and the merchant took down the date April 23, at which time he expects to get a bigger audience for you, and incidentally more business for himself.

Some of the big dailies are getting back of the Frazier and Wheeler bills, but I don't see anything yet in the press relative to the Thomas-Swank bills. If the people had the opportunity to vote on all of those measures, they would carry strong at the polls.

Congress has now been in session until my pile of RECORDS is something like 2 feet high (piled in consecutive order) with our real relief measures out in the woods. It may be considered out of order for Congress to establish a new precedent by taking the people into consideration, but if they have sense enough "to pound sand," they should know that they have played horse long enough unless the breeding of revolution is their objective. This year, in this fine farming country, there will be a general defaulting in both taxes and interest, farmers are without ambition or hope and are stating that they are done working for nothing. One neighbor who has fine improvements but against whom foreclosure proceedings have been started says his ambition is all gone. Another told me to-day that the loaning agent called on him recently and asked him if he could pay his interest and taxes and he told him, "No"; then he was asked what he proposed to do, and he said he could do nothing but let them have the place. The agent said, "We do not want it, but we shall pay the taxes in the hope that conditions will right themselves." The farmer who has not some outside income is simply out of luck but mighty potential timber for the remonstrance that is brewing.

Personally I feel that the conditions and time are decidedly opportune for national group action against the exploiting centralized money power and that the call for organization should go out as never before, not for the organization, promotion, financing, and operation of every description of cooperative enterprise but for group action on a few fundamentals that all can understand and with but small initial expense. If Congress had vision and initiative enough to prevent a catastrophe, such would not be necessary; but Congress is hopeless as far as we are concerned, making the demand for group action that will go over their heads, imperative. If Congress is as hopeless as I view it, we are wasting valuable time with all our beseeching, pleading, and praying, for a plan of organization should be launched that would sweep the Nation.

Once a month is not often enough for your voice and message to be heard over the "national hook-up" if millions are to respond to your leadership, in whatever methods must be pursued in attaining our goal, that of saving the American farm home and popular government, and allow me to state that while we have national holidays to celebrate and laud the abilities and achievements of past leaders that neither ancient, medieval, nor modern history or times have anything on the National Farmers Union for outstanding leadership, and we propose to give you such support as you may command, so come on with your orders until this little confiscation party is blown sky high. You told us to use postal cards, but I don't know what those things are, so you will have to excuse me.

Fraternally yours,

J. W. BATCHELLER.

CAUSE OF LOW PRICES FOR FARM PRODUCTS

Mr. NYE. Mr. President, so much consideration has been given to the question of overproduction as a contributing cause of low prices for agricultural products, that I find of unusual interest a series of articles written by H. M. Harden, and I ask unanimous consent that they may be printed in the RECORD.

There being no objection, the articles referred to were ordered to be printed in the RECORD, as follows:

OVERPRODUCTION IS NOT CAUSE OF LOW PRICES PAID FOR FARM PRODUCTS—STATISTICS PROVE THEORY OF OVERPRODUCTION FALSE, MISLEADING, AND UNFOUNDED, AND NOT BASIS OF PROBLEM—PRICE DECLINE CAUSED BY SCARCITY OF GOLD AND CURRENCY RESTRICTION

By H. M. Harden

A farmer down in Martin County is reported by the Fairmont Sentinel to have said at a taxpayers' meeting: "We used to get a good price for flax until the county agent told us to raise more flax. Then we got an overproduction and down came the price."

This sincere farmer is simply confused and deluded by the flood of overproduction bunk that has filled the press and the atmosphere since the general deflation of farm and commodity prices.

The production of flax, either here or abroad, has had nothing whatever to do with the great decline in its price. The United States does not produce as much flax as it consumes, and our annual imports of flaxseed average around 18,000,000 bushels. The production of flax in the United States in 1930 was 21,240,000 bushels. In 1931 the United States production was 11,018,000 bushels, yet the average farm price for flax was $2.12 in 1930 and $1.23 in 1931. The total production of flax in the 15 chief flax-growing countries of the world was 123,486,000 bushels in 1928–29, and the average American price was $2.17 per bushel. The same countries produced 122,769,000 bushels in the crop year of 1929–30, and the average American price was $2.28 per bushel. The production of these countries for 1930–31, as so far reported and estimated, was 122,347,000 bushels, or practically the same total as for the past four crop years. While total production of flax has remained comparatively stable, we find that the average American price dropped from $2.12 in 1930 to $1.23 in 1931; and the average price for January last was $1.16 per bushel. These figures prove beyond any question that there has been no overproduction of flax, either in America or abroad; yet the price paid to American farmers has fallen from an average 4-year price of $2.22 per bushel to $1.16 in January last.

Our farmer friend, who is quoted above, is in error in blaming his county agent for the low price of flax. In fact, his county agent had ample reasons for urging farmers to increase flax acreage on clean, well-prepared land. As stated above, this country is a flax-importing country, and there is a tariff of 65 cents a bushel on flax that is effective under normal conditions and raises the American price of flax far above the world price. Consequently the county agent had good grounds upon which to advise increased flax production upon lands well adapted and well prepared for this crop.

NO OVERPRODUCTION OF CORN

When we study the corn-price situation we also find, as with flax, that there has been no overproduction of corn. In fact, we find that there has been decreased production of corn. The average annual production of corn for the years 1923–1930, inclusive, was 2,740,000,000 bushels, and the average price received by

farmers in that period was 85 cents per bushel. In the 4-year period of 1927–1930, inclusive, the average corn production was 2,569,000,000 bushels, and the average price received during that period was 83 cents per bushel. It will be noted that during the 8-year period of 1923–1930, inclusive, corn production was practically stable, and so was the price. The production of corn in 1931 was 2,081,000,000 bushels, or 574,000,000 bushels less than the average for the preceding eight years. Was this overproduction? Still we find that the price of corn following this short crop has fallen from an 8-year average of 84 cents per bushel to 33 cents per bushel in January, 1932.

NO OVERPRODUCTION OF HOGS

We find exactly the same conditions in hog production and prices as with flax and corn. Hog prices are at the lowest levels for a generation. The purchasing power of hogs was in December and January last the lowest it has been in 54 years. Has there been such a tremendous overproduction of hogs as to cause such a condition as this? Let us see. The average number of hogs in this country for the four years 1923–1926, inclusive, was 60,740,000 head; and the average price received by farmers in that period was $9.35 per hundredweight. The average number of hogs in the country in the 4-year period of 1927–1930 was 56,513,000, and the average price received was $9.17 per hundredweight. The number of hogs in the country in 1931 was 58,955,000, and the year's average price received dropped to $5.89 per hundredweight. There were 2,745,000 fewer hogs in the country in 1931 than in the 4-year period of 1923–1926, inclusive. Still the average price received in this 4-year period was $9.35 per hundredweight, and the yearly average of 1931 was $5.89, and it dropped to $3.76 per hundredweight in December and January last. With more than 2,000,000 less hogs in 1931 than in 1923–1926, the farmers sold their hogs last December and January for $5.59 per hundredweight less than in 1923–1926, or for $11.18 less per 200-pound pig. That made a difference to Minnesota farmers of only $93,000,000 a year. So this price fall does not amount to anything very serious, though it might possibly affect farmers' "hoardings" a trifle. All of the figures as to production and prices given above are taken from the reports of the United States Department of Agriculture.

UNDERCONSUMPTION AND OVERPRODUCTION

The great decline in farm prices can not be truthfully attributed to an overproduction of farm crops. There is a temporary oversupply of wheat and cotton in America, owning not so much to overproduction as to decreased buying power and economic conditions in foreign countries and to trade barriers erected in retaliation for the prohibitive industrial rates contained in the Grundy-Smoot-Hawley Tariff Act. Wheat and cotton are our great surplus crops; and as long as American farmers are denied by our Coolidges and Hoovers an effective tariff on these surplus crops, we are at the mercy of foreign conditions and markets. However, the price of wheat and cotton has not fallen more precipitately or more proportionately than have the prices of corn or hogs or flax, or than farm prices as a whole.

It is nothing new to hear the cry of "overproduction" in times of panic like the present. It has always been so. In every panic that history records half-baked pseudoeconomists have said that the falling price levels were due to overproduction, and the press and platform have parroted the falsehood, innocently usually and with intent and purpose by some. And there are many people who give but casual thought to such subjects, who confuse underconsumption with overproduction. Something may happen, such as great unemployment, that will seriously affect the consumption of food or other products. But this is a problem of consumption, not production. The fact that unemployment and general business depression results in the slackening of building and construction activities and the consequent decrease in the demand for lumber or for flax for linseed oil and paints, for instance, does not imply at all that there is an overproduction of lumber or of flax. The per capita production of either may have remained stable over a long period of years, or even have decreased, yet the price might fall under such conditions. Obviously this would in no respect be a problem of production.

MONETARY CONDITIONS CAUSE DECLINE

The fact of the matter is that we are now in the midst of a general commodity price decline; and in this situation the farmer, as always, stands naked in the economic storm. The real cause of this price decline is a monetary one, not one of production. Just a point here. In 1929 an ounce of gold would buy 1,260 pounds of corn. In June, 1931, it required 2,033 pounds of corn to buy an ounce of gold. Yet the 1930 corn crop was the smallest crop in 20 years. We find a similar situation with hogs. In 1929 an ounce of gold would exchange for 184 pounds of hogs in Chicago.

In 1931 it required 318 pounds of hogs at Chicago to buy an ounce of gold, though the supply of hogs then was 10 per cent less than in 1929. The value of gold, by which everything else is measured, has gone up, and commodity price levels have necessarily come down. General declines in price levels adversely affect all lines of business as we are seeing them affected at the present time. Debts are doubled and trebled; the same with taxes and all dollar-fixed charges. The most potent cause of panics is a fluctuating price level, and conversely, the most potent remedy for their prevention is a stabilized price level. Farmers are the greatest sufferers through fluctuating price levels because they are by nature wholly unable to control production, and unorganized and unable to control what they do produce. Price levels can be controlled and maintained through national currency and credit control. Inflations can be launched that will raise price levels, as was done during the late World War. Deflations that precipitately cause price declines can be brought about through curtailing currency circulation and through credit restrictions, as farmers well found out in 1920 and as everybody else found out in 1929. What is needed to be done is to restore commodity price levels to the 1921–1929 average and then keep them there. It can be done. There is no question about that at all. We possess all the necessary governmental and financial machinery to accomplish this end. All that we need is the will to see that our Federal servants do as we want done.

DEBTS HAVE MULTIPLIED

Average prices now paid to farmers for their products are 60 per cent less than they received before the World War. The debts owed by farmers have been multiplied by four in terms of commodities with which they must pay them. This is a situation so serious that it is, in fact, dangerous. Farmers are not responsible for bringing about this condition because they "overproduced" their crops. That theory is bunk and piffle; pure and unadulterated. However, farmers will be responsible for the continuation of such conditions if they supinely submit to the present dishonest monetary and economic system and permit themselves to be defrauded out of the just fruits of their investments and their toil.

FARMERS' ECONOMIC STATUS NOT GENERALLY UNDERSTOOD—PROSPERITY WILL NOT RETURN UNTIL BUYING PRICE HAS BEEN RESTORED—OVERPRODUCTION OF FARM CROPS NOT THE CAUSE OF LOW PRICES

By H. M. Harden

Ever since the beginning of the deflation of agriculture in 1921 wheat and its producers have featured the newspaper headlines, and doubtless the average citizen sincerely believes that the entire American farm problem is wrapped up in wheat alone. Nothing could be further from the truth. Wheat is, in fact, almost a minor farm crop in America. It accounts for less than 10 per cent of the normal annual income of our farmers. True, wheat growers have suffered economically for many years. So have other farm producers, but the wheat grower has received 99 per cent of the publicity.

The tremendous reductions in farm prices have affected every farm producer, not simply the wheat producer. The general level of farm prices to-day is at the lowest point in a quarter of a century. The farmer's dollar is at the lowest ebb in American history. The index number of prices paid to farmers in the United States, based upon 100 for the period 1910–1914, was, in May, 1931, down to 84, according to the United States Department of Agriculture. This was a drop of 45 points in one year and 62 points below 1929. In October, 1931, the index number of prices paid to farmers fell to 68, a drop of 16 points since May of last year. Since then farm prices have fallen still further, and now in midwinter we have 10-cent eggs, 20-cent butter, and 3-cent hogs.

LAND PRICES FALL

Reflected in farm-land prices this condition shows, according to the Yearbook of Agriculture, farm-land values in Indiana, for example, are 28 per cent below their pre-war figures. Indiana is not a "wheat State" or a "1-crop" State, nor can its farms well be classed as "marginal lands." What wonder that farm-mortgage foreclosures are rampant the Nation over? What wonder that the Minnesota Rural Credits Bureau finds more than 2,000 farms upon its hands with hundreds more to follow?

Minnesota and Wisconsin are the two greatest dairy States in the Union. The Federal farm statistician at Madison states that milk producers in Wisconsin are receiving below $1 per hundred pounds average for their product. The same conditions, of course, prevail in Minnesota, and our butter producers are to-day in the sorriest economic plight they have ever faced. Possibly there are some "sick" dairy farmers as well as sick wheat farmers that we read so much about in the public prints.

MINNESOTA FARMERS' LOSS

For some definite figures on what has been going on in the economic status of the farmers of Minnesota let us refer to the statistics of 1929 and 1930. In Minnesota the value of all the 1930 crop is given by the State Department of Agriculture as $87,477,000 less than the value of the 1929 crop; though the production was almost exactly equal. The same authority shows that the decline in the value of all the livestock on Minnesota farms was $76,810,000 in this same period. This gives a total loss in values suffered by Minnesota farmers of $162,000,000 in a single year. This, by the way, is almost the exact amount of money that Andy Mellon handed back to himself and other multimillionaires out of the United States Treasury that same year. This terrific loss was in the State of Minnesota alone, the greatest butter State in America, and the State in which farmer cooperation has reached its greatest development and achieved its highest ideals on this continent. And remember that dairy products are practically the only products of the farm to which the tariff is more than a meaningless scrap of paper. But 20-cent butter, 10-cent eggs, and 3-cent hogs don't spell so much prosperity after all. Evidently the old familiar formula for farm prosperity, the "cow, the sow, and the hen," which has done such valiant duty for city newspaper space fillers and pseudo farm papers for a generation, has lost some of its potency.

HIGH TAXES AND FIXED COSTS

In the face of these price conditions for the products that he has to sell, the farmer finds himself up against the highest fixed charges that he has ever known. His direct annual taxes have increased from $344,000,000 in the United States in 1914 to over $999,000,000 at the present time. The prices of farm machinery have increased at least 75 per cent above pre-war figures. It required 540 pounds of butterfat to purchase a twine binder in Minnesota in 1914. To-day it requires 1,000 pounds of butterfat to make the same purchase. Even a greater spread is shown when all farm products are included. Freight rates, which the farmer pays coming and going and with no opportunity to pass on to others, are 150 per cent over pre-war rates. It requires to-day from two to four times the amount of farm products to pay the farmers' fixed costs and marketing than it did in 1914.

The farmers of the United States have lost over $25,000,000,000 in the total value of their property since 1920, according to the United States Department of Agriculture. In the same period the farmers' buying power has been reduced to the extent of more than $10,000,000,000. Is it any wonder that thousands of factories are closed and that millions of unemployed men are walking our streets?

THE "BUNK" OF OVERPRODUCTION

We are told upon every hand that the terrific decline in farm prices is caused by overproduction. This is the same excuse that has been given in every panic since history has been recorded, so it is not strange that it is given in the Hoover panic. There has never been a real overproduction of food products in the world since Joseph stored the surplus of the "seven fat years" in Egypt in Biblical times. Never have statistical data been forthcoming to prove that there was an overproduction of food and textile products the world over. There will be none to prove it now. The per capita production of farm products is to-day less than it ever has been in America. The per capita production of food products the world over has never in all history exceeded the growth of population. There has been an overproduction of "overproduction bunk," that is all. Dr. G. F. Warren, of Cornell University, and recognized as the greatest farm economist in America, says in a recent publication: "Frequently some one sees one factor that is a minor one and attributes everything to this. The most striking cases of such misrepresentation occurred after the Napoleonic wars and after the World War. In each case common opinion attributed the fall in prices to overproduction. No one has presented any statistical evidence of overproduction. The line of reasoning is about as follows: 'Overproduction causes low prices. Prices have fallen precipitously, therefore there is enormous overproduction.'" Further, Doctor Warren says: "Popular opinion attributes the depression to overproduction. According to this explanation, the world is producing so much that it can not possibly be sold; therefore numbers of persons are not able to buy their necessities. According to this theory, if each of us is to have more, each must produce less."

REAL PRODUCTION DECLINED

The United States produced over 3,124,000,000 bushels of corn in 1912. It has not produced as much in any year for the past 11 years. This country produced 16,134,000 bales of cotton in 1914, 17 years ago. This production has been equaled but once since then. The production of farm crops of all kinds has not increased, nor has the per capita acreage of crop land. The National Industrial Conference Board found that the per capita acreage of crop land declined over 16 per cent in the period from 1900 to 1925. This same authority found that the per capita production of farm crops in the United States was less in the period of 1922 to 1925 than in the period of 1910 to 1914.

The board further states that between 1920 and 1925 there was a decline of about 13 per cent in the number of livestock on farms. The decrease is still greater at the present time. There were 64,507,000 cattle on farms in the United States in 1914. In 1930 there were 57,976,000 cattle, or a reduction of 6,540,000 head. There were 69,000,000 hogs on American farms in 1923; in 1930 there were but 52,000,000, or a reduction of 17,000,000 head.

Again quoting Doctor Warren, of Cornell, "the production of crops in 1930 was the lowest per capita production that has occurred at any time in the last 40 years. The total crop production per capita of 1930 was 8 per cent less than 1929."

CROP-PRODUCTION CONTROL

The same people who are urging the false theory of "overproduction," talk about crop-production control through acreage control. This is so impossible, so utterly silly, that it would seem that no man whose knowledge of plant growth and agriculture extends as far as the growing of a row of radishes in his backyard would ever propose it. An area of 53,000,000 acres of wheat in 1914 produced 891,000,000 bushels. In 1929, an area of 61,000,000 acres of wheat produced 800,000,000 bushels. This shows that 8,000,000 acres less produced 91,000,000 bushels more in 1914 than in 1929. In 1914, 36,000,000 acres of cotton produced 16,000,000 bales. In 1928, 45,000,000 acres of cotton produced 14,000,000 bales. Nine million acres less produced 2,000,000 more bales.

The National Industrial Conference Board report states, "The fluctuations in yield per acre are a more important factor in the instability of agricultural income than the changes in acreage." Mordecai Ezekiel, agricultural economist of the United States Department of Agriculture, says in his Kinds of Agricultural Surpluses: "During the last 20 years, 95 per cent of the changes in spring wheat production were due to differences in yield, and 85 per cent of corn production differences were likewise caused by yield changes. As a whole, perhaps, three-quarters of the annual variation in crop production is due to yield and lies beyond human control through acreage adjustments." It is readily evident that the matter of crop control through acreage control is a brilliant example of the tail trying to wag the dog. Weather, weeds, plant diseases, and pests are the major factors in crop production, as anyone knows whose farm experience extends at all beyond the curbstones of a city street.

THE FARM-BOARD PROGRAM

After the disastrous and tremendously expensive gambling excursion of the Federal Farm Board in the market pits of the country, it now comes forward with "acreage reduction and farm production limited to domestic consumption" as the only relief for distressed agriculture. Well, what more could be reasonably expected from this board and the agricultural marketing act? As Wallace's Farmer, of Iowa, says: "Farmers never took much stock in the plan for handling the surplus laid down in the Hoover farm bill. They expected little from it and are not disappointed. Since a half-baked program that nobody wanted collapsed, it is insisted that no control of the surplus is possible, and that the only thing left is to drive more farmers to town to add to the city bread lines until acreage is reduced to a point where annual production will just satisfy domestic demands. The administration has no other remedy for the farm surplus than the old one—starve more farmers out until production is reduced to fit domestic demand."

Already more than 5,000,000 farmers have been driven from the land by the economic collapse of agriculture during the past 10 years. Eight million or more able-bodied men are walking the streets vainly seeking employment to keep themselves and their families from starvation. Medical and social welfare authorities tell us that more than 6,000,000 American children are suffering from malnutrition. An economic conference in Europe last winter announced that there were 900,000,000 people in the world on the verge of hunger. In the face of such conditions it is almost criminal to talk of the overproduction of foodstuffs and suggest reducing the world supply of food. Such is the philosophy of defeat and despair and an admittance that civilization itself is a dismal failure.

MUST BE SURPLUS CONTROLLED

The problem of handling American crops produced in excess of domestic consumption, so at least that tariffs will be made effective upon that portion consumed at home is possible of solution. A measure to this effect, the McNary-Haugen bill, was twice passed by large majorities by both Houses of Congress. It was vetoed by Calvin Coolidge, with Herbert Hoover at his back urging him on.

Continuing to permit these temporary and seasonal crop surpluses to depress our domestic markets to world-price levels is to deny an American market to our truly basic and all-important industry. Why should not all classes of citizens recognize our national farm problem as it actually is and seek to grant agriculture economic equality with other industry?

Why not face the problem like men and dispense with the twaddle of farmers doing this or that on their farms, switching from this crop to that crop, and all such devilish nonsense? If, for instance, we reduce our wheat acreage, what are we going to produce on those abandoned acres? If we devote them to barley, oats, rye, corn, cattle, hogs, sheep, poultry, or dairy products, we but increase the surplus or near surplus of each of these, and our economic situation is in no way bettered. Substituting one surplus crop for another answers no question or solves no problem. If we abandon the acres to tares and thistles, it but means that a few more million farmers are forced to the labor-glutted cities to join the march of the 8,000,000 who are now walking the streets and existing through measly charity in the richest Nation in the world which refuses to feed its starving citizens.

It is undesirable and even dangerous for the Nation to face a possible shortage of food crops, so if society is wise it must sooner or later solve the problem of surplus crop production in a way that will not destroy agriculture and the very basis of our civilization. It is as impossible to foretell the yield of farm crops as it is to stay the course of the suns through space, so why prattle about controlled production?

Let us face this farm problem as it really is, and let each and every branch of agriculture recognize the mutual interest that inevitably exists between them. And let all of us recognize the incontrovertible fact that all other factors influencing our economic welfare as a nation are inseparably bound up with the welfare of agriculture.

COMPARISON OF 1913 PRICES WITH 1931 SHOWS FARM STATUS—FIGURES TELL STORY OF DECLINE OF PRICES OF FARM PRODUCTS

By H. M. Harden

The deplorable economic situation of farmers is hardly sensed by other classes of our people. It may be readily granted that "times are hard" for farmers, but, so they are for millions of other people just now. However, farmers as a whole, with the exception of a few particularly favored groups, such as the dairymen, have been suffering economic hardship since the great deflation of agriculture engineered by the Federal reserve bank in 1920. Still, during that same period the urban population of the country enjoyed a measure of general prosperity that reached its zenith in 1928 and 1929. It was said that the Nation was prosperous, forgetting for the time that our agriculture as a whole was not prosperous. This group, consisting of practically one-third of our pop-

ulation, and the producers of our greatest annual new wealth, was not sharing in the prosperity enjoyed by the industrial groups of the Nation.

On the other hand their debts were increasing, their taxes more than doubling, and the spread between the prices they received and the prices they paid ever widening. They were paying the cruel price of currency deflation years before its dire effects reached the urban centers.

The table below depicts in the most striking manner possible the unhappy price situation of the farmer. Added to this is the further fact that the farmer bears a most unjust share of the total tax burden from which he has no escape under our present system of taxation. This table shows the amount of the various farm products required in North Dakota to purchase a given amount of farm machinery in 1913 and in June, 1931.

The column at the left shows the amount of the different farm products required to purchase a twine binder, a grain drill, a 2-bottom gang plow, and a wagon in North Dakota in 1913. The column at the right shows the amount of the same products required to make the same purchase in June, 1931. The figures are from the department of farm economics of the North Dakota Agricultural College at Fargo.

Here are the figures:

		1913	June, 1931
Barley	bushels	1,176	6,341
Rye	do	982	5,470
Flax	do	354	627
Wheat	do	604	2,051
Beef cattle	pounds	8,727	18,000
Hogs	do	6,637	17,200
Sheep	do	9,816	27,800
Lambs	do	7,854	12,800
Wool	do	2,945	8,000
Butterfat	do	1,745	4,415
Poultry	do	4,446	7,449
Eggs	dozens	2,244	7,351

These figures apply directly to North Dakota, but exactly the same general price situation exists the Nation over. The prices of some farm products have changed slightly since last June; some have fallen radically, notably hogs and butterfat.

It would be well if every city resident in the land could see this table and grasp its portent. It pretty well tells the tale of "what ails agriculture."

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS

The PRESIDENT pro tempore. There are no resolutions coming over from a previous day.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. The Senator from Maryland is recognized.

Mr. JONES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Washington?

Mr. TYDINGS. I yield.

Mr. JONES. I ask that the unfinished business may be laid before the Senate, being the bill providing appropriations for the Departments of State, Justice, and so forth.

The PRESIDENT pro tempore. This being the regular morning hour, the calendar is in order. The Senator from Washington asks unanimous consent that the unfinished business may be laid before the Senate. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes.

PUBLIC WORKS BOND ISSUE—AMENDMENT TO REVENUE BILL

Mr. TYDINGS. Mr. President, I offer an amendment to the revenue bill, which will shortly be brought to the Senate, and ask that it may be printed at this place in my remarks and also that it may be printed in the regular form and lie upon the table.

The PRESIDENT pro tempore. Without objection, the amendment intended to be proposed by the Senator from Maryland will be received, printed, and lie on the table, and will also be printed in the RECORD.

The amendment intended to be proposed by Mr. TYDINGS to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, is as follows:

TITLE—EMERGENCY CONSTRUCTION ACT OF 1932

SEC. —. (a) There is hereby created a special fund in the Treasury to be known as the "emergency construction fund" and to be administered by the Secretary of the Treasury as hereinafter provided. For the purpose of providing funds to carry out the provisions of this title the Secretary of the Treasury is authorized and directed to borrow on the credit of the United States a sum not to exceed $1,500,000,000 and to issue bonds therefor to be known as "emergency construction bonds" in such form as he may prescribe. Such bonds shall be in denominations of not less than $50, shall mature in not less than 10 years from the date of their issue as hereinafter provided, and shall bear interest payable semiannually at such rate as may be fixed by the Secretary of the Treasury, but not to exceed 4¼ per cent per annum. The principal and interest of such bonds shall be payable in United States gold coin of the present standard of value, and such bonds shall be exempt both as to principal and interest from all taxation (except estate and inheritance taxes and surtaxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

(b) Such bonds shall be offered at not less than par as a popular loan under such regulations to be prescribed by the Secretary of the Treasury as will give all citizens of the United States an equal opportunity to participate therein. Any portion of the bonds so offered and not subscribed for may be otherwise disposed of by the Secretary of the Treasury at not less than par. No commission shall be allowed or paid in connection with the sale or other disposition of any such bonds. All amounts derived from the sale of such bonds shall be paid into the emergency construction fund.

(c) That in issuing the said bonds for said loan the Secretary of the Treasury shall issue certificates, according to what is known as the serial annuity plan, and each series as issued shall be lettered, beginning with the letter "A," and so on down the alphabet until the entire amount of $1,500,000,000 shall have been issued, so that the entire principal shall be redeemable as follows:

Series	Amount	Redeemable
"A"	$150,000,000	1 year from date of issue.
"B"	150,000,000	2 years from date of issue.
"C"	150,000,000	3 years from date of issue.
"D"	150,000,000	4 years from date of issue.
"E"	150,000,000	5 years from date of issue.
"F"	150,000,000	6 years from date of issue.
"G"	150,000,000	7 years from date of issue.
"H"	150,000,000	8 years from date of issue.
"I"	150,000,000	9 years from date of issue.
"J"	150,000,000	10 years from date of issue.

(d) As soon after the passage of this act as may be practicable the Secretary of the Treasury shall cause said bonds to be prepared and shall advertise them for sale in such manner as he may prescribe: *Provided, however,* That in the event all of said bonds are not sold promptly upon said offering by the Secretary of the Treasury he shall again offer the bonds remaining unsold at the next earliest practicable date and make such adjustment with the purchasers of said bonds as to interest as the difference between the date of said bonds and the time of purchase shall make necessary.

(e) Said bond issue shall bear a date to be fixed by the Secretary of the Treasury and not longer than 60 days after the passage of this act.

SEC. —. (a) Notwithstanding the provisions and limitations of the national prohibition act, as amended and supplemented, it shall hereafter be lawful to manufacture, sell, transport, furnish, and possess without obtaining permits therefor (except such permits as may be required under the internal revenue laws or regulations made pursuant thereto), beer or other similar fermented liquor containing 2.75 per cent or less of alcohol by volume; but no such beer or other liquor may be sold, transported, or furnished except in bottles of pint or half-pint capacity. The provisions and limitations of section 37 of title 2 of such act, as amended and supplemented, shall apply to the manufacture of such beer or other similar liquor; except that where there is developed in such manufacture beer or other similar fermented liquor containing more than 2.75 per cent of alcohol by volume, such liquor may be withdrawn from the factory or otherwise disposed of upon the reduction of the alcoholic content thereof to 2.75 per cent by volume, or less.

(b) There shall be levied, collected, and paid on all beer and other similar fermented liquor, containing one-half of 1 per cent by volume, or more, of alcohol, brewed or manufactured, and hereafter sold, or removed for consumption or sale, within the United States, by whatever name such liquor may be called, in lieu of all other internal-revenue taxes imposed thereon, a tax at the rate of 24 cents per gallon, to be collected under the provisions of existing law; except that (1) such tax shall be paid by means of stamps to be affixed to each bottle, and canceled or destroyed, under rules and regulations prescribed by the Secretary of the Treasury, and (2) the provisions of existing law prohibiting the bottling of fermented liquors on brewery premises shall not apply to beer or other similar fermented liquor manufactured under the provisions of this section.

SEC. —. All taxes levied in the preceding section shall be paid into the Treasury of the United States, and the first $150,000,000 per annum so received, plus an amount equal to such interest as may be due on the bond issue hereinbefore referred to, shall be

kept in a special fund for the purpose of the payment of interest due, and of redeeming said bonds in accordance with said serial plan hereinbefore provided, and any amount over and above the amount required for said redemption and interest shall be paid into the Treasury of the United States as miscellaneous receipts.

SEC. —. (a) The emergency construction fund shall be used for the purpose of providing for the emergency construction of certain authorized public works with a view to increasing employment and carrying out the policy declared in the employment stabilization act of 1931. The following amounts are hereby appropriated from such funds: To the Department of Agriculture, $252,314,755; to the Department of Commerce, $3,424,582; to the Department of the Interior, $200,843,300; to the Department of Justice, $4,100,000; to the Department of Labor, $71,170; to the Navy Department, $25,109,000; to the State Department, $1,453,520; to the Treasury Department, $33,949,950; to the War Department, $420,014,130; to the Architect of the Capitol, $15,037,083; to the Arlington Memorial Bridge Commission, $2,750,000; to the George Rogers Clark Sesquicentennial Commission, $500,000; to the Inland Waterways Corporation, $815,000; to the Mount Rushmore Memorial, $350,000; to the Panama Canal, $11,250,000; to the Office of Public Buildings and Public Parks, $1,250,000; to the Smithsonian Institution, $6,500,000; to the Veterans' Administration, $20,232,000; to the municipal government of the District of Columbia, $3,535,400; and for rivers and harbors improvements, flood-control projects, and the building of additional roads, $400,000,000.

The Secretary of the Treasury shall allocate the $400,000,000 above mentioned to said rivers and harbors improvements, flood-control projects, and roads in such amounts as he may deem wise. All amounts to roads shall be apportioned by the Secretary of Agriculture among the several States in the manner provided by section 21 of the Federal highway act, as amended, and shall be available for expenditure on highway projects approved by the Secretary of Agriculture, in the same manner, so far as practicable, as other funds appropriated for carrying out the provisions of such act; except that no part of such amounts apportioned to any State need be matched by the States. (b) The amounts so appropriated, except the $400,000,000 above mentioned, shall be expended on the authorized construction projects covered by the report of the Federal Employment Stabilization Board transmitted to the Senate January 25, 1932, pursuant to Senate Resolution No. 127, Seventy-second Congress, first session, agreed to January 7, 1932, and shall be made available at such times and in such amounts as may be necessary to complete such projects at the earliest practicable date. In the event that an appropriation has heretofore been made for any such project the amount thereof shall be covered into the Treasury as miscellaneous receipts.

SEC. —. This title may be cited as the "Emergency construction act of 1932."

Mr. TYDINGS. Mr. President, last winter when we discussed the La Follette-Costigan bill, so-called, I believe that many who were sympathetic to its aims voted against it, not because it was not needed but because the revenue with which to carry on the relief work was not available, the bill did not provide the means of raising the revenue, and we were confronted with an increase in our national deficit if we voted to support that bill without revenue-raising provisions being incorporated therein.

The amendment which I have offered provides for a $1,500,000,000 bond issue to carry on all the construction projects which have heretofore been authorized by Congress, and, in addition thereto, $400,000,000 for rivers and harbors, flood control, and good roads, the road appropriation not having to be matched by similar appropriations from the States. The amendment also provides the means of raising the revenue to amortize this bond issue. The bond issue would be upon the serial annuity plan and would be liquidated in full in 10 years, at the rate of $150,000,000 per annum plus the interest on the outstanding bonds from year to year; so that the amount of revenue required to discharge this bond issue would be about $200,000,000 annually.

The projects to be undertaken are set out briefly in the amendment. The Department of Agriculture would have allocated to it, in round numbers, $252,000,000; the Department of Commerce, $3,400,000; the Department of the Interior, $200,800,000; the Department of Justice, $4,100,000; the Department of Labor, $71,000; the Navy Department, $25,109,000; the State Department, $1,453,000; the Treasury Department, $33,900,000; the War Department, $420,000,000; the Architect of the Capitol, $15,000,000; the Arlington Memorial Bridge Commission, $2,750,000; the George Rogers Clark Sesquicentennial Commission, $500,000; the Inland Waterways Corporation, $815,000; the Mount Rushmore Memorial, $350,000; the Panama Canal, $11,250,000; the Office of Public Buildings and Public Parks, $1,250,000; the Smithsonian Institute, $6,500,000; the Veterans' Administration, $20,232,000; the Municipal Government of the District of Columbia, $3,535,000. These sums in the aggregate will require about $1,000,000,000 of revenue. In addition to the above, provision is made to expend an additional $400,000,000 on river and harbor projects, flood-control projects, and roads, making a total expenditure of $1,500,000,000.

Congress has heretofore authorized about a billion dollars' worth of construction for which appropriations have not been made. This plan would make money immediately available to start each and all of those construction projects. One billion five hundred million dollars is, roughly, about $100 per capita, or about $400 for each family in the United States, and by amortizing the debt gradually over a period of 10 years no very large amount of money would be needed.

I intend to offer this amendment to the tax bill in two forms. The first one, in which I have presented it this morning, provides that the revenue shall be raised by legalizing the sale of 2.75 per cent beer and placing a tax of 24 cents a gallon upon it, which, according to the figures we have from the Government departments, will raise about $500,000,000 annually. The beer would be sold only in bottles. A 3-cent stamp tax would be placed upon a pint bottle, and so on, graduated for various sizes.

In the event that that amendment is defeated, I then hope to have another available putting an additional tax upon luxuries to raise a sufficient sum of money to amortize the bond issue; for example, a stamp tax on checks of larger denominations than $10; a tax upon shoes costing more than $6 a pair; a tax upon clothing costing more than $50 a suit.

Perhaps neither of these plans will be adopted. I hope that one or the other will be; and I hope that the one I have offered to-day will be the one which will be adopted, because it places no new tax upon any present commodity that is legal. It does not increase income taxes. It does not increase inheritance taxes. It does not increase the excise taxes on automobiles or radios or refrigerators; but it picks out an article which is now being sold in unlimited quantities, and from which the criminal element of our country is reaping millions upon millions of dollars, and makes it bear the total cost of a $1,500,000,000 employment campaign.

Need I recite briefly the conditions which exist in the country? The State of Mississippi already owns 25 per cent of its entire area, because it has been forced to take over that land through tax sales. The school-teachers in that State have not been paid for a year. In Chicago they have not been paid for a very long time. Distress messages reach Congress daily. Senators rise every morning and read long telegrams and letters into the RECORD. Editorials are written about the matter; and yet, in my judgment, there is no chance of getting a relief bill through this Congress unless the means of furnishing the money to pay the bond issue necessary are provided in the bill which authorizes that bond issue.

Therefore it was thought that many Members perhaps would vote for a relief proposal if the money were provided with which to carry it out. At the time the La Follette-Costigan bill was being debated I heard many men say that they would be glad to vote for the measure if the revenue were at hand with which to pay for the work it contemplated. The revenue is at hand in this amendment. Not only will this small tax raise enough money to pay the sinking-fund requirements and the interest on the bonds, but it will raise $300,000,000 annually besides, which can go into the General Treasury and be used for regular governmental expenditures.

The money derived from this tax, as provided in the amendment, would go into a specially dedicated fund in the Treasury. It would not be mixed with the general revenues but would be segregated to the reconstruction sinking fund; and after enough money had come in each year to pay the sinking-fund requirements for that year, plus the interest, the Secretary of the Treasury could transfer the overage, or the amount not so required, for general expenditure purposes of the Government.

A short while ago there was a famous trial in this country. A notorious gangster by the name of Al Capone, after the expenditure of $500,000, was haled before the bar of justice, not to answer for racketeering, not to answer for bootlegging, not to answer for vice, not to answer for graft, not to answer for murder, not to answer for the distress which his organization had brought upon the city of Chicago, but for what? He was brought before the bar of justice for failure to pay his income tax on his ill-gotten gains! Thus the Government, by indirection, shared in the profits which this man had accumulated, we are told, by the conduct of the largest racket in all the pages of history.

If we can take that kind of money, and can not put this business out of business, it strikes me that we can at least raise the alcoholic content, not to 4 or 5 or 6 per cent but to 2.75 per cent, which I am told by leading medical authorities is the dividing line between what is and what is not an intoxicating beverage. With 10,000,000 people unemployed in America, with a distress already great and destined to be infinitely greater next winter, with community funds unable to cope with the situation now and the prospect of not having such community funds next year because of the increasing depression, what are we going to do to take care of these people when the snows of next November and December fall? Perhaps they are quiet now because it is warm, because there is yet some hope in the springtime or in the harvest to come, or in the milder days which are in contrast to those of last winter, when sufficient fuel and food and clothing was not available; but this winter what are we going to do?

Those men who think we should do nothing, whether they be rich or poor, are but inviting their own destruction. The thing that has happened in other countries can happen here if we are not wise enough to anticipate the situation, and to provide for it to the best of our ability.

Next winter the prospects are that at least 10,000,000 people will still be without employment. They will in many cases be without food and clothing and shelter; yet we have made no provision for them in this Congress. I understand that we are to adjourn in about 60 days; and if that happens possibly nothing will be done by this Congress unless we are reconvened to consider what will then be an extremely grave problem.

It does seem to me that the part of godliness, the part of statesmanship, the part of humanity and the part of common sense dictate that we should levy this tax upon the one thing which will furnish the necessary revenue without injury to business, without hurt to any individual, and thereby secure the funds to enable this huge program of a billion and a half dollars to be put into effect immediately.

I venture to say that if we get through the present depression with no worse situation than we have to-day, and next November and December and January come without community funds sufficient to handle the situation, with no increase in employment, and probably a decrease, it will be too late then to do what we can do now by levying this simple tax upon 2.75 per cent beer.

Think of it! Here is a source of revenue which will provide $500,000,000 annually to a Government which is $2,500,000,000 in the red at this hour; to a Congress which is sitting day after day and combing the whole economic fabric to find where it can levy another dollar of taxation in order to get the means of balancing the Budget and providing sufficient money to run the Government.

Do we go out and tax this unlawful industry, this beer racket? Of course not. We raise the income taxes. We put taxes upon automobiles and radios and refrigerators. We put taxes upon admissions to moving-picture theaters and amusements of all kinds. We further take from the people the little money they have left through the form of this taxation, while we let Mr. Capone and his ilk conduct a business upon which not a single dollar of taxation is levied; and we call ourselves righteous in permitting this illegal product to enrich the pockets of gangsters, while 10,000,000 people storm the streets and ask for employment and many more millions are in want of food and clothing and shelter.

I have made from time to time in this body some remarks against prohibition. It is not my purpose to-day to make a speech either for or against prohibition. I purposely fixed the amount of alcoholic content in this beer at 2.75 per cent because the medical authorities said that that much alcohol in beer is not intoxicating. Therefore I ask those who feel that prohibition is a wise thing what justification is there in voting against this amendment if the product upon which the tax is laid is not intoxicating?

There is no magic in the figure of one-half of 1 per cent. We all know why that figure was inserted in the Volstead Act. It was not because a beverage containing 1 per cent of alcohol is intoxicating—ah, no! Everybody conceded that a beverage having 1 per cent of alcohol by volume is not intoxicating; but the figure was inserted in the act because it was thought that if we approached too close to the point where a beverage ceased to be nonintoxicating that fact would be taken advantage of by the illicit brewer and it would be very difficult to get convictions.

I am not thinking about the illicit brewer. He is here. He is in every town and hamlet and village and countryside and city and State in this country. He is making millions and is financing crimes in all its horrible ramifications. He has furnished the money to employ annually his legal staff. His policemen are on the pay roll; and quite often—I say it with shame—his slimy hand reaches up to the judiciary itself, because through political manipulations, unfortunately, some of those high officials are not beyond the gangster's reach. I am not thinking of the gangster. I am thinking of the unemployed of the coming winter.

Defeat this amendment if you will. Say you will not put this tax on 2.75 per cent beer. Defeat this program, and provide no revenue to carry it out in another way, and I make the prophecy that next winter we will rue the day when we did not use this expedient as a means of providing a fund to raise a billion and a half dollars to defray the cost of putting this large building program into operation, employing millions of people, giving them a chance to earn a decent and respectable living, and at the same time dealing a terrific blow at that criminal element which has enriched itself while 10,000,000 people are out of work, 40,000,000 are poorly cared for, and the gangster rides through the streets in his Rolls-Royce, with thousands of dollars in his pockets. [Manifestations of applause in the galleries.]

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, the pending amendment being that of the Committee on Appropriations, on page 69, line 24, before the word "*Provided*," to strike out "$200,000" and insert "$175,000," so as to read:

To enable the Secretary of Commerce, under such regulations as he may prescribe, in accordance with the provisions of the act entitled "An act to amend the act entitled 'An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a foreign commerce service of the United States, and for other purposes,' approved March 3, 1927," approved April 12, 1930 (46 Stat. 163), to furnish the officers in the foreign commerce service of the Bureau of Foreign and Domestic Commerce stationed in a foreign country, without cost to them and within the limits of this appropriation, allowances for living quarters, heat, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (U. S. C., title 5, sec. 70), $175,000.

Mr. ODDIE. Mr. President, I ask leave to have printed in the RECORD a statement, prepared at my request, on the effect of the reduction in the bill providing for foreign and domestic commerce. I hope that something may be done before the bill is finally passed looking to a reconsideration of this item.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

DUPLICATION BETWEEN STATE AND COMMERCE OFFICERS ABROAD

There was a time when the rivalry between consular and foreign commerce officers in the field caused unwarranted duplication of effort. It was a natural result of the introduction of the new commercial attaché service in 1914. Before any effective steps could be taken to eliminate the duplication, misunderstandings arose between the two departments in Washington and there followed a period when the relations between the two services left considerable to be desired. After many efforts to iron out the differences the two departments finally got together in 1929 on a really friendly cooperative basis and the functions of the two services were carefully defined in an agreement that has completely altered the former competitive attitude of the two departments.

The new plan of cooperation was tried out first in England, where it became effective in April, 1930. The complete success of the plan later led to its adoption in France and Germany, where it has also worked out to the complete satisfaction of all parties concerned. On the basis of this demonstration the two departments are now arranging to put it into effect formally in all countries, although it has already been adopted informally in many other countries than England, France, and Germany.

There is now no real duplication anywhere, as both departments will readily testify. There are two or three cities where petty personal differences are still gossiped about, but even there no duplication of effort is tolerated by the departments. The personal element can not be entirely eliminated as between different services any more than they can be in a single service, but so long as such situations are kept down to a very low percentage no real harm can result.

The experience gained in the course of reaching a satisfactory arrangement with the State Department has been of great benefit in reaching a similar agreement with the Department of Agriculture in advance of any duplication between the new agricultural attaché service and the commercial attaché service.

SERVICES RENDERED

Some idea of the usefulness of the bureau may be gained when it is stated that a new record in the number of demands upon it has been established for the fiscal year ended June 30, 1931. During that year there was an increase of more than 1,000 requests a day as compared with the previous year. In numbers the total services rendered was 3,966,000, as compared with 3,362,000 for the preceding year—an increase of 9 per cent. At the present time the bureau is answering inquiries on business topics at the rate of 12,000 a day. The cost of handling an inquiry has decreased from $2.38 in the fiscal year 1921–22 to $1.28 in the fiscal year 1930–31—a decrease of 46 per cent.

During the fiscal year 1921–22 the number of services rendered were 505,661 and the appropriation for maintaining the bureau was $1,211,010. For the fiscal year ended June 30, 1930–31, the services and appropriation were $3,966,000 and $5,086,660, respectively. Thus during that time the appropriation increased approximately four times, while the number of services rendered increased approximately eight times.

DOLLARS-AND-CENTS RESULTS

Each year the Bureau of Foreign and Domestic Commerce attempts an evaluation of the results of the services it has rendered. For many years past this total, which is based upon written statements of American firms, has continued to increase. For 1929–30 the report showed slightly in excess of $50,000,000. For the fiscal year 1930–31 the foreign trade of the United States shrank approximately 35 per cent in value. This factor of diminished export trade, due to unfavorable business situations in world marts and continued price declines, created a very unfavorable setting for the compilation of the dollars-and-cents report this year.

In spite of this unfavorable situation, the report for 1930–31 shows that American firms, as a result of the bureau's services, have received new business and direct savings to the extent of $57,554,813. The real significance of this increase lies in its coincidence with the increased figure for services rendered. This is no chance coincidence. It means that a large number of firms, as indeed several have stated, have, in their effort to reduce overhead, turned to the bureau for services and advice that have an immediate and tangible value.

Accordingly, the total of over $57,550,000 becomes this year a more significant percentage of our total foreign trade; it furnishes evidence that in periods unfavorable to domestic trade the bureau plays an increasingly important rôle in the development and maintenance of our foreign trade. It includes very few estimates of the intangible services which, because of their nature, bar any evaluation, but which, nevertheless, constitute a large part of the total activity of our offices.

WHY INDUSTRY CAN NOT DO WORK BUREAU IS DOING

1. The Government represents the public interest in a business enterprise. Trade associations and individuals, therefore, come to the bureau to secure aids in the development of the betterment of various types of trade practice:

First, because the Government represents nonpartisan relationship between buyer and seller;

Second, because the label of the United States Bureau of Foreign and Domestic Commerce, or of the Department of Commerce, helps convince the industry of the soundness of the program; and

Third, because the participation of the Government adds authority to the collection of figures and statistical and economic information.

2. The bureau represents industry in its relationship to other Government departments in such questions as have to do with international relations.

3. Trade associations, desiring to study certain types of markets or interindustry relations, may do so only through the cooperation of the bureau. Such classes of statistics as post-office receipts, income taxes, and Census Bureau statistics in a variety of forms are only available to another Government bureau. They are collected confidentially, and yet the totals are of public interest for the benefit of all concerned.

4. The bureau is the small business man's organization. While it performs service for large firms, 80 per cent of its services are rendered for small firms. The latter can not afford extensive foreign organizations.

5. Government representatives have entrée to certain foreign governmental sources which representatives of private firms would not have.

6. Small firms often do not like to place their figures at the disposal of large firms.

FOREIGN-TRADE PROMOTION—OTHER NATIONS

On a per capita basis America's expenditures on her foreign-trade promotion are at present only about 80 per cent as large as that of the United Kingdom and 50 per cent of the Canadian expenditures. If the appropriations of the Bureau of Foreign and Domestic Commerce were on the same basis as those of the Canadian Commercial Intelligence Service, the United States would spend $8,400,000 instead of $4,815,900.

The British Government estimates for the fiscal year 1932–33 assign $1,829,000 (this represents a small decrease over the previous fiscal year which will be applied to cuts in salaries, allowances, traveling expenses, etc., but no curtailment of personnel or activities is contemplated)—or about 4 cents per capita—for work of the Department of Overseas Trade. The Government also operates an export credit guaranty department, for which a revolving fund of £26,000,000 ($126,529,000 at par) was made available in 1919. This department guarantees a proportion of the face value of bills of exchange in the case of applications made to the department and approved by it for the purpose.

In addition to the above, a yearly appropriation is granted to the Empire Marketing Board, the purpose of which is to stimulate the sale of Empire products in the United Kingdom, as partial compensation for preference granted to British products in British Empire tariffs.

In Japan the appropriation for the Department of Commerce and Industry for 1932–33 is estimated at about $4,900,000, but there is no way of telling just how much of that amount goes for the promotion of foreign commerce. The amount is believed to be very small, as most of Japan's trade-promotion work is done through Government aid to industries which produce for export, and through other subsidies. One form of aid has been the encouragement of export guilds. Since 1925 subsidies to such guilds has totaled $150,000 per year.

In 1929 a law was passed recompensing exporters for 70 per cent of losses incurred on shipments to certain undeveloped markets. Export bills, valued at about $1,640,000, were issued April 1 to December 31, 1931. The amount of indemnification paid by the Government by the end of 1931 was $32,600. The Yokohama Specie Bank early in 1930 lowered its rate on export bills. Other aid to exporters has taken the form of low-interest loans under Government guaranty, and Government request to shipping companies for lower freight rates on export commodities.

The official organization for trade promotion in France is the Office National du Commerce Exterieur, a part of the Ministry of Commerce. There are approximately 56 commercial attachés and commercial agents stationed abroad. In addition, there are about 15 French commercial bureaus in various foreign cities. These bureaus act as intermediaries for the French manufacturers and exporters, they display samples, and render other services for which a definite scale of fees is established. In addition to these fees, the commercial bureaus receive subventions from the French Government.

CLOSING FOREIGN OFFICES

The suggestion has been made that in the interests of economy it would be advisable to close some of the foreign offices of the Department of Commerce in view of the decline in the foreign trade of the United States. This would be a shortsighted policy, and such a move would be especially unfortunate at this particular time. It would be analogous to doing away with our military forces in peace times. There are many American firms which have abolished their foreign offices and who are looking to the Department of Commerce for advice and information which was formerly furnished them through their own branch offices. If the foreign offices are closed, no one will be available to carry on the trade-promotion work they are doing; no one will keep American firms informed of financial, tariff, and legal developments which take place; and there would be no one to whom American business might turn for advice and assistance in entering foreign markets. British, French, German, and Italian firms would be greatly encouraged by this retreat of American effort in maintaining its foreign commercial position and would lose no time in impressing upon local business men that Americans are only interested in finding markets for surplus stock. All the effectiveness of the Government's foreign-trade service would be nullified at a time when it is most needed.

Mr. JOHNSON. Mr. President, I ask that the pending amendment to the amendment be stated.

The PRESIDENT pro tempore. The pending amendment is on page 69, line 24, in the item for the Bureau of Foreign and Domestic Commerce, where the Senator from Texas [Mr. CONNALLY] proposes to strike out "$175,000" and to insert in lieu thereof "$100,000."

Mr. JONES. Mr. President, the Senator from Texas is not in the Chamber at the present moment, and I am willing that this amendment may be passed over for a while.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

Mr. COPELAND. Mr. President, I desire to ask the Senator from Washington, in charge of the bill, about the amendment on page 66, the item relating to domestic commerce and raw-materials investigations. The amount of the reduction is found on lines 21 and 22.

I was not a member of the subcommittee, but as a member of the full committee heard the reports in general. I desire to ask the Senator whether some special consideration was given to this item.

Mr. JONES. It had consideration, just like every other amendment to the bill. It is true enough that we made a pretty large cut in this item.

Mr. COPELAND. I expected to have some material to present this morning, but it has not come to my hand yet. This affects the bureau which furnishes all the material we use in formulating tariff matters.

Mr. JONES. Let me suggest to the Senator that if he is expecting some material and shall desire to go back to the item when the material arrives, I do not think there will be any objection to that.

Mr. COPELAND. I thank the Senator.

Mr. JONES. That is merely to save time.

Mr. COPELAND. I do think we ought to give some special thought to this particular item, because it has a bearing upon our getting income from our imports. I will bring it up when I get the material to which I have referred.

The PRESIDENT pro tempore. The Chair will state to the Senator from New York that when the period for the introduction of individual amendments arrives, he may have an opportunity to present his amendment.

Mr. COPELAND. I shall be willing to go back to it when the material to which I have referred is furnished me.

Mr. JONES. Mr. President, I notice the Senator from Texas is now in the Chamber.

The PRESIDENT pro tempore. The clerk will state the amendment which was passed over and the amendment to the amendment.

The LEGISLATIVE CLERK. On page 69, line 24, the Senator from Texas proposes to strike out "$175,000" and insert in lieu thereof "$100,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Texas [Mr. CONNALLY] to the amendment reported by the committee.

Mr. JOHNSON. Mr. President, I do not intend to take up any time in the discussion of this amendment. It is up to the Senate to do exactly what it sees fit to do. But I want to give some comparative figures, so that they may go into the RECORD, and so that this mode of dealing with appropriations may be adequately judged. These figures have been furnished me this morning, and I assume them to be correct.

In the Department of Commerce there are 189 men who are drawing rental allowances. Their rental allowances average $926.

In the State Department, the appropriations for which we passed and approved, there are 1,336 receiving rental allowances, and those allowances average $1,250 to the individual. So in this haphazard, higgiety-piggiety, wibblety-wobblety mood of dealing with appropriation bills we have already approved allowances to the officials of the State Department, 1,336 in number, with an average of $1,252 to the individual, and now we are to cut down the allowances of 189 in the Commerce Department where the average is $926.

In addition to that there are 40 such allowances made under the Department of Agriculture, and we have approved the appropriations. That we all stand for, because my friend upon my right, the Senator from Oregon [Mr. MCNARY], in charge of the agricultural appropriation bill, has put it through with that celerity and ability and alacrity which always have distinguished his legislative activities.

Under the Department of Labor there are 108 individuals who are drawing rental allowances at the present time. In the Treasury Department there are 91, and it seems as if at this particular moment at least we are "soaking" the Commerce Department and soaking no other department at all.

There is one other thing I want to say about the activities of those who represent the Commerce Department in foreign lands. Personally, of course, I know nothing of it. I have had little or no experience with it; but from the State from which I come I have literally hundreds of telegrams from those who are engaged in foreign commerce testifying to the worth of the Department of Commerce in relation to foreign countries and in aiding commerce there. These people from the State from which I come insist that the work of the officials of that department that has been done has been of extraordinary value, and to destroy it or to impair it or cripple it at the present time would cripple our commerce.

We have grown so hysterical in this time, Mr. President, that we are utterly unable to see the paradoxical position in which we place ourselves. We stand here upon this floor and we yap and whine about unemployment day after day, we tell of the miseries of our people, and how it is impossible for them to obtain work, what an outrageous and shameful thing it is that in a country such as ours six or eight million people are tramping the streets begging for work, and hungry, and then, sir, at the very time that we indulge in these lachrymose, eloquent appeals, we adopt a rule by which we put out on the streets a great many employees of various departments, and with these people we thus put on the streets swell the ranks of the unemployed.

We are hysterical, and worse. It would be infinitely better if the entire executive department could be securely confined upon the Rapidan and the entire Congress lost in the woods for a period of a month, until we get our heads upon our shoulders again and our feet upon the ground. We are dealing here in paradoxical and I might almost say in idiotic fashion with appropriation bills, and with human beings affected by appropriation bills. There never was an excoriation more deserved, in my opinion, than that uttered by the Senator from Arizona [Mr. ASHURST] the other day upon the method of procedure in relation to our appropriations.

I have read these figures of the Commerce Department as to the number of people who are receiving out of the Treasury of the United States any allowances for quarters at all, and I compare them with those of the other departments we have already agreed should have just that sort of thing; and I say, sir, that if we play the game on the level, let us make our rule applicable to all or make it applicable to none. That is good sportsmanship and it is good legislation.

Calling the attention of our eminent friend from Texas and the Senator from Washington to this situation, I leave it to the Senate to determine as it sees fit.

Mr. ODDIE. Mr. President, supplementing what the Senator from California has just said, I call attention to a statement I put into the RECORD a few minutes ago showing the benefits that have been derived from the Bureau of Foreign and Domestic Commerce. One paragraph of this statement I read:

> Each year the Bureau of Foreign and Domestic Commerce attempts an evaluation of the results of the services it has rendered. For many years past this total, which is based upon written statements of American firms, has continued to increase. For 1929–30 the report showed slightly in excess of $50,000,000. For the fiscal year 1930–31 the foreign trade of the United States shrank approximately 35 per cent in value. This factor of diminished export trade, due to unfavorable business situations in world marts and continued price declines, created a very unfavorable setting for the compilation of the dollars-and-cents report this year.

Mr. JONES. Mr. President, I shall take just a moment of time. I may say to the Senator from California, in classic expression:

Never shake thy gory locks at me!

The Senator and I voted the same way on the resolution adopted by the Senate providing for a 10 per cent reduction in the appropriation bill. In framing these amendments the committee has sought in as wise and just a way as possible to comply with the orders and directions of the Senate of the United States. That is the principle we have followed in making the amendments. As a committee we have accepted the verdict of the Senate and we have tried to comply with it just as nearly as possible.

As I understand, the amendment of the Senator from Texas is to reduce the amount provided in the committee amendment, on page 69, line 24, to $100,000. The amendment takes care of the appropriation for light, heat, fuel, and so forth, of our employees abroad under the Department of Commerce. The provision is made pursuant to a law passed by Congress just a couple of years ago. I refer to the act of April 12, 1930, an act to amend an act to establish in the Bureau of Foreign and Domestic Commerce, Department of Commerce, a foreign commerce service of the United States, and for other purposes, approved March 3, 1927. This act was passed April 12, 1930. The act provides that—

The Secretary of Commerce may, under such rules and regulations as he may prescribe, furnish the officers in the Foreign Commerce Service of the Bureau of Foreign and Domestic Commerce stationed in a foreign country, without cost to them and within the limits of any appropriation made for this purpose, allowances for living quarters, heat, and light, notwithstanding the provisions of section 1765 of the Revised Statutes.

And so on. In other words, we are simply complying with a law solemnly passed by the Congress of the United States providing for these service officers free light, heat, quarters, and so on. The appropriation is made pursuant to that law. I hardly think it is right for the Senate of the United States, within a year or two after it has passed a solemn act, to refuse to appropriate the money for the quarters and light and fuel which those representatives of the Government abroad have to have. They have relied on this legislation enacted by Congress. Of course, we can cut it all out if we desire to repudiate, I might say, the act we have passed. It seems to me the proper thing would be to repeal the law and then we could, of course, refuse the appropriation.

I may say that personally I was opposed to the enactment of the law. I could not see any reason why we should furnish to those in the Foreign Service their heat, light, and quarters any more than we should furnish our citizens here in this country who were serving the Government with their light, heat, and quarters. It may be all right for us to furnish transportation from their homes to their places of work abroad, and yet we do not make that provision for employees in this country. Some of our Government employees may come from the Pacific coast to fill positions here in the city of Washington, but they are not furnished their transportation. They are not furnished their heat, light, and fuel after they get here. But we have enacted legislation providing that the Foreign Service officers shall have an appropriation for their light, heat, and quarters.

I do not think it is the wise thing or rather the proper thing and the just thing for Congress to turn right around after enacting the legislation and refuse to appropriate the money. That is the only ground that I have for the appropriation. In the beginning I was not in favor of the law and did not believe in it, but I have found many times that Congress does not do always the things that I would like to have done. Congress does not do always what I approve, but it goes on and passes what it thinks is wise and proper legislation. Congress enacted legislation providing for light, heat, and quarters for clerks in the Foreign Service. The only purpose of the amendment is to carry out that legislation.

Mr. CONNALLY. Mr. President, I dislike to take further time of the Senate, but I am amazed at the Senator from Washington [Mr. JONES], and the doctrine enunciated by him just now. That doctrine means we can not economize at all because his theory is that if we have once passed an appropriation bill carrying these items, or if we have ever passed an authorization act, we are bound by it; and therefore we might as well close the Congress so far as doing any economizing at this time is concerned.

The Senator from Washington said we had provided for the item; and that because we authorized it some years ago, we must still cling to the same old unfair and unjust practice. I thought the Appropriations Committee had a function to perform. I did not know the Appropriations Committee was merely a rubber stamp simply to fill in the blanks in the forms of authorizations. I thought the purpose of an authorization was to remit the matter to the judgment and discretion of the Appropriations Committee, and then it was up to the Appropriations Committee to say whether or not the appropriation ought to be made. But the Senator from Washington holds up his hands and exclaims that the committee is impotent, the committee has no function, the committee is required to report appropriations for everything on earth which Congress in some remote moment may have authorized.

Mr. President, for the Senator from California [Mr. JOHNSON] I have great respect personally and as a Senator. I admire his courage, his ability, and his power as an adversary, if I may so phrase it. But, Mr. President, when a vote is had in this body, the bells ring in every office in the Senate Office Building and in the Senate wing of the Capitol. Those bells also ring in the departments. What happened here yesterday? The bells rang down in the Department of Commerce before the RECORD was printed, and here they come from that department, rushing up to the chairman of the Commerce Committee and saying, "For God's sake, cut somebody else, but do not cut us." They produce the figures. The Senator from California argues that because there are 1,436 men in the State Department getting more rent and more fuel than 189 men in the Department of Commerce, therefore we ought not to cut anybody. But, Mr. President, we have to start somewhere. If we are to economize and cut down appropriations we have to begin somewhere. I shall join with the Senator from California, when we come to the Department of State appropriations, in endeavoring to cut down their allowances. I shall join with the Senator in cutting down the allowances of representatives abroad for the Department of Labor and for the Department of Agriculture. But we can only deal with one item at a time.

Mr. JOHNSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from California?

Mr. CONNALLY. Certainly.

Mr. JOHNSON. May I invite the attention of the Senator to the fact that we have already passed the item in the Department of State?

Let me make a correction, so there will be no misapprehension about it. It is true that I happen to be chairman of the Committee on Commerce of the Senate, but the Senator is entirely in error in saying that after yesterday's proceedings anybody rushed down here with all sorts of figures with respect to this bill. I have been talking on this bill for some days while it has been pending in relation to various items. The Senator from Texas has not been here and has not had, of course, the pleasure of listening to what has been said in that regard.

Mr. CONNALLY. The Senator from Texas is unfortunate in that respect in not being here to listen to what the Senator from California said. I always enjoy listening to him. I shall say in justification for my absence that I have been serving on the Finance Committee, and I dare say the labors there are no less arduous than in this Chamber.

Mr. JOHNSON. I think the Senator's labors have been more to the purpose, but do not let the Senator from Texas get the idea that I am anxious to cut the appropriations for the Departments of Agriculture and State. The reason why I invited attention to the fact that this is exceedingly unjust was to show the unfairness of the assault upon the one department—the Commerce Department. That is all.

Mr. CONNALLY. Under the rules of the Senate we can attack only one item at a time. The reason I attack this item is that in the brief time I was able to attend the session of the Senate on yesterday we reached the item. If I had been here when we reached the Department of State item, I would have attacked that item as well. I want to say in reply to the Senator from California that I expect to ask unanimous consent, and I dare say the Senator from Washington [Mr. JONES] will not object, to return to those items and treat them in the same way we are treating this item.

I appeal to Senators again that this is one place where we can economize without hurting anybody. I want to read briefly from the statistics. The Senator from California said that in the Labor Department we have 108 representatives abroad. In the Department of Agriculture the Government has 40 agents in foreign countries, receiving salaries and receiving allowances for house rent, light, and heat. In the Department of Commerce there are 189 such foreign representatives and in the Department of State, 1,436.

I do not care when the provision was enacted into law, it was not right then, and under present conditions it is absolutely wasteful, absolutely injurious and unfair to the people of the country and to other employees. Let me read some of the items of the State Department. I am not referring now to ambassadors; I am not talking about ambassadors who have to maintain embassies or ministers who have to maintain the legations. I am talking about secretaries and clerks.

In Argentina the counselor draws $1,900 for house rent, heat, and light. The first secretary draws $1,500 from the Federal Treasury for house rent. In Austria the secretary draws $1,400 for rent, and the second secretary draws $1,500 for rent. Everybody knows that under present conditions in Austria, with its depreciated currency, living conditions on the same standard and on the same scale are much cheaper than they are here in America.

In Belgium the counsellor draws $1,400 a year for house rent and the third secretary draws $1,200 a year for house rent. In Brazil, at Rio de Janeiro, the counsellor draws $1,250 and the third secretary draws $1,350 house rent. In Canada the first secretary draws $1,550 and the second secretary $1,350.

I might go on, Mr. President, and Senators, through the whole category of foreign posts and read similar items. In Denmark the counselor draws $1,560 a year for rent. In the Dominican Republic, in Santo Domingo—just think about rents in Santo Domingo! The houses down there do not even have doors and windows in them! They are kept open the year around. For rent in Santo Domingo the third secretary draws $1,050. In Finland the second secretary draws $1,100. In Paris one counselor draws $1,400, another $1,500, the first secretary $1,500, another secretary $1,500, and a second secretary $1,500. In Paris alone for house rent, not of the ambassador, but of the clerks and secretaries, this Government is paying out about $7,500 a year, and yet we hear talk about economy, retrenchment, cutting out duplications, and overlapping.

Mr. President, if the Senate and the Congress allow these items to remain in the bill as they have been allowed by the committee, it will be a denial of every profession which the administration and which the Congress are making to the American people. We are going to drag the American taxpayer across this Chamber soon.

With one hand we are going to examine his vest pockets and see if he has anything in them, cigars or tobacco, and then we are going to investigate his pants pockets and see if he has any money in them to buy anything other than food and clothing; and if he has, we are going to take it out. With one hand we are going to search the American taxpayer all over the Senate Chamber for the few pennies he may have remaining, while with the other hand we are going to hand out to 1,436 foreign service clerks—not ambassadors, not ministers, but clerks—an average of $1,252 a year for house rent, which was never allowed in the history of this country until a few years ago. Then we are going to hand out to the Labor Department an appropriation for house rent for 108 clerks in foreign countries, and then we are going to allow the representatives of poor, distressed, and depressed agriculture, 40 of them abroad. While the American farmer at home is almost starving to death, these emissaries of American agriculture in foreign lands are to get not only their salaries, their travel pay to and from their foreign post, but their house rent in addition, which the American farmer has to pay.

Mr. President, this is unjustified. It simply means the Senate will not economize. It simply means that Congress will not cut down. It simply means that the Budget and the President and the Secretary of State will not economize and do not expect to economize. I submit that this item is absolutely unjustified. I do not care how many appropriation committees submit it, I do not care how many Budget officers sent it up, I do not care how many Presidents say they want it, this item is not justified and I hope the Senate will adopt my amendment.

Mr. JONES. Mr. President, in considering a matter like this I do not think that we should be extreme at all. I think we have a perfect right to face the situation. It does not mean because we propose this amendment here that the committee is not in favor of economy, that the Budget is not in favor of economy, that the President is not in favor of economy. As I said a while ago, it is simply a provision to carry out the law. It is not, as suggested by the Senator from Texas [Mr. CONNALLY], merely an appropriation proposition, not a question of whether it has been pending a few years or not, or that the committee does not have to make it. It is not the ordinary appropriation.

This is an appropriation looking to compensation of employees of the Government of the United States. Congress, not 6, 8, or 10 years ago, but just a couple of years ago seemed to feel that our representatives abroad, whether of the humblest class or of the highest class, for that matter, were not being paid what they ought to be paid; that they were not receiving the compensation which their services justified, and so, in its wisdom, it provided that, in addition to their salaries, quarters, rent, light, heat, and so forth, should be furnished along certain lines. We did that by legislation carefully considered, carefully studied, and passed, after deliberation by the Senate and House of Representatives, and approved by the President.

Mr. CONNALLY. Mr. President——

Mr. JONES. The committee received the estimate for this item and has simply provided for those estimates. Now I yield to the Senator from Texas.

Mr. CONNALLY. I understood the Senator from Washington yesterday to say that the only justification on earth for this item was that, as the employees of the State Department were getting these allowances, Congress provided them for the employees of the Department of Commerce.

Mr. JONES. No; I certainly did not make that statement.

Mr. CONNALLY. I beg the Senator's pardon, but I understood him yesterday to say that the argument for this item in the pending bill was because the employees of the State Department were receiving the same allowances, and that, therefore, the employees of the Department of Commerce should also receive them.

Mr. JONES. If I did make any such statement as that, it was entirely unwarranted.

Mr. CONNALLY. I do not want to misquote the Senator.

Mr. JONES. I know the Senator from Texas does not; I know he is sincere.

Mr. CONNALLY. But the Senator said he was opposed to the provision, did he not, a while ago?

Mr. JONES. I said to the Senator that when the legislation was originally passed I was not in favor of it, but a majority of Congress did not agree with me.

Mr. CONNALLY. But the Senator does not surrender his views simply because a majority of the Senate does not agree with him, does he?

Mr. JONES. Certainly not.

Mr. CONNALLY. If the Senator had those views then, has he not the same views now?

Mr. JONES. I certainly have, but I do not believe when there comes before this body an item of appropriation that has been authorized and provided for by Congress in the regularly constituted way that I am justified, as chairman of the Committee on Appropriations, in setting myself up against it.

If I were in a position such as the Senator from Texas is in, I should feel perfectly free to take his position and to assume his attitude, but I think the Senate of the United States should consider the situation, and that I, as chairman of the Committee on Appropriations, have been directed to report this amendment. Therefore, I am simply calling the attention of the Senate to the situation, and it is up to the Senate to say, under all the circumstances, what it will do with reference to this item. I repeat, it is simply carrying out the law which we solemnly passed just a year or two ago—not many years ago, but only a year or two ago. We have cut the amount down; we have acted as we did on various other matters, taking into account the conditions which confront the country and the people. We could cut all these employees off; we could cut everything off for which we now provide; but I do not believe that the people of the country would approve such a policy as that. We have reduced the appropriation. My recollection is that last year it was $250,000, although I am not positive about that. At any rate, the appropriation passed the House of Representatives at $200,000 and we have cut it down to $175,000. I think that is an ample reduction, under all the circumstances, and that it is as far as we should go.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment proposed by the Senator from Texas to the amendment of the committee. [Putting the question.] The noes seem to have it.

Mr. CONNALLY. Mr. President, I ask for the yeas and nays on my amendment to the committee amendment. We might just as well go to the mat on some of these economies right now, rather than talk economics all day, and then when amendments are proposed to effecuate them, vote against such amendments.

Mr. JONES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Johnson	Sheppard
Austin	Costigan	Jones	Shipstead
Bailey	Couzens	Kean	Shortridge
Bankhead	Cutting	Kendrick	Smith
Barbour	Dale	La Follette	Steiwer
Barkley	Dickinson	Logan	Stephens
Bingham	Dill	McGill	Thomas, Idaho
Black	Fess	McKellar	Thomas, Okla.
Blaine	Fletcher	McNary	Tydings
Borah	Frazier	Morrison	Vandenberg
Bratton	George	Moses	Wagner
Brookhart	Glenn	Neely	Walcott
Bulkley	Goldsborough	Norbeck	Walsh, Mass.
Bulow	Gore	Nye	Watson
Byrnes	Hale	Oddie	Wheeler
Capper	Harrison	Patterson	White
Caraway	Hatfield	Reed	
Carey	Hayden	Robinson, Ind.	
Connally	Hull	Schall	

The PRESIDING OFFICER. Seventy-three Senators having answered to their names, a quorum is present. The question is on the amendment proposed by the Senator from Texas. [Putting the question.] By the sound the noes seem to have it.

Mr. JONES. Mr. President, I do not see the Senator from Texas [Mr. CONNALLY] in the Chamber at the moment. He evidently has just stepped out. I think it is hardly fair to him, after a quorum has been called and he had requested the yeas and nays, that the question should be decided in his absence. I think we had better have a roll call, and I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BINGHAM (when his name was called). I have a general pair with the junior Senator from Virginia [Mr. GLASS]. I understand, however, that if he were present he would vote as I intend to vote. Therefore I am permitted to vote, and vote "nay."

Mrs. CARAWAY (when her name was called). I have a pair with the senior Senator from Delaware [Mr. HASTINGS]. Not knowing how he would vote if present, I withhold my vote.

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON]. I understand that if he were present he would vote as I shall vote. Therefore I vote "nay."

Mr. LOGAN (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I do not know how he would vote. Therefore I withhold my vote. If I were at liberty to vote, I should vote "yea."

Mr. McKELLAR (when his name was called). I transfer my pair with the junior Senator from Delaware [Mr. TOWNSEND] to the junior Senator from Utah [Mr. KING], and will vote. I vote "yea."

Mr. McNARY (when his name was called). Upon this question I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who is absent on account of official business. If he were present, he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. SMITH (when his name was called). I have a general pair with the senior Senator from Indiana [Mr. WATSON]. In his absence I withhold my vote.

Mr. TYDINGS (when his name was called). On this question I have a general pair with the senior Senator from Rhode Island [Mr. METCALF], who is ill. I understand that if he were present he would vote "nay." If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. REED (after having voted in the negative). Has the senior Senator from Arkansas [Mr. ROBINSON] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. REED. I have a general pair with him. Therefore I am compelled to withdraw my vote.

Mr. TYDINGS. I find that I can transfer my pair with the senior Senator from Rhode Island [Mr. METCALF] to the junior Senator from Illinois [Mr. LEWIS]. I therefore wish to be recorded as voting "yea."

Mr. SMITH. I find that I can transfer my pair to the Senator from Massachusetts [Mr. COOLIDGE]. I do so, and vote "yea."

Mr. McNARY. I desire to announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES];

The Senator from Delaware [Mr. TOWNSEND] with the Senator from Tennessee [Mr. McKELLAR];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH]; and

The Senator from Rhode Island [Mr. HEBERT] with the Senator from Louisiana [Mr. LONG].

I also desire to announce that the Senator from Utah [Mr. SMOOT] is detained at a committee meeting.

Mr. SHEPPARD. I desire to announce that the Senator from Florida [Mr. TRAMMELL], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. BULKLEY], and the Senator from Mississippi [Mr. HARRISON] are absent on official business.

The result was announced—yeas 28, nays 37, as follows:

YEAS—28

Ashurst	Bratton	Glenn	Neely
Austin	Bulow	Gore	Sheppard
Bailey	Byrnes	Hull	Smith
Bankhead	Capper	Kean	Stephens
Barbour	Connally	McGill	Thomas, Okla.
Barkley	Couzens	McKellar	Tydings
Black	George	Morrison	Walsh, Mass.

NAYS—37

Bingham	Costigan	Fletcher	Jones
Blaine	Cutting	Frazier	Kendrick
Borah	Dale	Goldsborough	La Follette
Brookhart	Dickinson	Hale	Moses
Carey	Dill	Hatfield	Norbeck
Copeland	Fess	Johnson	Nye

Oddie	Shipstead	Thomas, Idaho	Walcott
Patterson	Shortridge	Vandenberg	Wheeler
Robinson, Ind.	Steiwer	Wagner	White
Schall			

NOT VOTING—30

Broussard	Hawes	Long	Swanson
Bulkley	Hayden	McNary	Townsend
Caraway	Hebert	Metcalf	Trammell
Coolidge	Howell	Norris	Walsh, Mont.
Davis	Keyes	Pittman	Waterman
Glass	King	Reed	Watson
Harrison	Lewis	Robinson, Ark.	
Hastings	Logan	Smoot	

So Mr. CONNALLY's amendment to the amendment of the committee was rejected.

The PRESIDING OFFICER. The question now is on the amendment of the committee.

The amendment of the committee was agreed to.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed. The next amendment was, on page 70, line 19, before the word "of," to strike out "$4,869,531" and insert "$3,905,000."

Mr. JONES. I ask unanimous consent that the clerks may have authority to correct the totals. This is a total.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. CONNALLY. Mr. President, I think the committee ought also to recommend an allowance for the funeral of economy and have it publicly buried.

The Senate has just turned down an amendment proposing to reduce an item that is absolutely unjustified in any sort of times—good times or bad times. The Committee on Appropriations now ought to report an amendment for a public funeral for Old Man Economy.

Mr. COPELAND. Mr. President, may I ask the Senator from Washington if he will not permit the other item in this subdivision of the bill relating to customs statistics to be considered at this time?

Mr. JONES. To what item does the Senator refer?

Mr. COPELAND. It is on page 67, the item having to do with customs statistics. The amendment is on line 15, page 67.

Mr. JONES. I am perfectly willing that we shall consider that, and have it reconsidered if we have adopted it, so as to have the discussion.

Mr. COPELAND. I thank the Senator. I ask unanimous consent that the amendment may be reconsidered for the purpose of the discussion.

The PRESIDING OFFICER. To which amendment does the Senator refer?

Mr. COPELAND. The amendment on line 15, page 67.

The PRESIDING OFFICER. Without objection, the request of the Senator from New York is agreed to.

Mr. COPELAND. Mr. President, this item, when it was considered by the Budget, was submitted to the House at $385,000, and the House reduced it to $360,000. Then by this amendment it is reduced to $250,000—a reduction, as you see, of $135,000, a very radical reduction.

This bureau is the one which gathers statistics regarding our exports and imports. It is this bureau which gives us all the material upon which we found our tariff law. It is on the basis of this material that the Finance Committee is now considering a tax bill. It is a matter of vital importance not only to the manufacturers of our country but to the farm interests as well.

I have in my hand a letter from Mr. Chester Gray, the Washington representative of the American Farm Bureau Federation. He says:

> I do not mean to indicate any one particular activity of this bureau—

That is, the Bureau of Foreign and Domestic Commerce—

> which I, as Washington representative of the American Farm Bureau Federation, find to be of extra service to agriculture; but you will permit me, I know, to suggest that the section of customs statistics is of vital importance in much of the data which I accumulate for our various activities in the Farm Bureau.

Then he goes on to say:

> The customs statistics have been accumulating for decades, and to reduce the appropriation for this work or any other activity as is contemplated would be equivalent to undoing and neutralizing all the appropriations which Congress has given to this work heretofore.

I have a similar letter from the Brookings Institution, in which they speak of the vital importance of the activity of this bureau in carrying on their work.

I have a letter on the subject from the Tariff Commission; and, of course, without the material which this bureau furnishes to the Tariff Commission it would be utterly lost in carrying on its activities or in determining the relative values of the various proposals which are put before it. The chairman of the commission writes me under date of this morning as follows:

> My attention has been directed to a recent announcement that the staff of the customs statistics section in New York would have to be cut by some 53 persons out of a total of about 150 to come within the proposed new appropriation. This causes us some serious concern. The general and detailed statistics of imports and exports prepared by that organization are the basic data of trade. Our special demands on them are always numerous, and have been increased by the studies we have been called upon to make arising out of the unsettled economic situation, and the very close interest in the immediate changes in the trend of imports and exports. In these times, when reliable and prompt statistical data are so important, it seems fundamental that the means for providing them be maintained at the best possible efficiency.

Mr. President, this is not a mushroom organization, as I said. It was for many years a bureau of the Treasury Department, and I refer to section 194 of the Code, title 15, where we find the law by which this activity was transferred from the Treasury to the Department of Commerce. Also, when that transfer was effected, the Bureau of Customs Statistics was combined with the Division of Foreign and Domestic Commerce into one office, and that office operates largely in New York. Practically all of the work is done in the customhouse in New York, and it is assembled here in Washington. Ninety per cent of the work is done there.

If this amendment which we have been considering should be agreed to, it would mean that 57 out of 155 employees in the New York office would be discontinued. The office is already short of help to the extent of 19 officials, if I may call that to the attention of the Senator from Washington; 9 have been discontinued by reason of tabulating machines having been put in and there are 10 vacancies. As a matter of fact, in the office here the reduction would not mean much because only three employees would be discontinued.

I appeal to the Senate not to reduce this item in this radical way. I think that after cutting out, as the House did, $25,000, it would be a great economic mistake for us to reduce the appropriation further by the sum of more than $100,000. So I hope this amendment will not be agreed to.

Mr. JONES. Mr. President, I hope the action proposed by the Senator from New York will not be taken, not because I am not sympathetic with his plea nor because I do not want to see the work done to which he refers but the argument he makes would apply to almost every item in the bill. Leaving the item as it came from the House now would not furnish any assistance in the writing of the tax bill now imminent, because that will be passed on before the money appropriated at this time would be available.

The committee has done the very best we possibly could, we have felt. I know this is quite a cut, but there are other things we have had to cut more, and some we cut less. I hope the action of the committee will be sustained.

Mr. COPELAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Blaine	Caraway	Dale
Austin	Borah	Carey	Davis
Bailey	Bratton	Connally	Dickinson
Bankhead	Brookhart	Coolidge	Dill
Barbour	Bulkley	Copeland	Fess
Barkley	Bulow	Costigan	Fletcher
Bingham	Byrnes	Couzens	Frazier
Black	Capper	Cutting	George

Glenn	Kean	Norris	Thomas, Idaho
Goldsborough	Kendrick	Nye	Thomas, Okla.
Gore	La Follette	Oddie	Trammell
Hale	Logan	Robinson, Ark.	Tydings
Harrison	McGill	Robinson, Ind.	Vandenberg
Hatfield	McKellar	Schall	Wagner
Hayden	McNary	Sheppard	Walcott
Howell	Morrison	Shipstead	Watson
Hull	Moses	Smith	Wheeler
Johnson	Neely	Steiwer	White
Jones	Norbeck	Stephens	

The PRESIDING OFFICER. Seventy-five Senators having answered to their names, there is a quorum present.

Mr. COPELAND. Mr. President, on page 67, line 15, where the committee has reduced the figure from $360,000 to $250,000, I move that the figure be made $300,000 in lieu of the committee amendment. My amendment would mean a cut of about 16 per cent. If I can get support in the Senate to this proposal, everybody can have a perfectly clear conscience that he has voted for a 50 per cent reduction, and a little better.

We should not reduce this item as is proposed. I have presented the argument of the American Farm Bureau Federation, so apparently the farmers want the item retained at the figure as it passed the House. I have presented the argument of the chairman of the Tariff Commission. The Tariff Commission relies upon the information gathered by this bureau and can get it nowhere else.

That activity should not be practically annihilated as it will be if the committee amendment is adopted. If we expect to have revenue from the operation of a protective tariff, we must get our information. If we are going to help our farmers to know how much competition we are having from abroad in the way of importations of farm products into the United States, this is the way the information is gathered. There ought to be left enough of that bureau so it can go forward with its activities. If I can get support, it will be a reduction of about 16 per cent as I figure it. I appeal to the Senate that the amount may be changed and in lieu of the committee amendment the figure may be placed at $300,000.

Mr. SHIPSTEAD. Mr. President, I realize full well the difficulty of the committee in meeting the order of the Senate. I do not want to blame the committee for trying to obey the order of the Senate. I should say, however, that I can but feel that this method of legislation with respect to appropriations is almost mob rule. It is hysteria. I have voted to send back some of the appropriation bills, because I thought that one or two votes of protest might bring about a uniform program, a comprehensive program for reduction of expenses in all departments. I do not think it can be done in this way. Of course, we can have reductions, but it is done in a way like hacking promiscuously at a tree, taking a swat here and a swat there, but there is no order in it.

I believe we are the only government that is reducing its commercial research force throughout the world, a force which has for its purpose or business the discovering of new avenues of commerce and new sources of supply of raw material and who have for their business and purpose the extension of the commerce of the country they represent. I believe the commercial service of the British Government has had a reduction in salaries of about 11 per cent, but I am informed they have not retired one person out of that service. I am informed, reliably, I believe, that this bureau of the Department of Commerce has succeeded in bringing $57,000,000 of new business a year to this country.

Mr. JONES. Mr. President, will the Senator allow me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Washington?

Mr. SHIPSTEAD. I yield.

Mr. JONES. May I suggest to the Senator that this item has nothing to do with foreign commerce. It deals with domestic production and investigation.

Mr. SHIPSTEAD. I find on page 66, lines 19 to 21, the following:

> To investigate the conditions of production and marketing of foreign raw materials essential for American industries.

Mr. JONES. Production and marketing.

Mr. SHIPSTEAD. Has not that anything to do with foreign commerce?

Mr. JONES. This is to investigate conditions of production and marketing of foreign raw materials.

Mr. SHIPSTEAD. Produced abroad and necessary for our commerce.

Mr. JONES. The marketing of foreign raw materials in this country.

Mr. COPELAND. It certainly has to do with our commerce. It is a very important thing that we may know in this country just what is going on abroad in order that we may regulate our production here. In that sense it has a lot to do with the transfer back and forth of products, both importation and exportation. I think the Senator from Minnesota is not far wrong in his statement.

Mr. SHIPSTEAD. With all due respect to the Senator from Washington, I find the words "and to investigate the conditions of production and marketing of foreign raw materials essential for American industries" at the point indicated. This is a cut of more than 10 per cent, as the Senator from New York has called to our attention. It seems to me that there are other places where we can make more substantial and more necessary reductions than in this item.

Mr. McKELLAR. Mr. President, I invite attention to the fact that in 1928 the appropriation for this purpose was $199,000; in 1929, $290,000; in 1930, $309,000; in 1931, $380,000; and in 1932, $518,000, showing that this is quite a liberal appropriation. We did not spend that much when we had excellent trade and commerce, when we were busy, and certainly this year is not a time to increase the appropriation. There is no reason in the world why the committee's estimate of $300,000 for this purpose should not stand, and I hope the Senate will confirm it.

Mr. COPELAND. Mr. President, of course when we have a preconceived notion about a thing every phenomenon of nature appears to support the position taken. I suppose I have a preconceived notion about it. But when we have an economic depression, when we have a falling off in business, in commerce, in manufactures, in agriculture, when we have a depression such as that from which we are suffering at this moment, what does the prudent man do? He finds how he can improve his business. If there was ever a time in our history when we should make an effort to improve economic conditions in America as regards manufactures and agricultural production, production in every industry of America, it is now.

I say that it is an evidence of hysteria on our part to pursue such a course as that suggested by the committee. It is amazing to me to see men ordinarily brave so swept off their feet and changed by clamor that the mere cry for economy, the word "economy" is enough to induce a vote at once for any project, no matter what it is, no matter what its results may be, that reduces appropriations.

Mr. President, I am for economy. There is no State in the Union where the balancing of a Budget is so important as it is in the State of New York. We pay 30 per cent of the taxes of the country. It may be said that New York is the reservoir into which flows the gold of the Nation. I do not care how it gets there; when the taxes are paid New York residents are the ones who pay the taxes. It is a matter of great concern to my State whether we have an economically administered National Government or not. It means much to us. We want the Budget pared to the bone, but it is bad business, Mr. President, to cut off, among other institutions, this particular bureau which is collecting the information which informs the farmer and the manufacturer whether or not we shall proceed in planting a certain crop or putting out larger quantities of a given product.

Mr. President, it is a very shortsighted policy, in my judgment, if we go too far in this matter. I think we go farther than we should if we reduce the item as I have suggested, but that will be the $25,000 cut off by the House and about a 16 per cent reduction by the Senate. That is going far enough as I view it, and I hope the Senate will take that view.

Mr. JONES. Mr. President, this activity has had $500,000 for the present fiscal year, and with the amount allowed by the committee I believe it can carry forward its work. We allow $300,000 in the bill, and that is ample for the next fiscal year. I hope the amendment proposed by the Senator from New York will be defeated.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New York to the amendment of the committee.

Mr. COPELAND. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a list of the units in the United States which have been served by the Bureau of Domestic and Foreign Commerce and the number of firms that have reported as a result of service they have rendered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Dollars and cents results reported by district offices (fiscal year 1930–31)

District office	Firms served	Firms reporting	Amount reported	Average benefit per firm reporting
Atlanta	194	15	$566,150.48	$37,076.69
Baltimore	246	12	333,040.40	27,753.36
Birmingham	114	26	807,898.57	31,073.00
Boston	2,096	197	5,111,315.74	25,945.76
Buffalo	364	30	254,734.40	8,491.14
Charleston	44	6	36,035.00	6,339.16
Charlotte	188	18	858,457.38	47,692.07
Chicago	2,247	217	2,533,061.10	11,719.17
Cincinnati	341	16	260,985.00	16,311.56
Cleveland	684	26	708,176.04	27,237.54
Dallas	142	49	1,068,884.66	21,809.89
Denver	98	21	258,457.88	12,307.51
Des Moines	317	51	665,637.68	13,051.72
Detroit	914	106	6,529,067.34	61,594.97
El Paso	83	39	164,411.00	4,215.66
Galveston	32	13	965,706.00	74,285.07
Houston	243	47	2,419,134.93	51,470.74
Indianapolis	541	38	381,700.14	10,044.74
Jacksonville	169	35	2,279,720.75	65,134.87
Kansas City	388	49	1,131,380.00	23,098.38
Los Angeles	306	29	900,032.57	34,070.09
Louisville	242	78	441,762.18	5,663.61
Memphis	300	62	2,158,992.93	34,790.04
Milwaukee	513	28	540,776.61	19,313.45
Minneapolis	471	47	967,800.04	20,591.49
Mobile	128	34	756,854.92	22,260.43
New Orleans	316	25	315,950.00	12,638.00
New York	7,805	281	9,946,709.65	35,397.54
Norfolk	377	42	266,054.00	6,334.61
Philadelphia	1,387	171	2,170,694.80	12,694.06
Pittsburgh	628	69	934,619.11	13,545.20
Portland	174	24	2,436,815.39	101,533.97
Salt Lake City	25	2	50,000.00	25,000.00
San Francisco	836	57	3,686,435.20	64,674.30
Seattle	526	36	2,741,307.73	76,147.43
St. Louis	669	78	1,527,479.85	19,583.07
Wilmington	94	13	298,903.04	22,984.84
Total	24,441	2,087	57,554,812.51	27,577.77

The PRESIDING OFFICER. The question is on the amendment of the Senator from New York to the amendment of the committee, on which the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BINGHAM (when his name was called). I have a general pair with the junior Senator from Virginia [Mr. GLASS]. Understanding that he would vote as I intend to vote, I am permitted to vote. I vote "nay."

Mr. JONES (when his name was called). Making the same announcement with reference to my pair that I made before, I vote "nay."

Mr. LOGAN (when his name was called). Making the same announcement regarding my pair that I made a while ago, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. McKELLAR (when his name was called). On this vote I have a general pair with the junior Senator from Delaware [Mr. TOWNSEND]. I transfer that pair to the junior Senator from Utah [Mr. KING], and will vote. I vote "nay."

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who is necessarily absent on account of official business. Not knowing how he would vote, I withhold my vote.

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF]. I understand that, if present, he would vote the same as I shall vote. I therefore wish to be recorded. I vote "nay."

The roll call was concluded.

Mr. ROBINSON of Arkansas (after having voted in the negative). I have a pair with the Senator from Pennsylvania [Mr. REED]. I transfer that pair to the Senator from Virginia [Mr. SWANSON] and let my vote stand.

Mrs. CARAWAY. I have a general pair with the senior Senator from Delaware [Mr. HASTINGS]. I transfer that pair to the Senator from West Virginia [Mr. NEELY], and will vote. I vote "nay."

Mr. FESS. I desire to announce that the Senator from Pennsylvania [Mr. REED] and the Senator from Utah [Mr. SMOOT] are detained from the Senate by a committee meeting.

I was also requested to announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Missouri [Mr. HAWES];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Illinois [Mr. LEWIS];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from Louisiana [Mr. LONG];

The Senator from Vermont [Mr. DALE] with the Senator from Tennessee [Mr. HULL]; and

The Senator from Michigan [Mr. COUZENS] with the Senator from Massachusetts [Mr. WALSH].

Mr. SHEPPARD. I desire to announce that the Senator from Tennessee [Mr. HULL], the Senator from Illinois [Mr. LEWIS], the Senator from Massachusetts [Mr. WALSH], and the Senator from Mississippi [Mr. HARRISON] are detained from the Senate on official business.

The result was announced—yeas 11, nays 54, as follows:

YEAS—11

Brookhart	Johnson	Norbeck	Shipstead
Coolidge	La Follette	Oddie	Wagner
Copeland	Moses	Schall	

NAYS—54

Ashurst	Capper	Hale	Smith
Austin	Caraway	Hatfield	Steiwer
Bailey	Carey	Howell	Stephens
Bankhead	Connally	Jones	Thomas, Idaho
Barbour	Cutting	Kean	Thomas, Okla.
Barkley	Dickinson	Kendrick	Trammell
Bingham	Dill	McGill	Tydings
Black	Fess	McKellar	Vandenberg
Blaine	Fletcher	Morrison	Walcott
Borah	Frazier	Norris	Watson
Bratton	George	Nye	Wheeler
Bulkley	Glenn	Robinson, Ark.	White
Bulow	Goldsborough	Robinson, Ind.	
Byrnes	Gore	Sheppard	

NOT VOTING—30

Broussard	Hawes	Long	Smoot
Costigan	Hayden	McNary	Swanson
Couzens	Hebert	Metcalf	Townsend
Dale	Hull	Neely	Walsh, Mass.
Davis	Keyes	Patterson	Walsh, Mont.
Glass	King	Pittman	Waterman
Harrison	Lewis	Reed	
Hastings	Logan	Shortridge	

So Mr. COPELAND's amendment to the committee amendment was rejected.

The PRESIDENT pro tempore. The question recurs upon the amendment reported by the committee.

NOMINATION OF FRED A. BRADLEY

Mr. COPELAND. Mr. President, I notice that the Senator from Indiana [Mr. WATSON] is now in the Chamber. I should like to ask him, if I may, what became of the Bradley investigation?

Mr. WATSON. Mr. President, as the Senator from New York knows, the nomination was recommitted to the Finance

Committee on his recommendation. The Finance Committee instructed me to inquire of the Attorney General whether or not his department would conduct the investigation. I conferred with the Senator from New York about the matter, and, after the conference, I informed the Attorney General of the result of the conference. The Attorney General stated that he had no authority to conduct the investigation, but that, if the Finance Committee would take charge of it, as a committee, he would be willing to lend us three persons from the Bureau of Investigation of the Department of Justice for that purpose. The Senator from New York was informed of that and expressed his acquiescence in the plan. Thereupon I conferred with the head of the Bureau of Investigation, Mr. Hoover. He came up to see me; his assistants then came up, and we had a conference about it. It occurred to me at the time, I will say very frankly, that it would be necessary to introduce another resolution and have it referred to the Committee to Audit and Control the Contingent Expenses of the Senate, but, after examining the original resolution, I found that in the usual language of such resolutions it conferred authority upon the Finance Committee to conduct the investigation.

That is all there is to it. Those in charge are now examining all the information which the Senator had and from which he read on the floor of the Senate. They are ready to go on to Buffalo to make the investigation.

Mr. COPELAND. Mr. President, it will be recalled that I made no charges against Mr. Bradley. I merely recited to the Senate the facts relating to the four or five alleged investigations which had been made into the conduct of his office. My complaint was that no investigation had been complete or conclusive. When I was asked by the Senator from Indiana what I would suggest in the way of investigation, I pointed out reasons why other agencies might not be used, and suggested that the Department of Justice make the investigation. Now, I learn from the Senator, as I learned by gossip this morning, that the Finance Committee has a feeling it has authority to employ these men and to go forward with the investigation. So this morning I returned to the Finance Committee the official records which I had and they have been turned over to the investigators.

Now, this is what I want to speak about: I told the Senate how inconclusive were the past investigations; I told the Senate the methods which were used; that every single committee or agent in the past that had been appointed to do this work was taken into camp by Mr. Bradley, wined and dined, and treated gloriously. I had supposed that when the Department of Justice undertook an investigation, it would be conducted in what I used to read about as a boy was the method of detectives. I thought detectives wore false whiskers and used dark lanterns and that their methods were such that they worked their way into those recesses from which they would be barred if they went in well-known attire and with their natural faces undisguised. I have read, as I have no doubt the Senator from California has, a great many modern detective stories. I thought that was the way such things were done.

But what do we find in this case? We find that three men are chosen, and immediately the Department of Justice gives the names of these men to the Buffalo press; and in order that the people in Buffalo may make no mistake as to who these men are, the Department of Justice furnishes photographs to the newspapers. In order to obtain those photographs it was necessary to tear them from the identification slips which these men, when they entered the department, had filled out and to which their photographs were attached. That is what the Department of Justice has done in this particular matter.

Are we to have this investigation ruined in its very inception by exactly the same methods which have made all the other investigations mere farces? I can not understand such procedure.

Mr. President, I have no desire to pillory Bradley; I have no desire to ruin Bradley; I have no desire to send Bradley to jail; but certain questions have been raised; I presented the evidence here, and the Senate took the view that it was necessary there should be a complete investigation, an investigation on the square, an honest investigation, a thorough investigation. And now, to my amazement, I find that the work of these men has been interfered with at the very beginning. Even before they have gone to Buffalo, newspapers have carried their pictures, given their names and ages and their records. They have given full publicity to every bootlegger in the county of Erie and every bootlegger on the border between New York and Canada. They have sent word in advance to Mr. Bradley, and Mr. Bradley has announced to the press that he will receive the investigators with open arms and supply them with office equipment and even a stenographer.

That is a fine kind of an investigation! If that is the way the investigations are conducted by the Department of Justice, I am not surprised that crime is rampant in the United States.

Mr. President, I wish to say further that that was not the way to begin an investigation of charges so serious as those which have been laid before the Senate. I am amazed beyond words that what I have indicated should be the primary act of the Department of Justice in beginning an investigation of the serious charges alleged against the collector of customs in Buffalo.

I have expressed my sentiments. I am not a member of the subcommittee or of the full committee. I have nothing to do, officially or otherwise, with this investigation; but I am here to say that there is going to be an honest-to-goodness investigation this time, or else the country is going to know that the Government is so impotent that it is impossible to make such an investigation.

Mr. WATSON. Mr. President, I assume that the mere fact that an investigator has had his picture published in the paper will not prevent him from making a full, free investigation of the matter he set out to investigate. If a man has to go out and disguise himself with old clothes and false whiskers and a painted face and all that sort of thing, or if a man has to come from the underworld and the underground section of the city in order to be a sleuth and detect people in crime or alleged crime, it is scarcely possible that the Department of Justice will engage men of that kind, or employ them for that or any other purpose.

So far as I know, the Department of Justice had not anything to do with this matter except to lend three men to the Committee on Finance. The gentlemen came up to see me, and I said, "We will turn over the papers to you as far as we have them in our custody," which we did; and the Senator from New York was requested to hand over his papers, which I understand he did.

I suggest to the Senator with all due courtesy—I could not do otherwise—that he wait until the investigation shall have been held, and then criticize it if he likes; but I can not see that the Senator has a just cause of grievance against these men who are going out representing the Department of Justice simply because their names have been published broadcast to the world. I do not know anything about that.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WATSON. Certainly.

Mr. COPELAND. These pictures and this information were given out by the Department of Justice. Does the Senator from Indiana think it is a good way to begin an investigation to herald the news to everybody that these are the men who are going to make the investigation?

I have no fault to find with these men. I think they are excellent men. I have not any fault to find with them; but I have fault to find with the Department of Justice because after lending those men to the committee, and saying that the department could not go on with the matter, the department interfered to the extent of giving wide publicity by name and by picture to the people of Buffalo to the fact that these are the men they have loaned to the committee to make this investigation.

Mr. WATSON. Mr. President, these three men really are not representing the Department of Justice or the Bureau of Investigation. They have simply lent us those men for this

purpose. The investigation is being conducted under the supervision of the Committee on Finance. When these men get over to Buffalo, what is the most natural thing in the world for all of those newspaper fellows to do? They are a smart bunch there, as everywhere else. They will immediately become acquainted with all of these men. They would not be there two hours when every newspaperman in town would know all about it. They would get their names. They would publish their pictures. What is the difference whether they are published the day before they go there or the day after? It is dead certain that in a matter of that kind, involving a prominent man of the character of Mr. Bradley, in view of his acquaintance there and his relationship there, everybody in all that country would know the names and be familiar with the faces of the three men conducting the investigation. They could not go over there and go down in a cellar somewhere and run an investigation. They have to send out for witnesses and conduct the investigation in the open as a matter of course.

I think the criticism offered by my friend from New York is a captious one; and I suggest to him in all kindness that he wait until they report and then criticize the report, if there be criticism to be made against it.

Mr. COPELAND. Mr. President, it was not fair to these fine men to interfere with them in the plans they had; and in view of the fact that everybody in Buffalo now knows what they look like and who they are, I will say that they intended to go there and remain under cover just as long as they could. Now the Department of Justice has interfered with the work of the committee and has given publicity to the fact that these men are on the way and who they are.

Mr. WATSON. When the Senator says "the Department of Justice," whom does he mean?

Mr. COPELAND. I mean that the newspaper that got the pictures that were published in one of the Buffalo papers got them in the Department of Justice, from Mr. Hoover's bureau. That is where they came from; and it was from that bureau that these men came. I contend that after that bureau had loaned these men to the Senate of the United States for a specific purpose, it had no business to do what it did. The bureau should have washed its hands off the matter and permitted these men to go forward in their own way, and not have interfered with them at the very beginning of the investigation.

Mr. WATSON. I think the investigation will come out all right. I think the Senator is unduly alarmed about the situation.

Mr. COPELAND. I am not alarmed about the situation, except that I want the truth to be known. If these men succeed in finding that Mr. Bradley is one of the angels that is accidentally on earth, I shall be glad; but I do not want anything to interfere with the righteous pursuit of the investigation by these men who have been selected by the committee to do the work.

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes.

Mr. BINGHAM. Mr. President, this morning the appropriations for aircraft in commerce and air navigation facilities, in accordance with the recommendations of the committee, were very seriously cut.

I opposed this cut in the committee but agreed in the committee with others who proposed other cuts that I would not make an effort on the floor to change the action of the committee, which, after all, was taken at the order of the Senate and caused very serious cuts in many items in this bill.

I can not, however, refrain from saying that I think it extremely unfortunate that the item for air navigation facilities, which consists largely in the lighted airways, had to be cut to the extent that it was cut.

In this connection, I desire to have read at the desk a telegram I have just received from the president of the Air Line Pilots' Association, who is himself a transcontinental night mail pilot. It tells how serious this matter is; and I am putting it in the RECORD in the hope that when this bill goes to conference, the conferees may find some way, or there may be some way found before we finally finish with this bill, of seeing to it that the dangerous and hazardous work of air mail pilots be not made more dangerous by foolish economies in cutting down the amount of work done by the weather reporting by radio and the protection granted by the lighthouses on the lighted airways.

I ask that the telegram may be read by the clerk.

The PRESIDENT pro tempore. Without objection, the telegram will be read.

The Chief Clerk read as follows:

CHICAGO, ILL., *April 19, 1932.*

Senator HIRAM BINGHAM,
United States Senate:

The Aeronautics Branch of the Department of Commerce has taken a drastic cut in the House and if the Senate cuts their appropriations further, it will mean dangerously crippling a department whose function has a paramount place in commerce and in war. We must not curtail the normal development of the commercial airways. If this cut is made by the Senate, still more of our fellows will be put out of work. Practically half are already idle. Further reduction will mean that approximately 32 airways inspectors will be laid off, 2,000 miles of lighted airway abandoned, 5 radio-communications stations shut up, 10 radiobeacons discontinued, and 175 employees laid off, curtailment in teletype weather broadcast, and reduction in maintenance of intermediate landing fields. If the military value of the work of the aeronautics branch, Department of Commerce, is underestimated it is a grave blow at the very heart of national defense. Our air force can move swiftly at night over lighted airways and concentrate at any point on our seacoast or border. I plead with you, for the good of national defense, any air-commerce appropriations, and in particular this present appropriation, be not cut further. In addition to my duties as president of the Pilots' Association, I fly the transcontinental night air mail from Chicago to Omaha and am fully acquainted with the air-commerce situation in this country. Therefore, due to my knowledge of the situation, I feel that our request for consideration is not beyond reason.

DAVID L. BEHNCKE,
President Air Line Pilots' Association.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the committee.

The amendment of the committee was agreed to.

The PRESIDENT pro tempore. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 70, line 20, before the word "may," to strike out "$2,052,120" and insert "$1,650,000," so as to read:

Total, Bureau of Foreign and Domestic Commerce, $3,905,000, of which amount not to exceed $1,650,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Census," on page 71, line 16, after the designation "Secretary of Commerce," to strike out "$1,041,250" and insert "$862,125"; in line 17, after the word "exceed," to strike out "$782,330" and insert "$672,330"; and in line 19, after the word "exceed," to strike out "$150,000" and insert "$130,000," so as to read:

For expenses for securing information for and compiling the census reports provided for by law, including personal services in the District of Columbia and elsewhere; per diem compensation and expenses of enumerators, special agents, supervisors, supervisors' clerks, and interpreters in the District of Columbia and elsewhere; traveling expenses; the cost of transcribing State, municipal, and other records; temporary rental of quarters outside the District of Columbia; not to exceed $5,000 for the employment by contract of personal services for the preparation of monographs on census subjects; not to exceed $26,000 for constructing tabulating machines and repairs to such machinery and other mechanical appliances, including technical, mechanical, and other personal services in connection therewith in the District of Columbia and elsewhere, and the purchase of necessary machinery and supplies; and not to exceed $2,000 for expenses of attendance at meetings concerned with the collection of statistics when incurred on the written authority of the Secretary of Commerce, $862,125, of which amount not to exceed $672,330 may be expended for personal services in the District of Columbia, including not to exceed $130,000 for temporary employees who may be appointed by the Director of

the Census under civil-service rules, at per diem rates to be fixed by him without regard to the provisions of the classification act of 1923, as amended, for the purpose of assisting in periodical inquiries.

The amendment was agreed to.

The next amendment was, on page 72, at the end of line 11, to strike out "$39,900" and insert "$35,000," so as to read:

STEAMBOAT INSPECTION SERVICE

Salaries: For the Supervising Inspector General and other personal services in the District of Columbia, $35,000.

The amendment was agreed to.

The next amendment was, on page 72, at the end of line 23, to strike out "$926,250" and insert "$833,625," so as to read:

Steamboat inspectors: For 11 supervising inspectors; inspectors of hulls and inspectors of boilers; assistant inspector, as authorized by law, for the following ports: New York, 47; Pittsburgh, 2; New Orleans, 10; Baltimore, 10; Providence, 4; Boston, 10; Philadelphia, 12; San Francisco, 18; Buffalo, 8; Cleveland, 8; Milwaukee, 4; Chicago, 6; Grand Haven, 2; Detroit, 4; Norfolk, 8; Seattle, 14; Portland (Oreg.), 6; Albany, 2; Portland (Me.), 4; Los Angeles, 6; Galveston, 4; Mobile, 4; Savannah, 2; Toledo, 2; and 6 traveling inspectors; in all, $833,625.

The amendment was agreed to.

The next amendment was, on page 73, at the end of line 4, to strike out "$176,890" and insert "$150,000," so as to read:

Clerk hire, Steamboat Inspection Service: For compensation of clerks to boards of steamboat inspectors, to be appointed by the Secretary of Commerce in accordance with the provisions of law, $150,000.

The amendment was agreed to.

The next amendment was, on page 73, at the end of line 15, to strike out "$137,750" and insert "$110,000," so as to read:

Contingent expenses: For the payment of fees to witnesses; for traveling and other expenses when on official business of the Supervising Inspector General, Deputy Supervising Inspector General, supervising inspectors, traveling inspectors, local and assistant inspectors, and clerks; for instruments, furniture, stationery, street-car fares not to exceed $25, janitor service, contract stenographic reporting services without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), and every other thing necessary to carry into effect the provisions of title 46, chapter 14, United States Code, $110,000.

The amendment was agreed to.

The next amendment was, on page 73, at the end of line 18, to strike out "$73,313" and insert "$65,000," so as to read:

BUREAU OF NAVIGATION

Salaries: For the commissioner and other personal services in the District of Columbia, $65,000.

The amendment was agreed to.

The next amendment was, on page 73, at the end of line 23, to strike out "$5,600" and insert "$4,000," so as to read:

Admeasurement of vessels: To enable the Commissioner of Navigation to secure uniformity in the admeasurement of vessels, including the employment of an adjuster of admeasurements, purchase and exchange of admeasuring instruments, traveling and incidental expenses, $4,000.

The amendment was agreed to.

The next amendment was, on page 74, at the end of line 8, to strike out "$119,000" and insert "$100,000," so as to read:

Enforcement of navigation laws: To enable the Secretary of Commerce to provide and operate such motor boats and employ thereon such persons as may be necessary for the enforcement, under his direction, of laws relating to navigation and inspection of vessels, boarding of vessels, and counting of passengers on excursion boats, including insignia, braid, and chin straps, and coats, caps, and aprons, for stewards' departments on vessels, $100,000.

The amendment was agreed to.

The next amendment was, on page 74, at the end of line 15, to strike out "$18,840" and insert "$15,000," so as to read:

Preventing overcrowding of passenger vessels: To enable the Secretary of Commerce to employ, temporarily, such persons as may be necessary necessary, of whom not more than two at any one time may be employed in the District of Columbia, to enforce the laws to prevent overcrowding of passenger and excursion vessels, and all expenses in connection therewith, $15,000.

The amendment was agreed to.

The next amendment was, on page 74, line 16, after the word "For," to strike out "salaries of," and at the end of line 17, to strike out "$48,000" and insert "$38,100," so as to read:

Shipping commissioners: For shipping commissioners, $38,100.

The amendment was agreed to.

The next amendment was, on page 74, at the end of line 20, to strike out "$106,505" and insert "$95,000," so as to read:

Clerk hire: For compensation, to be fixed by the Secretary of Commerce, to each person or clerk in the offices of shipping commissioners, $95,000.

The amendment was agreed to.

The next amendment was, on page 74, at the end of line 23, to strike out "$12,000" and insert "$11,000," so as to read:

Contingent expenses: For rent, stationery, and other requisites for transaction of the business of shipping commissioners' offices, including janitor service; in all, $11,000.

The amendment was agreed to.

The next amendment was, on page 75, line 14, after the word "foregoing," to strike out "$23,440" and insert "$19,440," and in line 15, before the word "may," to strike out "$17,500" and insert "$14,000," so as to read:

Load lines on American vessels: To enable the Secretary of Commerce to carry out the provisions of the act entitled "An act to establish load lines for American vessels, and for other purposes," approved March 2, 1929 (U. S. C., Supp. V, title 46, secs. 85–85g), including personal services in the District of Columbia and elsewhere, traveling expenses, rentals, purchase of instruments and other equipment, furniture, stationery and office supplies, repairs to equipment, books of reference and other necessary publications, documents, plans and specifications, contract stenographic reporting services without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), and all other incidental expenses not included in the foregoing, $19,440, of which not to exceed $14,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Standards," on page 75, line 19, after the designation "District of Columbia," to strike out "$710,000" and insert "$645,000," so as to read:

Salaries: For the director and other personal services in the District of Columbia, $645,000.

The amendment was agreed to.

The next amendment was, on page 76, line 4, after the word "apparatus," to strike out "$88,000" and insert "$80,000," and in the same line, after the word "including," to strike out "$19,000" and insert "$17,000," so as to read:

Equipment: For apparatus, machinery, tools, and appliances used in connection with buildings or work of the bureau, typewriters, adding machines, and other labor-saving devices, laboratory supplies, materials, and supplies used in the construction of apparatus, machinery, or other appliances, including their exchange; piping, wiring, and construction incident to the installation of apparatus, machinery, or appliances; furniture for laboratories and offices, cases for apparatus, $80,000, including $17,000 for repairs and necessary alterations to buildings.

The amendment was agreed to.

The next amendment was, on page 76, line 17, to strike out "$68,000" and insert "$60,000," so as to read:

General expenses: For fuel for heat, light, and power; office expenses, stationery, cleaning and toilet supplies, books and periodicals, which may be exchanged when not needed for permanent use; traveling expenses; street-car fares not exceeding $100; expenses of the visiting committee; expenses of attendance of American member at the meeting of the International Committee of Weights and Measures; purchase of gloves, goggles, rubber boots, and aprons; supplies for operation, maintenance, and repair of motor trucks and a passenger automobile for official use, including their exchange; and contingencies of all kinds, $60,000.

The amendment was agreed to.

The next amendment was, on page 76, line 23, to strike out "$17,400" and insert "$12,000," so as to read:

Improvement and care of grounds: For grading, construction of roads and walks, piping grounds for water supply, lamps, wiring for lighting purposes, and other expenses incident to the improvement and care of grounds, including foreman and laborers in the District of Columbia, $12,000.

The amendment was agreed to.

The next amendment was, on page 77, line 2, after the word "field," to strike out "$318,200" and insert "$270,000," so as to read:

Testing structural materials: For continuation of the investigation of structural materials, such as stone, clays, cement, etc., including personal services in the District of Columbia and in the field, $270,000.

The amendment was agreed to.

The next amendment was, on page 77, line 17, after the word "law," to strike out "$51,700" and insert "$45,000," so as to read:

Testing machines: For maintenance and operation of testing machines, including personal services in connection therewith in the District of Columbia and in the field, for the determination by the Bureau of Standards of the physical constants and the properties of materials as authorized by law, $45,000.

The amendment was agreed to.

The next amendment was, on page 77, line 23, after the word "field," to strike out "$32,320" and insert "$25,000," so as to read:

Investigation of fire-resisting properties: For investigation of fire-resisting properties of building materials and conditions under which they may be most efficiently used, and for the standardization of types of appliances for fire prevention, including personal services in the District of Columbia and in the field, $25,000.

The amendment was agreed to.

The next amendment was, on page 78, line 6, to strike out "$101,570" and insert "$90,000," so as to read:

Investigation of public-utility standards: For investigation of the standards of practice and methods of measurements of public utilities, such as gas, electric light, electric power, water, telephone, central-station heating, and electric-railway service, and the solution of the problems which arise in connection with standards in such service, including personal services in the District of Columbia and in the field, $90,000.

Mr. FESS. Mr. President, I very much dislike to interfere with or interrupt the rhythm of legislation. I desire, however, to call the attention of the chairman of the committee to the several cuts in the Bureau of Standards. I assume that the chairman thinks that there is no way to avoid it, because of the attitude of the Senate in instructing the committee to make a certain amount of reduction.

Mr. JONES. Mr. President, the committee considered that very carefully; and in view of the attitude of the Senate and the action is has taken, we felt that we had cut that pretty reasonably, under the circumstances. There are a good many things which the Bureau of Standards can put off for a while.

Mr. FESS. Mr. President, the cut proposed in the appropriation for the Bureau of Standards is a good example of what I regard as false economy. The Bureau of Standards, from every point of comparison, is an aid in finding new wealth which I do not think is duplicated anywhere in the machinery of the Government. It is more than a great university. The salary accounts amount to a little over half a million dollars, but think how small an amount that is in contrast with what it takes to run any great university of the country, whose work is to find new things, rather than merely to distribute knowledge.

The Bureau of Standards is one of the most outstanding research organizations in the world, and what seems to me so unwise is to make cuts in the appropriations for some of these expert activities, where the salaries are very low. The present Presiding Officer [Mr. MOSES in the chair] will recall that when President Stratton resigned as head of the Bureau of Standards he was getting only $6,000 a year, and he was called away to take charge of one of the greatest research organizations of the world, where he received a salary of $25,000 a year. That is an illustration of the sort of sacrifice the scholarship found in that institution is now making for the Government. The cost in dollars and cents entailed by their activities is made up many times over in results to the Government.

I think every Senator here will recall the incident of one of the scientific research men of the Government who was experimenting in the extraction of gasoline from crude oil and discovered a method by which the increase in the amount of gasoline produced from a given amount of crude oil would more than ten times pay all the cost for a year of the Bureau of Mines, with which this scientist was connected. The morning after his announcement was made every great oil company was at his door in an endeavor to purchase the rights to the discovery, but the doctor was working under a contract such as we make with everybody who goes into any of our expert departments, providing that if there is any new discovery upon which there might be either a patent or a copyright, the man who makes it has not the ownership of it but has to turn it over to the Government for which he is working.

The single discovery to which I have referred, as I have stated before, was, in actual increase of wealth measured by dollars and cents, so vastly beyond what the entire institution would cost per year that it seems to me senseless on the part of the Federal Government to cripple an institution doing that sort of work.

It has just come to my attention that one of these research men has been for some time attempting to ascertain the secret of the light from the firefly, making the statement that that is the most perfect light with the least expendiure of energy that is known. Science seems to be led to believe that there is a possibility of finding the secret; and if it should be found, think of the revolution which would be made in the creation of light for utility purposes, to say nothing about any other direction in which it might be used.

If we look over the divisions of the work of the Bureau of Standards, dealing in colorization, dealing in refraction, dealing in various phases of activity which to-day are claiming the highest research in the universities of the world, we come to the conclusion that here is an institution in which are employed people engaged who are poorly paid, devoted to their work, seeking only to discover what is not yet known, in order to add to the sum total of the knowledge of the world, to say nothing about what they are doing in making tests for industry.

Mr. President, it seems to me that it is like saving at the spigot and letting it run loose at the bunghole, when we cut down the available fund stated for the administration of such a research unit as the Bureau of Standards.

I am saying nothing at all about the plant, about the ground, about the numerous buildings, or about the equipment of the buildings. I am speaking of the research carried on by these devoted men, the result of which is to add to the wealth of the country, materially speaking, to say nothing about any other element.

I had hoped that the Bureau of Standards at least would be saved these severe cuts which have been made.

Mr. JOHNSON. Mr. President, I can not add to what has been said by the Senator from Ohio. I believe entirely that what he has asserted is exactly the fact.

From another standpoint, too, the cut against science in this bill is obvious in what has been done to the Bureau of Standards. It is asserted here—and something was said about it yesterday—that the Bureau of Standards has been treated exactly as every other activity of the Government has been treated. The actual mathematical demonstration is that the Bureau of Standards has been cut 19 per cent. The sacred cow of the Senate, the prohibition-enforcement sum appropriated, has been cut exactly 10 per cent, and when the endeavor was made to cut it further in order that the money thus taken might be applied to scientific pursuits, the amendment was beaten by 2 or 3 to 1 yesterday.

Very well; that is past. But here is a cut in a scientific department of the Government which does its work not only for the Federal Government but for the States, the cities, the counties, and every other political subdivision in the United States. Here is a department whose appropriation is cut in such a fashion that the department will be materially crippled in the future.

If you do not believe in that department, eliminate it. If you do not believe in it, cut out all of the appropriation and have no Bureau of Standards. But when through the years you have built up scientifically a Bureau of Standards that is doing the job, to cut off one-third of its employees and its active workers, as this bill practically will do, is something that will be crippling ultimately to the Government.

You can not build up this kind of scientific organization overnight. It takes years and years and years to do the job; and after the job has been done then at one fell swoop to destroy it, even in part, makes it a very, very difficult thing again to create the bureau.

I realize there is no use at this particular time—and in the singular mentality that afflicts us and the peculiar intellectual astigmatism that is ours—to deal at all with any of these items, and I am not going to attempt to do so. But I want the RECORD to show at least what is being done to the Bureau of Standards so that we may ultimately know in the days that are to come exactly what this hysteria has carried into accomplishment.

The PRESIDENT pro tempore. The clerk will state the next amendment.

The next amendment of the committee was, on page 78, line 6, to strike out "$101,570" and to insert in lieu thereof "$90,000," so as to read:

Investigation of public-utility standards: For investigation of the standards of practice and methods of measurements of public utilities, such as gas, electric light, electric power, water, telephone, central-station heating, and electric-railway service, and the solution of the problems which arise in connection with standards in such service, including personal services in the District of Columbia and in the field, $90,000.

The amendment was agreed to.

The next amendment was, on page 78, line 12, after the word "law," to strike out "$46,160" and insert "$40,000," so as to read:

Testing miscellaneous materials: For testing miscellaneous materials, such as varnish materials, soap materials, inks, and chemicals, including supplies for the Government departments and independent establishments, including personal services in the District of Columbia and in the field, as authorized by law, $40,000.

The amendment was agreed to.

The next amendment was, on page 78, line 16, after the word "field," to strike out "$82,280" and insert "$74,280," so as to read:

Radio research: For investigation and standardization of methods and instruments employed in radio communication, including personal services in the District of Columbia and in the field, $74,280.

The amendment was agreed to.

The next amendment was, on page 78, line 23, after the word "field," to strike out "$15,180" and insert "$12,000," so as to read:

Color standardization: To develop color standards and methods of manufacture and of color measurements, with special reference to their industrial use in standardization and specification of colorants, such as dyestuffs, inks, and pigments, and other products, paint, paper, and textiles, in which color is a pertinent property, including personal services in the District of Columbia and in the field, $12,000.

The amendment was agreed to.

The next amendment was, on page 79, line 6, after the word "field," to strike out "$45,160" and insert "$40,000," so as to read:

Investigation of clay products: To study methods of measurement and technical processes used in the manufacture of pottery, brick, tile, terra cotta, and other clay products, and the study of the properties of the materials used in that industry, including personal services in the District of Columbia and in the field, $40,000.

The amendment was agreed to.

The next amendment was, on page 79, line 20, after the word "field," to strike out "$48,020" and insert "$40,000," so as to read:

Standardizing mechanical appliances: To develop methods of testing and standardizing machines, motors, tools, measuring instruments, and other apparatus and devices used in mechanical, hydraulic, and aeronautic engineering; for the comparative study of types of apparatus and methods of operation, and for the establishment of standards of performance; for the accurate determination of fundamental physical constants involved in the proper execution of this work; and for the scientific experiments and investigations needed in solving the problems which may arise in connection therewith, especially in response to the requirements of aeronautics and aviation for information of a purely scientific nature, including personal services in the District of Columbia and in the field, $40,000.

The amendment was agreed to.

The next amendment was, on page 79, line 24, after the word "field," to strike out "$25,180" and insert "$22,000," so as to read:

Investigation of optical and other types of glass: For the investigation of the problems involved in the production of optical and other types of glass, including personal services in the District of Columbia and in the field, $22,000.

The amendment was agreed to.

The next amendment was, on page 80, line 5, to strike out "$57,100" and insert "$50,000," so as to read:

Investigation of textiles: To investigate textiles, paper, leather, and rubber in order to develop standards of more durable quality and methods of measurement, including personal services in the District of Columbia and in the field, $50,000.

The amendment was agreed to.

The next amendment was, on page 80, line 17, after the word "field," to strike out "$82,520" and insert "$75,000," so as to read:

Sugar standardization: For the standardization and design of sugar-testing apparatus; the development of technical specifications for the various grades of sugars, especially involving the standardization and manufacture of sugars; for the study of the technical problems incidental to the collection of the revenue on sugar and to determine the fundamental scientific constants of sugars and other substances; for the standardization and production of rare and unusual types of sugars required for the medical service of the Government departments; and for other technical and scientific purposes, including personal services in the District of Columbia and in the field, $75,000.

Mr. HOWELL. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. The Senator from Nebraska offers the following amendment: On page 80, line 17, to strike out "$75,000" and insert in lieu thereof "$94,520, of which sum at least $19,520 shall be available for the purpose of additional work on the problem of producing sugar from the Jerusalem artichoke."

Mr. JONES rose.

Mr. HOWELL. Mr. President, will not the Senator from Washington reserve the point of order, if he had in mind to make one?

Mr. JONES. I intend to make a point of order that the item is not estimated for and has not been reported by a standing committee of the Senate, but I reserve it for the present.

Mr. HOWELL. Mr. President, it must be obvious to everyone that we have done nothing for the farmer thus far during this session of the Congress, nothing of a specific character to alter his economic situation; and as compared with other industries, agriculture has been a major sufferer. It is for that reason that I am offering this amendment. It is for that reason that I am standing here and am about to make a unanimous-consent request that the question of the suspension of the rules may be submitted to the Senate for the purpose of making it possible to act upon the amendment which I have offered.

The purpose of the amendment is to enable the Bureau of Standards to continue the work which has been under way in that organization for a number of years to develop a method of producing sugar from artichokes at such a price that the sugar can compete with sucrose—that is, cane and beet sugar.

I am not thinking of this from the standpoint of sugar; I am thinking about it as a possibility for another crop for the farmers in this country; and if anyone needs relief and help at this time, it is the American farmer.

We are importing into this country every year about 4,300,000 tons of sugar. The value of that sugar is some-

where in the neighborhood of $250,000,000. It is possible that a large proportion of that sugar can be produced in this country if a cheap method of production of levulose can be developed.

This is what the Bureau of Standards has been working upon for years. It has already accomplished the production of corn sugar. The Bureau of Standards has made corn sugar a commercial fact in this country—yes, in the world. All that is necessary, in my opinion and in the opinion of officials of the Bureau of Standards, to make levulose, the finest sugar known, the sweetest sugar known, 75 per cent sweeter than cane or beet sugar—that is, sucrose—available in this country and make it producible upon a commercial scale at prices at which it can compete with sucrose, is to carry forward this work.

Mr. COPELAND. Mr. President, am I right in my recollection that some work has already been done by the Bureau of Standards on this matter?

Mr. HOWELL. They have been working on this problem since before 1925.

Mr. COPELAND. And have made considerable progress?

Mr. HOWELL. They have made great progress.

Mr. COPELAND. The Senator desires an appropriation in order that the activity may be continued?

Mr. HOWELL. Yes; they are reaching the point now where they can see the light. Without funds they can not go on. I am talking not so much for sugar, but for another crop for the American farmer.

Mr. COPELAND. But the Senator is not altering my own conviction that here is a product which might in time become essentially an American product, and that there might be developed this new crop for the farmers and also a new sugar for the American people.

Mr. HOWELL. It is a fact that the artichoke is a native tuber. It was discovered in this country near Cape Cod before 1620 by Champlain. The artichoke was subsequently developed in France, and there are about 200,000 acres of artichokes grown annually in France to-day. They use artichokes for sheep and cattle feed. The artichoke is a native of this country and grows in nearly every State in the Union. It is a tuber which grows upon the root of a native sunflower plant, and the advantage that the production of artichokes has over the production of beets is that hand labor is not required to produce the tuber. As we are aware, the cost of weeding and thinning out and topping beets is about $25 an acre, but artichokes can be produced as corn is produced. They can be planted by machinery, they can be cultivated with corn cultivators, and they can be dug with potato diggers. In other words, it is an American crop for American workmen. It is well known that American workmen will not weed, thin out, and top beets even at $25 an acre.

All that is requested to continue this work, which seems to be reaching the point of fruition, is an increase of $12,000 in the appropriation above what was estimated by the Bureau of the Budget. It is a fact that at Ames, at the University of Iowa, there is a levulose plant in operation at the present time, producing about 20 pounds of levulose a day. Of course, manufactured upon so small a scale, the cost of levulose production is high, but all the levulose is being sold to a pharmaceutical company. It is a sugar that can be consumed by diabetics. This plant is in operation every day; but, of course, the cost of production is so high that the sugar could not compete with sucrose.

What the Bureau of Standards is attempting to do is to cheapen the process so that the sugar can be made in competition with ordinary sugar and thereby make possible another crop throughout this country for the American farmer. It would be a material aid to the farmer. I have already invited attention to the fact that we have done nothing of a constructive character for the farmer during this session of Congress. We have loaned him some money, not nearly so much as we have to other interests. We have given aid in some cases where he was suffering from drought and storm. But we have done nothing for him of a constructive nature during this session of Congress. Here is a possibility, at a small cost, of contributing to this work and end. In view of these facts, I request unanimous consent for a vote upon a suspension of the rules that we may act upon the amendment.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent for a vote upon his amendment. Is there objection?

Mr. JONES. Mr. President, I shall have to object.

The PRESIDENT pro tempore. Objection is made.

Mr. HOWELL. Mr. President, if I heard aright, the Chair did not state my proposition. I asked unanimous consent for a vote on a suspension of the rule.

The PRESIDENT pro tempore. The Chair thinks it comes to the same thing.

Mr. HOWELL. I had hoped the Senator from Washington would not object.

The PRESIDENT pro tempore. The Chair will state it in the terms desired by the Senator from Nebraska although the Chair is of the opinion that it comes to the same thing. The Senator from Nebraska asks unanimous consent for suspension of the rule in order that a vote may be taken upon his amendment.

Mr. HOWELL. No, Mr. President; I did not ask for that. I asked for a vote on a suspension of the rule. I wanted to proceed just as if I had filed a request or motion for a vote upon suspension of the rule yesterday. I do not ask that this be considered unless two-thirds of the Senate desire it.

The PRESIDENT pro tempore. The Chair now understands the Senator to desire to wipe out all proceedings whatever up to the question of taking a vote upon the matter of suspending the rule, waiving the notice and the time required by the rule. Is that correct?

Mr. HOWELL. That is correct.

The PRESIDENT pro tempore. The Chair submits that unanimous-consent request to the Senate. Is there objection?

Mr. JONES. I shall not object if we can proceed to a vote.

The PRESIDENT pro tempore. The Chair hears no objection, and the question is, Shall the rule be suspended in order that the amendment of the Senator from Nebraska shall be considered?

Mr. TRAMMELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TRAMMELL. Mr. President, no one having answered to the call of the roll, I ask permission to withdraw the request.

The PRESIDENT pro tempore. The Senator from Florida withdraws his suggestion of the absence of a quorum.

CANCELLATION OF FOREIGN DEBTS

Mr. BORAH. Mr. President, I want to take a short time to discuss a matter not connected with the bill before the Senate. Recent events have brought the subject of the debts owing to the United States by foreign countries up for discussion again. I do not think it unfortunate that the subject has been brought up for discussion at this time. We are soon to have a great and solemn referendum upon almost all political questions, and it may not be unwise to have this subject freshly before the people from this time until after the election.

It has been proposed again that the debts owing to the United States should be canceled in the interest of world economic recovery. It is contended that the debts impede economic recovery, and that the United States, as it were, is standing in the way of such recovery; that by insisting upon those debts being paid it embarrasses the progress which would otherwise be made in economic affairs.

Mr. President, it is well to recall that we once made a reduction of these debts. We did so upon the argument that it was in the interest of financial and economic betterment of world conditions. If we should turn back to the debates upon that subject or turn to the newspapers of that day, we would find that argument advanced that the

reductions were essential to the economic and financial progress and recovery of the world. But, while we made a reduction, and a very large one, as I shall undertake to show in a few moments, it did not have the desired effect. The recovery did not take place. The improvement was not at hand.

It was by reason of the fact, in my judgment, that the policies and programs obtaining in Europe made recovery impossible. It is my contention now that although we should cancel these debts in their entirety, if the policies now obtaining in Europe and the programs now offered to the world from that continent should continue to obtain, the cancellation of the debts would not have the slightest effect upon the economic recovery of the world. Economic recovery calls for a broader and more drastic program than cancellation of debts due the United States.

These debts, Mr. President, are debts owing to the American taxpayers. I have no doubt that the American taxpayer looks upon them as an economic factor and that if a program could be offered which would assure the betterment of world conditions, the opening of markets and a restoration of business in a general way, the American taxpayer would be perfectly sympathetic in the consideration of such a proposition. But no such proposition has ever been offered. No such proposition is now offered. The propositions made at all times result in unloading the entire burden upon the American taxpayer without any assurance and without any reason to assume that there will be an improvement of economic conditions throughout the world. The things which would make economic recovery are always omitted.

Before I discuss that question let me recall that the American taxpayer has been exceedingly generous in regard to these debts. He has not complained of the generosity upon the part of his Government but has in fact generously indorsed it. The settlements which were made years ago resulted in reductions or in cancellations to the extent to which I am now going to give the figures. These figures have been given to the world in different amounts, but I believe the figures which I am now offering to the Senate are correct. I have taken some trouble to have them checked and rechecked.

In the settlement which took place shortly after the World War we canceled the obligations of Belgium to the extent of 53.5 per cent, the obligations of Czechoslovakia 25.1 per cent, the obligations of France 52.8 per cent, the obligations of Great Britain 19.7 per cent, the obligations of Italy 75.4 per cent, the obligations of Poland 19.5 per cent, the obligations of Rumania 25.1 per cent, and the obligations of Yugoslavia 69.7 per cent. In other words, Mr. President, after the close of the World War, at the time the adjustments were undertaken, foreign governments were indebted to the United States, in round numbers, in the sum of $12,000,000,000; but when the adjustments had been completed the then present value of the debt was $5,800,000,000, being a cancellation of over $6,000,000,000. This cancellation was made in the interest of a better economic condition; it was made in the interest of financial recovery and of economic solidarity throughout Europe. Those things did not happen; and as I shall contend later, there was a reason for it. Let us not be led into further cancellation upon a one-sided, incomplete, and unfair program.

The most recent proposal, Mr. President, with reference to these debts was by a distinguished political leader, and is to the effect that we should forget the debts for 20 years. The first observation to be made in regard to that proposal is that if we forget them for 20 years they will be regarded and treated as canceled. If the debts are of such a nature and are so onerous and the conditions in the debtor countries are such at this time that they must be passed on for the period of 20 years, there will never again be an opportunity to consider the debts as factors in the budgets of the nations of Europe; they will be regarded as canceled. It will be impossible to restate them. When the 20 years are up, the arguments will be unanswerable to forget them forever. A leading economist has declared that a moratorium for five years would end the debts for all time.

However, Mr. President, there is another feature of this proposal which leaves no room for doubt that it is a program of cancellation poorly concealed. In addition to the fact that we are to forget the debts for 20 years, the proposal is made that for every $100,000,000 of goods purchased in this country by a nation owing us $25,000,000 shall be canceled upon the debt. That was put forward apparently with the idea that it would increase the demands of those countries for American commodities, that it would enlarge their purchases in this country and would therefore compensate us, to some extent, for the cancellation by the increased market for our products. An examination of this proposal discloses that if those nations purchased from us no more than they have been purchasing on an average for the last few years—indeed, if they continue the same purchases which they have been making—the result would be a cancellation of the debts.

For instance, the total sum which Great Britain would pay us in the next 20 years would be $3,645,605,000. If Great Britain should not increase her purchases in this country, but should make such purchases as on an average would be the same as those of the last several years, the amount which would be due her in the way of a credit upon her purchases would be $3,302,760,000.

The cancellation which would take place under the program proposed would be practically the same as the amount which she would owe us, although she had not increased her purchases in any respect whatever. If trade should continue upon the normal average basis now obtaining cancellation would be the result. There is nothing in that proposal to stimulate trade with us or to open new markets for our products.

Belgium would pay us in the next 20 years $183,883,000, but if she should receive cancellation according to her average purchases for the last seven years the amount of the cancellation would be $433,760,000.

Italy's debt would also be entirely wiped out. France would not earn complete cancellation by normal buying. The general effect of the program, however, would be the cancellation of those debts in the next 20 years although the purchases of the different nations had not augmented in any respect whatever during that time.

Mr. President, this proposition is a proposal of cancellation and cancellation without any benefit to the American taxpayer.

The question then is, Who would benefit by the proposal to forget the debts for 20 years? The American taxpayer could not benefit, because, as I have shown, there would be no increased purchases; there would be no augmentation of our market; there would be no enlargement of our sales abroad in order to bring about the cancellation. If it were true, as I presume it was supposed to be true, that $25,000,000 being offered by way of a cancellation would increase, to a very large extent, the purchases of foreign nations in this country, there could be a justification for the contention that the increase in our market would warrant the cancellation, but there is no necessity for any increase in order to secure cancellation.

In other words, a foreign nation trading with our country would have no occasion to cease buying in some other country and to buy more in this country in order to bring about cancellation. Cancellation would result if the purchases here were the same as they had been during the last several years.

There is, however, a class of people who would benefit by reason of the acceptance of the proposal. We have loaned abroad since 1915 some $17,000,000,000. The largest portion of that sum was loaned in Europe. Undoubtedly if the public debts were forgiven for 20 years or forgotten for 20 years the private creditors would be greatly advantaged by that situation. The American taxpayer would be subrogated, as it were, or subordinated to the interests of the private debtors. The American taxpayers would be asked to

step aside in the interests of those who have private claims. These claimants could likewise clean up in 20 years.

Mr. President, I have no desire to see those holding private claims lose, but it is not fair or just to ask that all the taxpayers surrender their right to the collection of these debts in order that a very few of the taxpayers may have the advantage of such action. It does not seem to me that it is a desirable proposition. The only persons who could possibly benefit by reason of the proposal, it seems to me, would be those who hold private loans in Europe. It would be, in my judgment, infinitely better to propose an absolute cancellation than to propose an indirect cancellation in the manner in which it has been proposed.

Mr. President, I think we were all interested last Sunday in reading the statement of Sir Austen Chamberlain. It is relevant to the discussion here. It rather answers the contention made by the author of this proposal that these debts can not be collected. Sir Austen says:

> We have put our house in order; we have balanced our budget and ceased to borrow. * * *
>
> We have returned to the way by which British credit was built up, and, instead of suffering from loss of confidence and withdrawal of foreign balances, we have been embarrassed lately by the plethora of foreign money offered on the London market.
>
> The British financial year ended March 31, and the accounts show a surplus of revenue over expenditures of £365,000, instead of the deficit of £70,000,000 threatened last September.
>
> The result is really more favorable than this shows, for instead of taking £23,000,000 from the dollar exchange on account of the £33,000,000, as proposed by Lord Snowden, less than £13,000,000 have been so withdrawn; the American and French credits have been repaid, except the portion of the French credit which was in private hands and cannot be redeemed till they fall due in August, and £32,500,000 have been devoted to the redemption of debt.

It would seem from this statement that there is no occasion for assuming, as has been assumed of late, that these foreign countries can not meet their obligations. France is equally able to pay. There is no reason to assume that either Great Britain or France is unable to meet its obligations, and, that being true, there would be nothing gained upon the part of the American taxpayers by cancelling $25,000,000 of the debts due us for every $100,000,000 of purchases made in this country, when those foreign nations are under obligation to make no greater purchases in order to secure the cancellation than they have been making heretofore. Viewed from any standpoint, whether of ability to pay or the advisability of cancellation, the American taxpayer can not receive any benefits from a proposal of that kind.

Mr. President, how much of the budgets of European countries are made up of the debts due the United States? This is the percentage which we are seeking to relieve those nations from taking care of in order that they may develop their markets and extend their trade. In the budget of Belgium the percentage of our debt is 2.45; the percentage of our debt in the budget of Great Britain is 3.75; of the budget of Italy, it is 1.41 per cent; of the budget of France, it is 2.65 per cent. In other words, the budgets of those nations when considered as a whole show that debts are too slight to justify the claim that they are the source of the trouble in Europe. They are a small factor.

But, Mr. President, not one dollar of any of those percentages, even small as they are, comes out of the taxpayers of France, of England, and of Italy, or of the other nations of which we may speak, but which are of less consequence. The amounts have been collected from Germany, and I venture to say that the cancellation of the debt to the extent of $25,000,000 a year for every $100,000,000 worth of goods purchased in this country would not change the situation economically or financially of the taxpayers of those countries in the slightest degree. The effect would never be felt by the taxpayers.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Does the Senator from Idaho yield to the Senator from Tennessee?

Mr. BORAH. I yield.

Mr. McKELLAR. Has the Senator the figures showing how the percentages given by him compare with the amounts spent by the several nations referred to by him for military purposes?

Mr. BORAH. Yes; I have.

Mr. McKELLAR. Will the Senator state them?

Mr. BORAH. I am coming to that in a few moments.

It can not be assumed, Mr. President, in other words, that these debts due to the United States are oppressing the people of the respective countries which owe them. The amounts are entirely too small. In addition to that, small as they are, the people of those nations do not themselves raise the money for them.

Mr. President, what is the situation in Europe? What are the things which stand in the way of economic recovery?

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Illinois?

Mr. BORAH. I yield.

Mr. LEWIS. Will the able Senator from Idaho permit a query?

Mr. BORAH. Yes, sir.

Mr. LEWIS. Upon the basis of the presentation by the Senator, in his concise treatment and representation, may I ask him what foundation or justification does he see for the moratorium, suspending payments on our foreign debts, being asked for at the time it was?

Mr. BORAH. The moratorium was proposed because of the conditions in Germany. The situation was such, or believed to be such, that Germany would be unable to meet her payments; and the moratorium was proposed in order that the nations which were collecting from Germany might relieve Germany of payment during that period of time.

Mr. LEWIS. Not related to the condition of America and our credit?

Mr. BORAH. I did not assume so; no.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. BORAH. I yield.

Mr. HOWELL. There were seven nations that were indebted to us from which payments were due that were receiving nothing from Germany, and an eighth nation that was receiving but $120,000 a year from Germany. Why should a moratorium have been provided for those nations?

Mr. BORAH. Mr. President, I apprehend that if those nations alone had been concerned there would have been no thought of offering a moratorium. It was the condition superimposed by reason of the obligations running to the larger nations which seemed to make it necessary.

Mr. HOWELL. Does the Senator think it was really necessary in connection with the other nations? Does he recall that not a single nation asked for a moratorium—not one? The moratorium was granted without a request. In nearly every one of these debt settlements there was a provision for an extension of the time of payment if the nation could not pay; but no nation had made any such request.

Mr. BORAH. Mr. President, let me say that I do not know what formal request came forward; but anyone who was familiar with the conditions in Germany last June must have known conclusively that Germany could not pay.

If I may be permitted to make a personal reference, on the 6th of June, some nine days before the moratorium was proposed, in a public statement I stated that it was my judgment that Germany could not pay; that the conditions were such that she would be utterly unable to meet the obligations due, and, further, that it was my opinion that if a collapse occurred in Germany it would spread throughout Europe, and we ourselves would not wholly escape the effect of it. I did not get that information by reason of the fact that France or Great Britain or some other nation had indicated that they wanted time, or that they, if given time, would give Germany time; but I derived my information from conditions prevailing in Germany upon facts which I

thought were reliable. I have no doubt but that they were reliable.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho further yield to the Senator from Nebraska?

Mr. BORAH. I yield.

Mr. HOWELL. But these debtors certainly ought to have requested, under their agreements, the leniency which they desired. In one case a nation had made a payment to the Treasury Department; the moratorium was granted, and the payment returned. So it indicates that it was not necessary in the case of that nation to have afforded a moratorium.

Mr. BORAH. Mr. President, I do not desire at this time to discuss the question of the moratorium. That is a thing of the past. I am willing to agree with the Senator to the extent of admitting that the results of the moratorium were disappointing; but it was not by reason of the United States that they were disappointing. It was by reason of the course of other nations, and the conduct of those other nations clearly reveals to me why it was that they had no desire to see Germany relieved.

In dealing with this question the Senator ought not to overlook the fact that the question of reparations has two phases. One is financial, one is money; the other is political; and there are nations in Europe, in my opinion, which consider the political side of vastly more importance than the financial side.

Mr. President, there is no doubt about the serious economic conditions prevailing in Europe. I should be delighted to see a program proposed which would have for its purpose relieving the conditions in Europe. I would gladly, in so far as I could, cooperate for the success of such a program. Any proposal which might be made which would give reasonable assurance of relief of that condition should be met sympathetically by the United States and considered in a sympathetic way. It seems to me, however, that no proposal has ever been made that reaches down to the fundamental conditions which obtain in Europe. No proposal has been made which would remove the obstacles that now lie in the way of recovery.

It has been said that the war ended with the armistice on the 11th of November, 1918. The war, however, did not end on the 11th of November, 1918. The war has been carried on as remorselessly and to some extent more destructively since that time than it was prior to that time; it reaches more people, encompasses the misery of more human beings, and results in greater human suffering. The economic war, the financial war, has never ceased. It was a continuation of the war upon the battlefield. It has been said—I do not know whether the statement can be supported by history or not—that when the Versailles treaty was signed, Clemenceau declared, "This is a continuation of the war." So it has been, Mr. President; and until measures are taken which relieve and change that condition of affairs, it is but idle waste of the people's money to cancel the American debts, or to pour more money into Europe. It is one thing to be just, it is one thing to want to help Europe, but it is a shameless exploitation of the American people, and a sad commentary on American leadership to offer help under a program which in the end means universal bankruptcy.

We canceled over six billions. It had no effect whatever because of the policies which obtained; and even if we should cancel these debts in full, in the hope that it would build up markets and revive trade and enliven business, in my opinion, it would not have that effect at all unless these other fundamental changes should take place.

So long as the peace treaties remain unrevised and in their present form, there will be that continuation of intellectual, emotional, and spiritual war, and there will be, in my opinion, no disarmament in Europe of any moment, or of any worth.

The Senator asked a moment ago for the figures with reference to armaments; and they are pertinent at this particular juncture.

The naval expenditures of Great Britain for the last year were $256,867,096, not including naval aviation.

Naval aviation, $86,246,459.

Land armaments, $334,937,692.

Total, $678,051,247.

The naval expenditures of France were $146,212,852.

Land armaments, $371,697,964.

Total, $517,910,816.

Italy's naval expenditures, not including naval aviation, were $81,000,000.

Land armaments, $269,057,884.

Let us look at the armed forces in those countries.

According to the latest reports of the War Department, the total organized forces of France at the present time are 6,942,559; Italy, 5,985,597; Poland, 1,977,095; Rumania, 1,725,660; Czechoslovakia, 1,647,121; Yugoslavia, 1,341,568; Great Britain, 744,646. These constitute the burden which makes any proposal to bring relief by canceling debts almost absurd.

It will be observed, with reference to those countries in Europe, that they are armed at this time more completely and more heavily than they have ever been at any time except in the midst of the great World War. To cancel debts of a comparatively few million dollars upon the theory that it is going to help the business and economic conditions of Europe without a change in this situation is, in my judgment, a perfectly futile thing. It is simply impossible. These armament burdens mean economic distress, mean misery and poverty for countless millions, and there is not enough wealth in the United States to bring prosperity to them while this program continues.

Even more important to recovery than the question of armaments is that of reparations. How can there be recovery until reparations are canceled, removed as a destructive force in the economic life of Europe.

Doctor Salter has lately written a book upon the subject of reparations; and certainly Doctor Salter views the matter as sympathetically as anyone could well do. He has been the financial adviser of the League of Nations. He is in sympathy with the views generally entertained by the Allies. He says on reparations:

> To tell the tale of reparation, and the questions with which it is intertwined, would be to write the history of postwar Europe. With its weight, its uncertainty, the methods of its discussion and its enforcement, the passions which it has expressed and aroused, it has been like an old man of the sea on the back of a continent struggling to get on its feet, after four years of prostration and enfeeblement. It has been a principal obstacle to every attempt at recovery. It has disturbed the relations of old allies no less than of old enemies. It is one of the two facets of the French demand—payment and security—which has been at the heart of the relations between France and Germany, itself the central political problem of Europe. It has thus been a principal factor in the tendency of countries to realign themselves into opposing groups and alliances, the alternative to the "collective" system of the league and the Kellogg pact, on which the future peace of the world depends. The cash results have not been proportionate to these consequences.
>
> The first characteristic of a reparation obligation is that it is a dead-weight charge. It represents damage done in a past war. It has no counterpart in a productive capital plant, such as a factory or its machinery, yielding an annual return out of which payments to the creditors can be made. It is thus essentially different from the capital obligation of an industrial company financed by a foreign loan. It is therefore a burden on the debtor State, requiring to be met by taxation, which has its normal result of reducing the taxpayers' standard of living and purchasing power, and the savings out of which domestic capital is formed; but, unlike normal taxation, it gives no service in return, such as protection of life and property and the provision of education or social insurance.

The key to the European situation, for good or for bad, is the reparation problem. If Europe can not solve the reparation problem, if the countries interested are unable to adjust that problem, it is useless—yes; it is cruelly unjust—to ask the American taxpayer to aid Europe by canceling debts, and equally useless to talk to the American banker about aiding Europe by lending more money.

Unless the fundamental questions which inhere in the European situation can be adjusted, it is not within the power of the United States, however liberal and generous its policy may be, to reconstruct, reanimate, or rebuild Europe in the slightest degree. If these matters are adjusted, then a wholly different problem is presented.

I do not know whether the reparation question can be settled or not. I do not know whether armaments can be reduced or not. No man can look into the future and even speculate with any degree of certainty. But we do know that until those things are settled the United States will be powerless to aid in the readjustment of conditions in Europe. To talk of cancellation of debts with the hope of restoring better conditions is to wholly misunderstand the problem.

It seems to me, therefore, that when we are considering the question of aiding Europe, opening up the markets of Europe, of finding purchasers for American products, or rehabilitating the purchasing power of the countless millions in Europe, we should extend our consideration beyond the mere question of the debts owed to the United States by Europe. The United States is not standing in the way of recovery by refusing to cancel debts. No program is before the United States which would make cancellation even an intelligent act, much less an effective act for human betterment. Before the United States should receive condemnation, some program should be presented which deals with the real problem involved in world recovery. For myself, I anxiously await such a program.

It is not within the power of the United States to readjust the reparations, and neither is it within the power of the United States to do very much more with reference to disarmament; with reference to land forces, practically nothing. These are European questions, and we are not in a position to be of any great help to the European situation. They are problems which Europe must settle for herself.

So far as the debts are concerned, they are a very small item in this controversy. They might be important if we were considering the entire program, the entire readjustment of conditions; but considered alone, they are a mere bagatelle in the question of adjusting the economic conditions of Europe or of the world.

Mr. HOWELL. Mr. President, a mere statement of the present worth of the European debts, such as has been made by the distinguished Senator from Idaho, does not give a notion of what these debts mean to the American people. I have no doubt as to the correctness of the present worth of these various debts as presented by the Senator. However, every dollar represented by these debts was borrowed by the American people and is now owed by the American people. All the payments Europe is to make to us reduced to equal annual installments amounts to but $317,000,000 a year for 62 years, but the interest charges we have been paying on the $12,000,000,000 we owe as a result of these debts have amounted to about $500,000,000 a year.

Moreover, we have not been receiving $317,000,000 each year. The payments which are to be made are small at the beginning. The larger payments are due in the distant future. The consequence is that since the date of settlement of each of the debts all the payments made by Europe to us added together and deducted from the interest we ourselves have paid since the settlements on the $12,000,000,000 that is outstanding will leave a deficit of $2,369,000,000 up to the end of this fiscal year.

This accounts for the Treasury deficit confronting us now. In other words, everything Europe has paid us deducted from the interest we have paid since the dates of settlement leaves us in the hole some $2,369,000,000, and every year this deficit will be increased.

Therefore, as I have said, whenever we consider what we have already canceled and what Europe has agreed to pay us, in justice to ourselves we should do so in juxtaposition with the principal and interest obligations which we have outstanding.

Mr. President, what does it all really mean? We will have to pay that twelve billions; that is settled. All that Europe has agreed to do is to help us pay our interest charges, but in so doing the debtor nations have fallen short in fully helping us out since the debt settlements to the amount of $2,369,000,000 down to July 1 next, and that deficit will constantly increase.

We have been the banker to Europe and have played our part well, so far as loaning and paying Europe money is concerned, but not otherwise. Can one imagine a banker granting a general moratorium to debtors without a request therefor? Not one of these debtor nations asked for a moratorium. Who, then, made the request? Who was it that urged the granting of a moratorium? It was our "invisible government," which includes our international bankers. That is where the request for a moratorium originated, if such a request were made—and certainly a moratorium should not have been granted without most urgent requests.

Mr. President, as the banker to Europe, we certainly ought to enjoy the prestige and respect which accrues to an American banker from his clients. However, we have conducted ourselves, not as a banker, but rather as a suppliant so far as Europe is concerned. Instead of enjoying the consideration to which we have been entitled because of the unmatched sacrifices we have made on behalf of Europe, we have been called "Shylocks."

Mr. LEWIS. Mr. President, I am sensitive lest I impose myself on this generous body—generous particularly in its acceptance of me and forbearance from time to time of such observations as I have imposed upon it. But the presentation of the eminent Senator from Idaho [Mr. BORAH], the chairman of the Committee on Foreign Relations of the Senate, makes pertinent to-day an observation which, if justified, must be taken very seriously; if not justified, should be banished as an unfounded fear. I wish to speak of it.

I recall, Mr. President, that we have it from the great bard that when the king is brought forth upon renowned occasion the courier introduces him to the audience, saying:

> Pardon, gentles all, the flat unraised spirits that have dared on this unworthy scaffold to bring forth so great an object.

I hesitate for myself to bring forth that which in comparison to all around me could be so much more appropriately produced and sustained with so much greater strength than I can accord to this audience.

I charge, from the station from which my voice now takes its way, that this matter, which the eminent Senator from Idaho has discussed with such clearness, lucidity, and power, has in it the threat to find a method of canceling the debts due from these European nations to America. It is a newfounded propaganda. It is to demand anew the suspending of these obligations from collection without regard to the opposition to cancellation or of any future compliance with the contract of payment of the debt. It is a part of an insidious conspiracy, which I impeach by that accusation.

Eminent gentlemen of Europe, commingling with that set of gentlemen described by the Senator from Nebraska [Mr. HOWELL], who has just spoken, as "international bankers," and who received the silhouette picture of themselves from the Senator from California [Mr. JOHNSON], only lately, that should accompany these gentlemen as a hideous shadow throughout all their lives—it is these originals of the picture that hope to terrorize the United States to accept the situation as presented by them and surrender to the "hold-up" demand. This highwayman's international extortion is in words such as, "Gentlemen of the American Congress, you will either prepare now to cancel these debts by some declaration which achieves the purpose, or you shall prepare to enter into some arrangement with these European powers looking to complete suspension of any collection; or, gentlemen, prepare yourselves for the moratorium which has lately been uttered and issued, to be made permanent. You will take one or the other, Mr. America, from us." The powerful international finance, with its indescribable force, will at first assert and then impel and then by its methods extort America to yield to one of these exigencies. Either or all will be put on the ground of the necessity of America, we are told in bold assertion.

First, from America it will be proclaimed that the financiers of this country see no restoration in the business interests of America until these debts of Europe have met some form of an adjustment partaking of the character of cancellation or suspension. Gentlemen lately in the last three weeks representing different species of finance and commerce of the world have been uttering this threat to us, or against the United States. At the same time, Mr. President, I invite my honorable colleagues, with their indulgence to me, to note that on the same day and the day after there would then come forth the similar proclamation from Europe: "Premier Tardieu, from France, makes the public announcement that this is essential in order that there shall be any consideration of a revival of friendship of nations. Mr. Austin Chamberlain, of England, coincides. At the same time Mr. Tardieu demands that there shall be security to France tendered and supported by America with the nations of Europe affording army and navy in the behalf of France should the necessity from her point of view arise to demand it." In such resort the United States pays in one of two ways—to pay directly for the expense, or to cancel the debts France owes her to the extent of the necessary expense of the military protection and international police.

At the same time the bankers of our own country announce in the last four days that not until we have entered into some convention with Europe that shall reach an understanding looking to cancellation or suspension of these debts will there be any effort made to revive America to her own prosperity, give impetus to her home trade, or establish her home national credit.

Mr. President, I wish to impugn no nation beyond that where justification is apparent to all mankind. Yet I can not escape a sinister conclusion from what the eminent Senator from Idaho [Mr. BORAH], chairman of the Committee on Foreign Relations, has set forth in his declarations.

It is apparent, I charge, that the new demand for cancellation or suspension has been put forth lately and again daily issued from self-styled authority and sent to the United States for the purpose of educating the American mind to the fate, saying, sir: "Gentlemen of America, you will have no prosperity to your toiler, you will have no commerce to your manufacturer, you will have no finance to your money markets until you have settled the simple fact of acceding to the cancellation of the debts of Europe or suspension of them. Now, gentlemen, if it is your hope in America to revive the destinies of your country, this is the initial point upon which we advise you to start at once on the path to the destiny of ending these obligations by surrendering them."

Who are these "we"—these gentlemen called "international bankers," who constantly advise us? Mr. President, an investigation on the part of any gentleman around us as to these particular men who have brought to this Nation great dishonor, and to its people irreparable loss from these loans where there can never be a dollar collected, and from the debacle there shall follow the disaster and distress which the holders of the so-called securities must endure. Sirs, these men are not bankers. The honorable bankers of America, high-class financiers, gentlemen of honor, who occupy their places in the banks discharging that particular function along the lines and regulations of commerce—they are bankers. But these gentlemen who are designated among themselves as "international bankers" and committed the outrageous trespass on their own people are ordinary speculating brokers who have entered into the business of getting the bonds of these foreign countries by any form of contract, and under the representation that they can deliver them to America and with high-power salesmanship sell them and obtain American money. From this trickery consummated they earn commissions in the vast millions, as shown by the investigation under the guidance of the Senator from California [Mr. JOHNSON]. These sums of profit are pay for the misrepresentation, first, that they make to the countries abroad that the United States is anxious to expend its money in their behalf in buying their securities; second, in the further misrepresentation they make to the United States purchaser as to the value of those securities.

Sir, I assert in my place that if the United States shall now proceed upon any one extreme duty, now due, it is to bring an action in such appropriate form against these gentlemen, called the international bankers, who have brought these losses upon the people of the United States, and to hold them responsible as a part of the conspiracy, themselves guilty as conspirators in the system that has robbed the public of the money and obtain a judgment against the authors of the system for the full amounts due, and bring all in court, and those who have projected the conspiracy. If the Government would but give a gesture in this direction, it would not only tend to console those who hope for something to offset their inconsolable loss but would serve as a salutary lesson against a repetition of these financial crimes upon the public confidence, and this betrayal of the credulity and trust of American citizens.

Now I come to but one other suggestion which I want to urge. This is the conspiracy that I am bold enough to charge, that is now afoot to invest the American people with the fear that "unless they do cancel these debts abroad, there will be no revival of prosperity at home. This is being pressed now to justify the citizen in the coming political campaign in surrendering his opposition." He is to be told in the election that he must adopt the suggestion of cancellation or, if not cancellation, then be prepared for an increased or extended moratorium. This new moratorium to be such a permanent one that it will operate as a suspension of these obligations from which during the lifetime of the present generation there will not be collected a dollar of payment due. In this connection the influential gentlemen have also inspired a thought in our land to oppose every form of national defense of the American Nation. To do this successfully they will educate the public mind that a proper and appropriate navy for the defense of America is itself an inroad upon the Treasury and therefore is unjustified. That to their point of view such proper preparation is one of "robbery of the tax payer." When this is successful then they take the next step. They cut the Navy to weakness. They reduce the defenses to impotence, and when such is done, conscious that we are unable to meet the affront of nations in Europe or to resent it, these marplot managers of internal finance will assert that we avoid the result of the assault that is threatened by conceding the demand of those nations for cancellation of the debt. When these opponents of America have reduced us where we have no proper power of defense to meet and resent the affront, they feel we have nothing else to do but to meet the situation by acceding to their demands.

Gentlemen, my colleagues of the Senate, hear me. I do not want war. I have seen enough of it. We are paying a dread penalty as the result of one war we entered into lately. We have seen the whole world suffer. We are confronted with the most remarkable spectacle that history has ever recorded in the annals of time. Here was a great conflict with 33 nations involved. Every citizen of the day is compelled now to certify that not one nation involved has profited as a result of the venture, not one that has not come out in bankruptcy to a great degree. Those in possession of the lands which they have taken as a prize have lost everything of profit and inherited only sadness and distress. Everywhere the picture which the Senator from Idaho [Mr. BORAH] has correctly limned blazes hideously on the eyes. Yet, despite all this multiplication of horrors and destruction, the nations, the victims, have not hesitated to prepare for something that is just beyond and in their contemplation.

Senators, my colleagues, some of you have served with me up and down through the years in one way or another; let me, as a brother lawyer speaking to his fellow lawyers, ask, by the basis of the law of circumstantial evidence, what reason will you submit to your fellow mankind for an enlightened people, such as we have around us, to increase

their Army and Navy to an extent beyond that of 1914 when the World War broke out? Why do they maintain it to the awful extent that it exists if it is not necessary—if there be not an object that they have in their mind as a justification for imposition and trespass upon their own people and a direct violation of every ethical rule of humanity on earth; of Christianity in the heaven? Can it be a useless gesture? Is it for the mere purpose that they may build armies and display them? Is it to disport them on the parade ground in their gilded uniforms when their royal master shall come out with glittering spear to behold them? That can not be.

Then, in view of this fact—and fact it is before you—that there are some purposes, these United States can not now yield to the gathering that is at Geneva called a disarmament conference of other nations in the world who bide the time when they shall dictate to us the limitations of our power of defense against every assault they brood upon making against us.

If I had my way I would withdraw any American representative from this gathering at Geneva and say to the European nations, "If you are sincere, gentlemen, in your pretenses, which seven times you have made since the World War and seven times deceived a hopeful America, as well as a trusting world, then among yourselves sit you down, settle upon your plan of disarmament, and show that these accumulations of armies and navies are not for the object of another conflict contemplated by you, and then with this gesture hold out some good faith on your part. But to draw the United States in by which she is to be one of the people whom you asked to dictate to you as to the method of your disarmament which you never expect to obey, and which you have ever promised and always deceived; but by virtue of the license that the United States having dictated to you, you get the right in turn to dictate to her, and if she gets from you the promises which you never expect to fulfill, you in the meantime exact from her promises to reduce her defense which you know she will fulfill."

I would withdraw those American representatives and I would say, "For Europe we grant the presumption of the best of good faith." I would salute her with friendship. I would request her to carry out promises in such disarmament as discloses that she seeks friendship for her own neighbors, that she has no desire to carry out a conflict for which she is preparing and through which this vast array force is to fight something and assault somewhere—all is being prepared at the instance of some secret command and for the uses of these nations who are incurring the obligations of immeasurable money and presenting the picture of universal destruction in the display of this bristling array of death to the world.

Mr. President, what I wish to say, and which I repeat at the expense of probably burdening my colleagues, is this: I want to announce to my country and to the eminent State which I in part represent that the scheme is now afoot deliberately in a conspiracy well ordered by these master gentlemen who conceive themselves as having all the intellect and, after the order of the Scripture in the Book of Job, believing that intellect will die with them when they pass away—that they have put the plan afoot to educate the American public that in the threat saying "before you can hope to prosper at home and before any aid will be given you by the bankers of your community you will first agree to cancel the debts due these international bankers. Refuse to obey the demand, we will continue your condition as one hopeless and helpless." Sir, as to these, by whatever name they go, bankers, brokers, or conspirators with their cloudy shrouding by whatever character they live, in every one of their pretenses I trust my country will arouse itself and in the realization of the truth, cry out against them the malediction of Lady Macbeth, "Out, damned spot! out!"

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes.

The PRESIDENT pro tempore. Unanimous consent having been granted, the question is, Shall the rules be suspended for the purpose of permitting the Senator from Nebraska [Mr. HOWELL] to offer the amendment which has already been reported?

Mr. JONES. While I did not invoke the rule and was willing to waive the one day's notice, I hope the amendment will be defeated.

Mr. HOWELL. Mr. President, I take the liberty again to call the attention of the Senate to the fact that we have done nothing constructive for the farmer during this session of Congress. The Bureau of Standards has been working on an experiment to provide a new crop for the farmers of the country, and is now getting near the point of fruition. Through the efforts of the bureau and information which it has obtained, the Iowa State University now has a levulose plant that is in operation and is producing 20 pounds of levulose a day, which is being sold by the college to pharmaceutical enterprises in this country.

I am merely calling the fact to the attention of the Senate so that it may be known that it is practicable to grow, and the prospect is hopeful that such an additional crop as artichokes may be grown in this country for the production of sugar, of which we purchase from abroad $250,000,000 worth a year.

All the Bureau of Standards wants to keep on with this work is $12,000 above the Budget estimate. I am not thinking about sugar; I am thinking about another crop for the American farmer; and I have asked for a vote on the question of allowing me to offer this amendment. I trust that such permission may be granted.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Nebraska. A two-thirds vote will be necessary to suspend the rules to enable the amendment to be offered. [Putting the question.] In order that there may be no uncertainty, all those in favor will rise and stand and be counted.

On a division, the Senate refused to suspend the rules.

The PRESIDENT pro tempore. The question recurs on the amendment proposed by the committee.

Mr. HOWELL. Mr. President, I trust that the amendment recommended by the committee will not be adopted. It only makes a difference of $7,520, and if it shall not be adopted the Bureau of Standards will have $5,720 more than it otherwise will have. I trust that the bureau may be allowed the additional amount.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

Mr. JONES. The committee in recommending this amendment has merely followed out the directions of the Senate. The Bureau of Standards will have $75,000 for the next year out of which they can make the necessary investigations and experiments. It also has the current appropriation which will last until the 1st of July. The bureau can proceed with the $75,000, and can use all of it for the purpose mentioned by the Senator from Nebraska if it is deemed wise to do so.

The PRESIDENT pro tempore. The question is on the amendment reported by the committee.

Mr. NORRIS. Mr. President, I desire to make an inquiry as to where the amendment is found in the bill, and what is its purpose?

Mr. FLETCHER. The amendment is on page 80.

Mr. JONES. The amendment is on page 80, line 17.

The PRESIDENT pro tempore. The amendment is found in the bill on page 80, line 17.

Mr. NORRIS. Let me inquire of the chairman of the committee what is the nature of the amendment?

Mr. JONES. It proposes to reduce the appropriation from $82,520 to $75,000.

Mr. NORRIS. Was any other consideration given to the amendment except to carry out the order of the Senate and make the reduction?

Mr. JONES. That is practically all that was done.

Mr. NORRIS. There is not any other argument in favor of the reduction, is there?

Mr. JONES. No; and there is no argument in favor of the general proposition.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee. [Putting the question.] The Chair is in doubt.

On a division, the amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 81, line 2, to strike out "$46,700" and insert "$40,000," so as to read:

Gage standardization: To provide by cooperation of the Bureau of Standards, the War Department, and the Navy Department for the standardization and testing of the standard gages, screw threads, and standards required in manufacturing throughout the United States, and to calibrate and test such standard gages, screw threads, and standards, including necessary equipment and personal services in the District of Columbia and in the field, $40,000.

The amendment was agreed to.

The next amendment was, on page 81, line 17, after the word "field," to strike out "$58,060" and insert "$50,000," so as to read:

Testing railroad-track, mine, and other scales: For investigation and testing of railroad-track scales, elevator scales, and other scales used in weighing commodities for interstate shipments and to secure equipment and assistance for testing the scales used by the Government in its transactions with the public, such as post-office, navy-yard, and customhouse scales, and for the purpose of cooperating with the States in securing uniformity in the weights and measures laws and in the methods of inspection; for investigating the conditions and methods of use of scales and mine cars used for weighing and measuring coal dug by miners, for the purpose of determining wages due, and of conditions affecting the accuracy of the weighing or measuring of coal at the mines, including personal services in the District of Columbia and in the field, $50,000.

The amendment was agreed to.

The next amendment was, on page 81, line 24, to strike out "$10,080" and insert "$6,000," so as to read:

High-temperature investigations: For laboratory and field investigations of suitable methods of high-temperature measurements and control in various industrial processes and to assist in making available directly to the industries the results of the bureau's investigations in this field, including personal services in the District of Columbia and in the field, $6,000.

The amendment was agreed to.

The next amendment was, on page 82, line 12, after the word "field," to strike out "$56,640" and insert "$50,000," so as to read:

Metallurgical research: For metallurgical research, including alloy steels, foundry practice, and standards for metals and sands; casting, rolling, forging, and the properties of aluminum alloys; prevention of corrosion of metals and alloys; development of metal substitutes, as for platinum; behavior of bearing metals; preparation of metal specifications; investigation of new metallurgical processes and study of methods of conservation in metallurgical manufacture and products; investigation of materials used in the construction of rails, wheels, axles, and other railway equipment, and the cause of their failure, including personal services in the District of Columbia and in the field, $50,000.

The amendment was agreed to.

The next amendment was, on page 82, line 16, after the word "field," to strike out "$11,140" and insert "$8,000," so as to read:

Sound investigation: For the investigation of the principles of sound and their application to military and industrial purposes, including personal services in the District of Columbia and in the field, $8,000.

The amendment was agreed to.

The next amendment was, on page 82, line 22, after the word "elsewhere," to strike out "$232,860" and insert "$100,000," so as to read:

Industrial research: For technical investigations in cooperation with the industries upon fundamental problems involved in industrial development, with a view to assisting in the permanent establishment of new American industries, including personal services in the District of Columbia and elsewhere, $100,000.

The amendment was agreed to.

The next amendment was, on page 83, line 7, after the word "field," to strike out "$29,525" and insert "$150,000," so as to read:

Standardization of equipment: To enable the Bureau of Standards to cooperate with Government departments, engineers, and manufacturers in the establishment of standards, methods of testing, and inspection of instruments, equipment, tools, and electrical and mechanical devices used in the industries and by the Government, including the practical specifications for quality and performance of such devices, and the formulation of methods of inspection, laboratory, and service tests, including personal services in the District of Columbia and in the field, $150,000.

The amendment was agreed to.

The next amendment was, on page 83, line 12, after the word "field," to strike out "$10,540" and insert "$8,000," so as to read:

Standard materials: For purchase, preparation, analysis, and distribution of standard materials to be used in checking chemical analyses in the testing of physical measuring apparatus, including personal services in the District of Columbia and in the field, $8,000.

The amendment was agreed to.

The next amendment was, on page 83, line 25, to strike out "$29,320" and insert "$20,000," so as to read:

Investigation of radioactive substances and X rays: For an investigation of radioactive substances and the methods of their measurements and testing; for investigations relative to the development of standard specifications for X-ray equipment and operation; for the investigation of the hazards of X-ray practice; for the testing and standardization of X-ray protective materials; for the standardization and design of X-ray testing equipment; for the determination of fundamental physical constants essential to X-ray diagnosis and therapy to X-ray analysis of materials and to other technical and scientific applications, including personal services in the District of Columbia and in the field, $20,000.

The amendment was agreed to.

The next amendment was, on page 84, line 6, after the word "field," to strike out "$47,900" and insert "$40,000," so as to read:

Utilization of waste products from the land: For the survey of the possibilities of the industrial utilization of waste products from the land, including cooperation with colleges, other institutions, and manufacturers, including personal services in the District of Columbia and in the field, $40,000: *Provided*, That the Bureau of Standards cooperates with the Bureau of Chemistry and Soils, Department of Agriculture, without duplication of work.

The amendment was agreed to.

The next amendment was, on page 84, line 18, after the word "field," to strike out "$47,760" and insert "$40,000," so as to read:

Investigation of automotive engines: For the promotion of economy and efficiency in automotive transportation by land and by air through investigations of the basic principles underlying the design, performance, operation, and testing of automotive engines, their fuels, lubricants, accessories, and the power-transmitting system used in connection with them, also such elements as brakes and brake linings; to promote economy in the use of liquid fuels and safety in vehicular traffic, including personal services in the District of Columbia and in the field, $40,000.

The amendment was agreed to.

The next amendment was, on page 84, line 25, after the word "field," to strike out "$9,940" and insert "$5,000," so as to read:

Investigation of dental materials: To investigate the physical and chemical properties of dental materials, including the method of their application and the causes of deterioration of such materials in service, for the purpose of developing standards of quality and standard methods of test, including personal services in the District of Columbia and in the field, $5,000.

The amendment was agreed to.

The next amendment was, on page 85, line 8, after the word "field," to strike out "$51,000" and insert "$40,000," so as to read:

Hydraulic laboratory research: For the determination of fundamental data useful in hydraulic research and engineering, including laboratory research relating to the behavior and control of river and harbor waters, the study of hydraulic structures and water flow, and the development and testing of hydraulic instruments and accessories, including personal services in the District of Columbia and in the field, $40,000.

The amendment was agreed to.

The next amendment was, on page 86, line 9, before the word "of," to strike out "$2,630,255" and insert "$2,137,280"; and in line 10, after the word "exceed," to strike out "$2,196,664" and insert "$1,800,664," so as to read:

Total, Bureau of Standards, $2,137,280, of which amount not to exceed $1,800,664 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Lighthouses," on page 86, line 14, after the name "District of Columbia," to strike out "$121,790" and insert "$110,000," so as to read:

Salaries: For the commissioner and other personal services in the District of Columbia, $110,000.

The amendment was agreed to.

The next amendment was, on page 89, line 6, after the name "District of Columbia," to strike out "$4,550,000" and insert "$4,200,000," so as to read:

General expenses: For supplies, including replacement of and necessary additions to existing equipment, repairs, maintenance, and incidental expenses of lighthouses and other lights, beacons, buoyage, fog signals, lighting of rivers heretofore authorized to be lighted, light vessels, other aids to navigation, and lighthouse tenders, including the establishment, repair, and improvement of beacons and day marks, and purchase of land for same; establishment of post lights, buoys, submarine signals, and fog signals; establishment of oil or carbide houses, not to exceed $10,000: *Provided*, That any oil or carbide house erected hereunder shall not exceed $1,000 in cost; construction of necessary outbuildings at a cost not exceeding $1,000 at any one light station in any fiscal year; improvement of grounds and buildings connected with light stations and depots; restoring light stations and depots and buildings connected therewith: *Provided further*, That such restoration shall be limited to the original purpose of the structures; wages of persons attending post lights; temporary employees and field force while engaged on works of general repair and maintenance, and laborers and mechanics at lighthouse depots; rations and provisions or commutation thereof for working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons of the Lighthouse Service on duty on board of such tenders or vessels, and money accruing from commutation for rations and provisions for the above-named persons on board of tenders and light vessels or in working parties in the field may be paid on proper vouchers to the person having charge of the mess of such vessel or party; not exceeding $2,000 for packing, crating, and transporting personal household effects of employees when transferred from one official station to another for permanent duty; purchase of rubber boots, oilskins, rubber gloves, and coats, caps, and aprons for stewards' department on vessels; reimbursement under rules prescribed by the Secretary of Commerce of keepers of light stations and masters of light vessels and of lighthouse tenders for rations and provisions and clothing furnished shipwrecked persons who may be temporarily provided for by them, not exceeding in all $5,000 in any fiscal year; fuel, light, and rent of quarters where necessary for keepers of lighthouses; purchase of land sites for fog signals; rent of necessary ground for all such lights and beacons as are for temporary use or to mark changeable channels and which in consequence can not be made permanent; rent of offices, depots, and wharves; traveling expenses, including travel for the examinations authorized by the act entitled "An act to provide for retirement for disability in the Lighthouse Service," approved March 4, 1925 (U. S. C., title 33, sec. 765); mileage; library books for light stations and vessels, and technical books and periodicals not exceeding $1,000; traveling and subsistence expenses of teachers while actually employed by States or private persons to instruct the children of keepers of lighthouses; all other contingent expenses of district offices and depots, including the purchase of provisions for sale to lighthouse keepers at isolated stations, and the appropriation reimbursed, purchase not to exceed $3,000, exchange, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work; payment of rewards for the apprehension and conviction, or for information helpful to the apprehension and conviction of persons found interfering with aids to navigation maintained by the Lighthouse Service, in violation of section 6 of the act of May 14, 1908 (U. S. C., title 33, sec. 761), and not exceeding $8,500 for contingent expenses of the office of the Bureau of Lighthouses in the District of Columbia, $4,200,000.

The amendment was agreed to.

The next amendment was, on page 89, at the end of line 13, to strike out "$2,490,000 and insert "$2,370,000," so as to read:

Lighthouse vessels: For salaries and wages of officers and crews of light vessels and lighthouse tenders, including temporary employment when necessary, $2,370,000.

The amendment was agreed to.

The next amendment was, on page 89, line 21, after the name "District of Columbia," to strike out "$653,080" and insert "$600,000," so as to read:

Superintendents, clerks, etc.: For salaries of 18 superintendents of lighthouses, and of assistant superintendents, clerks, draftsmen, and other authorized permanent employees in the district offices and depots of the Lighthouse Service, exclusive of those regularly employed in the office of the Bureau of Lighthouses, District of Columbia, $600,000.

The amendment was agreed to.

The next amendment was, at the top of page 90, to strike out:

Public works: For establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $449,708, to be immediately available.

Mr. JOHNSON. Mr. President, will not the Senator from Washington please explain why that entire item was stricken out?

Mr. JONES. Because officials of the Lighthouse Service advised us they did not propose to put in any public works during the next year.

Mr. JOHNSON. I did not understand the Senator.

Mr. JONES. Those in charge of the Lighthouse Bureau propose to suspend the putting in of new public works in connection with lighthouses during the next year.

Mr. JOHNSON. Quite the contrary to that has been stated to me, though I do not question the correctness of the Senator's statement. This item of $499,708 provides for work that was contemplated and that was estimated for by the Budget Bureau. Is not that correct?

Mr. JONES. That is correct.

Mr. JOHNSON. There is one little item in connection with the paragraph which I think ought to be adopted, and I will submit it and see whether or not it can not be agreed to.

The port of Stockton, in the State of California, is engaged, in conjunction with the United States Government, in the work of making a port there which will be completed within the next few months. In that port the Lighthouse Bureau has prepared for the construction within the next few months of a lighthouse and fog signal, so as to make safe the ships that may enter the port. The full amount which was asked for and which was approved by the Budget Bureau—and I quote from the Budget estimates, page 236—the full amount for the particular item was $32,444. The amount required for the immediate prosecution of the work is only $16,000.

That $16,000 ought to be accorded, in order that the work may be commenced and completed at the earliest possible date. Unless that shall be done, the peril that may come to ships entering the port may involve sums infinitely greater, of course, than this very small appropriation. So I am going to offer a very slight amendment, a $16,000 item, in the hope that it will be accorded by the Senate. In lieu of the four lines proposed to be stricken out on page 90, I ask that there may be inserted the following:

For establishing and improving aids to navigation, establishing lights and for signals to mark the deep-water channel to Stockton, Calif., $16,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from California.

Mr. FLETCHER. Mr. President, instead of striking out the entire appropriation of $449,708, I wonder if it would not be possible somewhat to reduce it so as to take care of other situations?

Mr. JOHNSON. Mr. President, of course that ought to be done.

Mr. FLETCHER. I think so, because the work of providing aids to navigation, and the work of the Lighthouse Service is very important, not only in California, but to all other sections of the country. The Gulf and the South Atlantic sections I know need a good many of these aids to navigation, and if we strike out the entire item the work

can not proceed. I think we ought not to strike out the entire amount, but reduce it to, say, $200,000.

Mr. JOHNSON. If the Senator will yield—if Senators will look at the Budget estimates, at page 235, they will see, for instance, under the heading "Aids to Navigation, Lighthouse Service"—

Cape Hinchinbrook Light Station, Alaska: Rebuilding light and fog signal station.

I am advised that by the erosion of the water the steps to that lighthouse station have been worn away and the money that was recommended by the Budget Bureau for their reconstruction is denied by this bill. It is a dreadful situation.

Mr. FLETCHER. I hope the committee will agree to let the item remain in the bill, with the appropriation reduced to $200,000. That will leave the bureau something to go on in order to take care of the necessary things.

Mr. McKELLAR. Mr. President, may I call the attention of the Senator to pages 86, 87, 88, and 89, where provision is made for—

General expenses: For supplies, including replacement of and necessary additions to existing equipment, repairs, maintenance, and incidental expenses of lighthouses and other lights, beacons, buoyage, fog signals, lighting of rivers heretofore authorized to be lighted, light vessels, other aids to navigation, and lighthouse tenders, including the establishment, repair, and improvement of beacons and daymarks, and purchase of land for same; establishment of post lights, buoys, submarine signals, and fog signals—

And so forth.

These and many other aids to navigation are provided with an appropriation of $4,200,000.

Mr. JOHNSON. Those items, if the Senator will permit me, relate, according to the Budget Bureau and according to information from Mr. Putnam, who, as I understand it, is in charge of the service, to other things than those that are set forth by the Budget Bureau and embraced in the item which has been stricken out.

Now let me call to the attention of the Senate the projects which the appropriation in this item covers. I have referred to one in Alaska.

Then come the following: Chelsea Lighthouse depot, Massachusetts; Woods Hole Lighthouse depot, Massachusetts; Charleston, S. C.; Tampa Bay, Fla.; Miami Harbor and approaches, Florida; Mobile Lighthouse depot, Alabama; Buffalo Lighthouse depot, New York; St. Marys River, Mich.; Whitehead Light station, Maine; Hudson River, N. Y.; James River, Va.; Portsmouth depot, Virginia; Corpus Christi Channel, Tex.; Oswego, N. Y.; Los Angeles Harbor Lighthouse depot, California; San Joaquin River, Calif.; Nawiliwili Harbor, Hawaii. All of those were provided in the Budget and the estimates made and taken care of by the House bill; and the item taking care of them was in the first four lines of page 90.

May I ask the Senator from Washington whether it is not possible to fix some amount—it is immaterial to me what it is—that will leave some leeway for doing what is absolutely essential in that regard?

Mr. JONES. Mr. President, let me call the attention of the Senator to the fact that the cuts in the lighthouse matter have been far less than in any other part of the bill; and here is what the Secretary says:

When we were instructed by the Senate to cut these items the Secretary was called upon by the committee to indicate where those cuts could be made with the least harm.

And this is what he said about this item:

Public works, Lighthouse Service: The ill effect of further curtailment of this appropriation has been set forth above, but its elimination would account for $449,708 out of a total of $1,078,386 required to be saved as a result of a 10 per cent cut. This cut would be illogical from an economic standpoint, but it would probably have the least damaging effect to the service as a whole.

That accounts for the cut.

Mr. JOHNSON. Is that taken by the Senator as a justification for the cut?

Mr. JONES. It is not taken as a justification of the cut.

Mr. JOHNSON. Hardly.

Mr. JONES. It is taken as the method by which we could best meet the instructions given to us by the Senate.

Mr. JOHNSON. Inasmuch as the cut is asserted to be illogical, inasmuch as it is asserted that it ought not to be made, is there not some sum total that we may agree may be put in the bill? Do not take the full amount that is given by the House if you do not wish to; but some leeway ought to be accorded for the necessary work.

This is not like the ordinary work. This is not like destroying the Bureau of Standards, or taking 130 men and putting them on the street, so that they join the ranks of the unemployed, as you are doing by this bill. This is something that relates to the safety of human beings, and the possible destruction of ships of infinitely greater value than the entire appropriation.

Mr. JONES. Mr. President, the Secretary of Commerce went over the whole matter. He went over the whole proposed cut in the Department of Commerce; and he made other cuts, too. This is the recommendation he made with reference to this matter. Of course it is up to the Senate now. I have said before that I do not approve of a whole lot of these cuts, but I am trying to obey the orders of the Senate.

Mr. JOHNSON. I recognize that. I will withdraw for a moment the amendment I presented. Let me suggest that instead of $449,708 we put $250,000 there as leeway for the construction of lights, fog signals, and the like.

Mr. JONES. We are doing away with the previous orders of the Senate if we do that.

Mr. JOHNSON. This is not a cut of 10 per cent. This is a cut of 100 per cent.

Mr. JONES. That is true; but the Senate directed us, in the aggregate, to make a 10 per cent cut, and this is a part of the aggregate. However, I want to suggest to the Senator that upon a proper showing made to the committee having charge of the deficiency bill the money can be used. It is up to the Senate to determine whether or not it is going to follow its previous order.

Mr. JOHNSON. That is correct.

Mr. JONES. If it does, all right. If it wants to violate those orders, well and good.

Mr. JOHNSON. Yes.

Mr. JONES. The Senate committee has done the best it could in the reduction of 10 per cent. After the Secretary of Commerce was called upon he suggested that that could be eliminated with less detriment than anything else; and the committee now submits the matter to the Senate.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JONES. I yield.

Mr. BARKLEY. I am in full sympathy, of course, with the effort of the committee to reduce the appropriations, and was one of those who voted to send the bill back with instructions to do that. Of course, that carried with it the implication that there would be an aggregate cut of 10 per cent.

I notice in one item here that the committee has reduced the appropriation for expenses of operating the district and cooperative offices of the Commerce Department from $664,000 to $462,000, taking off more than $200,000 from an item of $664,000, which represents a cut of something over 30 per cent. Will the Senator explain just why in that particular item, covering the expenses of district and cooperative offices scattered over the country, whose purpose is to aid in the facilitation of commerce, which is so necessary at this time for the restoration of any prosperity that may be in sight, it was necessary to take so large a cut, and a very much smaller one on other items, in order to make up the average of 10 per cent under the instructions of the Senate? I should also like to know whether that means that some of these offices must be abolished, or whether it means that there shall be a scaling down in all of them without the abolition of any of them.

Mr. JONES. Mr. President, that is a matter that will be left to the department. I will say frankly that I think it will mean the discontinuance of the service of several of these offices. Where they will be, I do not know. That was

a part of the scaling down of the appropriations to meet the 10 per cent cut that the Senate ordered.

Mr. BARKLEY. I understand; but when the committee cut 30 per cent in one item like that, it seems to me it must have left some items almost uncut, because the average of 10 per cent is not a large average on the whole.

Mr. JONES. I will suggest to the Senator that on page 89 there is an item of $2,105,280 for keepers of lighthouses from which we did not cut a cent? Why? Because we considered the Lighthouse Service one of the special services. We had to make up for the failure to cut off 10 per cent there in the case of some of these other items. In the case of some of the other large items we did not cut off 10 per cent, so that cut had to be made up somewhere else.

Mr. BARKLEY. Let me ask the Senator how many of these district and cooperative offices of the Department of Commerce are scattered over the country under this appropriation to which I referred a moment ago?

Mr. JONES. I do not know how many there are. There are quite a good many.

Mr. BARKLEY. Does the Senator know whether it will be the policy of the department to go as far as possible in meeting this program of retrenchment by reducing the expenses in offices that are maintained, in order not to have to abolish any more of them than is necessary? In other words, if an office is being operated at an expense of $50,000 a year, will it be the policy of the department, say, to reduce that to forty or forty-five thousand dollars rather than to leave some offices with all the expenses now involved and abolish others altogether?

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. JONES. I yield.

Mr. DICKINSON. I should like to suggest that I have had this matter up with the department, and I know that this cut will mean the abolishment of some of the offices in their entirety. I happen to know that one of them is going to be in Des Moines, Iowa, yet under the instructions of the Senate this cut had to be made, and our committee was more favorable to cutting this foreign service and these foreign service offices than it was to cutting some other items in the bill. The committee was divided on the matter, and I am sorry to say I was in the minority.

Mr. BARKLEY. What I had in mind was this: It may be entirely possible for the Department of Commerce on a reduced appropriation to continue many of these offices, probably not on the same scale that they have been operated in the past but with a reduced personnel and reduced expense, so as to spread this reduction out over all of them and keep as many as possible of them operating, instead of allowing some of them to be operated on the same scale heretofore existing, and at the same time abolishing a number of them that probably ought to be retained.

Mr. JONES. May I say that that is a matter that was left entirely to the department, and I am satisfied that they will do the very best they possibly can in the interest of the public service.

Mr. JOHNSON. Now, may I renew my amendment, Mr. President? My amendment is that the sum of $449,708 in the House text be made $250,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from California.

Mr. FLETCHER. Mr. President, I hope that amendment will be agreed to.

The first reduction under this head, "Bureau of Lighthouses," is a 10 per cent reduction, from $121,000 to $110,000.

The next reduction appears on page 89, from $4,550,000 to $4,200,000. That is $350,000 off that appropriation.

The next reduction is from $2,490,000 to $2,370,000.

The next reduction is from $653,000 to $600,000.

There is more than 10 per cent off the items in this bill already, before we get to this one, and here the committee strikes it all out.

Mr. JONES. The Senator from Florida has skipped two or three great, big items in which no cut at all was made.

Mr. FLETCHER. Yes; that is true. There are not many cuts made.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from California to the House text. [Putting the question.] By the sound the ayes appear to have it.

Mr. McKELLAR. I call for a division.

Mr. JONES. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Connally	Johnson	Reed
Bailey	Copeland	Jones	Robinson, Ark.
Bankhead	Couzens	Kean	Robinson, Ind.
Barbour	Cutting	Kendrick	Sheppard
Blaine	Dickinson	McGill	Shipstead
Bratton	Fess	McKellar	Vandenberg
Byrnes	Fletcher	McNary	Wheeler
Capper	Hale	Moses	
Carey	Howell	Oddie	

The PRESIDENT pro tempore. Thirty-four Senators having answered to their names, there is not a quorum present.

Mr. McNARY obtained the floor.

Mr. BLAINE. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BLAINE. I desire to ask unanimous consent to have a newspaper editorial printed in the RECORD.

The PRESIDENT pro tempore. The Chair regrets that he can not entertain the request, there being no quorum present. No business can be done without a quorum, except that the Senate may adjourn.

Mr. JONES. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. JONES. Could we vacate the call for a quorum by unanimous consent?

The PRESIDENT pro tempore. By unanimous consent the call may be vacated.

Mr. CONNALLY. Mr. President, after it has been determined that there is no quorum present, how can the call be vacated?

The PRESIDENT pro tempore. The Senate has shown that by unanimous consent it can do practically anything.

Mr. CONNALLY. I do not think that is good practice. I raise the point.

The PRESIDENT pro tempore. Objection is made. The Senator from Oregon continues to hold the floor.

Mr. CONNALLY. I think that would be a dangerous practice. If that could be done, less than a quorum could do business.

The PRESIDENT pro tempore. The Chair is of opinion that it is not good practice, but the uniform precedent of the Senate is that it can do anything by unanimous consent.

Mr. JONES. Mr. President, I agree with that myself, but I was going to say what I wanted to offer.

The PRESIDENT pro tempore. No business whatever can be transacted until a quorum is developed.

Mr. JONES. I can remark, can I not?

The PRESIDENT pro tempore. There can be no discussion.

Mr. McKELLAR. Mr. President, can we not have a second call and get a quorum? I hope that can be done, and that we may finish the consideration of the bill to-day if possible.

Mr. McNARY. Only 34 Senators have responded to the call, and it is not likely that a second call would produce a quorum.

Mr. JONES. I merely wanted to state what I would like to do. If we can vacate this order at this time——

The PRESIDENT pro tempore. The Chair thinks this is out of order.

Mr. McNARY. Mr. President, I move that the order of the Senate previously made be carried out.

The motion was agreed to; and, in accordance with the order previously entered, the Senate (at 4 o'clock and 50 minutes p. m.) adjourned until to-morrow, Wednesday, April 20, 1932, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 19, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Come Thou, the One whose power is in love, in long suffering, and in the gentleness and reign in us. Restrain us from intemperate words and give us the disclosures of Thy wisdom; hold them as a torch to guide us in all our ways. O God, lift us above any lower forms of motive and appeal and inspire us with a conception of duty that shall grow larger and wiser and more beautiful. O may it not be a vain thing that we are here. Bestow upon us such an understanding of our country's call and need that disquietude shall be arrested, all our fellow countrymen shall be encouraged, and the epic of the human heart heard again in all our land. In the adorable name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolution:

Senate Resolution 201

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. WILLIAM J. HARRIS, late a Senator from the State of Georgia.

Resolved, That a committee of 15 Senators be appointed by the Vice President to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 882. An act for the relief of G. W. Wall;

H. R. 1202. An act for the relief of Lehde Schoenhut;

H. R. 2086. An act for the relief of Francis Engler;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 3265. An act for the relief of W. J. Shirley;

H. R. 3373. An act for the relief of Fireman's Fund Insurance Co.;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 4329. An act for the relief of Alton B. Platner;

H. R. 5259. An act for the relief of Steve Fekete;

H. R. 5272. An act for the relief of Frank Bayer;

H. R. 5848. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Richmond, Va., in June, 1932;

H. R. 7788. An act authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department;

H. R. 8087. An act authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservation of rights, ways, and easements;

H. R. 8779. An act granting certain lands to the board of commissioners of the Orleans levee district in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 9066. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa;

H. R. 9143. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak.;

H. R. 9301. An act to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark.;

H. R. 9974. An act to authorize appointment of public-school employees between meetings of the Board of Education;

H. R. 10088. An act to revive and reenact the act entitled "An act authorizing the South Carolina and the Georgia Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.," approved May 26, 1928;

H. R. 10362. An act to require the approval of the General Council of the Seminole Tribe or Nation in case of the disposal of any tribal land; and

H. R. 10489. An act to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3580. An act for the relief of Clara E. Wight;

H. R. 4868. An act for the relief of George E. Casey; and

H. R. 8083. An act providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 277. An act defining and regulating power sites upon the Blackfeet Indian Reservation, in the State of Montana;

S. 660. An act for the relief of Hamilton Grounds;

S. 1271. An act for the relief of the estate of George B. Spearin, deceased;

S. 1385. An act for the relief of Dan Davis;

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased;

S. 1705. An act for the relief of Samuel C. Davis;

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton;

S. 2393. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., and for other purposes;

S. 2990. An act for the relief of C. O. Meyer;

S. 2991. An act for the relief of B. J. Sample;

S. 3179. An act for the relief of Charles E. Bourke;

S. 3334. An act for the relief of William M. Sherman;

S. 3386. An act for the relief of Nellie Francis;

S. 3638. An act to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases;

S. 3675. An act relating to the deferment and adjustment of construction charges for the years 1931 and 1932 on Indian irrigation projects;

S. 3711. An act to authorize the adjustment of the boundaries of the Chelan National Forest, in the State of Washington, and for other purposes;

S. 3830. An act to remove a cloud on the title of certain land in the city of Corpus Christi, Tex.;

S. 3847. An act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings;

S. 4038. An act to amend section 1 of an act entitled "An act to provide home care for dependent children in the District of Columbia," approved June 22, 1926;

S. 4235. An act to aid the Grand Army of the Republic in its Memorial Day services, May 30, 1932;

S. 4289. An act to amend the act of February 23, 1927, as amended (U. S. C., title 47, sec. 85), and for other purposes;

S. J. Res. 108. Joint resolution to authorize and direct the Secretary of Agriculture to investigate the cost of maintaining the present system of future trading in agricultural products and to ascertain what classes of citizens bear such cost;

S. J. Res. 134. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Manob Suriya, a citizen of Siam; and

S. J. Res. 135. Joint resolution creating a joint commission concerning the coordination and economical administration of the executive departments and independent establishments of the Government.

PHILIPPINE INDEPENDENCE

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent to extend my own remarks on the Philippine question.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMNECK. Mr. Speaker, independence for the people of the Philippine Islands, in my judgment, is assured. The National House of Representatives has already so voted. The bill is now in the Senate. The vote in the House was overwhelming—306 to 47. That is a reflex of American public sentiment upon this question. The Filipinos are practically unanimous in their demand for national freedom.

The notable exceptions are American-controlled newspapers in the islands. The owners of these papers probably have valuable concessions over there which they want to protect and preserve, a purely unselfish ambition, of course. If the Senate concurs in the passage of the bill by a relatively strong vote Congress, in my opinion, will override President Hoover's veto, which is certain.

Opposition to Philippine independence in this country is limited to a subsidized press, American investors in the Philippines, imperialists, and those who sincerely believe that the Filipinos have not yet reached that stage of proficiency in the science of government where they are capable of self-government.

What are the facts? There are 22,000 people under civil service in the Philippine Islands. There are but 500 Americans among them. The Filipinos are a self-governing people even now. They administer public affairs in all of the eight hundred and more municipalities. They are rapidly increasing also their participation in the central government. The chief justice of the supreme court is a Filipino. Four of the nine members of that court are Filipinos. They occupy almost all minor judicial positions and have liberal representation in all other courts. The Philippine Legislature is composed of Filipinos, so that they have an important part in governing the islands and various municipalities at this time.

They have made wonderful progress as a people along educational lines. There are now in excess of 9,000 schools in the Philippines, several colleges and universities, with an enrollment of approximately 1,400,000 pupils and students. There are 19,000 in the universities. The English language is taught in the schools and has been during the 30 years the United States has been in control of that government. Thousands now speak the English language fluently and understandingly. As a matter of fact, it is the common language there. More than 31,000 teachers are employed in these schools. All but 300 are Filipinos. That should have a significant bearing upon their capabilities as a people. One-third of the annual budget is devoted to educational purposes.

Hon. CAMILO OSIAS, Resident Commissioner from the Philippines, recently made the statement in the House of Representatives that the "present record of literacy in the Philippines to-day is higher and better than that of 37 of the independent countries of the world." In the same speech he said: "We are from all standpoints ready for independence." And so they are. They possess another requisite qualification to good citizenship, and that is that more than 90 per cent of the people of the Philippines are classed as Christians.

There are many reasons why these people should be granted their independence. I will enumerate a few. They are:

First. That we have promised them their independence.

Second. That failure in this respect would involve our national integrity.

Third. That they have a balanced budget, which shows capacity.

Fourth. That their economic situation is better than our own.

Fifth. That the country's natural resources are unlimited, the exploitation of which by American parasites should be ended.

Sixth. That they are a law-abiding, peace-loving people, with a natural pride for national freedom.

Seventh. That they have reached that state of proficiency in the affairs of government where they are capable of self-government. All of which entitles them to their independence. The reasons just cited influenced my action in voting for their independence as a people.

Most Americans, I think, are imbued with the "Spirit of '76," which should ever abide in the hearts and souls of men. It is brought to our attention every now and then in connection with the George Washington bicentennial celebration commemorating his two hundredth birthday anniversary. To mention Washington is to revive memories of Jefferson and that immortal document penned by him, known as the Declaration of Independence, the most human document ever written.

Our mission in the Philippines was one of humanity. They were rescued from Spanish tyranny, and a government formed, the purpose of which was to prepare them for control of their own affairs. Our mission there has been performed, and it is our duty now to withdraw in orderly fashion, with all American concessionaires leading the procession. There is no valid reason for further delay in granting them independence. It is up to the American Government to make its word good. The Filipinos had faith in us. We should show faith in them. "Justice delayed is justice denied," some one has said.

The time for action has come. Government in the islands has been regularly and thoroughly organized. Peace and order prevail. With conditions thus propitious we should surrender our sovereignty, glorify our work, and gracefully retire.

In connection with my study of the Philippine question I have noticed that a sort of a bureaucracy is in the sprouting in Government over there. Fortunately, Filipino directors are at their head. Their presence in Government is enough to arouse the sympathy of anyone. When the Philippines finally come into their own under this grant of national freedom and national independence eight years hence, they should see to it that these bureaus and commissions, or by whatsoever name known, are cut out root and branch. This precaution is necessary if they would preserve their equilibrium as a nation and maintain a balanced budget. To those who still insist that the Filipinos are not capable of self-government, I would remind them that under this grant of independence, already passed by the House and now pending in the Senate, they will have eight more years to go. They can learn a great deal in eight years. The United States has learned a whole lot in the last four years. At the end of that 8-year period they will know much more than they do now, which will the better qualify them for self-government. Meanwhile they can be studying recent American history and largely benefit by our sad experiences and intolerable sufferings.

MRS. CORRA HARRIS

Mr. TARVER. Mr. Speaker, I ask unanimous consent to proceed for one minute for the purpose of making an announcement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TARVER. Mr. Speaker, there is seated in the gallery a distinguished citizen of my district. Her name is a household word throughout the United States. She is one of the leading American writers of to-day. She first achieved literary fame when she became the author of the Circuit Rider's Wife and has subsequently added many valuable

contributions to American literature. She is now engaged in writing her impressions of the Congress of the United States. [Laughter.] I am sure the House will be glad to know it and to know her, and I take a great deal of pride in introducing as my constituent, in the east gallery, Mrs. Corra Harris. [Applause.]

NAVY DEPARTMENT APPROPRIATION BILL

Mr. AYRES. Mr. Speaker, by direction of the Committee on Appropriations I submit a privileged report on the bill (H. R. 11452, Rept. No. 1081) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes.

The SPEAKER. Referred to the Union Calendar and ordered printed.

Mr. FRENCH. Mr. Speaker, I reserve all points of order on the bill.

THE LATE SENATOR WILLIAM J. HARRIS

Mr. CRISP. Mr. Speaker, thrice since last July the Grim Reaper has visited the Georgia delegation in Congress. On yesterday the able, beloved, and distinguished senior Senator from Georgia, the Hon. WILLIAM J. HARRIS, fell asleep, a sleep that knows no earthly awakening.

Never has there been a man in public life who more sincerely and earnestly strived to serve his country and his State, and he succeeded most admirably. He was untiring. He was faithful to every trust. He loved his fellow man, and he loved all Georgia, and all Georgians loved him. In his passing away the Nation has sustained a great loss, and Georgia's loss is irreparable. He was the best-beloved man in our State.

The Senate will ask a state funeral for him to-morrow, and shortly this House will receive an invitation to attend those services. Therefore I will not ask that the House adjourn to-day, for I am sure my beloved friend would prefer that the House transact public business, for he was himself a slave to duty and literally killed himself in the public service. I shall ask that, when the House reassembles to-morrow after the state funeral, as a further mark of respect to the memory of this distinguished Senator, my warm, personal, beloved friend, the House immediately adjourn.

I offer a resolution which I have sent to the desk.

The SPEAKER. The gentleman from Georgia [Mr. CRISP] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 196

Resolved, That the House has heard with profound sorrow of the death of the Hon. WILLIAM J. HARRIS, a Senator of the United States from the State of Georgia.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of 15 Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER appointed the following Members of the House to attend the funeral of the late Hon. WILLIAM J. HARRIS, a Senator from the State of Georgia:

Mr. JOSEPH W. BYRNS of Tennessee, Mr. CHARLES R. CRISP, Mr. CARL VINSON of Georgia, Mr. BERTRAND H. SNELL, Mr. WILLIAM R. WOOD of Indiana, Mr. WILLIAM W. LARSEN, Mr. CHARLES H. BRAND of Georgia, Mr. WILLIAM C. WRIGHT, Mr. WILLIAM C. LANKFORD of Georgia, Mr. EDWARD E. COX, Mr. MALCOLM C. TARVER, Mr. ROBERT RAMSPECK, Mr. HOMER C. PARKER of Georgia, Mr. JOHN S. WOOD of Georgia, and Mr. W. CARLTON MOBLEY.

Mr. CRISP. Mr. Speaker, I ask unanimous consent that immediately upon the House reassembling to-morrow after attending the funeral of the late Senator HARRIS in the Senate, as a further mark of respect to him the House immediately adjourn.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

APPOINTMENT OF GRADUATES FROM NAVAL ACADEMY, 1932, AS ENSIGNS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8083) providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand, the gentleman is asking to send this bill to conference?

Mr. VINSON of Georgia. I am asking unanimous consent to permit it to go to conference, and asking for a conference with the Senate.

Mr. SNELL. Is it agreeable to the ranking minority member of the Naval Affairs Committee?

Mr. VINSON of Georgia. I am satisfied it is, because it contains provisions that are different from what the House passed.

Mr. SNELL. It seems to me the gentleman ought to have the consent of the ranking minority member, and until that is secured I will have to object. I object, Mr. Speaker.

NAVAL APPROPRIATIONS BILL

Mr. AYRES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11452) making appropriations for the Navy Department for the fiscal year ending June 30, 1933, and for other purposes. Pending that motion, if agreeable to the gentleman from Idaho [Mr. FRENCH], I would suggest that general debate continue for the remainder of the day, the time to be equally divided between the gentleman from Idaho and myself.

The SPEAKER. The gentleman from Kansas moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the naval appropriation bill. Pending that motion, he asks unanimous consent that general debate continue for the balance of the day and that the time be equally divided between the gentleman from Idaho [Mr. FRENCH] and himself. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, does the gentleman from Kansas expect to proceed to the consideration of the bill under the 5-minute rule to-day?

Mr. AYRES. No.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Kansas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11452, the naval appropriation bill, with Mr. FULLER in the chair.

The Clerk read the title of the bill.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. AYRES. Mr. Chairman, I wish to preface my statement by a public expression of my appreciation of the assistance rendered by the gentleman from Idaho [Mr. FRENCH], the gentleman from Alabama [Mr. OLIVER], and the gentleman from New York [Mr. TABER] in preparing this bill. I am deeply indebted to them.

The gentleman from Arizona [Mr. DOUGLAS] did not participate in framing the bill because he has been continuously engaged with the Economy Committee.

Mr. Chairman, national defense exacts a heavy toll of Federal revenues. Of the total sum payable from the Treasury under the original Budget for 1933, excluding public-debt items, approximately 22 per cent is on account of the Military and Naval Establishments. Twelve per cent represents the Navy's portion.

The total bulks large, more so at this particular time perhaps, because of our financial plight, and if it appears

large to us, it is not amazing that we are met with a widespread urge to effect substantial reductions in outlays proposed for the support of our defense departments.

I have always been an advocate of adequate national defense. What the least amount is that is necessary to maintain establishments sufficient to uphold and support our national policies I am not prepared to express an opinion. The question has many ramifications. The judgments of the men we have educated and trained in the military and naval professions differ. Basically, it is a question of what physical forces we need to provide ourselves with and what number of personnel is necessary as a nucleus for expansion in emergency.

The Navy is the fleet and vice versa. The combatant physical forces of the Navy have been quite definitely limited by treaty. The employment of such forces as we have already built and are now building very largely must determine the size of the naval budget. Vessels may be employed actively; they may be placed in reserve commission, with reduced complements aboard; or they may be maintained in a decommissioned status with just ship keepers aboard. Such dispositions determine the need for personnel, expenses of operation, and the amounts necessary for the supporting establishments ashore. I should like right here to read to you from Admiral Pratt's testimony touching the employment of ships. On page 56 of the hearings you will find this statement:

> The Navy Department is constantly seeking means to reduce expenditures. One of the most obvious methods is to decommission ships. A careful survey is made annually, and only such ships are kept in commission as are considered to be absolutely essential to provide security for the Nation and to perform the functions assigned to the naval service. In determining the number of ships to be maintained in commission, the following are some of the factors which must be considered:
>
> (a) A sufficient force ready for immediate action must be maintained in order to handle minor peace-time situations of an emergency nature.
>
> (b) A sufficient force must be maintained to provide for adequate training of types such as battleships, cruisers, destroyers, air craft, and submarines and for the further development of the capabilities and tactics of each type and the coordinated action of all types. There must be a sufficient number of each type to permit the development of tactics and to work out advanced naval problems.
>
> (c) A sufficient force in addition to the fleet to protect our interests in disturbed areas must be maintained. Fleet units are available to reinforce these ships engaged on this duty when necessary. This availability makes possible a detail of only a very small force for this object.
>
> (d) We must maintain sufficient personnel in training on combatant ships in active commission to provide nucleus crews for vessels of combatant and auxiliary types out of commission. There must be sufficient personnel to accomplish this without unduly affecting the efficiency of the units from which these crews are taken.
>
> (e) In line with the previously stated factors, we must maintain sufficient personnel in combatant ships in reserve commission to keep the material in such condition that they will be able to go into full commission on short notice and ready to take part in active operation when the necessary additional personnel have been supplied and trained.

Then the admiral adds:

> Under the stress of existing conditions we have cut our operating forces to the danger zone. We can not go any further without jeopardizing our national security. International conditions are such to-day as to render it unwise, in my opinion, to make any further cuts in the operating forces of the Navy.

Admiral Pratt is Chief of Naval Operations. The incumbent of that office, the highest in the American Navy, is charged by law, under the direction of the Secretary of the Navy, with the operations of the fleet and with the preparation and readiness of plans for its use in war. Speaking for myself, but I am confident I voice the sentiment of every member of the subcommittee, I think it is exceedingly fortunate for the Nation that we have a man of Admiral Pratt's breadth of vision and sound judgment in that key position at this particular time. His statesmanlike qualities admirably suit him for the office. The naval subcommittee leans heavily upon his judgment.

World conditions to-day unhappily are not as inspiring as we might wish. The world-wide economic depression has disturbed domestic tranquility in every quarter of the globe. In his annual message to the Congress on December 8 last the President stated that—

> In many countries political instability, excessive armaments, debts, governmental expenditures, and taxes have resulted in revolutions, in unbalanced budgets, and monetary collapse and financial panics, in dumping of goods upon world markets, and in diminished consumption of commodities.

And that—

> Within two years there have been revolutions or acute social disorders in 19 countries, embracing more than half of the population of the world.

Since that message was presented we have witnessed a conflict in the Orient, which was a direct challenge to the efficacy of the treaty for the settlement of international issues by peaceful methods.

Mr. Chairman, whatever our individual convictions may be as to the institution of war and the further need for armed conflicts, the very fact that we maintain Military and Naval Establishments is an admission of its potential recurrence. Unhappily, the predominant sentiment of America, which I am sure is for everlasting peace, can not be implanted in the hearts and minds of all mankind of other lands.

And so, my colleagues, our task in shaping this bill for your consideration has not been an easy one. On the one hand was the insistent urge to cut, and then cut some more, and on the other was the consciousness of our duty to provide for an establishment that world conditions prescribed as a minimum, but at the lowest possible cost consistent with a measurable degree of efficiency.

Admiral Pratt is authority for the statement that our operating forces have been reduced to the "danger zone." The committee is unwilling at this time to require them to be further reduced. It may be that as the calendar year advances, or before the ensuing fiscal year approaches its close, the general complexion of world affairs may so change as to justify decommissioning more vessels than the Budget contemplates shall be in that status. We naturally would expect that course to be pursued as a measure of economy if warranted by altered circumstances, the consequent personnel reduction, however, to be contingent upon a determination of minimum requirements of combatant ships in active commission and of nucleus crews for combatant auxiliary types out of commission.

Therefore, Mr. Chairman, the committee has turned from the active fleet in its search for ways in which to curtail expenditures and these I shall refer to presently in more or less detail.

The appropriations for the Navy Department and the naval service for the present fiscal year amount to $358,262,123. For the fiscal year commencing next July the Budget carries a total of $341,677,450. The bill under consideration carries $326,340,466, or $31,921,657 less than the sum of the current appropriations and $15,336,984 less than the Budget estimates. These figures all apply to the appropriation of funds in the Treasury not otherwise appropriated.

However, in drawing a comparison with the present year from a potential-expenditure standpoint we should take into account the proposed diversion and utilization of a portion of the capital of certain naval funds now permanently appropriated to specific purposes. In addition to the direct appropriation of $341,677,450 included in the Budget for 1933 on account of the Navy, we are asked to make available $8,750,000 of such special naval funds. The committee, as far as the total amount goes, proposes concurrence in that recommendation and, in addition, is advocating a reappropriation of $1,000,000 in augmentation of the direct appropriation it is recommending for naval public works. Considering these special funds and the reappropriation—and this should be done in order to get the correct possible-expenditure picture—and excluding, of course, balances carried forward from one fiscal year into another, you will find that the bill makes available $336,090,466, or $22,171,657 less than the sum of the current appropriations and $14,336,984 below the Budget recommendations; and actually it is by this latter

figure, namely, $14,336,984, that the committee is proposing to lessen Treasury demands during the ensuing fiscal year. Some of it is a deferment, it is true, but by far the larger part of it represents a permanent, clear saving, and none of it anticipates a deficiency appropriation later in the year.

To effect a further reduction would occasion resort to measures such as reducing personnel, withdrawing vessels from active commission, providing lesser sums for the repair and upkeep of vessels, reducing employees in the various shore establishments, and reducing the pay of personnel, civil and naval, all more or less interrelated and influenced by the operating-force plan, which is the program respecting the disposition and employment of vessels. As a measure of economy, the department has introduced into the operating-force plan what it terms a "rotating plan," which contemplates the periodic rotation between active and reserve commission of combatant ships. I should like again to read from Admiral Pratt's testimony regarding this rotating plan.

This rotating plan between vessels in full and reserve commission is designed to maintain the combatant ships in reserve commission in a satisfactory state of material readiness capable of being fully commissioned when the necessary additional personnel have been supplied and trained. The vessels in full commission are the active units with the operating forces. Those in reserve commission—with from 25 to 40 per cent complement on board—are maintained at navy yards.

During the period vessels are in reserve status they are given their necessary routine navy-yard overhaul. Vessels of the operating forces are relieved regularly in this plan by vessels which have been in a reserve status, so that all vessels of a category have the same number of months in full commission and those in reserve have the same number of months in that status.

The operating force is always maintained at full operating strength, as it is not reduced by vessels being withdrawn for navy-yard overhaul.

In an emergency vessels in reserve should be materially ready in from one to three months—depending upon the degree of completion of overhaul—but these vessels will require additional personnel to bring them up to complement when placed in full commission. This additional personnel must be trained and incorporated in a vessel's organization before it can be considered as ready for an emergency as a vessel in full commission.

This rotation scheme, which has been included in the 1933 operating force plan, is designed primarily to reduce the maintenance and operation cost of the fleet, and, secondarily, to prolong the life of our ships. The resultant reduction in the number of active units makes it mandatory that the full cycle of training in gunnery, engineering, tactics, etc., be undertaken during the year to the end that the progressive training of the fleet be not interrupted. An interruption in the cycle of training would mean that we would not only lose the benefit of the lessons learned during the current year, but that the personnel would end the year far below the standard which they had attained at the beginning. Such an interruption would have disastrous effects which would take several years to overcome.

Looking to future years and the advent of new ships countenanced by the London treaty, we must look to an extension of the rotating plan and possibly the actual decommissioning of some units in order to stabilize at or lower the present annual naval cost apart from new ship construction. A very interesting study has been completed by the department of what it would cost upon different premises annually to maintain the entire Navy if and when of full treaty proportions. The result is set out in the form of a table, printed on pages 46 and 47 of the hearings.

The surest way to future smaller expenditures would be a further reduction compact between the five principal naval powers. Having established relative strength it is reasonable to expect that further accord might be reached in the same ratios within the bounds that now control.

Pay constitutes a very sizable portion of the naval budget. Approximately $82,800,000 goes to pay of approximately 47,300 civilians and about $148,000,000 to pay of naval and Marine Corps personnel, including retired and reserve forces, or, all told, approximately 67 per cent of the Budget estimate; and, of course, these figures exclude expenses directly incident to personnel, such as subsistence and clothing of enlisted men, recruiting, education and training, medical care and hospitalization, and transportation. If you will turn to page 6 of the report on the bill, you will find an itemization of the active personnel for which the bill makes provision. The bill contemplates no expansion in any of the commissioned forces. The line of the Navy, exclusive of officers classed as extra numbers, is limited by law to 5,499 officers. That number, under the terms of the bill, may not be exceeded.

No increase is provided in any of the Staff Corps over the number appropriated for 1932 save the Medical Corps, where provision is made for the number holding commissions on March 31, 1932. The enlisted strength of the Navy is continued at the present year total of 79,700. We prohibit further commissions in the Marine Corps until June, 1933, and provide for the reduced number of enlisted men recommended in the Budget; that is, 15,343. The restrictions the committee is advocating on numbers of commissioned personnel permit a reduction of $491,677.

Pay of personnel always offers an immediately productive way of effectuating economies. The question has been much discussed during the present session, and many proposals have been brought forward. The subject is one for separate determination, and the committee has not disturbed the present pay rates of civilian personnel or the base pay and allowances of naval and Marine Corps personnel, active or retired. It has included a provision, which appears as section 2 of the bill, intended to prevent any increase in the compensation of civilian officers and employees, and it is advocating, it is hoped with the approval of the House, an entirely different policy respecting the increase of pay of persons under flying orders and on submarine duty.

Under the law officers and enlisted men are entitled to receive—

An increase of 50 per cent of their pay when by orders of competent authority they are required to participate regularly and frequently in aerial flights, and when in consequence of such orders they do participate in regular and frequent aerial flights as defined by such Executive orders as have heretofore been, or hereafter may be, promulgated by the President.

The committee is recommending that flying pay—that is an increase of pay over and above regular pay and allowances—shall not be at a rate in excess of $1,100 per annum. Our real airplane pilots to-day—and it must be so by reason of age in time of war—are in grades below lieutenant commander in the Navy and in grades below the relative rank of major in the Marine Corps. As to the present, this is evidenced by the statements on pages 302–304 and 708 of the hearings, showing the assignments of officers drawing flying pay in grades above lieutenant in the Navy and captain in the Marine Corps. Why should officers in the higher grades receive a greater increase of pay for flying than the junior officers, who daily are assuming all the risks attendant upon practice in drilling and training in the art of war-time maneuvers and tactics? It is among such junior officers and student flyers that the principal hazards lie and not in the group which does straightaway flying or, as to another group, to use the language of the Chief of the Bureau of Navigation in the hearings of a year ago, who draw flying pay "for being carried around in a plane under ideal conditions, with selected pilots, selected weather, and selected planes." The records show that for the 5-year period ended December 31, 1931, out of a total of 46 deaths among naval aviation officers owing to flying duty but 7 occurred in grades above lieutenant. The reason for selecting $1,100 as the maximum amount for flying pay is because that is the maximum rate now being received by the larger portion of the junior officer aviators.

The action proposed with respect to flying pay, if enacted into law, would result in a number of officers on submarine duty receiving a greater increase by reason of such service than officers on aviation duty. The law provides that officers and enlisted men attached to submarines shall receive an increase of 25 per cent of their pay. The committee therefore has fixed the maximum increase of pay for submarine duty at 25 per cent of the average pay, including longevity, of a senior lieutenant, or $720. The estimates contemplate 280 officers on such duty, 27 of whom will be affected by the proposed change.

The money saving from these two sources during 1933 would be $302,073.

This is the most far-reaching change the committee has proposed touching active personnel. All changes are brought to your notice in the report, but I wish to draw some of them to your especial attention.

RETIRED OFFICERS

Convinced as it is that the Navy and Marine Corps are amply supplied with officers, the committee is proposing that no funds shall be used for employing retired officers on active duty, and in connection with retired officers, a provision has been inserted on pages 29 and 30 of the bill denying both retired pay and civil pay to any retired officer, including former temporary and reserve officers, holding civil positions under the Federal Government or the municipal government of the District of Columbia or under any corporation a majority of the capital stock of which is owned by the Government of the United States, unless retired pay and civil pay combined amount to $3,000 per annum or less.

There are six retired officers of the Navy and Marine Corps employed on active duty under the Navy Department drawing active duty pay. Retired Navy and Marine Corps emergency officers number around 375. The committee is not advised as to the total number of either group filling civil positions under the Federal Government. The department is without complete information on the subject.

As another measure of economy, the committee has included a provision directed at the assignment of officers of the naval reserve to permanent active duty. On September 30, last, there were 37 reserve officers employed on permanent active duty, drawing a total in pay and allowances of $206,169. Sixteen of these officers were in grades above lieutenant. Seven of them were captains, some of whom were doing the same work as lieutenants. But one officer of the Marine Corps Reserve is employed on continuous active duty. The committee has inserted a provision on pages 12 and 13 of the bill intended to prevent the continuance of more than one officer in each service above the grade of lieutenant in the Navy and captain the Marine Corps. This action permits of a reduction of $30,108.

ENLISTED PERSONNEL

The bill provides, in agreement with the Budget, for 79,700 enlisted men of the Navy and 15,343 enlisted men of the Marine Corps. With respect to the former, the committee is proposing to limit the number of chief petty officers and chief petty officers under acting appointment to the number appropriated for for the present fiscal year—5,910 and 850, respectively. This admits of a saving of $91,275.

In a letter dated March 19, 1932, addressed to the then chairman of the Committee on Economy, Hon. JOSEPH W. BYRNS, the Secretary of the Navy indicated that the Marine Band would serve all needs of the Navy in Washington and that "military features" would not be affected if all bands at navy yards except Cavite, P. I., were discontinued. The Secretary specifically excepted the bands at training stations and at the Naval Academy. The adoption of this course would ultimately dispense with the need for 355 bandsmen and the committee has included on page 25 of the bill a provision looking to that end.

Turning to personnel in the civil components, the Navy also has a Reserve Officers' Training Corps. Units are maintained at Yale, Harvard, Georgia School of Technology, University of Washington, University of California, and Northwestern University. There is a statement on page 25 of the hearing showing the enrollment since the beginning of this activity in 1927 and the number and disposition of the graduates. The total enrollment is limited by law to 1,200.

By suspending training cruises during 1933 it will be possible to save in travel, pay, and rations in kind $29,915, and the committee has deducted this amount from the estimate and is including on page 15 of the bill a provision denying the use of the appropriation for training or practice cruises, stipulating, however, that such denial shall not interfere with the issuance of appointments to graduates as ensigns in the Naval Reserve. Under the basic law training or practice cruises are a prerequisite to a commission.

NAVAL RESERVE

For the Naval Reserve, apart from the so-called assigned men and transferred men, the estimate calls for a total of $3,840,000. For the seagoing branch the estimate figure is $2,581,617. The balance, or $1,258,383, is for reserve aviation activities. The estimate is $780,835 less than the current appropriation, most of which applies to the aviation branch because of the planned curtailment in basic and advanced aviation training.

Following the conclusion of the hearings the Navy Department, as a measure of economy, decided to suspend active-duty training for the seagoing branch during the summer of 1932 and throughout the fiscal year 1933. This change of plans will admit of a reduction of $682,812 in the Budget estimates for the seagoing branch. In addition to such sum, the committee has made the following reductions:

For rental and administration of armories	$10,000
For drills, by limiting number with pay to 48 and assuming 85 per cent attendance on the part of officers	20,508
By limiting the rank of officers on permanent active duty to lieutenants, except one captain for detail as general administrative officer of the reserve	30,108
By allowing for subsistence for week-end cruises the amount of the original estimate	25,073
Or a total additional reduction of	85,689

As presented, the bill provides for 48 drills for officers and 42 drills for men of the Fleet Naval Reserve, 45 hours of flying time for officers in the aviation branch, for 18 hours' flying time for primary student pilots, and 200 hours of flying time for advanced student pilots. No reduction is made in the aviation branch except $6,187 for flying pay for reserve officers at a rate in excess of $1,100 per annum.

We have a class of reservists composed of what are termed "assigned men." Assigned men are former enlisted men who, for a consideration of $25 per annum, obligate themselves to serve in the Navy or Marine Corps in the event of war occurring within four years from the date of expiration of their enlistments. You will find the law on the subject in full on pages 31 and 32 of the report. The estimates provide for 6,100 assigned men in the Navy and 2,960 in the Marine Corps. This assigned force always has impressed the committee as a needless item of expense, and we have inserted on pages 25 and 45 of the bill provisions prohibiting the assignment of additional men to the reserve forces. It will mean a saving next year of several thousand dollars and ultimately of about $225,000 per annum.

That concludes, I believe, Mr. Chairman, the most important personnel matters that entered into the formulation of this bill.

Now it is my purpose to recount here in detail all of the changes effected by the committee in the way of reductions in the Budget estimates. The report is very full and all will have consideration under the 5-minute rule. A number of the more important changes, however, I do feel I should bring to your attention at this time. In the first place, let me say that the Budget was not unsparing in passing upon the naval estimates. There is a new item in relation to the 1932 appropriations of $15,000,000 for the modernization of battleships, which the Budget includes and still shows a reduction, excluding special funds of $7,834,673. The principal Budget reduction is in the item of public works. Another substantial cut is on account of aviation, owing to the completion of the 5-year airplane program. A reduction in the enlisted strength of the Marine Corps from 17,500 to 15,343 yielded a further sizable sum, and there are others of varying proportions, some because of nonrecurring expenses, some owing to deferments, and others because of reduced commodity costs.

Under the Bureau of Construction and Repair we have made reductions totaling $599,000. Of this amount $159,000 was suggested by the Chief Constructor, Admiral Rock, owing to the planned accomplishment during the present fiscal year of work contemplated by the estimates to be done in 1933, and the deferment until 1934 of the equipment of vessels with new code-signal flags. The committee has subtracted this amount and has taken off $190,000 estimated

for 3 new ammunition lighters, and a further sum of $250,000 from the $550,000 intended to be applied to the building of small boats as replacements of types such as enumerated on page 445 of the hearings.

BUREAU OF ORDNANCE

For naval-ordnance activities, other than new construction work at ordnance stations and ordnance on account of ships building, the Budget proposes $11,810,000, or $1,120,585 less than the current appropriation. The reduction is generally applied, extending practically to all phases of ordnance activities. In view of the sizable Budget reduction, the committee was hesitant to trust its own judgment in determining if and where additional savings might be effected, and consequently had the chief of the bureau furnish a list of items totaling $810,000 which might be dispensed with or deferred with least injury to the service. The list is in the possession of the committee. For some of the items the committee is unwilling to deny funds. Its solution has been to make a further reduction of $500,000, leaving its application to the judgment of the bureau. In addition, it has subtracted $39,000 included in the estimate for the purchase of small arms and rifle-team equipment. The expenditure of this amount is not intended to be discretionary.

PAY OF THE NAVY

The committee has made reductions under the Budget for pay and allowances of naval personnel aggregating $638,585. The contributing factors I have already discussed; the major ones at least. I shall merely recapitulate:

Pay and allowances of 47 fewer officers (11 line, 24 medical, and 14 dental)	$232,872
Flying pay	271,890
Submarine pay	6,806
Limit number of enlisted men in pay grades 1 and 1a	91,275
Change in original plan respecting reserve vessels	11,742
Outfits on first enlistment, owing to decline in value of clothing allowance	24,000
Total	638,585

SUBSISTENCE OF NAVAL PERSONNEL

For subsisting enlisted men of the Navy, midshipmen, and nurses, the Budget proposes $15,780,000, compared with $16,502,216 for the present year, the reduction being due to a 46-cent instead of a 48 cent ration and various personnel adjustments affecting subsistence status. The cost of the ration continued to decline following the submission of the Budget and for the quarter ended December 31, 1931, had dropped to $0.43832. The committee understands that there has been a further falling off and has written the bill on the basis of a 42-cent ration. Unless there should be an appreciable upward trend in food prices, it is the thought of the committee that the department should so administer the appropriation as to avoid a deficiency. A reduction has been applied to all per diem allowances at present prevailing, including midshipmen, with the result that it has been practicable to subtract a total of $1,496,183 from the Budget estimate.

TRANSPORTATION OF NAVAL PERSONNEL

The estimate includes $4,562,000 for the transportation of officers and enlisted men and their dependents. Probably I should say that this figure includes about $125,000 for expenses on account of recruiting. An overestimate of $128,000 was developed on account of travel allowance by enlisted men upon discharge. In addition to the subtraction of this amount, as a measure of economy, the committee has allowed for the travel of officers one-third of the amount expended on that account in 1931, permitting a reduction of $266,327, and, in consequence thereof, has reduced the estimate for travel of dependents by 25 per cent, or $150,000, making a total reduction below the estimate of $544,827. The appropriation has been so phrased as to limit the cost of travel to the reduced allowances.

In this connection officers upon permanent change of station are entitled to have transported at public expense household effects within certain weight allowances, graduated according to rank. Automobiles come within the classification of household effects. The cost in connection with the preparation for shipment and shipment of privately owned automobiles is estimated at $327,500. The committee has reduced the appropriation by $307,500, and has included a provision denying the use of any appropriation contained in the bill for any expense incident to the transportation of privately owned automobiles except on account of the return to the United States of such cars as may be in transit, or already have been transported, to points outside of the continental limits of the United States at public expense on the date the bill shall become law. For the return of cars embraced by the exception, $20,000 is allowed to remain.

FUEL AND TRANSPORTATION

Owing to the prevailing low prices of fuel oil, the Budget estimate of $7,000,000 is $1,513,171 below the current appropriation. A modified steaming program, prepared by the Chief of Naval Operations at the instance of the committee, will permit a further reduction of $215,000; and a restudy of the estimated charges for electric current, compressed air, and steam required for the use of personnel of the vessels undergoing modernization admits of a further reduction of $50,000.

The Budget recommended that authority be given, in the event of a rise in the cost of fuel oil, to use without charge a limited quantity of fuel oil at the expense of the naval supply account fund. In our present stringent financial state, if fuel costs go up the committee would expect less steaming, unless an emergency situation should arise.

MAINTENANCE, BUREAU OF YARDS AND DOCKS

This appropriation is charged with the repair and maintenance of $400,000,000 worth of public works; also with certain operating and administrative expenses at industrial yards chiefly. For the present year $9,014,816 was provided. The Budget proposes $8,600,000 for 1933. The objects of expenditure are enumerated on page 667 of the hearings. Within the reduced amount additional maintenance dredging, estimated to cost $150,000, will need to be taken care of, and there will be no funds available for other than normal maintenance. The committee, however, arbitrarily has subtracted $200,000, which does include, though, $12,700 intended for the purchase of 11 passenger-carrying automobiles.

The bill makes provision for the purchase of no passenger-carrying automobiles, and section 3 of the bill precludes the use of cars on hand, except by the Secretary of the Navy, for other than official purposes, and the exclusive assignment of any except to the Secretary of the Navy, the Commander in Chief of the United States Asiatic Fleet, Marine Corps officers serving with expeditionary forces in foreign countries, and medical officers on out-patient medical service.

Heretofore the bill has carried a limitation on expenditures for the maintenance, operation, and repair of passenger-carrying automobiles, including the compensation of civilian operators, except Marine Corps cars with expeditionary forces abroad. The limitation at present is $110,000. The committee has reduced the limitation to $70,000 and has provided that such sum shall include the pay of enlisted men employed as chauffeurs. These measures obviously will compel a reduction in the number of cars operating and will tend to bring about an adjustment upon the basis of actual official requirements.

A statement with respect to Navy cars on hand commences on page 672 of the hearings.

PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

For new public-works projects, including those under way, the Budget recommends a direct appropriation of $4,122,000 and an indirect appropriation, which contemplates a draft upon the naval hospital fund, of $1,000,000. For the present fiscal year $12,184,000 has been appropriated. Of this amount it is estimated that $3,785,000 will remain unexpended on July 1, 1932, and that in addition there will be available on such date $800,000 of the appropriation heretofore provided for the Sunnyvale lighter-than-air base. These two balances, plus the amounts estimated for 1933 totaling $5,122,000, it is planned to apply approximately as follows:

Continue ammunition-storage program	$2,000,000
Continue development of Sunnyvale lighter-than-air base	3,000,000
Continue work on projects commenced under appropriations carried in 1932 naval appropriation act (enumerated on p. 681 of the hearings)	1,400,000
Continue work on projects authorized in the public works authorization act approved May 14, 1930, and which were initiated in the fiscal year 1931 (enumerated on p. 681 of the hearings)	1,750,000
Undertake new projects	422,000
Begin construction of naval hospital at Philadelphia	1,000,000
Total ($15,000 in excess of estimate)	9,572,000

In lieu of the Budget estimate of $5,122,000, including $1,000,000 of naval hospital fund money, the committee proposes a direct appropriation only of $2,790,000, or a reduction of $2,332,000, arrived at as follows:

By omitting the Philadelphia naval hospital project (does not affect total of bill)	$1,000,000
By reappropriating unexpended balances of all public-works appropriations	1,000,000
By eliminating the magazine-replacement project, naval-ammunition depot, Lake Denmark, N. J. ($120,000), and a reduction suggested by the Bureau of Yards and Docks because of possible savings and some work not progressing as rapidly as first anticipated	332,000
Total	2,332,000

As to the first item of omission, a new naval hospital was authorized to be erected in Philadelphia by the act approved February 12, 1931, at a cost, including equipment, accessories, utilities, and appurtenances, of not to exceed $3,000,000. A supplemental estimate has been presented proposing an expenditure of $1,000,000 out of the naval hospital fund to begin this project. Following the principle it is understood was applied in the preparation of the original Budget that no funds would be recommended for undertaking new work, the committee has made no provision for initiating this project. From a purely naval standpoint the hospital is not required nor is its erection advocated by the ranking administrative officials of the Navy Department.

The Navy has 5,071 beds in fire-resisting buildings. On November 11 last naval patients numbered 2,514.

It is true the present hospital layout at Philadelphia is entirely of temporary construction, but this is true as to Charleston, S. C., Parris Island, S. C., and Pensacola, Fla., while at many other places, as will be seen from the table on page 746 of the hearings, both permanent and temporary facilities exist, the latter being the more commodious in two or three instances, particularly at Great Lakes. The new establishment planned for Philadelphia is described on page 686 of the hearings. It would be approximately of 650-bed capacity.

With respect to the proposal to reappropriate unexpended balances, there is but one justification for the course—that is, public-works appropriations are continuing and remain available for obligation until expended. There are many balances of long standing which should have been covered into the general fund of the Treasury, but instead have been continued alive available for further obligation. It would seem desirable to cancel their availability in this manner and in the future have but one public-works fund, applicable to objects specifically authorized and appropriated for, and not continue to have a number of unused balances the further obligation of which the Congress, if consulted, might or might not approve.

The project of replacing magazines at Lake Denmark has been omitted not only because it lacks authorization but because $927,000 was appropriated in the first deficiency act, fiscal year 1927, for the rehabilitation of this station, following which a general program was adopted by Congress to provide appropriate and adequate ammunition storage facilities for both the Army and Navy in consequence of the recommendations of the Joint Army and Navy Board, printed in House Document No. 199, Seventieth Congress, first session. The joint board stated that nothing was necessary to be done at Lake Denmark beyond the rehabilitation work then in progress.

The new projects for which the bill makes provision appear on pages 38 and 39 of the bill. The places and amounts follow:

Navy yard, Norfolk, Va	$110,000
Naval ammunition depot, Hingham, Mass	17,000
Naval ammunition depot, Mare Island, Calif	75,000
Lightning protection at ordnance stations	60,000
Naval radio and compass stations	40,000

While on the subject of shore establishments, you have heard it frequently expressed that we maintain too many navy yards; that we have too much navy on shore. I concur in that view. At the instance of the committee the Secretary of the Navy caused a study to be made of the question, and after the hearings on the items in the bill had been concluded the Secretary of the Navy, the Chief of Naval Operations, and other officers of the department appeared before the subcommittee and indicated that there was no justification for continuing in possession of certain establishments and property or for continuing to operate others. Some, it was suggested, might be sold or leased and others closed down. Some propositions were contingent upon others, and some looked to future rather than immediate accomplishment.

If none of the "ifs"—and there were many of them, as I recall—prove to be obstacles, we are told that ultimately we might expect annually to save around $2,500,000. The plan as a whole lacks sufficient definiteness for legislative action. However, as it looks to the saving some time of some amount, the committee has inserted on page 39 of the bill a provision clothing the President with authority to effect such dispositions of shore establishments as the department may recommend.

AVIATION

We propose reductions totaling $1,271,295 in the estimates on account of naval aviation. I shall only refer to the three major items contributing to that sum.

The estimate includes $245,800 for special improvements at air stations, of which $90,000 is for fire protection, improvements, and additions to night-flying lighting systems, lighting of obstructions, air marking, and so forth. The committee has allowed this latter amount. Other projects—and there has not been any specific indication of their nature—if undertaken at all, under the terms of the bill, will need to be financed out of any savings it may be possible to effect under the appropriation as a whole.

The new rigid airship *Akron* is now in commission. Its sister ship, the *Macon*, will be completed about January 1, 1933. The bill carries the final appropriation—$1,450,000—to complete this ship. As a measure of economy, if for no other reason, it is believed the *Los Angeles* should be permanently placed out of commission. In the committee's judgment, this might be done immediately. The Budget includes $270,000 on account of the *Los Angeles*.

The Navy's 5-year airplane program was brought to a close in June, 1931, when it came into possession of 1,000 "useful airplanes." Including 166 planes assigned to Navy and Marine Corps Reserve aviation, on November 1, 1931, the Navy was in possession of 1,092 useful airplanes. The authorized program calls for 965 planes for regular Navy and Marine Corps aviation, and on November 1, 1931, exclusive of obsolescent and obsolete types, there were 926 modern planes on hand and 530 on order or to be ordered under appropriations and contract authorizations heretofore granted for regular Navy and Marine Corps aviation, or a total of 1,456. Of these 1,456 planes, it is estimated that by July 1, 1933, in other words, the beginning of the fiscal year 1934, attrition will have removed 420, in which case there will be a surplus of from 2 to 25 planes over the authorized number of every type of which it is proposed to order new planes during 1933, save the transport type, of which it is estimated there will be a shortage of 2.

The Budget includes $7,200,000 to pay for airplanes ordered and to be ordered under the contract authorization contained in the 1932 naval appropriation act, and $800,000 of appropriation and $5,000,000 additional contract authori-

zation for purchasing or ordering 150 new airplanes and 1 nonrigid airship during the fiscal year 1933.

In view of the fact, using the estimated wastage figure of 420 planes to the end of the fiscal year 1933, that we will begin the fiscal year 1934 with an actual surplus of modern, useful planes, the committee has deducted the $800,000 of cash but is allowing the contract authorization of $5,000,000 to remain, applicable only to new airplanes, their equipment, spare parts, and accessories. It has left to the department the determination of the types of planes to be ordered under this authorization.

The bill carries $2,210,000 for experimental and development work, of which $220,000 is for continuing high-speed development, for which a like sum was made available for the present fiscal year. The use of the money, actual and proposed, is recounted on page 597 of the hearings.

MARINE CORPS

For pay of the Marine Corps the committee has subtracted $383,911 from the Budget estimate. Of this amount $243,245 is attributable to measures and policies I have already discussed. The committee arbitrarily has reduced by $100,000 the amount estimated for pay of enlisted men and has made a further reduction of $40,666 as a result of the application to the marines of the same policy advocated with respect to the Navy relative to less travel.

For recruiting, transporting, subsisting, clothing, housing, and equipping the Marine Corps and the Marine Corps Reserve the Budget proposes $6,855,000. The current appropriation is $8,598,435. In addition to the Budget reduction of $1,743,435, due very largely to the proposed smaller enlisted force, the committee recommends the subtraction of $396,280. A lower ration cost accounts for $241,402 of this reduction. The remaining major component extends to the elimination of $101,328 for the purchase of material and the manufacture of blue uniforms. We have refused to provide the Army with a blue uniform on account of the expense since before the war. As a measure of economy the committee is unwilling to recommend at this time further expenditures for continuing so to equip the marines.

MODERNIZATION OF BATTLESHIPS

Under the authority contained in the act approved February 28, 1931, and in consequence of an initial appropriation of $10,000,000 carried in the second deficiency act, fiscal year 1931, the battleships *New Mexico*, *Mississippi*, and *Idaho* are undergoing modernization, the *New Mexico* at the Philadelphia Navy Yard and the other two at the Norfolk Navy Yard. The total authorized cost of the work is $30,000,000, and the Budget includes $15,000,000 for carrying the work forward during 1933.

The modernization of these three vessels was first projected about three years ago, at which time the cost, as authorized, was determined or estimated. It is contended that any saving by reason of the decline of commodity costs in the interim will be more than absorbed by an increase occasioned by the work not progressing as rapidly as planned owing to the inadequacy of the initial appropriation. That is an administrative fault. Either the work should not have been permitted to be undertaken until adequate funds were available for its prosecution in an economical way, or, having been started, a request for additional funds should have been presented in the usual course. In any event, the committee believes that all essential features of modernization may be accomplished for 10 per cent less than originally estimated and is proposing that the limit of cost be reduced to $27,000,000, deducting one-third of the amount that thus would be saved ($1,000,000) from the appropriation requested for 1933. Such action would result in a clear saving of $2,000,000 in the following fiscal year.

INCREASE OF THE NAVY

For new ship construction the Budget provides a direct appropriation of $31,400,000, and contemplates the augmentation of such sum by a draft of $6,000,000 upon the naval supply account fund. There will be available, in addition, an estimated unexpended balance at the end of the present fiscal year, of $27,000,260, making a total available for expenditure during 1933 of $64,400,260. The committee is advised that probably all of that sum actually will be expended except $4,169,667, and it has subtracted such sum from the estimate, admittedly a deferment.

Every vessel for which authority exists to build or commence the construction of during the fiscal year 1933 is provided for in varying degrees in the Budget and bill, save seven destroyers, one transport, and an experimental submarine, all authorized in 1916.

Under the terms of the London treaty the United States is entitled to 180,000 tons of 8-inch-gun cruisers. Eight have been built and seven are building, and, according to the treaty, three more may be built, undertaking the construction of one at the beginning of each of the calendar years 1933, 1934, and 1935. The Budget and bill include $800,000 for commencing the one which may be begun after December 31, 1932.

The seven building and the three yet to be begun were authorized along with five others in the act of February 13, 1929. As to these five, the treaty nullifies their authorization unless the authorization be construed to cover cruisers of either the 8-inch or 6-inch gun category. The Judge Advocate General of the Navy has held that these five vessels may be built, subject to an appropriation therefor, as 6-inch-gun cruisers. That may be the correct construction. The authorization act fixed the cost of such vessels at $17,000,000 each, and that figure contemplated 8-inch-gun cruisers.

In consequence of a supplemental estimate presented at the last session, $10,000,000 was appropriated to commence the construction of 11 of the 12 remaining destroyers of the 1916 program. Construction of but 5 of the 11 has been undertaken for reasons of economy, the committee is advised.

Mr. Chairman, I have endeavored to lay before the committee all of the essential features of this bill, and I appreciate the patience of my listeners. I will not say that this bill can not be further reduced. I question though whether appreciably more might be taken off without doing harm.

There is no man in or out of public life who is willing to go any further than I in reducing Federal expenditures in every direction where it may be established that waste or extravagance prevails, or where it is manifest that immediate necessity does not exist for going ahead with undertakings under way or projected, or in any other well-considered and justifiable manner. I am not in sympathy with the idea that the only way to cut is to cut. I view with alarm the growing tendency to reduce appropriations without full knowledge of what the effect of such action might be. We do not always promote economy when we reduce this, that, or the other item in an appropriation bill, and I deprecate moves in that direction made without study or full knowledge of what the effect might be. To illustrate: Take a work in progress. It might appear, without knowledge of all that may be involved, that the amount recommended is excessive, and yet the figure may be based upon a well-planned, well-ordered progress schedule, interference with which would result in an increase of cost. I have called your attention to just such a case, brought to the notice of the naval subcommittee, where slowing down work actually occasioned an additional expense of three-quarters of a million dollars.

My colleagues, economize we must, but let us go about it in a considerate way. The entire economic structure of our country is in jeopardy; and the way in which we proceed, and not alone what we do to promote its stability, will have a considerable bearing, certainly psychologically, upon the early attainment of the goal which we all seek. I thank you. [Applause.]

Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, there has been very much misinformation regarding Government salaries. There seems to be a common impression that many employees are paid from $5,000 to $10,000 annually and that $3,000 a year

is common. The Bureau of the Budget, which furnishes Congress with detailed data on which appropriations are based, has furnished a tabulation for all salaries except for judicial and legislative employees, from which you will find that 17 per cent of the employees receive less than $1,000 per year. Just imagine that, gentlemen. Seventeen per cent of all Federal employees receive less than $1,000 a year; 37.7 per cent receive less than $1,500 a year; 57 per cent receive less than $2,000 a year; 84 per cent receive less than $2,500 a year; and 95 per cent receive less than $3,000 a year. The average salary of all Federal employees is $1,441 a year. These figures also show that a straight 10 per cent cut, as has been suggested by the Economy Committee, or an 11 per cent cut, on all employees would save only about 5½ per cent of the national deficit. It is evident, therefore, that salary cuts would not balance the Budget.

No reasonable person will willingly cause distress to the loyal, industrious, and poorly paid employees of the Government when there is so little to be gained.

To-day we have had another proposition presented to us by the President. It has been said that "an apple a day keeps the doctor away." Maybe by getting a new bill every day we might keep the wolf away from the door of the Federal employee. The President evidently considered the criticism we made last week about taxing charwomen getting $50 a month and mulcting them to the extent of $4.17 a month out of their little salaries. The President has offered a new proposition. He said, "We will let the little charwomen alone this time, and we will make a minimum of $1,200, and below that amount we will not tax them." So I will take $1,300 as the minimum taxable salary. Assuming an employee receives $1,300 a year, under the President's plan he would have to give up in time the equivalent of one month's salary, which amounts to $108.33. Each year he would be mulcted, under the President's plan, of the sum of $108.33, or $9.09 a month. In other words, his net salary would be about $1,191 a year.

It does not seem fair or reasonable or just that we should mulct the salary of an employee receiving only $1,300 a year to the extent of $108.33. In other words, this employee would have to work for $1,191 a year.

As I have stated to you in reading this table, the average salary paid to Federal employees is $1,440. Under the President's plan this employee would have to give up one month's salary in time, which would be the equivalent of $120 that the employee would have to sacrifice in a year, or $10 a month. Just imagine an employee getting $1,440, the average salary, through this deduction of $120 having his salary reduced to $1,320 a year.

Other provisions of the President's proposal include a provision that all promotions must be suspended for the ensuing year, that all filling of vacancies must be suspended, that no extra pay shall be allowed for overtime or for night work, and in addition to this, there must be consolidation of different Federal activities.

It has occurred to me, where is the Federal employee going to get off. What is going to be the last analysis? The President proposes this plan. Perhaps, the Committee on Economy will present another plan to-morrow. The Lord knows what that plan will embrace. Then, perhaps, the day after the President will present another plan, and then after we go over that, perhaps the following day, the Committee on Economy may present another plan, and so on ad infinitum. We do not know where it is going to end, and, in the last analysis, I fear that the poor Federal employee will get no salary at all; in fact, perhaps, they may be called upon by the Government to donate their services to these rich United States; not only to be on the pay roll without pay, but to offer their services as patriotic men and women to this great, rich Government of the United States in order that we may carry on and balance the Budget.

Now that we have eliminated the charwomen getting $50 a month, and we are generous enough to get to the plan of only eliminating those that get $1,200 a year, perhaps, the next bill might be a little better. Perhaps, they may have largeness of heart enough to go up to $1,500, and the next bill may be $1,800, and so on. Eventually, we may be able to get them up to a living basis of wages. Let us hope that we may.

Now, what is the plight of the Federal employees? As has been stated here many times, men and women give up their lives to a public career as a Federal official, and it is a position of dignity and honor and respect. In many of the foreign countries where the Federal employee is on a more permanent and better status, it is a life work, as it should be with our faithful employees here, who have taken competitive examinations and have entered the service of the United States.

Should they not be able to look forward with a reasonable degree of certainty to a fixed wage, to certain yearly absences for vacation and sickness? Should they not be able to look forward to a fair increase in salary after serving many years?

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BOYLAN. I think you will agree with me in saying that they should, because the morale of the Government workers will be seriously interfered with if they have no reasonable certainty of a decent living wage, together with a proper hope for promotion.

Now, what is going to happen to the Federal employee? First we have the Budget cuts. Then we have the cuts by the Committee on Appropriations. Then the legislative body at the other end of this Capitol that has heretofore been in the habit of increasing appropriations suddenly turns around and decreases them to the extent of 10 per cent as they did in the Interior Department appropriation bill yesterday. If they give the bill another 10 per cent cut, and then the President comes in and gives his little cut, and then the Committee on Economy is going to give a cut, what part of the salary will be left?

Gentlemen, it is ridiculous to have this state of affairs existing in this country—to try to balance the Budget through cutting the salaries of faithful employees of the Government, men and women who are not paid proportionately, and the Bureau of Efficiency has brought figures here to show this, in comparison with those who are in commercial life. Surely, the Government should be a model, should hold itself up to the business industries of our country as a model employer; and let me say to you, gentlemen, let us be on guard and do our part to prevent the cutting of the salaries of the miserably underpaid employees of our Government. [Applause.]

Mr. COX. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, I am going to advocate a double heresy—the Democrats should forget Thomas Jefferson and the Republicans should pass up Hoover. Neither the dead nor the living dead are going to solve our problems. Let both parties stop tombstone gazing and look ahead. An economic revolution has come upon us—and the solution does not lie in the stony faces of the dead leaders nor the hopeless faces of the living. Traditionalism must give way to realism.

Our immediate problem is to master the machine. There is little economic gain in attacks on markets, as in stock-exchange investigations—in fact, there is a distinct loss. There is little gain in attacking consumers by pay cuts—in fact, there is an economic loss. We have largely lost our foreign markets—we must exist largely on our home markets. Breaking down our consumers by pay cuts is ruinous to business. Why not help business by a great public-works program? There is something sinister about pay-cut programs—indicating a desire on the part of some leaders to reduce our standard of living to oriental and African labor, so that the owners of machinery here can get the necessary human help cheaply enough to compete in foreign markets.

Here we are in a time of diminishing consumption and a per capita debt 50 per cent below 1919, and we insist on cutting down American standards.

There are three major causes for the depression: (a) Anxiety of a banker-controlled administration to help Europe at the expense of America; (b) unlawful mergers, cutting out the small business man and cutting down the human element of the plants; (c) machinery which has taken the place of human beings without compensation to the human beings.

An American foreign policy that does not mean a mere protest about foreign aggression, a foreign policy that would have stopped Japan at the gates of Manchuria—not a foreign policy that merely said to Japan, "Do not enrich yourselves at the expense of us and other countries. Please do not do it; we do not like it."

That is not a foreign policy; that is keeping the record straight. A strong foreign policy would have insisted that all countries involved in the 9-power treaty should have acted to stop Japan.

What has happened? Japan owes us money. Our country said, "You do not have to pay your debts for a while." What have they done? They have used our money to take over a vast region, which has enriched Japan, and because of their strong foreign policy they were able to go on and acquire great riches, upon which Japan will subsist for all time.

Had we a strong foreign policy, had we been able, because of real leadership, had we been able to unite the powers we might have been able to stop Japan and helped ourselves by so doing. By recognizing the national aspirations of China we would have been able to build up in China a great consuming market, a friendly consuming market, for American products. But we did not have that foreign policy.

B, as to mergers: There has never been an attempt—a really serious attempt—made, either under the Coolidge administration or under the Hoover administration, and on the floor of this House the attitude of the administration was also carried out, to enforce any antitrust law. There have been unrelenting mergers, one after another, with the approbation of the administration, almost with the approbation of the Congress, which threw men out of work, which deprived the small business man of his business, which was absolutely ruinous to general competitive business, and there was not a hand raised by the Government.

I recall that the gentleman from Wisconsin [Mr. STAFFORD] offered an amendment to the Justice Department appropriation bill to give the Department of Justice a sufficient force of men to see to it that the antitrust laws were enforced. That would have helped the situation. If the administration does not care to enforce the antitrust laws, if the Congress does not want them enforced, then let us all have the courage to change them, but if we do change them, let their revision bear in mind that the white-collar man, that the small business man, must be protected.

Of course, there is a new system of distribution. There is a new system of production. But if we are going to allow a new system of production, economic advances, to be controlled by a few, then we have to see to it by law that the rights of the many have some kind of compensation because of these advances.

C, machinery: Machinery has thrown men out of work right and left, but we must find new markets, new ideas, new things of production. But we have failed in that. It has not been done. The Congress should study this question of technological unemployment. The answer is probably in a shorter day's work, in a shorter week's work, with no change in pay; with the old standard of pay. Otherwise it does not amount to anything.

I understand from those better acquainted with labor situations than I am, that every time we cut down the hours of work of men in America there has been a wave of prosperity, because more men were called to work to make up that time.

The Ways and Means Committee of the House and the Finance Committee of the Senate might find a way of compensating human labor, thrown out of work by advanced machinery, by a good, strong tax on labor-saving machinery and the profits of all labor-saving machinery, and let that money find its way back, through taxes and through appropriations for public works or for keeping up the Federal pay roll, into the hands of the people; back into business, back into general distribution and circulation. All those things should be done.

Another thing that can be done is to accept the suggestion of Mayor Walker, of New York City; of my colleagues, the gentleman from New York, Mr. CULLEN, the gentleman from New York, Mr. O'CONNOR, and other wet Members of this House, and create an entirely new business and a new market, and help unemployment. We are not going to do those things by trying to present Herbert Hoover in a false and great light before the people, because he has not worked out that way. The Democrats are not going to do that by constantly harping on Thomas Jefferson. Thomas Jefferson is not running for office. He had his day. There should be a new democracy. There should be a realistic democracy, to get down to business and tackle these new things that have come upon us, and to stop looking into the past, but look into the future and try to parallel the economic advances with governmental advances for the great masses of the people. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Chairman, in the pending appropriation bill for the Naval Establishment there are several more or less revolutionary propositions. The Navy by Executive order is decommissioning a number of the boats in use for the training of the Naval Reserve. The committee has lent its approval in the bill by limiting the appropriation so that these boats will have to go out of commission about September. Under our philosophy of government and because large Military and Naval Establishments are repugnant to the American principle, we depend almost entirely for national defense on a well-trained civilian military and naval reserve. It is the cheapest possible kind of national defense, and it is the safest kind, because civilians in peaceful occupations do not want to go to war. They are not junkers, they are not militarists, but they act as a strong safeguard against encroachment by any outside nation. If an outside nation knows that a well-trained civilian reserve of citizens who love their homes and peace enough to fight for them and are prepared and capable of fighting, then we are much less of a temptation to invasion from without or to invasion of our own rights abroad. We have proceeded upon that theory. We have a minimum of standing Military and Naval Establishments. Our Army, for instance, is seventeenth in the armies of the world—down at the bottom. Our Navy, while small, has been highly efficient, probably the most efficient Navy in the world, and along with that has gone hand in hand a very efficient Naval Reserve. The basis of this efficiency is the training these boys get on these boats, particularly in the Middle West, where the Great Lakes are available. We have had these Eagle boats and gunboats, and they have been of inestimable value in training these boys. It must be kept in mind that probably in excess of 80 per cent of the enlisted personnel of the Naval Reserve are officer material and in time of war would be immediately either commissioned or sent to officer-training schools. It is the cheapest kind of preparation and training for national defense.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. GREEN. The gentleman speaks of our Army being seventeenth. Does he mean by that in percentage of number or in efficiency?

Mr. MAAS. I mean that we are seventeenth in number. It may surprise the gentleman perhaps to know that there are 16 nations with larger armies than ours.

Mr. CLANCY. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. CLANCY. Is it not true, with respect to the five training ships and the two Eagle boats on the Great Lakes, that within the last few years, indeed the last year, an item

of $150,000 was spent on them to recondition them, to put them in good shape, with new machinery, boilers, and so forth?

Mr. MAAS. The gentleman is correct. We have put in a considerable amount of money in reconditioning and modernizing these boats. They are now not only to be decommissioned, they are to be junked. The States themselves, in many cases, have contributed a substantial investment in national defense in these ships and in facilities for them.

Mr. CLANCY. And is it not true that the ships are absolutely to be sold as old iron and junked?

Mr. MAAS. That is the understanding. These ships are to be sold as old iron. They will not bring one-tenth of the cost of reconditioning them in the last year or so. If they are to be decommissioned, there should be an order prohibiting their being sold for junk or being junked at all. They should be saved so that if later the financial conditions of the country make it advisable to again put them in commission they will be available, and we will not have to go out and spend several million more to get some new ships. We have an investment in these ships, and if economy forces us to lay them up for the time being, they should be at least laid up, and I am sure the committee will agree to that proposition. We will receive nothing substantial from them as old iron.

Mr. GREEN. In that connection the same thing obtains more or less with respect to our merchant marine. It is reported now that our Economy Committee are about to almost destroy our merchant marine.

Mr. MAAS. I should think it would, though I have not investigated that situation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. TABER. I desire to make a little statement on this matter, and if the gentleman requires it I shall give him a little more time. The program for decommissioning these ships was that of the department, and the first intimation that our committee had of it came through the Army and Navy Journal. It was their program to cut out the 2-week summer cruises with active duty for the Naval Reserves. The program itself contemplates the laying up of these ships on the 1st of September, and also contemplates that during the summer of 1932, up to September 1, there shall be week-end cruises, which the commander of those ships state are regularly taken, so that the reserve will have the opportunity to train. If the condition of the Treasury permits it, personally I can see no reason why, if the situation demands it, those ships should not be put back in commission again in the spring or summer of 1933.

Mr. MAAS. I thank the gentleman for the explanation, and I hope the Navy will follow his suggestion.

Mr. CLANCY. If the gentleman will yield further, the Navy Department says that they are going to sell those ships, after September 1, for what they can get. They say that they are going to cut out the summer cruises. There is a great deal of confusion upon the subject because the Navy Department came before this committee after the hearings were closed and printed. There is much conjecture except what you can get here and there largely by hearsay.

Mr. TABER. I do not want to make a statement with reference to the ships being junked, because we have nothing before the committee or in the hearings which would support any such policy. That may be the policy of the department, I do not know; but I understand that it is not the intention of the Navy Department to do away with the active service for the naval reserve when conditions will permit it to be resumed.

Mr. MAAS. I shall offer an amendment when we reach that section of the bill prohibiting the junking of these ships.

Mr. PITTENGER. Will the gentleman yield?

Mr. MAAS. I yield to my colleague from Minnesota.

Mr. PITTENGER. For the benefit of the members of the subcommittee, let me say that I have a letter from the Secretary of the Navy in which it is indicated that these boats are going to be junked because of their obsolete design and the expense of maintenance. I do not believe they are giving the committee all the facts.

Mr. TABER. I will be perfectly frank and say that we have not gone into that.

Mr. WHITE. Will the gentleman yield?

Mr. MAAS. Yes.

Mr. WHITE. I have been informed that they are going to junk these ships.

Mr. MAAS. That is as I understand it.

Mr. WHITE. I am interested in knowing what saving is going to be effected and what is going to happen to the Naval Reserve.

Mr. MAAS. It is not the intention to abandon the Naval Reserve but merely to curtail its activities temporarily, but the thing of which I am fearful is that during this temporary suspension they will junk these boats and then they will have nothing with which to resume this training unless they go to the expense of getting new boats.

Mr. CLANCY. Will the gentleman yield further?

Mr. MAAS. Yes.

Mr. CLANCY. I think I can give the gentleman information as to what the saving is going to be in the Great Lakes district. By abolishing the summer cruises a saving of $36,000 per year is expected, and that is a bad guess, for I believe there will be a loss.

Mr. WHITE. Can the gentleman tell me how many men are trained there?

Mr. CLANCY. On the Great Lakes they train about 2,900 men, and they are trained so well that when war is declared they can operate the ships which are put into service because of the declaration of war. They are not only trained for service in the engine room, but they are trained to navigate the ships.

Mr. ANDRESEN. Will the gentleman yield?

Mr. MAAS. Yes.

Mr. ANDRESEN. Can the gentleman inform the committee as to how much it will cost to recommission or recondition these ships if they are laid up over the winter?

Mr. MAAS. I can not give any figures for that.

Mr. WHITE. Have they not just been reconditioned?

Mr. MAAS. Yes; they have just been reconditioned. As I understand, it is not their intention to lay them up, but it is their intention to junk them. However, I have no information available as to what it will cost to lay them up for a year.

Mr. ANDRESEN. It will cost a great deal to get them back into condition if they do lay them up.

Mr. MAAS. I think the gentleman is right.

Mr. ANDRESEN. That would be just an additional excuse to secure more money to build some new ships when this program is resumed.

Mr. MAAS. That will be true if they do junk them.

Mr. SPARKS. Will the gentleman yield?

Mr. MAAS. Yes.

Mr. SPARKS. How recently were these ships reconditioned to which the gentleman has referred?

Mr. MAAS. I think some of them were reconditioned within the last year, at least within the last two years.

Mr. PITTENGER. The *Paducah* was reconditioned within the last year.

Mr. SPARKS. Does the gentleman know about what the cost of reconditioning was?

Mr. MAAS. I do not remember the figures on that, but it was a very substantial amount.

Now, I want to go on with another phase of this bill which I think is of vital importance.

Mr. GREEN. Before the gentleman goes on with that will he yield?

Mr. MAAS. For a brief question; yes.

Mr. GREEN. I appreciate the gentleman's position, and I hope he will offer an amendment to the end that if operation is to be suspended it will be temporary and that these boats shall not be junked.

Mr. MAAS. That will be the purpose of my amendment.

Now, gentlemen, this bill proposes another new principle in aviation, on the question of flight pay. Some years ago,

when the modern air corps of this country was planned, legislation was enacted which provided for 50 per cent of the base pay for pilots and those assigned to flight duty. This bill proposes that the flight pay shall be limited to $1,100 as the maximum per year per pilot, regardless of rank, grade, or pay. It does not provide $1,100 for everyone. It is 50 per cent up until they reach the point where they would receive $1,100 and then that is the maximum.

Now, gentlemen, perhaps the greatest individual reliance this country has in national defense is aviation. Because of our isolated position we are interested only in national defense. We are not interested in the military branch for aggressive warfare, but we must be in a position to defend our own shores. The only way we can defend our shores is with airplanes. Battleships to-day are not going to come into New York Harbor or San Francisco Harbor. They are not going to come within gunfire reach. Airplane carriers are going to be convoyed by enemy ships to within 100 or 200 miles of our great cities and then great hordes of planes are going to be let loose which will come, perhaps, in the night, over our cities and drop tons and tons of high explosives and destroy our cities.

We do not have to provide long-range coast guns any more. We are not going to be invaded by big battleships. There is only one way you can fight airplanes and that is with more airplanes, and there is only one way to win battles in the air and that is to have a superior air force, both as to efficiency of pilots and as to number of planes.

The United States has the most efficient air force to-day in its Navy and Army of any nation in the world. This is admitted by the technical military experts of other nations, and one of the reasons is because of the high caliber of our personnel in our aviation branches of our three military services, Army, Navy, and Marine Corps.

Flying is a hazardous occupation, and needs this extra compensation on the general principle that any hazardous occupation needs additional compensation.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. MAAS. There is much more, however, involved than the question of hazard in the matter of additional pay. I want to show you why the principle of 50 per cent is correct, including every rank up to the rank of generals in command.

Mr. SHALLENBERGER. The gentleman means 50 per cent increased pay?

Mr. MAAS. Fifty per cent increase above base pay. I thank the gentleman for the correction.

I am going to try to show the committee the necessity, the fairness, and the equity of this position as originally established, and the inequality of the present proposal.

The general assumption is that the bulk of the hazardous flying is done by the officers in the grade of ensign and lieutenant in the Navy and lieutenant and captain in the Army and the Marine Corps, respectively. However, we have progressed beyond the point of flying just a few ships in the air together. We have learned from our Army Air Corps maneuvers and our great Battle Fleet maneuvers that the aerial wars of the future will be with great bodies of planes, great numbers of them where they will undoubtedly be led by at least captains in the Navy and colonels in the Army. To-day the unit is a squadron and the commander of a squadron in the Army is a major and in the Navy a lieutenant commander, and yet this principle that is being enunciated now gives recognition to the maximum of hazardous flying only below the grades of captain in the Army and lieutenant (senior grade) in the Navy. In our large units now in wings we will have captains in the Navy commanding in actual battle or in actual combat, and we will have colonels leading their organizations into combat, doing exactly the same kind of flying that the second lieutenant is doing. The hazard is there for all alike, but the higher the rank the greater the responsibility.

It is true that the higher the rank, perhaps, the less experimental flying in time of peace, but this is the principle I want to get over to you—the real, vital necessity for 50 per cent extra pay for flight duty.

All of us recognize the question of hazard. We know that the lieutenant who flies 100 hours a month is subjected to more hazard than a major or colonel who flies 10 or 12 hours a month. This is quite true, but the basic thing for which we are compensating is the fact that the military or naval pilot is using up his life that much faster. To-day, with the development of aviation, a pilot is subject to terrific strain, the physical effect of which is tremendous.

The average time of service of an officer may be a little over 30 years, but the principle is recognized that he may retire after 30 years of commissioned service. In aviation we have come to a realization of the fact that an active pilot can not last in the military or naval service over 20 years. This means he can serve only two-thirds or less of the usual time in his full capacity of efficiency.

If this is correct, then he should be compensated for his full military life; and if in giving his full military life to the service he can serve only 20 years, he should receive pay over that period commensurate with his brother officers who can serve the full 30 years, and the proper way to accomplish this is to give him 50 per cent more pay during the 20 years, which will approximately—although, of course, not anywhere near fully—equal the pay of his brother officers for their 30 years.

Mr. CLANCY. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. CLANCY. The gentleman's general argument is in favor of military and naval aviation preparedness. Does not the gentleman know that there is good opportunity for this sort of preparedness in the Coast Guard? There is a conflict among the officers of the Coast Guard as to whether there should be a very large sum of money spent for motor boats and for large ships in looking after rum runners or whether a larger proportion of the funds should be spent for seaplanes which can cover a much larger territory for life-saving and rum chasing at much less expense, and in time of war can be devoted to war purposes.

Mr. MAAS. I think that is quite correct.

Mr. MOUSER. Will the gentleman yield?

Mr. MAAS. Yes.

Mr. MOUSER. I want to satisfy myself as to one part of the gentleman's remarks. Assuming, for the sake of economy, that these training ships are junked—if training is resumed, what will the Government use in the place of these ships, and will not such administration be more costly in the long run than if an adequate reserve were maintained at this time?

Mr. MAAS. I feel that is correct, and I am opposed to dispensing with this service or even suspending it.

I think most of you know that I am at least partially qualified to speak on this subject of aviators. I am a pilot, and hold a commercial transport license as well as naval and military licenses. I fly practically every day. I have flown nearly a hundred thousand miles. I have flown in China, and I flew to South America and back through Central America. I have crossed the continent by plane dozens of times, and I know a little bit about the effect on the human system of high-altitude flying. I know that you can not fly 20,000 feet in the air and put your plane into a dive and dive 300 miles an hour down to within three or four or five thousand feet of the earth at such terrific speed and then pull out suddenly, as is necessary in military flying, without something happening to the human body.

I know that flying in such altitudes and flying in these high-speed planes and the drone of the motor have some effect on the aviator's ears, so that they all become slightly deaf after a while. I know it does something to their eyes. It is only just that we should compensate them for this. Their useful military service when in aviation is depleted that much sooner, and with respect to limiting the pay or stabilizing it at the grade of a captain in the Army or a lieutenant, senior grade, in the Navy, what have these men to look forward to after that?

Those who go into the aviation service as a career know that they can not last long; they know that they can not serve as long as their brother officers in other branches of the service. They have gone into this as a career with the expectancy that they would receive 50 per cent more pay during the time they were employed, and it does not compensate them for the differential, nor will it ever compensate them for the loss of their faculties and the effect on their nervous and physical systems.

They look forward to promotion—a lieutenant expects to be a captain and draw the pay of a captain; the major expects to be a colonel. But here you suddenly make a change in their standard. If the principle of proportionate compensation is correct, the compensation ought not to arbitrarily be cut along the line somewhere, as is proposed.

We know the hazards of aviation, and we know from the death records the vast proportion of deaths in the military service as compared with the proportion in commercial aviation. The proportion is as high in the higher grades as it is in the lower grades, proportionate with the number of officers in those grades.

Mr. SWICK. Will the gentleman yield?

Mr. MAAS. I yield.

Mr. SWICK. The gentleman speaks of the strain on the human body in flying. Will the gentleman tell us the percentage of men who fail to become pilots in taking the examination?

Mr. MAAS. A great majority of those who apply for service in aviation are rejected. Only a small percentage are accepted.

Mr. SWICK. I understand it is only 1 out of 40—out of the examinations that have occurred, it is only 1 out of 40 who is physically capable, and passes the other tests.

Mr. MAAS. That is true.

Mr. SWICK. It is only the cream of the applicants that pass for an aviation pilot.

Mr. MAAS. Exactly, and we want to keep that boy in the military service; we must have the best for that service.

Mr. BEAM. Will the gentleman yield?

Mr. MAAS. I yield.

Mr. BEAM. Is the examination for a pilot in aviation any different from other examinations?

Mr. MAAS. Yes; an entirely different examination. In addition to the normal examination you have a rigid examination of the heart and the lungs. They have what they call the "Snyder Index," which is a rating of the effect of violent stimulation of the heart and lungs, which is not given at all for entrance into the ordinary military service. The examination is very rigid.

Then, as to the examination of the eyes. The examination is entirely different than the ordinary applicant has to pass. You have to have, medically speaking, a perfect eyesight. You have to have 20-20.

Mr. SWICK. There is really no comparison between the two examinations?

Mr. MAAS. No comparison at all between the two; no.

The fact that there is this extra hazard is recognized by insurance companies. It costs a military or naval pilot on an average of about $20 a month more for insurance. Most of the pilots are putting a large part of their extra flight pay into insurance premiums, and much of this will be lost. It runs from $12 to $50 a month. I do not think it is ever less than $50 a month for a marine aviator. Some companies will not write insurance on Marine Corps pilots at all. They are subjected to more hazards because they are called into active duty more often. An interesting thing is that you can almost always pick out a Marine Corps pilot when he is landing in a field, because he lands right on the spot, on the edge of the field. They have to do so much flying in the jungle, where they have to land on a dime, that they have trained themselves to land in inconceivably small places. There is unusual hazard in that connection, and it adds to the loss ratio of pilots. That thing has been recognized by the insurance companies.

When we had trouble in one of the South American countries and were trying to assist that country to pacify itself, some remarkable work was done by marine aviators, and that work was led not by a lieutenant or a captain but by a major, who at that time was some 45 or 46 years old. He did some of the most remarkable military flying that has ever been known in the history of the world and it is being studied to-day by every air corps of every nation in the world. He did something absolutely new and original and he should be compensated for it, in proportion to his rank and pay. He flew over the jungles, where a forced landing would mean absolute death, if not from the crash itself, at least a very tortuous death by the bandits, and he did that flying in old crates, ships that Gen. Billie Mitchell called "flying coffins," that had been abandoned by the other two branches of the service. That man and those men who followed him should be compensated in proportion to their hazard.

Most of all, in closing I want to leave this thought with you. Of course, there is a hazard and it should be compensated for, but most of all is the fact that an aviator can not endure the strain of flying, mental and physical, for very long. The drain on his nervous system and the tax upon his physical system are such that 20 years of active military flying uses up his military or naval usefulness, where his brother officer can serve 30 years, and perhaps 40 years if he started young enough. We should see to it that those officers are compensated, those men who elect that as a career, in the Navy particularly; this is true, because aviation is an assignment, and if you do not do it, then when these men get to the grade of major in the Marine Corps and lieutenant commander and on up to captain in the Navy they are not going to continue to do aviation service when they can do line duty without the strain and the tax upon their systems, mental and physical, without the hazards and the worry to their families, unless they are properly compensated for it.

The effect of this proposed emasculation of the flying pay will be to destroy the morale of the aviation branches of the Army, Navy, and Marine Corps. When the higher grades and pay periods are reached, so that $1,100 is not a sufficiently attractive inducement to incur the extra hazard of flying by officers with growing families and increased financial and domestic responsibilities, these officers will transfer out of the aviation branches. You will have only the younger, less-experienced officers left.

You can not lead cavalry troops on foot, and you can not lead planes in combat from the ground. Experience, maturity, and rank are necessary in this branch as in all others. You will not have them available. But on top of that, soon the best of the young men will avoid the air service because those services will hold no future for them. It will then become no economy but a vastly greater expense, an extravagance we can not afford. It costs from $35,000 to $50,000 to train each military and naval pilot. If $1,100 becomes the maximum flight pay, there will be a very high rate of turnover in the aviation branches of the services. The men will stay and get flying experience until they reach the maximum of promotion in flight pay and then leave to go out of the military service into commercial flying, or at least into other branches of the military and naval services.

It will mean an enormously increased expense over the present outlay to keep training enough men to keep the air services manned at all. The most efficient and desirable young men will not be attracted to the aviation branches. The lowering of the quality of our flying personnel may well cost far more than the flight pay saved, in the way of more crashes and less-efficient operation.

Every time a flying officer is killed or leaves the flying service the Government loses an investment of from thirty to fifty thousand dollars.

Gentlemen, I believe this measure, if adopted, will not result in real economy but will prove to be the most expensive kind of attempted saving.

I hope this matter will be referred back at this time to the legislative committee. This matter was not really heard by the Committee on Appropriations. It is a legislative matter and requires both extensive and intensive study and

consideration, lest we defeat our own purpose and at the same time do irreparable damage to national defense and gross injustice to the aviators involved. [Applause.]

Mr. FRENCH. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Chairman, I do not want to go over the ground just covered by my colleague [Mr. MAAS]. I shall make my remarks brief and to the point. The U. S. S. *Paducah* is stationed at Duluth, Minn. There is something radically wrong somewhere with this program that has come out of a clear sky. I do not know just where the "something wrong" is located, but it is somewhere over in the Navy Department. I can not find in these hearings the detailed testimony on the subject of the *Paducah*, but I do find something somewhat analogous that will probably sustain the charge I shall make in a moment. The printed hearings have just made available. The gentleman from Kansas [Mr. AYRES], in questioning the representatives of the Navy Department, said:

> For the seagoing branch of the Naval Reserve for all purposes you propose an allotment of $2,581,617 as against $2,663,385 for the present year, or a cut of 3 per cent. For the aviation branch for 1933 the allocation is $1,215,383, as against $1,957,450 for 1932, or a cut of 35 per cent. How do you justify that action?

In other words, there was a 3 per cent cut in one branch and a 35 per cent cut in another. That testimony is interesting, but I shall not go into it. I suspect that you shall find a similar situation over in the Navy Department regarding the Naval Reserve, because I understand the matter of decommissioning these vessels was not brought before the Naval Affairs Committee. You will find, I think, that in the interest of economy they heard there was going to be a sort of 10 per cent cut in these different departments, and I suspect that the Navy Department is starting out to operate on that and that probably by cutting the heart out of the Naval Reserve, to the extent of 30 per cent, they will have a 20 per cent excess there to apply on the bureau here in Washington. You are going to find something like that somewhere.

What are the facts about the *Paducah?* I will let BOB CLANCY run the Navy at Detroit, but I know something about the Navy in Duluth. I do not want to see it done away with. They spent $51,000 last year to recondition the *Paducah*. How does that stack up with this letter—I do not know who wrote it, but it is from the Secretary of the Navy. In this letter he tries to tell me that they want to junk the *Paducah*, although $51,000 had been spent to put her in good condition last year, to make an oil burner out of her. He says that these vessels are of obsolete design and that due to their age they are expensive to maintain in serviceable condition and all that sort of stuff, and that they are going to change the policy. I shall not take time to read that letter.

I have had some figures prepared, and I think they are authentic. The cost of taking the Naval Reserve Force from Duluth to Chicago by train and from Chicago to the navy yard in Philadelphia is about $60,000. I think that is for the round trip.

Mr. SPARKS. Will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. SPARKS. Was there anything said last year, when this boat was reconditioned, about it being obsolete then?

Mr. PITTENGER. No. They were making an oil-burning boat out of it.

Mr. TABER. Will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. TABER. Has the gentleman any data as to what it would cost to annually take care of the repairs, upkeep, and operation of that ship?

Mr. PITTENGER. I will answer that question in this way: It will not cost more than the extra money, railroad fare from Duluth to Chicago and Chicago to Philadelphia and back again—around $60,000. That is as much as it will cost in any one year to maintain the boat, to put these naval reservists on it and give them training and pay them, and pay all the expense. That only amounts to about $60,000 a year.

This idea that there is any economy in training the Naval Reserve Forces of the Great Lakes on the Atlantic seaboard is all foolishness. Now, I have only one other explanation. Somebody is trying to take extra good care of some other branch of the Navy, at the expense of the Naval Reserve Forces. I am for an adequate Navy. I am for adequate appropriations for the bureau in Washington, but I want the bureau in Washington to stand by these little Naval Reserve units in my district and in other districts. I think they are doing a useful public service. I think the military and Naval Reserve Forces ought to have the whole-hearted cooperation of this Congress. I do not think they should be crippled in the matter of appropriations. I do not think their cruises for 1933 ought to be suspended. I do not believe they ought to be disorganized, and I do not think they ought to be put out of business. They are just as important and just as vital to the military and naval defense of this country as any other branch of the Navy in Washington or anywhere else.

Mr. WHITE. Will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. WHITE. Is it the alternative plan to send these men to the Atlantic coast to train them?

Mr. PITTENGER. That is the information contained in this letter from the Secretary of the Navy. I was just attempting to show that this large additional expense would not be economy, but it would be additional expense.

Mr. TABER. Will the gentleman yield further?

Mr. PITTENGER. I yield.

Mr. TABER. The trip to the Atlantic coast would not be within the scope of the department's plan for the fiscal year 1933, but would be ultimately, after they returned to their practice of giving them two weeks' active duty, as I understand it.

Mr. PITTENGER. Yes. As I understand it, in 1933 they will do away with this entirely.

Mr. TABER. Do away with the cruise entirely in 1933, except they have provided for week-end cruises on these ships up to September 1, 1933. They have provided that the Naval Reserve officers and men may take week-end cruises on the *Paducah* and other ships on the Great Lakes during the summer of 1932, up to September 1, 1932.

Mr. PITTENGER. Which is a part of the fiscal year 1932.

Mr. TABER. No; from July 1 to September 1, 1932, is a part of the fiscal year 1933.

Mr. PITTENGER. The Secretary says in his letter that it was decided that the 15-day cruises for the fiscal year 1933 might well be discontinued.

Mr. TABER. That is true. That is the 15-day active duty which it has been customary to give to naval reservists; but in addition to that they have also used these ships for week-end cruises, and as a matter of fact I believe the week-end cruises are probably the greater portion of the training rather than the one block of 15 days.

Mr. PITTENGER. I do not want to admit that. I would rather think the opposite would be true, but I am willing to go along on an economy program. Not only the naval reservists but everybody else will have to do their part and make some sacrifice until the Budget is actually balanced. But I do not like the proposition of junking these vessels, of wrecking the Naval Reserve organization under a pretext of economy, unless the department in Washington is going to take its proportionate share of the cut that is ostensibly sponsored in the name of economy. I do not believe the facts will bear out their economy argument. That is the way I feel about the matter. I have many other facts and figures here, but I want to say that I hope the time will never come, whether in the interest of economy or otherwise, when we take steps to cripple the military and naval forces of this country. I am not arguing for a big Navy, but I want an adequate Navy, and I want to treat our boys right. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. AYRES. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, while I do not approve all of the provisions of the general or omnibus bill which, it is understood, will be reported by the Economy Committee of the House, and will vote against some of the provisions, if the parliamentary situation affords an opportunity, I am in accord with the general objects and purposes of the proposed bill, and will support it.

When we consider the unhappy and deplorable condition which exists in our great country, and realize that agriculture and industry are paralyzed; millions of our fellow countrymen are anxious to work but can not find employment; prices of staple commodities are far below the cost of production; homes of our people are being sold under the sheriff's hammer for taxes and other debts; the Federal Treasury facing a gigantic deficit, and the grim, gaunt, spectre of hunger and want stalking in the land, it would seem high time for the Congress to give serious consideration to a reduction of Government expenditures,

It is claimed many causes have contributed to these almost unbearable conditions, some of which I will venture to name. One is the fact we have not yet recovered from the staggering costs and effects of the World War, which it is estimated cost the countries engaged in it the almost incomprehensible sum of $400,000,000,000.

Again, it is estimated that within the last few years the people of the United States have invested $15,000,000,000 in foreign bonds and securities, many of which are practically worthless, and the most of which have heavily depreciated; for a number of years prior to the fall of 1929 our people engaged in a veritable saturnalia of wild bond and stock speculation, and when this balloon was punctured financial disaster and ruin spread over the country; a tariff law has been enacted by the Congress which causes such a high tariff wall to exist as to seriously impair, and in many instances to destroy, our foreign trade; but aside from these considerations, it is undoubtedly true that the high cost, and in many instances unjustifiable expense of our Federal, State, and local Governments has largely contributed to the serious depression which we are suffering.

It is of interest, and indeed, should challenge our deepest consideration when we think of the almost unbelievable increases to which our Government expenses have amounted in the past few years, and the magnitude of increases of appropriations. According to reliable estimates, the National, State, and local expenditures in 1903 were $1,570,000,000, of which the local cost was $913,000,000. In 1913 the total had grown to $2,919,000,000; in 1923 the grand total had reached $9,920,000,000, and of this there was but $3,885,000,000 which represented national expenditures. In 1929 national costs reached $3,932,000,000, while State had mounted to $1,990,000,000 and local to $7,126,000,000, and thus the grand total had advanced from $2,919,000,000 in 1913 to $13,048,000,000 in 1929. In the last two fiscal years the Congress appropriated approximately $10,000,000,000.

It would seem safe to estimate that in the span of a comparatively brief period the expenses of government in the United States, including National, State, and local, has advanced approximately 400 per cent.

Mr. YON. Will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. YON. What percentage of the expenditures for governmental affairs is outside of the National Government—that is, State, county, and local?

Mr. WRIGHT. I just stated that State costs had mounted to $1,990,000,000 and local costs to $7,126,000,000.

Mr. YON. So the biggest part of our taxation is local.

Mr. WRIGHT. Oh, yes. As an illustration of how Federal appropriations have increased, I call attention to the fact that in 1922 the sum of $17,911,419 was appropriated for the Department of Commerce, and in 1931 this appropriation had gradually increased until it reached the sum of $61,300,936.

While it may be a delicate matter to discuss, appropriations for the Executive Office, the White House, in 1915 was the sum of $263,040, and in 1932 this appropriation had steadily increased until it reached $457,380. In 1915 the President had only one secretary, and now we find three are employed at $10,000 each. Only in the last few weeks we are told 11 or 12 new automobiles have been purchased for the use of the White House.

In 1929 there was appropriated for salaries and expenses of the Federal Farm Board $1,500,000 and for the fiscal year 1932, $1,900,000, and for the fiscal year 1933 there was an estimate of the Bureau of the Budget of $1,880,000, but this estimate was reduced by the House to $1,000,000. In 1922 there was appropriated for the Veterans' Administration $389,566,732, and in 1932, $1,118,810,707, which included $200,000,000 for the payment of loans on the adjusted-compensation certificates. There are now 1,400,000 veterans and their dependents who receive from the Public Treasury each month the aggregate amount of $60,500,000, which is more than $2,000,000 each day. I do not mean by this illustration I would deny our worthy veterans and their dependents one dollar to which they are entitled but simply illustrating the increase in appropriations.

Many more illustrations showing tremendous increases in practically all agencies and departments could be furnished.

These enormous expenses can only be met by the levy of taxes and the incurring of debts by our National, State, and local governments. To meet these heavy tributes requires from 14 to 15 per cent of our national income.

We have, of course, no control over the State and local expenditures and taxes, but we can apply the pruning shears to the Federal expenditures and thus set the example to the State and local governments, and, my friends, the hour has struck for this to be done. It is no easy task. When we propose a reduction in the appropriation for some department, as we have in all of the appropriation bills this session, we are usually met by the protest of the Cabinet member presiding over such department. When we propose to curtail or eliminate what would seem to be some nonessential activity, we are told this should not be done. When we suggest a reduction of the salaries of Government employees, we are deluged with loud and vigorous protests; and among other arguments we are told we should not set the precedent of reducing salaries of Government employees, as business and industry will follow the example; but my reply is that business and industry have already reduced salaries.

Let me say here and now the only way to reduce expenses is to reduce. We should cut expenditures by eliminating many activities which are nonessential, and then materially reduce those which are essential. Abolish bureaus and departments and consolidate others. Materially reduce the compensation of Government employees from the highest down, including Senators and Congressmen, and also reduce the number of employees.

An already overtaxed people are faint and tired of hearing of additional sources of taxation being found to further burden their now almost unbearable load, and are crying for relief. We can give this relief, let us do it.

We have had great agitation during the past weeks about "balancing the Budget." There are more ways to accomplish this besides levying further onerous taxes on our distressed people, and one way is to reduce expenditures. Be it said to the credit of this House that each appropriation bill which has been reported this session has carried substantial and radical reductions under the Budget estimates. This is, indeed, a paradoxical period through which we are passing. Our granaries and warehouses are overflowing with surplus grain and cotton, and yet a large percentage of our population is hungry and half clad. These conditions must not continue to exist. Confidence must be restored and business, agriculture, and industry once more placed on a profitable basis and our great country with its boundless resources made "to blossom as the rose." For one, I still believe the courage, wisdom, and patriotism of our people and their chosen representatives will bring to pass these happy results. [Applause.]

Mr. FRENCH. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. GARBER].

Mr. GARBER. Mr. Chairman, members of the committee, it is reported that the Economy Committee will recommend a suspension for a period of one year of Federal vocational assistance to the States for vocational education. Of course, such a proposal is made in the name of economy to balance the Budget, but it would be the most expensive economy this Government has indulged in since the profiteering days of the World War.

The proposal is accompanied by no explanation, statement of facts, or justification. We can not believe that it was deliberately made with due appreciation of the value of the work proposed to be suspended.

It would disrupt and disorganize the public-school system throughout the country. Such suspension would not only be false economy but bad faith with the several States.

The Federal Government proposed the present vocational education system. The States did not propose it. The Federal Government drew up the articles of agreement and requested the States to accept them. Within six months after the proposal was made 48 States accepted the conditions and have ever since carried on the work in the fulfillment of the partnership agreement.

The work has progressed over a period of 15 years. The system has developed into a permanent, constructive policy of vocational education in the most important fields of human labor, in agriculture, in trades and industries, in home economics, in rehabilitation. It therefore supplies an educational need unsupplied by any other agency.

If I were to select two of the great Presidents of this country during recent years, I unhesitatingly would select Theodore Roosevelt on the one hand and Woodrow Wilson on the other. These two great Presidents are responsible for this system of education as a part of the common-school system of this country. Theodore Roosevelt pioneered the thought and Woodrow Wilson pioneered the legislation essential to the adoption and application of the system throughout the country.

President Wilson saw this need when he appointed his Commission on National Aid in Vocational Education in 1914. After thorough investigation and congressional hearings, the commission reported the imperative need for national aid to the several States for vocational education.

In its findings of fact the commission stated that—

> Of the 23,000,000 men and women engaged in agriculture and manufacturing in this country, only 1 per cent were technically and skillfully trained to do the things that they were attempting to do.

Of the 12,500,000 persons engaged in agriculture in 1910, the commission found that less than 1 per cent had any scientific preparation for farming, and that the same was true of the 14,250,000 persons engaged in manufacturing and mechanical pursuits. Of the 7,000,000 young people between the ages of 14 and 18, but approximately 1,000,000 were enrolled in high schools and a very small percentage of these were pursuing studies of a technical character.

During the school year 1929–30 there were enrolled in the high schools 4,399,422, a commendable increase over that of 1910.

The recommendations of the commission were embodied in the Smith-Hughes Act, approved by President Wilson on February 23, 1917. This act was supplemented by the vocational rehabilitation act of 1920, as amended and extended in 1924 and 1930.

The act of 1924 extended the benefits of the national act to Hawaii. The George-Reed Act of 1929 provided for further development of vocational education. The act of 1929 provided rehabilitation for the District of Columbia. The act of 1931 extended the benefits of the national act to Porto Rico.

Thus we see that during this period of 15 years Congress has in six separate acts expressly approved the policy of Federal assistance for vocational education in the several States. The system has been adopted and extended by every State. It is the result of gradual improvement and development over a period of sufficient length, with repeated congressional approval, to classify it as a permanent policy of the Government.

Is all the organization work of these years, the development and building of an enlightened public opinion, the preparation and education of competent teachers, the dissemination of information to the children of the country, and the moneys expended and the efforts put forth, to be brushed aside by an ill-advised, ill-considered recommendation of the Economy Committee simply because it is made in the name of economy to balance the Budget?

Mr. COLE of Iowa. Will the gentleman yield?

Mr. GARBER. I gladly yield to the distinguished gentleman from Iowa.

Mr. COLE of Iowa. Was not this movement started largely for the purpose of encouraging the States along such lines of education, and was it not the intention of the National Government then to withdraw its aid? And does not the gentleman from Oklahoma think it would be better for the National Government gradually to withdraw not only from this but from many other such partnerships, partnerships into which it has been induced to enter? So far as education is concerned, instead of having the Federal Government meddle with it in such ways, would it not be better to leave it to the States and to the people themselves?

Mr. GARBER. There is much merit in the suggestion of the distinguished gentleman from Iowa if adopted at a point of development wherein the States would carry on this great work, but we have not reached that point at this time. The findings of the commission will reveal the magnitude of the work involved in this system.

Mr. COLE of Iowa. May it not become of such magnitude that after a while we will have the National Government dictating to the States and to the people in matters of education instead of permitting the people to develop their own educational systems and maintain their own individual entities?

Mr. GARBER. I recognize the merit of the gentleman's position, but in this act let me assure the gentleman from Iowa it is one of the requirements that Federal assistance can only be granted to a public school under the supervision and control of a State.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. GARBER. I appreciate the courtesy of the distinguished gentleman from Idaho.

Mr. HARDY. Will the gentleman yield?

Mr. GARBER. I yield to the gentleman from Colorado.

Mr. HARDY. I have told my friends out in Colorado that of all the money spent for education above the grades, where properly handled, I think the Federal vocational work is the best and most profitable of any work in the school system.

Mr. GARBER. I am very glad to have the gentleman's commendation.

Mr. HARDY. I think there are a lot of students taking Latin and Greek and journalism and other things who would better be studying vocational education.

Mr. GARBER. The gentleman has tersely voiced the central thought of the system.

Mr. HARDY. I have four children that I spent a good deal of money to educate, and I am therefore speaking from experience after making somewhat of an investment in education; and with respect to the proposition of leaving this out for one year, I am told that in some of the States, including Colorado, if this is deferred for one year, it will eliminate the work entirely in that State because under the enabling act they can not use their money unless the Federal money goes with it.

Mr. GARBER. And that is true with reference to all the States. Suspension would leave the States helpless. It would prohibit the use of their own funds collected on a 50–50 basis.

Mr. ARENTZ. Will the gentleman yield?

Mr. GARBER. I am pleased to yield to the gentleman from Nevada.

Mr. ARENTZ. I think it is very important also to recognize the fact that in vocational education the child appreciates the fact that he has a project before him, because in the schools of the rural districts each child has a certain task at hand and he completes that task and has something to show for it, and in this way, under vocational education, he is taught to complete his work in a logical way.

Mr. GARBER. That is a very important observation. The system develops the qualifications of the student by actual service and work in his chosen vocation. The students are taught to exercise their own judgment, to exercise their own management, and the merit of the system is that it qualifies by actual work the boys and girls for their chosen occupations.

See the breadth and the scope of this work—agriculture, trades and industries, home economics, economy and commerce, embodying and embracing all the fields of activity in which the individual works with his hands. It is not sectional; it is not narrow or provincial. It is as broad as the policy of the Government itself and includes every section of the country.

Mr. FOSS. Will the gentleman yield?

Mr. GARBER. I yield to the gentleman from Massachusetts.

Mr. FOSS. If this appropriation is denied to the States, how is it going to affect a great many of our eastern towns and cities that have already made their appropriations, having in mind the fact that they were going to receive this aid? I am receiving letters from superintendents of schools in my district, saying they will have to suspend this work entirely because they have made their appropriations and will not have the money to carry on the work without this aid.

Mr. GARBER. The gentleman is correct. The funds of the States were collected on the condition that they would be used to match the funds of the Federal Government.

Mr. FOSS. If the Government is going to suspend this appropriation, it should only be done after a year's notice, so that the different States may regulate their affairs accordingly.

Mr. GARBER. The suspension of this appropriation would discontinue the courses of the students in their several lines of occupation. It would disrupt organizations that have been effected. Relying upon the representations of the Federal Government, what did the States do? Each State was induced to levy taxes, effect organizations, train teachers, purchase equipment, and enroll students.

Mr. DALLINGER. Will the gentleman yield?

Mr. GARBER. I yield to the gentleman.

Mr. DALLINGER. Has not this House already passed the independent offices appropriation bill, making an appropriation for this work?

Mr. GARBER. That is true.

Mr. DALLINGER. And what does the Economy Committee propose to do?

Mr. GARBER. That bill is still pending in another body, and the Economy Committee proposes to cut it out.

Mr. MORTON D. HULL. How much is involved in this appropriation?

Mr. GARBER. The Government advances to the several States $8,800,000 annually.

Mr. LANKFORD of Virginia. Will the gentleman yield for a brief question?

Mr. GARBER. I yield.

Mr. LANKFORD of Virginia. I have always been a strong believer, especially during the last two or three years, in the sentiment that one of the best ways to relieve unemployment is to encourage people to go back to the farms. Does the gentleman think that the training these young boys and girls receive will have a tendency to keep them on the farm rather than have them leave the farm?

Mr. GARBER. I am very glad, indeed, that the gentleman has called the committee's attention to that phase of this work. It is an important phase. How are you going to keep the boys and girls of this country on the farm unless you make it attractive for them to stay there and make it profitable? If you do not, what will be the result? They will drift into the cities, crowded with the unemployed, and but intensify the menacing problems of unemployment there.

According to a Department of Agriculture calculation, the average price of all farm products in the United States on January 15, 1932, was only 63 per cent of the average over the last five pre-war years, while a similar calculation of the prices of goods which farmers are accustomed to buy was 121 per cent. On this basis the farmers as a group are able to make only 51 per cent of the purchases which they were accustomed to make in the pre-war years.

This lack of purchasing power of the farmers throughout the country is the main contributing cause to our unemployment. It is more than that; it is the cause of the inability of the farmers to pay their taxes, interest, and coming-due obligations resulting in the foreclosure of mortgages by the thousands throughout the agricultural States.

This is but a short, condensed statement of actual conditions, but it visualizes a tragedy taking place in every farm community. It shows the imperative necessity of rehabilitating agriculture in the first instance before substantial recovery can be reasonably expected. The farm mortgages of the country total in excess of $9,000,000,000, not including personal obligations and taxes.

Unless every effort is put forth to stimulate, encourage, and assist the farmers on the farms and enable them to pay their existing indebtedness with a purchasing power as great as that which they borrowed, they will lapse into a state of tenantry and peasantry from which there will be no escape.

A substantial hope for the rehabilitation of this industry lies in the 4-H clubs and in the young men and young women coming on with modern vocational qualifications and equipment to meet the modern farm problems of to-day.

Mr. MANLOVE. Is it not a fact that a great many boys not temperamentally fitted to take up professions or acquire educational qualifications have been educated in mechanics, whereby they become exceedingly useful citizens in the mechanical lines?

Mr. GARBER. The gentleman from Missouri is entirely correct. He probably was not in the Chamber at the time I made the statement in regard to the broad scope of the system. It includes agriculture, trade, commerce, home economics, and rehabilitation. Time will not permit me to speak of all the different fields of vocational education, but, as the gentleman from Missouri has said, the same consideration is given to the boys and girls in the country as in the cities, teaching them by actual contact to work with their hands in their chosen occupations.

Mr. MANLOVE. I want to point to what the gentleman said a few moments ago, which it would be well to consider further, and that is the question of relationship of the different communities of our Government—the different school districts in which these men have been employed to teach pupils, relying on what they considered a contract with the United States. They have contracted with these men for the coming season, and these districts will not be able to carry out the contract, because the United States Government has not kept its quasi contract with them.

Mr. GARBER. The gentleman's suggestion raises the question of good faith on the part of the Government if Federal assistance is suspended.

[Here the gavel fell.]

Mr. FRENCH. I yield the gentleman 10 minutes more.

Mr. GARBER. Suspension would not only nullify the construction work that has been done, but it would be bad faith on the part of the Government. It would compel the States to break their contracts and abandon their schools.

Mr. MANLOVE. Will the gentleman yield again?

Mr. GARBER. I yield to the gentleman from Missouri, who has always aggressively supported vocational education.

Mr. MANLOVE. My district has already contracted with some expert instructor in a vocational way to carry on the coming year. They did that relying upon the agreement with the Government as laid out in previous appropriations,

and without any intimation that this appropriation would not be carried for the next year.

Mr. GARBER. From 1917 to 1931 the Government has passed six acts enlarging the system, extending the system, acts which were the deliberate expression of approval of the system.

No later than 1931 an act was passed extending this system to Porto Rico. In 1929 the Reed Act was passed extending it and enlarging it in this country.

The benefits of the acts have been distributed in all the fields of activity in every State. Back of your naval appropriations, back of your battleships, back of your military line, is a qualified producing citizenship, our first line of defense. [Applause.]

I regret that my limited time will not permit me to yield for further interruptions.

In the field of practical economy, the committee should have, and I am sure will have, our undivided support. It is the desire of every Member to economize, cut down expenses, cut out useless agencies, retrench, reform, and balance the Budget. But when it comes to cutting out one of the most valuable features of our common educational system, when it comes to striking down our first line of defense, this committee will demand substantial reasons in justification for such action.

We venture the assertion that in all the fields of its far-flung activities, the Government receives a more valuable return on its investment in vocational education than in any other.

A brief consideration of the requirements for Federal aid will show the commendable purposes and object of the Government to equip boys, girls, men, and women for the more effective operation of their respective occupations. The main conditions precedent for Federal assistance are:

First. That any school receiving Federal aid shall be below college grade.

Second. That such schools shall be under public supervision and control.

Third. That the enrollment in federally aided classes shall be limited to persons 14 years of age and over.

Fourth. That each dollar of Federal money expended under State plans shall be matched by a dollar of State or local money.

Fifth. That Federal funds shall be used only for the reimbursement of part of the salaries of teachers and supervisors.

At the time of the passage of this legislation every agency of our educational system—grammar school, high school, college, and university—was engaged particularly in providing training of academic character adapted to what were conceived to be the requirements of a liberal arts or professional education, yet only 8 per cent of our population ever got into these liberal arts and professional employments. In other words, the great mass of our population, representing the 92 per cent of our boys and girls, had no opportunity to get the type of training they needed, training directed toward their peculiar needs in the rôle they must of necessity occupy in the economic and industrial life of the Nation.

It is this 92 per cent of our workers who produce our food, our clothing, and our shelter. It is they who produce not only the books but also all other instruments and materials upon which the 8 per cent are dependent in acquiring their education and training. They build our schools, our factories, our public buildings, our private residences, and our magnificent structures of commerce and finance.

They dig the coal, chop the wood, drill the oil, and produce the electricity for our light, heat, and power. It is they who clear our forests, build our railroads, span our rivers, and tunnel our mountains. They have constructed the vast ocean liners, laid the ocean cables, built our roads, our automobiles, our airplanes, and our radios.

It is from this group which contributes daily to our peace, our security, and our comforts that to-day the larger part of the great army of unemployed has been recruited. They are more quickly responsive to the ever-recurrent changes of our industrial life and progress and, lacking the flexibility of readjustment to these rapidly changing methods and processes, find themselves constantly confronted with the hazard of unemployment.

As a direct result of the participation of the Federal Government in the program of vocational education, three types of vocational schools have been established as integral parts of our public-school system:

First. The vocational day school for boys and girls who have chosen an occupation and desire training for it.

Second. The part-time school for persons who are employed but who can devote part of the day to receiving systematic instruction and training in the line of their employment.

Third. The evening school for workers who desire to devote some time outside their regular employment hours to improving their efficiency in the occupations in which they are engaged.

In 1930, as a result of the stimulus given this endeavor by the Federal Government, more than a million persons, of both sexes, young and old, were enrolled in these schools, learning to farm better, to make better homes, or to be more efficient at some particular job in industry.

The objective of the Federal Board for Vocational Education, the Federal agency charged with the promotion of this vital aspect of our educational program, has been in part to assure to every boy and girl, every adult worker, and every disabled person in America an opportunity to acquire or to improve his or her vocational efficiency in some selected field of human endeavor, upon the theory that educating for work is as truly the resoonsibility of our free public-school system as is educating for college, for the professions, for citizenship, or for leisure. It is undeniable that our future prosperity is inseparably associated with training for industrial or vocational efficiency.

Under the various acts the Government expends annually approximately $8,800,000 to the several States and Territories for vocational education and $1,100,000 for vocational rehabilitation. Wherever a dollar of Federal money is spent, at least a dollar of State or local money is expended for the same purpose. In some cases States and local communities are spending as high as $10 of State and local money for every dollar of Federal money used for vocational education.

The total amount expended by Federal, State, and local subdivisions is approximately $34,000,000 annually. In 1931, of the amount paid to the States by the Government, approximately $351,000 was expended for training teachers for agriculture, $358,000 for training teachers of trade and industry, and $353,000 for training teachers of home economics.

In 1931, the total enrollment in vocational schools was 1,126,385. In the field of agriculture for the year 1931 there were 7,900 agricultural schools receiving Federal aid. In these schools were enrolled over 237,000 persons. In support of such schools, there was expended a total of $9,978,000 of which $4,432,000 was from local funds—$2,085,000 from State funds, $3,461,000 from Federal funds.

The value of the earnings from vocational projects in agriculture during 1931 exceed $6,024,000.

This vocational education and training is extended to the boys and girls who are unable to take a college course. It opens the door of opportunity to those to secure such training and education in their chosen occupations. It develops a desire and ambition to go on with school work and secure a college education so necessary nowadays.

The teachers in agriculture must have had actual experience in farming. The training and education of the students likewise include the actual work on farm projects. It develops the power to exercise the judgment essential to good farm management. It develops a much-needed leadership in farm economics and an intelligent scientific modern equipment in the individual to meet the preplexing problems of the farm. At no other time in the history of the development of this country has there been such an imperative need for such qualifications in agriculture.

The following table shows the extent of the assistance rendered by the Government, and the result of Federal and State cooperation in the State of Oklahoma:

OKLAHOMA

Number of vocational agricultural departments—1931–32	118
Number of boys enrolled in departments of vocational agriculture—1930–31	3,404
Number of farmers enrolled in departments of vocational agriculture	2,733
Total amount spent for vocational agriculture	$226,822
Amount of Federal funds spent	$102,782
Amount of local funds spent	$106,986

Amount of labor income derived from the practical work of the boys and the farmers under the supervision of agricultural teachers for 1929–30—last year for which records available—$370,141, as against an expenditure of total State and local funds of $226,822.

The improved practices in farming operations dealt with such problems as—

Conservation of soil and soil improvement, terracing 20,000 acres of land; use of legumes, pure seed, and livestock; improvement of homes; keeping farm records; better production practices.

Work of the agricultural teachers includes among other things:

Development of leadership through the future farmer organization; community improvement contests; working with a community council of farmers.

In 1931–32 Federal funds allotted to Oklahoma in the field of vocational education in home economics totaled $14,420.76. Nine thousand one hundred and eighty-five adult women were enrolled in the home-making classes, 453 girls in all-day schools, and 112 senior home-economics students taking teacher training.

In the adult classes of home makers teachers are giving specific help to members of the class in meeting the emergency problems in the homes that have arisen because of the depression. This includes health, the selection of the best type of food for the least money, making over clothing, getting the best service of it through proper care and repair, keeping up the family morale, preventing a breakdown in the home, budgeting a limited income, providing adequate food for the family when little or no money is available by gardening, raising poultry, canning and preserving food to tide over the winter months.

In the all-day school program the girls are taught how they can help in the homes to share the responsibilities of their parents. They are taught how to market foods, prepare them, and select the best foods for the money; how to make their own clothes, care for and repair them; how to help their mothers in the care of younger brothers and sisters.

In Oklahoma, which has made appropriations for vocational education under the Federal-aid program for the past 15 years, the withdrawal of Federal funds for one year, according to information furnished by Hon. John Vaughan, State superintendent, would mean:

In vocational agriculture:

First. Depriving 5,000 adult farmers of receiving organized instruction in problems which confront them locally, including living at home readjustment.

Second. Depriving 4,000 farm boys of continuing their training in vocational agriculture, through whose efforts 68,000 acres of home farms were terraced.

Third. Unemployment to 130 specially trained teachers of agriculture.

Fourth. Destruction of 15 years of effort in developing an efficient training program for future farmers.

Fifth. Depriving 130 local communities in the State of funds necessary to provide a systematic and efficient training program.

In vocational trades and industries:

First. Destruction of educational opportunity for 4,906 boys and girls who are now going to school half time and working half time—they would be out of school entirely.

Second. Destruction of educational opportunity for 3,107 men in training supplemental to their daily employment.

Third. Destruction of educational opportunity for 200 boys who are now taking trade-preparatory training.

Fourth. Depriving 22 industrial centers of the State of funds necessary to carry on a training program of trade and industrial education.

Fifth. Destruction of 15 years of earnest effort in building an efficient program of industrial training for those engaged in industry.

In vocational home economics:

First. Depriving more than 30,000 home makers of receiving vital instruction in problems relating to the home.

Second. Handicapping the follow-up of the White House Conference on Child Health and Protection in placing its findings and recommendations in every home in the Nation.

Third. Removal of one of the strongest forces for building up the home, which strikes at the foundation of society.

Should vocational education be suspended for one year, as outlined by the Committee on Economy, it would make impossible the reviving of vocational education in Oklahoma for many years to come—and what is true of Oklahoma is equally true of the other States which have recognized and accepted in good faith the advantages offered in the Federal vocational-education program.

The system of vocational education in its economic fairness includes vocational education for the trades and industries. Its object is similar to that in agriculture—to provide opportunities for persons 14 years of age or over to secure practical training for profitable employment in their chosen industrial occupations.

The range of occupations served through this program is constantly increasing. It is indeed surprising to learn of the avidity with which the opportunities extended are seized. During the year 1929, organized courses in trades and industries included 225 different occupations. During 1931, approximately 592,000 persons were enrolled in trade and industrial schools and classes for which Federal funds were used. Of this number, more than 511,000 were persons who had left the regular schools and were actually employed in industry. Of this number, 187,000 were girls.

The system includes vocational education in home economics, in rehabilitation and commerce, in all of which fields of activity it has rendered most valuable service, supplying an actual educational need to qualify those who are unable to secure the advantages of such education in the higher institutions of our country.

The proposal to suspend Federal aid in vocational education for a period of one year, if adopted, might save the Government approximately $8,000,000, but it would dislocate and disorganize and destroy the continuity of the courses being taken by more than a million students. It would suspend the creation and development of permanent values in qualifications in earning power for occupations. It would not only suspend the creation and development of these intangible values but in many cases dislocate and destroy them.

When the Government requested the several States to cooperate with it in the maintenance of this system and thereafter enlarged it by supplemental acts of legislation, it undoubtedly pledged itself to a continued assistance and policy. It induced the several States and local subdivisions to invest the tax moneys in the purchase of necessary equipment and facilities and in the preparation of teachers to carry on the work. And now to propose a suspension for a period of one year, in the most important work in which the Government and States have cooperatively engaged, would not only violate the partnership agreement carried out so faithfully but dissolve the organizations affected and nullify much of the constructive work accomplished.

Nowhere, perhaps, has the importance of the system been more forcibly stated than by President Hoover while Secretary of Commerce:

My attention has been called to comments in the press on the increasing cost of education and more particularly of vocational education in our public schools. Expenditures in States last year under the Federal vocational education act amounted to less than $15,000,000, or approximately 15 cents per capita. Of this amount States and local communities contributed in round numbers $11,000,000 and the Federal Government $4,000,000. * * * This cost can not be regarded as constituting a serious financial burden upon

the community. * * * Expenditure on account of such education is in the nature of an investment which will yield large dividends from year to year through the progressive increase of labor, skill, and industrial efficiency. * * * In some of our State universities the cost of providing education for the professions runs well into the thousands of dollars per graduate. Vocational training for the commoner wage-earning pursuits and skilled trades is equally as essential as is training for the professions. The humblest worker, equally with the youth who proposes to enter the professions, has a right to the sort of training he needs for the occupation by which he proposes to earn his livelihood and support his family and through which he will render his service to the community in getting the community's work done. * * *

We in this country believe that education pays for itself and is worth while and if this is true of any sort of education, it is certainly true of vocational education—that it pays for itself. * * *

Men of affairs the country over are being impressed with the fact that the cost of training labor on the job is one of the great industrial costs, but they know that the cost of inefficiency and lack of training is very much greater, and that labor must be trained whatever the cost. If they or the community do not provide such training, they can not compete with the foreign producer whose labor is vocationally trained at public expense, nor can we, as a nation, adequately supply our own needs for the product of labor if we neglect to provide for the training of labor.

The cost of providing this training is just as properly a charge upon the public revenue as any other form of education. * * * The cost of such training certainly should not be put upon the individual worker unless we are prepared to abandon our traditional policy of providing free education and equality of opportunity for our youth. We can not in fairness continue to provide specialized education free to the few who propose to enter the professions, while denying education to the many for commoner vocations.

A community must pay either for the cost of training labor or for the much greater cost of inefficiency of labor, and inefficiency of labor means inevitably general industrial and commercial inefficiency. * * *

No American employer can hold his markets and continue to employ labor if his labor is relatively unskilled or if its costs for training greatly exceed those of his foreign competitors.

* * * * * * *

Can we expect to maintain our commercial standing in the world's markets if we neglect to train our labor * * *?

Having taken the lead in vocational education, we certainly shall not now permit ourselves to slip back because of a notion of false economy. I have been thinking particularly of the service rendered by vocational education in the broad fields of industry and commerce, but the social and economic value of such education is, of course, equally great in other fields. There is, in fact, no better economy than the economy of adequate training for the pursuits of agriculture, commerce, industry, and the home. Our youth must enter into these pursuits, and it is in the public interest that they be well trained for them.

To provide such training is clearly a public responsibility. Education in general, including vocational education, for the youth is democracy's most important business. * * *

I can not believe that it will be the deliberate judgment of the Members of the House in the name of economy to destroy the vocational education system of the country to save $8,000,000. [Applause.]

Mr. FRENCH. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I ask unanimous consent to extend my remarks with a table and excerpts in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLANCY. Mr. Chairman, on this occasion I believe I am talking to a sympathetic subcommittee of the Committee on Appropriations. The last time I addressed a subcommittee of this committee during this session I was not addressing a sympathetic subcommittee, but one which opposed my ideas.

I am happy to say that although I waged a 1-man battle in that case, I won the battle, because the Committee on Appropriations and this House have consented to include the Senate language with respect to the limitation upon the cost of Government-purchased automobiles.

I maintained here in several speeches that it is absolutely impossible to buy the lowest-priced car, a Ford or a Chevrolet, in some Rocky Mountain regions and in some localities for $750, the freight being included in the cost, but I also maintained that on some kinds of roads and in some kinds of country it was economy to buy a car costing in the neighborhood of $900.

I also protested against language restricting the use of autos by the President and by Cabinet members.

The Senate listened to those arguments and wrote my conclusions into the Interior Department appropriation bill, which was accepted by the House Appropriations Committee and passed yesterday by the House.

The country is demanding economy. Taxes are $14,000,000,000 per year. Only two-sevenths of that amount are Federal expenditures, but the limelight is upon Congress, and the Congress must cut, hit or miss, and make up for its mistakes later on. Of the $4,000,000,000 Federal expenses, $3,000,000,000 are for war and insurance against war in Army and Navy appropriations.

Our problem is tremendous. We are all for economy, and the United States Naval Reserves Association is also for economy and is willing to take a cut and a big cut, but it wishes the cut applied fairly and intelligently.

The Navy Department very suddenly decided recently to abolish reservist training on the Great Lakes, and decided to cut out the summer cruises and to junk and sell five training ships and two Eagle boats.

One of those ships admittedly is obsolete and in bad condition, but one only. The others have been modernized, and two of them have cost $150,000 for improvements within the last year.

The Navy Department came to the Committee on Appropriations after the hearings had all been closed and after the hearings were printed. It is very hard to get an intelligent idea of just what is intended, and the debate here this afternoon by the two gentlemen from Minnesota, Mr. MAAS and Mr. PITTENGER, Mr. WHITE, of Ohio, and myself, in colloquy with members of the subcommittee, demonstrates that.

This is what the Navy Department intends to do. Notwithstanding their sad experience in bringing reservists from the Great Lakes region to salt water before 1929 and abolishing such an experiment, they now seek to abolish fresh-water training and aim to bring the reservists of that region to salt water.

The whole question of national defense is involved. Although the United States depends for its existence largely on water defense, it has less of Naval Reserves than three or four of the great powers. Even with Great Lakes training we provide for training only 40,000 men a year and in the Great War we called 350,000 naval reservists to the colors.

On the Great Lakes last year 2,960 men were trained. The Navy Department maintains that training on the Great Lakes is not as good as on salt water, but the reservists, who are intelligent men, maintain just the opposite.

Admiral Sims says that it is the best training in the world, and other admirals, if their tongues could be loosened, would testify to the same fact.

Why? Because in navigating the Great Lakes one is really navigating. They are not on the ocean where they may see a ship once a day or once in two or three hours or no ship at all. On the Great Lakes and connecting rivers one navigates through channels which are often only 300 feet wide and must pass some of the largest ships in the world, freighters 625 feet long, with tremendous suction, at a distance of 50 feet or so, and one has to navigate very skillfully or the suction or swift currents bring the boats into collision.

If training on the Great Lakes is abolished and the men are taken to salt water and the claimed saving is $36,000, that is an infinitesimal sum. As a matter of fact, the naval reservists maintain there is a large financial loss in bringing the men to salt water.

I have some tables and arguments here to prove that, and I have received permission to put them in the RECORD.

It costs $240,000 per year to maintain these Great Lakes ships. I have here a picture of one of them—the *Dubuque*. It is a very satisfactory ship and it is working very well since it has been reconditioned and refitted, and is prepared to go on with its good work for some years to come.

It costs $240,000 to run these ships around the Great Lakes and to have the summer cruises, and it will cost more

to abolish these ships and then bring the men to the Atlantic coast.

But also the United States Government breaks faith with the Great Lakes States and cities when it does this. The Navy said to the Naval Reserve Forces, "You have great political pull. Get your States to make appropriations for the national defense," and national defense is a Federal job. My State gave $600,000 to these naval reservists. My city, Detroit, gave a million dollars in property to the naval armory.

The State of Illinois gave $800,000, and other Great Lakes States gave in proportion. But the Federal Government, after having gotten that investment of money, says, "We are pulling out."

That is not fair. We do not want those ships junked. One officer in the Navy Department says he intends to sell them as old iron. In any event, we want to make this record to-day in the House and aim at saving these ships in the House or Senate.

I have had a tender from the Navy Department with regard to the *Dubuque*. If this legislation goes through Congress, instead of junking the *Dubuque* the Navy will offer it to the State of Michigan, if the State of Michigan will agree to use the ship for training naval reservists. That is the offer in effect, and it is not so good, for the State is very hard up.

Now, the House must act rapidly, and yet we should act as intelligently as we can when we do act rapidly. We hope there comes out of this discussion to-day and the next few days an amendment which will result in as little damage as possible to this service. And we want to save the *Dubuque*.

This economy item, which does so much damage, is infinitesimal. It is only three-twentieths of 1 per cent of the total Navy appropriations. I am not going to reflect on the high command of the Navy or the War Department, but it is obvious when pressure is placed upon the Navy Department to economize, they are likely to economize on those services which have the most political influence, and in this case those are the reserves: The reserves in the Army, the citizens' military training camps, and the Officers' Reserve Training Corps, and the reserves in the Navy, the United States Naval Reserve Officers' Association. Then there is a better chance of restoring the cuts. I do not know whether it was done with malice aforethought or not, when this action was sprung so suddenly, and without printed hearings, but what we are asking the Members to do is to give consideration to all the facts before taking final action. [Applause.]

I include as my own remarks a memo which was given me by a constituent and fellow Detroiter, Commander M. B. Wortley, president of the United States Naval Reserves Association.

Business men subscribe fully to the establishment of all logical measures for the economical operation of governmental departments. The precarious financial situation now confronting our country is fully appreciated.

The policy of our country has always been to maintain a small standing Army and Navy, and in an emergency to rely principally upon the citizen components to augment the regular services. During the World War the reserve strength of the Navy was developed to approximately 25,000 officers and 350,000 men. All present ranking officers are veterans of the World War.

They give unsparingly of their time and energy in preparing themselves to serve the country, and believe it to be false economy and entirely unjustifiable to remove the small opportunity now afforded for preparation in the way of professional training.

Naval Reserve Budget estimates for 1933, as submitted, and which contain provisions for summer training, were 17 per cent less than the previous year, or an approximate reduction of $340,000. It is now proposed that a further cut of $516,000 be imposed, although it is interesting to note that the total Navy appropriation was only 4.6 per cent less than the previous year. By the Navy Department's own estimate the saving involved by discontinuing cruises amounts to $516,000 (only three-twentieths of 1 per cent of the total Navy appropriation) but at the same time reduces the Reserve appropriation by almost 30 per cent.

The basic law which created the Naval Reserve as a Federal force (Naval Reserve act of 1925) provides that its officers and men may also be members of the naval militias of the various States. It also specifically provides for 15-day periods of training duty annually. The Congress has appropriated funds in the Navy appropriation bill for that purpose each year heretofore.

The various States, in return for their right to utilize the Naval Reserve as a part of their militia in an emergency, and acting upon the assumption that the Federal Government's share of the cost of maintenance was a permanent and continuous arrangement, have not only invested large sums in the erection of armories, and so forth, but also have appropriated thousands of dollars each year for the maintenance of these armories. For example, the following approximate amounts have been spent by the States indicated during the past two years exclusive of land values running into millions of dollars and not including municipal and public subscriptions, namely, New York, $500,000; Illinois, $300,000; Michigan, $600,000; Ohio, $200,000. Many States have definite armory-building programs laid out, which include Naval Reserve armories and which very obviously will not be executed if governmental support is withdrawn.

Now, prior to the consideration of the naval appropriation bill, and without regard for the States' rights and welfare in the matter, and without warning, the Navy Department has ordered the elimination of training afloat, which is vitally essential for the citizen sailors' training duty as contemplated by law, and which is practically the only experience aboard ship they obtain.

In regard to the order for the decommissioning of the Great Lakes training ships U. S. S. *Wilmette*, U. S. S. *Wilmington*, U. S. S. *Dubuque*, U. S. S. *Paducah*, and U. S. S. *Hawk*, it is very peculiar that, after recognizing for 35 years that training ships on the Great Lakes were a valuable asset to the training of citizen sailors, it should suddenly be decided that their usefulness was over.

These ships are looked to by the marine interests of the Great Lakes, which support a commerce greater than that of the Pacific coast and twice that of the Gulf of Mexico, as a recognized establishment of strategic value. Furthermore, these ships are relied upon by the States in the event of any local emergency. They have been utilized in the past to take off refugees and furnish food and medical supplies in the case of forest fires; they have gone into ports after cyclones and established patrols in cities and areas otherwise not accessible, furnished fresh water, hospital supplies, and so forth. It is practically the only contact that the Middle West, a district of 13 States, has with the Naval Service.

The Navy Department has estimated that the decommissioning of the vessels on the Great Lakes will save approximately $36,000 a year, and that the training of reservists aboard regular Navy ships would bring an increase in efficiency.

We feel that the question of relative results obtained by training on Great Lakes ships and on regular Navy ships is one which can not be adjudged hastily by casual observation. Ships on the Great Lakes are officered and manned entirely by reservists, who are of necessity on their own initiative; and we feel that they obtain more practical training through the actual responsibility of operation of these ships than they would or do by simply standing by as observers of some one else. These ships have navigated the Great Lakes and rivers and channels connecting them and have cruised thousands of miles in formation and maneuvers without serious accident of any kind. Last year 220 officers and 2,640 men cruised on these ships for a total of 6,500 miles per ship. The suggestion that they be taken over by the States may be answered by bringing out the fact that the States are facing an even more serious financial problem than the Federal Government, and it is simply preposterous to think that

the various States could at this time agree to take over and operate these ships.

The resultant saving by cruising Middle West reservists on the coast is subject to question when due consideration is given to the expense of transportation involved and the maintenance of coastal ships.

For example, attention is invited to the travel cost of only 13 reduced-strength divisions out of a total of 53 divisions in the district of Philadelphia for coastal training in the year 1929. It is significant to note that owing to the prohibitive travel costs these trips were abandoned after 1929 and training on the Great Lakes substituted. See statement of actual travel costs attached hereto.

It is estimated that the cost of maintaining the five Great Lakes vessels concerned is approximately $240,000 annually. This figure is based on past costs. The expense of transporting the Middle West divisions to the coast for cruising is conservatively estimated at around $230,000, without any consideration being given to the additional expense of ship operation on the coast or time lost in travel. It is unfair to assume that any material saving can be effected if the ships are decommissioned, and if once withdrawn it is doubtful if they will ever again be replaced owing to the Rush-Bagot "treaty" complications.

It has been alleged that these ships are antiquated and obsolete. Attention is invited to the fact that only last year $150,000 was spent on two of them for modernization. All of them have undergone modernization during the past three or four years and are now in better condition than at any time since they were assigned to this duty. They are particularly adaptable to the training of reserves, the majority of whom are assigned ships on mobilization of a somewhat similar type, such as auxiliaries, tenders, and so forth. In conclusion it is interesting to note that the United States maintains the smallest naval reserve of any of the naval-treaty powers. The last available figures show that Great Britain supports a naval reserve of approximately 75,000 officers and men; France, 170,000; Italy, over 200,000; and Japan, 55,000; while the reserve of the United States has a paper strength of only 40,000, of which 7,500 are officers.

Statement of expense of transporting Naval Reserve divisions from ninth naval district to Philadelphia for destroyer cruises, year 1929

Division	Origin	Number of men	Round-trip rate	Amount	Number of officers	Round-trip mileage	Amount	Total
First	Cleveland, Ohio	43	33.53	$1,443.94	4	996	$318.72	$1,762.66
Fourth	Toledo, Ohio	39	41.06	1,601.34	1	1,188	95.04	1,696.38
Nineteenth	Hancock, Mich	49	78.18	3,830.82	4	2,458	786.56	4,617.38
Thirtieth	Peoria, Ill	33	65.14	2,149.62	4	1,946	622.72	2,772.34
Thirty-first	Rock Island, Ill	45	60.44	2,719.80	3	2,000	480.00	3,199.80
Thirty-second	Milwaukee, Wis	45	63.68	2,865.60	4	1,806	577.92	3,443.52
Thirty-ninth	Kansas City, Mo	48	82.06	3,938.88	3	2,490	597.60	4,536.48
Forty-fourth	Minneapolis, Minn	44	79.96	3,518.24	2	2,440	390.40	3,908.64
Seventh	Columbus, Ohio	45	37.76	1,699.20	1	1,080	86.40	1,785.60
Fifty-first	Cincinnati, Ohio	40	46.12	1,844.80	3	1,320	316.80	2,161.60
Thirteenth	Grand Rapids, Mich	40	51.34	2,053.60	5	1,520	608.00	2,661.60
Sixteenth	Indianapolis, Ind	43	52.23	2,248.04	3	1,442	346.08	2,594.12
Twentieth	Chicago, Ill	40	57.78	2,311.20	4	1,636	523.52	2,834.72
Total		554		32,225.08	41		5,749.76	37,974.84
Average				[1] [2] 58.17			[3] 140.24	

[1] Per man. [2] Pullman and subsistence costs not included. [3] Per officer.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. AYRES. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, after listening to a great deal of discussion on the question of economy one gets the impression that we are all in favor of economy except on those subjects which pertain to our own particular hobby. It is a great deal like our tariff attitude. We are in favor of a low tariff as long as it affects the other man's districts and goods.

Mr. PITTENGER. Will the gentleman yield? Did the gentleman hear my remarks made a short time ago?

Mr. HARLAN. I am sorry, I did not. If the gentleman will excuse me, I do not have the time right now to yield.

On last Sunday there was published in the papers the text of President Hoover's economy bill. That bill is headed as follows:

A bill to effect economies in the National Government.

Now, I think we could all safely assume that in a bill to effect economies, anything that does not effect economy is not properly placed. In other words, this bill that is proposed to this Congress in this dire period of storm and stress ought not to be a bill introduced for the sake of garnering votes. It ought not be a bill introduced for the sake of catering to any interest that might be able to contribute to our fall campaign expenses. It ought not be a bill put in this great wealth of material as a rider to slip over something that probably can not be put over in any other way.

Specifically, may I read section 408?—

After the date of the enactment of this act, except as may be necessary to carry out existing contracts, the Postmaster General shall not manufacture for sale, cause to be manufactured for sale, or sell any stamped envelopes bearing any printing, lithographing, or engraving except the stamp.

Now, the provisions of that bill are before this Congress in due channels, in a bill to prohibit the printing of anything except the blank line for the signing of the name in the return corner. It will come before Congress, not in this economy wave of emotionalism, but in a cool, deliberate way, after consideration by the committee.

While this bill was being considered, the same thing as provided in section 408, although not quite so drastic, the Postmaster General of the United States, who at least ought to have the facts at his command, wrote to the committee in these terms:

Should either of these bills become a law, the department would lose revenue on the vast amount of printed-corner-card envelopes sold, represented by the difference between the contract cost and selling price, not including postage value. For example, on a letter contained in such an envelope the department receives the full postage, the contract cost of the envelope, including printing thereof; and, in addition, all of the apportioned costs involved in the sale and distribution, amounting to more than $2,000,000.

This is not true of letters mailed with adhesive stamps, as the cost of the manufacture of the stamps, their handling, transportation, etc., are included in the postage charge of 2 cents. Furthermore, the expenditures of the department in the operation of its dead-letter branch would be further increased, as no printed-corner-card envelopes are included in the 20,000,000 dead letters now passing through the Dead Letter Office.

In other words, the Postmaster General of the United States, who has these figures in hand, says that if this section is passed there will not be any economy effected, but the Post Department will lose, $2,000,000. It will cost the Post Office Department $2,000,000 more than their present expense to carry out this provision of the so-called economy recommendation of the President. While he does not figure out any other losses, he does state that it will place a great burden on the Dead Letter Office.

I have not the time to go into the figures, but I have obtained figures as to approximately what that will cost, and if section 408 is adopted in our alleged economy measure the Dead Letter Office will have an additional expense of $22,140. The Postmaster General briefly refers to the cost of printing the stamps if this is discontinued, and if the Presi-

dent's measure is adopted, I have gotten figures from the Bureau of Engraving and Printing which, with a little computation, show that there will be an added expense to the Bureau of Engraving and Printing of approximately $115,000 for printing these stamps. There will be a $2,000,000 loss to the Post Office Department, an additional expense of $22,000 to the Dead Letter Office, and $115,000 added to the expense of the Bureau of Engraving and Printing to carry out one of our Executive's economy proposals.

There may be other arguments in this matter. Possibly the President has something that he is thinking about, but certainly, gentlemen, you can not say that this kind of a bill should be included in any proposal to effect economy.

I suppose it would be well to explain for a minute the way this business is run, so we can understand the picture. The Government every four years advertises for sealed bids to print these embossed envelopes. Under the present contract they are paying for printing the return name on these envelopes 2.1 cents per thousand. In other words, the Government pays practically nothing to have this done. All the Government has to pay is just the cost of the ink and setting the type. The machinery is all there and it is all done in one operation.

If you take that same work and take the envelopes out and print them in little job-printing shops throughout the country, they will cost those consumers who buy in 500 lots 1,500 per cent more to do it in a small job-printing shop than it will the way it is being done now. It will cost those who buy in 1,000 lots from 800 to 1,000 per cent more to have it done, because to have it done when the envelope is printed saves labor to the extent that there is practically no cost at all. The Government, which pays 2 cents per 1,000 to have this done, sells them to the consumer for 24 cents per 1,000, and out of this business, according to the letter of the Postmaster General, the Government is substantially making a profit of $2,000,000 a year, yet the President, in this period of storm and stress, when he is asking to save every nickel we can, comes and says $2,000,000 is nothing, we will just throw that out of the window.

Now, the people who have come here to advocate this measure—the only people who have advocated it—are those interested in the country-newspaper business. They come here and urge that this be discontinued so they will have this printing. I am not going to argue that. There may be some merit in it, but I do not think there is. If there is, this is no place to consider it. It should be considered before the proper committee and not be contained in an economy program. There is a group, however, that is vitally interested in this proposition, and that is the envelope association in this country, which is trying to get its hands on this envelope business.

In 1926 this matter came up before the Congress of the United States, and it developed in the hearings before the Post Office Committee that this envelope association raised a fund of $75,000 to propagandize this proposal. I can not go into all the details, because I have not the time, but the head of that organization, after they were unable to stop the Government from doing this, turned around and bid and tried to take the business itself. They were underbid, however, and now, through this welshing process, they are attempting to undermine this company by getting the President to inject it into his alleged insincere economy program.

A few months ago our Executive was accused by a certain group of being abysmally ignorant. That being a controversial matter, he did not wish to decide it himself, so he appointed a committee to determine whether or not he was abysmally ignorant. That committee, after due consideration, reported to the world that he was not abysmally ignorant, and for the purpose of this argument I am perfectly willing to admit that he is not abysmally ignorant. Now, when we see a man who is not abysmally ignorant proposing in an economy bill a measure that is going to cost the Government considerably over $2,000,000 to put into force, what must we assume? Either that the measure is put in with a view of the coming election, in which certain contemplated votes are in view, or that this company—this welshing organization—that went into this to try to get this business and then failed is about to offer its assistance to the coming campaign.

Mr. TABER. Will the gentleman yield?

Mr. HARLAN. Yes.

Mr. TABER. Will the gentleman tell us where these stamped envelopes are printed now?

Mr. HARLAN. They are printed in Dayton, Ohio.

Mr. TABER. In the gentleman's own district?

Mr. HARLAN. That is my district; yes. Nevertheless, that does not mitigate against the facts that I am presenting here.

In 1929, three years after this group failed to get this business, there appeared in their organ, called the Envelope Industry, this editorial. If the gentleman who is interested in where this is being done will listen to the editorial and will then have any real answer to it, that would be more interesting. This is the Envelope Industry that is saying this:

The fight against the Government envelope policy will not be allowed to languish this spring.

This was in 1929.

"Keeping everlastingly at it" is the motto, even in the face of the warning that the new Congress will have no time for miscellaneous legislation at the extra session. Tariff revision and farm relief are supposed to have a monopoly of attention at the special session. But, at that, the crusaders for envelope reform are keeping the pot of propaganda boiling and will be on the alert for any opportunity to edge in, as an entering wedge, the proposal to restrict the printing of return cards.

In other words, in 1929 they were simply trying to get the return cards taken off as an "entering wedge." The President goes them one step farther and practically eliminates the whole business, because the "entering wedge," apparently, has got in a little bit farther in the last few years.

In the Seventy-first Congress, as in the former Congress, the envelope manufacturers will not appear as instigators—

These gentlemen are so proud of their propaganda that they are ashamed to appear—

because of the criticism that they are selfishly interested. The campaign of education and promotion will be left to the legislative committee of the National Editorial Association—

This is the group of little country newspapers who have been carrying on this fight—

which attacks this injustice of governmental competition with private business from the standpoint of the commercial printers who are bereft of envelope-printing jobs that are rightfully theirs.

Gentlemen, to turn this out of its present channels and turn it over to these printers will put on the little missionary society, the country doctor, the minister, and small users this additional burden, and 37 per cent of these envelopes are purchased in lots of 500. Eighty-three per cent of them are purchased in lots of less than 2,000. It is just the little fellow in the small towns who buys these envelopes, and he will have to pay from 800 to 1,500 per cent more to get them if this "economy" plan is adopted.

[Here the gavel fell.]

Mr. AYRES. Mr. Chairman, I yield the gentleman three more minutes.

Mr. HARLAN (reading):

As on previous occasions, the renewal of the envelope fight will be first staged in the Senate where, for various reasons, the situation is most favorable.

Now, again, in the issue of this same paper of last March these gentlemen who are hiding behind the skirts of the country editors had a convention in Chicago, and here is what they said on that occasion:

The stamped-envelope situation has aroused the resentment of of envelope manufacturers—

This same group that in 1926 raised $75,000 to propagandize this proposition—

for many years, since it takes business away from envelope companies and printers, although the Government actually loses money on every 1,000 stamped envelopes sold.

This is the statement that is being handed out to the country, and the Postmaster General says that instead of

losing they make $2,000,000 a year off of this business, and yet such false stuff as this is handed out to mislead voters.

It was brought out at the convention discussion that the Government competes with private organizations in the envelope business, and yet sells Government envelopes with a printed corner card at only a few cents more per thousand than the cost of the printing alone.

And in the next paragraph there is the statement that they are raising $5,000 to propagandize this particular Congress.

Gentlemen, if we ever expect the people of this country to accept our efforts at economy or to accept the professions of economy of the Executive, let us have a little bit of ordinary frankness and honesty in these matters. The fact that there is an election coming on, the fact that there is a group of people who have some votes and another group of people who have some money willing to back up their proposition, is no reason why we should falsify or try to mislead, under the guise of a campaign for economy, about a proposition that is going to run this Government considerably farther into the red.

If there is really a sincere desire on the part of the Government to effect economy in this matter, the addition of a very small amount to the price which the Government charges the envelope users would bring into the Post Office Department three-quarters of a million dollars. This could be done without hurting anyone and with practically no objection.

Again, it now costs the Government $8.80 a thousand to handle letters going to the Dead Letter Office. Incidentally, not one letter printed with the corner card found its way to the Dead Letter Office last year, although 20,000,000 other letters, containing checks, stamps, money orders, and loose money to the amount of over $4,000,000, went through that department. The Government by the simple expedient of requiring every letter to have printed, either by hand or in type, the name and address of the sender could eliminate this office so far as first-class mail is concerned, save $175,000 annually, and stimulate the small printer's trade.

Neither of these measures, however, would offer any relief to the Envelope Trust, who are desirous of driving the International Envelope Corporation out of competition, and apparently the President is only interested in the form of "economy" which appeals to the envelope association.

Mr. FRENCH. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. CABLE].

Mr. CABLE. Mr. Chairman, American citizenship is our greatest heritage. Millions to-day enjoy its rights and privileges. For its benefits and blessings we are indebted to the one man who did the most to create a free and independent Nation, George Washington.

His sincerest hope, his greatest ambition, was to achieve an independent American citizenry. This induced him to assume the leadership of the movement which ultimately won for us our freedom. As a delegate to the Virginia convention at Williamsburg, he took the lead in insisting that the Colonies should have the right of self-government. There he patriotically pledged himself to "raise 1,000 men, subsist them at my own expense, and go at their head for the relief of Boston," which then had been closed to commerce by an act of Parliament.

The Williamsburg convention fittingly elected him a Virginia Delegate to the First Continental Congress, and when reelected to the Second Continental Congress he declared it to be his "full intention to devote my life and my fortune to this cause."

There Washington courageously sat from day to day in his blue-and-buff Virginia colonel's uniform, clearly indicating his firm conviction that sooner or later the Colonies would have to unite and fight for that which they knew was right. At a time when Samuel Adams, James Otis, and Doctor Warren, of Boston, were threatened by the British with hanging as traitors Washington unhesitatingly risked a similar fate and patriotically offered to devote his life and his fortune to the American struggle for freedom.

He was unanimously elected by the Second Continental Congress as "Commander in Chief of all the Continental forces raised or to be raised." Promptly accepting, he set out for Boston, where he took command of the Continental Army on July 3, 1775.

Washington found his army a group of untrained, half-clad, improperly fed, and poorly equipped men. Despite all this, the confidence Washington inspired in his men aroused in them a spirit of patriotism which made of them, though never a finished army, an instrument with which he was able to accomplish his great purpose.

While Washington was with his Continental forces Virginia adopted a bill of rights and a constitution declaring the independence of the good people of that State and severing all allegiance to the British Crown.

Washington was born in Virginia before the outbreak of the Revolutionary War and when Virginia owed allegiance to the Crown of Great Britain. In general, the place of birth determines citizenship and allegiance. At the time of Washington's birth there was no independent government of Virginia and no United States to which he could owe allegiance; he was a British subject.

When Virginia renounced allegiance to Great Britain and declared herself independent, all persons actually and permanently domiciled in that State became her citizens, bound and protected by her laws and owing allegiance to her government unless they elected within a reasonable time to adhere to their former British allegiance.

By Virginia's declaration of independence George Washington became a citizen of that State. All allegiance to Great Britain was terminated. Every act and deed of his indicated that such was his intent and purpose.

When later the Second Continental Congress solemnly published and declared "that these United Colonies are, and of right ought to be, free and independent States," Washington was busily engaged with his army in the field. By the Declaration of Independence every member or citizen of the Thirteen Colonies, unless he promptly severed his allegiance thereto, became ipso facto a citizen of the United States. Washington, a citizen of Virginia, thereby became a citizen of the United States.

Had it not been for Washington and the army he led, the Declaration of Independence creating American citizens would have had little effect, American citizenship would not have been preserved.

In a letter to the Congress of the United States, February 5, 1777, Washington called attention to the fact that there was no oath of allegiance for the officers, and requested that there be one. Congress responded to Washington's request by prescribing the form of the first oath of allegiance. Its purpose, according to the records of the Continental Congress, was to "devise effectual means to prevent persons disaffected to the interest of the United States from being employed in any of the important offices." Washington took and subscribed the first oath, which was as follows:

I, George Washington, Commander in Chief of the Armies of the United States of America, do acknowledge the United States of America to be free, independent, and sovereign States, and declare that the people thereof owe no allegiance or obedience to George the Third, King of Great Britain; and I renounce, refuse, and abjure any allegiance or obedience to him; and I do swear that I will to the utmost of my power support, maintain, and defend the said United States against the said King George the Third, his heirs and successors and his or their abettors, assistants, and adherents, and will serve the said United States in the office of comr. in chief as aforesd., which I now hold, with fidelity, according to the best of my skill and understanding.

G. WASHINGTON.

Sworn before me, camp at Valley Forge, May 12th, 1778.

STIRLING, *Major Genl.*

This original oath is found in the War Department at Washington. In his capacity as Commander in Chief he swore other officers of his army. That oath did not change; it merely fortified his American citizenship. By it he declared himself to be solely American.

Two years after Yorktown, the treaty of peace being then signed, Washington resigned his command. In strict conformity with his offer to Congress when he took command,

he refused to accept any pay for his personal services during the war. His only request was reimbursement of $64,315, the amount he had used out of his own private funds for war expenses. Upon accepting his resignation, General Mifflin, then President of the Congress, said:

> You retire from the theater of action with the blessings of your fellow citizens, but the glory of your virtues will not terminate with your military command, it will continue to animate remotest ages.

Washington believed that there could be no strong central government without a strong united citizenry. The Government of the United States during the Revolutionary War and for a few years thereafter operated under the Articles of Confederation, which contained neither an express nor an implied definition of United States citizenship. It merely provided that the free inhabitants of each of the States should be entitled to all the privileges and immunities of free citizens in the several States. Each State had its own naturalization laws, and each one's law varied widely from all the others.

Before resigning his command Washington wrote a letter to the presidents and governors of the States, expressing his conviction that there could not long be peace and security for the States unless they organized themselves into an indissoluble union and set up a real government endowed with the power and ability to maintain its dignity and standing among the nations. The Continental Congress was weak and quite ineffectual because intercolonial rivalry and jealousy made it almost hopelessly decentralized.

Washington was appointed a delegate to the Federal Convention in 1787, and was elected its President. Nothing in Washington's history more clearly marks his power as a leader than that convention. Confronted by great differences, especially the relative claims of great and small States, he patiently led them all through to harmonious agreement. Here again, in the midst of bitter conflict, his courage, tact, foresight, and ideals set "a standard to which the wise and honest can repair."

The Constitution of the United States was adopted chiefly because of the influence of Washington. He was the outstanding leader in the formation of the Union.

Citizenship, neither national nor State, is defined by the Federal Constitution of 1789. The treaty of peace with Great Britain contains a recognition of the existence of American citizenship; determination of who were such citizens was left to the laws of this country.

In 1787 naturalization was a proceeding administered by the States. Each had its own rule and requirements.

In the debates of the convention, presided over by Washington, it was determined that the process of naturalization should be uniform throughout the several States. After due consideration, it was agreed that Congress should have the power to provide "An uniform rule of naturalization." This vested in the Federal Government exclusively, all power and authority over naturalization.

The only other reference to citizenship in that document appears in the qualifications for the offices of President, Vice President, Senator, and Representative. Otherwise, naturalized citizens of this great country of ours are given equal rights with the native born. There prevailed at the Federal Convention a sentiment that there should be a citizenship distinction in the qualifications for these offices. So it was provided that "No person, except a natural-born citizen, or a citizen of the United States, at the time of the adoption of this Constitution shall be eligible to the office of President * * *," that a Senator must have been a citizen for nine years, and a Representative for seven years.

George Washington, the first President of the United States, was not a natural-born citizen, solely because this Nation did not exist in 1732. While he was an American by birth, he was a British subject. Virginia declared its independence and then came the Declaration of Independence of the Colonies. These declarations severed his British allegiance. Washington and all of his compatriots became citizens of the United States. American independence and American citizenship date from July 4, 1776. All documents executed by the United States so declare.

Washington was unanimously elected the first President. He took the oath of office at the Treasury Building in New York City. In his first message to Congress, which was dated January 8, 1790, he called attention to that provision in the Constitution which gives Congress the power "to establish an uniform rule of naturalization." This message is addressed to—

> Fellow citizens of the Senate and House of Representatives, I embrace with great satisfaction the opportunity which now presents itself of congratulating you on the present favorable prospects of our public affairs. * * *.
>
> Various considerations also render it expedient that the terms on which foreigners may be admitted to the rights of citizens should be speedily ascertained by a uniform rule of naturalization.

The first act establishing a uniform rule of naturalization was quickly passed and signed by George Washington. It contained the simple requirements that an alien to become a citizen must have resided within the limits and jurisdiction of the United States for the term of two years and take an oath to support the Constitution of the United States.

This act failed to distinguish between the aliens then in the United States and those who would come in the future. The same rule was applied to all. The second naturalization act divided aliens into two classes. Aliens thereafter entering the United States could be admitted as citizens upon proof of 5 rather than 2 years' residence, a declaration of intention at least 3 years before admission to citizenship, and proof that during the 5-year period "he has behaved as a man of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the same." The alien then residing here could become a citizen by declaring on oath that he had resided two years within the United States and one year within the State or Territory where the naturalization court was held, that he would support the Constitution, and that during the 2-year residence period he had behaved as a man of good moral character, attached to the Constitution of the United States, and well disposed to the good order and happiness of the same.

George Washington, in his farewell message, emphasized that the same obligations of citizenship were imposed on both the native born and the naturalized. The message states:

> Citizens by birth or choice of the common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just price of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religon, manners, habits, and political principles. You have in a common cause fought and triumphed together. The independence and liberty you possess are the work of joint counsels and joint efforts—of common dangers, sufferings, and successes.

Not until the fourteenth amendment of the Constitution was there a constitutional definition of citizenship. Yet no one questioned that Washington was, from the date of the Declaration of Independence, a citizen of the United States. He became the first citizen by right of service, ability, and example.

Most of us are citizens to-day merely by being born here. The others are citizens by virtue of a simple naturalization process.

Washington's citizenship was not so easily acquired. As a Delegate to the Continental Congress he pledged his services to the struggle for freedom; for seven years as Commander in Chief he suffered much and endured more, fighting for American independence. By his oath in the field with his Army he renounced his allegiance to George III and swore to support, maintain, and defend the United States. He conquered an enemy army. Seven additional years of his life, his energy, and influence were given to the formation of the Union, the adoption of our Constitution, and the creation of a new Nation, his and our United States of America.

When he became President he took the oath to preserve, protect, and defend the Constitution of the United States against all enemies, both foreign and domestic. His words and his deeds recognized the sovereignty only of this Nation, and that to this Nation alone his allegiance was due. His great example marks the path for all to follow, a path of

obedience to majority rule, of reform and advancement through legal means, of active and intelligent interest in the affairs of government, of defense of that government in case of need, and of education, religion, and public integrity as a means toward this end. Such was the citizenship of George Washington. [Applause.]

Mr. FRENCH. Mr. Chairman, I yield five minutes to the gentleman from Colorado [Mr. HARDY].

Mr. HARDY. Mr. Chairman, along the lines of economy, which everybody is talking about at this time, I want to call attention of Members to what it costs to print the hearings. I said something the other day when the District of Columbia bill was up as to what it cost a page to print the books. I asked the Public Printer what it cost to print the hearings of the subcommittee on the naval bill. You have here a book of eight hundred and seventy-odd pages, which the Public Printer says cost $9,033.20 to have printed.

That book was not available for anybody to look at until this morning, when the Appropriations Committee had met from 10 to 12 o'clock to discuss the bill.

When we came in here at 12 o'clock it was the first opportunity you had to look at the hearings. So we have paid $9,033.20 for the printing of this book—but that is not all of the cost.

Mr. CRISP. Will the gentleman yield?

Mr. HARDY. I yield.

Mr. CRISP. Those figures do not include the compensation of the stenographers.

Mr. HARDY. The reporting cost of the hearings, according to the reporters' division, is $1 to $1.50 a page; so we will add $800 to the figures I have given, which makes the cost of this volume of hearings $9,833.20.

We talk a lot about the weather and do not do anything about it. We talk a lot about printing and do not do much about it. I think it is a good thing for the members of the different committees and the Members of the House of Representatives to know something about these costs. I can not see much hope that this information may penetrate to the other end of the Capitol, which as a matter of fact is more extravagant than this end. I think it is a good thing if we talk about it and know what it is going to cost the country when a Member fills a few pages in the hearings or a few pages in the RECORD.

The Public Printer's estimate is that a page of printing in the hearings—that is, plain, reading type—in 10-point type costs $5.22 a page; but if the page has in it a bunch of figures, mixed pages, then it will cost about $12 a page; and if it is solid tables of lines back and forth and up and down, it costs in the neighborhood of $21 a page. This particular book has mixed type, some of it reading matter and some of it tabular matter, and by the Public Printer's own figures it cost $10.36 a page.

I do not know that it does much good to bring these matters up; but I find in sitting around my own table at home, where expenses are considered now and then, it does pay to talk about it, and I have always insisted on my family finding out what a thing costs before it is bought. If families will do that, I think they will save money in the household. When I walk along the streets doing window shopping and see a store with many fancy things in it and no price mark upon them, I conclude that that is a high-priced shop.

Mr. BYRNS. Mr. Chairman, will the gentleman yield?

Mr. HARDY. Yes.

Mr. BYRNS. May I say this to the gentleman from Colorado, and I say it from observation and experience? I do not think there is a man in the House who is quite so familiar with the subject which the gentleman is discussing as he is. I know that he is rendering a real public service in the fact that he has looked into the cost of this printing, but here is a situation that I want to ask the gentleman about, if he will permit me. Speaking now alone of the committee of which the gentleman and I are members, although it applies to all of the committees of the House, when these estimates come, of course, there is the necessity of going into a very full and complete investigation of every item, by the committee in the first instance, in order to know just what it ought to do with respect to the item. Every Member of Congress is entitled to know, and I think the public is entitled to know, so far as possible, just what has been said, just what the arguments are in favor of and against the appropriation that is asked. We are considering now a bill that carries $326,000,000. The gentleman, as I understand it, says that the hearings on this bill cost $9,000 and over. That is doubtless too much, and I am not taking issue with the gentleman; but if we can not do otherwise, would we not better spend $9,000 investigating a $326,000,000 appropriation than have no public hearings at all? If the gentleman can devise some way by which a lot of this useless stuff is kept out of the hearings, well and good; but if it has any bearing on the subject, it seems to me that Members of Congress are entitled to know something about it. How would the gentleman stop this extraordinary expenditure, and I admit it is too high?

Mr. HARDY. Mr. Chairman, I have not undertaken to bring in any proposition here about shutting off anybody from being heard anywhere nor from publishing anything, especially facts that come before the committee that hold these hearings. I do think that often there are pages of tables that go in that are unnecessary, and I think often there are many moments of conversation requiring printed matter that are not worth $6.50 a page.

Mr. BYRNS. There is no doubt about the correctness of the gentleman's position, and I think he is performing a great public service when he is calling it to the attention of the House. It is true not only of the hearings, but it is true of the CONGRESSIONAL RECORD.

A great deal is published in the RECORD and in the hearings that could be eliminated, possibly more than half, but I am just wondering what you are going to do when a member of the committee insists on something going in which he says is important and has a bearing upon the subject.

Mr. HARDY. I am not a censor, but I rose just to make a few remarks about the expenses.

Mr. BYRNS. I am glad the gentleman is doing so, and I wish all the Members of the House were here to hear the gentleman.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. HARDY. Yes.

Mr. JONES. Has the gentleman ever given consideration to the suggestion that the appropriations be made biennially instead of annually, and the saving that might be accomplished by making appropriations for two years instead of one?

Mr. HARDY. No; that is a larger subject than I want to consider along with this item.

Mr. JONES. I do not know whether it its practical to do so. I understand a good many States have adopted that system.

Mr. HARDY. It is hard enough to appropriate money for the year 1933 on estimates made up by the Budget last May. It is hard enough to arrive at this time of year at what we ought to spend in 1933. I think if you got into making appropriations for 1934, you would have a still greater difficulty.

Mr. JONES. I asked the question for information. It would eliminate half of the expense of that to which the gentleman refers.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HARDY. Yes.

Mr. TABER. I think it is a fact that the Committee on Appropriations finds that between the date of the Budget hearings—sometime in May, June, or July—and the time the appropriations are made, there are large items the necessity for which disappears before we hold our hearings, and if we had biennial appropriations and appropriated what was asked for on estimates so far ahead, we would appropriate a lot of money that the departments could waste that we save by having our annual appropriations.

Mr. JONES. I was asking for information, and I was wondering if the committee had given consideration to that, and if it would entail a greater loss.

Mr. HARDY. Oh, it could not be done at all. The gentleman can understand that.

Now, speaking of the different committees, the revenue bill that was recently brought before the House cost $11,558.69 to print the hearings. I have no doubt the reporting of that cost two or three thousand dollars more.

The tariff bill which we considered a year or so ago, for the printing of the hearings and the bills which were required at both ends of the Capitol, was $430,000.

The Navy Department appropriation bill, which is before us now, contains an item of $550,000 for printing. That is a reduction of $25,000. I have no doubt it is a fair reduction and can be made.

The printing in the departments costs a great deal of money. That is a different subject from that which I mentioned first. In the War Department it costs $648,000 a year; the Treasury Department, $941,000; the Agriculture Department, $1,000,000; the Post Office Department, $1,895,000. The Department of Commerce, $2,894,000. These are the figures for 1931. Of course the Department of Commerce had the census which in itself cost $750,000.

The cost of printing for all the departments, including the Congress, is $14,500,000. The cost of printing for the Capitol, the House, and Senate, is from $2,500,000 to $3,000,000. It has grown. It has become more expensive.

Now, our printing is done at cost. I think it is a rather high cost. The Public Printing Office is the finest printing office in the land. It is probably the best job printing plant in the world. It figures what all of the business cost for the year and tries to make a charge for each page, for each form, in proportion to what the cost would be. The Public Printing Office is a big employer of labor. It employs 5,000 people. One reason that our costs are high is the fact that we work it overtime, nights, Sundays, and holidays. There are a thousand people working over there to-night to get out the work for the Government. One thing that makes printing high is the fact that the people who order it do not stop to consider cost. They send it over there and they ask for rush work. Some Members of Congress ask that their speeches be produced immediately. If the people who have this printing done had to pay for it—or even if all Members and departments would consider costs as they do in private enterprises, I am sure the cost of the hearings would be less, the size of the CONGRESSIONAL RECORD would be considerably smaller, and the cost of printing by the departments would be reduced from 30 to 40 per cent. [Applause.]

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

Mr. FRENCH. Mr. Chairman, I yield myself five minutes at this point.

Rather than the chairman of the subcommittee, because I have less responsibility in connection with this year's appropriation bill and hearings than the chairman, probably I should make a brief statement in regard to the matter with reference to which the gentleman from Colorado has just spoken.

First of all, I want to acknowledge the debt of gratitude that I, and I am sure all members of the committee and the House, owe to the gentleman from Colorado for the analysis he has made. On the other hand, we must not be confused with the thought that all printing is waste and that printing, to the extent it is indulged in by the naval subcommittee and other subcommittees, does not produce fruits far above the value of the cost, to which reference has been made.

Going back over all the years that I have been a member of the Subcommittee on Appropriations for the Navy Department, I am satisfied that this committee has not printed more than 20 or 25 per cent of the data received by the committee, probably far less than that. We have tried to be sensible in applying the principle to which the gentleman from Colorado has referred, of sorting out and eliminating material submitted the printing of which would be costly and unnecessary.

On the other hand, as the chairman of the Committee on Appropriations [Mr. BYRNS] said a moment ago, it sometimes happens that an individual member of a committee insists that certain material be printed because he regards it of the highest importance. Other members may not regard it so highly. Nevertheless, it goes into the sum total of expense to which the gentleman has referred.

On the whole, it is well for the Members of the Congress to keep in view the specific figures to which attention has been called as an admonition to us to keep the costs down to the extent it is possible.

Again, looking at the problem from the other standpoint, I have in mind a specific item that this committee went into when it did not know where the trail would lead, when it undertook its investigation that resulted in an actual saving of between six hundred and seven hundred thousand dollars because of the study that the committee was willing to make of the particular subject. The pending bill, as the result of the hearings—and we did not have definitely in mind what we should find when the hearings began—we have reported to this House with reductions of approximately $15,000,000 under the estimates that came to Congress from the Bureau of the Budget, and I am reminded we have made these reductions for the most part with the approval of the department.

Nearly every item where a reduction has been made indicates that upon close scrutiny, with our eyes fixed upon the specific needs of a project, we can come to understandings that are wholesome, that are reasonable, that meet the situation, and yet that will not cost as much as it was originally thought the cost would be.

So I want to say that, in my judgment, very great good comes from holding up at all times to the public that which the Congress is holding up through the RECORD and the hearings, because in that manner the eyes of the world are focused upon conditions, policies proposed, and asserted principles which are alleged to have merit within them; and as a result of the criticism which comes to the individual Members, the committees, and the Congress, great good may result over and above that which would be the case if hearings were not published at all, if congressional debates were not published, and if hearings and proceedings were held and then permitted to go by the board without any permanent record being made to serve as a guide to the committees in the future or to future Congresses.

The guide, then, should be: What will be the effect of publishing this page or inserting this table, and the justification for its publication can be sustained only if good will result therefrom?

At this moment I want to compliment the present chairman of the subcommittee [Mr. AYRES] for the fidelity with which he has adhered to that principle in assembling the data and bringing them to you in the hearings upon the naval bill.

Mr. AYRES. Mr. Chairman, I yield to the gentleman from Arkansas [Mr. GLOVER] such time as he may desire to use.

Mr. GLOVER. Mr. Chairman, we have before us now H. R. 11452, making an appropriation for the Navy Department, which carries an appropriation of several million dollars, and we have had during this session of Congress several others of like kind and which carried an appropriation far beyond the needs of the departments, in my opinion.

I believe in maintaining the efficiency of the Government when it is economically administered, as it should be, and the time has now come when we must cut these appropriations to the core if we maintain this Government without increasing taxes, and we must do that. We will have to cut the appropriations during this session, and if we maintain the same reductions in this and other appropriations as we have in the other bills that have passed, about $400,000,000 under the President's budget recommended to this Congress, and that will be saved to the taxpayers of the United States.

I say frankly to you, that, in my opinion, $500,000,000 could have been cut out of the bills, and it would not have hurt the efficiency of either department. The purpose of the Budget was to bring the appropriation bills down to where the revenues collected for that fiscal year will be sufficient to pay them out of the money collected without having a

deficit in the Treasury. The Budget Director should do this, or at least suggest it, in his report to the President and to Congress, and Congress should see to it that no appropriations are made beyond that estimate.

Much has been said recently on the floor of this Congress and through the press about balancing the Budget of the United States Treasury. With the reckless extravagance that has been going on for the last 10 years, under the administration of the party now in power, it would not stay balanced 10 days, if it were balanced. I will discuss this question further in the course of my remarks to-day if I am given time to do so.

I want to discuss with you for a while the present conditions in the United States and find out if we can, what is the matter and how to fix it. We are living in a peculiar day, a day in which we have more money than we ever had, and yet only a few have any money at all; we have more corn, wheat, cotton, rice, and other agricultural crops than we ever had before, and the farmer can not sell them for the cost of production, and yet we have in the United States now more hungry people and more people in need of clothing and more people out of work than we ever had before. If the hungry could be fed for the next six months as they should be, and clothing should be furnished to those in need of them, we would not have a surplus of either commodity.

It is said that there is no one so far from the market as the man who has nothing to sell. It might be as truly said that the man who is hungry and wants to buy and has no money is in a worse fix than the fellow who has plenty and can not sell it. The man who has it can satisfy his hunger, but the other can not.

There is something radically wrong when a condition of this kind is brought about in a great country like this, and so let us reason together and see if we can locate the cause of this condition.

It is said by our leaders trying to get employment for the unemployed that we now have 8,000,000 people out of employment. They are working people who want to work to earn a living for themselves and families, and can not get work. I can imagine no greater embarrassment to a man who is at the head of a family, with wife and children depending upon him for bread, that goes out in the morning leaving them in want and seeking a day's labor so that he may bring home to them at night that which is necessary to satisfy their hunger, and has to come in the evening in his disappointment and tell them, "I could find no work to do to get money to buy bread with."'

This condition should no longer prevail, and it must be remedied. What is the cause of this? It is a lack of proper distribution of the wealth of the country. It is said that 504 people in the United States out of more than 120,000,000 of people own 90 per cent of its wealth. When money is thus centralized in the hands of the few, it is next hoarded away and places a power in their hands that they can control the finance of the country at their will, and that is just what they are doing now.

This class have withdrawn their money from circulation and business, and the buying power of their dollar is increasing faster hidden away than they could make in any investment in business. There is about 60 per cent of the money in the United States hidden away and about 40 per cent in circulation. Business can not survive with this condition on, and you know it as well as I do. We must face it like men and correct this evil.

You ask how could so few people gather all this wealth and control it. My answer is that it is on account of a single standard of money and special privileges given them by unwise legislation by Congress, such as the Smoot-Hawley tariff bill, which is destined to make the rich richer and the poor poorer.

The Constitution of the United States delegated to Congress the following power, and here I quote the Constitution in its exact language:

> To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measure.

Congress, instead of exercising this power as they should and as it was intended that they would, has largely delegated this power to the Federal reserve and national banks. I want to see Congress exercise this authority as it should do.

We are on a gold standard of money now, when we should be on a double standard of gold and silver as we once were. Gold is a coward and hides away. I doubt if there is a man in the sound of my voice that has seen a gold coin in 30 days. Silver is never hoarded. It is a medium of exchange that is always in circulation. It is the poor man's money that stays in use and builds a country and promotes happiness.

There are only $11,000,000,000 in gold in the world. The United States has about $5,000,000,000 of that amount and France has about $4,000,000,000, or in other words, the United States and France own nine-elevenths of the gold of the world. Is there a man who would claim for a moment to be an economist that would say that a world business could be carried on, on the basis of $11,000,000,000? No, he would not.

Three-fifths of the world are on a silver basis and two-fifths on a gold basis. What does this mean when you consider a world trade? It means this, if you are on a single standard of money that you must confine most of your trade to the nations using your kind of money. Take, if you will, China or India, as an example. They are on a silver basis, and we are on a gold basis. When China comes to the United States to buy our cotton, wheat or rice, or other agricultural products, they have to buy with their kind of money. The silver that is now contained in a dollar is worth only 25 cents, measured by our gold standard, where it would be worth a hundred cents if it were remonetized.

When we get 5 cents per pound for cotton, it costs them 20 cents per pound. If we were on a bimetallic basis, our farmers could sell all their cotton now for 20 cents per pound and our wheat and rice for $1.50 per bushel. This is the way to bring our agricultural products back to a fair price. Besides that, the people in other countries can only grow a very inferior grade of cotton. They would not grow any at all if they could trade with us under a double standard of money, as our cotton is so far superior to theirs.

I have proposed a bill to do this, and it would restore prosperity in 60 days if it could pass in this Congress.

The present administration has started in at the top instead of the bottom to give relief. You may pour your millions in at the top, but it never gets down to the man at the bottom that really needs it to enable him to produce wealth.

The present administration first advocated giving a moratorium to Europe of $252,566,803. I voted against that, but enough of you voted for it to pass it. Only a small part of this went to Germany. It was distributed to the European nations as follows: Austria, $287,556; Belgium, $7,950,000; Czechoslovakia, $3,000,000; Estonia, $600,372; Finland, $312,295; France, $50,000,000; Great Britain, $159,520,000; Greece, $1,109,080; Hungary, $69,342; Italy, $14,706,125; Latvia, $250,653; Lithuania, $224,545; Poland, $7,496,835; Rumania, $800,000; Yugoslavia, $250,000; and Germany, $6,000,000.

The administration next advocated a $2,000,000,000 Reconstruction Finance Corporation to be set up to loan to big corporations. I voted against that in the House; but you passed it.

You voted out of the Treasury at one time $500,000,000 of the people's money for this purpose. Then $125,000,000 to the land banks and $125,000,000 under the Steagall bill, making a total of $992,000,000 for the four appropriations. This only lacks $98,000,000 of being a billion of dollars. Then what follows next? A cry goes up to the country that we must balance the Budget. We must raise a billion dollars by taxation at once to balance the Budget, or, in other words, to put back what you have taken out.

They brought in a tax bill, and enough of you voted for that to pass it. I voted against it. If you had voted with me, there would be no balancing-of-the-Budget cry going out to the people and requiring them to pay a billion dollars more in taxes in this time of distress. I trust this bill will be defeated by the Senate.

They tried to put over a sales tax or a consumers' tax to raise $600,000,000 of this sum, trying to require the consumer

to pay on practically everything he used. The good judgment of the House killed that too dead to ever be raised again. It would have been more burdensome than the Smoot-Hawley tariff bill. The purpose of the sales tax was to take it off the rich that now pay income tax and put it on the poor.

There was no use passing this tax bill at all, and the situation could have been met under the gold standard of money as we have it now and under the existing law. The existing law requires that a 40 per cent reserve of gold be kept in the Treasury. The reserve of gold now runs 80 per cent. We can issue $3,500,000,000 of money to-morrow, if the administration would permit it, under the present law. I will not vote an additional tax on my people when the Government refuses to function under the law. Besides that, now is no time in this time of distress to further tax the people.

No one has better credit than the Government, and if it will not increase the volume of money as it has a right to do, let it use its credit just like it always has, and take care of the Government obligations with short-time notes just as it always has done and just as it should do now.

There must be an expansion of our currency. The Federal reserve banks could put $2,000,000,000 into circulation under existing law if they would do so, and it is my understanding that they will give immediate aid in expanding our money, but to what extent I do not know. I hope it will be at least $2,000,000,000. The soldiers' bonus bill, if passed, will put $2,400,000,000 into circulation at once and pay a just debt that the Government owes them for services rendered. It simply proposes to issue that amount of money under the present law, and which they have a right to do, and pay this debt, and it will not cost a single taxpayer 1 cent of money, and give great relief to depressed business conditions. This would not only aid the soldier boy, he would be able to pay his debts, if any, or buy him a home. It would be an aid to merchants and banks and would put money into circulation where all would be benefited by it. I would oppose the payment now if it had to be raised by taxation, but not one cent of it would be raised by taxation under the bill now pending.

Economy ought to be the watchword both for our States and our National Government. Some of our State governments are now being burdened with a heavy load of debt that they are struggling under. In our National Government the remedy is to abolish useless bureaus and commissions that ought never to have been put into use, for many of them serve no useful purpose at all, and could be abolished without hurting the efficiency of the Government.

The basis of our wealth now is and always has been agriculture. No time in the history of this Nation has it been so depressed. Cotton is lower this year than it has been in 100 years as shown by the records. I farmed until I was 28 years of age, and I know from my own experience that cotton can not be grown for any such price. It should bring at least 20 cents per pound, and will do it if we can change some of our laws regulating our trading in foreign countries.

We have passed during this session an amendment to the tariff bill which, if it passes the Senate and is signed by the President, will materially help our export trade. It provides for establishing reciprocal trade relations with other countries. We now have a high tariff wall around us to keep others out and from trading with us. They have passed retaliatory measures against us to keep us out of their countries. As a result we can not sell our products. We are sitting down counting our fingers because we have no money to count, and they are doing the same—and both nations suffering by reason thereof.

If this amendment passes, it will allow us to establish a trade relation with them by reducing the tariff or taking it off altogether, and they in return do the same for us. What we need is a world trade. We are an export Nation and always will be. We can not consume all we could produce. We want a world market so that we will not hear the cry of overproduction. We must have longer loans and a less rate of money interest, and the farmer will then prosper.

The United States is big enough to be fair with all the nations of the earth as she always has been. The United States ought to have the friendship of all the nations of the earth. The way to have friends is to be friendly, we are told. We ought to have no entangling alliances with any other country.

We are now spending more than 70 per cent of the revenue of the United States to pay for wars in the past and in keeping up an Army and Navy. If we could spend this sum for even 10 years in the United States for internal improvement, you would have the most prosperous Nation in the world.

You voted here a few days ago to refuse to take away from the Rules Committee the bill known as the Glenn-Smith bill which, in my opinion, would have done more for agriculture than almost any bill that could be passed. It affected 35 States in this Union. The finest lands in the United States are affected by this bill. To make these lands suitable for agricultural purposes they had to be leveed and drained. This required a large sum of money, and the taxes are falling due now, and on account of this depression and other causes much of this fine land is forfeiting to the State or to the levee and drainage districts, and the lands will be lost to many farmers.

The purpose of this Glenn-Smith bill was to refund this debt and to amortize this out for a long period of years and reduce the interest charges so that the lands might be saved to the farmers who owned them. We hope yet that this bill may be passed before the close of this session of Congress.

If Congress had given the same careful consideration to agriculture that has been given to aiding others, this Nation would not be talking depression at this time. You can take the $2,000,000,000 voted for the Reconstruction Finance Corporation and the moratorium of $252,000,000 voted to Europe and you can buy 15,000,000 bales of cotton and pay $100 per bale for it and you have only spent $1,500,000,000 and you have $762,000,000 left, and you can buy all the wheat and rice raised in the United States and pay $1.50 per bushel for that, and still have money left. If this money had been spent in that way, you would have all the money in the country that you would need. The banks would be full of money, the railroads instead of borrowing money would be hauling cotton and other freights and making money. The merchants would be busy in their stores selling goods, and collecting for goods sold, the man out of employment would get a job, and all would be happy again.

Mr. AYRES. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. JONES].

PHILIPPINE INDEPENDENCE

Mr. JONES. Mr. Chairman, I desire to express the hope that the United States Senate will take early action upon the measure which the House recently passed and which provides freedom for the people of the Philippine Islands. I hope also that it may have Executive approval.

For a number of years I have urged that the United States Government comply with its implied obligations to grant that independence.

Liberty is the finest word in the language of men. It embodies everything that is worth while to which men and nations may aspire. With that principle is linked everything that we hold dear.

At the time we took over those islands, we did so to help them escape from tyranny and to assist them in training themselves in the art of self-government, for which our forefathers had fought, and to which we owe a full measure of devotion.

I do not think it is a question of the interests of the United States Government, nor even a question of the interests of the people of the Philippines themselves. It is primarily a question of whether or not they are ready to handle their own affairs. I believe they are.

A few years ago I had the privilege of visiting those islands. I went among the people; I went into their homes; I talked with them; and I visited various parts of their country. I have never seen a more earnest, a more sincere people, or a people more desirous of development.

I have never seen a more burning desire for an education on the part of the children of any nation or race or people. One could go into the hotel and find the elevator boy with a

schoolbook in his pocket, utilizing his spare time. The parents were willing to make any kind of sacrifice that their children might have the privileges of an education. You can not stop a people like this.

During the last few years it has been my privilege, as it has been the privilege of a number of you, to serve with several commissioners from the Philippine Islands. Every one of them has been an educated man, every one of them has been an intelligent man, and every one of them has been trained in the principles of self-government.

Many presentations have been made by various representatives before committees of Congress. These have all reflected wisdom, knowledge, and familiarity with principles of government. At the same time they have always breathed gratitude for the fine help that has been rendered by the people of the United States in the development of their home-land.

I do not believe I have ever heard two more eloquent short addresses than those delivered in this forum the other day by the two representatives of these Islands, Hon. PEDRO GUEVARA and Hon. CAMILO OSIAS, who closed the debate when we had up the question of independence. Their words seemed to be forged in the fires of their own love of liberty.

The setting was peculiar. It was the first time in the history of all the world that the representatives of a great people had voted voluntarily to surrender jurisdiction over another great land and another great people. If it has ever been done before, I do not know of such an instance. No finer tribute could be paid to the heart and spirit of America and to the institutions for which she stands than for her to express a willingness to relinquish this authority without compulsion of any kind.

We do not know, and can not know, what the future may hold in store either for us or for the Philippine Republic that is to be. But whatever the mystery of the years may unfold, whatever the genius of man may contrive, whatever dreams or plans may be wrought or molded into practical form, I do not believe any land or any race or any people will ever find anything to take the place of human liberty. [Applause.]

Mr. AYRES. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. POLK].

Mr. POLK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein two brief tables, one concerning the expenditures in the legislative branch of the Government and the other some suggestions with reference to economy in that branch of Government.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. POLK. Mr. Chairman, during the past months much has been said here in the House of Representatives concerning the excessive cost of conducting the affairs of the Federal Government.

The leaders of both of the major political parties have pledged their support to an economy program and are sincerely striving to accomplish material savings. At this time the Economy Committee of the House is in conference with the President of the United States in a strictly nonpartisan and patriotic effort to further cut down Government expenditures.

During the past 30 years the expenses of our National Government have continued to mount at a rapid rate. The average annual expenditures of the Federal Government for the period from 1898 to 1905, as recorded in the CONGRESSIONAL RECORD for May 30, 1908, were $653,932,414. By 1907 the expenditures for this purpose were $762,488,752. In a speech delivered in the Senate on April 10, 1909, Senator Nelson W. Aldrich, then chairman of the Senate Committee on Finance, stated:

> The rapidity with which our national expenditures have increased within the last three years is a source of anxiety, if not of alarm. From an investigation more or less superficial, I am myself satisfied that the appropriations made last year could have been reduced at least fifty millions without impairing the efficiency of the public service. There are periods in the life of a nation when the spirit of extravagance pervades the atmosphere and the public money is scattered right and left, often without reference to the results to be secured. I hope and expect to see a radical reform in this direction.

These were the words of a distinguished Senator uttered on April 10, 1909, just a little over 23 years ago. These words were uttered as a protest and as a warning because the expenditures of the United States Government had mounted to the sum of $865,886,828 in 1909. So we see that this great problem is not a new one. I wonder what Senator Aldrich would say to-day if he knew that the expenditures of the same Government are in this year of 1932 $4,482,153,400.

Many reasons are advanced to explain this tremendous increase in the cost of Government. I know that the excuse most commonly offered for this greatly increased expenditure is that we were engaged in the World War for a period of just a little more than 18 months, and that because of this participation in this, the most expensive war the world has ever known, our national expenditures are what they are to-day.

Granting the great increase due solely to the World War, there are other and more fundamental causes. We all know that one of the fundamental causes is the natural tendency to be extravagant with the taxpayers' money, and that another is that political expediency, which causes legislators to grant the constant and ever-increasing drains on the Public Treasury through the constant additions to the Federal departments, their increase in personnel, and their constantly expanding functions.

In an article entitled "Debts and Taxes," written by former President Coolidge and appearing in the Saturday Evening Post of March 26, 1932, the former President gives a brief, condensed statement of this subject, and, after showing that from 1913 to 1930 the amount of tax, per capita, increased from $22.66 to $83.21, he makes this very pertinent remark, that on this basis the ordinary family of five persons, directly or indirectly, was called upon in 1930 to contribute on the average $416.05 in taxes yearly. He states further:

> Not much thought has been given to curbing the cost of Government. The appetite of the Congress for spending and of special interests for receiving was insatiable. * * * The only permanent remedy, the only relief for high taxes is a reduction of public expenditures. Such a reduction must be made. Almost all our Government units have been taxing, borrowing, and spending beyond the means of the people to pay. Taxes are remaining unpaid. That causes forced sales of property and destroys values. The credit of many units is exhausted, so that no more money can be borrowed by them. The local governments, on the whole, have been the worst offenders and find themselves in the most serious difficulties. Nothing but drastic retrenchment will restore them to financial health. It will be a painful operation requiring a good deal of executive energy, but it can be done. Unless it is done, the suffering and want that will result are beyond estimation.
>
> The only remedy for the situation in which we find ourselves is an aroused public opinion.

These are the words of the distinguished former President of the United States.

Mr. Chairman, it is my contention that the National Government should set an example for the States by curtailing drastically all expenditures of public money.

It is easier for the Congress to do this than it is for the States, counties, and municipalities. It is not my purpose to-day to discuss the causes of the increase of Governmental expenditures; but I do wish to call attention to certain savings that could be made in the current appropriation bill for the legislative branch of the Government.

As shown in the table below, the appropriations for the legislative branch of the Government have increased during the past 20 years from the sum of $13,468,828 in 1914 to $20,214,869 as recommended in the present bill.

Total appropriations legislative establishment, 1914–1933

1914	$13,468,828
1915	13,577,399
1916	14,034,240
1917	14,540,138
1918	16,865,770
1919	18,571,306
1920	17,637,215
1921	18,452,570
1922	18,704,639
1923	15,164,782

1924	$14,796,007
1925	14,648,136
1926	15,719,806
1927	20,159,979
1928	16,479,580
1929	18,969,913
1930	21,337,669
1931	29,520,710
1932	28,127,387
1933	20,214,860

From the above table you will see that these expenditures have increased a total of $6,746,041 during the past 20 years. You will find upon examining the records that in 1914 the Senate appropriation was $1,821,486, while in this bill it is $3,236,524, an increase of $1,415,038, or 77 per cent. In 1914 for the House of Representatives there was expended $5,011,756, while for next year $8,178,924 is the amount carried in the current appropriation bill, an increase of $3,167,168, or 63 per cent. During these 20 years there has been no increase in the membership of either of these branches of government.

In an effort to materially reduce the expenses of the legislative branch of the Government, on January 15, 1932, I introduced a bill, known as H. R. 7805, providing that the compensation of the Speaker of the House of Representatives, the Vice President of the United States, and the heads of the executive departments who are members of the President's Cabinet, shall be at the rate of $10,000 per annum each, and the compensation of Senators, Representatives in Congress, Delegates from Territories, Resident Commissioner from Porto Rico, and Resident Commissioners from the Philippine Islands shall be at the rate of $7,500 per annum each. If this bill is enacted into law, it will mean an annual saving of $1,400,000 of the taxpayers' money.

The average annual salary of the governors of the 48 States is $7,667. Excluding the four States of New York, New Jersey, Pennsylvania, and Illinois, the average annual salary of the remaining 44 States is $6,659.09. Contrasted with these salaries of the governors, we have Federal salaries far out of proportion to the service rendered. Most of the boards, bureaus, and commissions fostered by the Federal Government pay salaries of $12,000 or more per year. Some pay $18,000 per year, and the salary of the general counsel for the Federal Farm Board has recently been increased by that board from $10,000 to $20,000 per year. As stated before, I think these high salaries are far out of proportion to the services rendered and should be immediately reduced.

I believe all Federal salaries above $3,000 per year should be reduced, and particularly those above $5,000, and a limitation, as mentioned before, placed on all Government salaries, so that $10,000 per year will be the upper limit for all Federal salaries except that of the President and the Justices of the Supreme Court, and so that only the Vice President, the Speaker of the House, and the members of the President's Cabinet will be eligible to receive $10,000 per year. It seems to me no member or employee of any board, bureau, or commission should receive more than $7,500 per year, which, as I have heretofore stated, is approximately the average of the salaries now being paid to the governors of the States.

Because of my firm conviction that we must cut Government expenditures, and my sincere belief that this cut should begin here in the expenditures of the House of Representatives, I have prepared the following table showing "Suggested savings in the Legislative Establishment appropriation bill for the fiscal year 1933":

Suggested savings, Legislative Establishment appropriation bill, fiscal year 1933

	Amount recommended in bill	Per cent savings	Actual reduction
Senate:			
Pay of Senators	$960,000	25	$240,000
Mileage	51,000	50	25,500
Pay of officers, clerks, messengers, and others, office of Vice President	11,460	20	2,292
Chaplain	1,680	20	336
Employees in office of Secretary	118,520	20	23,704
Document room	17,860	30	5,576

Suggested savings, Legislative Establishment appropriation bill, fiscal year 1933—Continued

	Amount recommended in bill	Per cent savings	Actual reduction
Senate—Continued.			
Committee employees	$481,300	25	$120,325
Clerical assistance	724,200	20	144,840
Sergeant at Arms, office of doorkeeper	247,064	20	49,413
Police, Senate Office Building	27,660	10	2,766
Post Office	22,620	10	2,262
Folding room	28,980	10	2,898
Stationery	25,000		
Postage stamps	350		
Motor vehicles	13,000	10	1,300
Auto, Vice President	4,000		
Material for folding speeches	1,500		
Labor for folding speeches	10,000		
Fuel, oil, etc	2,000		
Purchase of furniture	5,000		
Material for furniture repairs	3,000		
Labor and repairing furniture	2,000		
Packing boxes	970		
Rent of warehouse for documents	2,000		
Miscellaneous	125,000	20	25,000
Inquiries and investigations	250,000	20	50,000
Reporting debates	60,340	20	12,068
Senate kitchens, repairs, supplies, etc	40,000	10	4,000
Total, Senate	3,236,524		710,280
House of Representatives:			
Pay of Members	4,405,000	25	1,101,250
Mileage of Members	175,000	50	87,500
Speaker's office, salaries	20,140	20	4,028
Chaplain	1,680	20	336
Clerk's office, salaries	162,730	20	32,546
Committees, annual employees	296,000	25	74,000
Sergeant at Arms, office of, salaries	33,860	20	6,772
Police	44,840	10	4,484
Doorkeepers' office, salaries	247,604	20	49,521
Special and minority employees	21,280	100	21,280
Do	7,800	10	780
Office majority floor leader	11,240	20	2,248
Conference minority	9,900	20	1,980
Messengers	3,490	10	348
Post office	71,640	10	7,164
Mail wagons and motors	8,400		
Reporting debates	67,740	20	13,548
Committee stenographers	29,440	20	5,888
Members' clerk hire	2,200,000	20	440,000
Contingent expenses, House of Representatives	360,150	10	36,615
Total, House of Representatives	8,178,924		1,890,283
Capitol police:			
Salaries	87,480	10	8,748
Contingent expenses	200		
Purchase of uniforms	7,750		
Total, Capitol police	95,430		8,748
Joint Committee on Printing, salaries	11,620	20	2,324
Legislative Counsel:			
Salaries and expenses	75,000	20	15,000
Statement of appropriations	4,000	20	800
Total, Legislative Counsel	79,000		15,800
Architect of the Capitol:			
Salaries	48,580	20	9,716
Capitol Building and Grounds	1,750,134	10	17,501
Library building and grounds	576,460	10	5,765
Total, Architect of the Capitol	2,375,174		32,982
Botanic Garden:			
Salaries	100,000	20	20,000
Repairs and improvements	47,300	10	4,730
Total, Botanic Garden	147,300		24,730
Library of Congress:			
Salaries	842,045	20	168,409
Register of copyrights	249,380	20	49,876
Legislative reference	74,790	10	7,479
Distribution of card indexes	180,000	5	9,000
Temporary services	3,000		
Index to State legislation	41,460	10	4,146
Sunday opening	18,000	10	1,800
Union catalogue	24,000	10	2,400
Purchase of books	130,000	10	13,000
Law library	50,000	10	5,000
Books, Supreme Court	2,500	10	250
Books for blind	100,000	10	10,000
Printing and binding	410,900	10	41,090
Contingent expenses, Library	14,000	10	1,400
Library Building, salaries	176,822	20	35,364
Total, Library of Congress	2,316,897		349,214
Government Printing Office:			
Salaries, printing and binding for Congress, and working capital	3,000,000	20	600,000
Superintendent of Documents—			
Salaries	550,000	20	110,000
Miscellaneous	224,000	10	22,400
Total, Government Printing Office	3,774,000		732,400

If the total reductions listed above were put into effect there would be a saving of $3,766,766. If these suggested cuts were made in this legislative appropriation bill this total appropriation would be cut $16,448,103, to slightly less than what it was in 1928. In other words, I would eliminate the increase of the past five years in the expenditures in the legislative branch of the Government.

In conclusion may I call your attention to another side of this economy program.

During these uncertain times there is danger in practicing a sort of false economy; there is danger of being "penny wise and pound foolish." This I believe to be true of the suggested abolition of the Federal-aid funds for the teaching of vocational agriculture, vocational home economics, and vocational industrial training. These educational funds should be continued, at least so far as they are used to help pay the salaries of teachers. This money, which is used to pay the salaries of teachers of vocational agriculture and vocational home economics, meets a very vital need in the rural high schools of our country. The teachers who are employed under this so-called Smith-Hughes law are well trained. They must complete a course of special training before they are permitted to teach these vocational courses. They are employed for 11 months of the year, doing community work, supervising farm projects, and serving as rural leaders during the summer months.

The pupils who are enrolled in these vocational agriculture and home-economics courses are almost all farm boys and girls. As a part of the required work each boy carries on a home project where he applies in a practical way the things he learns in the classroom. The same is true of the girls in the home-economics classes, as well as in the vocational trades and industries classes in the cities. These young people are all being trained for a vocation. Many of them will never have the opportunity to go to college. Most of them will go directly from the vocational classrooms out into the work of agriculture, home making, or trades and industries. If you abolish the Federal aid for this work, the local communities will not be able to carry it on alone. If you fail to continue this comparatively small appropriation, you will be taking a big step backward in the work of educating our young citizens in a practical way for intelligent participation in their chosen vocations.

We have voted to appropriate two hundred and fifty millions to foreign countries through a moratorium of European war debts. Most of you voted $2,000,000,000 for the Reconstruction Finance Corporation. A majority of us voted $120,000,000 for Federal aid for roads. Surely we will be most unwise if we fail to make available this eight or nine millions to be used for the vocational training of our boys and girls who are the most valuable asset this Nation possesses.

We must have economy; we must scrutinize carefully every Federal appropriation; but I hope you will ponder carefully the suggestions made by myself and others before you rob our boys and girls of the opportunity of obtaining vocational training. [Applause.]

Mr. FRENCH. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, the Appropriations Committee comes to the floor so suddenly and with so many changes that it is exceedingly difficult for the ordinary run of Member to keep abreast. I know it is quite a task to take an appropriation bill such as the Navy bill and go through it, because either the technical knowledge is lacking or the experience of the seasoned Members of this, may I say, hard-boiled committee is difficult to match.

Mr. Chairman, there is such a thing as overdoing, and I fear that this epidemic of economy is becoming a mania, an obsession, in the minds of some of our colleagues, and that there is now a race, a competitive pruning, for just who can blindly cut the most out of a bill.

First, we started last fall with the Budget Bureau, making a very careful survey of the requirements of every department and bureau, slashing and reducing the estimates of the departments, calling before them the department and bureau heads and agreeing on what we then believed was the lowest possible figure under which the departments could operate. The Budget Bureau's figure represented the lowest possible estimate compatible with efficiency and good government.

In the meantime Congress convened and the miracles which were expected did not take place, and the gamblers caused stock prices to go down a little bit and there was more cry for economy, and the great Committee on Appropriations got busy and they, too, started to cut. This is not said in criticism but as a narrative of the true story.

Then a few of the bills came before the House, and Members with pet hobbies came along and offered amendments and there were more reductions; and the bills went over to the Senate, and suddenly we heard that there would be an additional reduction in a straight horizontal slash of 10 per cent, and yesterday this House of Representatives voted on reductions in a bill about which it had no accurate knowledge and less information.

Gentlemen, you can not take any large business with various departments and expect it to function if there is not going to be some coordination and some correlation in the adjustment of reductions.

The gentleman from Tennessee yesterday frankly stated in response to a statement which I made that the Committee on Economy would proceed, regardless of reductions made by the House or the Senate. So we are going to be faced with the situation that the entire machinery of government may be impaired and hampered unless we come to our senses and coordinate these various economy activities.

Certainly it is not scientific, it is not wholesome, it is not sound legislation, it is not good government to have not less than 1, the Budget; 2, the Committee on Appropriations; 3, the House; 4, the Senate committee; 5, the Senate; and then the Executive himself, six different agencies cutting appropriations, without regard to what the other is doing but simply to satisfy a whim of some organized group of tax dodgers—respond to the demands of gamblers of the stock exchanges, seeking to confuse the issue and to divert public attention from their own misdeeds.

All these people want to cover up their own misconduct, get people interested in writing for economy, believing that if we disrupt the machinery of the Government they can go back to the old days of 1890, where dishonest business could do anything it wanted without any supervision or control and that, perhaps, it would not be necessary to pass another tax bill.

Why, Mr. Chairman, let the country know that we are going to have another tax bill, that it is impossible to avoid it at this time, and that the normal activities of Government can not and must not be curtailed.

I have said it so many times: Is it not peculiar that every appropriation bill we have there is always a particular agency of the Government, some regulatory power, some supervision, which is the target for economy?

Is there much economy in this bill? Is there any talk of reducing the pay or salary of the Naval officers in this bill? Not at all, except in one instance, which I shall allude to later.

In the plan submitted by the President he was careful to say that in abolishing automatic increase or increment, it would apply only to the civilian personnel. Why? The Army and Navy does not supervise monopolies or banks, it does not interfere with evil trade practices or the improper employment of child labor. So we have lost the cry of economy, in this wild drive that is going on, in the Army and Navy appropriation bills.

We saw what happened to the Bureau of Mines. The gentleman who just had the floor referred to the attempted cut in vocational education and rehabilitation. My Lord, has the Government sunk so low that we are going to exercise economy by striking out the appropriation to give defective, lame, and unfortunate persons an equal chance to get an American education?

Here is another example of the economy plan. Save $5,000,000 by making poor Filipinos 4,000 miles away pay

for their own constabulary, which, I suppose is going to be collected at the point of the bayonet. Does it require any courage to suggest or vote for an economy of that sort?

Mr. OSIAS. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. OSIAS. The gentleman refers to the scouts, not the constabulary.

Mr. LAGUARDIA. Yes.

Mr. OSIAS. The scouts belong to the United States Army. The constabulary is a police organization under their own supervision.

Mr. LAGUARDIA. I thank the gentleman. It was a slip of the tongue. The method is just as vicious. That is an example of the economies that are coming. Oh, I suppose some people would like to see the Pure Food Bureau of the Department of Agriculture abolished upon the plea of economy. Others would like to see the Comptroller of the Currency and all of his banking examiners done away with. Others would be glad to see the last of the Federal Trade Commission which has stepped on too many people's toes, and the railroads, I have no doubt, would be very glad to wind up the affairs of the Interstate Commerce Commission on the plea of economy. The bootleggers would like to see the Prohibition Bureau abolished, and I suppose they think they have a right to come in with all of these other law violators who do not want supervision. I ask my colleagues, Where is this all going to end? We want an opportunity to examine these appropriations, or not be compelled to accept them as they come from the other body. The greater the usefulness of the department, the greater the service, the greater the desire to impair their activities on the ground of economy. Yesterday in the Interior Department appropriation bill the greatest percentage of cut was in the Bureau of Education and the next I believe was in the Geological Survey.

Keep people ignorant, close down the high schools, refuse to disseminate education, tax the masses, with no restriction on monopolies or trade, and a few people will be happy. I suppose some gentlemen may claim honors for heroism in cutting $400,000 from that bill which had been provided for the great, but politically weak, Howard University.

In the present instance they have taken the most useful branch of the Navy and have reduced the pay. Just why this attack was made on the flying personnel, I do not know. For the same kind of spite in the name of economy, no doubt. Of the two branches of the naval service that are hit, one is aviation and the other is the submarine. I had something to do in a small way of course with both of these extra pay services. A few years ago the House will recall the disaster of the *S–4*, and the attention of the country being directed toward submarine service. Many of the Members took that opportunity to look into the submarine service, and it was the general consensus of opinion, I believe without any objection on the floor of this House, to allow increased pay for submarine service. That went through, it is my recollection, without any opposition and properly so. There is no more important branch of military defense than that of the air, and particularly of the Navy. We have provided from the very beginning of aviation for increased pay known as flight pay, and now it is suggested in this bill to reduce flight pay to a maximum of $1,100. If I should suggest anything like that, every paper in my city would say that LAGUARDIA is out to soak the rich.

Mr. AYRES. And how many rich are in the flying business right now?

Mr. LAGUARDIA. None. That is why I do not want to reduce them. I know the gentleman is sympathetic, and I thank him for his suggestion. I do not want to reduce the pay, even if it is the pay of an admiral, because we can not have a good flying corps in either the Army or the Navy unless we have good and efficient men at the top of it.

The morale depends upon the inspiration which comes from the top, and unless the commanding officer is a flying officer himself we are not going to have the proper morale in that branch of the Navy. It is absolutely unfair to come here and reduce the flying pay of everyone over a lieutenant of the junior grade, making the maximum flight pay $1,100. It is wrong; it is petty; it is unjust; it is not keeping faith with the Air Service. In the Military and Naval Air Service the pilots are paid less than they are in commerce. I have some comparisons here which I borrowed from the gentleman from Alabama [Mr. HILL], who has given this matter a great deal of thought and study. I have here a comparison between the pay of the Air Corps officers and pilots in commercial aviation. The pay of the pilots of the Boeing Air Transport was $781 per month, of the Pacific Transport $723 per month, and of the Varney Air Line $696 per month in May, 1931. These rates still continue. There is another company that runs on a short line from this city to another city that pays a flat rate of $500 per month; and, by the way, I know that they increased that a few days ago. There are other lines that pay a basic pay and a mileage allowance in addition.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. GOSS. I wish the gentleman would explain to the House the increased cost of insurance to these aviators. That has not been reduced, although we are trying to reduce their pay. That is a large part of their budget.

Mr. GOSS. And it is extra for night flying.

Mr. LAGUARDIA. Yes; in addition to the rates I have cited, it must also be borne in mind that military flying is more hazardous than commercial flying. The preliminary training is the same, of course.

The advance training is the same, of course. The flying time is the same, of course; but at that point, after the commercial pilot goes through the advance course, what is known as acrobatics, he is through. That is what is known as stunt flying. That gives the pilot absolute control of his plane. What we call "stunts" is putting the machine through all sorts of maneuvers in order that the pilot may become the master of his machine. In other words, he is a part of that machine as he flies it. The military pilot must continue his advance flying or acrobatics all of the time because military maneuvers are absolutely dependent upon getting the advantageous position over the enemy.

Mr. BLACK. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BLACK. What reason is assigned for these special cuts in the submarine and Air Service?

Mr. LAGUARDIA. Oh, this mania of economy.

Mr. BLACK. Any other special reason?

Mr. LAGUARDIA. No; of course not.

Now, the gentleman from Connecticut [Mr. GOSS] suggests the cost of insurance.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. HILL of Alabama. In connection with the hazards of the military flyer, he has to fly at times in formation and with other planes, and those very intricate maneuvers are hazards which the commercial flyer never encounters.

Mr. LAGUARDIA. Certainly. This art is improving all the time, and the plane is being improved, but, gentlemen, it is the same old law of gravitation. If anything happens, down you come, and anyone who has had any experience in close formation knows the hazard that is there. It is true that they now fly tip to tip. The wings are tip to tip, and the slightest disturbance in the motor of any one plane or the slightest false movement means a collision.

Mr. YON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. YON. I agree with what the gentleman says, because I have one of the real naval aviation training stations in my district at Pensacola, Fla., and I have observed them in their flying at that station. I agree with what the gentleman has said, because it is really a dangerous service in the Army or the Navy.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FRENCH. I yield the gentleman from New York three additional minutes.

Mr. LaGUARDIA. In answer to the suggestion of the gentleman from Connecticut [Mr. Goss], the additional premium for aviation risk is now $25 per thousand in one of the insurance companies, which permits only $10,000 worth of such insurance to be taken. The additional premium is $12 per thousand in another insurance company, which likewise permits only $10,000 worth of insurance to be taken, and permits no insurance of a pilot who has had less than 400 hours' experience. Insurance for aviators is not obtainable in most of the other companies. The average annual premium payments by Air Corps officers for straight life insurance are at the rate of $10 to $15 per thousand for $10,000 worth of Government insurance; at the rate of $15 to $20 per thousand on $30,000 private insurance, without extra premium for flying risk, and $10 to $25 per thousand additional premium for flying risk on $30,000 insurance in private companies, depending upon whether he took his insurance at the time when private companies were offering this insurance at $10 per thousand extra premium or whether he took his insurance at a later date. This makes a total of from $850 to $1,500 annual premium, depending on age. These are commitments already made in the understanding that flying pay would be continued. The commitments will still remain necessary, irrespective of the continuation of flying pay.

I want to appeal to the committee to give us an opportunity to bring this matter squarely before the House when we are reading the bill for amendment, and I hope that in the meantime the committee will reconsider and restore the flying pay as provided in the law. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. AYRES. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Fuller, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11452, the Navy Department appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Gillen on account of important business.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed Senate Resolution 202, relative to the death of the Hon. William J. Harris, late a Senator from the State of Georgia.

PRIVATE CALENDAR

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday next to move that the House stand in recess until 8 o'clock p. m., and that it shall be in order between the hours of 8 p. m. and 11 p. m. to consider bills on the Private Calendar, unobjected to, beginning at the point where the last call left off.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

NAVY DEPARTMENT APPROPRIATION BILL

Mr. AYRES. Mr. Speaker, I am wondering if we can not agree on a limitation of the debate on the Navy Department appropriation bill? I would like to ask the gentleman from Idaho how much time he thinks he will require on his side.

Mr. FRENCH. I have requests for about an hour and a half.

Mr. AYRES. Then, Mr. Speaker, I ask unanimous consent that general debate on the Navy Department appropriation bill be limited to two and one-half hours.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

OUR FOREIGN COMMERCE

Mr. BRIGGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein some figures from the Department of Commerce.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRIGGS. Mr. Speaker, the statistics and information on our foreign trade just issued by the Department of Commerce are so important that I have sought this opportunity of including them in the Record that the American people may know how essential it is that our foreign commerce be preserved and expanded in every possible way, so that our great exportable surplus of both agricultural and manufactured products may continue to find markets and not be thrown back on our hands to increase the depression at home.

Texas is still shown to be the second largest exporting State in the Union.

In spite of most unfavorable conditions, the Bureau of Foreign and Domestic Commerce has done wonderful work not only in aiding our trade to resist the efforts of foreign nations to take our markets but in promoting the growth of our commerce wherever it has been possible to do so.

The Commerce Department stated on April 15, 1932:

> The United States maintained its position in 1931 as the world's leading export nation, with a total value of $2,423,759,000 for outgoing shipments, while Germany, which displaced the United Kingdom as the second in rank, showed a value of $2,192,850,000. Exports from the United Kingdom (including reexports) reached only $2,069,823,000 in value. All other countries showed much smaller totals, France, in fourth place, attaining a value of only $1,192,516,000.

The importance of our foreign markets to farming, mining, and manufacturing interests in every State of the Union is apparent from the tabulation showing the distribution of exports by States. Even in a year of profound depression and drastic price declines such as 1931 the value of our domestic exports amounted to $2,377,981,786, to which total every State and Territory contributed its share. Only six States had exports valued at less than $1,000,000, while 30 of the States exported merchandise to a value of $10,000,000 or more, and 12 of the latter did an overseas business of more than $60,000,000 each.

The significance of export trade to American labor is clear when one realizes that more than 1,400,000 workers, receiving more than one and one-half billion dollars in wages, were directly engaged in producing goods for export in 1931. Furthermore, there was probably an equal additional number employed indirectly in service activities and in supplying the needs of those engaged directly.

Many of us do not appreciate the fact that these benefits from foreign trade are by no means confined to the larger eastern sea-coast States. Texas, for example, had larger exports than any other State except New York. Its total exports of $324,000,000 represented nearly $200,000,000 in wages paid to labor directly engaged in producing cotton, petroleum products, wheat, flour, crude sulphur, and other commodities shipped from Texas to foreign countries. As further evidence of the significance of export trade in the economy of this State, it may be noted that the value of her exports last year was more than ten times as large as the total of personal and corporate income taxes paid by Texas to the Federal Government in the last fiscal year, while the profits on trade were in excess of the total of such tax payments.

Indiana, Alabama, Tennessee, Mississippi, Iowa, Missouri, and Kansas, to mention only a few of the States which are not commonly believed to be vitally concerned in foreign trade, had exports of from $10,000,000 to $30,000,000 in the depression year of 1931. In the aggregate these seven States exported goods valued at $141,000,000, the production of which is estimated to have involved the direct labor of more than 80,000 workers receiving $85,000,000 in wages.

Although the value of exports in 1931 was 37 per cent smaller than in 1930, this falling off was due in large part to the drastic price declines during the year. In actual quan-

tity, exports declined 20 per cent, or only slightly more than the decline in domestic business.

Instead of having lost its foreign-trade prestige, as seems to be the impression in many quarters, the United States led the world in exports in 1931.

The following statistics are based upon States of original shipment given by shippers in export declarations, which are the only advisable source of export statistics. While not completely accurate as to the relative export ranking of the various States, they are published to meet the demand for statistics of this kind:

TEXAS EXPORT TRADE VALUED AT $324,370,164 DURING 1931

DEPARTMENT OF COMMERCE,
Washington, April 15, 1932.

Exports of merchandise from Texas were valued at $324,370,164 during 1931, compared with $506,083,298 the previous year, according to statistics made public to-day by the Department of Commerce.

Unmanufactured cotton ranked first in value among the State's exports during the 12-month period amounting to $206,981,439 compared with $301,055,127 during 1930 and was followed in order by gasoline, $38,226,548 and $79,342,930; wheat, $10,394,605 and $23,361,046; lubricating oil, $9,571,308 and $12,787,418; illuminating oil, $9,442,222 and $18,163,590; crude sulphur or brimstone, $8,621,778 and $11,993,758.

Other leading exports with comparative values for 1930 were: Gas and fuel oil, $7,837,332 and $11,197,301; crude petroleum, $4,787,112 and $4,510,081; carbon black, $2,988,890 and $2,832,506; oil cake and oil-cake meal, $2,293,109 and $908,951; and rice $2,049,022 and $2,902,314.

Edible animals, meat products, lard, hides and skins, leather manufactures, corn, wheat flour, fresh vegetables, refined cottonseed oil, rubber and manufactures, inedible vegetable oils, sawed timber, paraffin wax, iron and steel scrap, brass and bronze, aircraft and parts, and well and refinery machinery were included among the diversified products sent from the State to foreign countries during the year.

Domestic exports from the United States by States from which shipped during the calendar year 1931. Arranged in order of magnitude, with comparative figures for years 1930 and 1929

	Value, calendar year 1931	Value, calendar year 1930	Value, calendar year 1929
1. New York	$426,230,960	$695,800,402	$956,755,282
2. Texas	324,370,164	506,083,298	657,559,600
3. California	213,740,582	304,876,228	380,344,112
4. Pennsylvania	180,233,538	273,637,016	340,843,339
5. Illinois	141,008,291	200,909,613	238,762,882
6. New Jersey	122,251,963	186,840,362	262,699,217
7. Ohio	106,204,818	165,557,823	221,916,976
8. Michigan	83,433,736	184,353,941	355,300,020
9. Louisiana	82,007,288	151,971,581	221,272,346
10. Virginia	80,210,136	74,831,948	101,135,071
11. Massachusetts	60,922,137	93,583,274	111,531,026
12. Washington	60,366,938	86,667,880	126,744,522
13. North Carolina	43,675,734	81,356,142	99,524,789
14. Wisconsin	39,414,880	78,470,340	124,977,467
15. Oregon	31,722,986	52,239,619	70,208,381
16. Georgia	31,233,564	59,257,415	70,935,462
17. Indiana	30,604,426	55,628,025	73,740,468
18. Alabama	27,394,547	36,348,636	59,236,705
19. Maryland	26,912,150	43,038,968	67,886,581
20. Connecticut	25,067,376	39,141,314	53,317,912
21. West Virginia	24,038,262	32,943,261	41,289,573
22. Tennessee	20,826,417	36,987,374	52,135,646
23. Florida	19,170,824	26,667,957	33,304,979
24. Mississippi	17,810,203	30,282,003	52,882,558
25. Iowa	17,413,697	28,738,730	37,401,376
26. Minnesota	16,755,655	32,328,954	51,649,147
27. Missouri	16,070,274	32,465,262	49,296,315
28. Kentucky	14,484,581	22,671,781	23,751,693
29. South Carolina	13,250,054	25,055,400	27,524,304
30. Kansas	10,824,844	28,416,467	23,805,710
31. Oklahoma	9,815,578	21,009,417	35,187,695
32. Arkansas	8,657,745	14,880,863	29,187,723
33. Arizona	8,272,752	8,849,702	14,438,868
34. Rhode Island	7,989,504	12,051,536	18,734,794
35. Nebraska	6,195,944	10,613,505	12,406,248
36. South Dakota	4,797,339	6,467,417	7,095,247
37. New Hampshire	4,046,090	5,203,857	7,245,762
38. Porto Rico	3,813,204	4,625,185	5,300,770
39. Maine	3,678,270	6,949,128	7,311,106
40. Montana	2,955,913	4,303,010	5,680,899
41. Delaware	2,203,869	4,163,565	6,252,506
42. Vermont	2,029,788	2,923,111	3,780,767
43. Colorado	2,012,659	3,238,586	4,001,887
44. Hawaii	1,500,329	3,157,912	3,738,352
45. Washington, D. C	840,611	981,691	998,365
46. Idaho	702,436	1,243,944	1,956,019
47. Utah	546,767	644,094	1,006,411
48. North Dakota	452,908	516,162	942,834
49. Wyoming	330,337	1,115,452	1,451,983
50. New Mexico	327,717	558,044	1,517,886
51. Alaska	295,158	248,223	559,465
52. Nevada	146,843	328,211	543,679
Total	2,377,981,786	3,781,172,291	5,157,083,027

BANK SUSPENSIONS AND REOPENINGS

Mr. STRONG of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a statement showing the movement in bank suspensions and reopenings from November 30, 1931, to April 9, 1932.

The SPEAKER. Is there objection?

There was no objection.

Mr. STRONG of Kansas. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Movement in bank suspensions and reopenings, in terms of number and deposits, by weeks, November 30, 1931, to April 9, 1932

[Figures include all revisions received up to April 11, 1932]

Week ending (Saturday)	State banks (including private)		National banks		All banks	
	Number	Deposits	Number	Deposits	Number	Deposits
1931						
Dec. 12:						
Suspended	36	$8,412,000	11	$5,796,000	47	$14,208,000
Reopened	2	321,000	2	314,000	4	635,000
Net	34	8,091,000	9	5,482,000	43	13,573,000
Dec. 19:						
Suspended	103	82,560,000	25	55,456,000	128	138,016,000
Reopened	9	8,268,000	1	275,000	10	8,543,000
Net	94	74,292,000	24	55,181,000	118	129,473,000
Dec. 26:						
Suspended	73	66,905,000	9	7,661,000	82	74,566,000
Reopened	6	4,590,000			6	4,590,000
Net	67	62,315,000	9	7,661,000	76	69,976,000
1932						
Jan. 2:						
Suspended	77	78,598,000	22	20,858,000	99	99,454,000
Reopened	5	2,753,000			5	2,753,000
Net	72	75,843,000	22	20,858,000	94	96,701,000
Jan. 9:						
Suspended	65	14,703,000	8	10,165,000	73	24,868,000
Reopened	3	4,219,000	1	2,077,000	4	6,296,000
Net	62	10,574,000	7	8,088,000	69	18,662,000
Jan. 16:						
Suspended	74	46,199,000	21	14,843,000	95	61,042,000
Reopened	5	1,850,000	2	1,216,000	7	3,066,000
Net	69	44,349,000	19	13,627,000	88	57,976,000
Jan. 23:						
Suspended	55	18,212,000	23	23,269,000	78	41,481,000
Reopened	3	293,000			3	293,000
Net	52	17,919,000	23	23,269,000	75	41,188,000
Jan. 30:						
Suspended	51	18,605,000	11	6,309,000	62	24,914,000
Reopened	2	169,000			2	169,000
Net	49	18,436,000	11	6,309,000	60	24,745,000
Feb. 6:						
Suspended	32	21,504,000	12	6,538,000	44	28,042,000
Reopened	12	2,277,000			12	2,277,000
Net	20	19,227,000	12	6,538,000	32	25,765,000
Total:						
Suspended	566	355,786,000	142	150,895,000	708	506,681,000
Reopened	47	24,740,000	6	3,882,000	53	28,622,000
	519	331,046,000	136	147,013,000	655	478,059,000
Feb. 13:						
Suspended	23	3,441,000	4	5,127,000	27	8,568,000
Reopened	9	1,961,000			9	1,961,000
Net	14	1,480,000	4	5,127,000	18	6,607,000
Feb. 20:						
Suspended	27	14,320,000	9	10,768,000	36	25,088,000
Reopened	9	6,353,000	2	1,034,000	11	7,387,000
Net	18	7,967,000	7	9,734,000	25	17,701,000
Feb. 27:						
Suspended	9	1,778,000			9	1,778,000
Reopened	10	4,066,000	3	3,042,000	13	7,108,000
Net	+1	+2,288,000	+3	+3,042,000	+4	+5,330,000
Mar. 5:						
Suspended	9	1,839,000	2	274,000	11	2,083,000
Reopened	4	1,819,000	3	824,000	7	2,643,000
Net	5	+19,000	+1	+550,000	4	+560,000

Movement in bank suspensions and reopenings, in terms of number and deposits, by weeks, November 30, 1931, to April 9, 1932—Continued

Week ending (Saturday)	State banks (including private)		National banks		All banks	
	Number	Deposits	Number	Deposits	Number	Deposits
1932						
Mar. 12:						
Suspended	15	$8,926,000			15	$8,926,000
Reopened	9	2,605,000			9	2,605,000
Net	6	1,321,000			6	1,321,000
Mar. 19:						
Suspended	8	5,426,000	3	$734,000	11	6,158,000
Reopened	4	2,095,000	2	987,000	6	3,082,000
Net	4	3,329,000	1	+253,000	5	3,076,000
Mar. 26:						
Suspended	3	402,000	2	3,007,000	5	3,409,000
Reopened	3	583,000	2	4,555,000	5	5,138,000
Net		+181,000		+1,548,000		+1,729,000
Apr. 2:						
Suspended	14	1,755,000	1	664,000	15	2,419,000
Reopened	2	848,000	2	2,541,000	4	3,389,000
Net	12	907,000	+1	+1,877,000	11	+970,000
Apr. 9:						
Suspended	14	4,809,000	1	152,000	15	4,961,000
Reopened	2	402,000	1	798,000	3	1,200,000
Net	12	4,407,000		+646,000	12	3,761,000
Apr. 11:						
Total—						
Suspended	122	37,664,000	22	20,726,000	144	58,390,000
Reopened	52	20,732,000	15	13,781,000	67	34,513,000
Net	70	16,932,000	7	6,945,000	77	23,877,000

SOLDIERS' ADJUSTED-SERVICE CERTIFICATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, under permission granted to extend my remarks in the RECORD, instead of taking up the time of the House, I desire to call attention to the arguments being advanced against the bill now before the Ways and Means Committee to expand the currency and pay off the soldiers' adjusted-service certificates.

I was very amazed this morning at the statement of one of the opponents of the bill [Mr. JOHNSON of South Dakota] to the effect that its passage "would probably bring on a panic."

Just what he would call a panic I am unable to say. In fact, we are in the midst of the greatest panic this country has ever seen. Our people are in distress. Many millions of them are out of work and unable to find sufficient employment to earn their daily bread. Every city of any size has a bread line which seems to be growing longer as the days go by. Our railroads are virtually idle, factories are shut down, cotton is selling for less than 6 cents a pound—far below the cost of production—and wheat is selling on the farms of the West for less than 30 cents a bushel, while the prices of corn, hogs, cattle, and other agricultural commodities are proportionately depressed. The farms of this country, if put on the block and sold to-day, would not pay the bonded indebtedness that hangs over them, and many thousands of them are being sold for taxes. Yet the gentleman from South Dakota [Mr. JOHNSON] admonishes us that the passage of this relief bill to expand the currency and pay these adjusted-service certificates off might "bring on a panic."

The gentleman from New York [Mr. LAGUARDIA], in his argument before the Ways and Means Committee, opened with a recital of the generosity which this Government has manifested toward its veterans in the past, referring, of course, to the disabled veterans of the various wars through which this country has passed. We do not deny that. Nor do the veterans of the country deny that statement. But a vast majority of the holders of these adjusted-service certificates have never asked for or received disability compensation at the hands of this Government. He went back into the Revolutionary days and told how generous the Government has been toward the patriotic veterans of the Revolution, as if that has anything to do with the solution of the terrible depression in which we find ourselves to-day.

He said that we were using the veterans for the purpose of bringing about an expansion of the currency and, therefore, "an increase in commodity prices." In that statement he is, in part, correct. This bill has two objects, one of them is to pay the veterans what the Government owes them, and the other one is to expand the currency, increase commodity prices, melt our bread lines, restore the property of the country, and put an end to this unprecedented depression.

In other words, he admitted that this bill would bring about an advance in commodity prices, but seemed to be laboring under the erroneous impression that it would increase the cost of living to the laborers in the city districts, without corresponding benefits. In that last suggestion he is mistaken. In my opinion, those laborers who are out of work in the congested centers can not hope to secure profitable employment until there is an increase in commodity prices and the purchasing power of the farmers is restored. If this bill passes, in my opinion, it will not only benefit the veterans who receive the cash for their certificates, but the concensus of opinion is that it will cause the price of wheat to rise to the 1926 level of $1.50 or $2 a bushel. In other words, a farmer with a thousand bushels of wheat would also be benefited to the extent of from $500 to $1,000. The price of cotton would in all probability advance to 15 or 20 cents a pound, and the farmer with 10 bales of cotton would be benefited to the extent of $500 to $750.

The farmer with 1,000 bushels of corn would be benefited by approximately the same amount. All other agricultural commodities would rise, farm lands would resume their normal values, and the buying power of agriculture would be restored. Those people could then begin to buy clothes and food and machinery and other supplies that must be produced by the city laborers. That would start our factories running again, diminish unemployment, and at the same time, give our transportation systems something to haul Instead of benefiting only the veterans who hold these certificates it would benefit all the American people. It would do more to break this panic than anything else that has been proposed at this session of Congress—and something must be done!

The gentleman from New York [Mr. LAGUARDIA] admits that these veterans will never be called upon to pay the interest on the loans they have received on these adjusted-service certificates. That being the case, why not pay them off now? He answered his whole argument when he made that concession. He calls attention to the fact that, as he says, a large percentage of the veterans are employed by States, counties, and municipalities.

Of course, there are a certain number of veterans employed in a public capacity in every State of this Union, but that is no argument against this bill; and the only effect it could possibly have would be to stir up feeling against the ex-service men who responded to the country's call during the World War and who are now fortunate enough to hold such positions.

He also states—and I am following his argument and stressing these points in the order in which they were made—that the unemployment question will not adjust itself. With that statement I thoroughly agree. This panic is man-made. It is brought about by the abuse of official power and the distortion of the functions of government, and it is going to require the correction of those distortions on the part of Congress even to make it possible for these evils to be cured. Congress will have to go a step farther and give its positive and material support in order to check the ravages of the present decline and to start the country on the road to recovery.

The gentleman from New York [Mr. LAGUARDIA] suggested in his argument that Members of Congress would come out for this bill for "unpatriotic reasons"—intimat-

ing that they would do so for political reasons. I submit that that insinuation is unjust and unfair, and I am surprised at its coming from the gentleman from New York.

Members who are supporting this bill are doing so for patriotic reasons. If we were as unjust to the opposition as the above statement is to the proponents of this bill, we might suggest that some of them are probably browbeaten into their position by the influences of a subsidized press.

As I have said before, this country is at war—a war against poverty, a war against hunger, a war against bankruptcy, a war to save our homes and to save American institutions. I wonder if the gentleman from New York, or anyone else, thinks that those of us who are fighting this battle would take the abuse, the maligning, and the vicious misrepresentations that are constantly heaped upon us by the agencies of predatory wealth if we did not feel that we are fighting in just as patriotic a cause as ever drove nations to war or inspired men on the battlefield.

Then, as a cure for our present ills, the gentleman from New York advocates the passage of his own bill—H. R. 2—which, stripped of all camouflage, is nothing but a dole, and would probably cost this country billions of dollars without bringing any appreciable measure of relief to the country as a whole. He says, "The dole saved England."

The truth of the business is that if England has been saved at all, it was because her statesmen had the wisdom and courage to expand or inflate her currency—even to the extent of suspending the gold standard. We do not have to suspend the gold standard, because we have sufficient gold to supply an ample reserve for the issuance of every dollar of the United States notes necessary to pay these certificates off.

Let us manifest the same courage that England's statesmen did, and instead of going backward to a dole, as Mr. LAGUARDIA would have us, and perpetuating this unbearable condition, let us pass this adjusted service bill to expand the currency and restore the property of all the American people. In other words, let us turn at once, as England did, from the dead past to the living future and catch step with the onward march of modern progress.

Mr. LAGUARDIA's statement that this bill would not get 30 votes on a secret ballot is ridiculous. It is an unjustifiable reflection on the integrity of a majority of the Members of Congress who are whole-heartedly supporting this measure. We will not only get a majority on an open ballot, but, in my opinion, would even get more on a secret ballot, for we would pick up some weak-kneed Congressmen who tremble with fear at the power of a subsidized press.

Mr. JOHNSON of South Dakota, in addition to his prediction that the passage of this bill would "probably bring on a panic," predicted that it would depreciate the value of money, to quote his own words, "as it did during the Civil War." He was referring to the United States notes issued by Abraham Lincoln, $346,000,000 of which are in circulation to-day and are worth 100 cents on the dollar, even though they have less than 50 per cent gold reserve behind them. Of course, those notes depreciated during the Civil War. Robert E. Lee was just across the Potomac River with a powerful army that constantly threatened the capture of Washington. We face no such condition to-day, but we do face an army of 6,000,000 unemployed. They are not approaching with fixed bayonets, but are calling to us with outstretched hands to do something for their relief.

The question was asked this morning, Why not issue these notes to balance the Budget? My answer to that is that we could have done so and could do so yet, so long as we did not reduce our gold reserve below the 40 per cent requirement or expand our currency to an unnecessary degree.

The gentleman from South Dakota [Mr. JOHNSON] predicts the failure of this bill and says that "all that will come out of it is a tragedy of blasted hope." If this bill is defeated and no other similar measure takes its place, I agree with him that the result will be a "tragedy of blasted hope."

It will not only blast the hope of the millions of veterans who are asking their Government to pay them what is owing them, but it will blast the hope of more than a million veterans who are unemployed, who marched away to join the colors 15 years ago to preserve our institutions, make the world safe for democracy, and wage a war to end wars. It will blast the hopes of our unfortunate veterans who are to-day standing in bread lines as well as those of their hungry wives and children.

It will blast the hopes of the farmers of this country—the wheat growers, the corn growers, the cotton growers, and all others—who are now selling agricultural commodities below the cost of production and seeing their homes swept away for debts or seized to pay their taxes.

Yes; if this Congress fails in this perilous hour to pass a bill such as this, it will blast the hopes of all the American people for a speedy and complete recovery from this the greatest panic America has ever known.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 882. An act for the relief of G. W. Wall;

H. R. 1202. An act for the relief of Lehde & Schoenhut;

H. R. 2086. An act for the relief of Francis Engler;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 3265. An act for the relief of W. J. Shirley;

H. R. 3373. An act for the relief of Fireman's Fund Insurance Co.;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 4329. An act for the relief of Alton B. Platner;

H. R. 5259. An act for the relief of Steve Fekete;

H. R. 5272. An act for the relief of Frank Bayer;

H. R. 5848. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Richmond, Va., in June, 1932;

H. R. 7788. An act authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department;

H. R. 8087. An act authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservation of rights, ways, and easements;

H. R. 8779. An act granting certain lands to the Board of Commisisoners of the Orleans levee district in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 9066. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa;

H. R. 9143. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak.;

H. R. 9301. An act to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark.;

H. R. 9974. An act to authorize appointment of public-school employees between meetings of the Board of Education;

H. R. 10088. An act to revive and reenact the act entitled "An act authorizing the South Carolina and the Georgia Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.," approved May 26, 1928;

H. R. 10362. An act to require the approval of the General Council of the Seminole Tribe or Nation in case of the disposal of any tribal land; and

H. R. 10489. An act to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2682. An act to amend section 5 of the Criminal Code; and

S. 3086. An act relating to the construction of a Federal building at Ponca City, Okla.

THE LATE SENATOR WILLIAM J. HARRIS

The SPEAKER. The Chair lays before the House the following resolution from the Senate.

The Clerk read as follows:

Senate Resolution 202

IN THE SENATE OF THE UNITED STATES,
April 19, 1932.

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of the Hon. WILLIAM J. HARRIS, late a Senator from the State of Georgia.

Resolved, That a committee of 15 Senators be appointed by the President of the Senate to take order for superintending the funeral of Mr. HARRIS, which shall take place in the Senate Chamber at 11 o'clock a. m. on Wednesday, April 20, 1932, and that the Senate attend the same.

Resolved, That as a further mark of respect his remains be removed from Washington to Cedartown, Ga., for burial in charge of the Sergeant at Arms, attended by the committee, who shall have full power to carry these resolutions into effect; and that the necessary expenses in connection therewith be paid out of the contingent fund of the Senate.

Resolved, That the Secretary communicate these resolutions to the House of Representatives, transmit a copy thereof to the family of the deceased, and invite the House of Representatives to attend the funeral in the Senate Chamber and to appoint a committee to act with the committee of the Senate.

Resolved, That invitations be extended to the President of the United States and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard, to attend the funeral in the Senate Chamber.

Resolved, That at the conclusion of the services in the Senate Chamber, the Senate stand adjourned until 12 o'clock noon on Thursday, April 21, 1932.

Mr. CRISP. Mr. Speaker, I offer the following resolutions:

The Clerk read as follows:

House Resolution 198

Resolved, That the House of Representatives accepts the invitation of the Senate to attend the funeral services of the late Hon. WILLIAM J. HARRIS to be held in the Senate Chamber Wednesday, April 20, 1932, at 11 o'clock a. m., and that the committee appointed by the Speaker of the House to attend the funeral shall act in conjunction with the committee of the Senate to make the necessary arrangements.

Resolved, That upon the return of the House to its Chamber following the services in the Senate Chamber the Speaker shall, as a further mark of respect to the memory of the deceased Senator, declare the House adjourned.

Resolved, That when the House adjourns to-day it adjourn to meet to-morrow at 10.50 o'clock a. m.

Resolved, That the Clerk communicate these resolutions to the Senate.

The resolutions were agreed to.

ADJOURNMENT

Mr. AYRES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House, in accordance with its previous order, adjourned until to-morrow, Wednesday, April 20, 1932, at 10.50 o'clock a. m.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Wednesday, April 20, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings—soldier's bonus.

MERCHANT MARINE, RADIO, AND FISHERIES

(10 a. m.)

To continue general inquiry into American merchant marine, United States Shipping Board, and Merchant Fleet Corporation affairs.

PUBLIC BUILDINGS AND GROUNDS

(10.30 a. m.)

Authorizing the Secretary of the Treasury to exchange the Federal building site in Dover, N. J., for another site (H. R. 11337).

MILITARY AFFAIRS

(10 a. m.)

Continue hearings on House Joint Resolution 355, relative to retirement of officers in the Army and Navy.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

527. A letter from the Secretary of War, transmitting a report dated April 16, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of harbor at Marquette, Mich.; to the Committee on Rivers and Harbors.

528. A letter from the Comptroller General, transmitting a report and recommendation concerning the claim of the National Surety Co. against the United States; to the Committee on Claims.

529. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill authorizing any executive department or independent establishment to do work for any other executive department or independent establishment and prescribing the method of payment therefor; to the Committee on Expenditures in the Executive Departments.

530. A communication from the President of the United States, transmitting a supplemental estimate of appropriation pertaining to the Legislative Establishment, United States Senate, for the fiscal year 1933, in the sum of $1,820 (H. Doc. No. 314); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. AYRES: Committee on Appropriations. H. R. 11452. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes; without amendment (Rept. No. 1081). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARSONS: Committee on the Territories. H. J. Res. 361. A joint resolution to authorize the Surgeon General of the United States Public Health Service to make a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes; without amendment (Rept. No. 1082). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAINES: Committee on the Post Office and Post Roads. H. R. 8576. A bill to regulate the manufacture and sale of stamped envelopes; without amendment (Rept. No. 1083). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 11362. A bill to amend the national banking act and the Federal reserve act, and to provide a guaranty fund for depositors in banks; without amendment (Rept. No. 1085). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. H. R. 9606. A bill for the relief of the estate of Clarendon Davis; without amendment (Rept. No. 1084). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 10880) granting a pension to Ursula M. Cochrane, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. BARTON: A bill (H. R. 11453) for the relief of the State of Missouri; to the Committee on the Judiciary.

By Mr. MITCHELL: A bill (H. R. 11454) to authorize the extension of time for payment of installments on loans from Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. JAMES: A bill (H. R. 11455) to award the distinguished-service cross to former holders of the certificate of merit, and for other purposes; to the Committee on Military Affairs.

By Mr. MARTIN of Oregon: A bill (H. R. 11456) to provide for the construction of works for the development of the Columbia River and minor tributaries, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 11457) providing cost of production for agricultural products and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of South Dakota: A bill (H. R. 11458) to amend the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. CONNERY: Resolution (H. Res. 197) providing for the consideration of H. R. 11200, a bill to provide that the prevailing rate of wages shall be paid to laborers and mechanics employed on certain public works of the United States, the District of Columbia, the Territories, and the Panama Canal, and for other purposes; to the Committee on Rules.

By Mr. SMITH of Idaho: Joint resolution (H. J. Res. 369) to permit a compact or agreement between the States of Idaho and Wyoming respecting the disposition and apportionment of the waters of the Snake River and its tributaries, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. HARE: Joint resolution (H. J. Res. 370) to amend a joint resolution entitled, "Joint resolution for the relief of Porto Rico," approved December 21, 1928, as amended by the second deficiency act, fiscal year 1929, approved March 4, 1929; to the Committee on Insular Affairs.

By Mr. SCHNEIDER: Joint resolution (H. J. Res. 371) authorizing the attorney general of Wisconsin to examine Government records in relation to claims of Wisconsin Indians; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK: A bill (H. R. 11459) for the relief of Harold W. Merrin; to the Committee on Claims.

Also, a bill (H. R. 11460) to authorize credit in the disbursing account of Donna M. Davis; to the Committee on Claims.

Also, a bill (H. R. 11461) for the relief of C. N. Hildreth, jr.; to the Committee on Claims.

Also, a bill (H. R. 11462) for the relief of George H. Hansen; to the Committee on Claims.

Also, a bill (H. R. 11463) to allow credits in the accounts of certain disbursing officers of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and United States Veterans' Bureau (now Veterans' Administration); to the Committee on Claims.

By Mr. BRAND of Georgia: A bill (H. R. 11464) for the relief of Addie H. Malloy; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 11465) for the relief of Paul Alawishes Traynor; to the Committee on Naval Affairs.

Also, a bill (H. R. 11466) granting an increase of pension to Lydia M. B. Arlington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11467) for the relief of Charlie Byrom; to the Committee on Military Affairs.

Also, a bill (H. R. 11468) for the relief of H. E. Young; to the Committee on Naval Affairs.

By Mr. CULKIN: A bill (H. R. 11469) granting an increase of pension to Jennie Skelton; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 11470) granting an increase of pension to Kate O'Connor; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 11471) granting an increase of pension to Martha O'Hara; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11472) granting an increase of pension to Artie York; to the Committee on Pensions.

By Mr. GARBER: A bill (H. R. 11473) granting a pension to Fannie C. Cron; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 11474) granting a pension to Laura E. Rowell; to the Committee on Invalid Pensions.

By Mr. HARLAN: A bill (H. R. 11475) granting a pension to Frank McKnight; to the Committee on Pensions.

By Mr. HOPE: A bill (H. R. 11476) granting an increase of pension to George Webb, jr.; to the Committee on Pensions.

By Mr. HORR: A bill (H. R. 11477) for the relief of George Charles Walthers; to the Committee on Claims.

By Mr. JACOBSEN: A bill (H. R. 11478) for the relief of Aileen A. Weber; to the Committee on Claims.

By Mr. KELLER: A bill (H. R. 11479) for the relief of Thomas L. Harris; to the Committee on Military Affairs.

By Mr. LAMNECK: A bill (H. R. 11480) granting a pension to Alfrettia Smith; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 11481) granting a pension to Martha Chapman; to the Committee on Invalid Pensions.

By Mr. ROBINSON: A bill (H. R. 11482) granting an increase of pension to Adelaide J. Hutson; to the Committee on Invalid Pensions.

By Mr. SCHNEIDER: A bill (H. R. 11483) granting an increase of pension to Fidillia Powell; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 11484) granting an increase of pension to Mary J. Garner; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 11485) granting a pension to Rachel Malkemus; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 11486) granting an increase of pension to Margaret Zimmer; to the Committee on Invalid Pensions.

By Mr. WEEKS: A bill (H. R. 11487) granting an increase of pension to Eva S. Manney; to the Committee on Invalid Pensions.

By Mr. YON: A bill (H. R. 11488) granting a pension to Henrik J. Rasmussen; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6244. By Mr. ARNOLD: Petition of residents of St. Francisville, Ill., and vicinity, asking for the passage of legislation to control motor trucks and busses engaged in interstate traffic; to the Committee on Interstate and Foreign Commerce.

6245. Also, petition of citizens of St. Francisville, Ill., urging legislation providing for the proper regulation of motor trucks and busses engaged in interstate traffic; to the Committee on Interstate and Foreign Commerce.

6246. Also, petition of citizens of Robinson, Ill., and vicinity, protesting against the unregulated use of public highways by motor trucks and busses engaged in interstate

commerce; to the Committee on Interstate and Foreign Commerce.

6247. Also, petition of citizens of Flat Rock, Ill., advocating proper control of trucks and busses engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

6248. By Mr. BACON: Petition of sundry residents of Queens Village, Long Island, favoring immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

6249. By Mr. BLOOM: Petition of 469 residents of the State of New York, protesting against the passage of the compulsory Sunday observance bill, S. 1202, or any other compulsory religious measures that have been or shall be introduced, such as House bill 8092; to the Committee on the District of Columbia.

6250. By Mr. BOHN: Petition of citizens of Rogers City, Mich., opposing any salary cut for postal employees; to the Committee on Appropriations.

6251. By Mr. BRIGGS: Telegram from George Tipton, superintendent of schools, Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6252. Also, telegram from H. L. Mathews, of Elkhart, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6253. Also, telegram from J. C. Beard, C. D. McKinzie, secretary, W. T. Todd, F. D. Evans, A. J. Dabbs, George B. Reeger, and W. L. Cook, board of trustees, Neches Rural High School, Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6254. Also, telegram from W. A. Riall, cotton merchant, Grapeland, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6255. Also, telegram from George E. Darsey, jr., merchant, of Grapeland, Tex., urging continuance of rural vocational training courses by Federal Board for Vocational Education; to the Committee on Economy.

6256. Also, telegram from O. R. Hicks, New Waverly, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6257. Also, telegram from W. G. Darsey, merchant, of Grapeland, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6258. Also, telegram from Mrs. T. G. Rhodes, president, Mrs. F. D. Shackelford, secretary, Central Parent-Teachers Association, Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6259. Also, telegram from Tucker Royall, president Royall National Bank, of Palestine, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6260. Also, telegram from Hon. Ben F. Dent, district judge of Anderson County, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6261. Also, telegram from Helen Richards, of Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6262. Also, telegram from W. M. Hamilton, editor Palestine Daily Herald, Palestine, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6263. Also, letter from Ray Lookabaugh, Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6264. Also, letter from F. Shackelford, of Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6265. Also, letter from A. J. Debbs, secretary Hollywood Evening School, Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6266. Also, letter from Mae Kelley, of Elkhart, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6267. Also, letter from W. H. McDonald, of Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6268. Also, letter from L. E. Spalding, of Neches, Tex., urging continuance of rural vocational-training courses by Federal Board for Vocational Education; to the Committee on Economy.

6269. By Mr. CLARKE of New York: Petition of Marian Thayer and 14 residents of Cooperstown, N. Y., opposing any measure looking toward the modification or resubmission to the States of the eighteenth amendment; to the Committee on the Judiciary.

6270. By Mr. CULKIN: Petition of Oswego Falls Corporation of Fulton, N. Y., and 15 other paper manufacturers of northern New York, protesting against any change in the present tariff act or any temporary tariff or equalizing duty on wood pulp; to the Committee on Ways and Means.

6271. By Mr. CULLEN: Petition of the Propeller Club of the United States, unanimously favoring the purpose of the bill, H. R. 11207, providing that the United States Steamboat Inspection Service be maintained in its present state; to the Committee on Economy.

6272. Also, petition of the Council of the American Institute of Consulting Engineers, expressing the wish that Congress in its consideration of the revenue bill avoid discriminatory taxes against any special industry or class, and that it also goes on record as being strongly opposed to bonus legislation; to the Committee on Ways and Means.

6273. By Mr. EVANS of California: Petition signed by approximately 280 citizens, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6274. By Mr. FITZPATRICK: Petition of the First Ward Democratic Club, of the city of Yonkers, N. Y., opposing any reduction in the salaries of the post-office employees; to the Committee on Economy.

6275. By Mr. HILL of Washington: Petition of W. A. Thomas and 35 other citizens of Oroville, Wash., protesting against the passage of compulsory Sunday-observance legislation; to the Committee on the District of Columbia.

6276. Also, petition of Mrs. John Schoenewald and 26 other residents of Colville, Wash., protesting against the passage of Senate bill 1202, or other compulsory Sunday-observance legislation; to the Committee on the District of Columbia.

6277. Also, petition of Willard Fay and 83 other residents of Colville, Wash., protesting against the passage of compulsory Sunday-observance legislation; to the Committee on the District of Columbia.

6278. Also, petition of E. C. Stevens and Emily C. Stevens, of Northport, Wash., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6279. By Mr. JOHNSON of Texas: Petition of A. Y. Meador, Joe McGraw, E. H. Camphill, R. E. Watson, C. C. Kelsey, R. W. George, J. T. Glenn, E. J. Glenn, J. D. George, R. H. Russell, J. L. Crabtree, G. F. Magee, C. L. Garvin, L. J. McGraw, W. J. Sheffield, J. C. Armstrong, and others, of Blooming Grove, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6280. Also, petition of J. I. Moore, teacher, department vocational agriculture, Hubbard High School, Hubbard, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6281. Also, petition of C. W. Bradbury, Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6282. Also, petition of D. B. Pitts, teacher of vocational agriculture, State home and school, Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6283. Also, petition of G. H. Brown, superintendent public schools, Blooming Grove, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6284. Also, petition of G. F. Magee, of Blooming Grove, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6285. Also, petition of Robert A. Manire, Madisonville, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6286. Also, petition of Hon. T. S. Henderson, Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6287. Also, petition of Hon. O. L. Kidd, president Cameron school board, Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6288. Also, petition of T. A. Fisher, superintendent of schools, Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6289. Also, petition of J. R. Hays, of Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6290. Also, petition of V. T. Matthews, president Chamber of Commerce, Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6291. Also, petition of C. M. Newton, of Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6292. Also, petition of F. S. Linch, of Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6293. Also, petition of F. C. Newport, president Texas Jersey Cattle Club, Itasca, Tex., opposing suspension of Federal funds for vocational education; to the Committee on Economy.

6294. Also, telegram from J. A. Bonner, of Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6295. Also, telegram from L. B. Bonner, of Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6296. Also, telegram from Joe M. Brown, of Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6297. Also, telegram from Jim Martin, of Bryan, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6298. Also, telegram from L. W. Wimbish, superintendent of schools, Itasca, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6299. Also, telegram from Mr. and Mrs. R. A. Turner, of Itasca, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6300. Also, telegram from Beasley Dry Goods Co., Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6301. Also, telegram from C. D. Allard, of Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6302. Also, telegram from Guy Davis, of Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6303. Also, telegram from V. T. Matthews, of Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6304. Also, telegram from D. B. Pitts, of Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6305. Also, telegram from J. F. M. Stephens, of Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6306. Also, telegram from C. E. Dunham, of Corsicana, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6307. Also, telegram from Madisonville Chamber of Commerce, by J. N. Raney, secretary, Madisonville, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6308. Also, telegram from Farmers State Bank of Madisonville, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6309. Also, telegram from Dean C. H. Winkler, of College Station, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6310. Also, telegram from Giles L. Averitt, of Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6311. Also, telegram from Cameron Enterprise, Cameron, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6312. Also, telegram from Dean Bills, president school board, Hubbard, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6313. Also, telegram from L. L. Wilkes, superintendent of schools, Hubbard, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6314. Also, telegram from Henry Ross, J. B. Reese, and V. D. Bruner, of Kerens, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6315. Also, telegram from Hon. H. F. Kirby, of Groesbeck, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6316. Also, telegram from the Lions Club, George Stallworth, president, Groesbeck, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6317. Also, telegram from H. O. Whitehurst, superintendent, Groesbeck, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6318. Also, telegram from of J. M. Arendale, president Chamber of Commerce, Groesbeck, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6319. Also, telegram from Rev. Joe N. Everheart and E. H. Brister, of Kerens, Tex., opposing suspension of Federal funds for vocational education; to the Committee on Economy.

6320. Also, telegram from Dr. J. C. Blair, E. E. Nettles, and W. T. Stockton, of Kerens, Tex., opposing suspension of Federal funds for vocational education; to the Committee on Economy.

6321. By Mr. KINZER: Resolution of Liberty Council, No. 190, Fraternal Patriotic Americans, of Maytown, Pa., urging support of House bill 9597 and House Joint Resolutions 216 and 277; to the Committee on Immigration and Naturalization.

6322. By Mr. LAMBERTSON: Petition of Mrs. C. J. Smalley and 10 other persons of Seneca, Kans., urging maintenance and enforcement of the prohibition law and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

6323. Also, resolution of the Woman's Christian Temperance Union of Seneca, Kans., representing 48 persons, urging the maintenance and enforcement of the prohibition law, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

6324. By Mr. LAMNECK: Petition of E. M. Lenz, C. C. Cromley, R. F. Roberts, and 25 other citizens of the city of Columbus, Ohio, petitioning Congress to enact at this time such legislation as appears to be necessary to curb the activities of the growing monopolistic organizations commonly known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

6325. By Mr. LINDSAY: Petition of Albert French, of New York City, opposing Muscle Shoals bill; to the Committee on Military Affairs.

6326. Also, petition of National Rural Letter Carriers Association, unalterably opposing the loss of their equipment allowance; to the Committee on Economy.

6327. Also, petition of Duke Power Co., New York City, favoring reduction of Government expenditures; to the Committee on Appropriations.

6328. Also, petition of Chamber of Commerce of the United States, dealing with Muscle Shoals, namely, "The Muscle Shoals project should be sold or leased, as is, on the best possible terms"; to the Committee on Military Affairs.

6329. Also, petition of the American Legion National Legislative Committee, emphatically protesting against the $8,000,000 cuts in benefits to disabled veterans proposed by the Economy Committee in its omnibus bill; to the Committee on Economy.

6330. By Mr. McFADDEN: Letter dated April 15, 1932, from Hattie G. Stout, Lalia Golder, Arden Cole, Bruce Wheit, and Warren Kline, representing the Sugarloaf Vocational School, Benton, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6331. Also, letter dated April 16, 1932, from E. E. Shultz, president Benton joint school board, Benton, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6332. Also, letter dated April 16, 1932, from T. C. Smith, president Columbia County School Directors Association, Benton school district, Benton, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6333. Also, letter dated April 16, 1932, from L. R. Appleman, principal Benton school district, Benton, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6334. Also, letter dated April 18, 1932, from Marion R. Smith, mater Benton Grange, No. 88, Benton, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6335. Also, letter dated April 16, 1932, from Robert K. Brewington, secretary Benton Community Association, Benton, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6336. Also, letter dated April 15, 1932, from Austin A. McBride, supervisor of agriculture, Towanda borough school district, Pennsylvania, protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6337. Also, letter dated April 15, 1932, from Carl D. Shiner, secretary Bradford County Agricultural Society, Towanda, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6338. Also, letter dated April 18, 1932, from Ernest W. Wood, county supervisor of vocational education, public schools of Bradford County, Towanda, Pa., protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education; to the Committee on Economy.

6339. Also, a letter from O. Z. Low, president of Orangeville (Pa.) Chamber of Commerce, dated April 18, 1932, to Hon. LOUIS T. MCFADDEN, protesting against the threatened action of the House Committee on Economy to suspend for one year payments to States under the Federal Board for Vocational Education, and referring to a letter from O. Z. Low and 52 other members of the Orangeville Chamber of Commerce and addressed to the President of the United States, the Secretary of the Interior, the two Senators from Pennsylvania, and Representatives L. T. MCFADDEN, FRED W. MAGRADY, and JOHN MCDUFFIE; to the Committee on Economy.

6340. By Mr. PARK: Petition of Herbert B. Martin Post, No. 82, of the American Legion, Warren, Ark., urging support of House bill 8173; to the Committee on World War Veterans' Legislation.

6341. By Mr. PARKER of Georgia: Petition of C. M. Hunt, H. M. Woods, W. G. Curry, and L. D. Clark, of Savannah, Ga., urging the passage of the railroad pension bill, H. R. 9891, and voicing opposition to Senate bill 3892 and House bill 10023; to the Committee on Interstate and Foreign Commerce.

6342. By Mr. ROBINSON: Petition signed by F. R. Bissell and about 40 other railroad employees of Iowa, urging the support and passage of the railroad employees national pension bill, H. R. 9891; to the Committee on Interstate and Foreign Commerce.

6343. Also, petition signed by W. C. Bower and about 50 other railroad employees of Iowa, urging the support and passage of the railroad employees national pension bill, H. R. 9891; to the Committee on Interstate and Foreign Commerce.

6344. By Mr. RUDD: Petition of Albert French, 61 Broadway, New York City, opposing the passage of House bill 11051, the Muscle Shoals bill; to the Committee on Military Affairs.

6345. Also, petition of Duke Power Co., New York City, favoring reduction of governmental expenses; to the Committee on Appropriations.

6346. Also, petition of the Chamber of Commerce of the United States, referring to House bill 11051, that the Muscle Shoals project should be sold or leased, as is, on the best possible terms; to the Committee on Military Affairs.

6347. Also, petition of the American Legion, National Legislative Committee, opposing the $80,000,000 cut in benefits to disabled veterans; to the Committee on Economy.

6348. Also, petition of Local No. 358, National Federation of Federal Employees, Tupper Lake, N. Y., opposing salary reduction of Federal employees; to the Committee on Economy.

6349. Also, petition of National Rural Letter Carriers Association, protesting against the loss of their equipment allowance; to the Committee on Economy.

6350. Also, petition of New York State Vocational Association, opposing the suspension of Federal aid for vocational education; to the Committee on Economy.

6351. Also, petition of American League for Progressive Legislation, Bloomington, Ill., favoring the passage of the Patman bill, H. R. 1; to the Committee on Ways and Means.

6352. Also, petition of Arthur W. Brockway, Brooklyn, N. Y., opposing the payment of the so-called bonus for World War veterans; to the Committee on Ways and Means.

6353. Also, petition of Underwood Elliott Fisher Co., New York City, favoring reduction of Government expenses; to the Committee on Appropriations.

6354. By Mr. SCHAFER: Petition of Gertrude E. Loomis and 87 other women, supporting the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

6355. By Mr. SEIBERLING: Petitions of Bert Davis and Summit County (Ohio) veterans' committee, favoring payment of adjusted-service certificates at their face value; to the Committee on Ways and Means.

6356. By Mr. SHOTT: Resolutions of Mount Hope Chamber of Commerce, Mount Hope, W. Va., opposing passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6357. Also, resolution adopted by the Raleigh County Bar Association, Beckley, W. Va., opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6358. Also, resolution passed by Coal River Mining Institute, Madison, W. Va., opposing as ruinous to bituminous coal industry the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6359. Also, resolution adopted by the Chesapeake & Ohio Railway Clerks Association, of Huntington, W. Va., opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6360. Also, resolution adopted by the Williamson Chamber of Commerce, Williamson, W. Va., opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6361. Also, resolution adopted by the Kiwanis Club of Beckley, W. Va., indorsing the preamble and resolutions adopted by the Beckley Chamber of Commerce, voicing opposition to Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6362. Also, resolution adopted by Railway Employees and Taxpayers Association of West Virginia, Charleston unit, opposing passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6363. Also, letter from E. G. Aldrich Association of Engineers and Firemen, Virginian Railway, Mullens, W. Va., opposing as detrimental to the life of the railway and its employees the passage of Senate bill 2935, establishing a commission to regulate the bituminous-coal industry; to the Committee on Interstate and Foreign Commerce.

6364. Also, resolution of the Railway Employees and Taxpayers Association of West Virginia, representing a membership of 18,790, opposing as detrimental to the bituminous-coal industry the passage of the Davis-Kelly bill designed to control the coal industry; to the Committee on Interstate and Foreign Commerce.

6365. Also, resolution from the Mullens (W. Va.) Chamber of Commerce, entering vigorous protest against passage of Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6366. Also, letter from W. H. Foster, Princeton, W. Va., opposing as seriously injurious to the bituminous-coal industry the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6367. Also, telegram from the Rotary Club of Welch, W. Va., unanimously opposing Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6368. Also, telegram from Huntington Chapter of American Association of Engineers, S. Arthur Willis, president, Huntington, W. Va., opposing as detrimental to the coal and other business interests of West Virginia the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6369. By Mr. SNELL: Petition of World War veterans of Peru, N. Y., favoring cash payment of face value of adjusted-compensation certificates; to the Committee on Ways and Means.

6370. By Mr. TEMPLE: Petition of Ernest E. Jobes Post, No. 212, American Legion, Donora, Pa., supporting the bonus legislation; to the Committee on Ways and Means.

6371. By Mr. WYANT: Petition of members of James E. Zundell Post, No. 446, the American Legion, Mount Pleasant, Pa., favoring full payment of soldiers' bonus; to the Committee on Ways and Means.

6372. By Mr. YON: Petition of A. G. Cushing and 50 other signers, citizens of Marianna, Fla., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6373. Also, petition of J. F. Birks and 470 other signers, employees of Pensacola Naval Air Station, Pensacola, Fla., protesting against any wage reductions, reduction in days of leave, and any furlough or curtailment of appropriations; to the Committee on Expenditures in the Executive Departments.

SENATE

WEDNESDAY, APRIL 20, 1932

The Senate met at 11 o'clock a. m.

FUNERAL OF SENATOR HARRIS

The casket containing the body of the deceased Senator was brought into the Senate Chamber, escorted by the committee of arrangements of the two Houses and followed by members of the family and friends of the deceased Senator.

The members of the diplomatic corps entered the Chamber and were seated to the right of the Vice President.

The Chief Justice and Associate Justices of the Supreme Court of the United States, preceded by the marshal and clerk, entered the Chamber and were seated in the area to the left of the Vice President's desk.

The Chief of Staff of the Army, the Chief of Naval Operations, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard entered the Chamber and were seated in the area to the left of the Vice President's desk.

The Members of the House of Representatives, preceded by the Sergeant at Arms and the Clerk and by the Speaker, entered the Senate Chamber. The Speaker was escorted to a seat on the left of the Vice President, the Sergeant at Arms and Clerk were assigned to seats at the Secretary's desk, and the Members of the House were given the seats provided for them.

The President of the United States and the members of his Cabinet, preceded by the Sergeant at Arms of the Senate, entered the Chamber and were seated in the area in front of the Vice President's desk.

The VICE PRESIDENT. We are here this morning to pay our respects to the memory of a man whom we all loved, a faithful representative of the people of his State, a man whose passing we all mourn. The Chaplain will conduct the services.

The Chaplain of the Senate, Rev. ZeBarney T. Phillips, D. D., recited from the Episcopal burial office as follows:

I am the resurrection and the life, saith the Lord. He that believeth in Me, though he were dead, yet shall he live; and whosoever liveth and believeth in Me shall never die.

* * * * * * *

I know that my Redeemer liveth, and that He shall stand at the latter day upon the earth, and though this body be destroyed, yet shall I see God, whom I shall see for myself, and mine eyes shall behold, and not another.

* * * * * * *

We brought nothing into this world and it is certain we can carry nothing out. The Lord gave and the Lord hath taken away; blessed be the name of the Lord.

* * * * * * *

Lord, Thou hast been our refuge from one generation to another. Before the mountains were brought forth or ever the earth and world were made, Thou art God from everlasting and world without end.

Thou turnest man to destruction; again Thou sayest, Come again, ye children of men. For a thousand years in Thy sight are but as yesterday, seeing that is past as a watch in the night. As soon as Thou scatterest them they are even as a sleep and fade away suddenly like the grass. In the morning it is green and groweth up, but in the evening it is cut down, dried up, and withered. For we consume away in Thy displeasure and are afraid at Thy wrathful indignation.

Thou hast set our misdeeds before Thee and our secret sins in the light of Thy countenance. For when Thou art angry all our days are gone; we bring our years to an end; as it were, a tale that is told.

The days of our age are threescore years and ten, and though men be so strong that they come to fourscore years, yet is their strength then but labor and sorrow, so soon passeth it away, and we are gone.

O teach us to number our days, that we may apply our hearts unto wisdom.

Glory be to the Father and to the Son and to the Holy Ghost. As it was in the beginning, is now, and ever shall be, world without end. Amen.

(St. John xiv, 1)

Jesus said, Let not your heart be troubled; ye believe in God, believe also in Me. In My Father's house are many mansions; if it were not so, I would have told you. I go to prepare a place for you. And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am, there ye may be also. And whither I go ye know, and the way ye know. Thomas saith unto Him, Lord, we know not whither Thou goest; and how can we know the way? Jesus saith unto him, I am the way, the truth, and the life; no man cometh unto the Father but by Me.

(Romans viii, 14)

As many as are led by the Spirit of God, they are the sons of God. For ye have not received the spirit of bondage again to fear; but ye have received the Spirit of adoption, whereby we cry, Abba, Father. The Spirit himself beareth witness with our spirit, that we are the children of God; and if children, then heirs; heirs of God, and joint heirs with Christ; if so be that we suffer with Him, that we may be also glorified together. For I reckon that the sufferings of this present time are not worthy to be compared with the glory which shall be revealed in us. For the earnest expectation of the creature waiteth for the manifestation of the sons of God. We know that all things work together for good to them that love God, to them who are the called according to his purpose. What shall we then say to these things? If God be for us, who can be against us? He that spared not His own Son, but delivered Him up for us all, how shall He not with Him also freely give us all things? Who is he that condemneth? It is Christ that died, yea rather, that is risen again, who is even at the right hand of God, who also maketh intercession for us. Who shall separate us from the love of Christ? Shall tribulation, or distress, or persecution, or famine, or nakedness, or peril, or sword? Nay, in all these things we are more than conquerors through him that loved us. For I am persuaded, that neither death, nor life, nor angels, nor principalities, nor powers, nor things present, nor things to come, nor height, nor depth, nor any other creature, shall be able to separate us from the love of God, which is in Christ Jesus our Lord.

Here endeth the lesson.

Miss Helen Howison, of the city of Washington, sang "Lead Kindly Light":

Lead Kindly Light, amid the encircling gloom,
Lead Thou me on!
The night is dark, and I am far from home—
Lead Thou me on!
Keep Thou my feet; I do not ask to see
The distant scene—one step enough for me.

I was not ever thus, nor prayed that Thou
Shouldst lead me on.
I loved to choose and see my path; but now
Lead Thou me on!
I loved the garish day, and, spite of fears,
Pride ruled my will; remember not past years.

So long Thy power hath blessed me, sure it still
Will lead me on,
O'er moor and fen, o'er crag and torrent, till
The night is gone;
And with the morn those angel faces smile
Which I have loved long since, and lost a while.

The CHAPLAIN. Let us pray.

O Merciful God and Heavenly Father, who has taught us in Thy Holy Word that Thou dost not willingly afflict or grieve the children of men; look with pity, we beseech Thee, upon the sorrows of these Thy servants for whom especially our prayers are offered. Look upon them with the eyes of Thy mercy. Comfort them with the sense of Thy goodness. Take them in Thine arms of love and mercy and deal ever tenderly with them. Lift Thou up the light of Thy countenance upon them and give them peace. Through Jesus Christ our Lord. Amen.

O Almighty God, who has knit together Thine elect in one communion and fellowship, in the mystical body of Thy Son, Christ our Lord, grant us grace so to follow Thy blessed saints in all virtuous and godly living, that we may come to those unspeakable joys which Thou hast prepared for those who unfeignedly love Thee. Through Jesus Christ our Lord. Amen.

O Lord, Jesus Christ, who by Thy death didst take away the sting of death, grant unto us Thy servants so to follow in faith where Thou hast led the way that we may at length fall asleep peacefully in Thee and awake after Thy likeness through Thy mercy, who liveth with the Father and the Holy Ghost, one God, world without end. Amen.

Almighty God, with whom do live the spirits of those who depart hence in the Lord, and with whom the souls of the faithful, after they are delivered from the burden of the flesh, are in joy and felicity, we give Thee hearty thanks for the noble and gracious example of this Thy servant, who, having finished his course in faith, now rests from his labors. And we beseech Thee that we, with all those who are departed in the true faith of Thy holy name, may have our perfect consummation and bliss in Thy eternal and everlasting glory. Through Jesus Christ our Lord. Amen.

O God, the God of the spirits of all flesh, in whose embrace all creatures live in whatsoever world or condition they be, we beseech Thee for him whose name and dwelling place and every need Thou only knowest. Lord, vouchsafe him light and rest, peace and refreshment, joy and consolation in paradise, in the companionship of saints, in the presence of Christ, in the ample folds of Thy great love. Grant that his life may unfold itself in Thy sight and find sweet employment in the spacious fields of eternity.

If in aught we can minister to his peace, be pleased of Thy love to let this be. And so keep us from every act which may deprive us of the sight of Him as soon as our trial time is over or mar the fullness of our joy when the end of the day hath come.

Pardon, O Gracious Lord and Father, whatever is amiss in this our prayer, and let Thy will be done, for our will is blind and erring, but Thine is able to do exceedingly abundantly above all that we ask or think. Through Jesus Christ our Lord. Amen.

Dear Lord, my will from Thine doth run
Too oft a different way;
I can not say "Thy will be done"
In every darkened day;
My heart grows chill to see Thy will
Turn all earth's gold to gray.

My will is set to gather flowers,
Thine blights them in my hand;
Mine reaches for life's sunny hours,
Thine leads through shadow land;
And all my days go on in ways
I can not understand.

Yet more and more this truth doth shine
From failure and from loss;
The heart that beats transverse to Thine,
Doth thereby make its cross;
Thine upright will cuts straight and still,
Through pride and dream and dross.

But if in parallel to Thine
My will doth meekly run,
All things in heaven and earth are mine,
My will is crossed by none;
Thou art in me and I in Thee,
Thy will, and mine, are done.

We seem to give him back to Thee, dear God, who gavest him to us. Yet, as Thou didst not lose him in giving, so we have not lost him by his return. Not as the world giveth, givest Thou, O Lover of Souls! What Thou givest, Thou takest not away. For what is Thine is ours always, if we are Thine. And life is eternal; and love is immortal; and death is only a horizon; and a horizon is nothing save the limit of our sight. Lift us up, strong Son of God, that we may see further; cleanse our eyes that we may see more clearly; draw us closer to Thyself that we may know ourselves nearer to our beloved who are with Thee. And while Thou dost prepare a place for us, prepare us for that happy place, that where they are, and Thou art, we too may be. Amen.

And now, Lord, support us all the day long of this troublous life until the shadows lengthen and the evening comes and the busy world is hushed and the fever of life is over and our work is done. Then in Thy mercy grant us a safe lodging, holy rest, and peace at the last. Through Jesus Christ our Lord. Amen.

Miss Helen Howison sang the following three verses from the hymn "Abide With Me":

Abide with me! Fast falls the eventide;
The darkness deepens: Lord, with me abide!
When other helpers fail, and comforts flee,
Help of the helpless, O abide with me!

I fear no foe with Thee at hand to bless:
Ills have no weight, and tears no bitterness,
Where is death's sting, where, grave, thy victory?
I triumph still, if Thou abide with me.

Hold then Thy cross before my closing eyes;
Shine through the gloom, and point me to the skies:
Heaven's morning breaks, and earth's vain shadows flee:
In life and death, O Lord, abide with me!

The CHAPLAIN. Unto God's gracious, tender, loving mercy we commit you. May the Lord bless you and keep you. May the Lord make His face to shine upon you and be gracious unto you. May the Lord lift up the light of His countenance upon you and all who are near and dear unto you both here and yonder. And grant to them and to you the blessing of his peace. Through Jesus Christ our Lord. Amen.

At 11 o'clock and 30 minutes a. m., the funeral ceremonies having been concluded, and the family of the deceased Senator, the committee of arrangements of the two Houses, and the invited guests having retired from the Chamber—

The VICE PRESIDENT. Under the order of the Senate and, as a further mark of respect to the memory of the deceased Senator from Georgia, the Senate now stands adjourned until 12 o'clock noon to-morrow.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 20, 1932

The House met at 10.50 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord God, our Everlasting Father, graciously be with all the Members of this Congress, and may their hearthstones be under Thy fostering care. Upon the masses of our people, down to the wanderers of the street, let Thy blessing come for their enrichment and for the good of our country. Merciful Father, Lord of all loveliness, as we pass through the floods and the flames of earth's experiences, Thou wilt give us the victory. Do Thou bring all mourning ones out of their tribulations and sanctify to them their distresses. Almighty God, when the light of our little day begins to tremble and we journey on through the dull twilight gray, until falls the silence of our earthly house, Father of infinite love, be there, in the memorable name of our Saviour. Amen.

THE JOURNAL

Mr. CRISP. Mr. Speaker, I ask unanimous consent that the reading of the Journal be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. MCCORMACK (at the request of Mr. DOUGLASS of Massachusetts), on account of important business.

Mr. MAY, for the remainder of the week, on account of important court engagements.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 8397. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes.

THE LATE SENATOR HARRIS

The SPEAKER. The Chair suggests to the membership that in view of the fact certain seats have been reserved for the committee appointed to attend the funeral on the part of the House, that the committee immediately follow the Chair and the membership then follow the committee. The House will proceed to the Senate.

Accordingly (at 10 o'clock and 51 minutes a. m.) the Members of the House proceeded to the Senate Chamber.

At 11.35 a. m. the Members of the House returned to the House Chamber.

ADJOURNMENT

The SPEAKER. In pursuance of the provisions of the resolution (H. Res. 198), the Chair, as a further mark of respect to the memory of the late Senator HARRIS, declares the House adjourned until to-morrow at 12 o'clock.

Accordingly (at 11 o'clock and 37 minutes a. m.) the House adjourned until to-morrow, Thursday, April 21, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

531. A letter from the acting chairman of the United States Tariff Commission, transmitting a copy of report of an investigation made by the United States Tariff Commission of the effect of the depreciation in value of foreign currencies upon the importation into the United States of mechanically ground wood pulp, chemical wood pulp, unbleached or bleached, and pulp woods; to the Committee on Ways and Means.

532. A letter from the chairman of the Interstate Commerce Commission, transmitting a copy of the commission's report in I. C. C. Docket No. 23400, Coordination of Motor Transportation; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BLACK: Committee on Claims. A bill (H. R. 8513) for the relief of Benjamin Stern, and Melville A. Stern and Benjamin Stern, as executors under the last will and testament of Louis Stern, deceased, and Arthur H. Hahlo, as executor under the last will and testament of Isaac Stern, deceased, all of New York City, N. Y., for compensation and in settlement of their damages and loss sustained by virtue of a lease, in writing, dated September 12, 1919, between the said parties and the United States of America, by Daniel C. Roper, Commissioner of Internal Revenue; with amendment (Rept. No. 1086). Referred to the Committee of the Whole House.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FIESINGER: A bill (H. R. 11489) for the relief of Harold Hughes; to the Committee on Claims.

By Mr. MAY: A bill (H. R. 11490) granting a pension to Polly Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11491) granting a pension to Emily Jane Poe; to the Committee on Invalid Pensions.

By Mr. MOBLEY: A bill (H. R. 11492) for the relief of Jim P. Harper; to the Committee on Military Affairs.

By Mr. TIERNEY: A bill (H. R. 11493) providing for the examination and survey of Ash Creek, located between the city of Bridgeport and town of Fairfield, State of Connecticut; to the Committee on Rivers and Harbors.

By Mr. TREADWAY: A bill (H. R. 11494) granting an increase of pension to Sarah A. Dodge; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 11495) for the relief of Elsie Segar, administratrix, of C. M. A. Sorensen, and of Holger E. Sorensen; to the Committee on Claims.

By Mr. VINSON of Kentucky: A bill (H. R. 11496) granting a pension to Cynthia Ramey; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6374. By Mr. BOYLAN: Letter from the Metal Trades Council of the Philadelphia Navy Yard, representing 5,000 civilian employees, opposing pending legislation for the reduction of salaries of Federal employees; to the Committee on Appropriations.

6375. Also, letter from the National Organization of Masters, Mates, and Pilots of America, New York City, N. Y., opposing House bill 11207; to the Committee on Economy.

6376. By Mr. DISNEY: Petition of Elmer Vick, of Tulsa, Okla., and 458 other petitioners, favoring relief through a moratorium or other means, for a period of not less than one year, from receivership action and foreclosure suit, also from all other payments accruing during the suspension period against their homes; to the Committee on Banking and Currency.

6377. Also, resolution of Mayes County Post, No. 1198, Veterans of Foreign Wars, of Pryor, Okla., supporting the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6378. Also, telegram from Veterans of Foreign Wars Post of Chelsea, Okla., urging the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6379. Also, telegram from Hominy Chapter, No. 10, Disabled American Veterans of the World War, urging immediate payment of soldiers' bonus; to the Committee on Ways and Means.

6380. Also, letter from Charles Milam Post, No. 60, of the American Legion, of Chelsea, Okla., urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6381. Also, telegram from St. Mihiel Post, No. 17, of the American Legion, of San Springs, Okla., urging the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6382. Also, telegram from a member of the executive committee of the first congressional district of Oklahoma, urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6383. Also, telegram from McKinney Montgomery Post of the American Legion, of Claremore, Okla., urging the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6384. Also, letter from the Skiatook Post, No. 131, of the American Legion, of Skiatook, Okla., urging the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6385. Also, telegram from Tulsa Post, No. 577, Veterans of Foreign Wars, urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6386. Also, letter from Veterans of Foreign Wars of the United States, Department of Oklahoma, urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6387. Also, telegram from Gates Stepp Post, No. 125, American Legion, Jenks, Okla., urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6388. Also, telegram from Veterans of Foreign Wars, Mayes County, Okla., urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6389. Also, telegram from Cleo Farr Post, No. 240, of the American Legion, of Mayes County, Okla., urging immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6390. By Mr. McLAUGHLIN: Petition of Mrs. H. O. Potter and 52 other residents of Newaygo, Fremont, and Grand Rapids, Mich., opposing Senate bill 1202, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

6391. By Mr. SHANNON: Petition of 100 citizens of Kansas City, Mo., protesting against the cent-a-shell tax on shotgun shells as proposed in House bill 10604; to the Committee on Ways and Means.

6392. By Mr. SMITH of West Virginia: Resolution of the Mount Hope Chamber of Commerce, Mount Hope, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6393. Also, resolution of the Gunther-McNeely-Nowlan Post, No. 19, of the American Legion, of Logan, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6394. Also, resolution of the Charleston Clearing House Association, of Charleston, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6395. By Mr. SWING: Petition signed by 504 residents of San Diego County, Calif., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

SENATE

THURSDAY, APRIL 21, 1932

Rev. Joseph R. Sizoo, D. D., minister of the New York Avenue Presbyterian Church, of the city of Washington, offered the following prayer:

Eternal God, within the shelter of whose love there is room for all perplexed minds, all burdened hearts, all disturbed spirits, we seek Thy presence and Thy favor at the opening of this day.

To none of Thy children hast Thou ever said, "Ye seek my face in vain." Throughout all the years Thou hast been our refuge and strength, a very present help in trouble.

Sustain us with the assurance that the God of Israel neither slumbers nor sleeps and that underneath and round about us are Thy everlasting arms.

This we pray through Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar days of Tuesday and Wednesday last, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On April 14, 1932:

S. 1769. An act to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital;

S. 2496. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 3222. An act to amend an act approved March 3, 1917, known as the District of Columbia appropriation act for the year ending June 30, 1918; and

S. J. Res. 4. Joint resolution to provide for the naming of Montgomery Blair Portal.

On April 16, 1932:

S. 2078. An act to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan Police Force and Fire Department of the District of Columbia, and for other purposes,' approved May 11, 1892."

On April 20, 1932:

S. 3634. An act to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, informed the Senate that the House of Representatives had accepted the invitation of the Senate to attend the funeral services of Hon. WILLIAM J. HARRIS, late a Senator from the State of Georgia, held in the Senate Chamber on yesterday, and that the committee appointed by the Speaker of the House to attend the funeral had acted in conjunction with the committee of the Senate to make the necessary arrangements, and transmitted the resolutions of the House in connection therewith.

The message announced that the House had passed a bill (H. R. 7522) to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2682. An act to amend section 5 of the Criminal Code;

S. 3086. An act relating to the construction of a Federal building at Ponca City, Okla;

H. R. 882. An act for the relief of G. W. Wall;

H. R. 1202. An act for the relief of Lehde & Schoenhut;

H. R. 2086. An act for the relief of Francis Engler;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 3265. An act for the relief of W. J. Shirley;

H. R. 3373. An act for the relief of Fireman's Fund Insurance Co.;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 4329. An act for the relief of Alton B. Platner;

H. R. 5259. An act for the relief of Steve Fekete;

H. R. 5272. An act for the relief of Frank Bayer;

H. R. 5848. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Richmond, Va., in June, 1932;

H. R. 7788. An act authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department;

H. R. 8087. An act authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservation of rights, ways, and easements;

H. R. 8397. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes;

H. R. 8779. An act granting certain lands to the Board of Commissioners of the Orleans levee district in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 9066. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa;

H. R. 9143. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak.;

H. R. 9301. An act to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark.;

H. R. 9974. An act to authorize appointment of public-school employees between meetings of the Board of Education;

H. R. 10088. An act to revive and reenact the act entitled "An act authorizing the South Carolina and the Georgia Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.," approved May 26, 1928;

H. R. 10362. An act to require the approval of the General Council of the Seminole Tribe or Nation in case of the disposal of any tribal land; and

H. R. 10489. An act to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes.

COORDINATION OF MOTOR TRANSPORTATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Interstate Commerce Commission, transmitting copy of the commission's report in Interstate Commerce Commission Docket No. 23400, Coordination of Motor Transportation, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

IMPORTATIONS OF WOOD PULP (S. DOC. NO. 84)

The VICE PRESIDENT laid before the Senate a letter from the acting chairman of the United States Tariff Commission, transmitting, in response to Senate Resolution 95, a report of its investigation of the effect of the depreciation in the value of foreign currencies upon the importation into the United States of mechanically ground wood pulp, chemical wood pulp, unbleached, bleached, and pulpwoods, which, with the accompanying report, was referred to the Committee on Finance and ordered to be printed, with illustrations.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Shipstead
Austin	Couzens	Kean	Shortridge
Bailey	Cutting	La Follette	Smith
Bankhead	Dale	Lewis	Smoot
Barbour	Dickinson	Logan	Steiwer
Barkley	Dill	Long	Stephens
Bingham	Fess	McGill	Thomas, Idaho
Black	Fletcher	McNary	Thomas, Okla.
Blaine	Frazier	Metcalf	Townsend
Borah	Glenn	Moses	Tydings
Bratton	Goldsborough	Neely	Vandenberg
Brookhart	Gore	Norbeck	Wagner
Broussard	Hale	Norris	Walcott
Bulkley	Harrison	Nye	Walsh, Mass.
Bulow	Hastings	Oddie	Waterman
Byrnes	Hatfield	Patterson	Watson
Capper	Hayden	Pittman	Wheeler
Caraway	Hebert	Reed	White
Carey	Howell	Robinson, Ind.	
Connally	Hull	Schall	
Copeland	Johnson	Sheppard	

Mr. SHEPPARD. I desire to announce that the Senator from Arkansas [Mr. ROBINSON], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Florida [Mr. TRAMMELL], and the Senator from Wyoming [Mr. KENDRICK] are detained from the Senate in attendance upon the funeral of the late Senator from Georgia.

I also wish to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

I also desire to announce that the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

ORDER OF BUSINESS

Mr. McNARY. Mr. President, may I have the attention of the Senator from New Mexico [Mr. BRATTON]? A few days ago, following a conference with the able Senator from Arkansas [Mr. ROBINSON], it was agreed that the Alabama senatorial contest should come up to-day immediately following morning business. At that time it was my thought that it should come up following the morning hour at 2 o'clock. There are several resolutions coming over from a previous day and some important matters on the calendar. A number of Senators have asked me to submit a unanimous-consent request that we postpone the consideration of the Bankhead-Heflin contest until 2 o'clock and that during the morning hour we have the usual morning business and a call of the calendar.

Mr. BRATTON. Mr. President, that is quite agreeable to me. I quite concur that we may well use the time until 2 o'clock with other matters and take up the contest at that time.

Mr. NORRIS. Mr. President, we had a unanimous-consent agreement that on yesterday at 4 o'clock p. m. we would take up a certain matter of proposed legislation. Of course, the adjournment of the Senate on account of the funeral of the late Senator Harris has done away with that agreement. I ask unanimous consent that the order which was fixed for 4 o'clock yesterday be made for 4 o'clock to-day.

The VICE PRESIDENT. First let the Chair submit the unanimous consent requested by the Senator from Oregon. Is there objection to the request of the Senator from Oregon?

Mr. JONES. Mr. President, I am not going to object to the unanimous-consent request, but I wish to say that I think the time has come when we must insist upon action on appropriation bills without very much more unnecessary delay. I think we could dispose of the pending appropriation bill in a couple of hours. At any rate, I am going to give notice that consideration must be given to the appropriation bills and we must not set them aside by unanimous-consent agreements again. Of course, I recognize that the contested-election case is of the highest privilege, so far as that is concerned.

Mr. McNARY. I may say to the Senator from Washington that it is my purpose to ask the Senate to remain in session on Saturday, which will expedite the consideration of the pending appropriation bill to a certain extent.

Mr. JONES. I am giving my notice about appropriation bills for the future, but the one pending, especially, I thought we might get through with to-day. Of course, any agreement made with respect to the matter to which the Senator from Nebraska has reference should be carried out.

Mr. NORRIS. Mr. President, we have made several agreements with regard to the bill to which I referred—a bill which, in my judgment, when it is considered, will receive the unanimous approval of this body. Ordinary common decency and judgment would impel us to enact the bill into law. Without reason it has been deferred and put off. As a matter of courtesy to the Finance Committee, after the Judiciary Committee had unanimously reported it, we let the bill go to the Finance Committee with the unanimous-consent agreement then made and entered into that it should be reported back to the Senate on a certain day. It did not come back on that day. It went over still further. It is only a matter of common courtesy that ought to be extended now. The bill would have been a law to-day if it had not been for these delays which have come about without any reason, I believe, and I think with an entire misunderstanding on the part of those who have been instrumental in bringing about the delay.

Mr. McNARY. The Senator from Nebraska is entitled to have early consideration of his proposal. It was only by an unfortunate and unexpected death that conditions made it necessary on yesterday for it to go over. I am perfectly agreeable to have its consideration follow the conclusion of the remarks of the Senator from New Mexico.

Mr. BRATTON. Mr. President, I appreciate the importance of the measure to which the Senator from Nebraska addresses himself. I may say that it is my purpose to open the discussion of the Bankhead case.

Mr. NORRIS. I am not trying to interfere with that.

Mr. BRATTON. I would be perfectly willing at that time to lay the contested-election case aside temporarily in order to take up the measure sponsored by the Senator, but I do not want the contested-election case to lose its status.

Mr. NORRIS. We had a unanimous-consent agreement that we would take up Senate bill 929 yesterday at 4 o'clock. Of course, nobody can be blamed that that agreement was not carried out; under the circumstances everything of that kind had to give way. All I have asked is that the order fixed for yesterday be carried out to-day at 4 o'clock.

Mr. McNARY. Mr. President, that can be done, as I suggested, to follow the conclusion of the speech of the Senator from New Mexico.

Mr. NORRIS. Why not make the agreement now, then?

Mr. McNARY. Very well; I was willing to do that, and I have suggested an agreement.

The VICE PRESIDENT. Let the Chair state the first request, and then the Chair will submit the request of the Senator from Nebraska. Is there objection to the request of the Senator from Oregon to postpone the contested-election case until 2 o'clock? The Chair hears none, and it is so ordered.

Mr. BORAH. Mr. President, I did not understand what the request was.

The VICE PRESIDENT. The request was to postpone until 2 o'clock the order made to take up the contested-election case immediately after the conclusion of morning business, so that there would be two hours this morning for morning business. The Chair hears no objection, and it is so ordered. Now the question is on the request of the Senator from Nebraska.

Mr. BRATTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BRATTON. If the agreement shall be entered into, it will not displace the contested-election case; in other words, that case will retain its privileged status, will it not?

The VICE PRESIDENT. Certainly.

Mr. NORRIS. I am willing, if the Senator would prefer to do so, that he should proceed immediately, and then take up the other measure at the conclusion of his remarks, if that would suit him better.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska?

Mr. BLACK. Mr. President, I am thoroughly sympathetic with the bill of the Senator from Nebraska and was a member of the subcommittee that reported it. I am wondering, however, if we can not at the same time reach an agreement to limit debate on that measure to one hour. I do not think the debate will require very long. I agree with the Senator that the bill will probably be passed unanimously when it is discussed before the Senate.

Mr. NORRIS. Let me state to the Senator I think that such an agreement could be made. I do not think the bill will take an hour, but it will necessarily take some time. Some amendments have to be considered, and also a communication from the Veterans' Bureau, and it will necessarily take me some time to answer the questions raised. I do not believe there will be any contest about the bill when I shall have answered such questions as may be raised; but if the debate were limited to an hour, the Senator must realize that we might get into a tangle at the end of the hour, when, perhaps, it might not be possible to explain something which would be very easy to explain if we had an opportunity.

Mr. BLACK. On the statement of the Senator from Nebraska I am not objecting, and I am not even offering to amend the request for unanimous consent; but, of course, we are anxious to proceed with the contested-election case as soon as possible.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska that the bill referred to by him, being Senate bill 929, may be taken up immediately at the conclusion of the remarks of the Senator from New Mexico?

Mr. JONES. Mr. President, I want to ask if it is understood that we will proceed with that measure until disposed of?

Mr. NORRIS. I think so. I realize, and so does every other Senator, that if the time is limited it would be very easy for any Senator to prevent the passage of the bill by simply taking up time. The fact that there will be no limitation I think will expedite the passage of the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

PETITIONS AND MEMORIALS

Mr. COSTIGAN presented a petition signed by 732 citizens of Colorado Springs, Colo., praying for the maintenance of the present standard of compensation and wages of Federal employees, which was referred to the Committee on Civil Service.

Mr. KEAN presented memorials of sundry citizens of the State of New Jersey, remonstrating against the passage of legislation proposing to impose a tax of a cent a shell upon shotgun shells, which were referred to the Committee on Finance.

Mr. TYDINGS presented a petition of sundry citizens of Cecil County, Md., praying for the immediate payment in cash of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

Mr. WHITE presented the petition of Mrs. Clara T. Sawyer and sundry other citizens of Thomaston, Me., praying for the maintenance of the prohibition law and its enforcement, and protesting against any measure looking toward its modification, resubmission to the States, or repeal, which was referred to the Committee on the Judiciary.

Mr. CONNALLY presented a petition of sundry citizens of Brady, Tex., praying for the passage of House bill No. 10287, authorizing the Government to give aid on Federal roads through incorporated towns whose population is 7,500 or less, etc., which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of Fentress, Tex., praying for the passage of legislation known as the Wheeler bill, proposing to take over farm mortgages at a low rate of interest, etc., which was referred to the Committee on Agriculture and Forestry.

Mr. CAPPER presented a resolution adopted by the Thirty-sixth Annual Convention of the Kansas Building and Loan League, Topeka, Kans., indorsing the proposed Federal home loan bank legislation, which was referred to the Committee on Banking and Currency.

He also presented petitions of Walter J. Lindstrom Post, No. 61, the American Legion, of Oswego, and sundry citizens, being World War veterans, of Horton, in the State of Kansas, praying for the immediate payment in cash of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

Mr. ASHURST presented a resolution adopted by the Douglas (Ariz.) Chamber of Commerce and Mines, favoring drastic retrenchment in Federal appropriations, which was referred to the Committee on Appropriations.

He also presented telegrams, in the nature of memorials, from Karl V. Muehlberg, commander Post No. 720, Veterans of Foreign Wars, of Phoenix, and Handy Coor Post, Veterans of Foreign Wars, Sam Troxel, commander, of Glendale, both in the State of Arizona, remonstrating against the passage of legislation effecting decreases in veterans' benefits and compensation, which were referred to the Committee on Finance.

Mr. BARBOUR presented a resolution adopted by the Kiwanis Club, of Bayonne, N. J., favoring the passage of legislation for the Federal control of interstate traffic in guns, pistols, and other death-dealing instruments, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by members of the Bergen County Council of Republican Women, Wortendyke, N. J., indorsing the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the ninth ward Republican organization of Jersey City, N. J., protesting against proposed reductions in the compensation of postal employees, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Chamber of Commerce of Red Bank, N. J., protesting against proposed reductions in the wages of post-office employees receiving $2,500 or less, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Milltown Grange, No. 151, Patrons of Husbandry, of Milltown, N. J., protesting against reduction or suspension of the appropriation for vocational education in the States, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Board of Education of Sussex County, N. J., protesting against the withdrawal of Federal-aid appropriations for teaching agriculture in secondary schools, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens, being civil-service employees of the Section Customs Statistics, of New York City, N. Y., remonstrating against the proposed reduction in the appropriation for customs statistics, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Locust Grove Gunning Club (Inc.), of Union and Middlesex Counties, N. J., favoring the imposition of a special $1 license fee or tax for shooting wild ducks, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens, being employees of H. R. Ingalls, Buick and Cadillac dealer, of Asbury Park, N. J., remonstrating against the imposition of proposed taxes on the automobile industry, which was referred to the Committee on Finance.

He also presented a memorandum submitted by the New Jersey State Chamber of Commerce, relative to House bill 10236, the revenue and taxation bill, suggesting proposed changes therein, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens, being World War veterans of Clifton, N. J., praying for the passage of legislation providing for prompt payment of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

He also presented a resolution adopted by Antrim Metz Post, No. 66, American Legion, of Maple Shade, N. J., favoring immediate payment of the remaining portion of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

Mr. SHORTRIDGE presented numerous petitions and letters, in the nature of petitions, from sundry citizens and organizations of the State of California, praying for the passage of legislation providing for the prompt payment of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

He also presented memorials and letters and papers, in the nature of memorials, from the Mark B. Shaw Co., of San Bernardino; Local Union No. 272, Sheet Metal Workers' International Association, of San Mateo; Local Union No. 413, International Brotherhood of Electrical Workers, by Leo Penrose, secretary, of Santa Barbara; Local No. 465, International Brotherhood of Electrical Workers, by Robert J. Wilcox, recording secretary, of San Diego; Local No. 1235, International Association of Machinists, by Felix Megna, secretary, of Long Beach; and sundry citizens, all in the State of California, and of Local Union No. 66, American Flint Glass Workers' Union of North America, of Toledo, Ohio, remonstrating against proposed reductions in the

compensation of postal and other Federal employees, which were referred to the Committee on Appropriations.

He also presented numerous letters, in the nature of memorials, from sundry citizens and various business organizations of the State of California, remonstrating against the proposed increase in first-class postage rates in the pending tax bill, which were referred to the Committee on Finance.

He also presented a letter in the nature of a memorial from the Yuba County Chamber of Commerce, of Marysville, and numerous memorials, telegrams, and letters in the nature of memorials from sundry citizens and organizations, all in the State of California, remonstrating against the imposition of a tax on matches in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from the mayor of Santa Ana, Orange County; George W. Elkins, president Beverly Hills Realty Board; and Cullen A. Messer, vice president California Real Estate Association, fourteenth district, of San Francisco, all in the State of California, remonstrating against the proposed stamp tax on real-estate conveyances in the pending tax bill, which were referred to the Committee on Finance.

He also presented numerous letters and papers, in the nature of memorials, from sundry citizens and organizations, all in the State of California, remonstrating against the imposition of a tax on sales of securities, which were referred to the Committee on Finance.

He also presented a letter signed by Louis Kuttner, Opt. D., on behalf of the San Francisco Association of Optometrists, of San Francisco; the Santa Clara County Association of Optometrists, signed by Fred L. Foster, its president, of San Jose, and sundry other citizens, all in the State of California, remonstrating against the imposition of a tax on spectacles, prism binoculars, field and opera glasses, etc., in the pending tax bill, which were referred to the Committee on Finance.

He also presented telegrams and letters, in the nature of memorials, from sundry citizens of the State of California, remonstrating against the imposition of a tax of 10 per cent on yachts and motor boats, which were referred to the Committee on Finance.

He also presented numerous letters, in the nature of memorials, from sundry citizens and organizations, all in the State of California, remonstrating against the imposition of a tax on jewelry and also fountain pens in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters from Ball & Goldstein, J. Rosenbaum & Son, and the United Fur Co., all of Los Angeles, Calif., remonstrating against the imposition of a 10 per cent luxury tax on furs in the pending tax bill, which were referred to the Committee on Finance.

He also presented several letters, in the nature of memorials, from sundry citizens and organizations, in the State of California, remonstrating against the imposition of a 10 per cent tax on theater admissions, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from sundry citizens and organizations, in the State of California, remonstrating against the imposition of proposed taxes on the automobile industry, which were referred to the Committee on Finance.

UNEMPLOYMENT AND BUSINESS DEPRESSION

Mr. BARBOUR presented a communication signed by J. Cheever Cowdin, New York City, N. Y., which was referred to the Committee on Expenditures in the Executive Departments and ordered to be printed in the RECORD, as follows:

NEW YORK, *April 7, 1932.*

United action for employment and/or the war against depression are engaged in a movement of tremendous value to our country, to our less fortunate citizens who are out of work and suffering, and to business generally. There have been some serious, but natural, misunderstandings and differences of opinion among the sponsoring organizations, but these have been overcome primarily because of the worthiness of the movement and the keen desire to see the goal reached regardless of personal or organization feelings. These differences have, nevertheless, in my opinion, affected the efficiency of our efforts, but, notwithstanding, good results have been obtained, as nearly 500,000 people have been put to work since we started. I am convinced that as we go forward our experiences of the past will lead to the setting up of an organization which will avoid most of the difficulties heretofore encountered. I mention the above to clear the air.

The underlying fact remains that we are determined to do our part in serving our country in these troublesome times by putting back to work a really substantial percentage of those still unemployed, both for their own sakes and for the benefit of business generally throughout the country. We can not fail to be encouraged by the United States Department of Commerce figures showing for the first time in many long months that the curve of employment has turned upward.

There are, however, additional results that might be accomplished if we act together as real partners, but in which none of us could succeed individually. Our next steps should be:

First. Complete what we have already undertaken, namely, putting a million men and women to work who are now unemployed.

Second. Urge the adoption of an 8-hour day, eliminating overtime, and giving this present so-called overtime work to those now unemployed. I suggest this because word has come to us from many quarters that concerns have lengthened their working hours to 10 and even 12 hour days.

Third. Advocate the staggering of work wherever possible all over the country.

Fourth. Undertake a national campaign for the establishment of a 6-hour day and a 6-hour pay, which would, of course, result in placing vast numbers at work when accomplished.

Fifth. There has been a great deal of discussion as to the wisdom of National and/or State building programs. Most of the opposition to these proposals has been predicated on the belief that the projects were not needed, that the work would create huge additional debts which would have to be paid for by increased taxes, and that much of the money would not actually go into the work itself.

I believe that these objections might be overcome if, acting as a unit, we backed the proposals with the understanding that each project be made self-supporting eventually by means of a toll, whether for a bridge, road, or canal, or something else. Each project, however, must be judged by its economic necessity as well as by the number of people who would receive employment as a result thereof. Equitable means must also be devised for the payment of only reasonably small profits, to the end that as much as possible of the moneys would actually go into work and employment and that it be expended, as far as possible, without political considerations.

All building projects now in the Treasury and other governmental departments, for which appropriations have already been made, should be immediately put into construction without waiting for blue prints of every detail.

It is easy to believe that a carefully worked out plan would create four or five billion dollars of profitable work over the next two years, divided proportionately among the States. If each project is made to stand on its own feet by passing the above requirements we would not need to fear the burden of future taxes. It should be recalled that in the late war over $20,000,000,000 of bonds were issued for a crisis, certainly not greater than our existing crisis, and without thought of whether taxes would or would not be increased. To control such constructive undertakings an independent board should be formed, composed of outstanding business men of the country, engineers, lawyers, National and State Government representatives, as well as members of your organizations and of such other organizations as may join.

I believe that if such a plan were carried out it would overcome most objections and would have the confidence of the country, and that it would enable the necessary financing to put well over a million people to work promptly. I appreciate that it will require time to complete such a program, and it would need united action by the great organizations having large membership throughout the country. I would, therefore, recommend inviting into active partnership every organization of size and standing in the country.

Sixth. Urge the substitution of State rights for our existing prohibition laws, with a view of allowing the manufacture and sale of beer and wines. In addition to the large numbers who would receive employment an important factor would be the revenues the Government would receive as well as putting a stop to much of the lawlessness prevalent to-day throughout the country as a result of the profit realized through lawbreaking.

As I view the subject, the prohibitionists have been well organized and amply financed, while the antiprohibitionists have not; but it is my belief that if the respective organizations, which I understand have already gone on record for modification, would get together and, acting in unison, join with such other organizations having the same views, such as the Crusaders, bar associations, engineers, and the many others, I believe you could secure the money necessary to finance a country-wide fight in every county of each State; and with a combined membership totaling probably 10,000,000 you would produce for the first time an overwhelming vote against prohibition, after which I believe we would have few so-called "dry" Members left in Congress.

We all know that what is everybody's business is nobody's business. I would therefore urge the establishment of a separate, properly officered unit for this particular objective, under which you would each be represented as well as such other organizations as might join you. There could then be set up the proper and complete State and even city organizations with ample funds at their disposal to work for the reelection of those so-called "wets"

and the defeat of the so-called "drys" without relation to politics or affiliations with any party. Simply one question, "Are you wet?" "If so, we will support you. If not, we shall oppose you."

There are a large number of organizations working independently along the same lines, as well as many existing commercial and civic organizations which have already expressed themselves in favor of a change, most of whom would, I believe, be willing to join an impartial group to accomplish this end either at the coming conventions or at the polls in November. The success of this movement would place several hundred thousand men back at work promptly; but, again, it needs unselfish, united action.

The conditions of our country economically, politically, and socially are such as to demand the immediate action of all real Americans before it is too late, and I recommend an immediate meeting to discuss and decide ways and means of carrying out such of the above suggestions as you may deem wise.

Mr. Carl Byoir joins the undersigned in recommending the above as our next objective.

Respectfully yours,

J. CHEEVER COWDIN.

Similar letter addressed to Commander Henry L. Stevens, Mark T. McKee, Esq., William C. Green, Esq., Matthew Woll, Esq., Lee H. Bristol, Esq., Bernard Lichtenberg, Esq., Roy Dickinson, Esq., Mrs. Frederick C. Williams.

Copies to American Legion employment commission, and sponsors, United Action for Employment.

REDUCTION OF INTERIOR DEPARTMENT APPROPRIATIONS

Mr. ODDIE presented a communication in the nature of a memorial from Frederic H. Lahee, president of the American Association of Petroleum Geologists, Tulsa, Okla., which was ordered to lie on the table and to be printed in the RECORD, as follows:

TULSA, OKLA., *April 6, 1932.*

The American Association of Petroleum Geologists, representing geologists of 48 States, assembled in annual convention, has heard with regret of the proposed reduction of appropriations for the Department of the Interior and the Department of Commerce, which presumably affects the Geological Survey and the Bureau of Mines. The delegates to this convention are unanimously of the opinion that any reduction of the helpful activities of the Geological Survey and the Bureau of Mines during this period of economic stress will be harmful to the proper development of the country's resources. As petroleum geologists, we believe that the unrestricted services of these bureaus are essential to effective development of our natural resources and their wise conservation.

FREDERIC H. LAHEE,
President American Association of Petroleum Geologists.

APPROPRIATION FOR CUSTOMS STATISTICS

Mr. ODDIE also presented a letter from V. G. Lumbard, chairman Tanners' Council of America, and president Calf Tanners' Association, of Girard, Ohio, which was ordered to lie on the table and to be printed in the RECORD, as follows:

THE OHIO LEATHER CO.,
Girard, Ohio, April 19, 1932.

Hon. TASKER L. ODDIE,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: This has to do with the appropriation for customs statistics, which is provided for in the appropriation bill covering State, Justice, Commerce, and Labor Departments.

This appropriation bill passed the House on February 25 and was reported to the Senate on March 9. As I understand it, it will be taken up by your honorable body this week.

Recent appropriations for custom-statistics service have run about $385,000. The House bill cut this to $360,000, and the bill, as reported to the Senate by the Appropriations Committee, cuts this appropriation to $250,000. A cut, in other words, from recent appropriations of about $135,000.

I need hardly enlarge to you here upon the very great importance of the most complete and best possible custom statistics, and, of course, it will be evident to you that such a cut as this will inevitably be reflected in the statistics of imports which the Government will be able to compile and publish. I am informed that the proposed cut in this appropriation will mean that the Custom Statistics Division will have to dispense with the services of more than 50 clerks and assistants. This will give you an idea of the manner in which this very important statistical service will have to be curtailed.

It is, of course, inevitable that this appropriation will have to be cut some. It would be unreasonable to insist in these times that the old appropriation stand; but in view of the importance of this service to manufacturers, industry, and agriculture, it seems to me we should do everything we can to keep the cut from being an unreasonable one, such as I believe the $135,000 figure to be.

When future tariff bills are being written import statistics are of vital importance for proper information not only to Congressmen and Senators, but also to all industry.

As chairman of the board of the Tanners' Council of America, representing 165 companies, and president of the Calf Tanners' Association, representing 22 companies, with our industry producing products valued at over $600,000,000 and threatened with competition from European countries producing similar products to our own, manufactured with the payment of depreciated currencies, we to-day practically have very little protection, so these statistics are of vital importance to us.

Anything you can do to preserve the efficiency of the custom statistical service will be very much appreciated.

Yours very truly,

V. G. LUMBARD,
Chairman Tanners' Council of America,
President Calf Tanners' Association.

PROPOSED REDUCTION OF GOVERNMENTAL SALARIES

Mr. ASHURST. Mr. President, I am daily in receipt of many, many telegrams, and doubtless other Senators are also daily receiving many telegrams. Those which I receive are almost too numerous to admit of prompt reply, and I am embracing this method of letting my constituents—at least those who receive the RECORD—know that my failure, promptly to reply, is not caused by indifference on my part. I have received one to-day that I ask the Secretary to read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read, as requested.

The Chief Clerk read as follows:

PHOENIX, ARIZ., *April 21, 1932.*

Senator HENRY F. ASHURST,
Senate Office Building, Washington, D. C.:

We, a committee of business and professional citizens of Phoenix, do hereby protest against hasty, ill-considered, unreasonable, and general slashes in pay of Government employees predicated on the assumption that such wage and salary cuts will materially relieve present economic distress of the Nation or contribute any considerable improvement in business and industry.

Pay reductions can do no more than lower the standards of living, reduce buying power, and increase unemployment. The stagnated copper-mining industry of Arizona and of the Nation is a glaring example of the deplorable effects now being suffered as a result of curtailments of production, employment, and pay made for the purpose of returning prosperity to an industry and its workers. We believe in the honest protection and encouragement of the industries of the Nation for the increase of employment, as a means of restoring prosperity rather than running the danger of further straining business industry, the salaried worker, and the wage earner in the hope that somehow or other prosperity will be returned by means other than employment at a living wage. The Government would set a dangerous precedent by making any unwarranted reduction in pay. A mania of wage cutting would result, and our economic situation would surely become greatly aggravated. We are not opposed to true economies, and by this we mean such adjustments as will assuredly benefit and not oppress the people. Critical days require cool heads and strong hearts, intelligent and fair consideration, and unwavering action for the welfare of the Nation in general and the people of Arizona in particular.

We earnestly urge you to guard against specious contentions and work actively and agressively against pay-reduction schemes mistakenly proposed as remedies for our economic ills. We put our trust in Arizona congressional delegation that this message shall be carried to Congress and to the President.

Edward Dorsey, pharmacist; George Eberle, automobile service; Mrs. A. H. Hammer, publisher; Vic Hanny, clothier; P. R. Helm, manager; A. L. Higgins, clerk; O. H. Johnson, editor; Harry Kay, realtor; Dr. Eugene McGuire, dentist; Harry Robertson, manufacturer; George T. Wilson, lawyer, Citizens' Committee on Economic Stabilization.

Mr. ASHURST. Mr. President——

The VICE PRESIDENT. Is there objection to the Senator from Arizona addressing the Senate for a moment? The Chair hears none.

Mr. ASHURST. Mr. President, the Senate will bear out my assertion that I have aggressively and actively opposed reductions in the salaries of Government employees. The telegram which has just been read is signed by a number of representative citizens of the State of Arizona.

It is the philosophy of defeat, the philosophy of gloom, of despair, of pessimism, and dejection that would seek to reduce salaries at this time. One year ago a Cabinet member suspected to having given out an interview in which it was stated that it might be appropriate to reduce salaries was excoriated over this country, until he announced that he had given no such interview; that he was not the type of reactionary who in a time of national distress and unemployment believed in increasing unemployment by reducing salaries.

So, Mr. President, for the tenth or eleventh time I appeal to Senators not to take counsel of gloom, despair, dejection, and defeat, but to take counsel of progress and success; to believe in America. When the Senate of the United States

lowers its flag and announces we have reduced salaries, every industry in America will do likewise and will have the Government for its prototype and for its example.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. ASHURST. I yield to the Senator, and then I will yield the floor.

Mr. COSTIGAN. Agreeing with what the eloquent Senator from Arizona has just stated, I desire to ask the Senator if he is aware that the 10 per cent cuts in the appropriation bills are now needlessly and unexpectedly being used to effect reductions in salaries in various departments of the Government, regardless of the proposed salary-cut bill?

Mr. ASHURST. I thank the Senator for the question. I am able to say that I know of instances where employers of labor will announce a reduction of salaries and wages, and in their announcement state, "Following and emulating the example of the Congress in reducing pay, we likewise reduce pay."

The VICE PRESIDENT. The telegram in the nature of a petition presented by the Senator from Arizona will be referred to the Committee on Civil Service.

Mr. WAGNER. I ask unanimous consent to have read a telegram which I just received, because it pertains to the same subject referred to by the Senator from Arizona.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read, as requested.

The Chief Clerk read as follows:

NEW YORK, N. Y., *April 19, 1932.*

Senator ROBERT WAGNER,
Senate Office Building, Washington:

Our men are becoming anxious, depressed, and worried about the continued agitation for salary reduction. Many of them now have additional family obligations as a result of the depression, and none of them can afford the serious consequences of the proposed application of the Hoover plan, which would in effect mean a reduction of several hundred dollars. In fact, any salary reduction would be a hardship, and it is manifestly unfair to those who have served faithfully through many years while they were woefully underpaid. The Government should be the last to lower the American standard of a livelihood, and your efforts in our behalf have been and will be continued to be appreciated. I would also appreciate any word from you that might help to restore the spirit of our boys.

HENRY J. ZIEHR,
Railway Mail Association.

The VICE PRESIDENT. The telegram in the nature of a petition presented by the Senator from New York will be referred to the Committee on Civil Service.

PROPOSED DUTY ON SULPHATE OF AMMONIA

Mr. SMITH. Mr. President, I have had long-distance telephone calls and telegrams protesting against what seems to be a proposed action on the part of some manufacturers in this country relating to sulphate of ammonia, which has now largely superseded and is being used instead of nitrate of soda. Sulphate of ammonia is an ingredient which is absolutely essential to the production of grain and food crops. I understand that these manufacturers are appealing to the tariff authorities to invoke the antidumping clause; that is, to apply the tariff, several dollars per ton, on foreign importations.

It seems that the domestic producers of this ingredient, on which we have been working for so long, largely taken from the air, have revolutionized the price. I understand there is to be a meeting to-morrow morning in the Treasury Department, in the office of the Under Secretary, to hear a complaint of the domestic manufacturers about the importations of the foreign article. The domestic men, I understand, have practically withdrawn from the market, and therefore we are dependent upon importations; and to place upon the already overburdened farmer at this time a tariff on what is essential for the production of his crops would be a disgrace to America.

I ask to have two telegrams and a letter bearing on this subject incorporated in the RECORD, and I hope that those who are interested in the welfare of the agricultural interests of this country will take cognizance of the meeting to-morrow morning.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

CHARLESTON, S. C., *April 21, 1932.*

Hon. ELLISON D. SMITH,
United States Senate:

Commissioner of Customs, Treasury Department, calling meeting Friday, 10 a. m., on foreign sulphate ammonia. Urge you oppose assessment of any duty as this for agricultural use.

MOLONY & CARTER CO.

ANDERSON, S. C., *April 21, 1932.*

Hon. ELLISON D. SMITH,
United States Senate:

Our letter 4th concerning antidumping duty sulphate ammonia. Understand Commissioner Eble calling meeting at office Under Secretary of Treasury 10 a. m. to-morrow for hearing on this matter. Extremely important southern interests be represented. Will appreciate your attendance this meeting. If this duty levied, price this important fertilizer material will be raised nearly 50 per cent. If can stop this increase, you will render great service to farmers this State.

ANDERSON FERTILIZER CO. (INC.).

COWPENS, S. C., *April 13, 1932.*

ELLISON D. SMITH,
United States Senate.

MY DEAR SIR: I know the Senate is taxed to the limit with investigations of various kinds; but, to my mind, we have a proposition of concerted national importance slapping us in the face now; that is, the sulphate of ammonia situation. The brokers have withdrawn their prices now just when the demand is most pressing, and, of course, when the prices reopen they will be higher, more in line with nitrate of soda, which is beyond our reach to purchase, and all of the parts connected with it.

Let's see if we can't get the ball to rolling at once and see where in the d—— that negro in the woodpile is.

With kindest regards for you and your interest, I am,

Yours truly,

A. H. SMITH.

A MARYLAND BUSINESS MAN'S VIEW OF TAXATION

Mr. ODDIE obtained the floor.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Maryland?

Mr. ODDIE. I yield.

Mr. TYDINGS. I should like to ask the clerk to read a paragraph from a letter I received this morning from a business man living in a small Maryland town. It has so much common sense and humor in it that I think at this stage it would be appropriate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read.

The Chief Clerk read as follows:

We are strong for any tax that will fall on the other fellow, and for the reduction of salary or elimination entirely of any job that is not held by some of our friends, or our friends' friends, but let any proposition be made at Washington looking toward reducing any salary or eliminating any job, or cutting out any pension which hits any member of our society, fraternal organization, etc., especially the bridge club and the ladies' club, and there will be a howl which is quite likely to extend as far as Washington, and quite possibly result in an increase in your mail, and possibly visiting list, with a telegram or so for good measure.

LETTER FROM THE SECRETARY OF THE TREASURY TO CHAIRMAN ODDIE

Mr. SHEPPARD. Mr. President, will the Senator from Nevada yield to me for a moment?

The VICE PRESIDENT. In the morning hour a Senator who has a petition to present can not yield to other Senators.

Mr. ODDIE. Mr. President, I have received a letter from the Secretary of the Treasury which is of great importance to the Senate. So I will send it to the desk and ask that it may be read.

The VICE PRESIDENT. Is there objection to the reading of the letter?

Mr. ODDIE. I will ask permission, Mr. President, after the reading of the letter to comment on its essential features for five minutes.

The VICE PRESIDENT. That is a question for the Senate. Is there objection to the request of the Senator from Nevada that the letter be read and that he may have five minutes in which to explain it?

Mr. BLAINE. Mr. President, I have no desire to object; but, so far as I am concerned, I have other official matters that demand my attention, and I should like to see the order of business proceeded with.

The VICE PRESIDENT. The Chair just held that a Senator can not yield to other Senators during the morning hour; but, if an exception is going to be made in one case, the Chair thinks that the Senator from Texas ought to be treated in the same way and a like courtesy be extended to him. Is there objection to the request of the Senator from Nevada that he be permitted to have read the letter referred to by him and to have five minutes in which to explain it? The Chair hears none.

Mr. ODDIE. Mr. President, before the letter is read I desire to state that on Monday the Senate passed the McKellar resolution ordering the Treasury and Post Office Departments appropriation bill to be sent back to the committee for a cut of 10 per cent below the House figures.

I have asked the Secretary of the Treasury to inform me as to where these cuts could be made with the least possible damage to the public service, and this letter is in response to my request. I desire to state at the outset that there are several statements in the letter with which I can not agree. I ask to have it read by the clerk.

The VICE PRESIDENT. Without objection, the letter will be read.

The Chief Clerk read as follows:

LETTER OF THE SECRETARY OF THE TREASURY TO THE CHAIRMAN OF THE SUBCOMMITTEE IN CHARGE OF THE TREASURY DEPARTMENT APPROPRIATION BILL FOR 1933

TREASURY DEPARTMENT, *April 20, 1932.*

Hon. TASKER L. ODDIE,
Chairman of the Subcommittee in Charge of the Treasury Department Appropriation Bill, United States Senate.

MY DEAR MR. CHAIRMAN: I understand that I am to appear before your subcommittee on Friday next in connection with the provisions of the resolution adopted by the Senate on April 18 directing a flat reduction in the amount of appropriations for the Treasury Department as at present contained in the appropriation bill, exclusive of the provisions for building and construction.

It occurs to me that the subcommittee may desire to have the views of this department for consideration and study prior to my appearance, and that it may be advantageous, if you deem it desirable, to insert this letter in the CONGRESSIONAL RECORD.

I appreciate the opportunity afforded me to be heard, not only as the head of the Treasury Department but as representing a great body of faithful and efficient public servants who have a vital interest in a sound solution of this problem.

The flat 10 per cent cut would effect a saving of approximately $14,000,000. I am prepared to indicate how savings in excess of this amount can be effected without impairment of the efficiency of the department and without necessitating the dismissal of thousands of necessary employees.

I am informed that the Senate has not considered as yet the effecting of the 10 per cent reduction by the use of a 5-day week for per diem employees and of a month's furlough without pay for employees on an annual basis, as suggested by the President.

I recommend, therefore, that such a provision be written into this appropriation bill, whether or not the Senate adopts the flat-cut method. The furlough plan is of itself a sound measure of economy. If the flat-cut method is to prevail, the furlough is essential to mitigate the hardships incident to this program. Legislation is clearly necessary if the furlough without pay is to apply, for I have grave doubts as to whether, without Congressional sanction, the Executive could legally and properly effect what would be a modification of the salaries provided for by the Congress in the classification act.

I recommend further that an amendment be adopted providing that not to exceed 15 per cent of any one appropriation may, with the approval of the Director of the Budget, be transferred to any other appropriation or appropriations under the same department.

I recommend that in view of the pending revenue bill the Internal Revenue Bureau be in any event excluded from the 10 per cent cut provision, though it should be included in any furlough provision.

I recommend that for the year 1933 the contracts covering certain building projects be not let, as indicated in my letter of March 29.

No one is more vitally concerned in reducing the cost of government than the head of the Treasury Department, responsible for conducting the fiscal affairs of the Nation in a time of great difficulty when our every effort must be directed toward balancing the Budget and maintaining the public credit. Economy is essential. But it should be constructive economy achieved through the elimination of waste, the curtailment of unnecessary activities, the postponement of projects not now essential to the public welfare, and the promotion of greater efficiency. An arbitrary cut applying uniformly and without discretion to every bureau and activity alike irrespective of its importance and irrespective of its efficiency or ability to bear the cut is not businesslike, and as I shall show, may not even be economy.

Our total appropriations aggregate $146,311,988, exclusive of the public-building item. Of this amount, $112,306,402 is for personnel service, representing nearly 77 per cent of the total, and $34,005,586 is for supplies, equipment, and miscellaneous expenses, representing about 23 per cent of the total. Of this last-mentioned amount, more than $11,000,000 is for construction, equipment, and operation of public buildings; over $7,000,000 for maintenance and operation and repairs of Coast Guard vessels and stations; and approximately $5,500,000 is for rent, travel, etc. Over $1,000,000 of the $34,000,000 represents pensions to retired Coast Guard officers and men. It is apparent that there is no economy in curtailing the adequate maintenance of public buildings and public vessels, and the amount to be squeezed out of the $34,000,000 short of inefficiency and neglect, is small. The bulk of this reduction, then, must be met by a reduction in personnel, unless you adopt a 5-day week and some such furlough plan as that suggested by the President. Provision for the furlough plan should be written into this bill. The alternative is a shocking one.

As nearly as we can estimate, without the furlough the 10 per cent cut in the appropriations for personal service would mean the dismissal of upward of 6,000 employees—nearly 80 per cent of whom are stationed outside of Washington.

I am not talking about place holders. I am not talking about political appointees, for practically all of the employees of the Treasury Department are appointed from civil-service lists. I am talking of 6,000 men and women whose services are needed; who have, generally speaking, decided to devote their lives to the public service, and who would in times when it is impossible to find another job be turned out on the street by the Government of the United States.

The President, in conjunction with the Economy Committee of the House, has worked out a national economy program, which, as it stands to-day without such further study as you gentlemen may care to give it, promises a saving in excess of that which it is proposed for all departments by the method of a flat cut without impairment of Government efficiency and without the intolerable hardship which dismissal would inflict on thousands of American families.

A flat cut applied to every bureau of the Treasury Department, without a furlough provision and without granting any discretion to the Executive as to where the savings can best be made, will not save money, but will cost more than the amount saved. It surely can not have been overlooked that the primary duty of the Treasury Department is the collection of the public revenues. The Commissioner of Internal Revenue informs me that a 10 per cent flat reduction for his bureau would have to be effected largely by the reduction of his field force. To give somewhat extreme, but nevertheless pertinent illustrations, the commissioner advises that if this reduction were effected by reducing the number of deputy collectors throughout the country, it would mean dispensing with some 1,300 deputy collectors. The average amount of additional tax recommended by each of these employees for the past fiscal year was $40,812. Assuming that the full amount of the tax recommended could be collected, on the face of it the reduction in the force of deputy collectors might result in a loss of over $50,000,000.

The Commissioner of Internal Revenue further informs me that if a 10 per cent reduction in the appropriation for his bureau is to be effected through reducing the force of internal-revenue agents, an even greater loss of revenue might result. The average salary and expenses of revenue agents as of March 31, 1932, was $3,716. The average amount of additional tax recommended by each revenue agent for the past fiscal year was $105,000. Assuming that only 50 per cent of this tax was assessed and collected, in order to save $3,716 in salary and expenses we would sacrifice $52,500 in taxes. Assuming that 906 of these productive officers were dismissed, the amount of additional taxes recommended on the basis of the past fiscal year might be reduced by $95,000,000.

On July 1, 1932, the Treasury Department, in all probability, is to undertake the collection of over a billion dollars of additional taxes; some of them new taxes, others at rates high enough to invite evasion. We can not enforce the new law and collect these taxes without increasing our force. Yet if this resolution is carried out without modification, we are to attempt this new and difficult task with a reduced and demoralized force.

In my letter of March 29 to Senator JONES I pointed out that if an arbitrary reduction were to be made in the amount of the Treasury appropriations, a businesslike and effective way of making the saving would be to suspend the letting of contracts for a number of post-office buildings throughout the country. At that time the 5-day week and furlough plan had not been worked out. The Senate resolution specifically excludes any savings along this line. It is pertinent to observe that if towns and cities throughout the country have gotten along with their existing post-office facilities up to the present time, they surely can during these trying days wait a year or two longer for a new building of a monumental character. What is sacred about a new post office in times like these?

I know that it is urged that the building of $14,000,000 worth of post offices will give employment. It will give some employment, but surely this employment should not be secured through throwing out of employment more than 6,000 men and women. These dismissals will have to be made in spite of the valuable services performed in the past; in spite of reasonable expectation of continuance in service because of fidelity and efficiency, and in spite of the difficulty, if not the impossibility of finding other employment enabling those who have served the Government to continue to live and to take care of their families.

You can save these people from misery, maintain the efficiency of this department, protect the collection of the revenues, and still effect the savings which you have in mind by following the President's program and the lines indicated in my letter of March 29, foregoing for a year or two the construction of some post offices.

Sincerely yours,

OGDEN L. MILLS,
Secretary of the Treasury.

The VICE PRESIDENT. The Chair desires to announce that the Senator has only five minutes.

Mr. ODDIE. Mr. President, the Secretary of the Treasury has very clearly pointed out the only alternatives open in this matter—either adopting the suggestion of the President in regard to the furlough without pay and the 5-day week, or decreasing the efficiency of the Treasury Department to such an extent that possibly $90,000,000 of revenue will be lost. Secretary Mills has pointed out that about 6,000 faithful, efficient, and useful men and women will have to be thrown out in the street if the 10 per cent cut is made without the furlough.

Mr. President, I can not bring myself to believe that creating the policy of the furlough and the 5-day week is the practical, right thing to do. I do not favor it. It will result in reduction of wages to a very large extent. This reduction in wages will have a damaging and discouraging effect on our country. I do not think it should be adopted. I believe we can get through better without it. I am not in agreement with the Secretary's opinion in respect to the Senate's action in eliminating the building program from the 10 per cent cut. Eliminating the building program from the 10 per cent cut will save a great deal to American labor and to American industry, and prevent a vast amount of suffering and a large increase in the ranks of the unemployed.

I have led the fight in the Senate against the 10 per cent reduction. I believe this cut is unwise and destructive. On April 6 I made a detailed analysis on the floor of the Senate of the effect of the proposed 10 per cent cut in the Treasury and Post Office appropriation bill, and showed the damaging and destructive effect of the cut and vigorously opposed it as I have on the floor of the Senate numbers of times since. The Senate voted for the 10 per cent cut on April 18. I did my best to prevent it. I am compelled to accept the decision of the Senate and I will do my best in the matter. I want, however, to stress the grave consequences of putting this policy into effect. It will mean the crippling and demoralizing of the Treasury Department's working force to such an extent that the revenues to which the Government is entitled for carrying on its activities will be curtailed to a very large extent. This loss in revenue will be many times the amount saved by the 10 per cent cut.

Mr. President, I feel it my duty to call this letter to the attention of the Senate, and to state that while I agree with the Secretary as to the destructive influence of these cuts on the operation of his department, I differ with him as to the advisability of curtailing the Federal building program.

REPORTS OF THE PUBLIC LANDS COMMITTEE

Mr. NYE, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 4029. An act to restore homestead rights in certain cases (Rept. No. 578);

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class (Rept. No. 579);

S. 4416. An act to provide for the transfer of certain school lands in North Dakota to the International Peace Garden (Inc.) (Rept. No. 580); and

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn. (Rept. No. 581).

Mr. STEIWER, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 10495) amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands, reported it without amendment and submitted a report (No. 582) thereon.

Mr. CUTTING, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3953) to amend the act approved February 7, 1927, entitled "An act to promote the mining of potash on the public domain," reported it without amendment and submitted a report (No. 583) thereon.

ALABAMA SENATORIAL CONTEST

Mr. HASTINGS, from the Committee on Privileges and Elections, submitted the views of the minority relating to the contest of J. Thomas Heflin *v.* John H. Bankhead for a seat in the Senate from the State of Alabama, pursuant to Senate Resolutions Nos. 467 and 485, Seventy-first Congress, which were ordered to be printed as part 2 of Report No. 568.

EXECUTIVE REPORTS OF THE POST OFFICE COMMITTEE

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were ordered to be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HATFIELD:

A bill (S. 4436) to amend section 305 (a) of the tariff act of 1930, and sections 211, 245, and 312 of the Criminal Code, as amended; to the Committee on Finance.

By Mr. HALE:

A bill (S. 4437) granting a pension to Nellie Fredericks (with accompanying papers); and

A bill (S. 4438) granting an increase of pension to Mary Coles (with accompanying papers); to the Committee on Pensions.

By Mr. HOWELL:

A bill (S. 4439) granting an increase of pension to Florence McClelland; to the Committee on Pensions.

A bill (S. 4440) authorizing adjustment of the claim of George H. Hansen (with accompanying papers); and

A bill (S. 4441) authorizing adjustment of the claim of the National Surety Co. (with accompanying papers); to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 4442) granting a pension to Jack E. Teele (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 4443) for emergency relief of Palo Verde Valley, Calif.; to the Committee on Commerce.

Mr. BLAINE. Mr. President, I introduce a bill relating to the subject of releases of trustees in the District of Columbia and desire to substitute the bill for a bill on the same subject which I introduced earlier in the session.

The VICE PRESIDENT. The bill will be received and appropriately referred.

By Mr. BLAINE:

A bill (S. 4444) to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes; to the Committee on the District of Columbia.

By Mr. BULKLEY:

A bill (S. 4445) authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the rank of lieutenant (junior grade), Supply Corps, United States Navy; to the Committee on Naval Affairs.

By Mr. LOGAN:

A bill (S. 4446) granting a pension to Price V. Hendricks; and

A bill (S. 4447) granting a pension to John M. Roundtree; to the Committee on Pensions.

By Mr. CONNALLY:

A bill (S. 4448) to decrease the interest rates on adjusted-compensation loans; to the Committee on Finance.

A bill (S. 4449) for the relief of Walter Acker, jr.; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 4450) for the relief of Alice F. Martin, widow, and two minor children; and

A bill (S. 4451) authorizing officers and enlisted men of the Army, Navy, and Marine Corps to accept awards of decorations tendered them by foreign nations associated with the United States in the World War; to the Committee on Military Affairs.

A bill (S. 4452) for the relief of Franklin L. Hamm; to the Committee on Claims.

By Mr. WHITE:

A bill (S. 4453) granting an increase of pension to Achsah E. Purinton; to the Committee on Pensions.

By Mr. SHIPSTEAD:

A joint resolution (S. J. Res. 149) making funds available for grasshopper control; ordered to lie on the table.

HOUSE BILL REFERRED

The bill (H. R. 7522) to provide a new civil code for the Canal Zone and to repeal the existing Civil Code, was read twice by its title and referred to the Committee on Interoceanic Canals.

REVENUE AND TAXATION—AMENDMENTS

Mr. NORRIS submitted an amendment intended to be proposed by him to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed, as follows:

On page 88, after line 13, insert the following new subdivision:

"(c) Officers and employees of States: Any amount received by an officer or employee of a State or political subdivision thereof, as compensation for services in connection with the exercise of an essential governmental function or the operation of a public utility by such State or political subdivision."

On page 286, after line 18, insert the following new subdivision:

"(15) The term 'political subdivision' includes any irrigation district or other district created under the laws of a State or Territory for the purpose of constructing or operating any public utility."

Mr. HOWELL submitted amendments intended to be proposed by him to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which were referred to the Committee on Finance and ordered to be printed, as follows:

On page 243, between lines 5 and 6, insert the following new section:

"SEC. —. There is hereby imposed upon energy sold by privately owned operating electrical power companies a tax equivalent to 3 per cent of the price for which so sold."

On page 243, line 25, after "article," insert "(other than electrical energy),"

On page 282, in line 11, strike out "1934" and insert "1938."

On page 283, after line 4, insert a new section to read as follows:

"SEC. —. (a) The rates for each form or classification of postal service shall be based on the actual cost thereof, but no rate shall be reduced below that in effect during the fiscal year 1931; and, subject to the foregoing limitations, said rates shall be fixed and determined from time to time by the Interstate Commerce Commission, subject to the same legal provisions, rules, and regulations now in effect respecting the determination of railroad and express rates: *Provided, however,* That where Congress shall from time to time make special appropriations to the end of reducing the charge for any particular service, then and in such case said Interstate Commerce Commission shall take into consideration such special appropriation or appropriations in determining such rate or rates, as though the same were derived from payments for such service.

"(b) The Postmaster General shall be, and he is hereby, authorized and directed to provide an additional form and series of postage stamps to be known as franking stamps which shall hereafter be affixed to all official and other mail now entitled to the franking privilege, and in the same amount or amounts as in the case of mail matter not entitled to free delivery. Such stamps shall be delivered, upon proper receipt therefor, to officials and others entitled to the franking privilege; and the Interstate Commerce Commission shall take into consideration the amount of such stamps used in lieu of regular stamps as postal income from the various classes of postal services.

"(c) During any period any increased rate of postage fixed pursuant to the provisions of subsection (a) remains in force, only the receipts which would have accrued at the rates in force on the effective date of this section shall, until otherwise provided by law, be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or of postal employees of post offices of the first, second, and third classes, and for the purpose of determining the commissions (as distinguished from the compensation and allowances based thereon) of postmasters of the fourth class.

"(d) This section shall take effect July 1, 1933."

CURTAILMENT OF LARGE INCOMES

Mr. LONG. Mr. President, I submit a resolution and ask that it may be read, printed, and lie over.

The resolution (S. Res. 204) was read and ordered to lie on the table, as follows:

Resolved, That it is the sense of the Senate of the United States, and that it accordingly does instruct the Senate Finance Committee, that it reform the revenue act now under consideration (H. R. 10236) so that no person shall have an annual income in excess of $1,000,000, and so that no person during his or her lifetime shall receive by gifts, inheritances, or other bequests more than $5,000,000.

THE GENEVA DISARMAMENT CONFERENCE

Mr. DILL. Mr. President, I ask unanimous consent to insert in the RECORD an article appearing in the magazine Unity of Monday, March 28, by Sidney Strong, on the subject of disarmament; also a statement by Mr. Strong entitled "Power of Control at Geneva."

There being no objection, the article and statement were ordered to be printed in the RECORD, as follows:

[From Unity, March 28, 1932]

THE FIELD

"The world is my country; to do good is my religion"

OPEN LETTER TO KING GEORGE AND PRESIDENT HOOVER ON DISARMAMENT[1]

As an Anglo-Saxon for 600 years—300 in America, 300 in England—I am impelled to address you openly on war (a crime) and disarmament (an absolute necessity). You are heads of practically all the peoples of earth classed as Anglo-Saxon under the names of Britain and America.

In the World's Conference for Disarmament now in Geneva your Governments play the controlling part. If something glorious and effective is not accomplished, Britain and America will be to blame. This is their hour on the stage of human action. This opportunity may never return—probably not.

I appeal to you to act as great leaders. Your people will follow you in any high aim that has regard for the lives and fortunes of mankind.

For three months now I have been watching the preparations for the world's conference, and for three weeks have attended all its sessions. I hear many voices, not all in unison. But I have heard one note from press, from pulpit, from delegates—one clear voice saying that if all nations would totally disarm there would be universal peace and prosperity. I have been compelled to conclude that any measure short of total disarmament is an enemy of peace. We must not compromise with crime!

So I appeal to you to instruct your delegates to stand for total disarmament now. What a leadership would be yours!

And this would not be "utopian" if you led. Total disarmament is no more utopian than the Ten Commandments; the golden rule. All that is required is application. They work, if worked. And total disarmament now is less utopian than the Golden Rule.

1. The people: You heard the voice that spoke at the wonderful mass meeting on Saturday, February 6. That was broadcasted all over heaven! That voice was the chorus of young men and women; of womanhood that spoke through millions of petitions from all over earth, from Canada to India; of the church; of the home; of the workshop—and it was unanimous and clear: No more war, total disarmament. If you fail to heed that voice, it will mean despair and chaos, perhaps revolution.

2. Denmark: One gallant nation has already led the way, splendid example for others to follow.

3. Russia: The Russians through their spokesman have before declared that they were ready for total disarmament at once. This is the third time that total disarmament through the Russians has knocked distinctly at the door of world disarmament conferences. If Russia is not afraid, why should America and Britain be afraid? Listen to these words:

"We have the conviction that the only infallible way to the solution of the problem of the organization of peace, the problem of the averting of war, the problem of assuring security to all nations, is the way of general and total disarmament. Total and general disarmament is the only effective guarantee against war."

[1] Copies of this letter were sent to 100 delegates to the disarmament conference.—EDITOR.

In this address the same view was reemphasized over and over, e. g.:

"Security against war must be created. This security against war can never be aschieved by roundabout ways but only by the direct way of total general disarmament."

What irony that such words were not uttered by Christian America and Britain! God generally travels incognito.

4. Germany: When this great nation spoke, did she ask for reduction? Nay; but for "general disarmament which would strengthen security." * * * "The German people ask that their own disarmament be followed by general disarmament, for general disarmament only will create for all an equal measure of security."

This is also the voice of Austria, Bulgaria, and Hungary.

Think you that these nations "were sinners above all others, because they have suffered? I tell you nay; but except ye repent, ye shall in like manner perish!"

5. Italy: Here is the Voice of Italy: "Two essential points of Italian policy are equality of rights between all states and the equalization of armaments at the lowest levels." And again, "The strongest states should be be first to renounce those means that serve essentially for a war of aggression." Italy would follow any lead in total disarmament set by Britain and America.

6. Spain: Once "proud mistress" of the seas! Hear her speaking with the wisdom of experience: "To-day war has no justification. Impartial in its absurdity, it punishes with equal severity the conquered and the conqueror, and ends by bringing both together in a common distress. * * * We are wasting time when we endeavor to render war tolerable and in so doing weaken the means of disarmament. * * * No; it is not chemical, aerial, or submarine war which we are out to abolish, but war as such."

Under the lead of America and Britain, Spain would vote for total disarmament now with both hands.

7. Turkey, Norway, Portgual: Who that heard the voices of Turkey, of Norway, of Portugal—in succession—can doubt that under the impulse of Britain and America these would fall into line, amidst the acclamations of their peoples, cheering for total disarmament?

8. Argentina: What a noble story of peace-making between Argentina and Chile! And this spirit of good will has spread over all South America. Who can doubt that all the republics of South America would vote for total disarmament if the United States led off?

9. Canada: Already disarmed for all practical purposes. A tip from the "mother country" only would be necessary to complete the job. And Australia—were you listening, Mother Britain, when the big Australian was telling the story of 60,000 dead in Europe and Egypt fighting Turks—for what they did not know? They were needed to build up the young commonwealth below the Equator. These two countries would follow the lead of the "mother country" if she led the way.

10. France and Japan: Here you are doubtful. Doubt not. France has often risen to great heights in ways of freedom and peace. Nothing her people desire more than peace. Let Britain and America prove their sincerity for total disarmament—France might get ahead of them, as in tennis. And Japan—gone momentarily under a cloud; but if America and Britain took a real lead, she would, I feel certain, come through with distinction. Let the nation that is without sin cast the first stone!

Roll call: Call the roll of nations from A to Y—the majority of them would show their hands as in favor of total disarmament now, provided Britain and America led off. On second vote the minority would be scurrying to come in out of the rain. This would solve every vexed problem around the question of disarmament, such as security or disarmament first. The draft convention could go into the wastebasket, and the League of Nations palace (to be) would become a peace house for international celebrations.

The job of complete total disarmament could be done in a year—for the operation on the defeated powers was accomplished, the most of it, in 90 days. Mankind could thereupon give themselves up to a year of jubilee.

Two things—and here I respectfully address King George and President Hoover—heads of the Governments of Britain and America—I place the responsibility upon you and your Governments in the Anglo-Saxon world. First, are you willing to lead? Any measure short of total disarmament is an enemy to peace! The people will not be satisfied by slight reduction of armament. They demand that a way be found to put an end to war. No measure, no formula is sufficient except total disarmament, entered upon at once and carried speedily through. Second, the responsibility rests upon Britain and America! It is imperative that it be done at once. It would be fatal to provide for other conferences, and still other conferences! Situations change like the shifting sands. This is the opportunity—never to return. As says our prophet Lowell:

"Once to every man and nation comes the moment to decide,
In the strife of Truth with Falsehood, for the good or evil side;
* * * * * * *
And the choice goes by forever 'twixt that darkness and that light."

"We see dimly in the present what is small and what is great,
Slow of faith how weak an arm may turn the iron helm of fate,
But the soul is still oracular; amid the market's din,
List the ominous stern whisper from the Delphic cave within—
'They enslave their children's children who make compromise with sin.'"

Britain and America! There is no hope for world peace until you disarm totally. The biggest must lead off! That is the divine order. Disobedience to that order will issue in war, more war—then world disaster.

SYDNEY STRONG.

GENEVA, SWITZERLAND.

POWER OF CONTROL AT GENEVA

(Letter to Cousin John)

I have been trying now for some time to locate the power of control at Geneva. I had heard that the French were "running the show," and were often troublesome. I was mistaken. The British have chief control. They own at least "51 per cent of the stock" of the League of Nations. Let me state some facts without comment—with a mind as unbiased, I trust, as Luther's when he went to Rome.

1. Take the secretariat, with its 500 or so employees. It is the machinery of the league, which will soon be housed in a palace, partly built by Rockefeller money. Over 60 per cent of the best-paid half of the employees are British. The head of the very important press section is British. The Secretary-General Drummond is British, and he is permanent. Drummond is equal to the whole managing board when it comes to control. I question if anything important could get through the league without his approval. He was born with the league, and has been intimate secretary for Balfour. He is right on the spot, and never hesitates to assume control in emergencies. He always sits next to the chairman of all meetings—be they council, assemblies, or conferences.

2. Take the council—the control board of the league. It is the "house of lords." Theoretically it is in session continuously. It is composed of 14 delegates, representing as many nations. Five so-called big powers—Britain, France, Japan, Germany, Italy—have permanent and front seats. The other nine serve each for three years and then pass out from control, giving place to other minor powers. The nine are chosen by the assembly. The council is the business end of the league, and even all acts of the assembly must be O. K'd by the council. The council holds the purse strings and must O. K. even the expenses of the excellent "labor" annex, popularly known as B. I. T.

I have spent hours watching the council operate, sitting within 50 feet of the horseshoe table where the delegates confer. I have many times witnessed the Japan-China tragedy. I have had considerable experience observing politicians and ecclesiastics in many lands since first I saw the redcoats in Egypt in 1885, and Turks in Palestine. I sharpened my faculties to observe the actors in the invasion of Manchuria and Shanghai as portrayed before the council of the league. I have studied Sato, of Japan, week after week as he hesitated, delayed, and excused, while Japan's army was daily advancing. I have weighed his voice, his physiognomy, as well as his words. In like manner I have watched Yen, of China, his frankness, in voice and words, urgently calling the attention of the council to the advancing troops of Japan. I was present the evening when Yen, pointing to the clock, said, "In three hours the bombing of Shanghai will begin." In all of these meetings the delegates did little more than mumble. They listened more attentively to the voice of Japan, whose delegate for 10 years had sat as a permanent member at that table and right next to Britain's delegate.

After China and Japan had presented their cases the Chair would sum up and call upon the delegates to express their minds. I noted that Britain enjoyed the right of primogeniture, and so was always first to speak. I noted that Britain exercised this "first born" son's right of leading discussions—were it at the opening of the disarmament conference, the assembly, or in the council. After the disarmament conference got well under way, in organization, it sounded quite natural to hear President Henderson, British, say, "The discussion will now be opened by Sir John Simon." My remarks, so far, carry no comment. I am looking for the chief power of control in the league. It is British.

3. Peace propaganda at Geneva is largely under British control. Again, I am seeking facts, and not yet making comment. The most ambitious program of peace people is known as the Budapest plan that took shape much over a year ago by the League of Nations Unions of many lands. It formed the basis of discussions at the Paris conference last November. It is largely British made, with Robert Cecil as head of the movement to get it before the disarmament conference for favorable consideration. A number of peace groups in America are acting under initiative coming from promoters of this plan. This extends clear down to organization of the local social and religious forces and to supplying information for the press, and even to influencing the American delegation to the conference. While the British are a trifle over-ambitious in exercising the principle of primogeniture in securing chairmanships, etc., yet they should be given the credit for their activities, while others are doing little.

When I ask myself what is it that the British peace people are after, I should say that they are willing to go far, if others do also, but never so far as comparatively to weaken themselves. Further, they are aiming hard to secure the formation of a permanent disarmament commission, which, in my judgment, does not promise well for world peace. There is still too much power located in the hands of a few big nations. Here, too, Britain would possess chief control. If a permanent disarmament commission should come out of the conference, it will mean a Pax

Britannica for a score of years. This might be a good thing for the world, but it is best to know what we are getting when it is handed to us.

4. The Far East situation: Here again the British are seen in possession of the chief power of control, so far as the western nations are concerned. For four months I watched the council of the league. At times I thought it was real tragedy, again that the delegates were only playing in a grim farce. It seemed to me that if Britain's delegates had only spoken a strong word of protest against Japan's invasion, Japan would have heeded. But it failed to come, day after day, week after week. Then came America's protest. The council seemed to arouse itself; listened to China's cry. Called the assembly. Meanwhile America was bearing the irritation in the situation, while the nations on the council were still hesitant. They seemed to fear to offend their old comrade on the council—Japan.

The assembly has at last spoken well, but Japan is now secure in possession. America has been moved into bearing the brunt of the opposition to Japan, and coming nearer to the danger line of war than the big powers of Europe. A commission of 19 will now seek to solve the problem. Of these, 12 are the regular members of the council of the league. If the council played a game of procrastination from September to March, it may be queried, What will the same men plus five other new men accomplish?

And, it is well to note, in order to locate the power of control, that it is the British ambassador in Shanghai who is chairman, a British admiral in Shanghai who calls the other admirals together and reports to the league, that Britain heads the commission to Manchuria. Britain's influence will dominate in the settlement of Far Eastern affairs. What will it be? A swift consolidation of China's life in national integrity or an encouragement of political weakness when Japan may secure a foothold in Manchuria and the Shanghai region? Will Britain play with Japan in order to check Russia, and to pronounce against the principle and practice of boycott in Asia? Who knows? Of this I feel convinced, as seen from Geneva, that in the world life now played Britain possesses the chief power of control.

5. If so, what of it?

(a) Britain must be held chiefly responsible for the output of the league, be that good or ill. This remark covers all acts of league organizations—council, assembly, or conference. Any measure that had hearty British backing would pass, given time. If Britain, for example, supported Russia's total-disarmament plan, it would go through. One must keep his eye on India and Russia to interpret (official) British policy at Geneva. Britain has the chief power of control at Geneva and must be held correspondingly responsible.

(b) Should America come into the league? I heard two lectures last week at the American Club declaring that we should. I am not yet persuaded and have it under advisement. Here are some observations.

America would occupy a subordinate position. Washington can not even telephone Geneva, except through England.

America is dull at diplomacy. It has been a profession for many decades in Europe. It does not fit American temperament.

The league is undemocratic. The assembly has little real power, its acts being O. K'd by the council.

The council—the seat of power—is a house of lords (14), with five big powers being hereditary, and Britain most powerful. Further, the council is an irresponsible body.

The council's chief business is to administer the rich legacy left by the Versailles treaty (mandates, etc.), most of it being property taken away from defeated nations, and to change national boundaries. I personally witnessed the painless transfer of the vast territory of Iraq from the mandate column to the column of independent nations—with Britain as godmother. I would prefer to have America keep out of that kind of legacy business. She refused to go into the mandate business 12 years ago, and I have always been glad. However, we did soil our hands with too much of the property of the defeated.

Would America be more useful for the peace of the world if she were in or out of the league? Here, as the Scotsman said, I have an open mind, but have some doubts. I am inclined to think that during the past six months America has been a greater influence for peace, by being outside. If she had sat at that council horseshoe table, she might have caught the same paralysis of tongue so marked in the big powers. Caution is contagious, especially at tables where great stakes are involved. Stimson, in Geneva, sitting next to Simon and Sato, would be less brave than Stimson in Washington. * * * I recall Wilson. He would have been more effective for world peace if he had remained in Washington. So, it seems to me, BORAH has more influence in the chancelleries of Europe than any American statesman I know who may have breathed London's fog or shot grouse in Scotland.

Further, I am inclined to believe that mankind is safer in case the big powers are divided as now and an ocean apart. There may be unity that does not make for justice and well-being.

When I get out the map issued by the league, showing the countries of the world, the location of the mandates, etc., I am inclined to be glad that America is not sitting as a big power on the council of administration. And, this carries no "holier-than-thou" intimation.

The question remains, Should America join the league?

I regret that I shall go away from Geneva with the question unanswered.

It depends on how the committee of 19 functions in the Asiatic tragedy centering on China.

It depends also on what the disarmament conference brings forth for the peace and stability of the world.

If these two creature organizations of the league perform some noble acts, which carry the peoples of Japan, China, and India up to greater heights of freedom and peace; if imperialism and plutocracy are shoved aside and human relations first recognized; if I can discern the voices of Sun Yat-sen, Kagawa, and Ghandi helping to shape the findings of the committee and the conference, I shall find it easy to go out and work for America getting into the league. I can not forget the words of Jerome uttered in 1919, "The League of Nations will come when mankind has grasped the fact that Christ was the only practical statesman the world ever produced." If the league at this time shows real signs of aiming for the ideal, thousands would swiftly rush to its support.

But, if there is to come at this time around Shanghai the same old weary diplomacy—mingled militarism, imperialism, with procrastination, with brutal disregard of the masses—one would turn away in disappointment. The world is sick and tired of exploitation.

SYDNEY STRONG.

P. S.—Later. Just come (March 17) from a 2-hour session of the committee of 19. Talk and act like the council of 14. Merely five more who can walk around in a circle. Only have power to advise and watch—and advice is foggy. The committee voted to take a vacation until after "the Easter holidays." Meanwhile the secretariat is to act in the capacity of Providence. If I were China, I should cease putting "my trust in princes" and the league and turn to the god of Sun Yat-sen and the people. Foreign domination of all kinds should be bowed out the open door. Good luck to you, China—one of the three great nations of the world in civilization and character. You'll pull through and come out on top.

SPANISH-AMERICAN WAR VOLUNTEERS

Mr. SHEPPARD. Mr. President, 34 years ago to-day the United States entered the Spanish-American War. A poem commemorating our entry into that conflict has been written by Albert Perry Hinton, a Spanish-American War veteran, of Columbus, Tex. I present it for incorporation in the RECORD.

The VICE PRESIDENT. Without objection, that order will be made.

The poem is as follows:

THE SPANISH WAR VOLUNTEER MEN!

To the field of war they're marching,
In the days of the long, long ago;
Answered the bugle's wild summons,
To arms! 'gainst the vengeful foe!

Into the camps they're gathering,
From the shops, from the fields and fen;
From everywhere they came rushing,
The Spanish War volunteer men!

Now to work "Squads right," they're drilling,
How we cheered their thundering drums;
How bravely they flaunted Old Glory,
In their wake bright liberty comes!

To Cuba they went bravely fighting,
Their charges no foe could withstand;
See their deeds on hist'ry's bright pages,
From oppression they freed every land!

Into battle lines they're forming,
Open fire with a rolling crash;
Their flaming old Krags give answer,
To the cruel tyrants they smash!

In lands of the Mexic Sea, waving
The colors that with the stars blend;
They startled the world with their daring,
The Spanish War volunteer men!

Round the colors again they're massing,
In the west looms danger to fend;
Uncle Sam made a first-class power
By the Spanish War volunteer men!

Put the Stars and Stripes there flying,
In strange distant lands—till then
Liberty's flame never knowing—
By the Spanish War volunteer men!

Hark! To the clarion's calling,
For the brave overseas to send;
Once more they answered the summons,
The Spanish War volunteer men!

With the martial spirit flaming,
No thought of self, but to spend;
Their all for the Stars of Glory,
The Spanish War volunteer men!

On the grim battle fronts advancing,
From the millions their chains to rend;
Raised the stars of freedom over them,
The Spanish War volunteer men!

Time's snows on their heads are falling,
Some stooping and shoulders to bend;
In their hearts valor's fires are burning,
The Spanish War volunteer men!

The Red, White, and Blue unfurling,
With swords unsheathed to defend;
On the seven seas proudly floating:
By the Spanish War volunteer men!

On the outer ramparts, guarding,
No retreat from the seas to wend;
Not a rood of ground to surrender,
By the Spanish War volunteer men!

A vigilant watch they're keeping,
'Neath the Stars and Stripes to the end;
Columbia's true sons forever,
The Spanish War volunteer men.

SHOULD WAR DEBTS BE CANCELED?

Mr. JOHNSON. Mr. President, I ask leave to have printed in the RECORD an address by Bainbridge Colby at the fifty-second semiannual meeting of the Academy of Political Science, April 13, 1932, at the Hotel Astor in New York City, on the subject "Should War Debts Be Canceled?"

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The war debts can be canceled only by the Government of the United States.

They can be repudiated by the debtor nations; or paid in part and defaulted for the balance; but cancellation can be effected only by the voluntary act of the creditor.

To the question, Shall the war debts be canceled? The United States has given its answer. It is an unmistakable negative, and while the question "Should they be canceled?" is perhaps not finally disposed of by a refusal to cancel, further studies of the ethical, economic, and political aspects of the question lead to a similar and an inescapable negative.

The joint resolution by which the House and Senate ratified the President's action of June, 1931, declaring a year's moratorium with respect to debts owed the United States, contained this significant provision:

"It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared."

In a quasi-official memorandum released in Paris on January 20 of this year, the American position was again stated. This memorandum, evidently intended as a notification to all concerned, consisted of five declarations:

First. There is no connection between war debts and reparations.

Second. The European powers must take the initiative on reparations.

Third. A demand for a new debts moratorium could not obtain approval in Congress, and the Senate opposes a cancellation or reduction of the debts.

Fourth. The United States would look with displeasure on the formation of a united front of the debtor nations.

Fifth. The existing debt arrangements having been concluded separately, can be eventually revised only by separate accords.

Furthermore, it is announced that the Lausanne conference on reparations, originally called for January 18 and now scheduled to be held in June, will not concern itself with the question of the allied debts to the United States. Great Britain has insisted, and France has agreed, that settlement of the reparations problem for them is a matter which is without relation to their respective debts to the United States.

The subject of debt cancellation—i. e., the annulment or reduction of Europe's war-time debts to the United States—is therefore no longer a live question.

The persistence, however, of the belief, which in many quarters is doubtless sincere, that there is some defect of equity in the American position; that the grievous economic situation of the world is due in substantial degree to the existence of these debts, and that their cancellation would contribute to a restoration of normal world trade, merits attention, although the limits of this discussion admit of no more than brief and general treatment of these viewpoints.

Let us recall what these debts are and how they were incurred.

Congress passed the first Liberty loan act in April, 1917. It provided that the United States Government should sell $5,000,000,000 of Liberty bonds to the public and use $3,000,000,000 of the money thus raised to buy bonds of the allied governments. The principle on which the act was drawn was that our loans to Europe were to be self-supporting and never a burden to the American taxpayers.

It was therefore provided that any foreign bonds taken by our Government in payment should bear the same rate of interest as our Liberty bonds and mature and become subject to retirement at the same time.

The first Liberty loan was followed by a second, third, and fourth.

In none of these transactions did the United States deal with the allied nations collectively. Each loan was an individual matter between this Government and the particular foreign nation involved, and each foreign nation signed demand notes for the amounts loaned to it by the United States.

The armistice was hardly concluded, the peace treaty of Versailles had not been drafted, when the effort began to revise downward the amount of Europe's indebtedness to us.

During the peace negotiations in Paris, the British and French Governments called a conference between the allied nations and the United States to discuss the interallied debts, with a view to pooling them and bringing about either their cancellation or the substitution of Germany as the debtor nation, in place of the allied powers, to whom the loans had been made.

President Wilson refused to participate in any general conference on the subject of these debts. He pointed out that they had been contracted separately and individually by the allied nations and insisted that any arrangement governing their payment should be reached in the same manner.

The idea of substituting Germany as the debtor nation, he rejected, calling attention to the fact that America had neither sought nor would receive reparations from Germany; that it had neither asked nor derived any benefit from the war; that it had not acquired nor did it desire additional territory; and he insisted and always maintained that the debts of the allies had no relation to reparations but rested squarely upon the Allies themselves and no one else. He also stated that the United States would entertain no suggestion of the cancellation of these obligations. To this position he adhered throughout his term as President.

In these discussions Mr. Wilson pointed out that America was the only Nation which had contracted no war debts except to her own people; that cancellation would mean that the Allies would be relieved of a great part of their debt burden, while America would experience no relief at all, as our taxpayers would be obliged to pay into the Treasury the full amount, of which our European debtors were relieved.

There has been no departure from Mr. Wilson's position on the debts by his successors. The right and duty of this country to collect the sums owed to it has been publicly affirmed by ex-President Coolidge; and President Hoover, in proposing a year's moratorium, assured the country that "he did not approve in any remote sense of the cancellation of the debts to us."

Despite all effort to keep our position on this question distinct and free of confusion, the declaration of a moratorium was hailed throughout Europe as an abandonment by America of the position it had so consistently adhered to. European economists and statesmen, with one accord, announced the American debt to be a thing of the past.

But such declarations merely mark the unbroken continuance of the European effort to undermine our position as a creditor by every device calculated to attain that purpose. Every plea that could be invented, every consideration that could be twisted into service have been employed to sustain the continual pressure for cancellation, or at least drastic reduction.

It is undeniably true that, as a people, we still have something of the simplicity of children. We fall ready victims, it has been said, to the illusions of ethical and humanitarian dogma.

The Balfour note, issued in 1922, which maintained that the allied and associated powers were really partners in the cause of freedom, and that the debts incurred were really loans made not for the separate advantage of particular States but for a great purpose common to all, awakened a noticeable response in this country. Even the Columbia faculty of political science was moved to declare that, in its judgment, "the war debts settlements were unsound in principle and that our advances should be regarded as joint contributions to a common cause," thus echoing the Balfour position.

The flaw in the Balfour note was that while it aimed to abolish the economic and financial problems of reparations, and thus to exorcise all the political evils which afflicted the world, it placed the entire cost of so doing upon the American people. Debts were to be abandoned. The allies were to scrap reparations, but the American taxpayer was to liquidate the transaction.

The British thesis was much too naive. Its formula—abolish reparations, cancel debts, and let America pay—was a trifle more than this country could stand.

While we all wish America to be just and even generous, we are not willing that it should be treated as an easy mark.

The equity of our position has its foundation in the prodigal generosity with which we responded to Europe's cry of distress during the welter of war. Our loans were our answer to Europe's appeals for aid, lest she perish. They enabled the debtor nations to purchase food and munitions, to sustain their armies in the field, and to feed their civilian populations. They were made in the face of threatened military defeat and at a time when internal civil disorders threatened to engulf and destroy the borrowers.

While we have maintained that the repayment of our loans has nothing to do with the collection of reparations, we have, nevertheless, advanced in private loans to Germany the money with which she has paid all that has thus far been paid on account of reparations.

What our allied debtors have received on account of German reparations has been derived from American loans, and these loans are the source of a large proportion of what our allied debtors have paid on account of their borrowings from us.

When the American investor ceased in 1929 to buy German bonds, and the vast stream of American loans to Germany stopped, Germany's payment of reparations stopped also.

The truth of the matter is that Germany has never had any intention of paying reparations. Her persistent policy since the Versailles treaty has been one of indiscriminate sabotage with reference to it. She has resisted all requirements of the treaty, so far as she could, and has sought particularly to evade its military and financial clauses.

With the stoppage of American loans, Germany is confronted for the first time with the problem of actually paying reparations. She finds herself, however, in the favorable position of having involved Great Britain and the United States so heavily in her financial difficulties that all she thinks it necessary to do is to threaten financial suicide, which she counts upon to bring to her aid additional credits, postponements in maturities, and the interested endeavors of her private creditors in both Great Britain and the United States, to save themselves by lightening her public obligations.

It is estimated that the loans to Germany and purchases of German securities by the United States and Great Britain aggregate $4,000,000,000. If bankruptcy should now overtake Germany, she feels that she will have sympathetic and not unpowerful fellow sufferers.

It should be borne in mind, first, that it has never been proved that Germany could not pay large sums abroad on account of reparations, and second, that it has never been established that the debt settlements made by the United States with her wartime allies, which were essentially generous, exceeded the capacity of those nations to pay.

Dismissing the question of Germany's paying power, because it does not pertain to my subject, I think it can hardly be contended that our immediate European debtors have ever drawn substantially upon their capacity to pay us, to say nothing of exceeding it.

It is only necessary to refer to the loans made by France to foreign countries since the war ended. They total 13,277,000,000 francs, not including a loan to Czechoslovakia of 600,000,000 francs made on January 20 of this year, nor a loan of 300,000,000 francs to Finland, nor a loan of 400,000,000 francs to the Polish railroads. France is reported to have loaned Rumania 2,090,000,000 francs, and to Poland, in addition to the railway loan just mentioned, the sum of 2,000,000,000 francs has been advanced. She has loaned 770,000,000 francs to Turkey and 23,000,000 francs to far-off China.

Can the plea of France, that she is unable to repay the money borrowed from us since the close of the war, be expected to move us profoundly, in the light of these facts?

As to the economic consequences of our insistence upon the payment of the war loans, much has been said which is erroneous, insincere, and misleading. As a matter of fact, the troubles through which the world is passing are traceable, in hardly an appreciable degree, to the existence of Europe's war debts to us.

And it should be borne in mind that Europe has paid us nothing on account of these debts since January, 1931. The rapid accentuation of the world's financial distress may be said to have occurred since that date, a period in which nothing has been paid, nothing collected, and nothing demanded on account of the war debts to the United States.

In the last year in which any payment on account of principal and interest was received, only the relatively modest (albeit considerable) sum of $215,000,000 was paid to the United States Treasury on the war debts.

This amounted to but one-half of 1 per cent of the estimated national incomes of the countries which made the payments, and to but 2.7 per cent of their annual budgets. They spend more than that for almost any other purpose that seems agreeable. For armaments alone they spent eight times as much as they are called upon to pay us on war debt account; in other words, $1,800,000,000.

From the standpoint of economics the payments amount to but 1.1 per cent of the total volume of the foreign trade of the debtor countries—an almost negligible percentage, altogether incapable of exercising a disturbing effect, or appreciable influence upon world trade.

Of the arguments urged for a reduction of America's claims, there is one which is capable of differentiation from those with which we have grown familiar, and which may be described as the pleas in avoidance.

I refer to the contention that owing to the fall in the price level of commodities, the obligations of the debtor nations are heavier than those which they assumed.

There is a degree of validity to this contention at the moment. The answer to it, however, is that there are other variables which equally deserve consideration, such as the "capacity to pay" on the part of the debtor nations.

Take France as an illustration. The France of to-day has a very different capacity to pay than the France of five years ago. Then the franc was worth less than 2 cents in our currency. Its Government was hard pressed to meet current bills.

To-day the financial position of France is buttressed by a gold reserve second only to that of the United States and still growing as ours diminishes; while her industrial progress both at home and in her colonial possessions, which were greatly augmented as the result of the war, has made a steady progress, which will be continuing.

Against such inevitable variations is to be reckoned the great concessions made by this country in the funding of the debts, which to-day represent far less than the amount of the obligations as contracted and which the borrowing nations bound themselves to repay.

The last gasp of repudiation is the plea that under modern democratic conditions no government which depends upon the people for its existence and must rely for its continuance in power on reelection by popular vote can undertake to impose upon its people the burden of paying the war debts. It is maintained that the debts are identified in the popular mind with a limitation upon national independence and carry the suggestion of tribute, national inferiority, and persecution.

As one writer puts it, "No democratic government can live which assumes in the eyes of its own people the guise of a mere collecting agency for foreign creditors."

I can only comment that if the good faith of governments is to be swallowed up in the bad faith of peoples, then the world is due for a sad disillusionment. If the pledges of nations, threatened with overthrow, have no value; if the confidence shown by the United States in the engagements of her European allies has no foundation, then what becomes of the hope of trustful cooperation between nations?

The dangers that lurk in conflicting national policies, in oppression of the weak by the strong, in the threat of invasion, take on new gravity if a nation which is unjustly assailed can no more look for help in any quarter of the world for the reason that repudiation has displaced honor in international relationships.

PACT OF PARIS

Mr. CAPPER. Mr. President, I ask leave to have printed in the CONGRESSIONAL RECORD Senate Joint Resolution 140, relating to violations of the terms of the pact of Paris, and a statement published by the New York Times on April 7, 1932.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Joint resolution (S. J. Res. 140) providing that it shall be unlawful, unless otherwise provided by act of Congress or by proclamation of the President, to export to any country violating the terms of the pact of Paris arms, munitions, implements of war, or other articles for use in war, or make any such trade or financial arrangements with the violating country or its nationals as in the judgment of the President may be used to strengthen or maintain the violation.

Whereas the United States is a party to the pact of Paris; and

Whereas according to the terms of that pact any country which is a party to it commits a breach of its obligations with the United States if it employs any other than pacific means for the settlement of its disputes with other nations; and

Whereas the pact of Paris states that "any signatory power which shall hereafter seek to promote its national interest by resort to war should be denied the benefits furnished by this treaty," which benefits consist in the guaranty that other nations will settle their disputes with it only by pacific means: Now, therefore, be it

Resolved, etc., That it is the declared policy of the United States:

(a) Not to accept the legality of any situation de facto created by breach of the pact of Paris which may impair the treaty rights of the United States or its citizens in any territory affected thereby; (b) nor to recognize any treaty or agreement brought about by means contrary to the covenants of the pact of Paris which would impair the obligations of that pact.

SEC. 2. That in case other nations, not parties to a dispute, have in open conference decided that any nation has committed a breach of the pact of Paris by resort to other than pacific means, and have further decided not to aid or abet the violator by the shipment to it of arms or other supplies of war, or to furnish it financial assistance in its violation; and in case the President determines and by proclamation declares that a breach of the pact of Paris has in fact been committed; it shall be unlawful, unless otherwise provided by act of Congress or by proclamation of the President, and until the President shall, by proclamation, declare that such violation no longer continues, to export to the violating country arms, munitions, implements of war, or other articles for use in war, or make any such trade or financial arrangement with the violating country or its nationals as in the judgment of the President may be used to strengthen or maintain the violation.

SEC. 3. That the President be requested to invite a conference of the governments signatory to the pact of Paris with a view to their agreement upon a protocol or treaty supplementary to that pact which shall definitely define the obligations of the several signatory powers in case the provisions of the pact of Paris be violated.

STATEMENT BY SENATOR CAPPER ON RESOLUTION IN SUPPORT OF THE KELLOGG PACT, PUBLISHED IN THE NEW YORK TIMES, APRIL 7, 1932

On the fifteenth anniversary of the entry of the United States into the World War and the fifth anniversary of M. Briand's famous offer to the people of the United States to cooperate in the elimination of war as an instrument of national policy among civilized nations of the world I have ventured to lay before the Senate a resolution which embodies, in my opinion, the next step to be taken in the alignment of the United States with the move-

ment to organize effectively the obligations among nations upon which the structure of international peace may be firmly based.

First of all, it embodies the ideas which Secretary Stimson set forth in his note of January 7, 1932, but with a slight but important modification of the language of that note, which was a statement of American policy growing out of one specific incident in our relations with Japan. Phrasing it in more general terms of a universal doctrine, I have been careful to insert an additional clause which limits our nonrecognition of treaties brought about by means contrary to the pact of Paris to that kind of treaty which would impair the obligations of the past. It would not, in my opinion, be wise to state the principle of nonrecognition in any wider terms. It would be conceivable, for instance, that a nation which had gone to war in violation of the Kellogg pact might, nevertheless, make a treaty which in its terms was as generous and just as the war itself had been unjust. The United States should not withhold its consent from treaties of this kind simply because the war which created the situation was in violation of the pact of Paris. But any treaty which was of a kind to register victory for a cosignatory, bringing profit to the violator and awakening the spirit of revenge in the defeated power, would by its very nature impair the whole structure of international confidence. It would be contrary to the interests of the United States ever to accept any such settlement. Stated in these terms, the so-called Stimson doctrine is so sound an interpretation of the fundamental principles underlying America's interest in the maintenance of peace the world over that it should, in my opinion, receive the sanction of the Congress of the United States as a notification to the world that the United States is still in earnest in its support not only of international peace but of international justice as well.

The doctrine here laid down is one which has already won world-wide acceptance through the action of the League of Nations. It is peace enforcement without the obligation to join in police action against the aggressor; it is a sanction without involvement, but none the less effective if it afford a medium for the expression that sound public opinion upon which all plans to further international understanding must finally rest.

The second section of the resolution has been drafted to meet the situation which is bound to arise in case of a major violation of the Kellogg pact. It embodies the experience of the last few months and is intended to prevent the United States from either becoming the accomplice of the aggressor by supplying it with the means for its aggression; or, on the other hand, taking the whole responsibility single handed for holding the aggressor in check. Neither of these situations should be permitted to arise; yet both of them are likely to happen unless we secure some measure of international agreement and prepare a program of progressive measures to be taken in case of an extreme violation. Section 2 is therefore a further step in the safeguarding of our own interests as well as a necessary contribution to the community of action in the face of the menace of war.

It should also be remembered that we have been asked to take some such step as this by the heads of other governments with whom we are now assembled in Geneva in the hope of reaching measures of disarmament. If the United States remains a potential arsenal for every violator of the Kellogg pact, then we can hardly hope for any major steps in real disarmament.

Finally, a supplementary resolution calls for a conference to secure additional treaty or protocol to the pact of Paris defining the obligations in case of its violation. It is not my idea that this calls for a definition of all the obligations in every case beforehand, but that there should be some better understanding than exists at present as to the program of progressive measures of nonintercourse or coercion which may be adjudged necessary to deal with a flagrant violation of this pact of peace.

COMMITTEE ON ECONOMIC SANCTIONS

Mr. CAPPER. Mr. President, I ask to have printed in the RECORD a report of the committee on economic sanctions, appointed in September, 1931, by trustees of the Twentieth Century Fund, to consider the use of economic sanctions by the nations of the world in the avoidance of war with special reference to American public policy. A thorough inquiry was made as to both the diplomatic and economic aspects of the subject by qualified students of international law and economics. The committee suggests that the signatories of the pact of Paris agree to a protocol supplementary to the pact, providing for a prompt conference of their representatives in the event that hostilities by one or more of their number break out or be threatened. Such a conference would be charged with the duty of deciding upon the joint institution of measures of nonintercourse against the offending nation or nations.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

REPORT OF COMMITTEE ON ECONOMIC SANCTIONS

The committee on economic sanctions, organized in September, 1931, on the invitation of the trustees of the Twentieth Century Fund, submits the following report on the possible use of measures of nonintercourse by the nations of the world in the avoidance or suppression of hostilities. In so doing the committee makes grateful acknowledgment to the trustees of the Twentieth Century Fund for their initiative in inviting the chairmen to form the committee, for underwriting its expenses, and for furnishing research and other facilities for carrying on its activities.

The pact of Paris, which is sometimes referred to as the Kellogg-Briand treaty, pledges some 60 nations of the world to renounce war as an instrument of national policy. Following its renunciation of war, the pact of Paris expressly stipulates that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may have which may arise among the high contracting parties shall never be sought except by pacific means. This solemn and epoch-marking engagement puts an end to international war forever, provided each one of the Governments signatory thereto keeps its word. It surely is not to be lightly assumed that any signatory power will break its word solemnly given in a matter of such great importance.

So much having been said, however, one crucial question remains, namely, What shall be the attitude and the policy of the other powers signatory to the pact of Paris if one or more of their number, failing to conform to the pledge given in the pact, do begin or threaten hostilities?

The committee on economic sanctions is of opinion that the time has now fully come for the powers signatory to the pact of Paris to declare, in answer to this question, what, under such circumstances, will be their policy.

In the present state of world opinion, it is highly probable that no people whose government is signatory to the pact of Paris will desire the use of their government's military and naval forces in the settlement of international quarrels arising elsewhere in the world. Nevertheless, a clear and definite violation of the pledges given in the pact of Paris may easily lead to another world-wide armed conflict, this time finally and fatally disastrous in its effects.

The committee accordingly suggests that the signatories of the pact of Paris should enter into an appropriate protocol or agreement supplemental to that pact whereby they will engage themselves, in the event of hostilities, actual or threatened, promptly to consult together with a view to determine upon measures of nonintercourse which would be appropriate to prevent the threatened breach of the pact, or if it could not be prevented, to end hostilities and to restore the status existing prior to the breach.

Among the measures of nonintercourse which could be applied would be:

(1) A cessation of any shipment of arms or munitions or other absolute contraband;

(2) Such further economic sanctions and concerted measures, short of the use of force, as may be determined to be appropriate and practical under the circumstances of any given case.

In order to give an international basis for consultation and possible action along the foregoing lines, it is recommended that the Government of the United States, as an initiator of the pact of Paris, call a conference of the signatories of that pact with a view to their adherence to a supplemental protocol or treaty which shall provide for such consultation and action as are here suggested.

The committee submits these proposals in the firm conviction that such an international undertaking as is here urged upon the signatories of the pact of Paris will promptly and powerfully advance the cause of international peace.

Nicholas Murray Butler, chairman, New York City; Joseph P. Chamberlain, New York City; William H. Crocker, San Francisco, Calif.; John Foster Dulles, New York City; Lucius R. Eastman, New York City; Alanson B. Houghton, Washington, D. C.; Edward N. Hurley, Chicago, Ill.; James D. Mooney, New York City; Harold G. Moulton, Washington, D. C.; Bolton Smith, Memphis, Tenn.; Silas H. Strawn, Chicago, Ill.; Evans Clark, secretary, New York City.

RELIEF OF UNEMPLOYMENT

Mr. WAGNER. Mr. President, I ask to have printed in the RECORD a telegram from the Architectural Iron, Bronze, and Structural Workers' Union of New York, a resolution adopted by New York Typographical Union, No. 6, and a resolution adopted by the Yonkers (N. Y.) Chamber of Commerce, relating to relief for unemployment.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *April 20, 1932.*

Senator ROBERT WAGNER,
Senate Chamber, Washington, D. C.:

Our membership instructed me to state that they have all reason to believe that your unemployment relief and construction bill is to be adopted. We therefore pledge whole-hearted support.

ARCHITECTURAL IRON BRONZE AND STRUCTURAL WORKERS UNION OF NEW YORK,
L. SMETANA, *Secretary.*

NEW YORK TYPOGRAPHICAL UNION, No. 6,
New York, April 18, 1932.

Hon. R. F. WAGNER,
United States Senate, Washington, D. C

HONORABLE SIR: At the regular meeting of New York Typographical Union, No. 6, held Sunday, April 17, the following resolution was unanimously adopted:

"Whereas Congress at its present session failed to enact any laws making provisions for the relief of unemployment; and

"Whereas Senator ROBERT F. WAGNER has introduced a measure which provides for unemployment relief and construction: Therefore be it

"*Resolved by New York Typographical Union, No. 6, in regular meeting assembled this 17th day of April, 1932*, to indorse the aforementioned legislative measure introduced by Senator ROBERT F. WAGNER; and be it further

"*Resolved*, That a copy of this resolution be spread upon the minutes of this union, and a copy be forwarded to Senator WAGNER, the President of the United States Senate, and to the Speaker of the House of Representatives."

Very truly yours,

J. J. MCGRATH,
Secretary-Treasurer.

Resolution adopted by the Yonkers (N. Y.) Chamber of Commerce at a regular meeting thereof held at the city of Yonkers on the 5th day of April, 1932

Whereas for upwards of 40 years the city of Yonkers has been one of the centers of activity in the sugar-refining industry in this country, where two large refineries have been maintained and operated to the great benefit of this city and its people. For the past two years work in this industry has been suspended through the closing of the two refineries in question, whereby hundreds of working men and women formerly employed in these plants for years are without employment and without the means of supporting themselves and their dependents.

This chamber is informed that this city has suffered a serious loss through the cessation of operations in these refineries reflected by a loss of taxes, a decrease in the distribution of wages among our stores and business houses, and the removal of those formerly employed in the suspended establishments to other sections of this and other States.

This chamber, on inquiry, learns that the sugar refineries referred to have been forced to suspend largely by reason of the quantities of refined sugar of foreign origin which have been imported into this country for the past three or four years, especially in the past two years, during which time, due to an improper adjustment of the tariff on refined sugar, such importations have increased at an alarming rate. The information furnished this chamber, which it regards as reliable, shows the following facts relevant to this matter:

That sugar refining in this country is an industry 200 years old. For over 150 years, or for the entire legislative period of our Government, it has been protected by an adequate tariff from destructive competition from abroad. For the first time this protection is withdrawn and a premium is placed on the importation of foreign refined sugar. Under this law upwards of about 800,000,000 pounds of refined sugar were imported into this country in 1931, growing from practically nothing in 1926 to the total of about 800,000,000 pounds five years later. The American sugar refiner can not compete with the product of foreign origin. This is true because he has to pay four times as much for his labor as his foreign competitor. The lowest paid workingman in a Yonkers refinery received over $4 a day. A man doing the same class of work in Cuba, our largest competitor, is paid from 25 cents to 50 cents a day. Thus, for every $1,000,000 paid for labor in the sugar refineries of other lands the refiner in this country pays $8,000,000.

The employees of the closed refineries in this city represent the best type of American labor. Many of them have been with these companies for years, some for more than 35 years. A very large proportion of them owned their own homes. They embodied in the highest degree working men and women, who, until they were deprived of their employment, were well fed, well clothed, and well housed citizens, taxpayers, and owners of property, who contributed in every way to the welfare and prosperity of this city. These people are a part of an army of 15,000 men and women employed directly in this industry in the United States who were paid from $30,000,000 to $40,000,000 annually in wages. This does not include countless other millions paid to workers in allied industries, the products of which form the supplies of the refineries operating in this country, such as coal, the consumption of which reaches almost 1,000,000 tons a year, cotton for bagging which reaches nearly 200,000 bales in the same time, and other commodities too numerous to mention here. The sugar refineries in this country, 21 in number, represent an investment of $250,000,000 with thousands of stockholders therein, and this country pays $500,000,000 a year for the produced refined sugar. If the order of things evidenced by the closing of the two refineries in our city is extended, and the industry is transferred to foreign countries, as it inevitably will be through the destruction of the domestic refineries, the American people will pay a bill of $500,000,000 a year for a commodity indispensable to them, without the labor of the country deriving one dollar of benefit therefrom. The ultimate loss to the United States through the gradual, but none the less certain, transference of the sugar-refining business to other lands is incalculable. Loss in revenue to the Central Government is bound to ensue. Local taxes will decrease. Wages will be lost and instead of one of our best items of food being manufactured here in its final form under sanitary conditions, it will be sent to us from other lands which are not under the strict sanitary supervision prevailing in this country.

When this system or order of things is brought home to us, as it has been by the closing of the two industrial establishments engaged in this business in our city, which have been driven therefrom as the result of competition from other countries, we feel it to be our bounden duty to resist to the full the extension of this pernicious and destructive state of affairs, since what has happened in one industry, may presently confront us in another until the whole prosperity of our city may be affected, if not destroyed.

As the closing of the two refineries in this city concerns the welfare of it to such a large and important degree, this chamber feels called upon to demand governmental action, to the end that this industry be immediately afforded protection from foreign competition through a revision of the present tariff on refined sugar or prompt action by the proper administrative bureaus of the Central Government to accomplish the same result: Therefore be it

Resolved, That it is the sense of this chamber, acting on behalf of the city of Yonkers, that the Congress of the United States enact a law increasing the duty on refined sugar sufficient to protect the American refiners; and pending such legislation that the Federal Tariff Commission, pursuant to the powers conferred upon it by the statute, readjust the present tariff on refined sugar by increasing it to an amount sufficient to enable the sugar refineries of this country to operate in competition with foreign producers, based on the difference in cost of sugar refined in this country and abroad; be it further

Resolved, That a copy of this preamble and resolution be sent to the President of the United States, to the Hon. ROYAL S. COPELAND, the Hon. ROBERT H. WAGNER, Senators in Congress from the State of New York, the Hon. JOHN N. GARNER, Speaker of the House of Representatives, the Hon. JOHN W. COLLIER, chairman of the Ways and Means Committee of the House of Representatives, and the Hon. Robert L. O'Brien, chairman of the Federal Tariff Commission.

AN APPEAL FOR HONEST MONEY

Mr. BAILEY. Mr. President, I ask to have published in the RECORD an address by Clarence Poe, president of the Progressive Farmer-Ruralist Co., on An Appeal for Honest Money.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A short time ago when the National Grange and the American Farm Bureau named representatives of America's organized farmers to appear before a congressional committee in behalf of money stabilization, or "honest money," I was named as one of the speakers.

At the last minute I was prevented from going, but I feel so strongly on this subject that I wish now to urge its overshadowing importance to both American agriculture and American business.

If the average well-informed American citizen could speak to our average Senator or Representative in Washington, I believe he would say something like this:

"The plain people of America are pleased with the seriousness with which you are going about your work.

"You did well in passing the Reconstruction Finance Corporation act.

"You did well in passing the Glass-Steagall currency expansion act.

"You did well in dropping the sales tax and substituting higher income and inheritance taxes, etc.

"You are doing well in promoting governmental economy.

"You will render all America a magnificent service—superb—if you pass the proposed plan for guaranteeing bank deposits.

"Yet no one of these things, nor all of them combined, can restore prosperity until you provide for two other things:

"(1) Either adopt such financial policies as will increase commodity prices to average 1920–1930 levels, or so deflate the dollar that our colossal debt burden of public and private debt can be paid off with dollars of the same value that dollars possessed when these debts were created; and

"(2) Provide for a genuinely stable system of money from now on."

Since this issue is now coming definitely before Congress, I wish briefly to review the outstanding facts involved as I see them:

I. HOW DEFLATION HAS DOUBLED FARM DEBTS

Every Congressman and Senator knows how tremendously all forms of debt have increased in the last 15 years—Federal debts, State, county, municipal, and private debts; debts to commercial banks, land banks, mortgage companies, and all financial institutions—and all these debts, public and private, have practically doubled because of the increased value of money. As National Master L. J. Taber of the National Grange has pointed out, if a farmer made a debt so recently as 1930, it now takes 77 per cent more farm products to pay the principal of the debt than then, and Mr. Taber has compiled the following table showing in terms of what the farmer has to sell just how much he now has to pay in the form of farm products (in principal alone besides interest) for each $100 borrowed or for each $100 of debt incurred in any of the years indicated in the table:

Year $100 borrowed:	Present amount in commodity values
1930	$177
1929	202
1928	208
1927	209
1926	196
1925	217
1924	215

Year $100 borrowed—Continued:	Present amount in commodity values
1923	$200
1922	197
1921	180
1920	230
1919	333
1918	308
1917	291
1916	225

There can be no economic recovery that ignores this fundamental situation. As Mr. James C. Stone, of the Federal Farm Board, said recently:

"The fellow who is in debt and whose debt was created when commodity values were much higher than now has only three ways to get out. He can repudiate his debt because he can not hope to pay it when the commodity upon which he based the debt was then selling for four times what it is now. For example, if a cotton grower borrowed money on his land when cotton was 25 cents a pound, it now takes five bales to pay the debt where it took only one when the debt was created—and it is impossible for him to produce five bales where he produced one then. The second way out for the farmer is for the price of the commodity to rise within a reasonable distance of where it was when that debt was created. The third alternative is in some way to provide cheaper money for him to pay his obligation. One of these three things is going to happen. We are going through the repudiation stage now and have been for several years. If that continues, it will be a long-drawn-out process and it will keep business and finances upset. A great many people think that is the natural normal way for it to adjust itself, but personally I do not. One of the other ways should be adopted, and I do not believe it will be necessary for us to go off the gold standard to do it."

"One of these three things is going to happen," as Mr. Stone correctly said—increased commodity prices, cheaper money, or repudiation. There is no other way out, for it is physically impossible to produce and sell enough extra commodities to equal the volume of debt unjustly imposed by our present money system.

II. BUSINESS MEN INTERESTED EQUALLY WITH FARMERS

And not only is it impossible for agriculture to recover without either increased commodity prices or deflated debts, but the same thing is true of all business. From no farm leader, from no spokesman of agrarian opinion, has Congress any warning more emphatic or clear-cut than this voiced by the ablest organ of American business, the Business Week, of New York City, in its issue of February 3, 1932:

"The only remaining road to recovery for ourselves and the world is by concerted and courageous action, through governments and central banks, to raise the commodity price level and reduce the value of gold to the level at which it was when the bulk of the world's public and private debt burdens were contracted. Otherwise universal bankruptcy, default, and repudiation are unavoidable.

"Every means to accomplish this purpose is justified, and every influence the United States can exert in this direction as the most powerful financial force in the world to-day is indispensable. If it can not be done by action of central banks, or collateral agencies like the Reconstruction Finance Corporation in forcing credit expansion through ordinary banking channels, it must come through deliberate devaluation or direct inflation of currency."

III. THE FUNDAMENTAL DISHONESTY AND IMMORALITY OF OUR PRESENT MONEY SYSTEM

If the "universal bankruptcy, default, and repudiation" were necessary as a result of following rigid rules of honesty and fair dealing, that would be one thing. But when all this disaster is the result rather of a fundamentally immoral and dishonest standard of values (or absence of standards) the situation becomes entirely different. When we reflect that all debts must really be paid in commodities, and when we find the financial committee of the League of Nations reporting that whereas in 1928 it took 100 units of commodities to pay a debt of 100 gold units, to-day it requires 170 units of commodities, we must agree that this is not only "the crux of the crisis" but presents a ghastly and flagrant perversion of essential morality. As C. V. Gregory says: "If Congress had passed a law in 1926 requiring every debtor to pay back $1.50 for every $1 he had borrowed, besides interest, we would have had a revolution. Yet that is just what deflation has done. Suppose Congress had passed a law in 1926 doubling the size of the bushel basket or the number of pounds in a bushel, and had told us that in measuring out products to pay our debts we must give the same number of bushels of grain but measure it out in these new and enlarged bushel baskets. By failing to take action to stabilize the value of money Congress has done what amounts to the same thing."

When such conditions prevail and when a man may pay and pay on the principal of a debt and still find himself owing the creditor more in goods and commodity values than at first, then government is simply permitting and promoting robbery under the sanction of law. As Dr. Irving Fisher, of Yale University, is quoted as having said before a congressional committee recently:

"Not only are we having a tragic liquidation of debts through foreclosures, etc., but it is a liquidation that does not liquidate. You may pay $300 on a $1,000 debt, only to find that you have increased your indebtedness to $1,100 in terms of commodities. So in spite of all that America has paid on its debts, there has been no real liquidation since 1929. We are now in debt more than we were then in terms of what we have to pay with. We are told that the national debt has been reduced by 28 per cent, but that is an illusion. The remainder must be paid by taxes paid by the farmer and factory in commodities. Instead of our debt being reduced from twenty-five billions to eighteen billions, it now stands at thirty-five billions in market-basket dollars—ten billions more than it was in 1924. Of America's gross debt we have liquidated fifty billions of two hundred billions indebtedness, but now find ourselves with a debt of two hundred and thirty billions in market-basket dollars. Some think that we are working our way out, but we are working ourselves in."

IV. OUR PRESENT SYSTEM PUNISHES INITIATIVE AND ENTERPRISE, DESTROYS AMERICA'S HOPE

Not only does our present money system unjustly rob all debtors but it penalizes and pauperizes the groups who have made America great, while it rewards and enriches the timid, the unenterprising, the inactive. The men who had faith in America and wished to serve it, the men who from 1915 to 1930 invested in farms and homes and factories and buildings and machinery and equipment—they have been deflated or bankrupted down to $50 or less for each $100 invested. On the other hand, the timid man who put his money in a safety-deposit box can take it out and find it worth $200 in purchasing power for each $100 it formerly possessed. The unprofitable servant who hides his money in a napkin was condemned by the master, but he is the very man whom our money system selects for its richest rewards to-day, while the man of enterprise and courage is punished for his virtues.

And of all enterprising Americans who suffer the farmer suffers most. This is true, because when hard times come and prices drop factories shut down and cut off production, but the farmer keeps right on producing for his fellows in normal volume and finds his prices cut more and more because of the surpluses accumulated in the face of a vanishing market.

V. WHAT CAN CONGRESS DO ABOUT THE SITUATION?

As we have already said, this whole question will be acutely before Congress this month. Several bills looking to permanent remedies will be presented. Farm leaders and others interested in an "honest dollar" are not asking for the abandonment of standards of value, but rather for the establishment of real standards of value. As President Edward A. O'Neal, of the American Farm Bureau, said to a congressional committee:

"In asking that Congress give us an honest dollar we are not asking that we abandon our standard. We want gold to be back of the dollar, but we want it to be back of an honest dollar. We ask that you regulate the value of our money so that money itself will not distort the exchange value of commodities, but will serve as an accurate medium of exchange expressing the true exchange value of two commodities or two services."

If the commodity price level of 1920–1930 can be restored and thereafter steadily maintained wholly by Federal reserve action, good and well. But millions believe that it is going to be necessary to provide that hereafter the quantity of gold in our standard dollar shall be increased or decreased so as to equal the average 1920–1930 purchasing power of a dollar. This could be done by storing gold bullion in the United States Treasury and issuing not coin but certificates against it—just as is now done with our silver certificates.

Farm leaders and others should recognize the danger of asking the Government for fiat, or printing-press money, without intrinsic metallic value behind it. Such an issue might now be justified as an emergency measure, provided provision were made for its retirement as fast as commodity prices reached 1920–1930 levels, but no inflation beyond 1920–1930 levels should be tolerated. We wish to have a genuinely honest dollar—just to creditors as well as to debtors.

VI. A MORAL ISSUE TO STIR AMERICA

And here indeed is a moral issue that should stir America. For this whole problem has its roots deep, very deep, in basic and essential moralities—in sheer fundamental common honesty as between man and man. Certainly every man in America ought to see it who professes to revere a God who hears "the needy when he crieth, the poor also, and him that hath no helper"; every man who professes to serve a God to whom a false balance is an abomination but a just weight His delight and who wrote it into the statutes of Israel 4,000 years ago—

"Ye shall do no unrighteousness in judgment, in meteyard, in weight, or in measure. Just balances, just weights, a just ephah, and a just hin shall ye have * * * not divers weights * * * not divers measures. But thou shalt have a perfect and a just weight; a perfect and just measure shalt thou have."

It would be impossible, it seems, for the genius of man to conceive and bring forth a more gigantic and colossal invention for making "the rich richer and the poor poorer," or for sheer robbery of the debtor classes under the form of law, than is such an unstable measure of value as the dollar. It is a system which makes the law an aid and ally of the robber rather than defender of the robbed. When, for example, a debt is contracted when the dollars loaned represent 10 bales of cotton or 500 bushels of wheat, and the governments and financial systems of the earth make it so that the creditor collects dollars that represent 30 bales of cotton or 1,500 bushels of wheat (and in similar proportions as regards all other commodities), in addition to having all interest payments correspondingly increased—when this happens, has not a robbery been permitted as essentially immoral as the theft of hams from a smokehouse, the burglary of a home, or the holdup of a bank? There may be law, but there is no morality and no honesty in requiring a man to pay in values twice or thrice what he received in

principal plus twice or thrice in values what he agreed to pay in interest also.

And here, too, is an amazing contrast. In 1896 our captains, lords, and rulers in business and finance thundered in indignation against a policy that they said would have permitted 100-cent debts to be paid with 50-cent dollars and rallied America in behalf of "honest money" to protect the creditor classes. But to-day, from what high quarters in press or pulpit or rostrum have we heard any nation-summoning alarum in behalf of "honest money" to protect the debtor classes—any soul-stirring protest, tense with moral indignation, against the immorality of requiring debtors to pay with 100-cent dollars the debts they contracted with 70-cent, 50-cent, or even 44-cent dollars? Why the difference?

VII. WE MUST HAVE A PERMANENTLY STABLE SYSTEM OF MONEY FROM NOW ON

It is not enough just to remedy or patch things up to meet the present emergency. Congress will be guilty of an unpardonable crime against America's present and future if it does not provide that permanently from this time on the dollar shall be a stable measure of purchasing power—a real yardstick of value. We have a standard of time that never varies—the hour; a standard of length that never varies—the yard; a standard for liquids that never varies—the gallon; a standard for measuring corn and wheat that never varies—the bushel. And yet our national standard of value—the dollar—in real purchasing power interpreted in terms of what it will buy we permit to be as variable as would be a yardstick sometimes 18, sometimes 24, and sometimes 36 inches long; as variable as would be a bushel measure sometimes 2 pecks, sometimes 3 pecks, sometimes 4 pecks in capacity; as variable as if we had hours sometimes 30, sometimes 45, and sometimes 60 minutes in length.

And in proof of this declaration one has but to look at the following official statistics of the Department of Labor, Bureau of Labor Statistics, showing the purchasing power of the dollar expressed in terms of wholesale prices since 1915, taking average 1926 prices as 100 or $1:

Year:	Purchasing power of $1
1916	1.170
1917	.851
1918	.762
1919	.722
1920	.648
1921	1.025
1922	1.034
1923	.994
1924	1.019
1925	.956
1926	1.000
1927	1.048
1928	1.024
1929	1.036
1930	1.159
1931 (January)	1.299
1931 (December)	1.406
1932 (March)	1.503

After the tragic experiences America has just been through, all enterprise will lag, all business will halt, all enterprise will be frightened, all development on the farm and in business will be checked if every man must make future plans with no assurance as to whether the dollar at pay time will be worth 50 cents, $1, $1.50, or $2 in commodity values. On the contrary, if, as a result of this depression, Congress will for all future time provide two such measures as are now under consideration, (1) Government guaranty of bank deposits and (2) a stable currency system based on average 1920–1930 commodity prices, then both American agriculture and American business can at once go forward to an assured and permanent prosperity.

THE UNITED STATES SHOULD LEAD THE WAY

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD an admirable address delivered by that distinguished American scholar, Nicholas Murray Butler, on the subject, The United States Should Lead the Way, delivered before the Economic Club of Chicago, Ill., on April 15, 1932.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

To speak in the presence of this distinguished and exceptionally representative company of men of affairs is both an honor and a great privilege. These you have been good enough to give me and in addition have proposed as my topic, Our Times.

One wonders what new word can possibly be spoken on this subject which for years past has been discussed and debated in every part of the civilized world by outstanding statesmen, scholars, and men of affairs. As a result, the whole world is living in a state of quite unaccustomed and unfamiliar introspection. As objective values have rapidly fallen, subjective values have multiplied with equal rapidity. States of mind are now seen to be more important for the world's welfare, the world's peace, and the world's prosperity, and to have more direct influence upon these than the price of wheat, of cotton, of copper, of oil, the condition of the banks or the earnings of the railways. There have been times in past history when most distinguished individuals and groups have given themselves over to introspection and have thereby enriched the literature, the art, the philosophy, and the science of the world. For the first time, however, in these modern days, when the theory and practice of democracy had apparently been pretty firmly established throughout the whole western world, we find introspection compelling the attention not only of the few but of very many. Men everywhere are turning their intellectual gaze inward, to ask what can be the matter with our customary convictions, our customary habits, our customary practices, our customary feelings, that they have allowed the world to come to the pass in which it now finds itself. This is a very striking phenomenon and must not be passed over without remark, for it offers a valuable clue to an understanding of what is going on. One thing which it means is that men may easily work themselves into so great a state of dissatisfaction with that to which they have been accustomed as to become steadily less critical of proposals for economic and political revolution.

By odd coincidence, a short time ago I came upon the text of what was grandiloquently described as an oration delivered by me on being graduated from the high school of my home town in New Jersey. Its title was, "The Age in which We Live," and this is its opening sentence: "This is indeed a wonderful age." To-night, after all the long and crowded years that have intervened, I can only repeat those words of boyhood: "This is indeed a wonderful age." It is so primarily because it is the theater for the display of the effects of many and varied forces, long in operation, which are now at work under the wholly new intellectual, economic, and political conditions which the twentieth century provides. It is not so long ago that those various organized groups of men which are called nations were widely separated both in time and space; the electric spark has wholly destroyed that separation and brought men, wherever they may be placed on the surface of this earth, close together in almost instant contact. It is not so long ago that foreign trade and exploration were almost interchangeable terms; now the conditions of foreign trade and of domestic trade are practically indistinguishable. It is not so long ago that the man who had visited another country or who had seen another continent than his own was a rarity; now there are millions of human beings traveling over the surface of the earth day by day and making themselves familiar through personal contact with cities and countries and personalities which were once as remote as Jupiter or Saturn. The fundamental fact of our times is that we are living in a new kind of world, a world of independent, if you please, but also of interdependent nations, no one of which can long prosper or gain influence without the cooperation and concurrence of its fellow-nations. Until men generally get this fundamental fact in their heads, they will have no understanding of our times and can make no possible or practical contribution toward the solution of the really appalling problems which confront us on every hand.

It is now beginning to be understood that if, under these conditions of interdependence, modern nations insist upon waging international war on any pretext or for any reason whatsoever, they must be prepared to pay the bill; and also that there is not wealth enough in the world to pay that bill without destroying the world's prosperity for generations. Moreover, we are now learning that nations can fight destructive and costly war with national selfishness, national jealousy, and high tariffs quite as successfully and quite as disastrously as with armies and navies and air forces.

It is just 13 years and 5 months since the military hostilities of the Great War were brought to an end by the armistice, and it is not yet 13 years since the treaties of Versailles, of the Trianon, and of St. Germain were signed which attempted to record and to settle the issues of that war. The military hostilities ended on November 11, 1918, but the intellectual, the emotional, the economic, and the political hostilities are still going on, and these are the fundamental cause of the economic and financial disaster and paralysis which have overtaken the whole world and which justly give us so much concern at this moment here in the United States. This has been said so many times and has been demonstrated so often that one would suppose that by this time everyone would understand. On the contrary, there are large bodies of public opinion in this land and in several other lands which show no capacity whatever to grasp or to understand these facts, and at Washington, as well as at several other capitals, the most incredible nonsense is constantly talked on this subject. To the best of my knowledge and belief, there is no dissent among those who know in any land in respect to this matter, but there appears to be an overwhelming majority of those who do not know, and it is to these that argument and exposition must be directed.

Put bluntly, the specific primary cause of the plight in which our farmers, our manufacturers, our merchants, our railways, and our bankers find themselves is the attempt not only to pay war reparations and so-called intergovernmental war debts, but to pay these across frontiers that are guarded by high and thick tariff walls which do not permit international payments to be made in goods. A quick result has been an unnatural and unwarranted distribution of gold which lies useless and sterilized at one or two financial centers. Gold thereby steadily increases in price measured in goods and services, while this, of course, causes a simultaneous fall in the price of every other known commodity. That is the most succinct statement which I am able to make of what I regard as the basic fact in the present economic situation. We are all calling aloud for a return of prosperity while supporting our governments in precisely those policies which make a return to prosperity impossible.

If international policies had been adopted 10 years ago that not only permitted but encouraged international settlements in terms of goods and services, we should have had perhaps a difficult situation, but certainly one far less tragic than that in which we now find ourselves. When international payments in gold were substantially insisted upon, it did not take long to make it clear that the whole amount of gold in the world was not sufficient to pay more than a fraction of these enormous reparations and so-called intergovernmental debts. Then a new situation developed, to which Winston Churchill has recently called attention and which would be comic were it not so tragic. The nations that found themselves victorious in the great war, so far from being able to collect vast sums in reparations from the nations that were defeated, actually loaned those nations the money with which to pay the amounts that the victorious nations have thus far received. Really one would suppose that we were witnessing opera bouffe in all this instead of facing the stern realities of a world that deludes itself into thinking it is practical.

Deflation has gone on to an extent which is without parallel, and every day the value of what we do and of what we own is falling, not only in those countries which are without a supply of gold, but in those, France and the United States, which have gold in superabundance. It is all this which has shaken public confidence, which has stopped credit, which has enormously reduced traffic on the railways, which has closed down manufacturing establishments, which has left the farmer without a compensating market, and which has thrown out of employment millions upon millions of men and women who are able, willing, and glad to work. Moreover, this process has gone on so long and so far that it has greatly increased the embarrassment of every debtor. The standard of measurement in which his debt was contracted several years ago has been greatly lengthened by the rise in the price of gold, and in payment of his debt he must now be prepared to offer in goods and services at least some 35 per cent, more in value than he borrowed. Is it any wonder that every sort and kind of financial heresy is raising its head when such conditions prevail?

In fact, the disaster which has come upon us all is quite comparable, whether measured in magnitude or in severity, to the disaster of the World War itself. To-day there are more men out of work than there were under arms in the great war, and the direct financial losses which have been incurred since 1918 have already exceeded the direct financial losses of that war. To the United States alone the money cost of the war is put by our best authority at thirty-seven and one-half billion dollars.

The notion so often advanced here in the United States that we are simply passing through one more natural period of depression and panic from which we shall recover as we recovered from others that preceded it, is wholly illusory. These amazing conditions bear no relation whatever, either in origin or in character, to those which we are accustomed to associate with the years 1837, 1857, 1873, 1893, and 1907. Those ingenious persons who are drawing graphs and making tables to show when business will return to normal and when prices will rise, following the precedents of those earlier depressions, are wasting their time. Unless we remove the basic causes of this present depression, there is no assurance of any automatic check to it whatever until there comes about a complete paralysis of all business activity. Here in the United States, as in Great Britain, something has been done to deal with some of the aspects of the crisis that are clearly local and internal. It is quite obvious, however, that as yet nothing of any fundamental character has been undertaken to deal with those basic international aspects which are controlling.

Because the great war turned the United States into the position of a creditor nation, there rests upon our Government a singularly weighty responsibility to take the initiative in dealing with the underlying causes of the present situation. It is of no use to repeat old and outworn formulas which have long since lost any meaning that they may ever have had; it is essential to look facts in the face in a spirit of realism and to deal with these facts in a spirit of human understanding, of human kindliness, and human sympathy.

What is needed, first of all, is a quick, drastic, and permanent reduction or complete abolition of all existing intergovernmental obligations which arose out of the World War. It is merely a tantalizing putting off of the day of reckoning to propose the moratorium, for a moratorium only postpones the day when the real issues must be definitely faced, no matter how grave they may be. This world crisis is essentially a crisis of confidence, and until the present paralyzing uncertainty with respect to the intergovernmental war obligations is ended world confidence will not be and can not be restored. Every government concerned would enrich itself and its people by joining in wiping out those obligations entirely.

Of all the outstanding intergovernmental war obligations, of course, the most onerous is that of Germany to pay reparations. Recent economic studies by disinterested and open-minded men have made it perfectly plain that, whether one likes it or not, Germany simply can not now pay the full charges put upon her under the Young plan, and is quite unlikely to be able to pay any considerable amount for some years to come. Of course, the principal European nations which are Germany's creditors on account of reparations are also debtors to the United States. For various reasons, but chiefly due to the prevailing depression, these nations are not now financially able to pay the United States the amounts due unless they in turn receive financial payments from Germany on account of reparations. It is therefore a purely legalistic and technical position for us to take when we say that there is no relationship between reparation payments and intergovernmental war debts. There is the closest and most definite relationship between them, because it is a relationship not of law but of fact. Our Government, in insisting upon a merely legalistic statement of this situation, has persistently closed its eyes to the facts. It is high time that its eyes were opened. These are the reasons why the initiative must be taken by the United States. In refusing to take that initiative, our Government is simply throwing the weight of its influence on the side of making the present crisis worse and more dangerous.

Moreover, it is quite ludicrous to say, as is said at Washington almost every day, that, if we cancel the so-called intergovernmental war debts, the amounts which we might have received in those payments will have to be made up by the American taxpayer. One would suppose that Washington had never heard of the fact that, because of the situation arising from these so-called intergovernmental war debts, we in America have lost many, many times over, in shrinkage of capital values and in loss of business, the sum total of what we could ever hope to receive from this source. The United States Treasury received in the last fiscal year some $240,000,000 on account of these so-called intergovernmental war-debt payments, but the losses from the collapse of our foreign trade have been ten times that amount and our Federal income tax has fallen off more than five times that amount. We present the unenviable picture of cutting off our national nose to spite our national face.

The language of the special advisory committee on the Young plan, which sat from December 9 to December 23, 1931, can not be improved upon. These are the words of the distinguished and skilled body of economists and men of affairs who constituted that committee: "The adjustment of all intergovernmental debts (reparations and other war debts) to the existing troubled situation of the world—and this adjustment should take place without delay if new disasters are to be avoided—is the only lasting step capable of reestablishing confidence, which is the very condition of economic stability and real peace. We appeal to the governments on whom the responsibility for action rests to permit of no delay in coming to decisions which will bring an amelioration of this grave crisis which weighs so heavily on all alike."

Is it not clear then that the world's most competent economists have done all that they can do to make us understand the situation and its gravity? They clearly put the responsibility for a continuance of the present situation where it belongs, namely, upon the governments, the organized political forces of the world. Under these circumstances, the political party in the United States, or the candidate for high political office, that declares opposition to any plan for the readjustment of the so-called intergovernmental war debts to the existing economic and financial situation, merely declares in favor of prolonging the existing depression, with all the sorrow, with all the suffering, and with all the distress which that means. Surely this is a frightful responsibility for any political party or for any individual candidate to assume!

In the second place, there must be a quick movement for a world-wide revision and reduction of tariff schedules if industry and trade in the United States and elsewhere are to revive. Any one who has seen the very striking model prepared by Sir Clive Morrison-Bell, which shows present-day Europe and its tariff barriers, will see at a glance just why business is at so low an ebb. The world is calling out for a revival of business in theory while in practice it is working hard to prevent that revival. The grotesquely high levels of the world's present tariffs and the very bureaucratic and vexatious methods which attach to their administration have for several years past either impeded, or wholly prevented, the normal flow of products between various countries, have put obstacles to, or wholly prevented, the normal payment of private international debts, and have contributed powerfully as an underlying cause to bring about and prolong the present world depression. It is conceivable that a high tariff may be advantageous now and then for a single country acting alone; but when all countries simultaneously build such barriers to trade there can be but one result—and that is loss of trade, unemployment, and suffering. We in the United States are just now one of the chief offenders in the matter of tariff legislation. The arguments of Alexander Hamilton were, in my judgment, quite conclusive in their day and so were the arguments of Garfield and Blaine and McKinley. Each one of those statesmen, however, definitely looked forward to a time when the tariff legislation which he advocated would have accomplished its purpose and when a larger freedom of trade could wisely and profitably be brought about. The existing tariff in the United States, some of whose import duties are alleged to be even greater than 100 per cent, and many of whose duties are completely prohibitive, not only restricts our imports unduly but restricts in equal degree the normal and legitimate foreign markets for our agricultural and manufacturing exports which would be so valuable to us. A nation can not sell when it will not buy. In addition, our tariff has made it exceedingly difficult and almost impossible for debtors in other lands to pay their obligations to us, and it has thereby penalized our American banks and investors. It would not be difficult to trace a definite connection between our tariff schedules and some of the recent defaults on foreign bonds.

As a leading commercial nation and as the world's largest international creditor, it is the United States which should take the initiative in trying to correct the present disastrous tariff situation. Action by the United States alone, or any one-sided action on our part, might easily do even more harm than good. Since

the disease is international in character, the cure must be international in method. What is needed is joint and reciprocal action by all the leading nations working in concert. If the American Government would begin promptly the negotiation of reciprocal commercial treaties with other great industrial nations, treaties drafted with a view to bringing about very substantial reductions of prevailing rates of duty, great gain would result both at home and abroad. Other countries would with certainty eagerly follow the lead of the United States. A marked expansion of world trade would quickly result, and we should receive back many times over the value of any initial sacrifices which we might make, whether these were real or only apparent.

It is also of importance in this connection that we give sympathy and support to the movements going forward in other parts of the world to build up new economic unions for increasing the area of freedom of trade. The plan brought forward by M. Briand three years ago for an economic union of Europe is sound in principle and, I believe, wholly practical. Steps are now being taken which may easily lead to an important economic understanding and cooperation among the six governments of the Balkan Peninsula. Several South American countries are feeling their way toward creating an economic union in that part of the world. Here in the United States we have such an economic union of vast area, over the whole of which freedom of trade prevails and must prevail. It would be greatly to our advantage if these new economic unions should come into existence, for trade would be revived and there would hereafter be fewer public authorities to deal with in our various commercial and international negotiations. Moreover, the mere existence of such economic unions, should they prove successful, would tend to bring them together in larger groups of constantly greater significance and importance. It seems quite certain that the existence of such economic unions would increase political stability as well as economic prosperity.

The vast increase in our foreign trade in the period from 1913 to 1929, amounting as it did to no less than 84.5 per cent, is a splendid and convincing evidence of what should be permanently possible. The recent sharp decline in this trade, more than 50 per cent in two years, emphasizes what has already been said. As trade declined, tariff obstacles were strengthened and multiplied. In our own case, the law enacted in June, 1930, increased the tariff rates then existing on no fewer than 655 articles which enter into our international commerce. This step invited action by Canada, by Mexico, by Argentina, and other Latin-American countries, and more recently by France, by Spain, and by Turkey, to restrict or to penalize imports from the United States. International war of this kind may do almost as much damage, and is just as much an objectionable instrument of national policy, as war waged with armies, navies, and air forces which 60 nations have joined together to renounce through becoming signatory to the pact of Paris.

Any survey of Our Times, however brief, would be incomplete which did not mention and emphasize another economic problem of highest importance. This problem also is pretty nearly world-wide in its incidence and in its effects, but it is one which would exist even were there no problems of the sort which have just now been discussed. This is the condition which has arisen, very sharply and very definitely here in the United States, because of the multiplication of the power of the people to produce without accompanying increase in their capacity to consume. When agricultural and industrial processes were simple and local, such a condition could not arise. The industrial revolution, however, together with man's greatly multiplied power over the forces of nature, his development of mass production both in agriculture and in industry, and the multiplication of agencies of communication and transportation, have flooded the country with those articles which man most needs for the support and comfort of his daily life. Nevertheless, millions of our fellowmen stand helplessly before this flood of plenty and are without the means to acquire for themselves and their families that portion of it which they themselves most need. Is it not plain that somewhere in our economic organization there is grave structural weakness? It is futile to lay emphasis on overproduction when there are literally hosts of men and women anxious to become consumers but without the means with which to do so. Somewhere and somehow there is plainly failure in the distribution of the profits and rewards of industry.

These facts bring us face to face with the most fundamental question which can ever confront organized human society. Shall we retain our historic faith in liberty and move heaven and earth so to act under the protection of liberty and the economic, the social, and the political institutions which it calls into being as to commend those institutions to the faith and support of the general will, or must we turn our backs upon liberty and offer allegiance to one of those various forms of compulsion which are everywhere clamoring to take liberty's place? A disciplined people, with a conscious historic background of development and achievement, will wait a long time before undertaking to overturn the foundations upon which its social, economic, and political order rests; but, on the other hand, millions upon millions of human beings must not be expected indefinitely to find themselves economically outlawed without grasping at almost any alternative in the hope of relief. The only possible chance that either doctrinaire socialism or communism can ever have in the western world will come from our failure to work the institutions of liberty in the spirit of social, economic, and political justice. The time has fully come for us in the United States to put on our thinking caps. We must be prepared to consider some unfamiliar policies as offering possible relief from an impossible situation. Plans of one kind or another are suggested almost daily, but no man has yet shown himself wise enough to tell us just what may prove to be practicable and quickly helpful. Some words recently written in a dissenting opinion by Mr. Justice Brandeis, of the United States Supreme Court, should be heard throughout the length and breadth of these United States. "To stay experimentation in things social and economic is a grave responsibility," he wrote. "Denial of the right to experiment may be fraught with serious consequences to the Nation. * * * If we would guide by the light of reason, we must let our minds be bold." Surely this is the doctrine of liberal and open-minded progress!

We dare not content ourselves with denouncing those alternatives to liberty which compulsion has to offer without strengthening liberty against their attacks by proving that it can adapt itself to present-day economic and social conditions without breach of fundamental principle. Unrestricted and law-compelled competition for private gain without regard to social service will not serve the public interest. The exploitation of a people's natural resources solely for individual profit will not do. Sherman laws and Clayton acts are out of date. What we need and must quickly find is a way to get new and controlled means of organized effort so to produce and so to distribute the returns from production as to cause consuming power to grow, to keep pace with that of production. We must seek to find a working plan or plans for better industrial organization and development. To do that we must try experiments and be free to do them without legal obstacles.

Russia has chosen her way for a time at least. We see the Russian people turning their backs in this twentieth century upon all the lessons of the history of civilization and starting once more in an economic Garden of Eden to live over again the history of our race at huge cost and colossal waste of human power and human feeling with entire certainty that when that course has been finished it will end at the same place where the human race now finds itself after thousands of years of effort and experience. We see in other lands, and here and there in our own land, well organized and sometimes powerful groups of those who are ready to renounce and denounce Liberty in any form and to accept the extreme compulsion of communism, not only with resignation but with enthusiasm and even hilarity. Surely, these are odd sights after all that the human race has gone through and after all that history has to teach. Liberty has certainly had a long and troubled history. Those who abuse its opportunities and its privileges sometimes seem almost as numerous as those who would try to prevent liberty's growth and progress. Nevertheless, if the history of civilization has any one lesson to teach which is clear and convincing it is that liberty of thought, of speech, and of action is the foundation on which human nature can build its highest, its finest, and its most lasting accomplishments. But if these results are to follow, liberty must be more than a parade ground for selfish ambition or for the wish and the willingness to trample underfoot one's fellowmen. Liberty exists not for one man but for all men. The one man makes the most of himself, judged by the loftiest and most enduring standards, when he has constantly in mind the needs and the interests of his fellowmen. He must not use liberty to wage war upon his kind, but to cooperate with his kind for the advancement of the good of each and all. Let me repeat once more a sentence which I have spoken in more lands than one: "The free man, socially minded, is the hope of the world."

"THE INSULL DEBACLE"—ARTICLE FROM THE CAPITAL TIMES

Mr. BLAINE. Mr. President, I ask unanimous consent that there may be printed in the RECORD an editorial entitled "The Insull Debacle—Its Significance," published in the Capital Times, of Madison, Wis., on April 17, 1932.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE INSULL DEBACLE—ITS SIGNIFICANCE

The Insull debacle should serve to dispel effectively the myth that there is security in bigness. For years there has been a propaganda, inspired by the private utility interests, which has sought to justify the syndicate and holding-company type of utility operation by claiming that it would bring superstability, superefficiency, and supermanagement. It has been contended that the smaller units could not work out the economies that would come through the centralized and consolidated operation of utilities represented by such colossal organizations as the Insull group.

The crash that has come in the gigantic structure of holding companies erected under that former superman, Samuel Insull, should now pretty effectively dispose of the legend which has been built up through the expenditure of millions of dollars of utility funds for propaganda purposes.

The billions of dollars in public-utility securities which have been dumped upon the American people through the pyramiding of capitalization structures since the advent of the holding company will bring hardships to the American people through losses in these securities that in our estimation will give a great impetus to public ownership.

The Capital Times believes that the Insull smash-up has revealed the inherent weakness of the holding-company arrangement. The weakness in the type of structure reared by the Insulls lay in the fact that they were not primarily public-utility operators; that they sought their biggest profits by using the public utilities which they acquired for stock-market and financial manipulations. The Insulls did not expect to make their big profits by selling gas,

electric, and telephone service. They made their real profits by setting up water-logged stock and bond structures around these utilities, and then dumping billions of dollars in securities on the public, which were far in excess of the real worth of the properties.

Their only justification for setting up these huge capitalization structures was in their expectancy of future increased earnings. In other words, they have left investors holding the bag because they tried to capitalize the future. The day of reckoning has come. The Insull properties, including some of the finest properties in the country (among them the Wisconsin Power & Light Co.) are now unable to make a return on the huge pyramid of holding-company capitalization which has been superimposed on these properties, and now the whole thing comes tumbling down.

The Insull crash could have been foretold from the tactics which were begun in Wisconsin years ago. In their craze to acquire every available utility in Wisconsin, prices were offered that were all out of line with the actual value of the properties. But the Insull people figured that the purchase price was unimportant—that they could get the purchase price and much more back by increasing utility rates and recapitalizing these properties far in excess of their actual value. The practice pursued in Wisconsin was followed by the Insull interests all over the country. As a result there was projected into the Insull capitalization structure billions of dollars in water on which, in this period of depression, the water-logged Insull properties can not earn a return.

The Insull debacle forcibly shows the advantage of public ownership over private ownership of the Insull type. Under public ownership the indebtedness of the utility is retired as quickly as possible in order that overhead costs can be reduced and the rates lowered. In private utility management of the Insull type the capital obligations are never retired because then their subsidiary financial companies will be shorn of the opportunity to make profits in the sale of utility stocks and bonds. Reputable economists now maintain that borrowed money is one of the big factors in the rate structure.

The Insull affair has conclusively demonstrated that the public needs of the people as represented by electric, gas, and telephone services can not be turned over to companies that are more interested in making speculative profits than they are in rendering public service.

The American people have invested billions of dollars in private utility securities. They bought these securities as a result of high-pressure sales campaigns, misleading propaganda about stock ownership by the public, and lurid propaganda on the stability centering around such supermen as Insull. Millions of dollars of this stock was unloaded on underpaid employees and the sycophant newspapers praised these big utilities for this "employee-ownership plan."

Millions of people have now lost their savings. They are holding the bag. How long are the American people going to turn their public needs over to private, speculative manipulators who are more interested in making huge profits for themselves than they are in protecting the public interests?

ADDRESS OF GOV. ALBERT C. RITCHIE AT NATIONAL DEMOCRATIC RALLY

Mr. TYDINGS. Mr. President, I present and ask leave to have published in the RECORD an address delivered by Gov. Albert C. Ritchie, of Maryland, at the national Democratic rally, on Jefferson's birthday, at the Willard Hotel, in this city.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

The American people are at the political crossroads. One way lies the certainty of four more years of the kind of government which was bound to end, and has ended, in disaster. The other way lies the hope of an overtaxed, overgoverned and underemployed people.

Time permits little more than the discussion of some one feature of the political picture. Let me select the repeated efforts of Republican spokesmen and Republican publicity to confuse and mislead the American people.

The latest instance of this arises from the refusal of the Democratic House of Representatives to enact a sales tax as part of the revenue bill necessary to balance the extravagant Republican Budget and by that means forestall an additional Republican deficit of more than $1,000,000,000 for the fiscal year ending June 30, 1933.

They tell us that this shows the Democratic Party to be incapable of that leadership and statesmanship which the momentous questions confronting the country require.

It is time to stand up in meeting and resent and refute this charge as a thing wholly unjustified.

There is no valid reason why the people of this country, because of the sales tax or anything else, should indorse the inefficiency, inaction, and maladministration of the Republican Party or should fail to give a mandate of complete power to the Democratic Party, which has won the right to assume the guidance and direction of an unguided, misdirected, and badly engineered ship of state.

The Federal fiscal situation is that a Republican President and a Republican Congress put this country in the red and then proposed and passed one unbalanced Budget after another, and kept it there.

The 1933 deficit, which they called upon the Democratic House to avoid by additional taxation, is a Republican deficit—a Hoover deficit—pure and simple; and the taxes, whatever their form, which must be levied on the American people as one way of meeting it, are Republican taxes—Hoover taxes—made necessary by Republican mismanagement.

The attempt to shift responsibility for the existing fiscal situation from the Republican administration where it belongs to the Democratic Party where it does not belong has its parallel in the efforts—repeated at intervals and which ought not to prevail—to cancel our foreign debts and shift them from the shoulders of the foreign nations which owe them to the shoulders of the American people who do not.

It is not the duty of Congress to prepare the Budget. It is the President's duty to do that, and it is his duty to submit one which balances. President Hoover has not fulfilled that duty. He has abdicated it for two years and a half.

The crash came in October, 1929. That was an unmistakable signal. Almost anyone in Federal authority could foresee then the danger that decreased revenues and falling values which were causing deficits in business would, if continued, cause deficits in government, too.

Did the President of the United States or anybody in the Republican administration show any signs of realizing that danger and guarding against it? They did not. On the contrary, in December, 1929, they struck 1 per cent from the income tax rates for one year in order to encourage business to expand when the country was suffering from too much expansion already. This decreased Federal revenues about $180,000,000, and it would have been better to have used that sum either for public works, which would alleviate unemployment, or to have put it in surplus as an offset against the onrushing deficit.

This was no mere error of judgment or lack of foresight. Either of these would have been inexcusable at such a time. But it was worse than that. It was part of the President's fixed policy that by some sort of legerdemain business would revive and prosperity return if only the American people could be deluded into believing that good times were hiding just around the corner.

Instead of that, worse times were coming, and they were not in hiding, either. By December, 1930, when the next Budget was submitted, the deficit was growing larger every month. What a sound fiscal policy required was plain. Taxes had to be increased, and expenditures decreased. But the President proposed neither.

As late as September, 1931, with a deficit from the preceding fiscal year (ended July 1, 1931) of $902,716,845, and with the current fiscal year already in the red, the President still insisted that there was no need for increased taxes and made no effort to institute economies.

Not until November, 1931, did the President concede the necessity for tax increase, and his belated call for economy then pretty well worked itself out over a cut of $17,000,000 from the Navy's previous appropriation of $360,000,000.

They talk about leadership and statesmanship. How much did the Republican administration display when the Budget now being considered was submitted in December, 1931? It called for expenditures aggregating $4,112,909,950, and the President estimated revenues at $2,695,960,502, leaving a deficit of $1,416,949,448. Of this deficit, $497,000,000 was for sinking fund requirements and $920,000,000 ($919,949,448) for general purposes, and certain new and increased taxes were proposed to meet this.

Two months later (February 8, 1932), after the hearings before the Ways and Means Committee had been closed, Secretary of the Treasury Ogden L. Mills suddenly appeared before the committee and confessed that his original estimates had gone bad already, and that the deficit for general purposes would be $321,000,000 more than anticipated ($1,241,000 instead of $920,000,000), and that the new or increased taxes proposed would produce $134,000,000 less than anticipated ($786,000,000 instead of $920,000,000), so that the committee had to find ways of raising $455,000,000 more than had been originally estimated.

Neither then nor at any other time did the President make any suggestion of recalling the Budget, so that he might recommend ways and means of meeting this unexpected increase in the deficit of nearly half a billion dollars, and thus discharge his executive responsibility of submitting a Budget which balanced. All he did was one week later (February 15, 1932) send Mr. Mills before the committee to propose raising the additional revenue principally by taxes on gasoline and on the users of gas and electricity, and by making income-tax rates retroactive and increasing postal rates.

With this record it ill becomes the Republican administration to cry lack of leadership about anything. A litigant will not be heard at the bar of equity unless he comes with "clean hands." No lesser standard should be exacted of the organization of a political party when it appears at the bar of the American public. It should come with clean hands. The Republican administration has not done that.

Now for the sales tax. This was but one of the many items of the revenue bill recommended by the Ways and Means Committee. It was designed to raise $600,000,000 of a total of more than $4,112,000,000. The committee substituted it in large part for the tax on gasoline, which belongs to the States, for the discriminatory tax on households and business using gas and electricity and for the proposal to make the new tax rates on income applicable to last year's income as well as this year's, all of which the Republican administration had recommended. Certainly those proposals had little to commend them, and the Democrats on the committee were against them.

When the bill reached the floor of the House, the sales-tax feature was struck out, and thereupon the chorus went up from Republican sources, led by Republicans who within the brief space of a few weeks had managed to be on both sides of the question, and joined in by others who did not seem to think for themselves—the chorus went up that the Democratic Party had failed the country and could not betrusted with the responsibilities of government. I say that chorus went up because the Republican administration has its own ineptitudes and shortcomings to cover up, and tried its usual tactics to do it.

You may approve or you may disapprove of the revenue bill in its present form. Personally, I like some of its provisions and do not like others, and I suppose it is the same way with you.

For instance, I was for the sales tax, not because I believe in it in principle, but because it seemed to me that all things considered it was the best way out of the emergency.

So I was not for the taxes on oil and coal because I thought that if we are to have those imposts they ought to be in a tariff bill and not in a tax bill.

And I am for a tax which would accompany the substitution of State determination and local self-government for national prohibition, and turn into the United States Treasury revenues which at present go to illegitimate sources and would, I believe, relieve the tax-oppressed American citizen from this added oppression of still more taxes when he has more than he can bear already.

But you can never please everybody with everything in or out of a tax bill, and it was that way with the sales-tax item. Not only Democrats in the House but Republicans, too, found widespread opposition to it. Many feel that such a tax bears heaviest on those least able to stand it and that it would prevent the early recovery of the purchasing power of the people.

What right has anyone to criticize the Democratic Party because Democratic Members of the House choose to adopt that view? Far from "running wild," as the Republican publicity would have the country believe, the Democratic House went promptly to work, substituted other taxes, and completed and passed the revenue bill within a few days after the defeat of the sales tax. At least the Democratic House sent to the Senate a Budget which balanced within the Treasury figures available at the time, and that is more than President Hoover sent to the House.

Moreover, the bill is not a law yet. It is now in the Senate, where hearings are being held, and when it passes that body it will doubtless go to a conference committee of the House and Senate, where its final form will be determined. Suppose those who are so quick and so prone to find fault wait for the bill as it finally passes, and I predict they will discover that, if Democratic votes can do it, there will be a balanced Budget, with the credit of the country maintained and unimpaired.

So much for the intake. How about the outgo? If one thing is clearer than another, it is that a government in the red must reduce expenses. Individuals and business have to do that when they are running behind, and government must do it, too. Instead of eternally talking about more and ever more new sources of revenue or more and ever more increases in existing sources of revenue, the Federal Government should give more thought to spending not more, not the same, but less of the savings and earnings of the American people.

Everything that has been done in Congress to accomplish this has been done by Democrats under Democratic leadership. Congressman BYRNS, Democratic chairman of the House Appropriations Committee, proposed (February 15, 1932) as a Democratic measure a select committee to study and report on governmental economies, and the resolution to the same purport of Congressman DOUGLAS, a Democrat, was passed.

In the Senate the distinguished Democratic floor leader, Senator ROBINSON, introduced a resolution for a joint committee of Congress to undertake the task of reorganizing the Government. Senator GEORGE, of Georgia, introduced a resolution to give the President blanket power to make changes in the interest of economy. Senators ROBINSON and MCKELLAR, against strong Republican opposition, won their fight (March 17, 1932) to return the Interior Department budget to it with instructions to cut the total by 10 per cent. Six weeks before Senator HARRISON'S motion to instruct the Appropriations Committee to reduce the total Budget by $300,000,000 was voted down, with Democratic leaders for it.

In the last two weeks, after the Democrats in both House and Senate had done all the pioneer work for reducing governmental expenses, President Hoover came forward to propose a commission on economy, and, failing to get that, he invited the House Economy Committee to the White House to consider with him what can be cut from the Budget estimates he himself submitted.

That ought to get us somewhere at last, and already very substantial reductions are promised. But it has taken a long, long time, and it has required a lot of Democratic persistence, for Mr. Hoover to see that the only way to cut expenses is to cut them.

And why, with financial storm and chaos breaking around his head, has the President not realized that there is no need of waiting for the next Budget to institute economies? The law fixes the limit of appropriations, but the law does not require the departments to spend up to the limit. Yet it never seems to occur to anybody in the Republican administration that this staggering deficit could at least be minimized by the simple process of not spending, except for the essential functions of government.

And how much can we expect from the President's efforts even now, when we find member after member of his own Cabinet—State, Treasury, Commerce, Labor, and Law—advising the Senate Appropriations Committee that they are unable to find ways to retrench in their departments? They were all running well enough 5 years ago, even 10 years ago. Why can't they go back to those expenditures? Except possibly the Department of Commerce, which had not then erected its $17,500,000 monument to bureaucracy. Perhaps they can not be expected to go back very cheerfully, when they read that, with prices on everything going down, the President himself spends a third more to run his own Executive Office than did President Coolidge.

The Democratic Party has been protesting for 12 years against this kind of government. The high ideals that characterized the administrations of Woodrow Wilson were discarded when the Republicans returned to power, and after inaugurating what they called "normalcy," proceeded to pillage and betray the interests and welfare of the country. They succeeded, perhaps on the theory that "prosperity absorbs everything" and "guilt is personal," in regaining power in 1924 and again in 1928, when two great Democrats from New York, John W. Davis and Alfred E. Smith, campaigning on honest platforms of sound economic and political principles, went down to honorable defeat. But they have at last reached the end of the rope. There are no defenses and no pleas available. Their one panacea for all ills of misrule—prosperity—is gone.

Looking back over 12 years we see disarmament conferences which failed to disarm; foreign policies—if, indeed, they can be called policies—weak, ineffective, and incompetent; tariffs which destroyed our foreign trade and encouraged American industry to go abroad and there employ foreign labor at the very moment when American labor is out of a job; treaties to outlaw war which failed to outlaw attacks by one nation upon another; and economic policies which resulted in the most gigantic crash of the whole economic structure ever witnessed by the American people. We have a surplus of wheat when American citizens need food, a surplus of cotton with a deficit of clothes, and more than 8,000,000 men and women anxious to work but compelled to walk the streets in idleness and seek charity in order to survive.

Where is the leadership that should have acted to prevent the catastrophe, and which, when it was upon us, should have been alert to mobilize the resources of the Nation to meet the crisis and decrease its harmful effects? Certainly not in the Republican Party. Its chiefs were busy in 1929 trying to prove that there was no danger. They were still busier in 1930 explaining away the increasing unemployment, the widening depression, and the collapse of industry, and promising that prosperity, momentarily away, was just around the corner. In 1931 and 1932 they have become less vocal in their promises and performances and are reduced to the expedient of seeking flaws in the Democratic Party. Soon after he took office in 1929, the President called a special session of Congress to enact legislation for farm relief and to make "limited changes" in the tariff. The Farm Board was created, but farm relief—real, tangible relief that will restore the farmer to his proper place in the economic scheme—is farther away than ever. The Republican Congress ignored the President's plea for "limited changes" in the tariff. It passed the iniquitous Hoover-Grundy bill, and the President, forgetting his stand for "limited changes," signed the bill and added to the woes of the American people.

Whatever leadership the President or his party leaders may claim has not been exerted in Congress, and particularly not in the Senate, which has refused to follow the Republican leaders for more than seven years. Important legislation was passed over the presidential veto by the Republican Congress on more than one occasion during the Coolidge administration, and appointments to high office made during the past seven years have been rejected again and again by a hostile Senate.

The temper of the American people is shown by the elections of November, 1930. The Democrats were given control of the House and made important gains in membership in the Senate. The events since then have confirmed the wisdom of repudiating the Republican administration. It got into office by false pretenses, and its incapability has now been demonstrated by refutation. The Democratic Party under Woodrow Wilson passed more progressive legislation in a single term than had been enacted in a generation. It successfully brought this country through the greatest war in history. It possesses the principles of Jefferson, Jackson, and Cleveland, and it has the men to put those principles into practice, to furnish the Nation with the leadership and guidance it lacks so greatly and needs so badly.

The Democratic Party can not be injured by defeatist propaganda. It is equipped and it is ready. The Nation is about to turn to it as the only hope. The Democratic Party will respond to the call. It will lead the way back to those principles of Government under which confidence in ourselves and in our destiny will be restored, and a happier day for all the American people will dawn.

SPEECH OF FORMER REPRESENTATIVE MITCHELL

Mr. TYDINGS. Mr. President, I present and ask leave to have published in the RECORD a speech delivered by Hon. Alexander Mitchell, of Wisconsin, in the House of Representatives on March 27, 1874, the House then having under consideration legislation to amend the several acts providing

a national currency and to establish free banking, and for other purposes.

There being no objection, the speech was ordered to be printed in the RECORD, and it is as follows:

CURRENCY AND FREE BANKING

Mr. Speaker, notwithstanding the recent action of the House in legalizing the issue of United States legal-tender notes to the extent of $400,000,000, it is none the less necessary that in considering the bill now before the House the monetary question should be discussed in all its bearings, both in reference to what the currency now is and what it ought to be.

While the few observations I am about to make will be to some extent general in their character, yet I trust they will be found to have a direct bearing on the bill under consideration.

The difficulty with which the subject of the finances and the currency is surrounded is only equaled by its importance.

It is true that of late extraordinary progress has been made in the study of political economy and in the elucidation of the principles underlying the production and distribution of a nation's wealth. Yet it is equally true that so subtle, and oftentimes remote, are the different influences to be considered, arising not only from the laws of trade but also from the still more uncertain movements of men, as they may be dictated by reason, interest, or feeling, that there is probably no science where there are so many differences of opinion, and consequently so many erroneous opinions, as in the science of political economy. Especially is this the case with that branch of it which refers to the currency, and which, on account of the events of the last few months, it is expected by the people that this Congress will most carefully consider.

NO LEGISLATION CAN PREVENT PANICS

The opinion which is more or less prevalent in the minds of the people, that it is in the power of Congress to so regulate the circulating medium of the country as forever in the future to prevent a commercial crisis similar to that through which we have passed, may well be set down as a popular delusion. It matters not with what wisdom and care the laws regulating the currency are framed, and the innumerable contingencies which may arise be foreseen and provided for, we can never by any enactments of ours so overrule the irrevocable, inevitable laws of political economy as to enable those who live beyond their incomes "to make both ends meet," or to insure profitable returns to those who invest their means in undertakings which can never pay interest. Such financial disasters have occurred in all commercial nations and under very different circumstances, and they probably will continue to occur while human nature remains as it is. It is also likely that the more commercial a nation is, the more sharp and general will these revulsions be.

The producer of raw material sells it to the manufacturer, the manufacturer to the wholesale dealer, who in turn sells it to the retail dealer, and he to the farmer. There are hundreds and thousands of such chains in the business transactions of this country, and each link of the chain depends on the others. The inability of any one of the links in the chain to meet its liability creates distrust, and when distrust becomes general a panic ensues. Every man wants to get what is due him, being afraid that his debtors may fail; the deposits in the banks being payable on demand are most attainable, and a rush is made for them, to the great injury of the mercantile and manufacturing interests, which have received assistance from the banks. Such panics have occurred from the failure of crops, whereby the farmer has been prevented from paying the retail merchant, who in turn could not pay the jobber, and so on.

Again, overproduction, or the falling off in demand, has rendered the manufacturer unable to dispose of his products, and thereby he has not only failed to pay what he owed to the producer of raw material, but has been under the necessity of reducing the number of his workmen, causing ruin and destitution to thousands. After a number of prosperous years the surplus of capital seeking investiment becomes larger, and in consequence it is with more difficulty that it can be invested so as to bring in the large returns which it produced when there was less capital seeking investment. People then go out of the ordinary channels and seek for increased profits from all kinds of speculative and doubtful schemes. Much capital is thereby soon lost or sunk in enterprises which are not only nonproductive but from which it is impossible to get back the principal which has been put in; much movable, active capital becomes fixed and immovable and of no use whatever in carrying on the business of the country.

We can each judge for himself which, if any, of these causes produced the collapse of last fall. Some have attributed it to the sinking of capital in building unproductive railroads through unsettled portions of the country; others see the cause in the large amount of funds lying idle during summer in our commercial centers, which idle money sought investment in speculations from which it could not be withdrawn without producing a crash.

However different our views may be as to the cause of the recent revulsion, we can not but be unanimous that it is our duty to do all that is legitimately in our power to place the finances of the Nation in such a shape as to discourage the return of such a disaster, and in case of their occurrence to render their duration as short as possible.

WHAT DID NOT CAUSE THE CRISIS

As having an important bearing on the action to be taken by Congress, I can not refrain from giving it as my opinion that our recent financial troubles were not caused by an insufficiency of currency. After the panic was fairly under way and people were withdrawing currency and hoarding it, then the panic was no doubt aggravated by the scarcity of currency brought about by such action, and the desideratum of the hour was some means by which the gap made by the hoarded currency could be filled, some resource whence what had been withdrawn from circulation could be made good.

Had our currency been on a specie basis, and on a par with that of the specie-paying countries of Europe, we could soon have drawn from the clearing house of the world enough to supply the vacuum caused by those who had withdrawn money for the purpose of hoarding it. But the gold which did actually come to us, notwithstanding the fact that our currency was not on a specie basis, was of no use; it could not pass into circulation. It may be questioned if its importation was not, as matters stood, an actual damage to us by causing a flurry in the London money market and leading the Bank of England to raise its rate of interest, and thereby reacting unfavorably on the money market here, and on the values of our exportable commodities.

WE HAVE TOO MUCH CURRENCY

But the very fact that our currency is not at par with gold shows that it is not only not too small in volume, but that it is actually excessive. Our dollar notes are promises to pay a dollar. Our laws define a dollar to be a coin of a certain weight and fineness. Our paper promises, if not excessive and depreciated, should be good for the coin whose name they bear. But that it may be still more apparent that a lack of currency was not the cause of our recent financial troubles, let us compare the amount of our present circulation with that of our own country before the war and with what it is in England at the present time.

The following table will show at a glance the population, wealth, and circulation in the United States in 1850, 1860, and 1870, and will completely set at rest any doubt as to whether our currency is excessive in quantity or not:

Year	Population	Assessed wealth	Circulation	Per head
1850	23,764,706	$7,135,780,228	[1] $150,000,000 [2] 400,000,000	$19.50
1860	31,127,000	12,084,560,000	[1] 200,000,000 [2] 150,000,000	11.30
1870	38,115,641	14,178,986,732	[2] 700,000,000	18.42

[1] Notes. [2] Coin.

From the circulation of 1870, exclusively irredeemable paper, I make no deduction for so-called bank reserves, because those reserves, held against deposits, form a necessary part of the circulation of the Nation, and are doing, in the coffers of the banks, duty as such equally with currency in the pocket of the citizen.

From this it appears that our circulation has been increased out of all due proportion to both our population and wealth.

By extending our research still further we would find that the note circulation of England to-day is actually less than it was in 1819 by $50,000,000, and amounts to only $6.50 per head of the population, the total increase of circulation being an increase of specie.

It is to be remembered, in comparing the circulation per capita of England with that of the United States, that the wealth of England is much greater than that of this country, and that a far greater proportion of it is in personal property, and so entering more largely into commercial transactions. Moreover, England is both the money and mercantile broker of all nations. A large proportion of the foreign trade of the United States is carried on through her.

CIRCULATION SHOULD NOT INCREASE IN THE SAME RATIO WITH WEALTH OR POPULATION

If $11.30 per head of circulation were sufficient for this country in 1860, the same ratio ought to be sufficient now, for the reason that population and wealth increase faster than should circulation. Every year witnesses new modes of economizing circulation. Bills of exchange, checks, deposits, clearing houses, telegraphs, railroads, and many other economizing devices and substitutes continually tend to lessen the work which circulation has to perform. The statistics of England are a most remarkable proof of this.

In 1819 the exports and imports were not twice the amount of note circulation; in 1844 they were about four times as much. In 1872 they were fourteen times as much. In 1844 the note circulation of England was £1 15s. 8d. per head, while in 1872 it was £1 6s. per head, showing that the circulation keeps pace neither with the amount of business nor the increase of population or of wealth.

We no longer look to the volume of circulation to ascertain the increase or decrease of business, but to the transactions of the clearing house. In 1844 the sums passed through the London clearing house were only about forty times the amount of note circulation, while in 1872 they were one hundred and thirty-five times as large. The same is seen in our own country.

In 1837 the circulation of the banks of the United States was $149,000,000; in 1861 it was $202,000,000, being an increase of 35 per cent. By comparing this with the increase of wealth and population from 1840 to 1860, it will be seen that the increase of our population was 62 per cent, and of our wealth 330 per cent, the one being more than twice as great as the increase of circula-

tion, and the other nearly ten times as great, showing by the experience of our own country, as well as that of England, that circulation does not need to keep pace with population or wealth.

We often hear it remarked that before the war the country was flooded with State-bank notes of all kinds; yet the highest amount ever reached was in 1857, when it was $215,000,000, and even that amount caused an excessive expansion of credits which found relief in a financial crash.

I think, in view of all these and many other facts which might be brought forward, that there is no ground for the assertion made by some that the recent monetary revulsion was caused by a lack of circulation.

Any increase that might be made to the currency to gratify the present clamor of some would in the long run make it no more efficient for the carrying on of business. If you add to its quantity, you lessen its value. There would be an apparent increase of prices; it would take more paper promises to buy a given quantity of gold, wheat, lumber, or iron; these commodities would be worth no more, but the currency would be worth less and it would take more currency to represent an equal quantity of them.

If a bushel of wheat be to-day worth $1, and to-morrow you double the volume of paper notes in circulation, the bushel of wheat will bring $2 in such currency; but your doubled depreciated circulation does no more business than half its quantity did before.

A recent writer on political economy put this in the following lucid form:

"Ten persons were at play. For greater ease they had adopted a plan of each taking 10 counters, and against these they had placed a hundred francs under a candlestick, so that each counter corresponded to 10 francs. After a game the winnings were adjusted, and the players drew from the candlestick as many 10 francs as would represent the number of counters. Seeing this, one of them, a great arithmetician, perhaps, but an indifferent reasoner, said, 'Gentlemen, experience invariably teaches me that at the end of the game I find myself a gainer in proportion to the number of my counters; have you not observed the same with regard to yourselves? Thus, what is true of me must be true of each of you, and what is true of each must be true of all. We should, therefore, all of us gain more at the end of the game if we had all more counters. Now, nothing can be easier; we have only to distribute twice the number.'"

This was done; but when the game was finished and they came to adjust the winnings, it was found that the thousand francs under the candlestick had not been miraculously multiplied according to the general expectation. They had to be divided accordingly, and the only result obtained was this: Everyone had doubled the number of counters, but every counter, instead of representing 10 francs, represented only 5.

Now, those who clamor for an increase of note circulation want more counters; but each counter will, if its circulation be doubled, have but half its previous purchasing power.

It would be an easy matter to enlarge the volume of currency so that it would take 10 paper dollars to buy a bushel of wheat or 1 gold dollar, but no sane man will contend that the farmer would be getting any more value for his wheat than he gets to-day.

The reckless issue of vast quantities of paper currency which is irredeemable will soon cause the subversion of all values, and inflict serious injury on every business interest of the country. Every new issue diminishes the value, and the demand for still further issues will continue. Of course, the prices of commodities may not be affected uniformly or immediately; but it is only a matter of time.

Believing as I do that our present paper circulation is abnormal and redundant (facts sufficiently attested by its depreciation), and while I beg to be understood as not advocating any rapid or sudden contraction, I would not be true to my own convictions if I did not emphatically record my opinion that instead of increasing the issue of legal-tender inconvertible notes (a measure, in my judgment, fraught with the greatest danger to the business of the country), the true remedy for the existing state of affairs is to be found in the adoption by Congress of a fixed policy for the gradual withdrawal, at stated periods, of these notes by funding them into bonds or otherwise paying and canceling them. The extent of the reduction that may be necessary in order to make them equivalent to coin is a matter of opinion and estimate; but it is safe to say that if we were to begin at once with small monthly withdrawals during the periods of the year when currency can best be spared, we shall reach the specie point sooner and easier than most people now imagine.

It is, in my judgment, not so important that a long step, as that some step, however small, should be taken in the direction of restoring the currency to the coin standard; and that the country should understand that the policy thus adopted will be inflexibly followed out until the desired result is attained.

It is claimed by some that the increase of population and business will of itself soon bring us into a condition of specie payments; but this I regard as a delusion. A geological period will be insufficient to achieve this result so long as we pursue, as now, a system that effectually banishes the precious metals from among us.

So long as the Government furnishes a forced irredeemable currency there can be no stability or certainty as to its volume or its value, and the pressure now being brought to bear on Congress for further issues of depreciated paper compels me to avow myself a recent and somewhat reluctant convert to the doctrine that the sooner the Government can be wholly divorced from the business of issuing a forced paper circulation the better it will be for our country. The United States notes have effectually blocked the way to the coin standard, and still do so.

THE EVILS OF INFLATED CURRENCY

The history of commerce shows that false theories regarding currency, whereby extraordinary issues of paper money have been imposed on confiding peoples, have produced financial convulsions which have shaken the nations to their foundations, and produced ruin and misery more widespread than have ever been inflicted by famine or war.

The power to issue an irredeemable paper currency has probably never been granted or assumed without sooner or later being abused. It is an old adage that a man thinks all men mortal but himself; so we are apt to think our Nation will be an exception in regard to the abuses arising from an exorbitant issue of paper currency. From recent events I am led to think that our danger is greater than it should be.

I am aware that examples and illustrations drawn from the financial experiences of other countries are deemed by some to be inapplicable to us and therefore undeserving of consideration. For myself I think it is well to utilize the dearly bought experience of others; and to those who think it does not become us to look to other countries I have to say that the laws of trade, of supply and demand, of money and of currency, are as fixed and immutable and of as universal application as are the laws of gravitation.

It may not be unprofitable to briefly notice some of the instances in the past where great evils have resulted from false ideas of the nature and work of currency.

The French Government gave power to issue an inconvertible paper currency to Law's Bank in February, 1720; by the beginning of May they had issued notes of the nominal value of about $6,000,000,000, and 100 livres in paper were worth about 1 in silver.

In 1790 the French Government itself assumed such power and authorized the issues of $80,000,000 of assignats based on the security of the public domains, estimated to be worth $1,500,000,000. In September of the same year further issues to the amount of $160,000,000 were authorized. France was then a perfect paradise for inflationists; the country was on the high road to prosperity; everybody was to have all the money he wanted.

Talleyrand and a few other leaders opposed those issues as certain to cause depreciation; but Mirabeau and others ridiculed the idea of their becoming depreciated; for were they not based on land, and what more secure and solid as a foundation for currency could there be than land? And besides, it was not possible to set afloat more than the business wants of the nation would absorb.

Said Mirabeau:

"It is vain to assimilate assignats secured on the solid basis of these domains to an ordinary paper currency possessing a forced circulation. They represent real property, the most secure of all possessions, the land on which we tread. Why is a metallic circulation solid? Because it is based on subjects of real and durable value, as is the land which is directly or indirectly the source of all wealth. Paper money, we are told, will become superabundant; it will drive the metallic out of circulation. Of what paper do you speak? If of paper without a solid basis, undoubtedly; if of one based on the firm foundation of landed property, never. There can not be a greater error than the terrors so generally prevalent as to the overissue of assignats. It is thus alone you will pay your debts, pay your troops, advance the revolution. Reabsorbed progressively in the purchase of the national domains, this paper money can never become redundant any more than the humidity of the atmosphere can become excessive which descends in rills, finds the river, and is at length lost in the mighty ocean."

We hear at the present time many speeches similar to Mirabeau's, and they appear very plausible; yet we all know how the stern events of the future demolished the fine rhetoric of Mirabeau. Although these assignats bore 4 per cent interest, they had in a twelvemonth lost one-third their value. On the 11th of April, 1793, the severest penalties were decreed against anyone who bought or sold assignats for any sum in specie different from their nominal value, or made any difference between a specie price and a paper price in the purchase or sale of goods. But it is folly to attempt by legislative enactments to overrule the great laws of trade. In four months the assignats had fallen to one-sixth of their nominal value; and in 1796 they had fallen to one-thousandth part of their nominal value, notwithstanding the fact that they were secured by the public lands. The ruin and misery caused by the issue of these assignats you all know. At length, in July, 1796, the great paper fabric was wiped out with one stroke. Immense hoards of specie came forth from their hiding places; the exchanges turned in favor of France, and during all the Napoleonic wars the specie standard was maintained at its full value.

The history of similar experiments in other countries, if such were needed, shows that irredeemable paper money incapable of issue in foreign countries, and redundant at home from overissue, becomes depreciated.

The paper money of the Danish Government exchanged in 1813 at the rate of $1 in silver for $1,600 in paper; in Austria, in 1810, a silver florin was worth 13 in government paper.

At the beginning of the present century the Bank of England was led, to a limited extent, into the same mistake.

In 1797 there was a hue and cry, similar to what we hear at the present time in this country, that the circulation was not suffi-

cient for the business wants of the community and should be increased.

On March 16 in the year 1797 the merchants of London held a meeting and resolved—

"That it is the opinion of this meeting that the accommodation afforded to the trade of the Kingdom by the Bank of England, in discount of bills and notes, has been found very inadequate to the present extended commerce of the country; that it is the opinion of this meeting that without an extension of the circulating medium of the Kingdom by the discount of mercantile bills and notes the general commerce of the country will be exposed to the most serious, immediate, and alarming evils."

Lord King and others of the ablest financiers of England showed the fallacy of this assumption of the merchants, that the amount of currency should be increased with the increased demand for discounts; the bank, however, enlarged its issues, and its paper became depreciated. The depreciation was greatest from 1809 to 1815. In 1814 and 1815 there was a great diminution of bank paper. In that period many country banks became bankrupt or at least stopped payment, and it is estimated by the best authorities that in 1814, 1815, and 1816 the currency was contracted at least $100,000,000. This decrease of the paper currency rendered the resumption of specie payments in 1819 possible.

An expanded depreciated currency can not be made interchangeable with the currency of other nations and so attain that elasticity which is so much demanded.

A currency which is not larger in volume than the minimum wants of trade demand would be on a par with specie, even if it were not convertible into specie, but in that case it would not have that elasticity so necessary in the functions of a circulating medium.

INTEREST NOT REGULATED BY QUANTITY OF CURRENCY

There is an impression in the minds of many, and I have seen it expressed in the reports of more than one public meeting, that the rate of interest depends on the quantity of currency in circulation. Nothing can be more erroneous. The rate of interest chiefly depends on the profits which can be made from the use of money. Of course, there are other elements which affect the rate of interest, such as the character of the security offered; but the great controlling element which regulates the rate of interest on money is the profits which can be made from its employment.

If a man sees where he can, by the use of money, make 20 per cent, he can afford to pay 10 per cent for its use. When many men see where they can use money to advantage, borrowers become many, and the rate of interest rises; but the quantity of currency in circulation has nothing whatever to do with the profits which result from the use of money. The increase of the quantity of circulation may raise the price of commodities, but can never increase the percentage of the profits of its employment.

Of course, if the currency be so increased in quantity as to become almost worthless, men may lend it cheaper to get rid of it, especially if the borrower is likely to have to repay it in a more valuable currency at some future time; but in any normal condition of the circulation its quantity has nothing whatever to do with the rate of interest—at any rate, in the direction to which I have alluded.

The financial history, both of England and of this country, would seem to show that the rate of interest is apt to be highest when the circulation is the largest. An increase of circulation tends to raise prices, and a rise in prices encourages speculation and stimulates borrowing, which tend to raise the rate of interest rather than to lower it.

Those, then, who think that an increase of currency would enable them to borrow money at lower rates are, I believe, greatly mistaken.

NO LIMIT TO THE CURRENCY THAT MAY BE SET AFLOAT

There is another opinion held in some quarters which I believe to be erroneous, namely, that it is impossible to have an overissue of our present irredeemable currency, so long as the business of the country is ready to take it up and use it in the channels of trade; which is as much as to say that it is impossible for our banks to issue too much money so long as they find parties willing to borrow from them. The falsity of this is, I think, plain on the face of it.

Every mercantile transaction is capable of becoming the foundation of a bill of exchange; if, therefore, the issue of bank notes is to continue as long as there is a bill offered for discount, there is not a bale of cloth, a bushel of wheat, or a chest of tea which may not, during its progress through the hands of successive dealers, be represented at every step to its full value by an issue of currency, and it would soon take a wheelbarrow load of notes to buy a barrel of flour.

THE BALANCE-OF-TRADE BUGBEAR

We are sometimes told that we can not get our currency back to an equality with coin till the balance of trade be in our favor, and by that is meant that the customhouse reports must show an excess of exports over imports.

One would suppose that this ghost called the "balance of trade," which was such a terror to our fathers a century ago, had in these latter days of light been forever put down; but it seems to trouble many timid minds yet. If there be a nation in the world which may safely be said to have made money out of its foreign trade and had a balance in its favor, that nation is England. Yet, taking the published statistics of her trade, and the balance-of-trade doctrine would show that she had been losing money at a fearful rate by her commerce; and the wonder is that the nation was not bankrupt long ago, or at least that her foreign trade was not long since abandoned as a losing business.

In a paper of Palgrave, communicated to the Statistical Society of London, I find the exports and imports of Britain for the last five years to have been:

Year	Imports	Exports
1868	£294,000,000	£179,000,000
1869	295,000,000	189,000,000
1870	303,000,000	199,000,000
1871	329,000,000	222,000,000
1872	353,000,000	255,000,000
Total	1,574,000,000	1,044,000,000

From these figures it would appear that during the last five years the imports of Great Britain have exceeded her exports in the enormous sum of £500,000,000, or nearly $2,500,000,000, being more than the amount of our entire national debt.

I think this alone would show the absurdity of the balance-of-trade theory as it is usually applied and be a sufficient answer to those who assert that we can not maintain currency at par with specie till our exports exceed our imports.

The fact that the imports of Great Britain have largely exceeded her exports shows that she has been carrying on a profitable foreign trade and that she brings more value to her shores than she sends away. When foreign commerce is profitable the result must always be such.

If a New York merchant sends a cargo to China worth $100,000, and the ship, after the absence of a year, returns with another cargo, it must net him more than $100,000 or the merchant will make nothing. Suppose it nets him $200,000, and that he has a clear gain of $50,000, then he is so much richer and the country is so much better off; yet on the books of the customhouse that transaction is put down as making a balance of trade of $100,000 against this country. If the vessel had gone down in mid-ocean and he had lost all his investment, the customhouse books would show an export of $100,000, with no corresponding import; and the transaction would be heralded abroad as $100,000 balance in favor of this country. Could anything be more absurd? Yet we find sensible men seriously opposing a return to a specie standard because we are not sending more out of the country than we are drawing into it.

Of the same character with the balance-of-trade bugbear is that sometimes urged to the effect that we can never return to a specie standard so long as we have so much interest to pay abroad. That objection is based on the exploded idea that we can not pay our interest abroad in anything but specie, as if our wheat and corn, our cotton and petroleum, our pork, and lumber will not give us a credit balance in London just as readily as the gold of California. We may rest assured that gold is exported only when the Nation can spare it better than anything else. We are a gold-producing country, and it is proper that we should export the productions of our gold mines as well as the productions of our iron mines or petroleum wells. Moreover, gold is more likely to be drawn from us now than when it is used as currency or the basis of our currency.

I might go into this branch of the subject at much greater length; but I have said all which at present it seems necessary to say.

THE BILL REPORTED FROM THE COMMITTEE ON BANKING AND CURRENCY

This bill embraces several proposed amendments to the national banking law, but its most important provision is that contained in section 2, by which certain existing restrictions on bank-note circulation are to be removed and what has been termed "free banking" authorized.

Now, "free banking" and "antimonopoly" sound well, and as a general proposition are of themselves good things; yet measures of themselves good it may not always be wise to put in operation irrespective of time and circumstances.

Free banking might, no doubt, be safely and properly adopted if the circulating medium of the country were on a specie basis and equivalent to coin; but, in the present abnormal and exceptional situation of the finances, with a currency depreciated and irredeemable, I am compelled to regard such a measure as a dangerous experiment.

It will surely not be the part of wisdom thus to surrender all control over the volume of the currency, and to open the door for new issues of depreciated paper to an indefinite and unknown extent. It is to be hoped that no such rash experiment will be tried. Let us rather shut the door against any addition to the currency until we shall have dealt with, and brought to the true standard value, the circulation we already have.

The provisions of section 3, making it obligatory on the banks to provide for the redemption of their notes, are, I am aware, considered by the friends of free banking to be sufficient to prevent excessive issues; but from this view, entertained by a majority of my honorable colleagues on the Committee on Banking and Currency, I regret to be obliged to dissent.

We have now, or I fear are likely soon to have, say four hundred millions of United States notes, or legal tenders, with which may be redeemed the present circulation of three hundred and fifty-four millions of bank notes; and I hazard nothing in saying that the issues of the banks may be doubled and still the so-called system of redemption be, without difficulty, maintained.

It is a moderate estimate to say that on a basis of four hundred millions of United States notes, nearly double that amount of bank-note circulation may be sustained and redemption be at the same time kept up.

The obligation to redeem, with such a basis, will count for little in the estimation of bankers, and if they do not largely increase their issues, should section 2 become a law, it will be for the reasons that Government bonds can not be obtained at satisfactory prices, or that circulation has ceased to be profitable irrespective of redemption, and not on account of the requirement to redeem.

I will here call attention to the fact that there will be greater profit than heretofore in the issue of bank notes if, hereafter, as provided in section 1 of the bill, no reserve is to be kept on circulation. It is true that I was myself in favor of dispensing with the reserve or circulation as an offset to and compensation for another and no doubt a wise provision of the bill requiring banks to keep the reserve or their other liabilities in their own vaults; but if free banking is to be authorized, I deem it to be my duty to point out that the effect of this provision will be to make circulation more of an object with bankers than it has yet been, and that they will be apt to avail themselves of the opportunity thus presented to increase their note circulation.

The present capital stock of the national banks is about $500,000,000; and their circulation, as before stated, $354,000,000. If section 2 becomes a law, there is no reason why the existing banks on their present capital may not issue $100,000,000 additional circulation; and they will be very likely to do so if they see, as I think they will, profit in it.

If as a basis of the calculation we put Government bonds and coin at the present market price, and the use of money at 7 per cent, the net profit on circulation under this bill will be 2¾ per cent, being about 1 per cent more than it has hitherto been. In this calculation I make no charge for management, because the expenses properly chargeable to circulation of a bank doing, like all national banks, a general business, would be quite infinitesimal. I take into account, however, the 5 per cent in circulation which it is proposed the banks shall lodge with the Secretary of the Treasury.

But in truth there has not been, and can not be, any effective redemption of bank notes in the present condition of the currency, because there is neither object nor motive to prompt it. What does this so-called redemption of bank notes mean, and what does it amount to? It means the swapping of one kind of irredeemable paper for another kind, of no higher value; for the United States note, as a representative of value, is inferior to the bank note, and is superior in one respect only, by the force of arbitrary law, and it amounts to nothing; for the holder of a bank note, after he has taken the trouble to exchange it for a United States note, is no nearer coin value than he was before. It is a misnomer to call this redemption, and the operation is a farce, the performance of which the business community and the public will, as now, regard with utter indifference.

I am aware that as to the New York City banks there are certain brief periods every year when they would prefer to have bank notes replaced by United States notes; but this is to a limited extent, and is felt nowhere out of that city, and the banks there have the remedy in their own hands if they choose to use it.

It is my confident opinion that if section 2 becomes a law, a large addition to the bank-note circulation will take place, and that any system of redemption will be powerless to prevent it; that with whatever gravity the law may provide for going "through the motions" of so-called redemption by exchanging one piece of depreciated paper for another of no higher representative value, nothing effective or controlling on the condition of the currency will result from it. Further inflation and depreciation of the currency must necessarily ensue.

If the friends of this measure are willing to put it beyond question that no further inflation can occur if it is passed, this can easily be done by an amendment to the effect that, as fast as additional bank notes are issued beyond the present authorized limit, the Secretary of the Treasury shall, pari passu, retire and cancel legal-tender notes until the coin standard is reached. With such an amendment the chief objections to the measure would be obviated; and I now give notice that at the proper time I shall offer an amendment to section 2 of this purport.

Congress is absolutely powerless to fix the amount of circulating medium the country requires and ought to have. It is simply the right and duty of Congress to carry us back to the coin standard; and, this done, the laws of trade, to which I have before referred, will then govern with unerring accuracy the volume of the circulation both of paper and coin.

The mode of redemption proposed in section 3 is such as I feel sure can not be sanctioned by Congress. It is neither more nor less than to make the Government the redeeming agent of the banks—a position manifestly improper for it to occupy. It was not instituted for any such purpose, and the idea of involving it in daily business transactions with nearly 2,000 banks is a curious proof of the tendency of legislation in these days. I really wonder what the Government will be asked to undertake next.

Although no system of redemption would, in my opinion, prevent, in the existing situation, an increase of the bank-note circulation if free banking is authorized, yet I admit it is, or will, I hope, soon be, an important matter that all banks should be required, in a way they can not disregard, to redeem their notes in New York; and if the law is not now sufficient for this purpose, it can easily be made so. Besides, the New York City banks have always had it in their power to enforce, as they at one time contemplated doing, bank-note redemption there, if they deem it necessary to do so.

I am aware that some delay has occurred in executing the law of January 12, 1870, for the more equitable distribution of the currency, by which law twenty-five millions of circulation were to be withdrawn from certain eastern banks and distributed to Western and Southern States entitled to it, and that in consequence honorable Members from such States may feel under some degree of constraint to vote for this so-called free banking in order to obtain relief. To such I would say that the present Congress will no doubt remove any technical difficulty that has hitherto stood in the way of the prompt execution of the law in question, and thus place twenty-five millions of circulation within the reach of the States west and south now deficient in their apportionment. Besides, it appears by the last annual report of the Comptroller of the Currency, dated 28th of November last, that he expected that all obstacles to the due execution of the law here referred to would be removed in three months from that time. Section 2 of this bill, therefore, is not needed as a measure of present relief to the West and South.

If the West and South have the means to establish more banks, and desire to do so, the opportunity can not, under the existing unequal distribution of bank capital and circulation, be fairly denied them. A bank properly conducted is a convenient and useful institution; it can not, however, make wealth prevail where poverty does now, any more than it can put money in the pockets of those who have nothing wherewith to buy; neither can a bank localize the use of its circulation.

If all the national banks were located in a single State, it does not necessarily follow that the average circulation per capita actually in use by the people of that State would be greater, or even as great, as that in use in other States unblessed by the existence of a single bank of issue.

The proper business of a bank is to facilitate the marketing of the products of the soil; to lend aid to the manufacturer in transforming raw into manufactured material, and to the merchant in distributing the goods so manufactured. If a bank uses its loanable means for purposes other than these, its business is illegitimate, unsafe for itself, and useless to the public.

For these reasons I can not vote for sections 2 and 3 of the bill as they stand. The remaining sections I can willingly support, particularly section 8, wherein the first step is taken toward the retirement of the notes of the Government. It is, indeed, a small step, but it is a step in the right direction; and the retirement of the United States notes therein contemplated is so gradual that I can not see how it can work to the prejudice of any meritorious industry. By this process we shall reach a specie basis long before half of the United States notes are redeemed; and although it is too slow to prevent the inflation of which I have spoken in case section 2 becomes a law, it will, no doubt, tend to check it.

Some such action ought to have been taken long ago, for the gradual withdrawal of United States notes means a gradual return to the coin standard. No people were ever better situated for a return to the currency of the world than we have been.

Gold and silver are as much productions of our soil as are wheat and cotton. Since the war closed over six hundred millions of specie have been drawn from our mines, yet we have miserably failed to utilize this vast product. We must fail to do so no longer.

I regard the return to a specie basis as of the most vital importance to the stability and permanent prosperity of the industrial and commercial interests of our country, and any prosperity that may result from an opposite policy can not but be of the most ephemeral kind.

LET US DO OUR DUTY FEARLESSLY

In conclusion let me reassert the position which I hold on this great and important issue, which is that we should set our faces steadily and persistently toward such a reduction of our currency as will bring it to par with gold; at the same time let us not go into any hasty and rapid contraction. Let the reduction of the volume of our circulating medium be gradual, and it matters not how gradual we make it we must be prepared to find that it is far from agreeable to go through the ordeal.

The man who has been living on stimulants finds that it requires much moral courage and self-denial to return to solid food; so we must be prepared to hear a great outcry to the effect that the business of the country is being ruined; for the decline in prices, which must ensue to some extent, is likely to call out vigorous protests from many quarters.

When once our currency becomes convertible into coin that elasticity which is now so much sought after will also be attained. Whenever our currency becomes superabundant, then will it be cheaper to export gold than anything else, and the surplus coin leaving this country will compel the reduction of the currency to its normal proportions. On the other hand when our currency is too small in quantity, we will draw coin from abroad.

During the panic through which we have just passed, coin was drawn from abroad even when it could not be used as currency. If it could have been so used, relief would have been more speedily obtained.

Our currency, in its present depreciated state, proves a great drawback to the farmer and all others, the price of whose productions is governed by what is exported to foreign markets. The farmer's expenses are regulated under an inflated depreciated currency, while he sells his products in the markets of the old world, where prices are regulated by a currency at par with specie.

Our present inflated currency encourages speculation and extravagance; increases the amount of credits; unduly stimulates importations, causing an adverse state of the exchanges and the exportation of coin; and has a tendency to feed a panic as well as to render it very serious when it occurs.

The currency of the United States was largest in 1837 and 1857, and the result was an overextension of credits, the extension of credits and the inflation of the currency acting and reacting on each other till a very widespread and serious financial crisis brought us back to a sound basis.

As I said, it will require some self-denial and real courage for our people to face a reduction of the currency, but it is much better to meet some small discomfort at present rather than to rush on headlong to certain and very great loss at no remote future.

It would be very agreeable to expand the currency, raise prices, and sail along in our balloon through an exhilarating atmosphere for a few years, but we would sooner or later be brought down to solid ground by a fearful collapse. Such a result is just as sure as it is that the laws of trade and the principles of political science are not to be trifled with and can not be overborne.

Let us be guided in the solution of this question solely by what we consider will be for the ultimate, permanent, and lasting good of this Nation, and not merely seek to do what will please for the time with no regard to the future consequences.

It is not more essential that the atmosphere which we breathe should be pure than it is that the lifeblood of commerce should be wholesome.

I will only add further that the views I have now presented, while they are my own earnest convictions, are also, I believe, in substance the views of a large majority of the people I have the honor to represent on this floor. And I must take leave to deny that the industrious, intelligent people of the Northwest, whether engaged in agricultural, manufacturing, or mercantile pursuits, are generally, or to any great extent, in favor of additional issues of depreciated paper.

SPEAKER JOHN N. GARNER—ADDRESS BY W. G. M'ADOO

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered over the radio, April 11, 1932, by Hon. W. G. McAdoo.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I address my remarks more particularly to registered Democrats, because they alone are permitted to vote in the May primary for delegates to the forthcoming Democratic National Convention in Chicago.

Everyone has a right to support whom he pleases in the primary. The object of our laws is to give each voter the opportunity to exercise a free choice, uninfluenced and unimpeded by political machines or political bosses.

At the primary on May 3 next 48 delegates to the Democratic National Convention are to be chosen. Three delegate tickets are in the field: One for Alfred E. Smith, one for Franklin D. Roosevelt, and one for JOHN N. GARNER, Speaker of the House of Representatives.

Here we have two candidates from New York—Mr. Smith and Mr. Roosevelt. Mr. Smith was nominated for President in 1928 and met with disastrous defeat. Mr. Roosevelt was nominated for Vice President in 1920, and he also was overwhelmingly defeated. Mr. GARNER has served in Congress for 29 years. He has never been defeated.

Neither Smith nor Roosevelt has had the wide experience in national affairs that Speaker GARNER has had. The Democratic voters of California will decide, on May 3 next, which of these three men they want for President.

I favor JOHN N. GARNER because he possesses certain outstanding and indispensable requisites for the presidential office. Among them are brains, courage, integrity, dependability, and freedom from all those sordid and selfish influences which have dominated the Government for the past 12 years and have brought appalling disaster to the American people.

I know that GARNER has brains, because I worked intimately with him in Washington during the six years I served as Secretary of the Treasury. The whole world was then on fire. Real men were needed at every post. GARNER was a leading member of the Ways and Means Committee of the House, where all revenue and financial measures must originate under our Constitution. He was an outstanding man on that committee. He displayed, uniformly, a comprehensive knowledge of every complex problem, and stood by President Wilson with fidelity and courage.

GARNER has been tested in 29 years of public service in the House of Representatives. Because of his great qualities of mind and heart and leadership he has been elevated to one of the greatest offices in the gift of the people—the Speakership of the House.

He has, preeminently, that virtue in which public men are too frequently deficient—courage. Throughout his long career in the House he has fought indomitably for every measure designed to benefit the masses of the people; and he has consistently battled against every measure which would strengthen the forces of privilege and monopoly. Only recently he gave a dramatic demonstration of the kind of courage men must possess to be leaders of men. He left the Speaker's chair when the House was in chaos over the tax bill—chaos produced by an insurgent movement led by a Republican Congressman from New York—and through the sheer force of his ability and the power of his personality he whipped the rebellion, brought the House into line again, inspired it with the necessity for patriotically sustaining the credit of the United States, and secured the enactment of a tax bill to provide the necessary revenues for the Government.

GARNER has that great quality—a quality which shines with effulgent light in these days of sordid corruption and graft—unblemished integrity. No whisper has ever been heard against his honesty and no one has ever questioned his fidelity to the highest principles and ideals of government.

And he is dependable. You can bank on what he says. He is not a double-crosser or a four-flusher. I use these terms because everybody knows what they mean. What a grand thing it is, in public life, to find men of his character, men upon whose word one may actually depend!

In order to serve the masses of the people and to secure for them a just share of the benefits of our institutions (and God knows they haven't been getting their share for a long time) a President must be free from every sinister influence which may sway his mind in favor of those who want advantage.

JOHN GARNER was brought up on a farm in Texas. He has lived in a wholesome environment. He has been schooled in adversity. By training, education, and experience he has the point of view of the great body of the people as well as first-hand knowledge of their problems and necessities. He has seen this country, through a long course of years, gradually drift into a position where a comparatively small percentage of the people have acquired most of the wealth, while the vast majority—the agricultural and laboring classes in particular—have been steadily and pitilessly reduced to a condition of poverty. This unbalanced condition is the greatest conceivable danger to the future of the Republic. It must be corrected by sound, courageous, and healthful measures. We must make it possible for every deserving man and woman to work and prosper. GARNER is preeminently qualified for this job.

If the Democratic Party is to succeed it is imperative that a candidate shall be chosen who is not identified with the feuds and factions which have torn the party asunder during the past 12 years and have thrown undeserved victory into the lap of the Republicans. The colliding ambitions of the New York candidates have brought them into California and have transferred their fight to our soil, dividing our people and imperiling party victory. GARNER is not mixed up in any of these feuds or factional fights. No man is mentioned for the Presidency who can with greater certainty unite all elements of the party and assure a triumph next November.

The country is in a critical condition. Day by day for more than 800 days we have sunk deeper into the mire, with waning hopes and increasing despair. The country is worse off now than it was a year ago, and worse off than it was six months ago. Every remedy adopted at Washington has failed. Values of securities have shrunk to a point where the solvency of individuals and institutions is brought into question. Bankruptcies and failures continue throughout the land; foreclosures of mortgages are driving debtors every day into poverty. Corruption, incompetence, and extravagance of public bodies are notorious and appalling. Taxes, mounting higher and higher, sap the savings of the people. Tax sales of land are unprecedented and are rapidly converting private property into State ownership. A few days ago the Associated Press reported that in the State of Mississippi alone 39,669 farms, or 16 per cent of the agricultural acreage of the State, went on the auction block under the sheriff's hammer, and that 12 per cent of the city property was forfeited for nonpayment of taxes. This reflects the condition of the cotton and wheat States, where general impoverishment of the farmers has resulted from starvation prices for their crops.

Eight million men are unemployed; impious crime stalks the land with immune steps; graft rules our great cities; and the gaunt shadow of want falls upon every community.

Tammany government in New York is under investigation by the Seabury committee for graft and corruption.

Wall Street in New York is under investigation by the Senate of the United States for stock and bond manipulations and speculation.

Great banking houses in New York have already been investigated by a Senate committee headed by Senator JOHNSON, of California, which developed the astounding fact that billions of dollars of worthless and semiworthless bonds have been sold to hundreds of thousands of confiding and credulous American citizens.

New York's political leadership, New York's financial leadership, and New York's business leadership have been discredited. Is there anyone so bold as to say that big business, big finance, and Wall Street have done a good job of running the country, particularly during the past three years?

We need a change in leadership at Washington. But what is the use of a change if the same old forces are to remain in control? It is not enough to swap Washington for New York. The change must be absolute. We must put the mace of power into the hands of a man like GARNER, who has the Jacksonian courage to drive the crooks and money changers from the temple of government and demonstrate that a strong, clean, and economical administration of national affairs can be secured for the people; that the oppressive tax burden can be reduced; that the Federal power, honestly and bravely used, is greater than all the criminals in the land.

GARNER is a friend of California; he supported and helped to secure the construction of the Boulder Dam; he fought for and obtained in the revenue bill just passed by the House an import tax on foreign crude oil and gasoline which will, if passed by the Senate and approved by the President, benefit the oil industry of California and give paying jobs to thousands of idle oil workers in this State and in the Nation.

GARNER knows the problems of agriculture. He did not learn them in Wall Street or on the sidewalks of any part of New York; he learned them on the farm. He comes from one of the greatest wheat and cotton producing States in the Union, and will know how to secure for the distressed cotton growers of the San Joaquin and Imperial Valleys and for the wheat farmers throughout California prices for their crops which will give them a profit and restore their purchasing power.

With GARNER in the White House agriculture will get profits instead of deficits. When that condition is brought about general prosperity will be restored, because agriculture is the basic producer of wealth. So long as it is starved distress will pervade all classes.

The Democratic Party has the opportunity to save the country. Will it prove equal to it? Upon the decision of the national convention as to candidates and platform depends the answer.

California goes to the Chicago convention with greater power and influence than she has ever had in her history. Her 44 votes may nominate and elect the next President. It is imperative, therefore, that the Democrats of this State shall select a delegation of the highest character and ability. I earnestly hope that every registered Democrat will go to the polls on May 3 and vote for the man whom he thinks can best serve the country in the present crisis.

I think that the unbeaten and unbeatable JOHN N. GARNER is the man we should support. I believe that he can be nominated if California instructs for him.

I have been named as a member of the Garner delegation, and I wish here and now to give my pledge to the Democratic voters of California that if they should do me the honor to send me and my associates to Chicago I shall do everything in my power to promote Democratic cohesion and to discharge the responsibilities they may confer upon me with unselfish devotion to the interests of the people and to the cause of democracy.

PROPOSED COMMITTEE ON VETERANS' AFFAIRS

The VICE PRESIDENT laid before the Senate the motion of the Senator from Iowa [Mr. BROOKHART], coming over from a previous day, to discharge the Committee on Rules from the further consideration of Senate Resolution 26. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 26) submitted by Mr. BROOKHART, December 9, 1931, as follows:

Resolved, That so much of paragraph 1 of Rule XXV of the Standing Rules of the Senate as reads "Committee on Pensions, to consist of 11 Senators" is amended to read as follows:

"Committee on Veterans' Affairs, to consist of 13 Senators, to which shall be referred all legislation and other matters relating to pensions, Government life insurance, and death or disability compensation, hospitalization, and allowances of persons in the military or naval service of the United States and their beneficiaries, and all legislation and other matters relating to the National Home for Disabled Volunteer Soldiers, and its branches."

Mr. BROOKHART. I desire to have the Senate proceed with the consideration of my motion to discharge the Committee on Rules from the further consideration of the resolution just read.

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator yield for that purpose?

Mr. BROOKHART. I yield.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Shipstead
Austin	Couzens	Kean	Shortridge
Bailey	Cutting	La Follette	Smith
Bankhead	Dale	Lewis	Smoot
Barbour	Dickinson	Logan	Steiwer
Barkley	Dill	Long	Stephens
Bingham	Fess	McGill	Thomas, Idaho
Black	Fletcher	McNary	Thomas, Okla.
Blaine	Frazier	Metcalf	Townsend
Borah	Glenn	Moses	Tydings
Bratton	Goldsborough	Neely	Vandenberg
Brookhart	Gore	Norbeck	Wagner
Broussard	Hale	Norris	Walcott
Bulkley	Harrison	Nye	Walsh, Mass.
Bulow	Hastings	Oddie	Waterman
Byrnes	Hatfield	Patterson	Watson
Capper	Hayden	Pittman	Wheeler
Caraway	Hebert	Reed	White
Carey	Howell	Robinson, Ind.	
Connally	Hull	Schall	
Copeland	Johnson	Sheppard	

The VICE PRESIDENT. Eighty-one Senators having answered to their names, there is a quorum present.

Mr. BROOKHART. Mr. President, I ask that the resolution be read, so that the Senate may understand the subject under consideration.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk again read the resolution (S. Res. 26).

Mr. BROOKHART. Mr. President, at the present time the Senate has a Committee on Pensions, to which is referred pension matters. It has a Committee on Finance, to which is referred a large part of Veterans' Bureau affairs, though some parts are referred to the Committee on Military Affairs and perhaps some parts to other committees. It is the purpose of the resolution to create a single committee to have charge of veterans' affairs. The Pension Bureau has been transferred to the Bureau of Veterans' Affairs. It is all in one single organization and there is no occasion why its affairs should be divided up among the various committees of the Senate.

The resolution was introduced early in the last session, but I was unable to get action of the Committee on Rules during the entire session. I introduced it again at the beginning of the present session, and I have been unable to get anything but some hearings before the committee throughout this session—no report and no action of the Committee on Rules. At last I have despaired of any other method of getting the resolution before the Senate except to move to discharge the committee from its further consideration. Hence I have entered the motion.

I do not care to take any extended time in discussing the motion. I would like to have the vote of the Senate upon it. I think that the Committee on Finance has no more occasion to handle veterans' affairs than it has to handle the military affairs or naval affairs or any of the other matters relating to veterans. Therefore I think the Committee on Rules should be discharged and the resolution placed before the Senate for consideration.

Mr. MOSES. Mr. President, the recital made by the Senator from Iowa is accurate so far as it goes. He did not state, because he did not know, that a large majority of the Committee on Rules do not favor the creation of a committee such as the Senator from Iowa has in mind. The general practice of the Senate in cases like that is not to report measures but to let the measures slumber in the committee files. The Senator from Iowa is, of course, wholly within his rights in moving to discharge the committee from further consideration of his resolution, and therefore all the proceedings have been orderly.

The opinion of a majority of the Committee on Rules is that the committee is unnecessary. It creates an enlarged committee. It does not add to the standing committees of the Senate, but it concentrates in one body of 13 members the work which, as the Senator from Iowa has pointed out, is being carried on by a diversity of committees in the Senate.

I had hoped that the Senator from Iowa would make the direct accusation that the interests which would be dealt with by the proposed new committee had suffered by reason of the practice which now obtains in the Senate. He has not made any such assertion, and I venture to assert that no real interest has suffered by reason of the fact that the various types of veterans' legislation have been considered by different groups of Senators serving upon different committees.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Washington?

Mr. MOSES. I yield.

Mr. DILL. I wish to ask the Senator if this proposal would interfere with the other proposal now before the Senator's committee, namely, to create a separate veterans' committee?

Mr. MOSES. There are two proposals before the committee, I will say to the Senator, one offered by the Senator from Texas [Mr. SHEPPARD] and the other which is dealt with by the resolution now referred to by the Senator from

Iowa. I think essentially they are the same. I understand that there is a good deal of division of opinion among beneficiaries of activities by the proposed new committee, that one considerable group, well organized and capable of exerting great pressure upon legislative bodies, prefers the proposal offered by the Senator from Texas. Another group, equally sincere, not as well organized, certainly not as capable of exerting direct pressure, has supported the proposal offered by the Senator from Iowa. In essence, however, the two proposals are the same.

The proposal is in effect to concentrate in a single committee the consideration of all legislation which affects any veteran's interest, and also the taking over, as proposed by the Senator from Iowa, of some activities which now are not considered in connection with the veterans' affairs, that is to say, the national homes for disabled volunteer soldiers. It is the opinion of many members of the Committee on Rules, it is certainly my opinion, Mr. President, that there can be but one result from the creation of this new committee, and that is to make it much easier to secure legislation which takes money out of the Treasury, legislation which should be carefully scrutinized, legislation which should, of course, be regarded with sympathy, but which committee should have its sense of generosity tempered with a sense of justice. We know perfectly well nowadays that legislation of a certain type, backed by a given group of individuals in the country, when it is presented here goes through under irresistible pressure and the effect of it is to take incalculable sums of money from the Federal Treasury. Even if I believed in this type of committee in general, I would feel that at this moment, when we are doing everything else that takes place in this Chamber to curtail Government expenditures, we should be very slow in setting up an added piece of machinery in the Senate which, as I view it, will chiefly consist in facilitating the flow of money out of the Treasury.

I have heard no serious complaint from any considerable body of veterans that their affairs have not been dealt with sympathetically, even generously. The testimony adduced before the Committee on Rules consisted merely in a recital, which has since proved to have been inaccurate, that the House committee cognate to the one proposed to be set up here had given much more time to the consideration of veterans' measures than the committees of the Senate had given. Upon consulting the record, upon reading the chronology of the bills which were adduced by the witness who testified before the Committee on Rules, it was readily discoverable that that statement could not be substantiated. On the contrary, it was demonstrated that the Senate committees dealing with these subjects had been as painstaking as any committee in the Senate dealing with any subject of major importance.

I am speaking for the majority of the Committee on Rules, who, while they have taken no action formally, have nevertheless pursued the orderly course of dealing with legislation referred to the committee and have let the resolution lie dormant, because under the practice, as I have said, when a committee is not in favor of a proposal it does not report it adversely except by special agreement among its members, but the measure stays upon the committee calendar. There this resolution has stayed. There I continue to contend, Mr. President, it should stay.

Mr. SHEPPARD. Mr. President, representatives of veterans' organizations appeared before the Committee on Rules and requested that a separate committee be established for the consideration of veterans' legislation. I remember particularly that Hon. John Thomas Taylor, general attorney for the American Legion, submitted an elaborate statement in which he showed in detail how veterans' legislation had suffered seriously by reason of the fact that only a subcommittee of the Committee on Finance, a committee whose attention must necessarily be concentrated on the great business of taxation, is now permitted to consider veterans' legislation in the Senate.

It seems to me the veterans are entitled to the same consideration in the Senate which has been given them in the House. A separate committee has been in operation in the House dealing with veterans' legislation almost from the beginning. I am confident that practically all our ex-service men are behind the proposal that they have a separate committee to consider legislation relating to them in the Senate. In this Congress and in prior Congresses I have introduced a resolution for a committee of this kind. I am glad to cooperate with Senator BROOKHART in behalf of his resolution on the same subject and in support of his motion to-day.

Mr. MOSES. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from New Hampshire?

Mr. SHEPPARD. Certainly.

Mr. MOSES. I referred in the course of my remarks on the subject to the testimony which was brought out before the committee, and I referred to the detailed statement which the Senator from Texas has in mind. I looked it up. I discovered that the statement was inaccurate, and that the House committee had not given so much more time than the Senate committee had; that, as a matter of fact, they get a bill to-day and report it to-morrow.

Mr. SHEPPARD. The Senator from New Hampshire is referring to but one phase of the argument by Mr. Taylor. The whole burden of Mr. Taylor's statement was to the effect that the veterans desire a separate committee in the Senate and that they feel they have not received the attention which they deserve and which their measures deserve in this body. To the same effect was the statement by Hon. L. S. Ray, vice chairman of the National Legislative Committee, Veterans of Foreign Wars.

Mr. MOSES. My feeling is that their measures have received such attention as they deserve, and merely because a body of citizens—I do not care how numerous or how highly organized—want a special committee to deal with their matters does not seem to me to be sufficient reason for the Senate yielding to them.

Mr. COPELAND. Mr. President, it is not a question alone of whether the veterans want this committee. It is my feeling that the Senate itself should have a committee to consider all matters relating to veterans' legislation. We will be obliged, whether we wish it or not, very shortly to consider the bonus measure. It ought to be the business of some group in this body to study that question and all others relating to veterans.

I hesitate very much to vote for any measure which seeks to increase the number of committees. Every one of us is overpressed now with committee work. However, as I understand it, this proposal does not add a new committee. This takes a committee already in existence and clothes it with new power. There is an appropriateness in this proposal because, as the Senator from Iowa [Mr. BROOKHART] pointed out, pensions are now dealt with in the Veterans' Bureau. As I see it, it is wise for us to have the whole subject of veterans' legislation referred to a standing committee and considered there in order that the Senate itself may have the information to enable it to act wisely on matters having to do with veterans' legislation.

Therefore, for my part, even though I am a member of the Committee on Rules and hesitate at any time to take any action which would appear to be in opposition to the opinion of a majority of the committee, I feel that the veterans and the legislation having to do with the veterans are entitled to our consideration. To this end it is desirable to have a committee which will give all veteran proposals due and proper attention.

Mr. DILL. Mr. President, I do not consider this a proposal to create a new committee; it seems to me it is rather a proposal to change the jurisdiction of existing committees and to enlarge the jurisdiction of the Pension Committee so that it might more readily handle the business that would be allotted to it. I have never been able to understand, anyway, why proposed legislation as to payments to veterans or as to caring for veterans should be referred to a committee whose primary duty is to pass on legislation to raise revenue to run the Government. I think the Senator

from Iowa is suggesting a very proper and a very natural classification when he proposes that all legislation relating to World War veterans shall be referred to and considered by the committee which handles legislation relating to veterans of all other wars. So it seems to me the argument here involves not so much the question of a special committee, because it is not a special committee, but the proper jurisdiction of proposed legislation.

The only argument which the Senator from New Hampshire [Mr. MOSES] really makes against the proposition is that the Pension Committee will be more ready to report out legislation proposing to take money out of the Treasury than the Finance Committee now is. I do not know on what the Senator bases his opinion, for my experience has been that it is not any easier to get legislation out of the Pension Committee than it is to get it out of the Finance Committee. However, that is not a valid reason, anyway. That is an argument to the effect that certain Senators are on the Finance Committee, and they are more opposed to taking money out of the Treasury than are Senators on the Pension Committee. Such an argument has no real place in the consideration of this question.

The sole question, as I see it, is whether or not the Senate wants to make a natural division of the work of the committees or whether it will keep an artificial arrangement that has developed as a result of the legislation that was enacted in connection with the World War. The natural jurisdiction of the Pension Committee includes all legislation affecting veterans of any and all wars in which this country has been engaged.

I think the motion of the Senator from Iowa is eminently sound; I think it ought to be adopted; and I intend to vote for it because of that fact, and also because of the further fact that the adoption of his motion would not pass the resolution but would only place it on the calendar where the Senate may have an opportunity to act upon it in a proper way.

Mr. SMITH. Mr. President, it seems to me rather a curious procedure that we are now following. Ever since I have been a Member of the Senate, we have been arguing and protesting against the overlapping jurisdictions of different departments, complaining that one branch of a given matter is under the jurisdiction of one department and another branch of it is under another, and there is never a concentration of the entire subject matter under one jurisdiction whether of a department or of one specific committee. I think the proposal that all matters pertaining to veterans of the wars in which America has been engaged shall be referred to the Pension Committee is eminently justified by the very nature of the case. That committee is to pass upon the merits of any proposition that is placed before it; and then when its report is submitted, are to view it from the standpoint of those charged with analyzing the particular situation.

The Finance Committee is constituted to look after the fiscal and financial affairs affecting the Government. I do not see why the Committee on Finance should have jurisdiction over legislation pertaining to the affairs of the veterans of this country any more than it should have jurisdiction over legislation pertaining to the agricultural interests of the country.

I want to take this occasion to say that there seems to be a disposition to resent what are improperly called the importunities of the veterans of the several wars. There is no experience of a citizen that in any way approximates in horror and danger that of one who is called upon actually to defend his country in the presence of imminent death, relinquishing all his business, cutting every human tie, and taking, in the last analysis, the supreme risk involved in all human effort when the preservation of a nation is at stake, namely, the laying of his life on the altar of his country. Though we must use judgment as to measures that come before us looking to the welfare of the defenders of our country, I for one, am willing at any and all times to go to the limit in maintaining in comfort those who have risked everything to insure my comfort and safety by defending their country.

I want to state, Mr. President, that I am heartily in favor of the proposal of the Senator from Iowa. The difference between the proposal of the Senator from Texas [Mr. SHEPPARD] and that of the Senator from Iowa is that the Senator from Iowa proposes that the Pension Committee shall have jurisdiction of matters pertaining to the veterans of all wars, while the Senator from Texas proposes that its jurisdiction shall be restricted to the World War veterans. I am in favor of the principle involved in these measures. Therefore I shall very gladly vote for the motion of the Senator from Iowa.

The PRESIDING OFFICER. The question is on the motion of the Senator from Iowa.

The motion was agreed to.

The PRESIDING OFFICER (Mr. FESS in the chair). Morning business is closed.

DISTRICT STREET-RAILWAY MERGER

Mr. AUSTIN. I move that the Senate proceed to the consideration of Calendar No. 497, being Senate Joint Resolution 13, to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Vermont.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 13) to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

Mr. AUSTIN. Mr. President, this joint resolution is for the purpose of carrying into effect the privilege granted by the La Follette Act of the Sixty-eighth Congress permitting the street railways, bus lines, and other public utilities in the District of Columbia to consolidate.

Mr. JONES. Mr. President, may I ask the Senator from Vermont a question?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Washington?

Mr. AUSTIN. Yes; I yield.

Mr. JONES. I was not able to be present when the committee acted upon the measure. I inquire if the committee is unanimous in its report?

Mr. AUSTIN. The committee was not unanimous. There were two members of the committee who dissented in respect to one paragraph of the joint resolution as reported, and who suggested three other additional paragraphs. So there have been presented minority views signed by two members of the committee. The majority report represents the views of all the remaining members of the committee, and I have been asked to present the majority views and to move for the passage of the joint resolution with amendments suggested by the committee.

I will make, Mr. President, a brief statement of the purpose of the joint resolution. It will be noticed that many pages of the measure, namely, those from page 2 to page 17, consist of an agreement. The other portions of the joint resolution, which are short, comprise the enacting provisions of it, carrying out the spirit of the La Follette Act, which enables corporations in the District of Columbia to merge in the following way:

> That any or all of the street-railway companies operating in the District of Columbia be, and they are hereby, authorized and empowered to merge or consolidate, either by purchase or lease by one company of the properties, and/or stocks or securities of any of the others, or by the formation of a new corporation to acquire the properties and/or stocks or securities and to succeed to the powers and obligations of each or any of said companies under such terms and conditions as may be agreed upon by vote of a majority in amount of the stock of the respective corporations, and as may be approved by the Public Utilities Commission of the District of Columbia: *Provided*, That no merger of said companies shall be finally consummated until the same is approved by a joint resolution of Congress.

That is not the whole of the paragraph, but I have read so much of it as necessary for a clear understanding of what is before the Senate.

The agreement found between pages 2 and 17 of the joint resolution is an attempt to comply with the first part of the LaFollette measure, and its first condition, namely, "under such terms and conditions as may be agreed upon by vote of a majority in amount of the stock of the respective corporations."

Mr. President, it has taken many years to get this joint resolution into the condition in which it is to-day. Of course, both the street-railway companies of the District of Columbia represent many people, many philanthropic institutions, many guardians of orphans and others who are incompetent, many fraternal organizations, as well as individuals and corporations which are engaged in business. So there have been many diverse views regarding the sort of an agreement that should be made between the street railway companies themselves, and then again between such merged corporations and the Public Utilities Commission, the District Commissioners, and the Congress of the United States. So it has taken many years to get through such an agreement.

In order to facilitate the undertaking and to have it put upon a basis which would have regard for the interests of the public and in order that it should not be presented to the Senate impregnated with some selfish purpose or some special privilege on behalf of these public utilities, the measure was inaugurated by an investigation by the Bureau of Efficiency.

The Senator from Kansas [Mr. CAPPER] in 1928, as chairman of the Committee on the District of Columbia, called upon the Bureau of Efficiency to investigate and to recommend a method of unification of these competing public utilities in such manner as would eliminate waste, in such manner as would improve the service, in such manner as would prevent duplication, and in such manner as would take out of the streets and therefore out of the way of the traffic of Washington and of all the world passing through Washington twice the number of street cars necessary and needful for the carriage of people. The Bureau of Efficiency was called upon to investigate and to report a measure embodying suggestions which could be submitted to the public utilities for them to vote upon in their stockholders' meetings, wherein were represented all of the diverse interests to which I have already called attention.

That was practically carried out, not only by the Bureau of Efficiency employing several experts; but, as another check upon the possibility of this measure having any selfish objective or trenching upon the rights of the public, an expert to represent the Congress through the District Committee was employed at a compensation of $10,000 to investigate the whole matter and make a survey of the situation in Washington with reference to the service required and the savings that could be effected and transmitted to the public, the improvement of the service, and the holding out of the possibility of future development. All these matters were submitted to Doctor Maltbie, probably one of the most renowned experts in the United States upon this type of public utility, and now the chairman of the public service commission of the great Empire State.

Probably no measure could come before the Senate under the auspices of so independent, so expert, and so reliable a recommendation and backing as does this joint resolution. It represents deliberation. It represents expert examination. The evidence which is before you can be checked and found correct or incorrect, as the case may be, by any Senator; and we proceed to the consideration of this merger not hastily and not ill prepared, but under the best of circumstances.

In explaining this measure, I ought to call to your attention some of the setting of the measure in general.

In the first place, this is not the joint resolution of any public utility. This is not the joint resolution of the Washington Railway & Electric Co., or of the Capital Traction Co., or of the bus company known as the Washington Rapid Transit Co. This is the joint resolution of the Public Utilities Commission of the District of Columbia, which has presented it and recommended it for passage by the Senate.

We have in this District a National Capital Park and Planning Commission. That commission also has indorsed this merger and recommends the passage of this joint resolution.

Moreover, the District Commissioners—whose relationship to the District of Columbia I apprehend is similar to that of the governor of a State—recommends the passage of this joint resolution and the authorization of this merger. The Bureau of Efficiency, the Washington Chamber of Commerce, the Washington Board of Trade, the Merchants and Manufacturers' Association, the Washington Central Labor Union, the Washington Society of Engineers, and the Progressive Citizens' Association of Georgetown, all support this measure.

At the hearings other public associations indorsed the merger, including the Central Business Men's Association and the Northeast Washington Citizens' Association; but I think probably the most effective indorsement of this plan is that of the women, private citizens, trustees, guardians, eleemosynary institutions who own the capital stock of the concerns that are to be merged if this joint resolution should be passed, who have taken the funds of their wards in the case of trustees and guardians and invested them in the securities of these public-utility companies at a time when they were regarded as sound investments, worthy to be employed by trustees, and now find that that which had a value of several hundred dollars per share has a value of only $16 or $17 per share, and a prospect of being wiped out. In other words, there is a certain benefit which should be considered by the Congress of the United States to the great public of Washington who represent the owners of the capital stock of the companies to be merged. The Capital Traction Co., I think, has something like 2,250 different stockholders right in this vicinity, and I think the capital stock of the Washington Railway & Electric Co. is distributed over nearly as large a number of stockholders.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from New York?

Mr. AUSTIN. I do.

Mr. COPELAND. Of course, it is not alone a question of the interest of the many stockholders spoken of by the Senator, but the very life of the institutions is at stake, so that the traveling public and every citizen of Washington have a direct interest in the matter, too. I assume I am right in that.

Mr. AUSTIN. That is correct. I will say to the Senator from New York that it is my intention to bring out, if possible, in explaining the measure, the fact that the elimination of these many street cars and the duplication of cars upon individual streets would result in a direct benefit to the public, and that the possibility of improvement of service in the use of better cars, regulated with more scientific adjustment to the demand for service here and there throughout the city, would constitute a direct benefit to the traveling public. There is, however, another one which will be recognized as involving the immediate cost to the public utilities of a very large sum of money, which would be a benefit to the traveling public—a cost created by this merger—and that is the transfer between all street cars which is granted under the agreement embodied in this joint resolution.

At the present time transfers can not be had from the cars of one company to the cars of another. Under this joint resolution, if it should pass, there will be free transfers between all street cars. In that connection, let me say that one of the amendments suggested by the dissenting minority relates to transfers; and the minority suggest transfers as between busses and street cars—a matter which I do not care to discuss at this time, and which will be soon enough spoken of after and if the minority ask the Senate to agree to an amendment to direct such transfers.

The Public Utilities Commission of the District of Columbia, which is the agency requesting the introduction and passage of this joint resolution, itself held extensive hearings on the joint resolution, using Doctor Maltbie's draft of legislation as the basis of those hearings. As a result of those hearings these committee amendments were devised, some

of them coming from the Public Utilities Commission, some of them from the District Commissioners, and some of them from the so-called people's counsel, an attorney who under the law has certain functions to perform in representing the people of Washington before the Public Utilities Commission, although not before the District committees of Congress.

This joint resolution is necessary because the La Follette Act creates only the general right or privilege to merge; and this joint resolution is the logical, natural, and practical sequel of the La Follette Act. Of course, Congress had an objective in passing the La Follette Act, which was the very merger in which we are now engaged, but which can not be carried out without the passage of such a joint resolution as we have here.

The evidence upon the hearings showed clearly that the people of Washington practically unanimously favor a merger; and the delays that thus far have occurred in bringing about a merger have been the result of differences regarding mere details of that merger; but as an upshot of all of the conflict and consideration of this measure the Senate committee having charge of affairs in the District of Columbia has reported substantially the bill of Doctor Maltbie. That should be borne in mind in considering everything relating to this matter.

If this merger is to be carried into effect, its conditions must be accepted within two years by all of the corporations merged. If they should fail to accept our vote here upon this joint resolution, if it is in the affirmative, the whole matter would drop, and there would be no merger.

The two companies are to vest their railway properties in a new company to be incorporated under the laws of the District, and that charter must be submitted to the Public Utilities Commission and must be approved by that commission before it becomes effective.

I have already called attention to the provisions in this agreement for free transfers between all street cars in the District of Columbia.

There is a provision in the agreement that the corporations will accept and comply with a rate of fare for school children to be fixed by the Public Utilities Commission. It is supposed that such rate will be low, will be extraordinarily small, perhaps. There is another feature which ought to be mentioned in connection with this; that is, the hope that by this merger such savings can be made in various ways that a low fare for all people may be arrived at within a certain zone in the District of Columbia. That is one of the possibilities; it is no part of the agreement between the companies and the Public Utilities Commission, but the passage of this resolution will give ground for hope that such a reduction to all the people here may be obtained.

The Washington Railway & Electric Co. many years ago, I think it was in 1906, by virtue of authority given by Congress in the act of June 5, 1900, entered into a contract with the Potomac Electric Power Co. which, in a general way, arranged for the development of that power company. At that time the relative positions of these two corporations were somewhat different from what they are to-day. The Potomac Electric Power Co. was weak financially; it did not have credit sufficient itself to finance its own development. On the other hand, the Washington Railway & Electric Co. was powerful; it had sufficient credit so that it was able to provide something like $7,000,000 of financing for the Potomac Electric Power Co., which otherwise the power company could not have obtained.

In view of that situation Congress, recognizing apparently, the great public benefit the development of this power company would be, authorized directly and specifically the contract between the Washington Railway & Electric Co. and the Potomac Electric Power Co. which to-day is under consideration in this resolution, and affords one of the points of objection by the minority in their report.

I call attention briefly to only a part of the act of 1900, because I think the RECORD should show the foundation for this contract, which is a very fundamental element in this merger. I read from page 244 of Laws Relating to Street Railway Franchises in the District of Columbia, 1905:

SEC. 3. That the Washington & Great Falls Electric Railway Co.—

The company now called the Washington Railway & Electric Co.—

That the Washington & Great Falls Electric Railway Co. may acquire and hold shares of the capital stock or other securities of any company supplying or under contract to supply electric power in the operation of its railway to it or to any of the corporations whose shares of stock or whose property and franchises it is authorized to acquire under this act; and as a part of any contract for the supply of said power the said Washington & Great Falls Electric Railway Co. may exchange its stock and securities for the stock and securities of any such electric power company—

I wish to have Senators note particularly this language—

and may guarantee the securities of any such power company, but in no event shall said railway corporation be authorized to receive a transfer of the property or franchises of such electric power company.

Under that authority an agreement was entered into between the Washington Railway & Electric Co. and the Potomac Electric Power Co. for the furnishing of power to the railway company for its use, and for sale to and use by other railway companies in this vicinity, at a rate specified in the contract, which I can not carry in memory. It provided for payment by way of exchange of utilities and service. The minority wish to have that contract abrogated so far as the rate is concerned, and wish to have the Public Utilities Commission fix a new rate for the whole contract.

That claim has really developed since the consideration of this measure in the last session. Following Doctor Maltbie's suggestion, however, the majority of the committee divided that contract, determining that 63 per cent of power should remain at the present rate and 37 per cent of power should be regulated by the Public Utilities Commission from the start.

Moreover, carrying out the suggestion of the power company and the Public Utilities Commission themselves, that 63 per cent is to terminate in 15 years, and thereafter 100 per cent, namely, all of the power under this contract, shall be regulated by the Public Utilities Commission. In other words, these great concerns, whose stability and soundness is essential to the public, not only the traveling public, who ride the cars and hang on to the straps or sit in the seats, but also those people whose financial protection rests in the security of the capital stock of these corporations, were looked after by the Public Utilities Commission. It should not be forgotten that this division and this arrangement for the gradual letting down from that contract was devised first by Doctor Maltbie, and then carried out by the Public Utilities Commission, upon an agreement entered into by these corporations to waive an everlasting contract and accept in place of it a limited contract, to end in 15 years.

I call attention, in explanation, further to this point, that when it comes to a practical regulation of rates, one must recognize that this proposed amendment, which raises a controversy, is really tilting at windmills; it is not practical; it is really not sensible, for the simple reason that the Public Utilities Commission can so regulate 37 per cent of the product that it can really regulate the whole amount, and get an average rate that is entirely satisfactory.

The members of the minority are practically the only persons I can discover in this record, aside, perhaps, from the people's counsel, who are opposed to carrying out Doctor Maltbie's provision, the provision of the Public Utilities Commission, and the contract between these corporations with respect to this point.

There was a provision in the original arrangement between the District and the Public Utilities Commission that the utilities should pay all the costs incident to the maintenance of policemen on the corners of streets where the railways operate, to regulate traffic, and it has been obvious for years to the public, and to any thinking person, that that was a ridiculous arrangement. In the first place, it injuriously affected discipline in the police department of the District,

these officers, so paid by the railway corporations, refusing to obey the commands of their superior officers in the police department, and refusing to do anything except what they claimed they were hired to do with respect to directing traffic on the street corners.

There was a provision as to pavements within the trolley area, that is, the surfacing of the streets between the various tracks, and two feet outside of the rails. That archaic provision has made for trouble and destruction practically throughout the United States, and it is a curious thing to find it still in vogue here in the District of Columbia. For my part, I was surprised to find that this joint resolution did not completely extinguish it. On the contrary, the joint resolution still leaves the burden upon street railway companies in the District of Columbia of paying one-fourth of the cost of the pavements of all newly paved streets—that is, streets to be paved in the future—and the continuation of the cost of pavements in the trolley area with respect to repairs made in streets formerly paved, and an adjustment with reference to the burden which the railways place upon bridges, to be worked out by the Public Utilities Commission and the railways hereafter.

This waiver of support by the railway companies is made in consideration, of course, of the forbearance of extra fares, which the railway has to forbear when it gives free transfers between all railway cars.

I have approached the end of this, Mr. President. The majority report will supplement what I have said.

ALABAMA SENATORIAL CONTEST

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the special order for this hour, which will be stated.

The legislative clerk read the resolution (S. Res. 199), reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to be seated as such.

Mr. BRATTON obtained the floor.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from New Mexico yield for that purpose?

Mr. BRATTON. I do.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Shipstead
Austin	Couzens	Kean	Shortridge
Bailey	Cutting	La Follette	Smith
Bankhead	Dale	Lewis	Smoot
Barbour	Dickinson	Logan	Steiwer
Barkley	Dill	Long	Stephens
Bingham	Fess	McGill	Thomas, Idaho
Black	Fletcher	McNary	Thomas, Okla.
Blaine	Frazier	Metcalf	Townsend
Borah	Glenn	Moses	Tydings
Bratton	Goldsborough	Neely	Vandenberg
Brookhart	Gore	Norbeck	Wagner
Broussard	Hale	Norris	Walcott
Bulkley	Harrison	Nye	Walsh, Mass
Bulow	Hastings	Oddie	Waterman
Byrnes	Hatfield	Patterson	Watson
Capper	Hayden	Pittman	Wheeler
Caraway	Hebert	Reed	White
Carey	Howell	Robinson, Ind.	
Connally	Hull	Schall	
Copeland	Johnson	Sheppard	

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

Mr. BRATTON. Mr. President, the controversy to which the resolution refers naturally divides itself into two parts—the primary and the general election. It is alleged on the face of the contest that in the general election the contestee, Mr. Bankhead, received 150,985 votes, and that the contestant, Mr. Heflin, received 100,969 votes, thus giving to the contestee a majority of 50,016 votes on the face of the returns as canvassed in the State of Alabama.

After the contest was filed and in obedience to a resolution of the Senate the Committee on Privileges and Elections impounded the ballots, brought them to Washington and proceeded to recount them. There are 67 counties in Alabama. The committee took charge of the ballots in 64 of those counties. In three of the counties the ballots had been destroyed. On the face of the returns in the 64 counties, deducting the three counties where the ballots had been destroyed, Mr. Bankhead had a total of 144,586 votes, and Mr. Heflin 96,811, a majority of 47,775 for Mr. Bankhead.

The contestant challenges the validity of the primary, contending that he was wrongfully excluded therefrom. Indeed, he strikes at the entire proceedings of the primary. In addition to that he alleges a great array of irregularities and departures from the law relating to the conduct of the general election. I shall first address myself to the primary.

It is charged that the resolution adopted by the Democratic State committee of Alabama prescribing the qualifications of candidates and the qualifications of electors, was void because it departed from the statute, that it violated the statute, that under the statute the same qualifications are prescribed for candidates and voters, whereas the committee created different qualifications. Let us take up that phase of the case first.

Permit me to say in a preliminary way that perhaps the impression has gone abroad that this was an innovation in Alabama; that it was a new thing designed and put into force for the purpose of penalizing some one candidate or some group of candidates. I shall endeavor to show that such is not correct; that the procedure has been followed in Alabama for many years, and that it was not a new scheme, that it was not a new proposal, that it was not an innovation directed at any one candidate or any group of candidates.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. BRATTON. I yield.

Mr. WHEELER. Has the Senator touched upon the question of whether or not what they did had any legal effect upon the election? I think what they did in Alabama in the way of cutting a man out of the primary was an outrageous proposition, but the question in my mind is whether or not that should legally affect the results of the election. I do not think any State or any committee ought to have the right to say to any citizen, "You can not become a candidate in the Democratic primary or in the Republican primary." If they had attempted to do that in my State, or any of the Western States, I am sure the people of those States would have very much resented it. What the effect of their having done it would have been upon the result of the election is a thing that is uppermost in my mind.

Mr. BRATTON. Mr. President, the inquiry is a very pertinent one, which I shall discuss later. I shall undertake to show that what they did conformed to the law. Then I shall undertake to establish the proposition that even if it departed from the statute it does not vitiate the general election; that advantage of it must be taken seasonably and in an appropriate way instead of waiting until after the general election.

At page 350 of volume 2 of the hearings Members of the Senate interested in the subject will find a copy of the resolution adopted by the committee. The relevant parts of it read as follows:

First. That a primary election be, and the same is hereby, called to be held at the several polling places in this State, at the hours fixed by law, on the second Tuesday in August, 1930, for the nomination of the Democratic candidates for offices to be filled in the general election next succeeding, and that the candidates of the Democratic Party for all State, district, circuit, Federal, and county offices to be filled in the general election to be held in November, 1930, be nominated in the primary election to be held on the second Tuesday in August, 1930, under the provisions of the statutes of Alabama governing primary elections.

Second. That the following persons shall be entitled to vote in said election, and none others, viz: Qualified white electors of this State who believe in the principles of the Democratic Party, and who agree and bind themselves by participating in said primary to abide by the result of said primary election, and to support the nominees of the Democratic Party therein.

Third. The following persons, and none other, shall be eligible to be candidates for nomination in said primary election, viz:

Qualified white electors who possess the qualifications fixed by law for the respective offices for which they are candidates for nomination: *Provided, however*, That no person shall become a candidate for any State, district, Federal, or circuit office or have his or her name printed upon the Democratic ballot in the primary election to be held on the 12th day of August, 1930, if such person either voted a Republican presidential ticket in November, 1928, or openly and publicly opposed the election of the nominees of the Democratic Party, or either of them, or who opposed the election of the Democratic electors for President or Vice President in November, 1928. Such proposed candidates shall also be required to pay the assessments fixed by this committee on or before the date limited for paying such assessments and for the filing of declaration of their candidacy.

Fourth. That candidates for nomination for all of said offices, except as herein provided for, shall within such time as may be specified by this committee file with the chairman of the State Democratic executive committee a declaration of candidacy as follows:

"I hereby declare myself to be a candidate for the Democratic nomination in the primary election to be held on the second Tuesday in August, 1930, for the office of ———.

"I hereby certify that I did not vote a Republican presidential ticket in November, 1928, or openly and publicly oppose the election of the nominee of the Democratic Party, or either of them, and that I did not oppose the election of the Democratic electors for President or Vice President in November, 1928.

"I further agree to abide by the result of the primary election in which I am a candidate, and to support the nominee of the Democratic Party in said election.

"I further certify that I am a qualified white elector of the State of Alabama, and possess the qualifications fixed by law for the office for which I am a candidate.

"———— ————.

"Sworn to and subscribed before me, this, the — day of ————, 1930.

"———— ————, *Notary Public.*"

Mr. President, it will be found by reference to volume 3 of the hearings, recently conducted, at page 346, that a resolution identical in effect was adopted by the Democratic State Committee of Alabama in 1922. I read from that resolution as follows:

1. That a primary election for said party be, and the same is hereby, called to be held on August 8, the second Tuesday in August, 1922.

2. That all white voters otherwise qualified under the laws of the State of Alabama to vote shall be permitted to participate in such primary: *And provided further*, That any voter who participates in such primary thereby obligates and binds himself or herself to support the nominees therein selected.

3. That all candidates for any of the offices or party places to be nominated in said primary shall qualify as such candidate on or before the 1st day of May, 1922, by filing—if a candidate for a State office or a State party office—his or her name with the chairman of this committee, and if a candidate for a county office or county party office, his or her name with the chairman of his or her county Democratic executive committee, designating the office or the place for which he or she is a candidate, and under oath declaring that he or she did not in the presidential election of 1920 support the presidential electors of any party other than the Democratic Party, and a declaration that he or she will be bound by the result of such primary and will support the nominees thereof. Such candidates shall also comply with all the other laws as provided for in the statutes of Alabama.

It will be noted, Mr. President, that in the resolution of 1922 the committee required the same showing on behalf of candidates that it provided in 1930; that is to say, that no one should be eligible as a candidate in the primary who had in the previous presidential election supported the candidate for President or Vice President or presidential electors of any other party. In 1924 a slightly different procedure was adopted by the committee in that the matter of fixing qualifications was referred to a subcommittee. I read from the resolution of 1924, as follows:

Be it resolved, That the State Democratic executive committee of Alabama hereby adopts the following resolution:

"(1) That a primary election for the nomination of candidates of the Democratic Party for all State and county offices to be filled in the general election to be held in November, of 1924, be, and the same hereby is, calledd to be held on the second Tuesday in May, 1924, under the provisions of the statutes of Alabama governing primary elections and the regulations of the Democratic Party.

"(2) That the chairman of said committee be, and he is hereby, authorized and directed to appoint a subcommittee consisting of himself, and of which he shall be chairman, and four other members of said State committee to provide regulations for the holding, conducting, and canvassing of said primary and of the preferential presidential vote, directed by resolution of this committee, adopted on December 13, 1923, to be held on March 11, 1924."

It may be appropriate to say in that connection that, although the resolution on its face shows that the matter was remitted to a subcommittee, it was stated by Mr. Bankhead before the committee—and, so far as I know, it has never been challenged—that in all the elections since 1910 the same procedure has been followed in Alabama with respect to requiring candidates to give assurance that in the previous presidential election they supported the nominees of their party.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Idaho?

Mr. BRATTON. I yield.

Mr. BORAH. Mr. President, would it interrupt the Senator if I were to ask him a question?

Mr. BRATTON. Not at all. I should be glad to have the Senator from Idaho do so.

Mr. BORAH. Am I to understand that these resolutions running down from 1910 undertook to fix the qualifications of voters and also of candidates at the primaries?

Mr. BRATTON. Yes.

Mr. BORAH. And in doing so they left the qualifications of voters the same as fixed by statute?

Mr. BRATTON. Yes.

Mr. BORAH. But they changed the qualifications of the candidates?

Mr. BRATTON. I am unable to agree to that; I think they conformed to the statute with reference to both. I shall discuss the two pertinent statutes and my interpretation of them in just a few moments.

In 1926, Mr. President, the following resolution was adopted by the Democratic State committee in Alabama:

JANUARY 11, 1926.

Be it resolved, First, that a primary election be, and the same hereby is, called to be held at the several polling places in this State, at the hours fixed by law, on the second Tuesday in August, 1926, for the nomination of Democratic candidates for offices to be filled in the general election next succeeding and that the candidates of the Democratic Party for all State and county offices to be filled in the general election to be held in November, 1926, be nominated in the primary election to be held on the second Tuesday in August, 1926, under the provisions of the statutes of Alabama governing primary elections.

Second. That the following persons shall be entitled to vote in said election, and none others, viz, qualified white electors of this State who believe in the principles of the Democratic Party, and who agree to abide by the result of said election, and to support the nominees of the Democratic Party therein.

Third. The following persons shall be eligible to be candidates for nomination in said primaries, viz, qualified white electors, who possess the qualifications fixed by law for the respective offices for which they are candidates for nomination, who did not in the last preceding election support the nominee or candidate of any party except the Democratic Party, and who agree to abide by the result of said election, and to support the nominees of the Democratic Party therein, and who qualify by filing the declaration herein provided for, and by paying the assessment herein fixed—

And so forth.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. BRATTON. I yield to the Senator.

Mr. NORRIS. I am interested in ascertaining the Senator's opinion as to just how far the political committee in Alabama under their procedure could go in prescribing qualifications. Does the Senator think there is a limit anywhere? For instance, could they say, as was done in the resolution which has been read, that no one should be a candidate unless he had supported the entire Democratic ticket in the preceding presidential election, and whose father before him had likewise supported the Democratic ticket while he was alive, if he was dead? Could they go that far?

Mr. BRATTON. I am not prepared to say that a party committee could go that far, although counsel for the contestant, Mr. Heflin, conceded repeatedly, as I shall show a little later, that the party in Alabama could fix any qualifications it saw fit so far as candidates were concerned. However, I am not prepared to go that far. I think that any reasonable qualification could be required by the com-

mittee, and in that connection I think party loyalty would be regarded as a reasonable requirement.

Mr. NORRIS. I do not dispute that; but I am wondering if in the identical case they did not exceed that rule of reasonableness. For instance, as I understand the rule laid down by the committee, if a man had voted the Democratic ticket from President clear down until he got to road supervisor, and happened to vote for a Republican for road supervisor, he would be disqualified from becoming a candidate for the Senate in the primary. Does the Senator think that is reasonable?

Mr. BRATTON. Mr. President, I think it is. I will be as candid with the Senator as he is always candid in the Senate. I believe that so far as power is concerned, a political party has the power or right to require such a condition of its candidate; that is my judgment.

Mr. DILL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Washington?

Mr. BRATTON. I yield.

Mr. DILL. There is not any limitation of reasonableness on the committee, is there?

Mr. BRATTON. No; there is no limitation of reasonableness; that element must address itself to the individual or the group passing upon it.

Mr. President, I have adverted to the statement made by Senator Bankhead to the effect that this has been the procedure in Alabama since 1910. Let me call the attention of the Senate to what Senator Bankhead said—and it goes unchallenged; no one from Alabama has denied it. Quoting Senator Bankhead at part 1, page 155 of the hearings:

Since 1910 the records will show that the Democratic State committee has fixed qualifications for candidates different from those of voters. They have prescribed that no one should be a candidate who opposed the Democratic nominees in the preceding election or who did not support the Democratic nominees in the preceding election. That has been the party law in Alabama since 1910, all of which was fought out in the campaign in Alabama before the people, and copies of the resolutions of the State committee from time to time were published in newspapers all over Alabama, and the gentlemen here are familiar with the rules. In fact, it is true that the last time Senator Heflin received his credentials from the people of Alabama he qualified as a candidate under just such a regulation, which fixed a different qualification for candidates and for voters.

Mr. LONG. Mr. President, will the Senator read that again?

Mr. BRATTON. Does the Senator wish the entire statement read?

Mr. LONG. I merely wish to know if Senator Heflin had met these same qualifications in past elections.

Mr. BRATTON. Yes; that is the statement.

In fact, it is true that the last time Senator Heflin received his credentials from the people of Alabama he qualified as a candidate under just such a regulation, which fixed a different qualification for candidates and for voters; and he had to file his statement or affidavit with the committee in order to get his name on the Democratic primary ticket that in the preceding election he supported all of the Democratic nominees. There was no complaint heard then—no.

Permit me to say I recall that Senator Heflin challenged that statement, so far as he was concerned, but otherwise there is nothing in the record to controvert the contention that this course has been followed in Alabama since 1910. I refer to it for the purpose of disabusing anyone of the thought that the system was a new and unique and exceptional one, devised and promoted for the purpose of excluding any particular candidate at the particular election in question.

Mr. President, counsel for contestant conceded a number of times that the State committee in Alabama had full authority to fix qualifications of candidates. I quote from Mr. Wilkinson, one of the attorneys for contestant, in volume 1 at page 106:

Senator HASTINGS. Now, there is a qualification to that.
Mr. WILKINSON. Yes, sir.
Senator HASTINGS (reading):
"Subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidate."
Mr. WILKINSON. Yes, sir.
Senator HASTINGS. Does not that virtually put it in the hands of the committee?

Mr. WILKINSON. No, sir. It has this effect, Mr. Chairman, as I construe it, bearing in mind the two separate fields in which we operate now. The party operates on the candidate. The State operates on the voter. As a measure of protection, to keep down abuses and all of the evils that have grown up in connection with our political system, the State says to all political parties in Alabama, "Now, you adopt what qualifications you please for your candidate. If you want to say that nobody but a red-headed man with blue eyes and flat feet can run for United States Senator, that is your privilege. We do not purpose to interfere with the right of a voluntary organization to say what qualifications the person must possess who seeks honors at the hands of the organization." You would be interfering with the right of association if you did that; but the State says, "I confer the privilege of suffrage on the members of your organization, and I have the right to say when and where and under what circumstances they may exercise that State-conferred privilege; and I say to my voters, 'Every one of you has a right to participate in every primary held in this State, provided you possess the same qualifications that the committee prescribes for its candidate.'"

Later Mr. Wilkinson said (p. 118):

Senator WATSON. Has the committee authority to limit the qualifications beyond the limitations prescribed by statute?

Mr. WILKINSON. Senator, if the committee had the power to adopt section 2 of the resolution that provides that only a white elector can vote, the primary would fall under the decision in West against Billey as an illegal proposition. But the committee may say that only a white man can run because the State can not interefere with the qualifications the committee may prescribe for its candidates.

Continuing, on page 119, Mr. Wilkinson said:

Mr. WILKINSON. That is my contention, and there is reason for that, and good reason for it. If you had a party in Alabama that nominated negroes and said that nobody but a negro could run in its primary, the State would say nobody but a negro could vote for the negro candidate in the primary.

"We are not going to leave a political party free," says the State of Alabama, "to fix any qualification it wants to fix for its candidates without taking some corresponding action to safeguard the State."

Mr. BLAINE. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Wisconsin?

Mr. BRATTON. I yield.

Mr. BLAINE. Before the Senator passes over that matter, I think it would be very valuable if he would read all of Mr. Wilkinson's statement in answer to Senator WATSON'S question on page 118 of part 1.

Mr. BRATTON. Very well, Mr. President, I shall reread the answer in its entirety:

Mr. WILKINSON. Senator, if the committee had the power to adopt section 2 of the resolution, that provides that only a white elector can vote, the primary would fall under the decision in West against Billey as an illegal proposition. But the committee may say that only a white man can run, because the State can not interfere with the qualifications the committee may prescribe for its candidates.

If you read the case of Nixon against Herndon, which went to the Supreme Court of the United States, you will find that a statute was passed in Texas providing that only white folks could vote in their primary elections down there, and the Supreme Court very promptly struck that down and said that was a violation of the thirteenth and fourteenth amendments.

Texas came back and amended its law, put the power in the hands of the committee to fix the qualifications of candidates. The case went back to the Federal court. Judge Hutchinson in the Federal court in Texas wrote the opinion in Nixon v. Condon (34 Fed. (2d) 464), and he said the State has nothing on earth to do with the qualifications of the candidate. The committee can say that only a white man can run, that only a negro can run, that only a Chinaman can run, if they want to. That is a political question. The question of who can vote is a legal question, and in the exercise of its police power the State may say that only those who possess the same qualifications as the candidate may vote in the nominating procedure of the organization.

That is the theory on which they reached that result. If you are going to have a Baptist church, you must elect a preacher; if you are going to elect a Baptist preacher, and you say he has to be a Baptist, a deep-water Baptist, then only deep-water Baptists can vote for him.

Continuing:

Senator HASTINGS. Suppose, just as an extreme illustration, in order to get your point, that the committee had said that this primary is called for the purpose of ascertaining which member of the Bankhead family shall be a candidate for United States Senator. You contend, as I understand, that that was within the power of the committee. Is that correct?

Mr. WILKINSON. Yes, sir; I think that is true.

Senator HASTINGS. Then you further contend that in that instance the qualified electors would have been limited to the Bankhead family?

Mr. WILKINSON. Yes, sir; I think that is true.

Then, Mr. President, continuing to page 126, Mr. Wilkinson, still speaking, said:

I have conceded, gentlemen, that the committee may fix any qualification for a candidate they want to.

Mr. BORAH. Mr. President——

Mr. BRATTON. I yield to the Senator from Idaho.

Mr. BORAH. As I understand, the attorney for Mr. Heflin conceded that the committee could fix any qualifications for a candidate that they saw fit.

Mr. BRATTON. Yes, Mr. President.

Mr. BORAH. What is the contention, then, with reference to that matter?

Mr. BRATTON. The contention is that under the law the qualifications of the candidate and the voter must be the same, and that the resolution in question fixed different qualifications; that, so far as the voter was concerned, it merely required that he believe in the principles of the Democratic Party and bind himself to support the nominees of that primary; that, so far as the candidate was concerned, he must go beyond that and give affirmative assurance that in the preceding election he supported the nominees of the party.

Mr. BORAH. Then the attorneys for Mr. Heflin do not concede that the committee may fix any qualifications for the candidate that they see fit, if they contend, on the other hand, that those qualifications are limited by the qualifications of the voter.

Mr. BRATTON. The effect of the argument is that the committee may fix any qualifications it pleases so far as the candidate is concerned, and that by operation of law the same qualifications automatically attach to the voter.

Mr. BORAH. I see.

Mr. BRATTON. I shall undertake to show two things about that: First, that the contention is not sound; second, that if that is sound, the result of the action of the committee was merely to permit others to vote than those who were entitled to vote; that it simply permitted additional persons to vote; that it did not exclude voters entitled to vote; and that Senator Heflin, having been properly excluded, is in no position to raise the question.

Mr. BORAH. Has the Senator section 612 there?

Mr. BRATTON. Yes. I shall address myself to it now.

Mr. BLACK. Mr. President, will the Senator yield there for one suggestion?

Mr. BRATTON. I yield.

Mr. BLACK. In addition to what the Senator has suggested, under the law of Alabama, as of all other States, if voters attempt to enter a primary or an election who do not possess the qualifications fixed either by law or by the committee, they can be challenged. So that if it be true that the qualifications of the voters in this case were automatically fixed as the qualifications of the candidate, then if a voter attempted to vote who was restricted by this qualification his vote could have been challenged. In other words, according to that conclusion, it simply restricted the number of individuals who could qualify as voters.

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. BRATTON. I yield.

Mr. BORAH. As I understand, it is admitted that the committee could fix the qualifications of the candidates and could fix any qualifications it desired. Is that the Senator's contention?

Mr. BLACK. That is the admission of the counsel for Senator Heflin.

Mr. BORAH. And that is the position of the senior Senator from Alabama?

Mr. BLACK. My position is, as I construe the opinion of the Supreme Court of Alabama, that they could fix any reasonable qualifications.

Mr. BORAH. And then, when the qualifications of the candidate are fixed, the contention is that the qualifications of the voters must correspond to the qualifications of the candidate?

Mr. BLACK. That was the contention that they presented to the committee.

Mr. BRATTON. Mr. President, if the Senator from Idaho will give attention, I desire to call attention now to two statutes.

Section 672 of the code provides:

Any executive committee of a party may fix assessments or other qualifications as it may deem necessary, for persons desiring to become candidates for nomination to office at a primary election; but no assessment shall be made by a committee for any county having by the last or a future census a population of less than 45,000—

And so forth. In other words, by the express authority of that statute any party may fix qualifications—any qualifications—for its candidates. There is the source of the power of the committee in Alabama to fix qualifications. I read the language again, in order that its sweeping scope may be appreciated:

Any executive committee of a party may fix assessments or other qualifications, as it may deem necessary, for persons desiring to become candidates for nomination to office at a primary election.

Section 612 to which the Senator from Idaho adverted must be considered in connection with that statute; it reads as follows:

All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidate. The State executive committee may delegate to the several county executive committees the power to prescribe the qualifications of voters in any primary election for the nomination of candidates for offices to be filled by the vote of a single county.

Mr. President, two views arise from the two sections of the statute construed together. Section 672 expressly provides that the committee may fix qualifications for its candidates. Section 612 provides that persons possessing the same qualifications as its candidates shall have the right to vote; but, Mr. President, it does not stop there. If the contention that the voter must possess the same qualifications as the candidate is sound, the legislature would have put a period there and stopped, because that would have completed the legislation on the subject matter. But after saying that the committee may fix the qualifications of candidates, and that voters having the same qualifications should have the right to vote, the legislature did not stop there. It continued to say:

The State executive committee may delegate to the several county executive committees the power to prescribe the qualifications of voters in any primary election for the nomination of candidates for offices to be filled by the vote of a single county.

Mr. President, it is clear to me, and I submit that what the legislature meant was twofold: To confer by legislative mandate the right to vote upon every individual possessing the same qualifications as those fixed by the committee for its candidate; and, in addition to that, it conferred upon a political party the power to permit others to come into its primary. In other words, my construction of that is that the first section of the statute, 612, confers upon a certain class of persons the right to vote; namely, those who possess the same qualifications as the candidates, and then, beyond that, the party could fix the qualifications for other persons in other classes. Still, in other words, Mr. President, just as this concrete case presents, the committee had the power to require of a nominee that he give assurance that he supported the nominees of the party at the previous election; and every person falling within that category had the right to vote under the statute.

The committee could not take it away. It was a right conferred by the sovereign State, but as to others, it was within the power of the committee either to admit them or exclude them as it saw fit. As to one class, the State vested the right to vote; as to the other class, it left the party free either to confer or to withhold it, as the party in its judgment saw fit. So that the moment the committee fixed as

a qualification that in order to get his name on the ticket in 1930, a candidate must show that he voted the ticket in 1928, and required that as a requisite causing his name to be on the ticket, the statute automatically conferred the right upon every voter in Alabama who had supported the ticket in 1928 to vote. As to others the State did not confer such power, but left it with the party itself to decide whether they should be admitted or excluded.

Mr. DILL. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the chair). Does the Senator from New Mexico yield to the Senator from Washington?

Mr. BRATTON. I yield.

Mr. DILL. The Senator gave a number of examples where the State committee had fixed a similar requirement as to candidates in former elections.

Mr. BRATTON. Yes.

Mr. DILL. Are there any cases where the State committee had made a different requirement for candidates than for the electors in other States, as they did in 1930?

Mr. BRATTON. In other States? I am not able to answer that question. The Senator says in other States?

Mr. DILL. Oh, no; in other elections, whether they made a different qualification for candidates than they did for the electors.

Mr. BRATTON. Yes; that has been a rule since 1910.

Mr. DILL. They have made a different requirement for candidates than they have made for electors ever since 1910?

Mr. BRATTON. Since 1910. They have required exactly what they did here, that a voter must be a Democrat and must bind himself to support the nominees of the party. What he did theretofore was not the subject of inquiry. No question was raised about it. But the candidate was required to give assurance that at the preceding election he supported the nominees of his party. That distinction has obtained in Alabama since 1910.

Mr. DILL. May I ask the Senator another question?

Mr. BRATTON. Certainly.

Mr. DILL. What about the dates of the enactment of section 612 and section 673 by the legislature?

Mr. BRATTON. I am not able to give the Senator that information. But let me say that prior to 1919 the first sentence in section 612 reads thus:

All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party.

In 1919 the words "for its candidates." were added.

Mr. DILL. Section 673 was not changed?

Mr. BRATTON. Section 673 was not changed.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. BRATTON. I yield.

Mr. TYDINGS. Is it not a fact that the difference between the qualifications of a candidate and of a voter are set out in our own Federal Constitution? For example, a man must have been a resident of a State for a number of years to be a candidate for the Senate, but he does not have to be a resident that long to be a voter. So it is in our own Federal Constitution, and in the constitutions of practically all the States, where the qualification of a candidate fixed by statute, not by committees, makes certain limitations for the candidate which are not limitations upon the voters who can vote for the candidate. The policy sweeps through our whole election fabric, in practically every State in the country, and in the Constitution of the United States itself.

Mr. BRATTON. Mr. President, this particular question has been decided by the Supreme Court of Alabama. Some disagreement of opinion obtains among members of the committee as to how far the law of Alabama applies. It was conceded, however, by counsel for the contestant on the argument, that the law of Alabama is absolutely controlling. He invited the committee to decide the case under the law of Alabama. I do not argue that the Senate is obligated to follow blindly the law of Alabama. I think it is highly persuasive, but not mandatory. Counsel for the contestant, Mr. Wilkinson, stated to the committee:

I am asking the committee in this case to adopt the Alabama rule. Why? I think it more fair. Both of these gentlemen involved in this case are citizens of Alabama. It is inconceivable that anybody could claim that either one of them was ignorant of the Alabama rule on the subject. They are conclusively presumed to know the law of Alabama. Now, what is the law of Alabama?

Let us see what the law of Alabama is with respect to the power of the committee to fix different qualifications for its candidate from those fixed for the voter. The identical question was involved, construing this exact statute, in the case of Lett *v.* Dennis (129 Southern 33). I read the statement of the case, and then address myself to the pertinent parts of the opinion.

Mr. DILL. What was the date of the decision?

Mr. BRATTON. This case was decided May 31, 1930.

Mr. TYDINGS. Mr. President, before the Senator reads that, may I ask him another question?

Mr. BRATTON. Certainly.

Mr. TYDINGS. Is it the viewpoint of the attorney for Senator Heflin that in every respect the qualifications of the candidate and the voter must be the same?

Mr. BRATTON. It is the contention of counsel for the contestant that the committee may fix the qualifications of a candidate, and that by operation of law the qualifications of the voter become the same.

Mr. TYDINGS. In all respects?

Mr. BRATTON. In all respects.

Mr. TYDINGS. I was wondering whether that would apply as to age. A person might have to be a certain age to hold a particular office, yet one who had not reached that particular age would be entitled to vote.

Mr. NORRIS. I suppose nobody contends that the committee could fix those qualifications.

Mr. BRATTON. I think not.

Mr. NORRIS. The contention, as I understand it, is that these other qualifications, about which the Senator is now speaking, are qualifications fixed by law, it may be the State constitution, the State law, or the Federal Constitution, as indeed that would apply in this particular case.

Mr. TYDINGS. I understand the division there, but the point I was trying to arrive at was that that being the general situation of the statutes themselves, if the point of reasonableness brought out by the statute in the court would not be within the committee's province, assuming that it was necessary to make other limitations.

Mr. BRATTON. I take it that no one would contend that because a person is required to be 30 years of age to be a candidate for the office of United States Senator, the committee could exclude all persons under 30 from voting at an election for Senator. No such hypothetical case was presented to the committee, and I apprehend that we would have no disagreement about that.

Mr. SHIPSTEAD. Mr. President, am I to understand that the State law gives the committee the right to fix qualifications which might deprive an elector of the right to vote?

Mr. BRATTON. The statute of Alabama simply provides that the party may fix qualifications of candidates, without any limitation. That is section 672. Perhaps I had better read it. It is not quoted in the reports. Let me reread section 672 of the Alabama Code:

Any executive committee of a party may fix assessments or other qualifications as it may deem necessary for persons desiring to become candidates for nomination to office at a primary election.

Section 612 provides:

All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidates. The State executive committee may delegate to the several county executive committees the power to prescribe the qualifications of voters in any primary election for the nomination of candidates for offices to be filled by the vote of a single county.

So that by section 672 the committee is authorized to fix any qualifications it sees fit to fix.

Mr. SHIPSTEAD. For a candidate?

Mr. BRATTON. For a candidate.

Mr. SHIPSTEAD. Section 612 gives the power to fix qualifications of voters?

Mr. BRATTON. Yes.

Mr. SHIPSTEAD. Under that broad power, it seems to me it is very possible for such a committee, a private organization, to say who shall and who shall not vote in the State.

Mr. BRATTON. My view of section 612 is that it divides itself into two parts; that after the committee has fixed the qualifications of a candidate, every person possessing those qualifications has the right, under the statute, to vote, and no committee action can take that right away from him. As to persons not possessing those qualifications—that is to say, persons falling in a different class or a different category—it is left to the committee to pass upon the question whether they shall be admitted or excluded from voting in the primary. So that when the committee provided in 1930 that in order to be a candidate a person must show that he supported the ticket in 1928 it automatically followed that every person who voted the ticket in 1928 and possessed the other requirements with respect to age, and so forth, was granted the absolute right to vote in the primary. As to others not meeting the qualifications required of the candidate, the committee had the power either to admit or exclude them from the primary.

Mr. SHIPSTEAD. Mr. President, when an elector is challenged does he give answers to questions as to his qualifications?

Mr. BRATTON. Yes; if a person's name is on the qualified list furnished by the probate judge, he is entitled to vote. If his name is not on the qualified list, he is subject to challenge; and if he is challenged, then he makes an affidavit or otherwise meets the challenge and votes.

Mr. SHIPSTEAD. If an elector is challenged and runs the gauntlet of the qualifications, and answers these questions under oath, then he swears that he will support the nominee of the party nominated at the primary.

Mr. BRATTON. Yes.

Mr. SHIPSTEAD. Suppose he should change his mind after the primary was over; could he vote for anyone else?

Mr. BRATTON. That is a moral question which addresses itself to every voter. In a great many States, as the Senator will recall, there is a pledge at the top of the ballot in some such language as this: "I am a Democrat and pledge myself to support the nominees of this primary." It is believed that of itself constitutes a moral obligation on the part of the voter to support the ticket in the general election. But it has no legal, binding effect. The voter can disregard it. I dare say that in Alabama a man who runs the gauntlet and votes the Democratic ticket in the primary, would have a legal right to violate that obligation and vote some other ticket in the general election. That is exclusively a moral question, addressing itself to the individual.

Mr. SHIPSTEAD. He is being questioned under oath as to his qualifications, and one of the qualifications is that he will support the candidate nominated——

Mr. BRATTON. He obligates himself to do so.

Mr. SHIPSTEAD. And he answers "Yes," under oath.

Mr. BRATTON. Yes.

Mr. SHIPSTEAD. Then, having done that, the Senator says he has a legal right or a moral right to disregard that?

Mr. BRATTON. He has a legal right to do so. Not a moral right.

Mr. SHIPSTEAD. A legal right?

Mr. BRATTON. Yes.

Mr. SHIPSTEAD. It seems to me that this leaves the door open for all kinds of opportunity to interfere with the right of franchise of an elector.

Mr. BRATTON. In what way?

Mr. SHIPSTEAD. It seems to me that the law, if it can do so, delegates to a private organization or committee the right to say who shall and who can and who may vote or not vote.

Mr. BRATTON. In its primaries. Of course, a political party is a political organization. It is conducting the primary for the purpose of nominating its candidates. I should think that a political party should have the right within reasonable limitations to say who should participate in its party activities and in its party primaries. It is my belief that any political party has the right to require of the voter that he assert his loyalty to the party and obligate himself to support the nominee as a prerequisite to voting. Of course, he could disregard the obligation in the general election and vote some other ticket. The obligation is quite similar to the one now imposed upon presidential electors. A man may be elected as a presidential elector on one ticket and he may cast his vote in the Electoral College for the nominee of another party. He is bound only by his sense of moral obligation, and so it is with the voter. He may disregard his moral obligation and repudiate the promise he gave to the party as prerequisite to participating in its affairs. He can do that in the general election. I do think, however, that a party has the right to require any person who steps up to a booth to vote to assert himself to be a member of the party and obligate himself to support the nominees of the primary.

Mr. President, I was about to discuss the case decided by the Supreme Court of Alabama construing this statute, involving the identical question now before the Senate. It is the case of Lett *v.* Dennis (129 Southern, 33), decided May 31, 1930. The statement of the case is as follows, and shows that the controversy relates to this particular primary:

> The Chilton County Republican executive committee called a primary election to be held "with the State primary election on August 12, 1930." In the call resolution all qualified voters, regardless of past party affiliations and who believe in the principles of the Republican Party and pledge themselves to support the nominees of such party in the primary, were invited to participate. But as to one desiring to become a candidate there was an additional requirement that he state "under oath how he or she voted in the last general election of 1928; that is, whether said proposed candidate supported the Republican ticket or the Democratic ticket or voted a split ticket." This oath was required to be filed with the chairman and kept on file open to inspection as well as published in a newspaper published in said county. M. F. Lett desired to become a candidate in said primary for the office of member of the board of education of Chilton County, and complied with all requirements of said executive committee as to such candidacy save one. He declined to make the oath above outlined. For his declination to conform to this requirement the chairman refused to certify his name as a candidate for said office, and this mandamus proceeding was resorted to for the purpose of compelling such certification.

Then the court discusses the procedure and says that mandamus was a proper course to pursue.

Mr. NORRIS. Mr. President, may I interrupt the Senator at that point?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. BRATTON. I yield.

Mr. NORRIS. The oath was one that required him to swear that he would support the nominee?

Mr. BRATTON. Oh, no:

> But as to one desiring to become a candidate there was an additional requirement that he state "under oath how he or she voted in the last general election of 1928"—that is, whether said proposed candidate voted the Republican ticket or the Democratic ticket, or voted a split ticket.

Mr. NORRIS. I would like to ask the Senator a question as to his idea of that law. Suppose a candidate had taken that oath. Afterwards he was arrested for perjury, for having sworn falsely. Could a prosecution be sustained under the law? Could a conviction or perjury be sustained under that statute?

Mr. BRATTON. For making a false affidavit?

Mr. NORRIS. Yes.

Mr. BRATTON. I think so, unless it might be defeated, because the oath was not a mandatory one, with no legal effect; that it was one voluntarily taken in party affairs without any legal status before the law. Unless upon that

consideration such an indictment could be attacked, I think a prosecution for false swearing could be supported.

Mr. NORRIS. Then let me ask the Senator another question. That oath or, in the case before us, under the Alabama law, the oath there requires them to state that they will support the nominee or the nominees of the primary. Suppose an elector takes that oath and is permitted, by reason of having taken it, to vote in the primary and afterwards he violates the oath and does not support and does not vote for the candidate. For the sake of argument, admitting that is true, could he be prosecuted for perjury?

Mr. BRATTON. No. One may be indicted for false swearing only respecting present or past facts. If a man should swear that he will do a thing in the future and does not do it, he can not be prosecuted for that. His statement must relate to an existing or past fact. A man might make affidavit that he would support the nominees of the party in the general election and then openly flout that statement and repudiate it and openly vote another ticket, but he could not be prosecuted, because the requirements for a prosecution for perjury or false swearing must relate to and must be predicated upon an existing or past fact.

Mr. NORRIS. Then under the law, as the Senator looks at it—and I agree with him entirely—the effect of the taking of that oath would be practically nothing? It would not mean anything as a practical proposition.

Mr. BRATTON. That would follow. The oath is required only of a candidate. A voter who is challenged makes statements respecting his party loyalty and his promise to vote for the nominees of the primary.

Mr. NORRIS. Is not that under oath?

Mr. BRATTON. No; that is just a statement in response to questions propounded when he is challenged. It is the candidate who makes the written oath promising to support the nominees of the ticket. But I think a candidate could repudiate that oath and could vote another ticket in the general election and yet he could not be prosecuted under a statute for false swearing.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. BRATTON. I yield.

Mr. WHEELER. He would be morally bound. The moral obligation on his part would be a good deal the same as the moral obligation on the part of delegates who are elected in the various States to the Republican National Convention, where they have a primary law pledging them to a certain candidate, and when they get to the convention they vote for another candidate. It is about the same kind of a moral obligation.

Mr. BRATTON. Mr. President, after stating that mandamus was the correct procedure to be adopted in this case, the court continued:

> That a test by a political organization of party affiliation and party fealty is reasonable and proper to be prescribed for those participating in its primary elections for nomination of candidates for office is well nigh universally recognized.
>
> It is equally well settled that such a test in no manner violates statutory provisions for the secrecy of the ballot, for as has been well said, "It is the secrecy of the ballot which the law protects and not secrecy as to the political party with which the voters intend to act."

Mr. President, I shall not read the decision at length. I skip to this language:

> We therefore conclude that the committee acted well within its authority, as expressly recognized by section 672 of the code, in prescribing the test oath of party loyalty, and that its action is not subject to the criticism that it was arbitrary or unreasonable. Our attention is directed to the very recent case of Love *v.* Wilcox (28 S. W. (2d) 515, from the Supreme Court of Texas) as having some bearing upon the instant case. We have studied the opinion with much interest and care, but the statute of Texas there considered is so widely variant from that of this State as to render the decision of no value here. As pointed out in the opinion, the Texas statute limited the discretionary power of the party executive committee as to qualifications of participants in the party primary by expressly prohibiting exclusion of anyone because of "former political views or affiliations."
>
> The opinion proceeds: "The committee's discretionary power is further restricted by the statute directing that a single uniform pledge be required of the primary participants. The effect of the statutes is to decline to give recognition to the lodgment of power in a State executive committee, to be exercised at its discretion." It is to be noted, therefore, that the Texas statute is the very antithesis of the Alabama statute, which fully recognizes and gives force and effect to the discretionary power of the committee in the opening sentence of section 672 of the code: "Any executive committee of a party may fix assessments or other qualifications as it may deem necessary, for persons desiring to become candidates for nomination to office at a primary election." As contrasted with the Texas statute limiting the committee's discretion, our statute leaves the matter entirely with the committee without limitation or restraint in this regard. No further discussion is necessary to demonstrate that the case of Love *v.* Wilcox, supra, is wholly inapplicable here.

So, Mr. President, the identical question now presented to the Senate, and upon which the minority of the full committee rests its views at least in part, has been decided by the Supreme Court of Alabama distinguishing its statute from the Texas statute, and pointing out that under its statute the committee is free to fix regulations, such questions resting in the discretion of the committee, whereas the statute of Texas denied that power to the committee.

Mr. President, I have canvassed the statute and have undertaken to analyze it and to give the Senate my views with respect to its correct interpretation. Let me repeat, and I shall do so hastily, that under the Alabama law the State committee is authorized to prescribe qualifications for its candidates. The Alabama court in the case of Lett against Dennis holds that the power is without restriction, without limitation, without proscription. It is my view, however, that the qualifications prescribed must be reasonable. I dare say that every presumption in favor of a qualification fixed should be indulged. It should be overturned only in the case of palpably flagrant unreasonableness. I dare say that no one in the Senate will contend that party loyalty, not on the part of the voter, not on the part of the citizen who wants to participate in the primary, but on the part of him who seeks honors at the hands of his party, is not an unreasonable qualification.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Louisiana?

Mr. BRATTON. I yield.

Mr. LONG. Living pretty close to Alabama, I have always understood, and from the record which I have here it seems to be very patent, that they have had considerable legislation against party bolters in both parties. Does not the record show pretty clearly—it seems from the resolutions that it does unless there is something to the contrary—that the contestant, apparently very prominent in the politics of the State, has evidently been benefiting and sheltering under this very provision which has been in the law for at least some years. Is there anything in the record to show that he has done anything except to participate in elections under such condition or has he urged any contest against similar requirements in days past when other candidates were barred?

Mr. BRATTON. The only thing in the record is that, and in response to the statement that this had been the uniform procedure in Alabama since 1910, and that Senator Heflin was nominated under exactly the same sort of a resolution, Senator Heflin said that was not true. Otherwise, the record is silent as to what Senator Heflin has done or has not done with respect to approving or disapproving resolutions of this character. Let me give Senator Heflin credit for saying to the committee that he was not nominated in 1924 under a resolution like this one. That is all there is in the record.

Mr. LONG. The record, however, shows that there was a resolution on the subject when Senator Heflin was nominated in 1924?

Mr. BRATTON. The Senator will remember that in 1924 the full State committee remitted the matter to a subcommittee, and the record does not show what the subcommittee did, or, if it does, I have overlooked it.

The Senator asked what the contestant did, if anything, to cry out against a resolution of this kind. I shall state to him verbatim what was said and all that was said. On page 163, part 1 of the hearings, Senator Heflin said:

Mr. Bankhead said that I have been nominated in the same kind of a primary as that in which he was nominated. I beg leave to differ with him. If I had been nominated in a primary like that I never could have forgotten it.

Senator Heflin said substantially the same thing just a few days ago.

However, Mr. President, I do not want to be diverted into that channel of argument. I am content to submit that this has been the party policy since 1910; that it is not a new system; that it was not devised to exclude any one individual; that it harmonizes with previous procedure; and that, under the law of Alabama as construed by the Supreme Court of Alabama upon the identical, precise question, the State committee had the right to exact the oath of loyalty required in this particular case. The court held in Lett against Dennis that it was reasonable; and counsel for the contestant himself in the early stages of the proceedings said that the law of Alabama must govern and control, because both parties were familiar with the law, and should be bound by it. Of course, the Senate will follow that unless it is so flagrantly incorrect and unsound as to offend the sense of justice; and I dare say that this case does not present a consideration of that character.

Mr. BLACK. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDING OFFICER (Mr. HATFIELD in the chair). Does the Senator from New Mexico yield to the Senator from Alabama?

Mr. BRATTON. I yield.

Mr. BLACK. Would it disconcert the Senator's argument to have inserted in the RECORD at this place a few lines from a decision in the House of Representatives on the law of the case?

Mr. BRATTON. Not at all, Mr. President.

Mr. BLACK. I read a quotation from Wright v. Fuller, in House Election Cases, at page 152:

Having disposed of this preliminary point, the committee proceeded to the examination of the law and testimony involved in this case.

In discharging the last duty the committee considered that although the House of Representatives, by virtue of the fifth section of the first article of the Federal Constitution, are made judges of the election returns and qualifications of its members, yet this power is not plenary but is subordinate to the second and fourth sections of the same article, the first of these sections providing that the electors of the Members shall have the qualifications of the most numerous branch of the State legislature, the fourth section empowering and authorizing the legislature in each State to prescribe the places, times, and manner of holding elections for Senators and Representatives, such regulations being subject to alterations made by Congress.

By force of these provisions the House is compelled, when adjudicating in any matter affecting the election returns or qualifications of its Members, to make the law of the respective States from which such Members may be returned its rule of action.

Mr. BRATTON. Now, Mr. President——

Mr. NORRIS. Before the Senator leaves that point, will he permit another question?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. BRATTON. Yes.

Mr. NORRIS. Have the courts of Alabama, or of any other States, passed on the provision of section 612 of the Alabama Code, which, it seems to me, is involved here, requiring the qualifications of voters and of candidates to be the same?

Mr. BRATTON. No, Mr. President; counsel for neither party brought to the committee any authority as to the validity of a statute identical or strikingly similar to the one in Alabama, and our research failed to disclose one.

Now, Mr. President, let us see what the attitude of the contestee, Senator Bankhead, was with respect to excluding Senator Heflin from the primaries.

I quote now from part 1 of the hearings at page 153, Mr. Bankhead, addressing the committee, said:

While I favor letting Senator Heflin run, I always took the position that the committee had the power to discipline anyone it saw fit and to fix any reasonable qualifications for its standard bearers; that it would be an absurd situation, inherently absurd, to place any political party in a position where, when it was faced with a party contest, a party struggle, it did not have the inherent power to select as its leaders those who not only stood for the principles of the party, but those who, as a matter of practical experience, could go out and appeal to the membership of the party for regularity and party loyalty, as you gentlemen know takes place in all political campaigns.

Again, Mr. Bankhead said:

Mr. Fite, who was a supporter of Senator Heflin's candidates in the primary, and supporting him at the primary, and who was a member of the State executive committee, and lives in my town, wrote to me after the action of the State executive committee. I had given out a public statement, published in the papers, in favor of letting down the bars, on the grounds that I have just stated frankly—not because the committee did not have the power. Following the action of the State committee Mr. Fite wrote me to know, among other things, if I would join in a request to the State chairman to have the committee reassemble and revoke its action.

In other words, according to the statement made by Senator Bankhead—and it is uncontroverted in the record, until the committee took action—Senator Bankhead had stated publicly, and his statement had gone in the press, that he favored letting down the bars and not requiring affidavits from candidates that they supported the nominees of the party in 1928. After the committee had acted, after his party had acted, Senator Bankhead took the position that he would do nothing to undermine or weaken his party; but until his party spoke, according to the record, he favored removing the restriction and letting the candidates go before the people and submit the question in the political forum. Senator Bankhead's attitude, either before or after the committee acted, can not be the subject of criticism. On the contrary, it was commendable.

Mr. President, so much for the power of the committee in Alabama to do what it did; so much for the construction of the statute; so much for the proposition that such action harmonized with the previous action of the Democratic Party in Alabama.

After the primary was held, after Mr. Bankhead was selected as the nominee of the Democratic Party, neither the contestant nor anyone else took any action to restrain placing his name upon the ticket, to withhold distributing ballots throughout the State bearing his name as such nominee for the United States Senate. On the contrary, the contestant, instead of presenting the matter to the courts in an effort to prevent the consummation of what he now contends was a fraud, went into the political forum, had himself nominated upon another ticket, and submitted his cause to the people of Alabama. After sustaining defeat at the polls he now essays to go behind the election itself to attack the primary; that is to say, the method by which Senator Bankhead was nominated.

The authorities, Mr. President, are well-nigh universal that one feeling aggrieved at the manner in which another was nominated, one charging some irregularity or defect or illegality in the primary proceedings, can not stand idly by until the primary is merged into the general election and thus become functus officio and then undertake to go behind the election and raise questions respecting the validity of the primary.

Those interested in the matter will find in the report of the minority of the subcommittee, now the report of the majority of the full committee, a long résumé of cases discussing that question. I quote first from 20 Corpus Juris, page 132, as follows:

Objections relating to nominations must be timely made; otherwise they may be regarded as waived. It is too late to make them after the nominee's name has been placed on the ballot and he has been elected to office; his election can not be impeached on the ground that statutory requirements regarding nominations were not complied with in his case, or that his nomination was procured by unlawful means.

In volume 9, Ruling Case Law, page 1122, the rule is declared in this language:

The general rule in determining the effect of irregularities in the conduct of elections on the result thereof is applicable when an attempt is made to contest an election by reason of some irregularity in the nomination of candidates.

It is the duty of courts to uphold the law by sustaining elections thereunder that have resulted in a full and fair expression of the public will, and from the current of authority the following may be stated as the approved rule: All provisions of the election law are mandatory if enforcement is sought before election in a direct proceeding for that purpose; but after election, all should be held directory only, in support of the result, unless of a character to effect an obstruction to the free and intelligent casting of the vote or to the ascertainment of the result, or unless the provisions affect an essential element of the election, or unless it is expressly declared by the statute that the particular act is essential to the validity of an election, or that its omission shall render it void. Voters finding the ticket or the names of candidates on the official ballot are not required to determine whether they are entitled to a place thereon but may safely rely on the action of the officer of the law and on the presumption that they have performed their duty. And so an election in which the voters have fully, fairly, and honestly expressed their will is not invalid because the certificate of nomination of the successful candidate is defective through the omission of some detail. Nor is the title of the successful candidate affected by a subsequent decision holding the law under which the nominations were made invalid.

Other authorities too numerous to discuss at length are cited in the report.

I call attention to a case decided by the House of Representatives involving the identical legal proposition here. I read from a volume entitled "A Historical and Legal Digest of All the Contested Election Cases in the House of Representatives of the United States from the Fifty-seventh to and Including the Sixty-fourth Congresses, 1901 to 1917."

The case to which I refer is MacDonald *v.* Young, found at page 63 of that volume. I read it because it deals so convincingly with the question now under consideration that I think it will be helpful to those who are sufficiently interested to hear me.

Contestant, whose right name is William J. MacDonald, on the face of the returns received under the name of William J. McDonald 17,975 votes, and under the name of Sheldon William J. McDonald 458 votes, making a total of 18,433.

Contestee received 18,190 votes.

I will skip to the relevant part:

Whether the nomination of Rogers was regular and in conformity with the primary act, or whether the congressional committee was regularly formed, we do not deem fatal to contestant's claim to a seat. It is sufficient to say that the contestant's name was duly certified, as required by the general laws of the State of Michigan, to the election boards of the several counties, and by them printed upon the official ballot for the use of the voters at the November election. This certification took place as early as the 11th day of October, and the certificate was made a matter of public record in each county in the district. No objections were made in any county in the district by Mr. Young, any elector of the district, any officer of any political party, or by any of the election officials to the manner in which Mr. Rogers or Mr. MacDonald had been nominated, until four days prior to the 5th day of November, the date of the general election. The contestee, who was more vitally interested than any other person, by telegram to all of the boards of election commissioners in the district requested that Mr. MacDonald's name remain upon the ballots as they were printed and in his circular invoked the rule of the people. His desires in this regard were respected by the election officials in every voting precinct in the district, with the exception, as shown by evidence, in one voting precinct the election officers pasted blank paper over the name of the contestant, thus depriving him of the Progressive votes in that precinct.

The primary act provides that any candidate, feeling aggrieved on account of fraud or error by the board of primary election inspectors, or in the count of the votes cast, or returns made by the board, may file a petition to correct any error or fraud complained of, and that the board of election inspectors may correct any fraud practiced, or irregularity in the election. This is a remedial statute; and if the manner of the nomination of Joseph M. Rogers was irregular or fraudulent, its provisions should have been invoked at the proper time. In addition to this, our committee finds that the courts of the State of Michigan had the inherent right and power, if the name of William J. MacDonald was not entitled to be printed upon the ballots for the use of the voters at the general election, to have corrected such irregularity, and that recourse should have been had to the courts if complaint was to be made prior to the existence of the right of suffrage by the electors of the district.

It is not claimed that the nomination of Rogers, his resignation, and the filling of the vacancy with the name of the contestant, or with the formation of the congressional committee who selected the contestant to fill the vacancy caused by Rogers, were fraudulent. It is only contended that it was irregular and not in strict conformity to the primary act of the State of Michigan. By a long line of unquestioned precedents established by the House it is not bound to take cognizance of the manner in which a candidate for Congress is nominated, unless the methods employed are unfair or fraudulent and have resulted in thwarting the will of the electorate. Objections made by the contestee to the manner and form of the nomination of the contestant are highly technical, and if enforced by the House would result in the disfranchisement of not only the 458 votes cast in Ontonagon County but of the 17,975 votes cast in the remainder of the district.

We believe that if the contestee or any elector in the district were dissatisfied with the manner in which contestant's name appeared upon the official ballot such dissatisfaction should have been exemplified prior to the general November election; that it would be exceedingly unfair and inequitable to wait until after the voters had made their choice between the candidates, and, if not then satisfactory, to urge objections. But we believe the nomination of Rogers and the formation of the congressional committee were regular and legal under the provisions of the primary act.

The House held in this case that a candidate or an elector dissatisfied with the way in which a nomination had been effected—that is to say, charging irregularity or illegality—should take advantage of it before the general election; that he could not stand idly by and wait until the election had been held and then complain about the manner of the nomination.

But, Mr. President, under the contestant's theory, the committee had the power to exclude him from the primary. His counsel admitted repeatedly in the record that the committee had unrestricted and unproscribed authority to impose qualifications so far as a candidate was concerned. If so, Mr. President, under his own admission, when the committee passed the resolution it excluded him and eliminated him from further consideration as a candidate. What right has he as a candidate to complain of what his party did with respect to its voters after he had been regularly and legally and lawfully, by his own admission, excluded?

The contestant has no standing as a candidate. He has no standing other than as a voter; and under the authorities cited in the report, and under the decision of the House to which I have adverted, advantage of that must be taken before the general election is held.

Of course, Mr. President, that doctrine rests upon the clear foundation that the public have an interest in an election; that they have a right to rely upon the fact that nominations have been made correctly, and that the names on the ballot are there correctly, and they vote with that assurance under the law.

Now, Mr. President, coming to the general election, it is conceded by the contestant that his adversary had a majority of 50,016 votes. Various attacks are made upon the general election; but they all relate to irregularities, failures to comply with this provision of a statute or that provision of a statute. I shall not discuss them at length. Perhaps I shall discuss them later.

For instance, it is contended that throughout the State there was a failure to use election booths. The law of Alabama requires the use of election booths in towns or cities of more than 3,000 population. It is admitted on all sides that booths were not used in this election.

The attorney for Mr. Bankhead, who appeared to be a man 50 years of age or above, said he was born in the State of Alabama, and had lived there all of his life; that election booths had never been used in the State, and that he had never seen an election booth in use there. It was stated by Judge Wilkinson, representing Mr. Heflin, that he had seen election booths in two or three counties. No one will contend, however, that it had been the practice in prior years to use election booths in Alabama, nor that they were dispensed with in this particular case for any purpose, ulterior or otherwise. It had been the custom not to use them, and that custom was followed here.

It is asserted that the law of Alabama required the election officers to roll the ballots and tie them after they were counted; that in a number of precincts, instead of doing that, they simply folded them. That is conceded. But, Mr. President, the Supreme Court of Alabama has held that the failure to furnish election booths is a mere irregularity, and does not vitiate the election. The Supreme Court of Ala-

bama has held that the failure to roll ballots and seal them as the law requires is a mere irregularity that does not go to the vitality of the election; and so it is throughout the charges of irregularities in this contest. The supreme court has held that virtually every irregularity charged does not invalidate an election.

The recount reduced Mr. Bankhead's majority less than 2,000. It left him a majority of about 48,000. The official returns gave him 50,016. The recount gave him a majority of about 48,000. So far as the general election is concerned, it is contended by those who present the minority views here that irregularities of that character, in that class, and in that category destroy the validity of the election and create a vacancy in the office. Mr. President, practically every irregularity pointed out by the chairman of the subcommittee, the Senator from Delaware [Mr. HASTINGS], who presents the minority views here, has been passed upon by the courts of Alabama, holding that they did not invalidate the election.

We are all familiar with the general rule that election statutes are mandatory or directory; that a statute is not mandatory unless the legislature either expressly declares or evidences an unmistakable intent that it shall be mandatory; that all other statutes are directory and yield to the paramount consideration of ascertaining the public will and expression of the public desire. After all, Mr. President, the will of the voters is the thing of supreme importance, to which the interests of candidates is secondary.

In the early stages of this case it was asserted by counsel for the contestant that they expected to show that in a large number of precincts returns had been substituted, different ballots provided, and that the whole thing was fraudulent. In this connection I shall explain the manner in which an election is conducted in Alabama.

The staff is composed of three inspectors, two clerks, and one returning officer. They are selected by the probate judge, the sheriff, and the clerk of the circuit court. Each party has a right to submit to that board a list of persons from which an inspector and clerk shall be selected. As I recall, that was done in every case, except in two counties; Senator Heflin had representation on the election boards except in two counties. In one county he failed to file a request and in the other county the request came after the election officials had been appointed. Otherwise, if I recall correctly, his request was complied with in every case.

It is provided that the inspectors and clerks shall conduct the election, and the returning officers shall take the returns and deliver them to the sheriff within 48 hours after they are delivered to him. The duties of the returning officer are just what the name implies; that is to say, to take the returns and convey them to the sheriff, he being the custodian under the law.

I digress here to address myself to a matter now coming to mind. The chairman of the subcommittee, who speaks for the minority, suggests in his report, filed to-day, that some of the election officers failed to subscribe to an oath. I think he says that 544 of them failed to subscribe to an oath. The statute does not require them to subscribe to an oath. The language of the statute is that they shall take an oath. Of course, that statute could be fully complied with by the election officers standing before the polls opened and holding up their right hands and taking the oath verbally. The statute does not provide they shall sign an oath. Failure to file a written oath does not indicate a failure to comply with the statute. There is not a thing in the record to indicate that a single one of them failed to take the oath, which could be done verbally.

Returning to the point of digression, as I have said, it was suggested by counsel for the contestant in the early part of the hearings that he would show that in a great number of precincts new returns were substituted, fraudulent returns, forged ballots and books. A copy of the poll list in each county was printed and furnished to each party. It contained a list of the voters, and the number preceding the name of each.

When a voter goes to the polls in Alabama to vote, he is given a number. That number is put on the back of the ballot. His name is entered upon the poll list, and the corresponding number is placed in front of his name. Accordingly, if No. 13 is immediately in front of the name of Jim Jones, his ballot has No. 13 on the back of it. All ballots are identified in that way.

The poll lists in each county were printed last summer and delivered to the parties. I have one of them in my hand.

If the ballot was marked for Bankhead, a slash was placed in front of the name; if the ballot was marked for Heflin, a cross was placed following the name, thus indicating to everybody that ballot No. 13, for instance, cast by Jim Smith, was marked for Bankhead, if that be the case; or that ballot No. 23, cast by John Jones, was marked for Heflin. Those poll lists were placed in the hands of the parties last summer, and with very few exceptions, as I recall, less than two dozen, not a voice was raised, as appears from the record, to show that a vote cast by one is shown now marked for the other.

Not only that, but under the law of Alabama the election officers are required immediately after the returns are canvassed to make a certificate in triplicate, listing the candidates and the total votes cast for each of them. They are required to post one of those certificates at a public place near the polling place. They are required to put one in the ballot box, and they are required to deliver the third to the probate judge.

These ballots have been tabulated, and they conform, without substantial exception, to the certificates prepared and posted by the election officers immediately after they tabulated the returns and ascertained the totals.

It might be asserted, and indeed it was asserted by counsel for the contestant in the argument in the early part of the hearing last July, that they expected to show that new returns had been substituted to conform to the certificates made and posted, that some of the certificates were fabrications, that they were untrue, and that substituted ballots were prepared to conform to the certificates.

The committee, not being satisfied with the tabulation so far as it related to the candidates for United States Senator but desiring to go beyond that, checked the ballots and returns with respect to every other candidate in Alabama. We have in the custody of the committee large tally sheets, perhaps 3 feet square, showing the recount, the tabulation with respect to other officers from top to bottom, from United States Senator to constable, and the ballots in the box brought to Washington and recounted by the committee conformed without any substantial exception to the certificates made by the election officers on the night of the election and posted at the door near the polling place. That refutes any suggestion that fraud occurred in tabulating returns or that returns were fabricated to conform to the certificate.

One other thing. It was suggested that a questionnaire be prepared and sent to absentee voters, asking them, among other things, how they voted for United States Senator. My recollection is that something like 5,000 of those went out, and that about 4,000 of those to whom they were sent responded. I am not speaking with precision respecting the number, but a large number replied to the questionnaire asking each of them how he voted for United States Senator. My memory is that out of that large number, about 4,000, there appeared only about 18 discrepancies, some saying that they voted for Heflin, whereas the ballots show to be marked for Bankhead; some saying that they voted for Bankhead, whereas the ballots now show marked for Heflin. That is an infinitesimally small number compared with the total number of questionnaires to which responses were made; and the discrepancies were both ways.

Mr. President, I shall not trespass further upon the Senate.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. BRATTON. I yield.

Mr. LONG. Did I understand the Senator to say that the returns in those elections were posted at the polling precincts?

Mr. BRATTON. Yes.

Mr. LONG. Then there was no secrecy about it for a number of days?

Mr. BRATTON. Oh, no; the returns were published immediately after the tabulation was completed. The certificate was posted that night. The returns were carried promptly by the Associated Press. Oh, no; there was no secrecy about it. Quite the contrary, it was entirely public. Those certificates, posted and made public in that way, conformed virtually without exception to the ballots brought here and recounted.

Mr. LONG. There was no substantial difference between the early returns, as announced immediately upon the closing of the polls, and the returns as shown by the final count?

Mr. BRATTON. No; there was not. Moreover, the supervisor, Mr. Smith, addressed a letter to what I may call the Heflin chairman in each county, stating to him that the committee had the contest under consideration and sought information, and asking him about the conduct of the election in his county, about the certificates, and about his information, immediately after the polls closed.

A great many replies are attached to the report submitted by the senior Senator from Georgia [Mr. GEORGE] and myself as a minority of the subcommittee, and now the majority report of the full committee. The replies of these country chairmen are all printed. Some say that they did not have watchers at the polls, that they did not appoint them. Some say that they decided it would be best not to have watchers. Some say that they did not keep any data or any certificates. Some say they forwarded them to Heflin headquarters. But the signal, outstanding fact is that not one of them says that the official tabulation in Alabama was incorrect or fraudulent in any respect. Senators may read them from beginning to end and they will fail to find an expression of that kind coming from a Heflin county chairman in Alabama.

On page 72 of the minority report is a long communication from a doctor named Prather. Instead of suggesting fraud in the election, he pointed out that Senator Heflin's defeat was due to his own mistake. The reply is addressed to the supervisor, in response to his request for information. In it the doctor said:

> Now, Tom Heflin made two mistakes; one, he started his campaign too early. The split provoked by the State Democratic executive committee is generally believed to have been conceived by the Alabama Power Co. His followers were not with Alabama Power Co., and Tom lined up with the Power Trust in the Senate on Muscle Shoals. The Bankhead crowd was better organized and many of his (Tom's) cheerers were nonvoters.

There is a great deal more said in this communication, but I shall not take the time of the Senate to read it. It simply points out the situation in Alabama. It was simply one group being better organized and having the party emblem at its masthead and the other being less organized and without the benefit of the party emblem.

Mr. President, every Member of the Senate knows that if there had been any such thing as a substitution of returns, or if there had been any substantial fraud in counting the ballots and in tabulating them, these county chairmen would be heard to cry out and make such charge to the committee, whether they could substantiate it or not. Signal the fact is that not one of them made any such charge.

Mr. President, I conclude by saying that I think the primary was valid in all respects; that it was too late; that it was untimely to wait until after the general election and then raise the question. It should have been raised before the election.

With respect to the general election, a great many irregularities are pointed out. A great many irregularities appear in this record. No one familiar with the facts would contend otherwise. But they are the ordinary irregularities, such as occur in every election held in most any State in the Union. The fact that they were general throughout the State, of similar character, refutes the idea of a statewide conspiracy to perpetrate fraud. They occurred in counties carried by Senator Heflin the same as they did in counties carried by Senator Bankhead. There are 67 counties in Alabama. My memory is that Senator Bankhead carried 57 of them and Senator Heflin 10. But these irregularities, these departures from the statute, occurred in the counties dominated by the Heflin forces the same as they did in the counties dominated by the Bankhead forces.

Mr. President, I shall hasten because the Senator from Nebraska [Mr. NORRIS] desires to present another matter to the Senate, one of importance, and I am anxious to conform to his desires. In addition to the general rule that irregularities do not vitiate an election, I invite attention to the fact that the Legislature of Alabama fixed these requirements, the Legislature of Alabama provided that certain things should be done, and the only reason why they are irregularities is because the legislature said they should be done or not done; but the legislature was not content there. It went further and enacted a sweeping statute dealing with irregularities and providing that they shall not vitiate an election. Indeed, it is the most sweeping statute to which my attention has been directed.

I want to invite the attention of the Senate to such statute, and point out that the contestant in this case has not undertaken to comply with its requirements. If this contest were pending in a court in Alabama the pleadings would have been subject to a demurrer, and the evidence submitted would have required a prompt decision in favor of the contestee.

Section 546 of the Alabama Code provides:

> SEC. 546. When election not annulled: No malconduct, fraud, or corruption on the part of the inspector, clerk, marker, returning officer, board of supervisors, or other person, nor any offers to bribe, bribery, intimidation, or other malconduct which prevented a fair, free, and full exercise of the elective franchise, can annul or set aside any election unless thereby the person declared elected, and whose election is contested, be shown not to have received the highest number of legal votes, nor must any election contested under the provisions of this code be annulled or set aside because of illegal votes given to the person whose election is contested, unless it appears that the number of illegal votes given to such person, if taken from him, would reduce the number of votes given to him below the number of legal votes given to some other person for the same office. Nor must any election be annulled or set aside because of the rejection of legal votes unless it appears that such legal votes, if given to the person intended, would increase the number of his legal votes to or above the number of legal votes received by any other person for the same office.

In other words, under that provision of the code it is not sufficient for the contestant to charge that illegal votes were received or that legal voters were denied the right to vote. It is not sufficient for him to allege that fraud or malconduct transpired in the course of the election. He must allege and prove that if illegal votes cast are eliminated he would have a majority. He must show that except for malconduct on the part of election officers he would have been elected, that their misconduct brought about his defeat. That is the requirement of the statute, and the statute applies to the primary as well as to the general election in Alabama.

In this case, Mr. President, the evidence submitted wholly fails to show that had the irregularities of which complaint is made—and I confess there are many in the record—not transpired he would have been elected. He has wholly failed to show that if the illegal votes cast were deducted and eliminated he would have a majority. No such situation is established by the evidence. Under the code, and the Supreme Court of Alabama has construed it in several cases and has held on each occasion that the statute means exactly what it says, in order to prevail in a contest the contestant must allege and prove that except for these things he would have a majority of the votes cast and be entitled to the office.

Mr. President, the majority of the subcommittee and minority of the full committee gives full faith and credit, indeed emphasis, to every statute in Alabama requiring the folding of ballots, the use of booths, and so forth; but the minority of the full committee fails to give any force whatever to this statute enacted by the same legislature. Of

course the legislature had a perfect right to say this shall be done and that shall be done, but a failure to do those things shall have this result. It had as much authority to say one thing as it did another.

So, Mr. President, it is my conviction that the contestant has failed to establish either his right to the seat or that the contestee is not entitled to it. When we view the case from any angle whatever the contestee has a majority of the votes cast in the general election. The only attack which could be made would be upon the validity of the primary. My view is, that regardless of the power of the Senate to review a primary—and that question is not involved here—and conceding for the moment the power of the Senate to review the primary, this primary was legal.

The committee was empowered to do what it did. The failure to raise these questions before the election foreclosed their consideration thereafter. The contestee has a plurality of the votes cast. The contestant has failed to show otherwise.

So, Mr. President, with high regard for both parties, growing out of an acquaintance with Senator Heflin for seven years and with Senator Bankhead for about two years, I have reached the fixed conviction that Senator Bankhead was elected and is entitled to the seat.

DEPOSITIONS IN WORLD WAR VETERANS' CASES

The PRESIDENT pro tempore. Under the unanimous-consent agreement recently entered into, the Chair lays before the Senate the bill S. 929, which will be proceeded with.

The Senate proceeded to consider the bill (S. 929) relating to the taking of depositions in cases arising under section 19 of the World War veterans' act, 1924, as amended, which had been reported from the Committee on Finance with amendments.

Mr. NORRIS. Mr. President, I notice that the Senator from Utah [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED] are both absent, although I have notified them of the unanimous-consent agreement which was entered into this morning. In order that there may be no question about it, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Jones	Shipstead
Austin	Couzens	Kean	Shortridge
Bailey	Cutting	La Follette	Smith
Bankhead	Dale	Lewis	Smoot
Barbour	Dickinson	Logan	Steiwer
Barkley	Dill	Long	Stephens
Bingham	Fess	McGill	Thomas, Idaho
Black	Fletcher	McNary	Thomas, Okla.
Blaine	Frazier	Metcalf	Townsend
Borah	Glenn	Moses	Tydings
Bratton	Goldsborough	Neely	Vandenberg
Brookhart	Gore	Norbeck	Wagner
Broussard	Hale	Norris	Walcott
Bulkley	Harrison	Nye	Walsh, Mass.
Bulow	Hastings	Oddie	Waterman
Byrnes	Hatfield	Patterson	Watson
Capper	Hayden	Pittman	Wheeler
Caraway	Hebert	Reed	White
Carey	Howell	Robinson, Ind.	
Connally	Hull	Schall	
Copeland	Johnson	Sheppard	

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

Mr. NORRIS. Mr. President, the pending bill, being the bill (S. 929) relating to the taking of depositions in cases arising under section 19 of the World War veterans' act, 1924, as amended, in substance, provides that in cases between veterans of the World War and the Government arising from suits commenced for the recovery of war-risk insurance, when the Government undertakes to take depositions of absent witnesses who are more that a hundred miles from the place of holding court the Government must first make a showing before the court as to what it expects to show by the absent witnesses. Then if the proper showing be made, and the taking of the depositions is decided to be necessary, the Government must deposit $25 for the payment of an attorney's fee for the plaintiff in the suit.

This bill was introduced and referred to the Judiciary Committee. By that committee it was referred to a subcommittee. That subcommittee, of which the Senator from Indiana [Mr. ROBINSON] was chairman, after due consideration, submitted a report to the full committee unanimously recommending the passage of the bill. The bill thereupon was reported to the Senate last February. It was on the calendar, and when reached on the calendar was about to be passed by unanimous consent, the amendment reported by the committee having been agreed to, when the point was raised by the Senator from Utah [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED] that the original act, of which the bill was an amendment, was considered and reported to the Senate by the Finance Committee, and, therefore, it was desired that the bill be referred to that committee in order that the records of the committee might be complete.

On a previous occasion, when I moved to discharge the Committee on Finance, I read to the Senate the colloquy which took place at that time, when an agreement was entered into by which if the friends of the bill consented that it should go to that committee it would be reported by a certain day, just a few days beyond. We were given to understand that there was no objection to the bill, but that the committee only desired its records complete, to show that an amendment to a law which it had originally considered and acted on was also referred to that committee. Thereupon the bill was referred to the Finance Committee. It was not, however, reported within the time agreed upon, but no objection was made on that ground. The bill was finally reported, and it was agreed by unanimous consent that it be taken up yesterday, but, of course, as we all know, that was an impossibility.

Mr. President, last February this bill was introduced; it would have been passed about six weeks ago, and now be on the statute books beyond doubt, if it had not been for the delay that has come about in the way I have indicated.

The Senator from Utah has submitted a written report on the bill, consisting almost entirely of a letter from Mr. Hines, Director of Veterans' Administration. I will show the Senate that the Senator from Utah and the Senator from Pennsylvania have not acquainted themselves with what the bill proposes to do, but have rather arbitrarily, I think, sought to get and succeeded in getting the bill referred to the Finance Committee, and then referred it to Mr. Hines, letting Mr. Hines suggest what changes should be made and taking his objections as valid objections to the bill. Let us see what those objections are. Let me call attention to one of them set forth in the letter of Mr. Hines, as follows:

> On the basis of our present load it is estimated some 50,000 depositions will be taken on behalf of the United States, so the expenditure required by the bill would total approximately $2,500,000.

I ask Senators to take their pencils now and multiply 50,000 cases by 25 and see how far this man is off in his mathematics. He is off just $1,250,000; that is all; he has just doubled the amount. If the Finance Committee is going to let Mr. Hines prepare its reports, it should secure the adoption of some measure giving Mr. Hines another assistant, somebody wh- has been through the eighth grade, at least, and who knows the multiplication table. What I have quoted is a sample.

Veterans who may be suing for money under a statute which we passed do not want to be dragged all over the United States in connection with the taking of depositions, as I shall show in a few minutes they are; but objection is made to the bill by Mr. Hines, who says, "Why, it will mean that notice will be given to the defendant of what we are going to show if, in order to get a deposition taken, we have to file an affidavit and state to what the witness is going to testify." Think of it! The great United States of America has a lawsuit with one of its veteran soldiers who is seeking to recover on an insurance policy which his Government gave to him under the law, and the Government, with its unlimited resources, says, "We do not want this procedure adopted for fear the veteran may find out what we are going

to try to prove by the witness whose deposition we are going to take." Is that the right attitude for our Government to assume?

It is a case of one veteran against another. Mr. Hines is surrounded by veterans who evidently can not multiply by 25. veterans who are opposing the giving of notice to their fellow veterans for fear that the plaintiff in the case may get some idea as to what the witness is going to testify to. In litigation with its soldiers is our Government going to be so partial or set up such a defense that it is ashamed to lay the cards on the table face up? Is it ashamed to say to the soldier who is suing for recovery upon a policy of insurance what its witnesses are going to testify to? Yet that is solemnly made an objection here by the great Finance Committee of the Senate, although its members probably did not know it, because that is contained in Hines's letter, and Hines's letter constitutes the report.

Both the Senator from Utah and the Senator from Pennsylvania on prior occasions have said, "This bill is going to cost $2,500,000." They got the information from Mr. Hines undoubtedly, because I take it that both the Senators named know the multiplication table sufficiently well to multiply accurately by 25.

Mr. SMOOT. Mr. President, the Senator, I think, is mistaken in his statement as to General Hines. The Senator has not read all that General Hines said. I do not want to interrupt the Senator now, but later I will call attention to the fact that the Senator has not correctly based his figures on the cases referred to by General Hines.

Mr. NORRIS. Well, I will read from General Hines, then:

> The proposed bill provides that in addition to the foregoing the Government shall pay an attorney's fee of $25 for each deposition taken. Under the practice of the administration to take the depositions of its doctors rather than for them to appear in court personally many depositions will be taken in each case.

Mr. SMOOT. Many depositions in each case, not one.

Mr. NORRIS. Who said one?

Mr. SMOOT. The Senator did.

Mr. NORRIS. No; I did not. I am reading from Mr. Hines. I am reading it correctly, too, I think. If I am not, I desire to be corrected.

Mr. SMOOT. Let the Senator go on and read the letter.

Mr. NORRIS. I will have to ask the Senator to keep still. I can not go on when somebody is talking in the back corner of my ear.

> Under the practice of the administration to take the depositions of its doctors rather than for them to appear in court personally many depositions will be taken in each case—

Mr. SMOOT. "In each case."

Mr. NORRIS. Mr. Hine's letter continues—

> and, therefore, to compel the Government to pay a fee of $25 in each case would result in large expenditure being made by the Government. Also, the proposed amendment would add to the amount to be received by the attorneys for a plaintiff.
>
> On the basis of our present load it is estimated some 50,000 depositions will be taken—

Now, let the Senator from Utah read for a while. Mr. Hines says 50,000 depositions—not cases, but depositions, let me repeat. I think I have made myself plain—

> 50,000 depositions will be taken on behalf of the United States, so the expenditure required by the bill would total approximately $2,500,000.

Multiply 50,000 by 25 and see whether a mathematician is not needed in the office of Veterans' Administration.

Mr. President, I am going to show the Senate, I think, what is happening now under this law as it stands. I am going to show now, not imaginary cases, but actual cases from men who are acquainted with what happens in these cases.

I have here a letter written by Mr. G. E. Price. He is professor of law in the College of Law of the University of Nebraska. He has interested himself in these cases, not for money—most of his work is done free—and the insinuation in this letter of Hines's that it means a whole lot of money for attorneys will vanish into thin air when we realize what is actually happening now in our courts in cases where these veterans are plaintiffs.

Mr. Price says:

> I have just received my copy of the CONGRESSIONAL RECORD of March 21, and I am writing you in reference to the debate on S. 929.

That is when we had the bill up before.

> It appears to me from reading the debate that many features of the litigation in reference to the war-risk insurance are not understood. The letter of the administrator read into the CONGRESSIONAL RECORD by Senator SMOOT does not, in my opinion, correctly reflect the purposes of the bill or the true situation in reference to the veterans' litigation. Therefore I am writing you my observation and reaction on the debate for whatever purpose they may serve.
>
> First, I want to take up the paragraph of the letter of the administrator in reference to the fees, and Senator REED's remarks appearing in the first column on page 6546.
>
> It is stated in the administrator's letter that the attorneys usually receive a fee of $1,380 in each case. I do not know what the practice is in other districts, but I believe that it is practically the same as it is in the district of Nebraska. Here the attorneys are allowed only a percentage upon the amount that is recovered in the first payment—that is to say, a percentage upon the amount for which the judgment of the court is given. The Supreme Court of the United States has held that a court can not enter a judgment for the future payments. So if we are suing upon a $10,000 war-risk insurance policy that matured on the date of the soldier's discharge, say, June 10, 1919, we prove total and permanent disability from the date of his discharge to the date of trial, we recover $57.50 per month for each and every month from June 10, 1919, to the date of trial, and the attorneys are allowed by the district court here usually 10 per cent of that amount, and no more. If the policy was for a full $10,000, then the attorneys would recover as their fee approximately $875, and no more.
>
> Senator REED, in his statement in reference to the administrator's letter, said that "These lawyers at present are getting something like $1,300 per case—a very liberal fee—and it is coming out of the United States Treasury." The Senator is in error in this statement as to the money coming out of the United States Treasury. The amount is deducted from the amount awarded the soldier by the judgment, and it comes out of the soldier's pay and not out of the United States Treasury.

Do not forget that. It is not the Federal Government that is paying the fee. It is paid by the soldier. The Federal Government probably is the cause of the soldier paying it to his attorney. Remember also that in probably ninety-nine cases out of a hundred it is a contingent fee. If the attorney gets no judgment, he does his work for nothing; and, as I shall show later on, it is difficult to get attorneys who have a general practice to take these cases. I have talked over the matter with Mr. Price. That is how he has gotten into this line of work. Other attorneys having general practice come to him—he is an expert on the law—and he usually takes the case and does the work without any fee, in order that he may help the veteran; and the Government does not pay him a cent.

Mr. ROBINSON of Indiana. Mr. President——

Mr. NORRIS. I yield to the Senator from Indiana.

Mr. ROBINSON of Indiana. All that the Senator says is true; and, in addition to that, the maximum the court can allow is 10 per cent.

Mr. NORRIS. Yes.

Mr. ROBINSON of Indiana. No more than that could be allowed under any circumstances; so that there could be no $1,300 fee allowed.

In the next place, I am sure the Senator will agree with me that many, many, many lawyers throughout the country who take these cases are happy to do the work connected with them, without any fee at all, to assist the veteran.

Mr. NORRIS. Exactly. I presume half of the cases are cases of that kind. A lot of attorneys who are busy with their practice try to avoid these cases, too, because, as a matter of fact, they can not afford to take them on contingent fees and put in the time that is necessary to prepare for trial and try the cases.

Again, Mr. Price says:

> Now, as to the liberality of the fee in these cases: Casually stated, $875 is a pretty good sum of money, particularly in these times of Mellon prosperity. This amount is not a net fee. I should like to state here parenthetically, Senator, that I am speaking only from my knowledge of conditions here in Nebraska. I do not know the conditions throughout the United States; but I have talked with attorneys from several points in the United States, and from what I learned from those attorneys, particularly those away from the large centers, they find about the

same conditions as we do here. I will give you briefly the history of one case in which I was associated, to illustrate the amount of work and expense there is to trying one of these lawsuits.

Senators, listen to this. It is not a fairy tale. It is not an imaginary case. It is a real, actual case that actually happened, given by this man as a sample. Let us see what he says:

The suit was filed on May 29, 1929.

By the way, I want to pause here to say that one of the most highly respected men I ever knew is the man who is writing this letter. He is one of the most conscientious of men. He would not intentionally misstate anything. He would not intentionally do anything or say a word that would wrongfully influence anybody, either here or elsewhere.

Going back again to his letter, Mr. Price continues:

It was to recover the insurance due the soldier's estate from the date of his discharge from the Army to the date of his death, a period of approximately six years, and to recover for his beneficiary the insurance due from the date of his death to the date of trial, a period of approximately seven years. The wife was appointed the administratrix of his estate—

That is the first step. Lawyers know what that means.

The wife was appointed the administratrix of his estate for the purpose of bringing the suit.

In the first place, that is done in the probate court. It is not a difficult thing to do, but every lawyer knows that there is a good deal of work about it. It is necessary to go into court and make the application. It has to be published. It has to come up for hearing. The court then appoints an administrator or an administratrix, as it was in this case, and a bond must be given. Then they go into another court and have to set up all these facts—the insurance policy, the death of the soldier, and the appointment of the wife as administratrix. All of that has to be done before the machinery is started in the Federal court.

In this case, Mr. Price says:

Both his wife and mother claimed to be the beneficiary—the mother because she was designated in the original application for war-risk insurance; the wife because she claimed that she had been designated as beneficiary in the place and stead of the mother after the marriage. As between the mother and wife, it was a friendly contest. Nevertheless, it necessitated three parties plaintiff; first, the wife as administratrix; second, the wife as beneficiary; third, the mother as beneficiary. This necessitated, of course, two sets of attorneys, one to represent the administratrix and wife, and another to represent the mother.

Prior to the trial of this suit, the Government served notice on us to take depositions in Kansas City, Mo., and Kansas City, Kans. Another attorney and I went to Kansas City and took this first set of depositions. A little while later we were served with another notice to take another deposition in Kansas City. We went down and took that deposition. A little while later we were served with a notice to take a deposition in St. Joseph—

He does not say so, but he means, of course, St. Joseph, Mo.

And another one in Atchison. We went down and took those depositions. We were then served with notice of the taking of a deposition at St. Paul and another deposition at Los Angeles and another deposition to be taken at Palo Alto. Of course, it was impossible for us to make the trip to St. Paul and to Los Angeles and to Palo Alto, but we engaged attorneys at those places to represent us; and we paid the ones at Palo Alto and at Los Angeles $25 each, and the one at St. Paul $50, for representing us at the taking of the deposition. Our expenses in making the two trips to Kansas City and to St. Joseph and Atchison, not counting our time at all, were over $200.

The case was tried on June 4, 1931, a little more than two years after it had been filed. We were successful in this suit, and the combined judgment for the administratrix and for the beneficiary was $8,879.80. The court allowed an attorney's fee of 10 per cent, or $887.98, for the two sets of attorneys.

The Government appealed this case and the record has just now been filed in the circuit court of appeals. It was necessary, in order to get a proper bill of exceptions before the circuit court of appeals in this instance, to go through the record and to prepare more than a hundred pages of amendments to the Government's bill of exceptions. I don't know just what the cost of this was, but I think in the neighborhood of $65 or $75. We will now have the preparation of the brief on appeal and it will be necessary for one of us to go to St. Paul and to argue this case.

In addition to the time spent in the preparation of this case for trial, we spent actually nine days in court trying this lawsuit. If we are successful in having this judgment of the district court affirmed, we will receive a fee of $887.98, which will be divided equally between the attorneys. In one other case that was tried here we found when we went into court on the policy that instead of its being a $10,000 policy the soldier had only $2,000. At least that is what the records show. The soldier thought he had $10,000 and I believe he was sincere in his belief. If we are successful in that suit—and it will take just as much time as a $10,000 suit—the fee will be approximately $160.

Go back to the other suit that Mr. Price has narrated. Where can you find an attorney of any standing who will take the case for the money that is in it? Remember, he runs the risk at all times of getting nothing, losing his time, losing his expenses, and the money he put up for other attorneys to represent him. If it were not for the fact, as the Senator from Indiana has so well said, that these men are imbued with a patriotic spirit of helping some worthy soldier, or worthy soldier's widow, there would be nothing done, because no lawyer can afford to take such a case simply for the financial return that is involved, with the risk he has to assume.

Mr. Price further said:

One other suit in which I was interested we found to be on a $5,000 policy instead of a $10,000 policy. After collecting the evidence and getting it ready for trial the Government agreed that the judgment might be entered. The fee allowed in this case was $208, which was divided between two attorneys.

In another case which was tried here, the judgment for approximately $6,700 was rendered. The two attorneys in this case received a fee of $670 and no more. In another case which was tried here the judgment was for approximately a little more than $6,000. The court awarded the attorneys a fee of $500 in this case.

Now, as to the trial of these cases, I have tried many lawsuits in my life, and I had rather try two lawsuits of any nature whatever than to try one of these war-risk insurance cases. They are tedious to the extreme, and it necessitates the greatest amount of work that one can imagine in a lawsuit. As I state, I do not know what the experience throughout the United States generally is, but I do honestly and sincerely believe that there is no place in the United States where a lawyer can try more than a half dozen of these suits during the year, so they are not remunerative in any sense of the word. In fact, there are very few competent attorneys who will take these suits. If they take them at all, they do so merely for the sense of duty to secure the rights of the veterans and not because the suits are profitable; as a matter of fact, a competent attorney in a busy office and with the overhead that goes with a competent office could not handle these suits except at a loss.

I give you the above to correct the impression that this is a money-making proposition on the part of the lawyers.

Mr. ROBINSON of Indiana. Mr. President, may I interrupt the Senator?

Mr. NORRIS. I yield.

Mr. ROBINSON of Indiana. In a case of that kind, after the veteran has finally secured a judgment, after a hard-fought legal battle, he gets only the insurance from the Government for which he has paid.

Mr. NORRIS. Exactly; he gets nothing else.

Mr. ROBINSON of Indiana. Nothing but what he has paid for in the past; and without the services of the lawyer, that particular veteran would never receive the insurance to which he is so justly entitled.

Mr. NORRIS. It seems to me almost too unreasonable to be true that under this law, administered mostly by the veterans themselves against their own comrades, there can happen what the record shows, and I have an abundance of other cases to cite. The Government attorneys will serve notice of the taking of depositions all over the United States, the plaintiff in the case perhaps a widow, without a dollar, without any money to put up to pay the attorney's fees, unable to raise a dollar, unable to borrow a dollar, without funds, and another veteran, representing the other side, the great Government of the United States, serves a notice on the attorneys from Nebraska to go to Los Angeles to take a deposition, to go to Richmond, Va., to Chicago, to Boston, all over the United States. They know those veterans can not follow them.

When this bill becomes a law—and I really believe it will—the taking of these depositions in most of the cases will absolutely cease, because, as is shown in this letter, if they will make an affidavit that they want to take the deposition of John Jones down at Kansas City, Mo., and state what they claim he will testify to, the other side can at once admit that he will testify to that, if they want to, and save the taking of the deposition. If the plaintiff in the case is notified as to what the facts are they are going to try to prove, he

can save the taking of the deposition. Instead of adding to the expense of the Government, this bill, if put upon the statute books, will save literally millions of dollars, not always to the Government, but if not to the Government, then to the soldiers who are now trying to recover, or the widows or orphans of soldiers who are trying to recover upon these insurance policies. The money will be saved. Mr. Price shows in his letter that nine times out of ten, if the attorneys for the United States will comply with the law and disclose what they expect to prove, the parties can easily stipulate what the facts are. But the attorneys for the veterans dare not permit the depositions to be taken without somebody being present. Every lawyer knows why that is.

Mr. Price in his letter calls attention to this fact:

Now, as to the expense of $2,500,000 which the Veterans' Bureau claims will be added to the cost of administration, or cost of government by reason of this bill, I want to say:

Most of the depositions that are taken by the Government are the depositions of doctors who at some time or another usually several years back or shortly after the soldier's discharge have treated the veteran in some hospital or another. The deposition is primarily for the purpose of having the doctor read into the record a report that he made to the bureau, or to the hospital, or made to some place or another, upon the soldier's condition and treatment at the time that he treated him. Of course, however, in taking the deposition the attorney who represents the Government will bring in everything that is possible from this doctor, much of which is entirely incompetent, immaterial, and irrelevant, and inadmissible to the case. The reports of the doctor are admissible. This has been settled by the circuit courts of appeals in a number of cases. A recent case of United States *v.* Smith, 55 Fed. (2) 141, at page 143, the court said:

"It has been held in numerous cases that reports of physical examination made by the Veterans' Bureau may be admitted in evidence in war-risk insurance cases, citing a number of cases."

They do not have to take the depositions; they can put the reports in evidence without taking the depositions. I can not for the life of me conceive how these veterans, drawing salaries from the Government of the United States, can, it seems almost intentionally, go out and make it difficult for their comrades to meet them in a fair, honest contest in a lawsuit to recover war-risk insurance.

Mr. Price says further:

Most of these doctors whose depositions are taken can add nothing to the report which they have already made, but in trying a lawsuit you simply can not take the chance of not being represented at the taking of a deposition, because if your objections to the evidence and to the matter that goes into the deposition are not made at the time of the taking of the deposition you are shut out from making those objections when the deposition is read into court, and one can not in justice to his client permit a deposition to be taken without having a representative there at the time the deposition is taken, at least for the purpose of preserving the record.

Now S. 929 becomes a law; it simply means that the majority of the depositions that are now being taken by the Government will be eliminated, because in their notice to take the deposition and their application to the court the Government will show what they intend to prove by these doctors, and such parts of it as are material to the case will be stipulated, and the Government will save the expense of taking these depositions. I do not know what the average cost of the deposition is, but I believe that I am conservative when I say that the average cost of taking these depositions is at least $20. Now, if there are 50,000 depositions to be taken, it means a saving to the Government of $1,000,000. I have just observed that the administrator states that the cost to the Government of paying the attorney for the plaintiff $25 for the taking of 50,000 depositions is $2,500,000. Unless my knowledge of mathematics is entirely wrong, the taking of 50,000 depositions, at $25 per deposition, would be $1,250,000 instead of $2,500,000. It seems that the bureau has made a mistake of exactly 100 per cent in their calculation. In the eight cases that I have been connected with in the district court here I would have stipulated to every single material fact that was included in the depositions.

Now, the argument might be advanced that, since the matters upon which the depositions are taken are mainly for the purpose of the introduction of the records, and that these are admissible whether a deposition is taken or not, there could be no objection to the Government taking the deposition and the claimant not being represented. I want to give you just one illustration of the value of being represented at the time of taking these depositions. I am now quoting from the transcript of record in the case of United States of America, appellant, *v.* Olga Kiner, administratrix, etc., et al., appellee. This appears on page 122 of the record and is the cross-examination of the witness at St. Paul whose deposition the Government took for the purpose of introducing into the record his examination and medical report upon this veteran, made somewhere in 1920 or 1921, and after having testified in answer to the questions by the attorney for the Government that the man was not permanently and totally disabled and that he could follow a gainful occupation the attorney who represented us at the taking of the deposition asked this question:

Let us get that situation; let us just see what this witness was testifying to.

After having testified in answer to the questions by the attorney for the Government that the man was not permanently and totally disabled and that he could follow a gainful occupation—

That was his testimony, and that would have been the end of it if there had been nobody there to cross-examine him. Listen to the record. Here is a verbatim copy. This question was asked on cross-examination by the veteran's attorney:

Question. What substantially gainful occupation, or occupations, in your opinion could he follow, and give your reasons, if any, why he could follow them.

Here is the answer from the distinguished expert, the doctor, the Government's witness:

Answer. I would say this man could follow farming. The reason I mention farming is, as a rule, dusty occupations increase shortness of breath, coughing, fast beating of pulse, where a man has bronchitis of any degree, that is why I would say he could follow farming; farming would not increase that.

The trouble is that this doctor is suffering in one way where the bureau here was suffering for the lack of mathematicians, for the lack of people who know the multiplication table. The trouble with this doctor is that he probably never saw a farm. He does not know that farming is one of the most dusty occupations on earth. He said this man was all right, that he was not injured, that he ought to follow farming, because he would have to keep out of the dust.

I would like to see that man out in the State of the Senator from Oregon. I would like to see him following a harrow after a field had been ploughed to put in wheat. You could see a cloud of dust 5 miles away, but you could not see the man, just a cloud of dust. I would like to see him driving a flock of sheep, as I have seen others, in the Walla Walla Valley, one of the richest farming sections in the world, where you could not see the sheep or the man driving them for dust, nothing but dust, a cloud of dust, a dust cloud raised by a wagon drawn by a team of horses, so that you could not see the horses or the wagon on account of the dust.

That is where this expert would put a man who he said would be all right if you kept him out of the dust. He would set him to farming. Take him anywhere and put him on a farm, put him on a straw stack, or behind a straw carrier when they are thrashing, put him out to cultivating corn, put him out to ploughing or to harrowing, and he will be so covered with dust that his own wife would not recognize him at night when he came in to supper. The cross-examination of this doctor, I take it, before a jury of any sense, exploded the whole defense, there was nothing left of it.

The letter from Mr. Price continues:

The letter from the bureau in another paragraph states that it has been held that in addition to the fee provided for in section 500, war-risk insurance act, attorney for the successful party may have his necessary expenses. If this is true, I never heard of it before. At any rate, if this is true, and I suppose it is, unless the bureau has made the same error in this that they did in the mathematical calculation, it would come from the soldier's insurance and is not paid by the Government. It merely decreases the amount that the veteran actually recovers. It, of course, would augment the attorney's fee, when he gets it.

In the letter from the bureau it is stated that where an attorney takes a case on a contingent fee he can easily secure attorneys to represent his client at the taking of the depositions, who will do so for a contingent fee. I do not know what the general experience in this line has been, or is. I doubt very much if, under the present practice, where an attorney is served by the Government with notice of taking a deposition in Chicago, and another one in Kansas City, and another one in Seattle, Wash., and another in Denver, Colo., that the attorney representing the claimant would be able on the few days' notice that he has to secure the services of a competent attorney to represent him at the taking of these depositions with the understanding that he would be paid a fee of $25 in event he was successful in the suit. In fairness to the attorney you would have to tell the attorney that it was a case of war-risk insurance, where the Government was the defendant, and that in all likelihood the case would be appealed if they were successful in securing the verdict, and that there could be no assurance that he would receive the

$25 in less than two years. Further, if this procedure as suggested by the bureau would be followed, that is, of securing some one to represent the plaintiff at the place of the taking of the deposition upon a contingent fee of $25, and the Government takes a half dozen depositions, and it is very evident that they intend to take a number of depositions if they estimate the number at 50,000, and the attorney is suing upon a $10,000 policy, and recovers say $9,000, which is the maximum amount that would be recovered in the first payment, and is allowed the 10 per cent fee, or $890, his fee is very materially reduced. It is very plainly indicated in the letter from the bureau, that such an arrangement would come out of the attorney's fees and not a part of the expense which they say the attorney is entitled to in addition to his fee.

The letter from the bureau also states as follows:

"That part of the proposed bill which requires that reasonable opportunity has been afforded the opposite party to be present at the hearing of the application seems unnecessary, since it is not thought that any court would grant such application on an ex parte hearing."

I am unable to exactly understand this part of the letter. If he means that if the law is such that it requires an application to be made to the court for an order permitting the taking of the deposition, that it is unnecessary to also write into the law that proper notice must be given so that the opposite party may be present at the hearing, it seems to be mere quibbling. If he means by his statement that at the present time depositions are taken on an order of the court by application, they are not correctly stating the law.

The provision for taking depositions is provided for in title 28, section 639 of the United States Code. It is provided that depositions may be taken upon notice—that is, the party desiring to take the deposition merely gives the opposite side notice that he will take the deposition, and no application is made to the court at all. I do not understand this paragraph of the letter at all.

With reference to another paragraph of the letter, in which it states:

"That part of the proposed bill that requires an affidavit setting forth the fact intended to be established by such deposition is objectionable because it compels the Government to disclose in advance of the trial a part of its defense. In other words, it amounts to fishing."

That is a quotation from the letter of the Veterans' Administration. That is a part of the report made by the Senator from Utah [Mr. SMOOT]—afraid to let the veteran know what the Government expects to prove by some witness. In the first place, he does know. He knows what the issues are. He knows what would be material. He is afraid something would be put in the answers if he is not there to object, something that is not material, or something like the cross-examination that I read a moment ago that would absolutely overthrow the weight of the testimony or the opinion of the specialist.

The letter then continues:

I can not see the force or the logic of this paragraph of the letter. For this reason, if A, who is the attorney for the Government, serves notice on B, who is the attorney for the veteran, that he proposes to take the deposition of C, who lives in the city of D, such deposition to be taken on the 10th of the month, and the notice was served, say, on the 5th, which is usually the time that they give you to take the deposition, we will assume that B attends on the 10th and takes the deposition of C. He certainly then knows just what the Government has intended to prove by C. Suppose B can not attend the taking of the deposition of C at the city of D on the 10th of the month, and A takes the deposition on the 10th. Under the requirements of the United States Code, the deposition is sent under seal by the officer before whom it is taken to the clerk of the district court, where the deposition is to be used. After the deposition is received by the clerk, it may be opened and inspected by either side. So, B knows as soon as the deposition arrives at the clerk's office just what the Government intended to prove by C. Now, suppose S. 929 was a law. A would come into court with an application to take the deposition of C; in that application he would set up by affidavit the essential facts which he intended to prove by C. B would appear with A before the court; and if they could agree upon those facts and stipulate to them, the Government certainly has not been injured. The only difference between the two cases is that B knows before he leaves the city to take the deposition of C what the Government expects to prove by C, instead of ascertaining when they arrive at the city of D just what they expect to prove by C. I can not see that it is in any way at all to the detriment or to the disadvantage of the Government to lay before the court in the proper manner the facts which they expect to prove from these witnesses.

Now, if the witness to be examined is a doctor, upon the receipt of A's notice to take the deposition, B can most reasonably conclude that it is for the purpose of introducing into evidence an examination or a medical report on the claimant that was made by Doctor C at some time or another when he had the soldier under his observation. If A is required to set out in his application to the court for an order to take this deposition, he is not revealing to B any information that B is not entitled to, because the circuit court of appeals of the sixth circuit on November 11, 1931, in Third National Bank & Trust Co. v. the United States (53 Fed. (2d) 599) at page 600 said:

"The first error assigned relates to the overruling of plaintiff's motion for a rule directing the defendant to produce the records of the Veterans' Bureau pertaining to Stewart for inspection by plaintiff's counsel in advance of trial. The question is not important in this case, but, as it has been made in other cases in this jurisdiction, we deem it advisable to state what we think is the proper rule with reference to such motion."

The court then discussed this particular case and the provisions of section 456, title 38, of the United States Code, and on page 601 said:

"What we hold is that when suit has been filed and the record is in the possession of counsel for the Government, it is within the power of the court to compel its production for examination in advance of trial. If in such case the record is not in possession of counsel for the Government but is in the files of the bureau, it would work no hardship on the bureau to furnish the record to its counsel in order that it might be inspected by counsel for claimant. This would extend to the claimant an opportunity, which in many cases could not otherwise be had, to obtain the data necessary to a proper preparation of his case. We conclude, therefore, that plaintiff's motion should have been sustained, and the defendant required to produce the record for inspection by plaintiff's counsel."

I do not possibly see how it could be interpreted that S. 929 is fishing. Nor can I see how it is to the disadvantage or to the detriment of the Government to give the information that would be required by S. 929. The claimant is not receiving any information in advance of trial that he would not otherwise receive. If he attended that taking of the deposition, he certainly would be informed what the Government proved by the witness. If the witness is one whose evidence is already in the file, the attorney for the claimant has had the right to inspect that file in advance of trial under the decisions of the Third National Bank & Trust Co. v. The United States, and if the attorney has not had the file produced for his inspection by an order of the court, then it is his own fault.

My belief is that instead of being an additional expense to the Government, that S. 929, if it becomes a law will result in a considerable saving to the Government, for the reason that it will decrease the number of depositions that are to be taken by the Government, because most of the material matter, in fact practically all of the material matter of the depositions, especially of the doctors, can and will be stipulated to. Of course, there will be depositions to be taken to prove material things, such as for example, that the plaintiff has been working for a period of time, in such case it will be necessary to take the deposition of a witness, no question about that, but these suits present a situation somewhat different from the average lawsuit where a claimant is suing an insurance company. It is necessary to go back over a long period of years. Congress has extended the time of the filing of these suits presumably for the reason that there was a very chaotic condition existing after the men were discharged from the Army. A large majority of them did not know their rights under the war-risk insurance policies; they made no application for the benefits of the war-risk insurance policy. Then some of the soldiers for purely patriotic reasons made no claim upon the Government, either for insurance or for compensation. The right to sue upon these insurance policies at the present time is a right that has been given to these veterans by Congress. In giving the veterans this right Congress must have had in mind the conditions that existed after the discharge, and must have had in mind that the veterans had claims which the veterans were entitled to have adjudicated. The adjudications depended not upon a present condition where witnesses were available in the immediate community but conditions that have extended over a long period of years. When the veteran presents his case for adjudication he is met with the resources of this great Government seeking to defeat his claim. It is not a question of expediency on the part of the Government as it would be if the contest were against an insurance company. An insurance company would weigh the cost of the defense against the probable chances of success in defeating it, and in many instances would reach a compromise with the person. This is not the case with the Government, the Government will spend in defeating one lawsuit an amount greater than it would take to pay the lawsuit, and many of these cases, Senator, are not $10,000 cases at all, a large number of them are $5,000 cases, and there are several cases here in Lincoln where the amount involved is only $1,000 and $2,000. Now, since Congress has been liberal enough to extend the time within which to bring these lawsuits, and in view of the fact that the Government has employed a large number of attorneys to defeat these suits, or rather to protect the interests of the Government, it seems that it is only fair to make provisions by law by which a large number of the depositions may be entirely eliminated, and in the proper cases to enable the claimant to properly present his case.

In conclusion it seems to me from reading the debate upon this bill that there is a misunderstanding as to the profit that there is in these cases, and a very serious misunderstanding as to the exact operations of S. 929. I am interested in the matter only for the purpose of seeing the veteran get what I honestly believe that he is entitled to. These men went into the Army during the World War at the command of the Government. Most of

them did not have any idea at all of what the war was about or why. They bought this insurance and they paid for it. Congress has given them the right to have their claim under these insurance policies adjudicated. I believe that it is only fair to make provisions that they may properly present the case.

Cordially yours,

G. E. PRICE.

P. S.—Since dictating the above I have received your letter of March 22 asking for my analysis of the debate. I believe the above correctly represents my view of the debate. I want to add just a few matters in explanation of some of the things that I mentioned in my letter.

On page 5, where I estimated the average cost to the Government of taking the depositions to be $20, I had in mind only the stenographic charges; this does not take into consideration the cost to the Government of the attorneys taking the deposition.

The letter from the bureau stating that the fees were $1,380 assume a $10,000 policy and 10 per cent upon the entire 240 payments. This may be the rule in some of the district courts; however, even this figure is not a fair correct representation of the attorneys' fees. For example, in a suit upon a full $10,000 policy, if the immediate recovery was, say, $7,500, the attorneys would receive 10 per cent of this amount from the bureau, or $750. If the 10 per cent goes to the future payments, they would then receive $5.75 per month until the remaining $6,300 is paid; or, in other words, it would require a period of 10 years before the remaining $630 of the fee was paid.

The veterans in these cases recover only the actual face value of the policy—that is, $57.50 per month, or the pro rata amount of that. They do not recover any of the costs of the suit, such as filing fees and witnesses' fees. It is, of course, necessary in practically all of these cases to have some doctors as witnesses. The Supreme Court has held that a court can not add the costs to the judgment.

With reference to the doctors' reports being admissible in evidence, which I have referred to on page 8, the circuit court of appeals in a number of cases—and it is accepted as settled law—have held that these reports are admissible as official reports, and it does not require the evidence of the doctor who made the reports in order that they may be admitted. They may be taken from the file and properly identified as being part of the official records in the case of John Jones, and are then admitted. There is no need whatever to take a deposition in order to admit these records.

The letter from the bureau very strongly confirms what I have contended, that the Government intends to take a lot of depositions and put the claimants to a considerable expense. The letter stating that there are more than 50,000 depositions to be taken convinces me that the bureau is planning a great deal of work that is costing the Government a considerable sum of money which is entirely unnecessary, because all of the medical reports can be admitted by taking them right out of the file in the court room, properly identifying them, and admitting them as official reports. I can see no reason whatever for the Government taking all of these depositions, unless it is for the purpose of furnishing employment for some one.

You are no doubt familiar with the scheme of arrangement of the Veterans' Bureau, and that they have recently added a division termed the insurance legal division, or some name similar to that, which is under the charge of Mr. William Wolff Smith, and the attorneys of that division do nothing except devote their time to the defending of the war-risk insurance suits. I find no fault whatever for these attorneys to be extremely zealous in their efforts to protect the interests of the Government; and if in doing so in their judgment it is necessary to take the depositions of doctors for the purpose of introducing the reports of those doctors into evidence, rather than to introduce them directly from the files, as the courts have held they can be, then certainly they should not resist the giving of assistance to the claimants who are poor persons in order that they may have proper representation at the taking of the depositions.

I am certain that instead of adding to the Government expenses that S. 929 will very materially decrease the cost to the Government by eliminating the taking of a lot of unnecessary depositions to identify records that the courts have held require no further identification than that they are of the official records of the soldier.

G. E. P.

I have believed all the time, as I said, that when the Senator from Pennsylvania and the Senator from Utah really understood what will be the operation of the bill, they would withdraw all objection to it. No one knows better than the Senator from Pennsylvania what it means to take one of these cases through the courts on a contingent basis. He realizes, and probably it has been called to his attention many times, that busy attorneys can not afford to take these cases and that perhaps more than half of them are taken as acts of charity on the part of the lawyers who want to help the veterans whom they believe to be worthy.

I have another letter written to the Senator from Indiana [Mr. ROBINSON], but he placed that in the RECORD at a prior session. It calls attention to just what happens in these lawsuits.

I have another letter from an attorney in Indiana who has tried a good many of these cases. In this letter he said:

I have read with considerable interest, in the March 21 number of the CONGRESSIONAL RECORD, of your attempt to discharge the Finance Committee in consideration of bill (S. 929). * * * We recently had a case in this district where the Government served notice on us on March 1, 1932, to take a set of depositions at Indianapolis on March 4, at 10 a. m., and at the same time served a notice on us to take another deposition at Cincinnati, on the same date at the same hour.

The committee has recommended several amendments. Some of them I can not understand. They strike out some language in the bill and then reinsert the same language further on. I have no objection to some of the amendments. I do object to the amendment proposing to strike out "$25" and insert "$15." The Senator from Pennsylvania will notice that it does not mean that $25 will necessarily have to be paid, but that only so much of it as may be necessary in the discretion of the court shall be available to the plaintiff. The bill provides that any part of such sum not required therefor shall be returned to the United States. The committee, by an amendment, proposes to strike out that language and reinsert identically the same language in another place. I do not understand just why that is done.

Mr. REED. Mr. President, I had nothing to do with the preparation of the report. I am the last person in the world to undertake to explain it or defend it. The Senator from Utah [Mr. SMOOT] has been called away by an engagement from which he could not ask to be excused, and I think it would be best to let it go over until morning.

Mr. NORRIS. I have no objection, if the Senator from Washington [Mr. JONES] has none.

Mr. JONES. What is the request?

Mr. NORRIS. The Senator from Pennsylvania asks that this matter go over until to-morrow. I have no objection, but I do not want to interfere with the appropriation bill of the Senator from Washington.

Mr. JONES. I would like to see the Senator's bill disposed of this evening or as soon as possible.

Mr. McNARY. Mr. President, I had hoped that we could dispose of it to-night. I entertain the view that whatever arrangement we enter into, the contest over the seat of the Senator from Alabama [Mr. BANKHEAD] will have the right of way.

The PRESIDENT pro tempore. The present occupant of the chair would hold that to be a matter of high privilege and could be taken up at any time.

Mr. REED. I believe we can dispose of the matter to-night. Let us have the amendments stated.

The PRESIDENT pro tempore. The clerk will state the amendments of the committee.

The first amendment of the Committee on Finance was, on page 2, line 13, after the word "unless" to insert the words "if the court so orders in exceptional cases."

Mr. NORRIS. I have agreed not to object to that amendment.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The next amendment of the Committee on Finance was, on page 2, line 15, to strike out "$25" and insert "$15."

Mr. NORRIS. I am opposed to that amendment.

Mr. REED. I am not going to insist on the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

The next amendment of the Committee on Finance was, on page 2, line 16, after the word "necessary," to insert "in the discretion of the court."

Mr. NORRIS. I have no objection to that amendment.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The next amendment of the Committee on Finance was, on page 2, line 18, to strike out "deposition. Any part of

such sum not required therefor shall be returned to the United States" and insert "deposition: *Provided*, That any part of such sum not required therefor shall be returned to the United States: *Provided further*, That whenever a judgment or decree shall be rendered against the Government in an action brought pursuant to this section, the amount expended under the provisions of this paragraph shall be deducted from the fees allowed the attorneys under section 500 of this act and returned to the United States."

Mr. REED. Mr. President, I am not inclined to insist on that amendment.

Mr. NORRIS. I ask that the amendment be rejected.

The amendment was rejected.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 19 of the World War veterans' act, 1924, as amended is amended by inserting after the third paragraph thereof the following new paragraph:

"In any suit, action, or proceeding brought under the provisions of this section no deposition shall be taken at a greater distance from the place of trial than 100 miles without permission of the court being first had upon proper application and cause shown. No such permission shall be granted unless (1) the application is accompanied by an affidavit setting forth the fact intended to be established by such deposition, and (2) reasonable opportunity has been afforded the opposite party to be present at the hearing upon such application. Where the claimant is suing as a poor person pursuant to the act entitled 'An act providing when plaintiff may sue as a poor person and when counsel shall be assigned by the court,' approved July 20, 1892, as amended, no such permission shall be granted upon application by the United States unless, if the court so orders in exceptional cases, there is deposited with the clerk of the trial court the sum of $25, which sum, or so much thereof as may be necessary, in the discretion of the court, shall be available to the claimant for obtaining representation at the taking of such deposition. Any part of such sum not required therefor shall be returned to the United States. Reasonable notice of the name of the witness and the time and place of the taking of the deposition shall be given in writing to the claimant."

ALABAMA SENATORIAL CONTEST

Mr. McNARY. Mr. President, while perhaps it is unnecessary as a parliamentary matter to make the request I am about to submit, I ask the unanimous-consent request that whenever we shall have disposed of routine morning business to-morrow, we proceed to the further consideration of the Alabama senatorial contest.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and the unanimous-consent agreement is entered into.

CLAIM OF MR. STELIO VASSILIADIS, FORMER VICE CONSUL OF SPAIN AT KIEV, RUSSIA (S. DOC. NO. 85)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I inclose herewith a report which the Acting Secretary of State has addressed to me in regard to a claim of Mr. Stelio Vassiliadis, former Vice Consul of Spain at Kiev, Russia, for expenditures made by him at that post from March 1, 1918, to the end of February, 1920, in representing the interests of the United States at that post in the absence of the American consul, Mr. Douglas Jenkins, who was obliged to depart on account of war conditions.

I recommend that an appropriation in the amount suggested by the Acting Secretary of State be authorized in order to reimburse Mr. Vassiliadis for the expenditures made by him during the above-mentioned period.

HERBERT HOOVER.

THE WHITE HOUSE, *April 21, 1932.*

(Inclosures: Report of the Acting Secretary of State with inclosures.)

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

DEATH OF REPRESENTATIVE BEERS

Mr. REED. Mr. President, it is my sad duty to announce the death this afternoon of Representative EDWARD M. BEERS, of the eighteenth congressional district of Pennsylvania. I send to the desk the following resolutions and ask for their immediate consideration.

The resolutions (S. Res. 205) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. EDWARD M. BEERS, late a Representative from the State of Pennsylvania.

Resolved, That a committee of 10 Senators be appointed by the President pro tempore to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Under the second resolution the President pro tempore appointed as the committee on the part of the Senate the senior Senator from Pennsylvania [Mr. REED], the junior Senator from Pennsylvania [Mr. DAVIS], the senior Senator from Minnesota [Mr. SHIPSTEAD], the senior Senator from New Hampshire [Mr. MOSES], the junior Senator from Michigan [Mr. VANDENBERG], the junior Senator from Iowa [Mr. DICKINSON], the senior Senator from Florida [Mr. FLETCHER], the senior Senator from Massachusetts [Mr. WALSH], the junior Senator from Arizona [Mr. HAYDEN], and the senior Senator from Kansas [Mr. CAPPER].

Mr. REED. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Friday, April 22, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 21, 1932

SECRETARIES IN THE DIPLOMATIC SERVICE

John K. Caldwell, of Kentucky, now a Foreign Service officer of class 1 and a consul general;

William C. Burdett, of Tennessee, now a Foreign Service officer of class 4 and a consul general; and

Perry N. Jester, of Virginia, now a Foreign Service officer, unclassified, and a vice consul of career, to be also secretaries in the Diplomatic Service of the United States of America.

PROMOTION IN THE REGULAR ARMY

VETERINARY CORPS

To be first lieutenant

Second Lieut. Arvo Theodore Thompson, Veterinary Corps, from April 8, 1932.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 21, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou Eternal God, who wert and art and evermore shall be, in Thine only begotten Son, we behold Thy heart throbbing from heaven to earth; we would listen to Thee in stillness of soul. Once more let us feel the sense of Thy sweet grace. Under all circumstances let forgiveness take the place of retaliation, sacrifice the place of indulgence, and union the place of rivalry. O may these virtues be the sovereign antidotes to the pains and the stings of life. In the promise and the power of a new day fill us with the love of country and with the enthusiasm of justice. O God, convince us with emphasis that supreme good fortune comes to those who lose themselves in some good, generous task;

may we surrender ourselves to the interest and to the dignity of our labors. Our Father, lead the way. In the name of the Christ. Amen.

The Journal of the proceedings of Tuesday, April 19, 1932, and Wednesday, April 20, 1932, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 15, 1932:

H. R. 483. An act to amend the act of March 2, 1897, authorizing the construction and maintenance of a bridge across the St. Lawrence River;

H. R. 8379. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 8394. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.;

H. R. 8396. An act to extend the times for commencing and completing the construction of a bridge across the Rock River at or near Prophetstown, Ill.;

H. R. 8506. An act to extend the times for commencing and completing the construction of a bridge across the Mahoning River at New Castle, Lawrence County, Pa.;

H. R. 8696. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River near Alexandria Bay, N. Y.;

H. R. 9264. An act to extend the times for commencing and completing the construction of a free highway bridge across the St. Francis River at or near Madison, Ark., on State Highway No. 70;

H. R. 9266. An act to extend the times for commencing and completing the construction of a bridge across the St. Francis River at or near Lake City, Ark.;

H. R. 9451. An act to provide a preliminary examination of the Flint River, Ala. and Tenn., with a view to the control of its floods;

H. R. 9452. An act to provide a preliminary examination of Flint Creek and its branches in Morgan County, Ala., with a view to the control of its floods;

H. R. 9453. An act to provide a preliminary examination of Cataco Creek and its branches in Morgan County, Ala., with a view to the control of its floods;

H. R. 10365. An act granting the consent of Congress to the counties of Fayette and Washington, Pa., either jointly or severally, to construct, maintain, and operate a toll bridge across the Monongahela River at or near Fayette City, Pa.;

H. R. 10775. An act to extend the times for commencing and completing the construction of a bridge across the Hudson River at or near Catskill, Greene County, N. Y.;

H. R. 2285. An act for the relief of Dock Leach;

H. R. 3559. An act for the relief of Elizabeth Moncravie; and

H. R. 4515. An act extending the limit of time within which Parramore Post No. 57, American Legion, may construct its memorial building, and correcting street location.

On April 16, 1932:

H. R. 4390. An act for the relief of Melissa Isabel Fairchild; and

H. R. 132. An act to authorize the Secretary of War to erect one marker for the graves of 15 Confederate soldiers killed in action and buried in the La Fayette Cemetery at La Fayette, Ga., in lieu of separate markers as now authorized by law.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the testimony before the Ways and Means Committee this morning of General Dawes, president of the Reconstruction Finance Corporation.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. UNDERHILL. Reserving the right to object, will not this be printed in the hearings?

Mr. TREADWAY. It will be printed in the hearings, of course, but the circulation of the hearings is very limited. The statement is a very strong analysis, and it seems to me that the membership of the House should have the benefit of the testimony given by a man of such great authority as General Dawes, and have it before the membership of the House for consideration.

I would say further, Mr. Speaker, that I have consulted with the acting chairman of the committee as to whether he would approve of this, and he did.

Mr. PATTERSON. Mr. Speaker, owing to the fact that the Members of the House will have access to the printed hearings, I will object.

MILITARY AFFAIRS COMMITTEE

Mr. STAFFORD. Mr. Speaker, at the request of the chairman of the committee, I ask unanimous consent that the Committee on Military Affairs may be privileged to sit during the session of the House to-day.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

GILBERT N. HAUGEN

Mr. SNELL. Mr. Speaker, I ask unanimous consent that certain members of the Agriculture Committee may have 15 minutes, out of order, to pay their respects to the ex-chairman of the Committee on Agriculture, Mr. HAUGEN, as this is his seventy-third birthday. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. I ask that the time be divided between the gentleman from New York [Mr. CLARKE], the gentleman from Texas [Mr. JONES], and the gentleman from Michigan [Mr. KETCHAM].

Mr. CLARKE of New York. Mr. Speaker, if the United States ever adopts another national holiday, it should be April 21, the birthday of GILBERT NELSON HAUGEN, than whom no one has done more for agriculture, and it should be called agriculture day. [Applause.]

The blending of the heroic spirit of the vikings with the noble characteristics of our own American people must inevitably produce just such a splendid outstanding example of a real man as GILBERT NELSON HAUGEN, whose birthday we to-day celebrate.

No man has served so long continuously in the House of Representatives as has Chairman HAUGEN, as we affectionately call him. With the completion of the present term it will have been a continuous service of 34 years.

Chairman HAUGEN began his political career under those outstanding leaders, Allison and Henderson. He was a "dark horse" in the convention which first nominated him. The politicians are said to have remarked at that time, "Let the Norwegian come down for a time until the skies clear, then we shall send somebody else." But the people learned his worth and they have continued ever since to send him back. They know that he truly represents the people and not the "trick politicians."

The mere announcement of his presence in a community or that he is to speak to his constituents is all that is necessary to bring crowds of loyal friends and admirers to his support.

For 10 years I have been intimately associated with him as a member of the most important committee in the House of Representatives, namely, the Agriculture Committee. My room has been close to his, and not only I but members of my family have enjoyed almost daily contacts with him. He has been a guest in my home at my farm in New York State and has addressed my farmer friends and constituents in my home town upon matters of vital interest to them; needless to say, winning their admiration and respect. In short, I know Chairman HAUGEN well, both socially and politically; I know of his long hours of labor at his desk; I know of his unceasing toil in the cause of agriculture, by

night and by day, giving himself unsparingly to that great cause. [Applause.]

Iowa may well boast of the contributions to the Nation's welfare of her sons and daughters, among them James Wilson, Secretary of Agriculture from March 5, 1897, to March 4, 1913; Henry Cantwell Wallace, who, with his family, has written his name in literature as well as in constructive law in the agricultural cause; and E. T. Meredith, who has done his bit as well. Yet, surpassing them all is the sturdy, active figure of Chairman HAUGEN, as he is known to the Nation, but "Silver top with heart of gold," as he is known affectionately by the members of the great Agriculture Committee, over which he has presided and to which he was assigned in his first term in Congress.

It is worth while to stop for a moment on this, his birthday, to pay our tribute to a man who has served with such singleness of purpose and who has made such a contribution to agriculture, not alone within the United States but in the far-off possessions that are our responsibility.

Chairman HAUGEN, in the words of your viking ancestors, the House of Representatives on this your birthday says, "Skaal!" God bless you and prosper you and give you many more years amongst us, for we need the benefits of your wisdom, we need your company in these troublous times, and we need your leadership in the great cause of agriculture. [Applause.]

Mr. JONES. Mr. Speaker, I think the House of Representatives is the greatest legislative body in the world. To have the privilege of serving as one of the directors here in the business of the greatest Nation in the world is a great honor, but to have served continuously for more years than any other man who was ever selected from anywhere under the flag is, indeed, a proud distinction. [Applause.] I do not believe that anyone could be chosen for anything like that period of time in any district in America unless he has honesty, integrity, and ability. A district may temporarily make a mistake, but the voters of the district would not make a mistake in the character of a man for 34 years in succession.

For a number of years it has been my privilege to serve under Mr. HAUGEN as chairman of the Committee on Agriculture. Of course, he is a loyal party man and believes in the principles and policies of the party to which he belongs; yet I do not believe you will find any Member who has ever served under him during the period that he has served as chairman, whether he be Democratic or Republican, who will not say that he is fair, that he is just, that he is loyal to his committee, to the Congress, and to the American people. [Applause.] I do not believe he ever harmed anybody, and I know he never wronged anybody. He has the admiration and respect of all those who have served with him, and especially of those who have had the privilege of serving with him on the committee. It is, therefore, with pleasure that I add my words of appreciation to those of others who are to-day uttering a tribute to the former chairman of the Agriculture Committee. I join with them in wishing for him many, many happy returns of the day. [Applause.]

Mr. KETCHAM. Mr. Speaker, it is a personal privilege to add a few words to the splendid tributes that have just been paid to this fine associate and colleague of ours, the Hon. GILBERT N. HAUGEN. The few words that I shall speak will be in recognition not only of the splendid capacities and abilities which he has demonstrated for so many years as the head of this great committee in the House of Representatives but also of the fact that during that long period of time there has never been any question in the mind of anyone as to the attitude of GILBERT N. HAUGEN on any of the legislative propositions that particularly concern agriculture. He has been a firm friend, an earnest advocate, and an able champion of the various policies proposed through all these years for the benefit of agriculture. I think it is probably true that in the history of agriculture his name is attached to more measures having for their purpose the advancement and improvement of agriculture than can be claimed by any other single individual, and for that we do him honor this morning.

There is an additional tribute I want to voice that has not been noted by those preceding me. It has been my fortune to be in the congressional district represented so ably by our distinguished colleague. I think I have visited every county in that district. I assure the Members of the Congress, his associates here, that the same high regard, the same appreciation of all the excellent personal and public qualities that he possesses are likewise everywhere known and fully appreciated by his home folks. Wherever I went, in every community, I heard him spoken of with the same affectionate regard as we delight to speak of him here. I am pleased to bring this message in appreciation of the very unusual record made by our distinguished colleague, and join those who have preceded me in the wish, which I am sure voices the sentiment of every Member of this body, that he may be spared for many years to bring us all good cheer and be to us a continuing example of what ability, steadfast loyalty, and splendid integrity will earn for a man in the way of recognition among his fellow members in the House of Representatives. [Applause.]

Mr. HAUGEN. Mr. Speaker, with the many pressing questions confronting us in our efforts to wisely solve the complex situation in which we find our country to-day, in order to restore normal prosperity to every worthy and legitimate industry, I shall not detain the House at length. Yet I desire to avail myself of this opportunity to express my appreciation of the compliments paid me and of the many kindnesses and courtesies extended to me by the members of the committees with whom I have had the privilege to serve, as well as by the membership of the House. It is indeed an honor to be privileged to serve in this body composed of 435 men and women of honor, dignity, and integrity, pursuing their duty with fidelity and rectitude of purpose, dominated as they are by noble and lofty ideals and a firm determination to do justice to all, to maintain the dignified and honorable position which we hold as a nation in the world, and to promote the welfare and happiness of the people of our beloved Nation, with its grand and glorious Government and its splendid and magnificent institutions.

I am grateful beyond the power of words to express. I thank you one and all. [Applause, the Members rising.]

CALL OF THE HOUSE

Mr. BACON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. AYRES. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 53]

Abernethy	Doughton	Karch	Norton, N. J.
Andresen	Douglas, Ariz.	Kendall	Oliver, Ala.
Andrew, Mass.	Doutrich	Kennedy	Owen
Beck	Drane	Kleberg	Palmisano
Beedy	Driver	Knutson	Parker, Ga.
Beers	Eaton, N. J.	Kuns	Parker, N. Y.
Black	Englebright	Kurtz	Parks
Bloom	Estep	Kvale	Patman
Boland	Finley	Lankford, Ga.	Perkins
Bolton	Fish	Larrabee	Person
Brand, Ga.	Flannagan	Larsen	Pettengill
Briggs	Freeman	Lea	Pratt, Harcourt J.
Brumm	Fulbright	Lewis	Ragon
Burch	Garber	Lindsay	Rainey
Carter, Wyo.	Gilien	Linthicum	Ramseyer
Celler	Golder	McCormack	Ramspeck
Chapman	Goldsborough	McDuffie	Rankin
Chase	Goss	McFadden	Rogers, N. H.
Cochran, Pa.	Hadley	McGugin	Stalker
Collier	Hall, Ill.	McKeown	Strong, Pa.
Connery	Hawley	McLaughlin	Sullivan, N. Y.
Connolly	Hogg, W. Va.	McLeod	Sullivan, Pa.
Cooper, Ohio	Horr	McSwain	Swick
Cox	Hull, William E.	Magrady	Tarver
Crisp	Igoe	Manlove	Temple
Crowther	James	May	Thomason
Crump	Jeffers	Milligan	Timberlake
Dickinson	Jenkins	Mobley	Tucker
Dickstein	Johnson, Ill.	Murphy	Turpin
Dieterich	Johnson, S. Dak.	Nelson, Wis.	Vinson, Ga.

Watson	Withrow	Wright	Yates
Williamson	Wood, Ga.	Wyant	Yon
Wilson	Wood, Ind.		

The SPEAKER. Three hundred and two Members have answered to their names. A quorum is present.

Mr. AYRES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

NAVY DEPARTMENT APPROPRIATION BILL

Mr. AYRES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11452, the Navy Department appropriation bill, with Mr. FULLER in the chair.

The Clerk read the title of the bill.

Mr. FRENCH. Mr. Chairman, I yield myself 20 minutes.

May I say, in view of the fact that I desire to make a rather connected statement, I should prefer, during the time I am making the statement, not to be interrupted.

Mr. BRITTEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BRITTEN. There seems to be some disagreement as to the time for general debate and the time still remaining for general debate. Because the chairman of the Committee on Naval Affairs is out of the city, I was hopeful that to-day might be used in general debate and that the bill would not be read for amendment until to-morrow.

The CHAIRMAN. The committee has fixed two and one-half hours for general debate, and that can not be changed.

Mr. CLARKE of New York. Mr. Chairman, I submit that is not a parliamentary inquiry and I demand the regular order.

Mr. BRITTEN. Mr. Chairman, I desire to propound a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BRITTEN. When will the two and one-half hours general debate on this bill cease?

The CHAIRMAN. In two and one-half hours. [Laughter.]

Mr. BRITTEN. What became of the two and one-half hours day before yesterday?

Mr. BANKHEAD. Mr. Chairman, I suggest that is not a parliamentary inquiry.

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH].

A TREATY NAVY—WHAT IT WILL COST TO BUILD AND WHAT IT WILL COST TO MAINTAIN

Mr. FRENCH. Mr. Chairman, in his presentation address upon the naval appropriation bill in this Chamber day before yesterday, the chairman of the committee, Mr. AYRES, made so careful and complete an analysis of the provisions of the measure, and of the Naval Establishment of the United States that it would seem to be out of place for me to attempt to cover the same ground.

Many of the items in the bill as the House will proceed with its consideration under the 5-minute rule will require consideration and I shall reserve comment until that time that I may care to make upon them.

Upon different occasions when I have addressed the House of Representatives upon the Naval Establishment I have indicated my conviction that the size of our Navy should have direct relation to our national needs. Our national needs depend upon various factors that include the military and naval power of other nations. Separated as we are by great stretches of sea from the other most populous nations of the world, the land military strength of nations is to us of lesser importance than naval strength.

It is my sound conviction that unbridled sea or land power leads to suspicion and fear among world peoples and is provocative of international differences and war.

It was Lincoln who said that no man was ever good enough to be the master of another human being. It may be said with equal verity that no nation was ever good enough to be the master or the overlord of any other nation or of the world.

Not only does unbridled military or naval strength upon the part of one nation inspire competitive expansion in similar lines in other nations but it builds up certain groups that come to feel that military and naval establishments exist for their benefit; groups that draw upon these establishments until they reach the point where they appear to believe that these institutions exist for their special well-being, that there may be offices to fill, careers to attain, ships or munitions to fabricate, yards to be supplied with work, and profits to be made. The fact that interests such as these are always at the forefront in insisting upon greater and still greater naval and military establishments should be sufficient evidence to substantiate my point. Patriotism is not stronger among people who have personal axes to grind by following a certain course than is patriotism among our people generally. The citizens of the Republic love their country. They are willing to sacrifice in all ways, including life itself, that our country and our country's institutions may live. They, too, are interested in the problem of maintaining adequate military and naval establishments, but they are not willing, under the guise of national need, to make lavish appropriations to serve private ends.

Of course, I am prompt to recognize unselfishness and loyal devotion to country and to our institutions upon the part of many individuals and many organizations who talk of naval preparedness and think of it in terms that, in my judgment, go beyond the bounds of reasonable national needs. I respect and I honor all such citizens of the Republic.

During the years that have followed the World War, impressed as have been thoughtful people by the futility of that tragic event of history and believing that, through international understandings, causes for war may be eliminated largely, and mounting expenses of armaments and the wicked waste of human lives in unproductive military and naval careers may be reduced, world powers have held conference after conference, sounding out ways that it is hoped may lead toward world peace. Always these conferences have reached the conclusions that I have outlined, touching the futility of unbounded naval and military establishments.

Most practical of all the conferences were the Washington Naval Limitation Conference of 1921–22 and the London Conference of 1930. These conferences resulted in treaties fixing the number of craft and the maximum and individual tonnage and gun limitations in all types of military ships to which the three foremost sea powers of the world have agreed—that is, the United States, Great Britain, and Japan—and to which France and Italy have subscribed in part. Remembering the objects sought by these conferences, it is perfectly clear that the treaties resulting therefrom were intended to be limitations and not mandates to build. They were intended to be stabilizing influences that would permit nations to modify and shape their own individual naval programs according to national needs with the distinct understanding and assurance that the other nations that had subscribed to the treaties would not exceed the bounds fixed by the terms of the treaties.

Should national needs require that the United States build her Navy up to the limitations fixed in the treaties and maintain her Navy at such figure, the people of the United States are quite ready to make whatever sacrifices may be required to meet this national obligation.

It is my sincere and definite conviction that to-day there are no national needs that require any such program; that moderation upon the part of the United States will encourage moderation upon the part of other nations that are parties to the treaty; that world conditions at this time are such that the people of the United States may proceed with moderation and through this course omit the expenditure of many hundreds of millions of dollars upon their Naval Establishment and particularly at a time when the people of our country are going through the valley of economic depression and when they should be spared to the extent possible every burden that must not necessarily be imposed.

The Navy of the United States at the time of the Washington and London conferences was not built up to the maximum strength measured by tonnage or gun power in all of the categories of ships permitted under the treaties. The same is true of the navies of the other signatory powers.

Consider first what it would cost the United States to build up to the tonnage and power fixed by these treaties. The London treaty rounds out the negotiations undertaken in the Washington conference. Whereas the Washington conference fixed maximum tonnage limitations only in capital ships and aircraft carriers, the London treaty fixes limitation in cruisers, destroyers, and submarines. It provided a program of construction that may be carried forward in the various types of craft up to December 31, 1936.

COST TO BUILD UP TO TREATY AUTHORIZATION

I am going to ask the House to consider what the cost would be to the United States to build up to the authorization of the treaties and up to the time limit within which this work may be done.

The total tonnage limitations imposed upon the United States, Great Britain, and Japan are as follows:

	Tons
The United States[1]	1,123,700
Great Britain	1,151,450
Japan	717,170

This tonnage includes for each of the powers, battleships, aircraft carriers, cruisers, destroyers, and submarines.

In battleships the United States is permitted 462,400 tons; in aircraft carriers 135,000 tons; in cruisers, all kinds, 323,500 tons; in destroyers 150,000 tons; in submarines 52,700 tons.

The several nations are built up to their tonnage limitations in battleships. Modernization, however, of these craft within certain bounds is permitted and for the purpose of modernization the Congress has already authorized the expenditure of $30,000,000.

AIRCRAFT CARRIERS

Under the treaty the United States is permitted 135,000 tons of aircraft carriers. We have three carriers to-day, with a total tonnage of 76,286 tons, of which the Langley is an experimental ship and may be replaced. The amount of aircraft-carrier tonnage that may be built under the treaty is thus 69,000 tons. There is now being built one carrier, the *Ranger*, of 13,800 tons, where the limit of cost has been fixed at $19,000,000. The remaining 55,200 tons of aircraft carriers, the department estimates, will cost from $1,500 to $1,700 per ton, depending upon the size of the ship. Since we do not know how many carriers would be preferred of the small type and how many of the larger type, I suggest that for ready calculation we take the average cost per ton of $1,600 as our cost measure; thus for the remaining 55,200 tons of aircraft carriers the construction cost would be $88,320,000. Add to this $19,000,000 for the *Ranger* and it will appear that the total cost to the United States of authorized aircraft construction will be $107,320,000.

CRUISER TONNAGE

The treaty provides for two types of cruisers, cruisers carrying guns of more than 6.1-inch caliber and spoken of as 10,000-ton, 8-inch cruisers, and cruisers of 6.1-inch guns or less. Of the former, the 10,000-ton cruiser, the United States was allowed 180,000 tons (A), of which on April 22, 1930 (the date of the signing of the treaty), she had on hand 20,000 tons (two cruisers) plus 110,000 tons (11 cruisers) building; and an additional 50,000 tons authorized. Of the cruisers carrying 6.1-inch guns, the United States was allowed 143,500 tons, of which she had on hand April 22, 1930, 70,500 tons (B).

(Tonnage A and B are interchangeable with British tonnage in these types.)

It thus appears that under the treaty the United States may lay down 123,000 tons additional of both large—50,000 tons—and small—73,000 tons—cruisers. Three of the larger cruisers, however, may not be completed until 1936, 1937, and 1938, respectively. Furthermore, the treaty provides that one-fourth—80,875 tons—of the total cruiser tonnage—323,500 tons—may be equipped with landing decks for aircraft. Estimates for cruiser construction are less than they were last year by possibly 10 per cent.

Translated into money cost, the carrying to completion of cruisers under the treaty allowance means an expenditure of roundly $269,000,000.

DESTROYERS

The destroyer life under the treaty is fixed at 16 years, thus the entire destroyer tonnage of the United States may be replaced—150,000 tons. This year the estimated cost per ton is somewhat above $2,500, a figure considerably less than the estimates that were made one year ago by the Navy Department. At this figure the building cost of 150,000 tons would be $375,000,000.

SUBMARINES

Of submarines, the United States was allowed 52,700 tons, of which, through replacement under the treaty, she may build 29,750 tons. Allowing for work that had been done up to April 22, 1930, upon the submarines *V–5*, *V–6*, and *V–7*—7,010 tons—the balance chargeable to these three craft is $6,540,800. There would be 22,740 tons of additional new craft to be built. This, figured at $4,000 a ton, would cost $90,960,000. The total new submarine investment would thus be $97,500,800.

AUXILIARIES, MISCELLANEOUS ITEMS

In figuring the cost of construction of certain ships money was omitted for outfits for some of the earlier craft that have been completed since the London conference or that are under construction. This item will approximate $5,877,000.

Were we to go forward with a program for completion of a treaty navy by December 31, 1936 we should need to expand our shore establishments. Definite figures are not available, but I believe that an initial investment of $20,000,000 would be required to which would be added annual increments aggregating $30,000,000 more or a total of $50,000,000. Upon the completion of craft that would be placed in commission, at once a very definite toll would commence to be levied for repair and upkeep of hull, machinery, equipage, ordnance, and aircraft. This item may be estimated at approximately $12,421,000.

For fuel and oil for the additional craft there probably would be required not less than $5,000,000. There would also need to be additional officers and men. These would be added progressively and to meet the cost for this item appropriations would be required that would approximate $47,280,940. To the foregoing an indefinite item would need to be added for auxiliary craft, officers and men ashore, civilian personnel, housing accommodations, and aircraft expansion that would probably demand not less than $10,000,000.

The grand total that would be required to bring the Navy Establishment of the United States up to the tonnage, gun power, and operation status permitted by the Washington and London treaties during the period between April 22, 1930, which was the date the London treaty was signed by the conferees, and December 31, 1936, would thus be approximately $1,009,000,000. Toward this program we have made appropriations up to July 1, 1932, of about $100,000,000, which would leave $909,000,000 to be appropriated during the next four and one-half years, or at the rate of slightly more than $200,000,000 a year.

What I have said touching expenses of bringing the Navy of the United States up to the authorization permitted in the London treaty is upon the basis of completion within the time permitted by the treaty.

Bills have been introduced and are pending in the Congress providing for a program in general along this line. Another bill has been introduced and is pending before the Naval Affairs Committee of the House that goes part way. It is known as the Vinson bill. It is widely discussed as a bill to carry out the provisions of the London treaty. Its estimated cost is about $700,000,000. It falls short, however, of providing for carrying out the provisions of the London treaty in respect to tonnage and in respect to time. It makes a spread of construction over a period of 10 years instead of a period limited by December 31, 1936.

[1] Alternately British cruiser types and tonnage may be substituted.

ANNUAL COST OF MAINTAINING TREATY NAVY

Suppose, however, we were to assume that either within the time fixed by the London treaty, December 31, 1936, or within a period of several years thereafter the United States were to find herself built up to the terms permitted by the Washington and London treaties, may we consider what this annual cost would be? I am assuming that if we were to build to the terms of the treaties we would permit our Navy to stabilize along those lines in craft, officers and men, and shore establishments necessary to carry forward such a program.

REPLACEMENT

One of the major factors to consider would be the replacement of the various ships of the different types of the Navy. For sound economic reasons any replacement program should be worked out upon the basis of an even load so that appropriations would not fluctuate from year to year and so that building programs in the various Government and private navy yards would remain steady from the standpoint of highest efficiency of the welfare of men employed and of the attitude of other countries toward the United States which might be disturbed by a sudden modification of building programs that might seem to be of menacing character. With this thought may we consider a possible replacement program.

That the Members of the House may have a graphic picture of the program, I shall insert in my remarks at this point a table prepared by me that will show the different types of craft with latest estimates touching life of craft and unit replacement cost.

Table showing types of craft, estimated life, and replacement cost of a treaty navy (United States)

Life of ship, years	Type	Tons	Units, replacement costs	Total replacement cost	Amount replacement cost
30	Battleships	462,400	15 battleships, at $35,000,000.	$525,000,000	$17,500,000
20	Aircraft carriers	135,000	Average $1,000 per ton.	216,000,000	10,800,000
20	Cruisers, all kinds	323,570	At $1,700 per ton	549,950,000	27,497,500
16	Destroyers	150,000	At $2,500 per ton	375,000,000	23,437,500
13	Submarines	52,700	At $4,000 per ton	210,800,000	16,215,384
30	Auxiliary craft			285,000,000	9,500,000
5	Aircraft	[1] 1,345		47,500,000	9,500,000
10	Lighter-than-air			10,000,000	1,000,000
				2,179,250,000	115,449,884

[1] Airplanes.

Last year I prepared a study of the replacement cost of a treaty navy upon figures that were available at that time, and with which the present analysis is only slightly at variance.

In the table a year ago I gave the estimated life of the battleship as 20 years. This is in accordance with the Washington treaty, though the Chief of Naval Operations, in his testimony before our committee a few weeks ago, stated that, in his judgment, we could probably use 30 years on account of improvements and modernization that we have made. If we are to maintain battleships, and all nations could agree upon an arbitrary age limit of 30 years, the annual replacement cost could be reduced.

One year ago I estimated the replacement cost of aircraft carriers at $1,500 a ton. The present estimated cost is from $1,500 to $1,700 per ton, and I have taken the mean average of $1,600 per ton as possibly fair in lieu of $1,500 that I used one year ago.

One year ago I estimated the cruiser life at 16 years; but as most of our cruisers, however, will have been built under the terms of the London treaty, a life of 20 years has been applied.

The annual replacement cost will be somewhat less as to destroyers. The replacement unit cost per ton a year ago was $2,800. It is now believed that this figure may be reduced to $2,500.

For auxiliary craft, I have increased the allowances considerably above the figures of one year ago upon the basis of more recent estimates by the Navy Department.

It thus appears that the annual replacement cost of the Naval Establishment of the United States upon the basis of the London treaty would be $115,449,884 annually. The Chief of Naval Operations, Admiral Pratt, believes that this figure can be brought down to $100,000,000 annually, and so I shall use that figure. Replacement cost, however is only one of the factors; the larger factor is maintenance.

OPERATION COSTS

The Chief of Naval Operations prepared for our committee a table that it was estimated would show the operation and maintenance cost of a treaty navy. This item includes pay for officers and men, fuel and supplies, overhaul and repairs, the maintenance of shore stations, and all those sundry items that necessarily enter into the cost of upkeep of any great establishment.

Estimated expenditures, United States treaty Navy (February 17, 1932)

Operating navy, rotating vessels in full and reserve commission, Plan A			Operating navy, full commission, others out of commission, treaty navy, Plan B			All vessels of treaty navy in full commission, Plan C		
91,155 men	92,617 men	102,000 men	92,559 men	94,509 men	104,388 men	119,869 men	122,030 men	135,492 men
I	II	III	I	II	III	I	II	III
$3,435,100	$3,435,100	$3,435,100	$3,435,100	$3,435,100	$3,435,100	$3,435,100	$3,435,100	$3,435,100
19,470,000	19,470,000	19,470,000	19,470,000	19,470,000	19,470,000	19,470,000	19,470,000	19,470,000
10,222,167	10,238,401	10,328,850	10,218,796	10,239,459	10,332,721	10,841,370	10,866,743	10,966,968
18,034,552	18,034,552	18,034,552	18,194,132	18,194,132	18,194,132	21,096,687	21,096,687	21,096,687
17,797,100	17,797,100	17,797,100	18,747,100	18,747,100	18,747,100	20,247,100	20,247,100	20,247,100
20,308,000	20,308,000	20,308,000	21,013,000	21,013,000	21,023,000	23,311,000	23,311,000	23,311,000
197,063,572	198,758,733	205,327,197	198,543,195	200,617,721	211,018,470	245,881,560	247,140,304	261,385,305
2,613,839	2,643,578	2,822,226	2,632,482	2,668,026	2,857,247	3,281,581	3,276,707	3,541,235
41,296,953	41,296,953	41,296,953	39,852,886	39,852,886	39,852,886	43,727,917	43,727,917	43,727,917
26,552,653	26,552,653	26,552,653	26,818,581	26,818,581	26,818,581	31,780,678	31,780,678	31,780,678
356,794,036	358,535,170	368,372,531	358,925,272	361,056,005	371,739,237	423,022,993	424,352,236	438,980,990
1932-allowance personnel.	90 per cent.	Complement.	1932-allowance personnel.	90 per cent.	Complement.	1932-allowance personnel.	90 per cent.	Complement.

1. The figures shown under plans A, B, and C indicate the cost to maintain and operate the treaty navy, when built, and are exclusive of the cost for new or replacement construction.

2. Under plan A the selected operating strength is maintained in full commission. The remaining combatant ships are maintained in reserve commission and provision is made for rotating all combatant ships in full commission. Navy-yard overhauls are accomplished during the time in reserve commission.

3. Under plan B the selected operating strength is maintained by placing additional combatant ships in full commission in order to provide for navy-yard overhauls. The remaining combatant ships are placed out of commission.

4. Plan C shows the cost to maintain and operate the full treaty navy.

5. Under each plan Column I shows the cost for an allowance or personnel the same as that assigned ships in 1932. Column II shows the cost for an allowance of personnel equal to 90 per cent of complement and Column III shows the cost for an allowance of personnel equal to the complement. In each column the allowance of personnel for vessels in reserve and reduced commission is constant.

6. Officers and enlisted men required to maintain and operate the treaty navy under the three plans of reference (A) are as follows:

PLAN A

	1932 allowances	90 per cent	100 per cent
	I	II	III
Line	6,415	6,415	6,415
Staff	2,088	2,088	2,088
Warrant	1,610	1,610	1,610
Enlisted	91,155	92,817	102,000

PLAN B

	1932 allowances I	90 per cent II	100 per cent III
Line	6,524	6,524	6,524
Staff	2,086	2,096	2,086
Warrant	1,512	1,512	1,512
Enlisted	92,559	94,509	104,388

PLAN C

Line	8,719	8,719	8,719
Staff	2,441	2,441	2,441
Warrant	1,923	1,923	1,923
Enlisted	119,869	122,030	135,492

It will be noted from the table that alternate plans have been proposed. The three plans A, B, and C call for a completed Navy from the standpoint of craft built. Plans A and B, however, contemplate holding in reserve a limited number of craft of the different types under what has been called a rotating plan of operation. Plan C calls for the maintenance of all ships in commission.

It will be noted that the minimum plan for maintaining a full treaty navy with the rotation of vessels in full and reserve commission and with the minimum allowance of personnel is $356,794,036 and maintenance of the treaty navy fully manned is $438,980,990. If then we were to add the replacement cost of maintaining a treaty navy, $100,000,000, to the operating cost, we would have as the minimum maintenance cost $456,794,036 per annum, and under plan C a possible cost of $538,980,990.

Probably also it should be said that in figuring the replacement cost under present plans account is not taken in considerable degree of such items as reserve parts, spare planes, and ammunition. As Admiral Pratt told the committee, the ships would be "bare to the bone, with armament, machinery and hull, plus a complete crew, and plus complete equipment, but with no spares, no extra planes, and so forth."

I have given the House the picture of the cost of bringing our Navy up to the terms of the London treaty and approximately what it will cost for annual maintenance to sustain such a Navy because it is fair that the people of the United States be advised as to what they are doing when they engage in any project.

It is my judgment, as Members of the House know, that there is no occasion for building up to the treaty navy or for maintaining such a navy; particularly do I emphasize the thought that now is not the time to inaugurate any such program.

There is no world condition that in my judgment threatens the United States in such manner as to justify such a course.

There is being held at this time a conference in Geneva which is representative of all the great powers, looking to the reduction of the military and naval burdens of the world. Any program upon the part of the United States looking to the expansion of our naval or military establishments would be disturbing to the conference.

Under the terms of the London treaty another conference will be held for the purpose of determining whether or not reductions may be made in naval establishments.

Under the terms of the Versailles treaty the nations of the world are committed to the policy of reduction of naval and military establishments.

Great agencies are at work through the League of Nations and through the Paris peace pact seeking ways by which free understandings may be reached among nations that will permit the carrying out of the declared purposes of the Versailles treaty.

Finally from an immediately practical standpoint the nations of the world will be in better shape to reduce their naval establishments if they do not find themselves built to the limit when the next naval armaments conference may convene.

Were they built to the limit then any reduction would mean the scrapping of new ships; it would mean the demolition of yards and plants; it would mean the decommissioning of officers and the elimination of men, and all of these factors would produce a terrific campaign against reduction by propagandists, who, we may assume, while acting in good faith, would be blinded by self-interest of individuals, or communities, or particular states, or nations.

The way toward peace includes moderation to the last degree possible consistent with national defense and the finest teamwork upon the part of world powers touching limitations upon all activities that threaten or disturb the peace of the world. [Applause.]

Mr. WHITE. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. WHITE. Have we been spending any such amount as this in the past?

Mr. FRENCH. We have been spending about three-quarters of that amount.

Mr. WHITE. Then is it a correct inference to draw that this conference has resulted in a demand for a greater Navy rather than a smaller one?

Mr. FRENCH. It would be a correct inference if we were to consider the treaties as mandates to build up, but I do not regard the treaties as mandates.

Mr. WHITE. What are the other powers doing?

Mr. FRENCH. Great Britain is moderate in her program. Japan feels that conditions are such in the Orient that she must for the present at least carry on rather a full program of building.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I yield myself two additional minutes.

Mr. HORR. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. HORR. What is it that causes Japan on the Pacific coast to feel that a substantial navy is necessary? Is there any danger of war?

Mr. FRENCH. Of course, the gentleman is familiar with the situation in the Orient.

Mr. HORR. And on the Pacific coast?

Mr. FRENCH. Undoubtedly it is because of that situation that Japan has felt justified in carrying forward her program.

Mr. HORR. The gentleman himself comes from the Pacific coast. Does he not know that the Pacific coast to-day feels the need of the protection of the entire Navy?

Mr. FRENCH. Of course the Pacific coast is loyal to our Navy and feels the need of a Navy, but for the most part the propaganda that is coming to me from the Pacific coast for an ever-expanding Navy is not from the people generally in country, village, and cities on account of fear of imminent danger, but for the most part from people in areas and communities, such as the gentleman's own, that are interested in shipbuilding and for that reason seem to see all kinds of dangers unless building programs be carried on. It is the same in all shipbuilding areas; national defense seems only secured by keeping large pay rolls on construction work.

Mr. HORR. I take it then that the gentleman would like to see those pay rolls destroyed?

Mr. FRENCH. Oh, the gentleman represents one of our finest navy yards, but may I say I should like to see every navy yard limited only to the fabrication of materials necessary to the maintenance of the national defense of the United States. [Applause.]

[Here the gavel fell.]

Mr. AYRES. Mr. Chairman, I yield to the gentleman from South Carolina [Mr. FULMER] such time as he may desire to use.

Mr. FULMER. Mr. Chairman and gentlemen of the committee, I have requested this time for the purpose of calling the attention of the members of the committee, especially those of you representing Southern States, to a

speech I made about a week ago, wherein I called your attention to the intention of the Secretary of the Treasury, of putting into execution the antidumping act by placing a duty on the importation of sulphate of ammonia. I am going to request the Clerk to read a short letter which I received from Mr. Eble, Commissioner of Customs, for your information, with the hope that you will join with me in attending these hearings for the purpose of protesting the levying of additional taxes on the already overburdened taxpayers of the South.

Without objection, the Clerk read as follows:

TREASURY DEPARTMENT,
BUREAU OF CUSTOMS,
Washington, April 19, 1932.

Hon. H. P. FULMER,
House of Representatives, Washington, D. C.

MY DEAR MR. FULMER: Please refer to previous correspondence relating to the case now pending before the Treasury Department in connection with the alleged dumping of ammonium sulphate from various foreign countries.

This is to notify you that a hearing will be accorded those opposed to the issuance of a finding of dumping, in the office of the Under Secretary of the Treasury on Friday, April 22, at 10 a. m.

You and others who are opposed to the issuance of a finding of dumping against ammonium sulphate are invited to attend the hearing to present your views and any evidence you may care to submit in support thereof.

Very truly yours,

F. X. A. EBLE, *Commissioner.*

Mr. FULMER. Perhaps this will be your only opportunity to enter a protest against this very unfair proposal on the part of the Treasurer of the United States, who is simply carrying out a request on the part of the manufacturers of sulphate of ammonia in the United States. Sulphate of ammonia is a by-product of the steel industry which contains about 25 per cent ammonia. The farmers of the South are using this fertilizer instead of nitrate of soda, because it is so much cheaper and contains about 7 per cent more ammonia than nitrate of soda. It appears to me that the administration in power, as well as the Congress, is representing during this session what is known as a "merry-go-round."

Some time ago we voted $200,000,000 to be loaned to farmers for the purpose of buying fertilizer and conducting their farming operations. Now, the Government proposes to add a $5 tax per ton on sulphate of ammonia and take at least that much of these funds back from the farmer. I am sure you will agree with me that it will be impossible to rehabilitate agriculture by such unfair methods as proposed in this instance.

Mr. STAFFORD. The Committee on Military Affairs has just completed its work in connection with the leasing of the Muscle Shoals plant, and I am interested in the question of ammonium sulphate. Do I understand there is an embargo or threatened embargo on Chilean nitrates to be imported into this country which would result in causing the farmers to pay more for their natural fertilizers?

Mr. FULMER. In answer to the gentleman's question, I will state that this proposed tax is to be placed on sulphate of ammonia and not nitrate of soda. I will state also that the nitrate of soda agencies in this country have been able to control the importation of Chilean nitrate, thereby being able to fix and control the price, which has been very unreasonable. In the case of sulphate of ammonia 12 or 15 months ago, the agencies handling sulphate of ammonia manufactured in this country tried to form a combination with Germany and other importers in line with the nitrate of soda combination so as to be able to accomplish the same thing; but Germany, who is the largest importer of sulphate of ammonia, would not stand hitched. In order to give you some idea as to the difference in price of nitrate of soda, which is controlled by this trust, and that of sulphate of ammonia during this spring, will state that nitrate of soda has been selling for about $35 per ton, while sulphate of ammonia, with 7 per cent more ammonia, is selling for about $22 per ton. This move to tax sulphate of ammonia is simply another scheme whereby they will be able to add the amount of tax with a profit, which would be in line with the nitrate combination. I am going to give you some figures showing the tonnage of imports, exports, and production of sulphate of ammonia in this country.

Ammonium sulphate: Imports entered for consumption in the United States

Calendar year	Quantity	Value
1918	2,993	$425,881
1924	6,000	342,000
1930	34,964	1,207,623

Ammonium sulphate: Domestic exports from the United States

Calendar year	Quantity	Value	Value per ton
	Long tons		
1923	153,677	$11,117,726.00	$72.33
1926	174,084	9,456,154.00	54.26
1929	144,761		43.49
1931 (8 months)	56,927	1,919,147.00	33.71

Production sulphate ammonium in United States

Calendar year:	Quantity
1929	664,426
1930	599,071

For further information in connection with the production of 1929 and 1930 I quote the following paragraph received from the Department of Commerce:

Ammonium sulphate is obtained in the United States chiefly as a by-product in the distillation of coal. The Bureau of Mines report, Coke and By-Products Tables, 1930, shows production of 599,071 long tons in 1930. This compares with 664,426 long tons in 1929, the decrease being accounted for by reduced activities in the steel industry. A copy of the 1930 report of the Bureau of Mines is inclosed. In addition to the output reported by coke-oven operators there is a relatively small production by retort coal-gas plants and chemical manufacturers. In the absence of accurate official statistics the estimated output from these sources is placed at 6,000 to 7,000 tons.

You will note from the information given by the Department of Commerce that the decrease in tonnage for the year 1930 in comparison with 1929 was brought about on account of reduced activities in the steel industry. The following figures will give you the tonnage of imports, exports, and the production in the United States:

Importation sulphate of ammonia

	Long tons
First 2 months of 1931	18,662
First 2 months of 1932	39,419

Exportation sulphate of ammonia

	Long tons
First 2 months of 1931	24,542
First 2 months of 1932	9,962

It would seem that the production during the first two months of 1932 compared with the first two months of 1931 is 32 per cent decrease in the United States.

Tonnage of coal changed in by-products ovens

	Tons
First 2 months 1931	8,600,000
First 2 months 1932	5,900,000

Suppose ton of coal produced 23.4 pounds of ammonia.

Sulphate of ammonia

	Short tons
First 2 months 1931	100,786
First 2 months 1932	69,492

Reduction of 30 per cent.

I am also going to quote you the prices on this product for the years 1918, 1923, 1926, 1929, and for the month of August, 1931:

Ammonium sulphate, average wholesale price

[F. A. S., spot, per ton, New York]

Calendar year:	Value per ton
1918	$133.40
1923	70.56
1926	52.56
1929	44.20
August, 1931	20.00

I am inserting herewith some correspondence with the Treasury Department on this subject which may be of interest:

ORANGEBURG, S. C., *August 19, 1931.*

Mr. OGDEN MILLS,
Treasury Department, Washington, D. C.

DEAR MR. MILLS: I have a constituent requesting me to ascertain if your department or the department that deals with such matters has been requested any time in the recent past to put into effect the antidumping act against the importation of sulphate of ammonia. It is my understanding that the production of sulphate of ammonia in the United States has been increased very rapidly in the last few years. My constituent understands that because of this those who manufacture or handle sulphate of ammonia have been making an effort to shut off the importation of this product.

Thanking you for past favors and for your prompt attention to this matter, I am

Sincerely yours,

H. P. FULMER,
Member of Congress.

TREASURY DEPARTMENT,
Washington, August 28, 1931.

Hon. H. P. FULMER,
Orangeburg, S. C.

MY DEAR MR. FULMER: Receipt is acknowledged of your letter of August 19, 1931, addressed to the Under Secretary of the Treasury and referred to me for reply regarding sulphate of ammonia.

The Bureau of Customs is now conducting an investigation for the purpose of establishing whether foreign ammonium sulphate is being dumped in the United States. The investigation is being made upon the complaint of American producers of the commodity in question.

Inclosed is a copy of the antidumping act, 1921, from which it will be observed that where merchandise is imported into the United States at prices less than its foreign market value, with accompanying injury to the American industry, the Secretary of the Treasury is required to issue a finding of dumping. Upon the issuance of a finding of dumping the merchandise affected thereby, including that upon which appraisements have been withheld, is subject to the special dumping duties provided by section 202 of the antidumping act. There is no provision in the antidumping act authorizing an embargo against merchandise which is affected by dumping.

Very truly yours,

S. LOWMAN,
Assistant Secretary.

WASHINGTON, D. C., *January 7, 1932.*

Mr. SEYMOUR LOWMAN,
Assistant Secretary Department of Treasury,
Washington, D. C.

MY DEAR MR. LOWMAN: I shall appreciate it very much if you will give me any information you have in connection with your investigation on the request of manufacturers of sulphate of ammonia, wherein they requested your department to put into execution the antidumping act by placing a duty on the importation of foreign sulphate of ammonia. As stated to you previously, I want to vigorously protest the placing of a duty on this product at this time which would be an added expense to millions of farmers who are waging a strenuous fight for their existence under the depressed condition now existing.

If it is the intention of your department, after having made an investigation, to put into execution the antidumping act, I want to ask that I be given a chance to be heard in opposition to same.

Sincerely yours,

H. P. FULMER, M. C.

TREASURY DEPARTMENT,
Washington, January 12, 1932.

Hon. H. P. FULMER,
House of Representatives,
Washington, D. C.

MY DEAR MR. FULMER: Receipt is acknowledged of your letter of January 7, 1932, requesting information as to the status of the investigation now pending in this department with reference to the alleged dumping of foreign sulphate of ammonia.

The investigation in this case has now reached the stage where it is believed that it will be concluded in the near future, and at this time I wish to reassure you that if it appears that it may be necessary to invoke the provisions of the antidumping act against the commodity in question, I shall be glad to see to it that you are given an opportunity to be heard.

Very truly yours,

S. LOWMAN, *Assistant Secretary.*

Mr. AYRES. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. ROMJUE].

Mr. ROMJUE. Mr. Chairman, I want to take this opportunity to discuss for a few minutes what is known as the Government corner-card-printed stamped envelope bill (H. R. 8576) introduced by myself sometime ago, and I shall discuss it, first, from the standpoint of stopping the Government engaging in private enterprise in competition with the citizens; second, I want to discuss the bill from the standpoint that the Government has no right under present law to any profit from this undertaking; and, third, that the profit claimed by those who are opposed to this legislation is not what it is said to be and is not even half as much as it is said to be.

If there is any one question engaging the attention of the public mind at this time, along with the many troublesome problems that are before the country, I think the membership of the House will agree with me that the most important one, as evidenced by the mail that comes to our desks day after day, is that the people of this country are sick and tired and disgusted with Government interference with private business and enterprise. [Applause.]

Some day the people of this country are going to take such action as to show that they are tired and disgusted with any legislative body time and time again proclaiming that it is against Government interference with private enterprise and that it is against bureaucracy in government, and then stopping with making the statement without doing something about it.

I call your attention to the law on this subject and shall quote you the statute, and I hope each Member here will take time to ponder over this matter. The law is found in section 354, at page 1258 of the United States Code, and reads as follows:

SEC. 354. Stamped envelopes.—The Postmaster General shall provide suitable letter and newspaper envelopes with such watermarks or other guards against counterfeits as he may deem expedient, and with postage stamps with such device and of such suitable denominations as he may direct—

And note this—

and such envelopes shall be sold as near as may be at the cost of procuring them.

The testimony of the Assistant Postmaster General was that we are bound by two statutes, one that we sell them at not less than cost and a later statute which requires that we "sell them as near as may be at the cost of procuring them."

I have just quoted you the statute which provides that they shall be sold as nearly as may be at the cost of procuring them.

In the last fiscal year, according to the testimony of witnesses from the Post Office Department, and according to the minority report on this bill, the special-request envelopes printed in the year 1931 amount to 1,650,329,667. The total receipts from sales, exclusive of the postage, were $4,089,220.36. The total cost of manufacture was $1,905,609.53. This left an excess of $2,183,610.83, but this was before the cost of distribution was taken out. The total computed cost of distribution was $1,294,396.14, which left in revenue, not $2,000,000, as is claimed by some men who are opposed to this legislation—not $2,000,000 in the Treasury coming from this source—but $889,214.69. So instead of the Government losing two millions, under no circumstance is it over $889,214.69, and, in my opinion, not near that, as the Post Office Department in making its estimate, and it is only an estimate, of distribution cost, certainly did not lean toward the taxpayer.

Again, referring to the statute, the Government now has by this process, assuming that the estimate of cost of distribution is proper, $889,214.69, which is something like 25 per cent of the amount paid in the first place for the fiscal year 1931.

Mr. McMILLAN. Will the gentleman yield?

Mr. ROMJUE. Yes; I yield.

Mr. McMILLAN. With respect to the cost of distribution which the gentleman has just stated, can the gentleman give us any reason why that cost is apparently so high, as indicated by the gentleman's figures?

Mr. ROMJUE. I may say to the gentleman that the estimate of the cost of transportation and distribution is merely a matter of guesswork, because there is no way of telling it exactly or anywhere near exactly. As I stated on a former occasion, you might just as well say $2,500,000 or $1,500,000 and be just about as accurate in one statement as the other,

or, to illustrate, you might just as well state how much of his salary a Member of Congress earns in walking between the House Office Building and the Capitol during a session, as there is no way to get a correct estimate. There is no way of making anything like an exact computation of it.

According to the Post Office Department's own figures and according to the claim of my friend, the gentleman from Ohio [Mr. HARLAN], who lives in a town where there is the one printing plant that gets all of this Government stamp envelope printing work, the total receipts are just as I have given them to you; and taking again the Post Office Department's own figures as to the cost of distribution and handling these special request envelopes for the postal employees and other expenses incident to transportation, we find the computed cost of distribution is $1,294,396.14.

I maintain that under this provision of law, as I said a moment ago, there is no legal right or authority to charge the people who secure these corner-card-printed envelopes through the Government any sum in excess of the actual cost of the envelopes, plus the actual cost of printing and the transportation and handling charges. Therefore the Government instead of having a revenue of $2,000,000 has only $889,214.69 for the fiscal year 1931 as net revenue according to their own figures when examined—and on account of the inability to make accurate distribution cost and the large expense to postal employees in handing this work, I assert the net revenue is not even that high.

In recommending the passage of this bill by the House the report of the committee makes clear the desirability of restricting competition of the Post Office Department with private industry.

My bill was approved by the various State and National associations of newspaper publishers, representing 11,000 papers; approved by the American Federation of Labor and its nation-wide membership; by the International Typographical Union, with about 80,000 union workers in private plants; by the United Typothetæ of America, the master-printers group; the National Paper Trades; and hundreds of organizations completely removed from the printing and publishing industry—but committed to the principle—and it seems to me that the time is at hand when Congressmen must meet the test of checking the growing encroachments of the Government's competition in private business.

This bill provides the means by which Congress may serve notice on all advocates of bureaucracy that a halt has been called.

The changes contemplated by this bill are in line with the declarations of the two major political parties that private industry should be given a chance to operate without the deadening hand of the Federal Government as a direct competitor.

Mr. BLANTON. Will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. BLANTON. There has been an earnest effort here that I know of for 15 years to try to pass legislation to stop the Government from competing with private printing plants in printing envelopes.

Just what is it that keeps us from passing this legislation? What is the influence that dominates Congress and refuses to take the Government out of this business? I am for the bill, the gentleman is for it, and others of us are for it. Why is it we can not get the bill favorably reported and up before the House and pass it?

Mr. ROMJUE. This legislation has been uppermost with the rank and file of country newspapers for many years. They have persisted in their advocacy of these legislative proposals and remained steadfast in their determination to have Congress translate promises into action. Now more than ever before in economic history, do the small-town publishers and printers need relief from unfair and unjust competition which is imposed by the Federal Government through the Post Office Department.

I will say to the gentleman from Texas that the International Paper Co., which operates as the International Envelope Co. at Dayton, Ohio, now has this Government printing contract. The following statement appearing in the Paper Trade Journal October 4, 1928, makes an explanation that might be interesting to the gentleman from Texas:

> The International Envelope Corporation, a subsidiary of the International Paper Co., has been awarded the contract for supplying the United States Post Office Department with 12,800,000,000 stamped envelopes and newspaper wrappers for the 4-year period commencing January 1, 1929. The International Envelope Corporation was the lowest bidder, with a bid of $13,209,793, which was $105,000 below the bid of the present supplier.
>
> The paper will be supplied by the International Paper Co. and the envelopes will be made by the International Envelope Corporation, in which it is understood the Standard Envelope Manufacturing Co., of Cleveland, has an interest.
>
> This contract is another step by the International Paper Co. toward diversification of products. The company has grown from a $100,000,000 company in 1924, when its principal product was newsprint, to the proposed $550,000,000 company which will come into existence when the new holding company, International Paper & Power Co., is formed and takes over the additional New England Power Association stock. More than half of the new company's assets will be public-utility properties and the balance well diversified, including plants producing newsprint, writing-book papers, envelopes, sulphite pulp for rayon, sanitary napkins, wrapping paper, bags, cement sacks, wall board, mulch paper, and many other products.

It will be observed that the holding company for the Government envelope contractor was one of the largest corporations in the country in 1928. The report of the Federal Trade Commission on utility corporations (Senate Doc. 92, pts. 31–32) shows the enormous growth of the International Paper & Power Co. as of April 15, 1931. There were 35 companies directly owned by the International Paper & Power Co. and 36 indirectly owned. As one of the largest public utilities, the International Paper & Power Co. has been engaged with other power interests in fighting for the identical principle which we seek to recognize under the terms of my bill. They do not want the Government to compete with the public utilities in the sale of power to the public. Knowing the determination of the small-town printers and publishers to have the principle recognized, these public-utility firms found a sympathetic ear when they appealed to the newspapers for editorial support of this all-important principle.

Mr. A. R. Graustein is president of the International Paper & Power Co. and also president of its subsidiary, the International Envelope Corporation. The International Envelope Corporation is a direct beneficiary of the Post Office Department's competition with the printers and publishers. Mr. Graustein is also a member of the public policy committee of the National Electric Light Association, which is the propaganda group for the organized public utilities of the country. Just how Mr. Graustein and his associates reconcile their support of the Dayton opposition to this printing bill with their appeal to the publishers to prevent governmental control and competition with the power interests is something that defies satisfactory explanation.

I will concede that the Post Office Department is a powerful political force. Like all Government departments, they insist in maintaining all the functions which they have been allotted or usurped and will, no doubt, go to extremes to defeat this bill in the House and Senate. It is my honest conviction that this Congress has not yet allowed powerfully intrenched Government bureaus to dictate its legislative policies. I do not expect the House to permit the all-powerful Post Office Department, with its mighty patronage system, to make us rubber stamps and indifferent to the wishes of the taxpayers in our districts. Let us take definite action immediately and have these principles translated into a law that will keep the Federal Government in its rightful place—out of competition with private industry.

Mr. BLANTON. I will tell the gentleman where the opposition is. These big business interests in the large cities that want to buy Government envelopes from the Government at a lesser cost than private industry can furnish them constitute the opposition that stands in our way.

Mr. ROMJUE. The gentleman from Texas is entirely right. It is the power of big business against the interest of the people of this country, and, as I said in the beginning,

some day the people of this country are going to determine that they will have legislation that they want to have, if it comes to removing the President and putting a new body in here. They are coming to that.

Now, my friends, this legislation should be paramount. The rank and file of the newspapers for years have persisted in advocating this measure, and they and the people generally throughout this country indorse the principle involved. They want the Government out of private business.

Some one has said something about economy. My friend from Ohio in a speech the other day took upon himself the task of criticizing President Hoover. I do not agree with Mr. Hoover on many things. But the fact is that the tentative omnibus economy bill proposed by the President includes this bill as one feature of the program. The Democratic Economy Committee also has reported a bill on the same point, indorsing this bill. So far as I am concerned, I do not care a cent about whether it is my bill, whether it takes my name or not, but I want to see the principle of this matter enacted into law at this session. I do not care whether it goes through under the economy bill proposed or under a proposal by the Democratic Economy Committee, or whether my bill comes through, the legislation ought to pass.

Now, on the point of economy. The gentleman from Texas [Mr. BLANTON] said he was for the bill. Every man in the House, with a very few exceptions, that I have talked with has said that the principle is right and that the legislation ought to be enacted.

Now, all this talk at this session about economy—the Government has no right to keep this $889,214.69 profit, if there is any such profit, which I greatly doubt. But if so, the Government itself is acting in violation of the plain statute heretofore referred to.

At first glance the Postmaster General's letter to the House Post Office Committee is confusing. A casual reading would indicate that the Government is making $2,000,000 in selling envelopes and printing. A closer examination reveals that this is the "apportioned cost involved in the sale and distribution" after the contractor has been paid for the finished product at Dayton. It is clear that when you allot $2,000,000 to pay for the collection of orders, the forwarding of these orders in triplicate by the postmasters, and then routing the printed envelopes through a complicated delivery system, and finally collecting, there is little, if anything, left for a profit. In fact, the Postmaster General studiously avoids mentioning any profit, preferring to leave the inference that allocated revenue is synonymous with profit. In fixing prices the Post Office Department is never bothered by the troublesome cost factors that are found in private industry.

Mr. GILBERT. Will the gentleman yield?

Mr. ROMJUE. I yield.

Mr. GILBERT. Is there any more reason why the Government should enter into the business of printing than it should any other business?

Mr. ROMJUE. No reason in the world. I have in my pocket a long list of the different businesses that the Government has entered into. A man wrote to me calling my attention to it, a business man, and the business men of this country are gathering together throughout the country, having their meetings in protest against the Government engaging in competition with private enterprises.

This gentleman wrote to me about the matter and said he would be glad to furnish information, and he gave me eighty-odd private businesses into which the Government is poking its nose.

Now, as to economy. What are we doing to the people of this country? We are levying taxes against them without limit. We have levied on the people in this Post Office Department $150,000,000—$135,000,000 of it is in increase of postage to 3 cents. Now, I am not criticizing my friend from Ohio—but I say the Government has no statutory right to make a profit off of these people, and then turn around and tax the people $150,000,000 more, to be gathered through the Postal Service.

Those who oppose this bill say, "We can not afford to turn it back in these depressed times, but at the same time we can reach out and take $150,000,000 from the people through the same department that holds back this $889,000." Mr. Chairman, economy does not consist alone in taxing the public, economy does not consist alone in taking money away from the people, lawfully or unlawfully, and holding it; but economy consists in the least possible expenditure that meets the needs of the country, and I say to you that it is a false philosophy that wants to reach out through this department and take $150,000,000 more of revenue and then withhold this $889,000.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. BLANTON. The gentleman will find in every district in the United States many useless Government agents. I wish the gentleman would help the Congress cut them off of the pay roll and send them back home and take the Government out of our districts. There are Government agents everywhere. Every hardware merchant in the gentleman's district is receiving to-day a long questionnaire from some Government bureau to fill out. Your druggists all receive them. Every business man is receiving them. All those statistics are gathered at great expense and come here and are carefully arranged and then printed, but nobody ever reads them. They are absolutely worthless. It is an expense that ought to be stopped, and I hope the gentleman will stop it.

Mr. ROMJUE. I shall be glad to join with the gentleman from Texas in support of his suggestion, and particularly at this time, and also will join him to stop imposing extra and unnecessary taxes upon the people of the country.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. BOYLAN. Will the gentleman yield to me long enough to ask the gentleman from Texas, who speaks of taking agents away, whether he would also include taking away prohibition-enforcement agents?

Mr. BLANTON. Oh, law enforcers have to be there. As long as criminals violate the law, we must have courts, and prosecutors, and enforcement agents.

Mr. ROMJUE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and inserting therein two or three not lengthy articles and communications touching this subject.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. NELSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. NELSON of Missouri. In addition to exclusive printing concerns, practically every county weekly or small-town daily paper has in connection a commercial printing establishment, or job-work department, as we say. Does my colleague feel that the Federal Government should compete, as it does, in the printed-envelope field, while asking the editor and publisher to run, without pay, all sorts of Government notices from those announcing civil service examinations to terms for emergency seed loans? Is not it a fact that in every great emergency the Federal Government has turned to the patriotic and public-spirited press to assist in putting over its program and that never has the response been disappointing? In view of all of this, does not it seem strange that legislation, such as the Romjue bill, should be required to compel the Government to get out and stay out of the business of printing and peddling envelopes?

Mr. ROMJUE. I would say to the gentleman that there are thousands of printing employees all over this country who are out of work to-day, and the Government is standing by here and taking that work away from them and turning it over to one gigantic corporation to attend to.

My colleague from Missouri [Mr. NELSON] has aptly pointed out the service rendered the Government by the rural newspapers and the newspaper fraternity generally. These men have always given unstintingly of the time and space to activities of the Federal Government, and I repeat that it is unfair to them to have the Government engage

in direct competition by taking away their customers for printing.

The most deplorable part of the Government competition with the printers is the suspicion that it creates in the minds of the citizens. The local printer must pay for labor, paper, ink, and other items that figure so conspicuously in the cost of producing other commodities in the community. There have been attempts to have the Government engage in other forms of merchandising, such as groceries and shoes, and it is amazing the number of business enterprises the Government is now in. As long as the Postal Department continues to compete with printers, then the favored few will remain as Government customers.

LESS THAN ONE-HALF OF 1 PER CENT

The only legitimate claim made by the Post Office Department in justification of its conduct of this business is that it affords an accommodation to some 500,000 people—less than one-half of 1 per cent of the people. Does any Member of either branch of Congress believe that a Federal department is justified in doing a favor for a particular group of people when by so doing it works an injustice to others, and when the 99½ per cent help bear the tax burden without benefit except for the less than one-half of 1 per cent?

If 240 citizens of a community were assembled and the charge was made that 1 person in the group received a special favor from the Federal Government of which the others must eventually defray the cost through taxation, there would be a loud and vehement protest at the discrimination. Yet that is precisely what occurs when you consider the cost and extent of the Government's competition with the printers in the printing of corner cards on stamped envelopes in terms of percentage.

LABOR BENEFITS

Arguments have been advanced by those opposed to this legislation that the smaller printers and publishers would not derive a benefit. Evidence was presented to the House Post Office Committee showing conclusively that the smaller printers were satisfied that the restriction of Government competition would divert business to their shops. The Post Office Department stated that 83 per cent of the printing orders are for small quantities of from 500 to 2,000 envelopes. Representatives of the home-town printers stated that this business would naturally come to them because small orders would be unprofitable for mail-order printing plants in the large cities to handle. A survey of freight costs for envelopes shows that the freight rates on envelopes would keep out the mail-order competition from the smaller towns. Transportation costs are such that it would be manifestly impossible for anyone to monopolize this business without the resources of the Federal Government. The labor unions have petitioned Congress for the early enactment of this bill as a means of alleviating unemployment among their members in the thousands of print shops scattered throughout the United States.

It was stated that the present practice hurts the country printer in many ways aside from merely taking away from 60 per cent to 90 per cent of his envelope-printing business. It takes his best customers, the cash customers, for Uncle Sam will not do a credit business, and exacts either complete prepayment or a substantial deposit which will protect from all danger of loss. The small printer is left the less desirable, while the Government takes the cream of the printing business.

An official statement was filed by the International Typographical Union at the hearings before the House Post Office Committee showing that the wages paid the average worker at the Government envelope plant were far below the prevailing wages in the private printing industry. The American Federation of Labor has stated that this legislation, if enacted into law, would put hundreds of allied printing craftsmen back into the ranks as wage earners, especially when private enterprise is no longer oppressed by Government competition. The revival of employment in the private print shops in every congressional district is important and can only be achieved through the definite recognition by this Congress of the vital principle involved—the Government should not compete with its citizens.

The Government envelope contractor at Dayton, Ohio, by reason of the fact that the Post Office Department serves as a sales and marketing agency, has an extremely valuable monopoly. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. FRENCH. Mr. Chairman, I yield one minute to the gentleman from Idaho [Mr. SMITH].

Mr. SMITH of Idaho. Mr. Chairman, on the evening of April 12 the gentleman from Montana [Mr. LEAVITT] delivered an address at the prosperity mass meeting held under the auspices of the National Portal Committee in Carnegie Hall, New York City. This address was sent over the National Broadcasting Co.'s national network. The purpose of the meeting was not only to acknowledge our debt of gratitude to George Washington and to pay homage to his distinguished life and deeds, but to reassert the imperishable spirit of America.

The broadcast has met with a response from various parts of the Nation in the form of letters and telegrams which indicate that Mr. LEAVITT's address should be preserved, and I therefore ask unanimous consent to insert it in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. SMITH of Idaho. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

PROSPERITY PREPAREDNESS

It is a matter of great pride to me that I bring to you the greeting of the President of the United States and his appreciation that your committee has arranged this prosperity mass meeting as a call to the American people to defeat depression by going forward. He said to me that it is fitting that such a meeting is held in the name of George Washington, who in adversity gathered within himself those forces of the spirit which strengthened and prepared him for victory.

Certainly there could be no more worthy purpose than that which has drawn us together. It is summarized in the opening sentences of the call as, first, to acknowledge our debt of gratitude to George Washington; and, second, to make articulate the voice of America to the end that courage shall supplant timidity.

I am honored to speak on such an occasion and upon such a subject. We of Montana are schooled to the forward and optimistic view of things. From every State we are gathered there and engaged in the building of a great, new State. The past of the entire Nation is our heritage. The present is a field for achievement. The future encompasses our dreams. Had you asked me to speak of pessimism and despair it would have been impossible for me to respond.

But, after all, while in my pride I use my own State as an illustration, I do so only because I can thus best bear personal witness to the existence of that spirit of forward-looking confidence and courage which is our common heritage. It is a spirit which exists not in any one State alone but in every State and in every community of the Union. It is the proud purpose of this meeting to arouse again those courageous and determined forces of the American spirit which Washington called forth, and to marshal them once more into the active service of our country. Thus in this bicentennial year of his birth, Washington shall again command and lead his people.

In no other way can we so fully honor Washington. No mortal man in all history has so continually and vitally lived on in the succeeding generations of his countrymen. He still influences and leads in domestic and foreign policy. He sways men and women. He puts his imprint on the plastic minds of little children.

I enlarge on that thought to demonstrate the immeasurable values which are sure to flow from the national observance of Washington's bicentennial. I choose two men whom Washington inspired, to illustrate what this may accomplish among our people.

Daniel Webster's father stood guard before Washington's headquarters on the night following the treason of Benedict Arnold, and Washington said to him, "Captain Webster, I believe I can trust you." Those words were the richest heritage of the son of that patriot father. Impressed by them as a child, they remained the inspiration of his manhood. Washington had said over and over again that an indissoluble union is essential to the well-being, even to the existence, of the United States. Webster, in his inspired tribute on the occasion of Washington's first centennial in 1832, as this is the second, made of that sentiment a flaming watchword. When he rose in the Senate to make his immortal reply to Hayne, by proclaiming liberty and union to be one and inseparable, he seemed to hear Washington saying to him, "Webster, I believe I can trust you."

What this inculcating of Washington's life and teachings into the minds of the American people gives promise of is again strikingly shown in a study of Abraham Lincoln. Among the few books Lincoln read as a boy was the Life of Washington, by Parson

Weems. Waste no time quibbling over details of that biography. In the essentials it set forth the devotion of Washington to his country, the steadfastness of his purpose, the unfaltering quality of his courage. It depicted his devotion to the forming of the Union as encompassing the entire security of liberty. The impression on Lincoln was indelible. Washington became and remained the lode star of his political horizon. The great speeches of Webster fell upon a mind prepared. Lincoln extended his gaunt hand and took up the torch. He gained clarity of vision from the illumination of Washington. That which Washington had proclaimed to be the very security of liberty, Lincoln made permanent.

Even as such men drew inspiration and clarity of purpose from Washington, and therefore better served their country, so will the millions who in this bicentennial year come to know him better grow in patriotic stature.

I find assurance of that promise in many things. I have no doubt that much of the steadiness of thought and conduct of the American people in these trying days is due to the turning of the Nation's thought in this bicentennial year to the steadfast character of Washington. I see assurance of it also in a letter from a little isolated school. It was one of the many thanking me for a portrait of Washington prepared by the Bicentennial Commission under act of Congress, and so distributed that the children in every American schoolroom may in the forming of their thoughts and characters daily contemplate the Father of their Country. That letter contains this sentence:

"We feel as if he were really in the room with us."

It came from the few children of the little prairie school at Mizpah in Montana. Deeply moved by its significance, I turned to my Bible to learn the meaning of the word "Mizpah" as it is used in Holy Writ. I found that Mizpah is a watchtower.

Everywhere, because America is teaching Washington in this bicentennial year, not only men and women grow in courage and understanding, but children are ascending the watchtowers of the Republic.

A Washington-minded America is soundly equipped for any and every situation which may arise.

We come now to the second stated purpose of this gathering, that in the name of Washington we shall make articulate the voice of America, to the end that courage shall supplant timidity, that industry shall take the place of idleness, that faith and hope may spring anew from the wellsprings of our hearts and souls. We are here to sound the advance. We call upon our people to replace fear with courage, timidity with resolution, and to evidence a living and active faith in ourselves, in each other, and in the destiny of America.

You ask me upon what ground we should now be optimistic and have the confidence to advance, and I answer you first in the words of Washington himself: "Accident may put a decisive blunderer in the right, but eternal defeat and miscarriage must attend the man of the best parts if cursed with indecision."

Washington's was a faith which upheld him and in doing so upheld his country. His was a courage which not only endured, but which went forward. Our own moment to advance has come; let our faith be as steady and our courage as valiant. So I answer you further in the words of Washington, when he said:

"While we do not underrate difficulties on one hand, we should not overrate them on the other, nor discourage ourselves from a very important undertaking by obstacles, which are to be surmounted."

Despite the failure of business to respond as rapidly as had been hoped to the legislative remedies applied to counteract depression, there are certain unmistakable signs which justify an optimistic outlook. Cheerful indications of general recovery have been the sharp decline in bank failures and the marked decrease in hoarding. These facts reflect the general restoration of public confidence.

Two important pieces of legislation enacted by Congress have contributed to these gratifying results. On January 22 the act which created the Reconstruction Finance Corporation was signed. It is vested with broad powers to assist banks and other financial institutions as well as railroads and agriculture. This was followed in February by the Glass-Steagall bill, under the terms of which the rediscount privileges of member banks of the Federal reserve system were broadened. By it the system's gold stores were fortified.

The actual benefits of the latter measure, while undoubtedly a decisive factor, can not as yet be stated. The first quarterly report of the Reconstruction Finance Corporation, however, contains interesting data. In the short space of time between its organization in February and the closing of its books with March, the corporation has authorized 974 loans in the aggregate of over $238,000,000. That includes $2,173,000 to aid in the reorganization or liquidation of closed banks.

In October, 1931, the high-water mark in bank failures was attained; 522 banks suspended with total deposits of $471,380,000. Failures in November and December brought the number for the last quarter of 1931 to the astounding total of 1,055, with aggregate deposits of $816,067,000.

The first quarter of this year tells a different story. During the first six weeks before the organization of the Reconstruction Finance Corporation and the initiation of the benefits of the Glass-Steagall bill, 609 banks closed their doors. The last six weeks (February 15 to April 1) showed only 84. This averages but 14 suspensions a week now as compared to the weekly average of over 100 then.

The decrease in bank failures has resulted in an increase in public confidence. That in turn has been reflected in a gradual but definite return to circulation of hoarded money. Currency hoarding in this country sufficient to attract attention began in the fall of 1930. This tendency increased, reaching its peak in February of this year, when the hoarded money was estimated in the neighborhood of $1,500,000,000. Latest statistics indicate a decrease of about $200,000,000 during the past two months. There is every reason to feel assured that with a continuation of the general improvement now evident in the banking situation money will gradually flow back into its normal channels of trade in increasing abundance, thereby further releasing the stream of credit which is the very lifeblood of business and which in itself is a vital factor in the ultimate return of general prosperity.

In addition to this, I bring you the assurance of Congress that the National Budget will be balanced and the expenditures of the Government reduced. That is recognized as essential to the maintenance of national credit, and the hand of the Government is set to do it.

It is true that the direct benefits of the Reconstruction Finance Corporation and of the Glass-Steagall bill have not been as quickly apparent to individual people as many of us hoped. Neither do they complete the program of reconstruction legislation. There is still vital need to stop the decline in commodity values. Heroic but sound steps must be taken to check this fall of prices, that money may come out of hiding still more rapidly and be invested with greater confidence, thus starting industry and restoring employment and purchasing power. But it is fair to say in behalf of Congress that these two measures were passed in a spirit of nonpartisan cooperation, and that this same cooperation must be shown throughout the Nation if the measures are to succeed completely.

In the intent of Congress, loans to banks or railroads or building and loan associations are not made merely to benefit the officers or stockholders of those institutions. They are intended to benefit communities and the people who live in them. Closed banks, for instance, mean dead towns and extreme distress. They mean paralysis of credit, unemployment, and the destruction of industry. Therefore it is distinctly valuable merely to keep banks open and sound. It is conducive of confidence. But consider for a moment the still greater public service performed when financial institutions follow the course of that New Jersey bank which recently advertised as follows:

"To the business men of New Jersey, individuals, partnerships, corporations, manufacturers, retailers, wholesalers:

"The Government of the United States, through the passage of the Reconstruction Finance Corporation legislation and the Glass-Steagall bill, has done everything in its power to make it easy for banks to secure funds with which to assist business.

"The Lincoln National Bank is ready to use these facilities freely wherever it can help restore the mercantile and industrial prosperity of New Jersey, and through so doing afford employment to its citizens. We will be glad to discuss with any business man how we can help him, and we are prepared to loan money to any sound business enterprise."

You ask what was the practical result of that advertisement, and I am happy to tell you. Within a few days the deposits of that bank were increased by a million dollars. Applications were received for $2,000,000 of loans. Business was done with new customers to the extent of a million and a half dollars, in addition to a further large amount with former customers. Two million dollars which had been idle went almost immediately out into productive enterprise—in the purchase of goods and the employment of labor. That New Jersey bank by its action expressed its own confidence; and just as fear is contagious, so is courage.

As a boy I lived by a river in the northern woods, down which came great drives of logs with the high water of the spring. Often a log caught in some way in the channel of the stream and a jam formed. Logs piled on one another, stopping all progress, damming the very current itself. An intrepid river driver, running out on the straining jam, located the key log. In the face of the angry river he wrenched out and thrust aside log after log until the key which held all others was reached. With quick decision and matchless daring the riverman attacked it. Mad water swirled and boiled among the tangled logs, but when that key log was moved the whole mass started. First slowly and then with gathering momentum it moved on its way again.

Fear is to-day the key log causing the jam in our flow of business, industry, and employment. With courage let us wrench it from its place that the stream of prosperity may flow.

In coming to a close I give you a familiar parable of Washington: It is of how his army went into Valley Forge as into the Valley of the Shadow, and came out of it trained, efficient, courageous. Washington had made of the very adversity of that winter an opportunity to prepare for victory. But when the moment was at hand a general, seized with timid fear, fell back when he should have advanced.

That cowardice and Washington's rebuke of it are history. But wait; the discipline gained in Valley Forge was not lost. The command of a leader who was not afraid wheeled the soldiers back into line. Washington took command, and Lafayette said of him on that day, "I never beheld so superb a man."

So we come out of this depression disciplined and clear of vision. This is another day when to falter is to fail, and to advance with confidence is to start the whole forward movement of recovery. As Washington rebuked that general who fell back at

Monmouth, so his spirit, living again in this bicentennial year, rebukes our fears and gives the order to advance.

And finally we hear him speaking to us as he spoke to our forefathers in their day of stress, when he said:

"We must not despair; the game is yet in our own hands; to play it well is all we have to do."

Mr. FRENCH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I am not going to take a great deal of time and am not going too deeply into the details of the bill, because where different questions arise it will be much better for those members of the committee who have spent days and weeks upon the bill to present the results of their deliberations under the 5-minute rule when amendments happen to be offered to the bill. Before I begin to talk about the bill, I want to say a word or two about the general practice of the handling of appropriation bills. There was brought up in the House the other day a motion to suspend the rules and concur in Senate amendments on the Interior Department appropriation bill. Some of us, about 40, voted against that motion. Some of us, and I was one, voted against it because there was concealed in that bill not economy but extravagance. On page 98, amendment numbered 172, there was a contract authorization for the expenditure of two and a half million dollars for the construction of highways. That was not in the bill when it went from the House, because that was a matter which appealed so little to the consideration of the Congress that there was not even legislative authority for such a matter. They told us as the bill was presented here and the motion was made to concur in the Senate amendments that it called for a saving of $5,000,000. Two and a half million dollars of the reduction disappears right there in this item. It did not appear on the surface as a direct appropriation this year but was concealed in a contract authorization. It was for the construction of new highways, solid-concrete highways, or tar highways in national parks. I believe it is upon those nonessentials that we do not need at present that we can best save our money in such times as these. We must not let false economy govern our conduct, but we must go into things far enough so that we will see what we are doing, and that we do not give away the Treasury under the guise of economy.

In the consideration of this bill your committee has spent four to five weeks of solid time holding hearings.

We have had able leadership in the gentleman from Kansas [Mr. AYRES], who has given of himself unstintingly to the work we have had in hand. We have brought in a bill which has cut from the total of the estimates submitted by the Bureau of the Budget approximately $15,000,000. The most comforting part about that cut, to almost every Member of the House, is the fact that as a result of the hearings and the statements of the chiefs of the Navy Department, almost all of that can be said to come to the House with the approval of the department.

There are three or four small items in the bill which I will discuss, and two other items which are not in the bill which I will discuss, with reference to the Navy for just a few moments. There has been so much talk about the naval reserve situation that I believe perhaps I should tell the Committee of the Whole House just a little more in detail of what actually happened there.

Mr. BRITTEN. Will the gentleman yield for a suggestion?

Mr. TABER. I yield.

Mr. BRITTEN. The gentleman is about to discuss the reserve feature of the bill. Many of us are very, very vitally interested in it for this reason, that we are of the opinion that the Federal Government is not treating the various States fairly, with whom they have had agreements with regard to the reserves, particularly where the States themselves have appropriated four or five or six hundred thousand dollars in the establishment of militia buildings or other activities that go along with the reserves, which will now be declared more or less useless. I would like to have the gentleman's viewpoint on that.

Mr. TABER. I will try to discuss that as I go along and if the gentleman cares to ask me any more detailed questions with reference to it, I will attempt to answer him.

There were some cuts that were made by the committee on that appropriation, but they were minor. They totaled a very small item in the cut on the reserves appropriation.

There had been a substantial cut on the part of the Budget in this appropriation. Then the officers of the department came before us. Frankly, after the hearings had been closed and after we had marked up the bill, there appeared in the Army and Navy Journal an announcement, about which the committee knew nothing and about which the committee had no warning or no information any more than any other Member of the House, and which the committee did not itself inspire, that for the fiscal year 1933 the 15 days' active duty training for the reserves would be done away with; that the four ships on the Great Lakes, the *Paducah*, the *Hawk*, the *Wilmantic*, and the *Wilmington*, and the two eagle boats would not be used after the 1st of September, 1932.

Those ships have been kept upon the Great Lakes and have been used for the 15-day cruises, and they have been used for the week-end cruises which the officers and men of the Naval Militia are accustomed to take from sometime in May down to sometime in October. To be perfectly frank, I think the substantial part of those week-end cruises, as far as actual results go, takes place from about the middle of June to about the middle of September.

Mr. CLANCY. Will the gentleman yield?

Mr. TABER. I yield.

Mr. CLANCY. Gentlemen from Illinois refer to the donations of the several Great Lakes States to Naval Reserve training. For instance, Michigan gave $600,000. My city of Detroit gave $1,000,000 in property on condition that naval training on the Great Lakes would be maintained, and now the Navy Department recommends to be junked the *Dubuque*, the training ship at Detroit. We do not want that ship junked. Does the gentleman think that is fair? The Michigan State Legislature passed a resolution of protest two days ago, and the Common Council of the City of Detroit has also passed a resolution to the same effect. Both bodies donated heavily, and they claim the Navy Department has broken faith. I aim to correct that situation by offering an amendment this afternoon.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. FRENCH. Mr. Chairman, I yield to the gentleman from New York 10 additional minutes.

Mr. TABER. Now, that situation, to my mind, is a matter that I am not going to discuss in that particular way. I am just going to present the facts to the committee. I think it is unquestionably right that we should not ask the Government to pay for the 15-day cruises this year. The cost of keeping those ships in commission for the period from the middle of June to the middle of September, and I think that is all that anybody, under any circumstances, ought to consider at such a time as this, would be, I am told by Captain Schofield, who is in charge of Naval Reserve operations at the Navy Department, $100,000. Some larger amounts than that have been deducted but I do not think, under the circumstances, they would be required, because two of those ships last year were thoroughly overhauled and oil burners installed.

Mr. BRITTEN. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. BRITTEN. In view of the gentleman's statement, is the gentleman trying to convey to the House the fact that the gentleman himself believes that probably an injustice was done to the reserves in cutting out their cruises and in cutting out these boats, for the small amount of money that could be saved to the Treasury?

Mr. TABER. I do not think under the circumstances that an injustice has been done from any standpoint in cutting out the 14 or 15 day cruises this year. I do not think it ought to be as a permanent proposition, but for this year,

under all the circumstances, I think there is no question in the world but that with the week-end cruises they ought to be able to get along, and they would even be able to get along and do that with the amount we have carried. The situation with reference to that is that the bill provides for carrying those ships in commission until the 1st day of September, and probably that could be extended over Labor Day without any trouble, with the money that they already have.

Mr. WOODRUFF. Will the gentleman yield?

Mr. TABER. Yes.

Mr. WOODRUFF. The gentleman has stated that the bill provides for the keeping of the ships on the Great Lakes until the 1st of September for the purpose, I take it, of week-end cruises?

Mr. TABER. Yes.

Mr. WOODRUFF. That is already provided in the bill?

Mr. TABER. Yes.

Mr. WOODRUFF. Will the gentleman inform the committee what the Appropriations Committee expects to be done with those ships after they are decommissioned in the fall? What is proposed by the department and what is proposed by the committee so far as retaining to the Government and to this particular service the ships on the Great Lakes that are now used for that purpose?

Mr. TABER. The committee has no information beyond that they are expected to be decommissioned.

Mr. WOODRUFF. As a matter of fact, the gentleman knows that it costs some money to keep ships out of commission.

Mr. TABER. I appreciate that.

Mr. WOODRUFF. There must be caretakers; there must be certain personnel of the Navy—or at least, of the reserves of the Navy—on those ships at all times to preserve them in the way they should be preserved. What provision has the committee made for that purpose?

Mr. TABER. The department has not brought that particular question to our consideration or asked any money to carry those ships along. I presume they would be tied up to a dock.

Mr. WOODRUFF. The gentleman and his committee were very kind the other day in giving a hearing to officers of the Naval Reserves on the Great Lakes on this problem of decommissioning these ships and doing away with this summer training on the Great Lakes. I personally appreciate the courtesy extended to these gentlemen because I am in a position, of course, to know what that service means, not alone to the officers and men taking it but to the national defense itself. I want to take this opportunity, if I may—and I hope I am not imposing too much on the good nature of the gentleman from New York—to say that the enlisted men in the Naval Reserve on the Great Lakes compose as fine a body of young Americans as can be found anywhere in the United States. They come from fine families; they are educated; I think I am safe in saying that 90 per cent of them are officer material. It is that sort of young men who are being trained in our Naval Reserve on the Great Lakes. So far as the saving to the Government is concerned, I understand it is the purpose of the department, if these ships are sold, to take these men and officers to the Atlantic Ocean and there train them during the summer. I think there is nobody in this House foolish enough to believe that you can transport those men from the Great Lakes to the Atlantic coast, give them their training there for 15 days, pay their way back again, send another detachment for a similar time, for as small a sum as it can be done on the Great Lakes. I thank the gentleman for his courtesy.

Mr. TABER. I think I ought to say this: That it is not within the expectation of the committee that the Naval Reserve will be taken to the sea in the fiscal year 1933.

Mr. WOODRUFF. I am sure it is not the purpose of the committee to do that this year, but it seems to be the program for following years.

Mr. TABER. And it is not the expectation of the department. It is the expectation that they will get what training they will get in the fiscal year 1933 by their week-end cruises on these ships up to the 1st of September, 1932. Frankly, I believe that if the Congress, when it comes here next winter, wants to put these ships back into commission, provided the purpose of the department is simply to lay them up at a dock, it could provide for it at the winter session.

Mr. WOODRUFF. I hope the gentleman's committee will let the department know that it does not have its approval in the proposition of selling these ships. I think the gentleman was impressed the other day by the splendid statements submitted to his committee by those officers from the Great Lakes. I think he and the other members of that committee were impressed with the importance of that particular activity on the Great Lakes. I think he would regret and I think every other member of his committee would regret the sale of these ships, especially in view of the fact that $150,000 was recently spent on two of those ships in remodeling them and bringing them up to date. That money has been spent within the last two years, and to sell them at this time, in my opinion, is just rank nonsense. It is the poorest piece of business I have known the Navy to propose in a long, long time.

Mr. TABER. I want to discuss one or two other things in a brief way, and I shall be unable to yield, because I have not the time. There is the question of aviation. There are four or five items involved there. In the first place, there is the cut of $800,000 for the construction of new planes. Your committee found that in all probability, according to the statements of the department, that the Navy will have on hand an excess of planes over the number we are authorized to maintain by law of probably 25 without this money, and therefore that has been eliminated.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. TABER. We believe that with that money the department will be able to maintain the aviation branch of the service fully and completely and right up to the point of the program limit which has been given us by authority of Congress.

With reference to the other items, some of them were savings in the nature of postponement of work, like special improvements of stations. We have postponed some of those improvements. Like that is the civilian force at Sunnyvale, which was postponed because of the delay in completion of that project. One item was caused by the proposed decommissioning of the *Los Angeles*. That is an old ship and pretty nearly out, anyway. We have the *Akron* in full commission, and when it is desired to operate a large airship the *Akron* can be operated. When it is not, the three small lighter-than-air ships of about 300,000 cubic feet each can be used, and they are at Lakehurst prepared to go ahead.

Now, with reference to aviation pay. The limitation which the committee brought in of $1,100 as a maximum increase for aviation pay was brought in not because we have not any appreciation of aviation but because there are manifest abuses in the operation of that extra pay which ought to be corrected and because we believe this proposition will correct those abuses.

Mr. BACON and Mr. WOODRUFF rose.

Mr. TABER. No; I can not yield at this time. I will go into this fully when we get to the item under the 5-minute rule.

I think, if the gentlemen of the committee will study the hearings and the reports thoroughly and carefully, they will come to the conclusion that we did.

There are two other items I want to talk about. There is the clothing-factory situation. We have a clothing factory at Brooklyn for the Navy, a clothing factory at Philadelphia for the Marine Corps, and also a clothing factory at Philadelphia for the Army. I can not see any possible excuse for the maintenance of these three clothing factories. I think we ought to do away with all of them, because I do not like competition with private business. I realize that the sentiment of the Congress is not such that probably

this can be accomplished. I realize in this bill we can accomplish nothing, but I do want to call attention to it briefly and say to the Economy Committee I hope they will throw the whole three establishments together and just have one, so that we can have some efficiency in making the clothing for our military forces.

There is one other subject I wish to mention, because it is my purpose when the item is reached in the bill to offer an amendment, which I believe will save the Navy $400,000 in officer pay and save the Army approximately $3,000,000 in officer pay. This is the proposition of constructive service.

Constructive service grew out of a provision in the 1922 pay act, which gave to those in the Navy, the Marine Corps, and the Army officer service constructive pay and allowed them to count years other than the years of their commissioned service toward their longevity pay.

This has resulted in several very striking situations. For instance, I understand that out at the China station a year or so ago there was a lieutenant drawing more pay than the admiral in charge of the fleet.

I think we should confine pay to actual commissioned service and not in some artificial way boost up the pay of the Army and Navy officers, so that they are out of line with the service they are performing and giving to the Government.

I hope the committee, when it comes to consider these items, will give us a good, fair break and help the country save some money along these lines. [Applause.]

Mr. AYRES. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I want to add my word of commendation for the splendid work that the distinguished gentleman from Kansas [Mr. AYRES] and his subcommittee have done in framing this bill. The gentleman has been mindful of the needs and the necessities of our Navy and the safety of our country, and at the same time has been most mindful of the interests of the taxpayers of the United States. His service here for years in the United States Congress has been one of great value to the country, and this has been shown by the fact that in a Republican district in Kansas they repeatedly elect him by an overwhelming majority and send him back here.

However, I want to use my time now to discuss a matter that the Congress soon must seriously consider, and that is the growing practice in every department and bureau and commission of the Government to establish within itself a legal department embracing a whole bunch of embryo lawyers drawing large salaries.

In this connection, Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert certain documents to which I shall refer, and a list of the lawyers both here in Washington and also a list of lawyers outside of the city of Washington in the employ of the Veterans' Administration. I am going to put in the dates when they entered the bureau, the salary at which they entered the bureau, the salary they get now, and the date they were admitted to practice.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, I have here already prepared, and certified to me as being correct by Gen. Frank T. Hines, Director of Veterans' Affairs, a list of the lawyers here in Washington employed by his Veterans' Administration. General Hines is now having checked up for me, so that he can certify same as correct, a list of the lawyers outside of Washington, scattered over the United States, now employed by the Veterans' Administration, which he has promised to send to me this afternoon, and I will have it in time to insert same in the RECORD, so that you colleagues will have a complete picture, at one and the same time, of all of the lawyers now employed by just one bureau of the Government.

The following is the list of the Washington lawyers:

Lawyers in Washington employed by United States Veterans' Administration, with date they entered bureau, their salary when entering, their present salary now drawn, and year when they were licensed to practice law

[Lawyers in the field outside of Washington employed by Veterans' Administration are covered by a separate list]

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
William Wolff Smith	1923	$4,000	$9,000	1916
Mrs. Kathleen D. Smith	1918	1,000	2,800	1924
Iva C. Smith	1922	1,400	2,800	1922
Grace F. Smith	1918	1,000	2,800	1924
James O'C. Roberts	1919	1,500	8,000	1922
James D. Hayes	1919	1,800	6,500	1922
Norman B. Sheppard	1918	1,600	4,800	1917
Charles O. Shaw	1923	3,000	6,000	1909
Harry M. Seydel	1919	1,100	6,200	1923
Frederick B. Sims	1919	1,800	5,600	1919
Davis G. Arnold	1923	6,000	7,000	1905
Wilbur C. Pickett	1920	1,440	5,600	1918
Edward E. Odom	1920	2,440	6,000	1920
William N. Morell	1921	2,100	5,600	1922
Harley H. Milks	1917	1,800	6,500	1910
George H. Lynch	1924	3,250	6,000	1917
J. E. Loggins	1919	1,500	5,600	
Lawrence A. Lawlor	1917	1,800	5,600	1914
Robert L. Jarnagin	1921	2,400	6,500	1916
George P. Hughes	1917	1,800	6,400	1915
Annabel Hinderliter	1923	1,440	4,800	1925
Bayless L. Guffy	1922	3,000	5,600	
Mark H. Grinder	1918	1,800	5,000	1918
LeRoy B. Foster	1919	1,800	5,000	1919
William H. Emery	1920	2,500	6,000	1897
Peter D. Dusinberre	1919	1,800	5,200	1912
Claude L. Dawson	1923	3,000	5,600	1914
Wilbur H. Close	1918	1,200	5,000	1894
Charles Caggiano	1918	1,200	5,000	1913
James T. Brady	1919	1,500	6,500	1921
William J. Blake	1919	1,800	5,000	1916
Guy H. Birdsall	1919	1,100	5,000	1922
Raymond J. Abbatiechio	1917	1,600	3,800	1905
Otis L. Abernathy	1928	1,200	2,600	1931
Charles C. Adams	1919	1,500	3,800	1909
James T. Allen	1921	1,800	3,800	1916
Marshall V. Andrews	1890	1,400	3,300	1889
Harry J. Archer	1919	1,000	2,600	1927
Wm. O'Brien Ashe	1924	1,800	3,800	1924
George A. Bache	1925	1,860	3,200	1923
DeVillo A. Bannister	1919	1,320	4,400	
John W. Barnes	1918	1,200	4,600	1911
Joseph F. Barr	1922	1,800	3,800	1923
James F. Barry	1921	2,200	3,300	1927
Forest F. Bartl	1920	1,320	3,200	1927
Herbert Baruch	1922	1,800	4,000	1923
Nathan E. Bateman	1919	1,000	4,800	1911
Royal A. Batson	1924	1,140	3,200	1925
William R. Beall	1926	2,100	3,200	1926
Charles W. Berry	1920	2,500	3,700	1884
James W. Berry	1918	1,000	4,800	1911
Miss Ottilia A. Betschant	1917	1,000	2,600	1923
John J. Bibb	1919	1,100	3,200	1924
Samuel Bitman	1920	1,320	3,200	1922
Joseph A. Bogan	1924	1,860	3,200	
Frank H. Bowen	1919	2,000	2,800	1908
Edward A. Boyce	1919	1,100	2,800	1927
Wm. C. Brewer	1922	1,800	2,900	1928
Henry Q. Brooks	1921	1,800	4,600	1917
Arthur J. Brousseau	1919	1,100	3,800	1921
Earl J. Brown	1926	2,100	2,800	1925
Mary Agnes Brown	1918	720	2,600	1924
Wm. R. Browne	1924	1,680	2,600	1931
Gustav A. Burrow	1918	1,400	3,200	1910
Wm. R. Burgess	1918	1,600	3,800	
Edward L. Burns	1920	1,800	4,600	1918
Robert L. Buttrey	1921	2,400	4,000	
Joshua O. Buzbee	1918	1,100	4,600	1917
Esmond H. Callahan	1922	1,800	4,600	1921
Francis P. Callahan	1927	1,140	2,700	1925
James P. Callahan	1925	1,860	3,800	1925
Francis E. Carney	1919	1,800	3,200	1920
Herman L. Caton	1918	1,000	2,600	1931
Electious L. Caudill	1921	1,400	2,600	
Howard E. Chase	1918	1,800	4,800	1916
Walter M. Clark	1917	1,800	2,600	
Leo T. Collier	1919	1,100	3,200	1922
Naomi G. Cone	1918	1,000	3,200	1922
Mary M. Connelly	1920	1,400	4,800	1922
George F. Cook	1923	1,440	2,800	1927
Harvey J. Cooper	1919	1,800	4,600	1916
Eugene A. Costello	1924	1,140	2,800	1925
John M. Craig	1917	1,600	3,200	
Joseph T. Dailey	1926	2,100	3,200	1925
Thomas A. Daley	1922	1,800	3,800	1918
T. Foley Daley	1921	1,400	4,600	1923
Isaac F. Davison	1923	1,320	2,800	
Garland B. Day	1918	1,200	3,800	1914
Armand W. DeBirny	1922	1,600	3,200	1928
Ernest R. Decker	1920	1,800	3,800	1919
Ulric C. Deike	1918	1,800	3,800	
Frederick W. Denniston	1902	2,000	3,800	1894
John J. Donnellan	1921	1,400	3,200	1923
John C. Diamond	1919	1,100	2,800	1929
John E. Downin	1918	1,500	4,800	1926
John F. Driscoll	1928	2,600	2,700	1924

Lawyers in Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Contd.

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Everett Dufour	1923	$2,600	$2,700	1902
Thos. L. Eggleston, jr	1918	1,800	4,600	1915
Chas. H. Elliott	1919	1,800	2,600	
Elmer A. Elliott	1919	1,100	3,200	1922
Otto Englehart	1930	3,800	3,800	
David S. Estopinal	1920	1,800	3,200	1915
Lester L. Fansher	1919	1,200	2,600	1929
Leo T. Farrell	1928	2,600	2,700	1922
Hugh B. Fegan	1928	2,600	2,700	1920
Ward W. Fleharty	1917	1,800	3,400	1908
Harry H. Fones	1917	1,800	3,200	
Thos. J. Frailey	1919	1,800	4,800	1919
Maurice Folsom	1924	1,860	3,200	1922
Joseph E. Gagnon	1919	1,100	2,600	1928
Jessie E. Gance	1918	1,600	2,800	1925
Stephen J. Garrity	1919	1,100	3,800	
Frank M. Gerardi	1919	1,200	3,800	
Richard H. Gorgas	1923	1,440	2,800	1890
Thos. F. Gormley	1919	1,200	2,700	1916
Walter R. Gould	1919	1,400	3,300	1921
Ralph H. Grinder	1924	1,860	2,700	1922
George F. Hall	1918	1,000	3,800	
Morugne F. Hall	1921	1,320	2,800	1927
Norman J. Hall	1925	1,860	3,200	1924
Herman Hayes	1924	1,440	2,600	1930
Melville D. Hensey	1918	1,300	4,800	1892
John T. Hicks	1931	2,600	2,600	1924
Paul C. Hinsley	1919	1,320	3,400	1924
Sophronia M. Hodder	1920	1,200	2,600	1923
Ethel Hodges	1918	1,000	2,700	1928
George A. Holcombe	1923	3,000	4,800	1902
Wm. J. Howder	1920	1,200	2,800	1928
Robert M. Huey	1922	1,600	3,200	1922
Hiram W. Hummer	1919	1,100	2,900	1922
George T. Hunter	1920	1,100	2,800	1925
Andrew W. Huntress	1921	1,440	3,200	1927
Charles W. Ihle	1919	2,400	4,000	1898
S. Stone Jackson	1919	2,250	3,200	1903
Clifford L. Johnson	1920	1,800	2,800	1921
J. Altheus Johnson	1923	3,000	4,600	1892
Harry L. Jones	1917	1,800	3,800	1912
John L. Julius	1919	1,100	2,600	1928
Sidney S. Kalte	1927	1,140	2,600	
Nellie G. Kessel	1918	1,100	2,700	1926
Gladys A. Kefauver	1918	1,000	2,600	1931
William A. Kehoe	1924	2,100	4,600	1922
John F. Kelley	1918	1,000	2,600	1930
Francis J. Kelly	1919	1,500	3,800	1927
Leo J. Kelly	1918	1,800	4,800	1910
George W. Kennedy	1917	1,000	3,200	1917
Royal T. King	1926	2,100	3,300	1924
Paul S. Kremer	1919	1,500	3,800	1920
Alexander S. Lanier	1930	3,200	3,200	1898
Mrs. Virginia T. Leitch	1918	1,000	3,800	1924
Walter L. Lembkey	1918	1,200	3,800	1892
John J. Lenney	1926	2,100	3,200	1914
Miss Martha Lickteig	1923	1,440	2,600	1929
Amos C. Liets	1921	1,400	3,400	1922
J. Jerome Lightfoot	1918	1,500	3,200	1904
Myer S. Lipshitch	1922	1,800	4,600	1922
Mercedes M. Malloy	1919	1,100	2,600	1928
Francis Maloney	1921	1,320	3,800	1923
Fred J. Maloney	1919	1,100	3,200	1923
James M. Marshall	1919	1,100	2,800	1927
Benjamin Y. Martin	1930	3,200	3,800	1914
Clifford W. Mason	1918	[1] 3.50	2,700	1907
Hollis Lee Mason	1929	3,800	4,000	
Elmer M. May	1931	2,600	2,600	1917
Charles H. Mehl	1920	1,800	4,600	
Louis J. Meyerle	1922	1,200	2,800	1926
John Mock	1922	4,000	4,600	1894
Lee Moffett	1919	1,800	2,600	1914
Marguerite C. Moore	1919	1,100	2,500	1925
William H. Moore	1891	720	3,200	1896
Ferdinando Morina	1919	1,200	3,200	1925
Lewis B. Moulton	1921	2,400	4,000	
Catherine E. Myers	1918	1,000	2,700	1927
Hugh M. McCaffrey	1925	1,860	3,200	1924
Cornelius F. McCarthy	1920	1,800	4,600	1921
Wilson F. McCray	1924	1,560	3,200	1914
Miss Ellen C. McDonald	1918	1,100	2,600	1929
Francis J. McDonald	1924	1,800	3,200	
George E. McFeeley	1921	1,100	2,700	1924
Miss Helen F. McGerr	1931	2,600	2,600	1928
William E. McGhee	1926	2,100	3,200	1925
John McGinnis	1919	1,100	2,700	1924
George L. McGurn	1921	1,100	4,600	1924
William E. McKenney	1919	1,100	3,100	
John M. McLachlen	1891	2,600	2,600	1912
G. Orr McMinimy	1921	3,000	3,500	1904
Paul H. McMurray	1919	1,100	3,800	1923
Dennis E. McQuery	1919	1,100	2,800	1920
Allen Newman	1921	1,440	2,700	1929
Joseph F. O'Brien	1918	1,000	3,200	1934
Herbert W. Olmsted	1886	2,000	3,200	1884
Harry J. Overman	1922	2,400	3,200	1896
John J. Orlosky	1924	1,860	2,700	1924
Arthur P. Owens	1918	2,000	4,000	1910
Arthur J. Pallansch	1922	1,800	2,700	1911
James C. Papenfort	1925	2,100	4,600	1924

[1] Per diem.

Lawyers in Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Contd.

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Robert William Parnaby	1919	$1,200	$3,200	1924
Leo F. Pass	1917	1,800	3,800	1918
Charles T. Peck, jr	1919	1,800	4,000	1915
Andon D. Phillips	1901	900	3,200	1908
Merrill F. Phillips	1919	1,460	2,800	1926
Walter L. Piper	1917	1,600	4,600	
John L. Poore	1919	1,100	2,800	1929
Daniel H. Pratt	1925	2,100	3,800	1925
Arthur N. Presmont	1930	3,600	3,800	1912
Robt. H. Pritchard	1919	1,800	3,300	1920
Jesse W. Proctor	1893	900	2,700	
Joseph Newman Purks	1919	1,200	2,600	1931
Frederic H. Beal	1921	1,100	2,600	1926
Ralph W. Reed	1903	900	3,200	1899
Riving R. Richards	1925	2,100	3,200	1917
Byron P. Richardson	1924	1,320	2,600	1930
Daniel J. Richardson	1917	2,100	3,800	1906
Paul C. Robbin	1924	1,000	3,200	1922
John M. Robsion	1922	1,200	4,600	1926
Ina D. Russell	1918	1,100	2,600	1930
Emma L. Rutter	1920	1,440	2,600	1931
Ernest P. Sanford	1918	900	3,200	1927
Daniel Saunders	1930	3,200	3,300	1917
Adelaide E. Schlandecker	1925	1,500	2,600	1928
Mary L. Schneider	1919	1,100	2,800	1927
Charles Edwin Schuyler	1919	1,800	4,800	1917
George T. Shamsey	1918	1,600	5,000	1917
William E. Share	1924	1,320	2,800	1927
Alda A. Sharp	1918	1,000	2,600	1931
Patrick J. Shea	1919	1,100	3,200	1924
Martin F. Sheehan	1922	1,200	3,200	1923
Timothy N. Sheehan	1919	1,400	3,800	1924
Paschal Sherman	1919	1,500	3,800	1920
Albert F. Sisson	1930	2,600	2,600	1918
Albert D. Spangler	1889	900	3,300	1895
James Snow	1919	1,100	2,600	1929
Charles S. Stevenson	1919	1,800	4,600	1915
Edward Swartz	1927	1,140	2,600	
Annie C. Sullivan	1918	1,200	3,800	1910
Percy Talley	1922	1,800	4,600	1921
Abbie Taylor	1918	1,000	2,600	1931
Benjamin F. Taylor	1918	1,000	3,800	1928
Samuel H. Taylor	1923	2,600	3,700	1925
George B. Tillotson	1921	1,500	3,200	1922
Miss Adrian Trammell	1924	1,140	2,600	1930
Henry S. Turner	1926	2,400	4,600	1919
Hamlin M. Vandervort	1901	900	4,600	
Carl M. Walker	1929	3,200	4,600	1930
John F. Wallace	1922	1,800	3,800	1922
Harold J. Weiss	1922	1,440	3,200	1924
Walter S. Welsh	1921	1,600	2,600	1929
Frederic R. Whipple	1931	2,600	2,600	1907
Burton R. Wilbur	1918	1,100	2,600	1926
Jay H. Williams	1932	3,800	3,800	1913
Bernard J. Woods	1924	1,140	3,200	1927
Otis M. Yokum	1924	1,860	2,600	1924
Earl Young	1922	1,800	3,200	1914
Harry W. Bagby	1924	1,320	3,200	1920
Floyd J. Baker	1924	1,140	3,200	1922
Frank L. Betz	1918	1,800	3,600	1922
Carey P. Buchanan	1918	1,800	3,800	
Alfred L. Burdine	1921	1,200	2,800	1926
Jay D. Coulter	1926	2,600	2,700	1923
John T. Dawson, jr	1919	1,800	2,900	1916
Lee F. Denton	1924	1,240	3,200	1925
Thomas C. Dyar	1924	1,140	3,800	1924
Albin M. Emler	1929	2,600	2,600	1913
Mariano A. Evans	1919	1,100	3,200	1919
Robert M. Foster	1930	2,600	2,600	1919
John E. Goggins	1920	1,200	3,200	1925
Lemuel E. Greene	1921	1,800	2,800	1915
Henry Heibey, jr	1924	1,860	2,700	
Raymond J. Hinton	1930	1,800	4,800	
Willis Howard	1919	1,100	3,800	
Nathaniel Laden	1925	1,860	5,200	1924
William E. Leisbear	1918	1,320	3,200	
Cyril A. Liberty	1921	1,000	3,800	1911
Matthew Mills	1920	1,800	4,600	1915
E. Lee Noble	1918	1,600	4,600	1916
Clarence L. Parks	1918	1,800	3,600	1907
William E. Perry	1922	1,600	3,800	1918
William G. Pogue	1928	2,600	2,700	1921
Sallie B. Presley	1918	1,000	2,600	
Coulter S. Reading	1919	1,400	3,800	
John D. Ross	1920	1,620	3,800	1918
Ben F. Rymearson, jr	1922	1,800	4,000	1922
Frank C. Sakran	1919	1,100	3,800	1918
Arthur Skarry	1922	1,800	3,200	1922
Ernest J. St. Jacques	1924	1,320	2,700	1917
Paul D. Taggart	1922	1,320	2,600	1925
John A. Talbot	1919	1,200	3,200	1920
Raymond L. Taylor	1919	1,800	3,200	1926
William L. Thomas	1924	1,860	3,200	1920
Charles N. Wheian	1917	1,600	4,600	
Harry D. Wheian	1919	1,800	3,800	
John E. Wilcox	1924	1,800	2,700	
Frank H. Wilmot	1918	1,200	3,800	
Torrence Wolford	1920	1,000	3,200	
N. Faye Woodward	1918	1,000	3,200	1926
Milton B. Zeller	1917	1,500	3,800	1916
Leonard M. Zieman	1919	1,800	3,200	

Mr. BLANTON. I hope to-morrow that every Member of this Congress will read carefully this list of lawyers in Washington who are now employed by this one bureau. It will astonish you. And then read the list of lawyers outside of Washington now employed by this bureau, and it will further astonish you. Among this great army of so-called lawyers now employed by the Veterans' Administration you find here and there a real lawyer, but the great majority of them are mere lawyerettes, untrained, inexperienced, uninformed, and who do not know any more about properly preparing and conducting an important trial of an important case in a courthouse than a pointer dog. [Laughter.] All of the legal knowledge and experience they have ever had has been some lectures in a night school and clerical work in the bureau. Many entered the bureau at salaries of from $1,500 to $1,800 per year and are now drawing $3,000 to $9,000.

Mr. KELLER. How many of them?

Mr. BLANTON. Too many for me to count without an adding machine. [Laughter.]

The following is the list of lawyers outside of Washington now employed by this bureau:

Lawyers stationed outside of Washington employed by United States Veterans' Administration, with date they entered bureau, their salary when entering, their present salary now drawn, and year when they were licensed to practice law

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Nat H. Aaron	1918	$1,800	$3,500	1917
Leo L. Abbott	1930	2,600	2,600	1927
James Ables	1922	1,600	2,600	
Charles C. Adams	1928	2,600	2,600	1921
Ralph W. Adamson	1924	2,400	2,900	1896
Raymond E. Ahearn	1931	2,600	2,600	
Herbert O. Allen	1924	1,320	3,200	
Thomas A. Allen	1922	1,800	3,200	1921
Wm. H. Allen	1924	1,680	3,200	1923
John F. Allsman	1927	2,700	3,300	
Don C. Anderson	1919	2,500	3,800	
Frank D. Anderson	1919	1,100	3,200	
John S. Anderson	1930	2,600	2,600	
Edward R. Anshutz	1922	1,800	2,600	1928
Robert D. Austin	1930	2,600	2,600	
Samuel Bacherman	1924	1,800	3,300	
John F. Baggerly	1930	2,600	2,600	
James A. Bain	1924	1,800	3,300	
John Thaddeus Baker	1919	1,620	3,300	
Menter G. Baker	1922	1,800	4,000	1928
Vincent A. Baldauf	1928	3,000	3,800	1925
Walter E. Baldwin	1919	1,800	3,200	
Alfred M. Barlow	1925	3,000	3,800	1922
Herbert Barries	1925	1,860	3,200	1926
Frank A. Barry	1920	1,560	4,000	1925
Russell F. Bartlett	1919	1,100	3,300	1929
Ross W. Bates	1926	2,100	3,300	1909
George W. Batson	1918	1,100	3,800	
John Baylor	1919	1,800	4,000	1915
John R. Bays	1918	1,000	3,300	1923
Luther L. Beeler	1919	1,500	3,800	1914
Dee H. Beer	1922	1,800	3,300	1921
William B. Bees	1924	1,800	3,200	
Jamisson R. Balknapp	1929	2,600	2,600	
Chester Dare Bennett	1923	840	2,900	
Merton E. Bent	1925	1,860	3,300	
Lawrence G. Berg	1931	2,600	2,600	1917
William E. Berry	1928	2,100	3,500	1927
Byron H. Black	1931	2,600	2,600	
Elgin H. Blalock	1928	2,100	3,200	1922
Walter B. Bost	1920	2,000	3,300	
Wier L. Boyd	1921	1,800	3,300	
Benjamin F. Bratcher	1928	3,000	2,600	
DeRoy Braunberg	1917	1,000	3,500	
Barnett W. Breedlove	1925	2,500	3,200	1924
John F. Brennan	1918	[1] 75	3,200	1924
William J. Brennan	1921	1,340	2,600	1923
Charles C. Breslin	1922	1,800	2,600	1928
Richard N. Brooke	1931	2,600	2,600	1924
George Rowland Brown, jr	1920	2,200	4,000	1913
Wade T. Brown	1918	1,200	3,800	1924
Joseph L. Brown	1919	1,800	3,300	1918
James H. Brumby	1932	2,600	2,600	
Warren F. Brumfield	1926	2,100	3,200	1925
William B. Bryan	1930	2,600	3,200	
John E. Buenting	1926	2,100	3,200	
Howard Huggins Buice	1921	1,800	3,200	1925
Harold L. Buist	1930	2,600	2,600	
Alexander A. Burch	1932	3,200	3,200	1909
Charles J. Burke	1919	2,400	3,300	
George W. Burke	1926	2,100	3,800	1924
Waterman A. Burlingame	1924	1,800	3,200	1900
James B. Burns	1919	1,800	4,400	1915
James F. Burns	1919	1,100	2,600	1922
Morris Burroe	1930	2,600	2,600	
Catherine M. Butler	1928	1,320	2,600	1923
James W. Butler	1921	2,400	3,200	1923

[1] Per month.

Lawyers stationed outside of Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Continued

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Robt. B. Buzzelle	1930	$2,600	$2,600	
Oliver C. Byerly	1931	2,600	2,600	
Cleveland Cabler	1919	1,740	4,600	
Claude M. Callahan	1930	2,600	2,600	
Thomas R. Callahan	1923	2,500	4,800	1921
John W. Callender	1924	1,140	3,200	
Harold F. Canning	1924	1,860	3,300	1923
Sibert B. Carmichael	1919	1,200	3,200	1917
Joseph D. Carroll	1931	2,600	2,600	
Allan Carter	1918	1,400	4,000	1908
Thomas E. Carter	1920	1,800	3,600	1919
Albert B. Cessna	1921	2,250	3,300	1516
George H. Chappelear	1918	1,200	2,600	1924
Frank O. Chavez	1929	2,900	3,200	
William F. Cheek	1924	1,800	3,800	1924
Stephen B. Christian	1922	1,800	3,300	
Albert H. Christiansen	1930	2,600	2,600	
James P. Christensen	1924	1,860	4,000	
Leo. H Christensen	1930	2,600	2,600	1924
Morton L. Cisco	1921	1,400	3,300	
James A. Clark	1918	1,400	4,800	1911
Calvin C. Cloud	1922	1,800	3,800	
Maxwell Cohen	1920	1,800	2,700	1924
Rufus G. Coldwell	1922	1,800	3,800	1922
Edward F. Collins	1919	1,100	2,600	1923
Willoughby F. Colton	1919	1,620	3,300	
John P. Conmy	1932	3,200	3,200	1907
William B. Connell	1931	1,440	2,600	
Frank E. Connor	1928	2,600	3,300	1928
Clara M. Coon	1919	1,200	2,600	1924
Henry E. Corcoran	1919	1,800	4,000	1911
Fischel Cornfield	1927	1,140	2,600	1929
John A. Cotton	1923	1,240	2,600	1921
Thomas P. Coughlin	1930	2,600	2,600	
James H. Countryman	1932	3,200	3,200	
Alfred F. Cowan	1929	2,600	3,200	1925
Howard E. Crandall	1930	3,200	3,800	1922
Cornelius J. Crean	1932	3,200	3,200	1925
Allen Crenshaw	1929	3,800	3,800	1906
Earl R. Crickard	1922	1,800	3,300	
John D. Crogan	1930	2,600	2,600	1927
Earle G. H. Cromer	1922	1,800	3,800	
Donald J. Cronan	1921	1,800	3,200	
Neil J. Cronin	1919	1,800	4,800	1917
Murray L. Crosse	1925	1,680	2,300	1929
James N. Crowder	1919	1,220	3,200	1900
Samuel Crumbaker	1918	1,800	3,300	1892
John A. Cumberland	1931	2,600	2,600	1930
Buryl Cummins	1928	2,600	3,200	1924
Ray J. Cunningham	1919	1,800	3,200	1923
Peter W. Cuviello	1919	1,400	3,300	1913
Edward J. Dailey	1918	1,200	3,300	1923
Louis I. Dailey	1929	2,600	3,200	1924
James F. Daley	1919	1,100	3,800	
Andrew T. Dalton	1924	1,800	3,200	1924
John J. Darcy	1920	1,400	2,700	1926
Joseph B. Davis	1924	1,800	3,800	
Ray D. Davis	1923	1,440	3,200	
Wilkes H. Davis	1923	1,800	4,000	1922
Joseph B. Day	1930	2,600	2,600	1924
Aura B. Dean	1922	1,020	2,700	
Frederick F. Dean	1891	1,000	2,800	
William I. Deck	1925	1,800	3,300	1923
John L. DeGroot	1927	2,100	2,900	1902
Francis E. Delamore	1922	1,800	2,200	1905
Jeremiah H. Dempsey	1922	1,800	2,600	
Judson D. DeRamus	1923	1,800	4,000	1923
John M. Dervin	1919	1,800	4,600	1917
Howard F. Dickensheets	1919	2,000	4,000	1925
Daniel Dillon	1931	2,600	3,200	1907
Robert R. Dinsmore	1922	1,800	4,000	
Silas Benjamin Dishman, jr	1919	1,800	4,200	
John J. Dolan	1928	2,100	3,200	1927
James J. Donegan	1921	1,800	3,500	
Thomas P. Doran	1919	1,100	2,600	
George D. Dorroh	1924	1,800	2,600	1923
Allen G. T. Dorton	1922	1,740	2,600	1928
Arthur M. Dounn	1920	1,800	3,200	1918
Patrick F. Dugan	1921	1,800	3,300	1919
William H. Dunn	1918	1,800	3,300	
Robert D. Durst	1930	3,200	3,800	1925
James E. Dwyer	1931	2,600	2,600	1922
Eric Eades	1918	2,500	4,000	
Louis C. Eaton	1924	1,020	2,600	1899
William C. Edgar	1924	1,860	2,600	
John R. Edmunds	1930	2,600	2,600	1929
Charles C. Eidler	1931	2,600	2,600	1920
Otto G. Eible	1919	1,800	4,800	1916
David D. Elliott	1930	2,600	2,600	
Robert A. Ellis	1930	2,600	2,600	1922
LeRoy Elmore	1931	1,800	3,200	
Ben H. Elwood	1929	2,600	3,200	1920
Calvin R. Emmett	1924	2,000	2,600	
Louis J. Emmert	1924	1,860	3,300	
Richard D. Engel	1919	1,800	3,300	1910
Edwin G. Erlandson	1922	1,800	3,300	1917
Joseph R. Esher	1931	2,600	2,600	1924
Frederick N. Estopinal	1922	1,800	3,800	
Lee E. Etnyre	1931	1,440	2,600	
D. Dwight Evans	1921	2,400	3,800	1900
Emanuel E. Frabman	1921	1,800	3,300	1918
Samuel S. Faires	1919	900	3,500	1923

Lawyers stationed outside of Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Continued

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Andrew McC. Faucette	1928	$2,700	$3,200	1924
Lester F. Ferris	1929	2,600	3,200	1925
Walter E. Fillman	1926	2,100	3,200	
Hugh Samuel Finch	1919	1,200	3,500	
James J. Finch	1928	2,300	2,600	1926
Joseph V. Fitts	1925	2,400	3,800	
Charles M. Fitzgerald	1930	2,600	2,600	
Francis J. FitzGerald	1930	3,200	3,200	1927
William Thomas Fitzgerald	1922	2,400	4,800	
Paul B. Flaherty	1921	1,200	2,600	1926
Edward J. Fleming	1918	1,000	2,600	1924
Elmer M. Freudenberger	1925	1,800	3,500	
Charles D. Flynn	1920	1,200	3,200	
William J. Flynn	1929	2,000	3,200	
Robert F. Floyd	1923	1,800	3,200	
Ernest D. Fooks	1929	2,600	3,200	1926
Deward G. Fountain	1928	2,600	3,200	1924
John H. Fraine	1922	2,750	4,600	1891
Charles J. Frech	1922	1,800	3,300	1916
Abraham Friedman	1930	2,600	2,600	1927
Allen J. Furlow	1931	3,800	3,800	1920
Teresa V. Gallagher	1929	960	2,700	1924
Epili Garrett	1924	1,800	3,200	1923
Vester S. Garrett	1924	1,800	3,500	
George J. Garrity	1925	1,860	3,300	1921
John M. George	1917	1,100	5,000	1892
Oscar H. Geralds	1924	1,140	3,200	1925
John H. Gersty	1931	2,600	2,600	1924
Bayard S. Ghrist	1920	2,400	3,300	1913
Ralph E. Gibson	1922	1,800	2,600	1914
Henry H. Giffix	1920	1,800	2,600	
William A. Gilfcrist	1920	2,200	4,000	
Francis J. Gillies	1931	2,600	2,600	1926
William Glassner	1919	1,620	3,800	
Joseph M. Gleeson	1919	1,200	2,600	1924
William H. Gobron	1931	2,600	2,600	1927
Bascom H. Godwin	1919	1,800	3,800	1919
John L. Godwin	1919	1,200	4,000	1913
Benjamin Goldstein	1919	960	2,600	1928
Emmett F. Good	1924	1,140	3,200	1927
Daniel A. Gotthold	1931	2,600	2,600	1917
Chester K. Gould	1922	1,800	3,300	1916
Joseph T. Graham	1924	1,800	3,300	1923
Isidore Greenberg	1919	1,100	3,300	
Herbert H. Greene	1925	2,100	3,200	1919
William P. Greene	1920	1,520	3,800	
Bertram F. Griffin	1924	1,860	2,600	
Raymond T. Griffin	1918	1,500	3,200	
Jewell P. Gross	1924	1,800	3,800	
Starkey Grove	1925	1,860	3,200	1924
Maurice M. Grudd	1931	2,600	2,600	1923
Charles R. Guinn	1918	1,800	2,800	1914
William J. Guren	1921	1,800	3,800	
Arthur Gusack	1930	2,600	2,600	1923
Dustin W. Gustin	1921	2,250	3,200	1914
Matthew T. Hale	1922	1,800	4,000	1922
John J. Haley	1922	1,200	3,300	
William A. Haley, jr	1925	1,860	2,800	1920
Thomas F. Halpin	1920	1,800	3,300	
John E. Haltigan	1922	1,800	3,800	
Martin Hamilton	1921	2,400	3,200	1920
Arny H. Hammann	1921	2,400	4,000	1920
James M. Hammond	1904	3,800	3,800	1921
Wallace T. Hanning	1923	1,800	3,500	
Hoyt B. Harper	1921	1,500	2,700	1920
William P. Harper	1925	1,860	2,600	1892
Thomas F. Harris	1926	2,100	3,300	
Frank G. Harrison	1930	1,200	2,600	
Brownlee Harvey	1931	2,600	2,600	1914
John T. Haughey	1930	1,620	2,600	
Omar E. Hawk	1921	1,200	2,600	
John M. Hawkins	1925	1,800	3,200	1923
Emil B. Heckenkamp	1924	2,000	3,300	1916
Albert B. Heitz	1923	1,800	3,800	1927
Albert B. Hemp	1922	2,000	2,000	
Luke B. Henry	1924	1,860	3,500	1920
Victor E. Hermansen	1927	2,100	3,200	1922
William J. Hession	1930	1,800	4,800	1919
John B. Hicks	1920	1,200	3,300	1926
Daniel E. Higgins	1920	1,320	4,600	
Charles E. Highfill	1917	1,600	3,300	1915
Frank A. Hill	1918	1,800	3,600	
Henry T. Hill	1921	1,400	3,300	1923
Madison L. Hill	1931	3,200	3,200	1923
Eugene R. Hinds	1921	1,800	2,800	
Alva E. Hines	1919	1,100	3,200	1927
Hobart H. Hobbs	1925	1,320	2,700	1928
Hal K. Hodgson	1927	1,140	3,200	
Joseph N. Holcomb	1930	2,600	2,600	1928
Harold W. Hollis	1922	2,200	3,300	
Charles B. Holloway	1931	2,600	2,600	1920
Harry O. Holt	1923	1,800	3,800	1915
Emery R. Hontz	1919	1,100	3,300	1922
William H. Hoover	1922	3,200	3,200	1915
Clarence K. Howe	1927	2,100	3,200	1923
George E. Hughes	1922	1,800	3,200	
George A. Hurley	1919	1,400	3,500	
Julia E. Hurst	1928	2,600	2,600	
Onan A. Hydrick	1928	3,000	4,600	
Lertie M. Hylton	1922	1,800	3,800	1930
Joseph O. Ikard	1922	1,800	2,600	1922
Edwin C. Irion	1926	3,000	3,200	1908

Lawyers stationed outside of Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Continued

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Richard N. Ivins	1932	$3,200	$3,200	
Charles L. Jacobs	1931	2,600	2,600	
Lloyd H. Jameson	1924	1,800	2,600	1930
William P. Jent	1931	2,600	2,600	
Claus L. Johanson	1930	2,600	2,600	
Arthur Lawrence Johnson	1918	1,800	4,600	
Gustave A. Johnson	1918	1,400	3,300	1914
James F. Johnson	1928	2,400	2,600	
William B. Johnson	1932	2,600	2,600	
Byrl H. Johnston	1927	1,140	2,600	1923
Wade L. Jolly	1923	1,240	3,200	1927
Allan V. Jones	1927	2,100	3,200	1925
Carl C. Jones	1931	2,600	2,600	
Charles S. Jones	1924	2,000	4,000	
Horace T. Jones	1922	3,500	4,200	
David E. Jude	1922	1,800	4,600	
Louis N. Kaplan	1924	1,860	2,600	1924
Karl K. Kasbeer	1924	1,800	3,500	1922
James M. Keaing	1924	1,140	3,300	1927
Edward A. Keck	1919	1,100	4,800	
Thomas A. Keefe	1918	1,800	3,000	1915
William Keller	1929	2,600	3,000	
Horace A. Kelly, jr	1930	1,260	2,600	
Lois Ada Kelly	1918	1,100	2,700	
Vincent L. Kenny	1921	1,800	3,200	
Herbert Kettenacker	1922	1,800	3,300	
Cornelius J. Keyes	1925	1,860	3,200	1921
Joseph P. Kikulski	1926	2,100	3,200	
Solomon Kilgore	1930	2,300	2,600	
James T. Kirby	1931	2,600	2,600	1915
James H. Kiernan	1931	2,600	2,600	
Berthold C. Klostrke	1925	1,800	3,200	1921
Ribert M. Koeneke	1931	2,600	2,600	
Samuel P. Kohen	1919	1,300	4,000	1916
Kenneth E. Kohler	1932	2,600	2,600	
Ben V. Kramer	1931	2,600	2,600	
Frederick W. Krichelt	1922	1,800	3,800	
Arthur LaaManna	1919	1,320	3,300	1913
Louis G. Lange, jr	1931	2,600	2,600	1930
Clancy A. Latham	1929	2,600	3,200	
Daniel C. Larson	1926	2,040	3,300	
Louis P. Lavery	1922	1,800	4,000	
Edwin L. Layton	1920	1,320	3,300	
Leon L. Leach	1922	1,800	3,800	
Richard L. Leach	1922	1,800	3,800	1921
George R. Lee	1922	1,600	3,300	
Martin J. Lee	1925	1,860	3,300	
Vivian O. Lee	1919	2,000	3,300	
Wendell R. Larch	1931	2,600	2,600	
Henry L. Loutjen	1925	1,860	3,300	1924
Abraham Levy	1918	1,200	3,300	1912
Philo L. Lindley	1922	1,800	3,200	
Winston S. Lindsay	1931	2,600	2,600	1909
John H. Lindstrom	1924	1,800	3,500	1924
Walter M. Livingston	1919	1,600	3,200	
Joseph T. Lloyd	1920	1,200	3,200	
John S. Logan	1923	1,800	3,800	
John C. Long	1919	1,800	3,300	1918
Lionel V. Lonsdale	1931	2,600	2,600	
William M. Lytle	1918	1,800	3,200	1916
John C. MacMahon	1918	1,600	2,700	
Stuart MacLachlan	1931	2,600	2,600	
Edwin M. Macy	1918	1,800	3,300	
Edward A. Maher	1929	2,600	2,600	1926
Louis A. Maisel	1924	2,000	3,300	1924
Lee T. Mann	1917	1,200	3,300	
Seth Manning	1932	3,200	3,200	
Edwin M. Mara	1924	1,740	3,300	1924
Louis Marks	1917	1,800	4,000	1910
Guy F. Marshall	1924	2,000	2,000	1915
John K. Marshall	1919	1,100	2,600	
Edward Martin	1921	1,800	3,200	
Rebel Martin	1925	1,800	3,200	
William T. Martin, jr	1919	1,800	3,300	
Frank Martinez, jr	1922	1,800	3,800	
Harley P. Mathewson	1918	1,500	2,800	1896
James G. Mathis	1919	1,800	3,300	
Ambrose S. Matuszeski	1929	1,260	2,600	1923
Frederic H. Maughmer	1931	3,200	3,200	1932
Elbridge Melton	1930	2,600	2,600	1923
Claude L. Meredith	1926	2,100	3,500	1926
Henry H. Merry	1931	2,600	2,600	1928
Walter L. Metzger	1922	1,800	4,600	
Jacon Meyer	1924	1,800	4,000	
Merle F. Meyer	1922	1,860	3,300	1914
Ernest C. Mich	1919	1,800	2,600	1916
Lawrence R. Michener	1931	2,600	2,600	1929
James W. Milam	1930	2,600	2,600	
Stanley H. Miller	1931	2,600	2,600	1926
Walker J. Miller	1926	1,320	3,200	1928
Cary O. Mills	1924	1,440	2,600	
Harry B. Milnor	1919	1,200	2,600	1929
Eustace W. Mingee	1919	1,500	2,700	
Arthur C. Minning	1921	1,800	3,200	1900
Powhastan Moncure	1922	1,800	3,800	
Marcelino E. Moreno	1919	1,100	3,200	
William S. Montgomery	1920	2,400	3,300	1916
Edwin V. Moore	1918	1,260	3,300	1910
Thomas J. Moroney	1931	2,600	3,200	
Joel N. Morris	1922	1,800	3,800	
Chester P. Morissey	1919	1,800	3,800	
John W. Morton	1920	1,800	2,900	

Lawyers stationed outside of Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Continued

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
Emmette L. Moseley	1925	$2,100	$3,200	
Frank R. Moskey	1928	2,400	3,200	1924
Claud R. Moss	1920	1,800	3,300	
Basil B. Mulligan	1919	1,100	3,800	1921
Asa Boydston Mustain	1921	1,800	3,200	1914
Charles H. McCann	1919	1,800	2,600	1915
Charles T. McCarty	1924	1,440	3,200	
Henry G. McCutchen	1922	2,200	3,900	
Charles G. McDonald	1918	1,000	2,700	
James J. McDonald	1922	1,800	3,200	
Herbert E. McDonald	1919	1,100	3,800	
Edward F. McElroy	1922	1,800	2,600	
Arthur McGlamery	1925	1,860	3,200	1924
Thomas F. McGuire	1921	1,800	3,300	
Freal H. McIntosh	1919	2,400	4,200	
Andrew F. McLaughlin	1924	1,860	3,200	
Walter Philip McLaughlin	1921	1,400	3,500	1919
Leo McNamara	1923	1,020	3,200	
Robert J. McNeill	1922	1,200	3,300	1926
Thomas J. McQuillem	1908	480	2,800	
Elliott McVey	1922	1,800	3,200	
William C. McWade	1918	1,300	3,200	1915
Chester F. Naumowicz	1919	1,800	4,100	1918
John H. Meergaard	1922	1,800	3,800	
Abraham Nelson	1922	1,800	3,300	
Wilbur F. Nesbitt	1919	1,800	3,300	
Charles H. Newsom	1921	2,200	2,600	
Giles Y. Newton	1930	2,600	2,600	1924
Jesse Martin Nixon	1920	1,800	3,800	1930
Mrs. Marion C. Nixon	1922	1,140	2,700	
Bernard A. Nolan	1919	1,800	3,300	1917
Alfred S. Northrup	1930	3,200	3,200	
Thomas J. Norton	1930	2,600	2,600	
Joseph F. O'Hern	1920	1,800	3,500	1922
William J. O'Neill	1926	1,920	3,200	
Franklin R. Paine	1925	1,860	3,200	
John E. Palmer	1930	2,600	2,600	1922
Arthur Parr	1922	1,800	2,700	
Ivan F. Parrigin	1924	2,100	3,200	
Homer S. Patterson	1928	2,100	2,600	1927
Joseph H. Payne	1924	2,000	3,300	1913
Manie C. Perryman	1919	1,100	3,200	
William R. Peters	1919	1,800	3,300	
Raymond A. Philibert	1926	2,100	3,200	
George E. Pickett	1928	2,600	2,600	
Gladstone Pitt	1922	1,600	3,300	
Otto Polking	1921	1,202	3,200	
Joseph Polowe	1930	2,300	2,300	
Harry R. Pool	1921	1,800	4,800	
Lester E. Pope	1922	1,800	4,600	1916
Rufus L. Popwell	1920	1,800	3,800	
Donald T. Powell	1920	1,800	4,000	
Thomas R. Powers	1922	1,800	3,800	
Morgan H. Prewton	1920	2,600	2,600	
James R. Price	1924	1,320	3,200	
Reuben M. Price	1921	1,800	3,200	
Fred L. Protine	1922	1,800	3,300	
Q. A. Quigley	1930	3,200	3,200	1921
Thomas C. Quinn	1919	1,800	4,600	
Edward S. Ragsdale	1921	1,800	3,800	
Russell L. Rankin	1930	2,600	2,600	
John P. Ratcliffe	1930	2,600	2,600	1922
Lowell Wm. Raymond	1919	1,500	4,200	
Henry L. Reynolds	1931	2,600	2,600	
Morris Richmond	1930	2,600	2,600	
George A. Ringger	1919	1,620	2,600	1919
Edward F. Reed	1930	2,600	2,600	1924
Timothy P. Regan	1929	2,600	3,200	
John A. Reilly	1920	1,800	3,800	1914
Nathan R. Robbins	1917	1,600	3,000	
Carroll D. Robertson	1927	2,100	3,200	
Mark S. Robson	1919	1,100	3,200	
Arthur Rockow	1922	1,800	3,300	1922
John H. Rogers	1929	2,300	2,600	1926
Thomas F. Rooney	1921	1,200	3,300	
William F. Root	1931	2,600	2,600	
Milton S. Rosenfield	1924	1,860	3,300	1914
David H. Rosier, jr	1931	3,200	3,200	1924
Leo J. Ross	1923	1,240	3,300	1925
Isaac Aaron Roth	1920	1,600	2,700	
Wilfred L. Rothrock	1920	1,520	3,300	1920
Parke R. Ruark	1924	1,800	2,700	
Clifford A. Rush	1924	1,800	4,800	
Morrison W. Russell	1923	2,400	4,000	1910
William N. Rydalch	1921	1,800	3,200	
Allen C. Rynearson	1925	2,000	3,800	1922
Joseph H. San	1930	4,000	4,600	
Ernest Sanders	1929	2,600	3,200	
Walter B. Scarborough	1931	2,600	2,600	1927
Peter M. Scardino	1922	1,800	3,360	1920
Abraham Schwartz	1020	780	3,300	
Abraham N. Schwartz	1930	2,600	2,600	1924
Myer Schwolsky	1918	1,800	4,000	1918
John A. Scotney	1921	2,000	3,200	1926
Walter H. E. Scott	1924	1,800	3,800	1924
Henry B. Searcy	1924	1,860	3,200	
William G. Searcy	1919	1,500	3,300	1922
Oscar V. Seed	1931	3,200	3,200	1915
Julius A. Setze	1923	1,500	3,200	1922
Lloyd J. Shaffer	1920	1,800	3,300	
Frederick J. Shea	1921	2,000	3,300	
Arthur C. Shepherd	1925	1,860	3,300	1906

Lawyers stationed outside of Washington employed by United States Veterans' Administration, with date they entered bureau, etc.—Continued

Name of lawyer	Year entered bureau	Salary when entering bureau	Present salary now drawn	Year licensed to practice law
William L. Sheridan	1925	$1,860	$3,300	1924
Max Shulman	1930	2,600	2,600	
John C. Shunk	1921	1,800	3,200	1920
John G. Sims	1931	3,800	3,800	1916
Emmett A. Skelton	1922	1,600	3,500	
Julia H. Skinker	1922	1,800	3,200	
Claud C. Slon	1922	1,800	3,800	
Bradley B. Smith	1931	2,600	2,600	1928
Charles T. Smith, jr	1930	2,600	2,600	1917
Henry O. Smith	1918	1,500	3,200	
William T. Smith	1926	2,000	3,300	1925
Joseph C. Snell	1930	2,600	2,600	
Jean D. Snook	1919	1,800	3,500	
Herbert L. Songer	1918	1,400	3,300	1910
Leonard M. Sowards	1931	3,200	3,200	1923
Larken Speer	1931	2,600	2,600	1931
Willum H. Spiller	1929	2,600	3,200	
Gerald B. Stachowiak	1928	2,100	3,200	
Walter G. Stamm	1924	1,800	3,200	
Francis W. Steele	1918	1,800	3,000	1920
Arthur E. Stevens	1920	1,800	2,700	1916
Thomas H. Stilwell	1921	2,400	3,300	
Robert E. Stowers	1919	1,080	3,800	
Edwin D. Sullivan	1922	1,800	3,300	
Welbie L. Sullivan	1890	1,000	2,600	
Frederick E. Sutton	1919	1,320	2,600	1907
Arthur R. Swen	1919	2,500	3,100	
David V. Swann	1931	2,600	3,200	1923
John A. Sykes	1932	3,200	3,200	
John B. Tague	1925	1,800	3,800	
Frank D. Tanner	1919	1,800	3,500	
Solomon D. Taylor	1919	1,800	3,200	1916
William A. Taylor	1921	2,400	3,400	1929
Arthur R. Thompson	1924	1,860	3,300	
John T. Thompson	1920	2,600	2,600	
Preston E. Thompson	1924	1,860	2,700	
Alfred S. Thomson	1919	1,800	4,200	1917
Lewis Tillman	1921	3,500	4,800	1908
Richard A. Toomey	1923	2,000	4,000	
Vincent Raymond Toomey	1920	1,800	3,300	
Robert S. Trimble	1930	2,600	3,200	
Charles W. Trisler	1918	1,400	3,300	1914
Thomas B. Tuchy	1922	1,800	4,000	
David A. Turner	1931	2,600	3,200	
Edward B. Turner	1926	2,100	3,300	
Robert M. Uehren	1919	1,600	3,200	1921
Joseph H. Underdahl	1924	1,860	3,500	
Henry V. Veit	1922	1,800	3,800	
Francis T. Wade	1930	3,200	3,200	1922
Frederick H. Wagener	1924	1,860	3,800	
Miss Metta D. Walker	1920	960	2,900	1921
Harry A. Wallerstein	1920	2,400	4,600	
John B. Walsh	1921	1,800	3,300	
John J. Walsh	1918	1,800	3,400	
Thomas E. Walsh	1919	1,400	3,800	1922
Lawton H. Ware	1932	3,200	3,200	1920
Niles N. Warlick	1931	2,600	2,600	
William H. Warnock	1920	2,400	2,500	
Robert H. Wasson	1929	1,200	2,600	1927
Manly A. Watson	1930	2,600	2,600	1927
Addison H. Willey	1931	1,260	3,200	
James L. Watts	1928	2,400	2,600	
Harry Waxman	1930	2,600	2,600	
Kassell Weinstein	1931	2,600	2,600	1927
Henry E. Weitz	1924	1,800	3,300	1923
George N. Welch	1919	1,600	3,300	
Richard F. Welch	1920	1,800	3,300	1919
William A. Welch	1925	2,100	3,200	1925
Lynn B. Wells	1931	2,600	2,600	
Albert T. Westbrook	1919	1,100	2,600	1928
Anthony J. Whalen	1922	1,800	3,300	1921
Selden F. Wheeler	1921	1,800	3,200	
Dorsey B. White	1919	2,400	2,600	1914
Newman W. White	1925	1,860	3,500	
Nathaniel E. Whiting	1924	1,800	3,800	1927
Earle C. Whitley	1922	1,800	3,200	1922
Floyd T. Whitman	1919	1,800	3,300	1917
John H. Whittington	1925	2,100	3,300	1925
Hugh W. Wicker	1920	900	2,600	1922
James C. Willcox	1924	1,800	3,800	
Clark M. Williams	1921	1,800	3,300	1918
Joseph A. Williams	1931	2,600	2,600	
Samuel Williams	1921	900	2,600	
Thomas J. Williamson	1924	2,400	4,800	1922
Vergil E. Willis	1927	2,100	4,000	1923
Charles C. Wilson	1931	2,600	2,600	
Jay B. Wilson	1931	2,600	2,600	
Louis Winer	1921	1,800	3,200	1921
James J. Winters	1931	2,600	2,600	1930
Daniel D. Wolfe	1924	1,320	3,300	
Karl G. Wornuth	1919	1,800	3,300	1921
Karl Wolff	1922	1,020	2,600	1927
Grover C. Young	1918	1,100	2,600	1929
Archie R. Zack	1924	1,860	3,300	
Paul W. Zerwekh	1932	3,200	3,200	1916
Ellsworth E. Zook	1931	2,600	2,600	
Lyle E. Zumwinkle	1920	3,800	3,800	1917
Charles P. McDermott	1928	2,600	2,600	1924
Kenneth T. Wright	1926	2,100	2,800	
Albert L. Young	1924	1,140	2,600	

Mr. BLANTON. I submit to my colleagues in Congress that the Veterans' Administration has entirely too many lawyers. I do not believe that any colleague in Congress ever dreamed that any one bureau of Government had in it as many lawyers as I have mentioned.

Now, let me introduce you to some of them. First, there is Mr. William Wolff Smith, drawing a salary of $9,000, and also retired pay of $187.50 per month additional, who got a swivel-chair commission in the Sanitary Corps here in Washington on October 29, 1918, just exactly 13 days before the armistice; who was for six months prior thereto employed in the War Department at a salary of only $125 per month; who was, when commissioned, declared physically unfit; who did not leave the Army after the war until he got the year's extra pay of $2,000; who was given a position in the Veterans' Bureau by Col. Charles R. Forbes at $4,000 on January 17, 1923, and 13 days later was promoted, on February 1, 1923, by Colonel Forbes to be general counsel, at $7,500 per annum, succeeding Mr. Kramer, who you will remember shortly thereafter committed suicide; and you will remember a little later on we sent Colonel Forbes to the penitentiary at Atlanta, but William Wolff Smith remained; and under a construction of the Welch Act he got his salary raised to $9,000 per annum, with 30 days' vacation on full pay and 30 days' sick leave on full pay each year. As a matter of fact, during most of the time he has been general counsel, since February 1, 1923, when he was not playing golf and having a good time in Washington, or else traveling all over the United States at Government expense, he has been in Government hospitals himself, getting the disabilities he possessed at the time he entered the Army treated, operated on, and trimmed up, the Government paying for his doctors, surgeons, nurses, medicines, and general hospital expenses, he drawing his big salary all of the time.

Just as soon as Congress passed the act granting a full year's pay to all officers who were discharged, William Wolff Smith arranged for the War Department to send him to Honolulu, and he and his wife thus got free this wonderful junket trip by way of the Grand Canyon going and by way of Mountain Rainier coming back, Smith putting in his application to be discharged just before he left San Francisco on the boat.

When the move was first made to pass the disabled emergency officers' retirement act, the Veterans' Bureau sent a report to the Military Affairs Committee, which Chairman McSWAIN now has, estimating that only 890 officers would get retired pay under said act, but just before the act was passed the bureau reported that 3,200 officers could come under the act. The act was passed on May 24, 1928, and the next day, before any forms had been printed or regulations promulgated, William Wolff Smith filed his application with the bureau for retired pay under said act, he knowing that if he should be allowed retired pay, he would get it from the date he filed his application, hence he was in such a hurry to get retired pay that he filed it on May 25, 1928; and after he had been turned down and turned down by different boards, he was finally allowed it, two years and a half after he had filed his application, and he then got from the Veterans' Bureau a check for $5,843.75 covering retired pay at the rate of $187.50 per month from May 25, 1928, to that date, December 30, 1930, during which time he was also drawing his regular salary of $9,000 per year. And ever since receiving that check for $5,843.75 he has continued to draw his $9,000 salary and also his additional retirement pay of $187.50 per month.

When we brought him before the Military Affairs Committee, confronted by the above facts and also by the fact that the board had on it George H. Lynch, who draws $6,000; Dr. T. B. Cracroft, who draws $6,200; and J. R. Galbraith, who draws a salary of $5,600 and also retirement pay additional of $106.25 per month, and whose wife also draws $2,400 in the bureau, it was no wonder that William Wolff Smith went to pieces and agreed to pay back to the Government his $187.50 per month and got himself sent to a hospital as irresponsible so that I could not make him admit some damaging facts.

Then there is the present solicitor in the bureau, who has under him several hundred lawyers and directs all legal business except insurance matters, which since July are handled by Smith. When the war started this solicitor was a student in Georgetown University. He donned a uniform, and I commend him for it. When the war was over he finished his law course and then entered the bureau. He does not know how to try a case. He does not know how to instruct lawyers to prepare a case for trial. He does not know how to prepare for the introduction of witnesses, and yet he is the solicitor in the bureau who entered it at a salary of $1,500 and now is drawing $8,000, and has under him an army of lawyers to direct.

Mr. SIMMONS. Will the gentleman yield? Does he have reference to Mr. Roberts?

Mr. BLANTON. Yes.

Mr. SIMMONS. I want to say to the gentleman that in my opinion he is absolutely qualified for the job.

Mr. BLANTON. Did he ever try a case?

Mr. SIMMONS. I do not know. But Mr. Roberts is doing his work, and doing it in a wonderfully fine and efficient way.

Mr. BLANTON. I want to say to my friend—and he is my friend, and I appreciate him; I think he is a valuable man, but he sometimes makes statements in behalf of his friends that are really unwarranted—that there is not a man under God's shining sun who can tell other lawyers how to try a case successfully unless he has tried cases successfully himself. He can not do it.

Mr. SIMMONS. But I want to say to the gentleman that Mr. Roberts——

Mr. BLANTON. I do not yield. The gentleman must not interrupt me until I yield.

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. Not now. In just a few minutes. I read to the committee yesterday a decision of a distinguished Federal judge out in Montana, and if you want to know how that Federal judge stands out there you ask the gentleman from Montana [Mr. LEAVITT], and he will tell you that he is one of the finest judges in the United States. He said, in effect, that it was foolishness to call the case this bureau attended to for the Government a defense. He said it was foolish to call it a defense. He said that the cases are unprepared, not properly presented, and he said the judgment went against the Government as a matter of course.

Now, that is going to continue to be the way as long as you have men like William Wolff Smith and Roberts at the head of the legal department directing hundreds of lawyers when they have never tried a case themselves.

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. Not yet. I heard a distinguished lawyer from the Veterans' Bureau yesterday admit to the committee under oath that the Government has lost about 85 per cent of its cases defended by this Veterans' Bureau. I want you to read the list of lawyers in the RECORD when it is printed to-morrow. You will see where scores of clerks entered the bureau at a salary of $1,600 to $1,800, attended a few law lectures, and now are drawing big salaries as lawyers. Where did they ever get an opportunity to learn how to try a case successfully in the courts?

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BLANTON. In just a minute; I want to call attention to these facts.

Mr. EATON of Colorado. Would not most of these 85 per cent of cases have been lost anyway? Has not the fault been in the legal opinions that were given before?

Mr. BLANTON. The gentleman is backing up every word that I say about the inefficiency of these lawyers. If they were just cases filed against the Government, they should have been settled by the bureau before going to court without forcing the veterans and the Government to go to the expense of a trial.

Mr. LUCE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Is the gentleman with me, or is he trying to hamstring me? If the gentleman will answer that, I will be very glad to yield.

Mr. LUCE. The gentleman is trying to testify from personal knowledge.

Mr. BLANTON. I do not yield for any speech. The gentleman is a good parliamentarian and he made a good State officer, but I am sure that he does not know as much about this subject as I do. [Laughter.]

Mr. LUCE. But I know more about this man than the gentleman does. I do not think the gentleman is quite fair.

Mr. BLANTON. I will tell the only unfair thing that I know about the gentleman from Massachusetts. He permitted a dentist down here to do some work for him once, and let that dentist hold him up for a thousand dollars. If he will let a dentist hold him up for that, he can not lecture me. [Laughter.] The reason I know that is that this dentist, when trying to hold me up, showed me the check that my colleague had given him.

Mr. LUCE. Will the gentleman yield now?

Mr. BLANTON. Oh, the gentleman is so distinguished and I think so much of him that I yield.

Mr. LUCE. I simply wanted to testify that Mr. Roberts has been before the World War Veterans' Committee since its organization.

Mr. BLANTON. Yes.

Mr. LUCE. And I have had constant contact with him, and I want to testify that there is no man in the service of the Government who is better worth his salary than is Joe Roberts.

Mr. BLANTON. Has the gentleman ever seen Mr. Roberts try a case in the courthouse?

Mr. LUCE. That is not his job.

Mr. BLANTON. Well, since last July he has been the solicitor of the bureau, drawing $8,000 per year, and in charge of several hundred lawyers, and to hold such a position I maintain that he should be an able, experienced lawyer. I know that he has been representing the bureau before various committees of Congress and that he is a genial fellow and has made us all like him personally, but a layman without any legal knowledge or experience could do this same work before committees of Congress.

Now, Mr. James O'C. Roberts, this $8,000 solicitor, got his law degree while working for the bureau, graduating in June, 1922, just three years after he entered the bureau. Now, here is his record in the bureau, with his salary promotions, as certified to me by General Hines:

James O'C. Roberts, solicitor, central office.
Date of appointment (temporary), $1,500, June 25, 1919; date of appointment (permanent), $1,400, February 1, 1920.
Promotions: $1,620, February 1, 1920; $1,800, August 11, 1920; $2,300, February 16, 1921; $3,000, February 16, 1923; $3,250, December 1, 1923; $3,300, July 1, 1924; $3,800, May 1, 1925; $4,000, October 16, 1925; $5,200, February 1, 1926; $5,400, July 1, 1926; $6,000, January 1, 1927; $6,500, July 1, 1928; $7,000, January 1, 1930; $8,000, July 23, 1930.
Graduate of Georgetown Law School, LL. B.
Date of graduation, June, 1922.

You will note that Mr. Roberts after the war entered the bureau on June 25, 1919, before he was a lawyer, at a salary of $1,500 per annum, and on February 1, 1920, he was promoted to a salary of $1,620 per annum, and taking his law course while he was drawing a salary from the Government he graduated in law in June, 1922, and on February 16, 1923, was immediately raised to a salary of $3,000, classed as a lawyer, and he has been in the bureau ever since, and now draws $8,000. Where did he get his experience as a lawyer?

He was in this bureau during the time Commissioner Frederick Fenning was drawing the $733,855.87 in money belonging to afflicted veterans, and yet he did not make one move to stop it. Even if William Wolff Smith permitted it, and was his superior, if he had been onto his job, he would have reported to General Hines that Frederick A. Fenning was robbing helpless veterans by the hundreds. Let me show you the bureau records of some of these lawyers as to their promotions, and so forth.

Here is that of Mr. Harry M. Seydel, and you will notice that he graduated in law while working for the Government, and four years after he entered the bureau:

Harry M. Seydel, acting chief, service division, solicitor's office, central office (detailed).
Date of appointment, $1,100, February 5, 1919.
Promotions, $1,320, August 16, 1919; $1,440, March 1, 1920; $1,560, May 1, 1920; $1,800, November 16, 1920; $2,000, October 1, 1921; $2,360, December 1, 1923; $2,960, May 1, 1924; $3,000, July 1, 1924; $3,800, October 16, 1924; $4,000, February 1, 1926; $5,200, January 16, 1927; $5,400, August 1, 1927; $5,600, June 30, 1928; $6,000, July 1, 1928; $6,200, January 1, 1930.
George Washington University, LL. B., 1923.

Here is the bureau record of Mr. James D. Hayes, and you will notice that he graduated in law less than two years before he began working for the bureau at a salary of $1,800; he could not have been much of a lawyer then:

James D. Hayes, chairman administrator's board of appeals, central office.
Date of appointment, $1,800, February 4, 1919.
Promotions, $1,920, February 1, 1920; $2,250, September 1, 1921; $2,400, November 16, 1921; $2,500, January 16, 1922; $3,000, September 1, 1922; $3,360, May 1, 1923; $3,600, December 1, 1923; $3,800, December 12, 1927; $4,000, June 30, 1928; $4,600, July 1, 1928; $5,600, September 1, 1928; $6,500 July 1, 1931.
Graduate of Notre Dame University, LL. B., June, 1917.

Here is the bureau record of Mr. Mark H. Grinder, and you will note that he graduated just six months before he entered the bureau at $1,800; hence could not have been much of a lawyer:

Grinder, Mr. Mark H., legal member, claim-rating section, central office.
Date of appointment, $1,800, December 10, 1918.
Promotions, $2,000, February 1, 1920; $2,360, May 1, 1924; $3,000, July 1, 1924; $3,800, March 16, 1925.
Demotion, $3,600, September 14, 1925.
Promotions, $3,800, April 16, 1926; $4,000, July 1, 1926; $4,200, August 1, 1927; $4,800, July 1, 1928; $5,000, January 1, 1930.
Graduate of Georgetown University, LL. B., June 10, 1918.
Ex-service: No.

Here is the bureau record of Robert L. Jarnagin, and you will notice that he entered the bureau on December 1, 1921, at a salary of $2,400:

Robert L. Jarnagin, assistant solicitor.
Date of appointment, $2,400, October 1, 1921.
Promotions, $2,650, December 1, 1923; $3,000, May 1, 1924; $3,500, November 16, 1924; $4,000, June 1, 1925; $4,200, October 1, 1925; $5,200, May 14, 1927; $5,400, August 1, 1927; $5,800, July 1, 1928; $6,500, August 1, 1929.
Graduate of University of Illinois, LL. B., 1916.
Illinois bar, July, 1916.

Here is the bureau record of Edward E. Odom, and you will notice that immediately after graduation he entered the bureau on July 28, 1920, at $2,400:

Edward E. Odom, chief, guardianship division, solicitor's office, central office.
Date of appointment, $2,400, July 28, 1920.
Promotions, $2,750, October 16, 1922; $3,000, August 1, 1923; $3,360, November 1, 1924; $3,600, September 16, 1925; $3,700, October 16, 1925; $4,000, March 1, 1926.
Demotions, $3,800, September 16, 1926.
Promotions, $4,000, September 17, 1926; $5,200, March 1, 1927; $5,400, August 1, 1927; $5,800, July 1, 1928; $6,000, January 1, 1930.
Graduate of Westminster Law School, LL. B., 1920.

Here is the bureau record of Davis G. Arnold:

Davis G. Arnold, assistant solicitor, central office.
Date of appointment, $6,000, December 1, 1923.
Promotions, $6,600, January 16, 1924; $7,200, February 1, 1924; $7,500, July 1, 1924.
Reduced, $6,000, March 20, 1926.
Promoted, $7,000, September 16, 1926.
Information not available re graduation or school. Admitted to practice law in Rhode Island, 1905.

Note that Davis G. Arnold draws $7,000, but I will say of him that he really is a lawyer. He is getting a pretty good salary. I know nothing about his integrity, but his record shows that he was admitted to practice law in Rhode Island in 1905, hence since he did not enter the bureau until 1923, he did have 18 years in which to become experienced in the actual practice of the law, and it takes actual practice either in an office or a courthouse to become an experienced lawyer.

Here is the bureau record of Miss Annabel Hinderliter, who was the stenographer of William Wolff Smith when he

was in the War Department, and whom Smith caused to be transferred to the bureau when Col. Charles R. Forbes gave him a position there, and who was immediately assigned to William Wolff Smith's office in the bureau. Remember that while she got a license to practice law while studying during the time she was in the bureau, she was a stenographer when she entered in 1923, though she is now rated as a lawyer, and note her rapid promotions:

Annabel Hinderliter, senior attorney, central office:
Date of appointment, $1,440, February 12, 1923.
Promotions, $1,860, May 1, 1924; $2,100, July 1, 1924; $2,400, July 1, 1925; $2,500, October 16, 1925; $2,600, February 1, 1926; $3,000, June 1, 1926; $3,100, August 1, 1927; $3,800, November 1, 1927; $4,000, June 30, 1928; $4,600, July 1, 1928; $4,800, January 1, 1930.
Graduate of National University, LL. B., June 6, 1925.
Ex-service, No.

William Wolff Smith, in his testimony before the Military Affairs Committee, tried to claim that he did not have anything to do with her rapid promotions, but I quote the following from the official records of the bureau:

On February 27, 1923, Major Smith, the then General Counsel of the United States Veterans' Bureau, recommended that Miss Hinderliter be promoted from $1,440 to $1,600 per annum.

Under date of March 2, 1923, Major Smith was advised by the chief of personnel that Miss Hinderliter's promotion could not be approved.

On February 5, 1924, Major Smith submitted to the director a recommendation that an exception be made in the case of Miss Hinderliter. This recommendation of the general counsel was referred to the chairman of the classification committee, who, along with the executive officer of the supply service, recommended against the promotion.

On February 16, 1924, the recommendation of the general counsel was returned by the director without approval.

Under date of March 12, 1924, Major Smith addressed a memorandum to William H. Conklin, Assistant Director United States Veterans' Bureau, in which he recommended that Miss Hinderliter should at least be given a salary of $1,680. Under date of May 1, 1924, after an interchange of memoranda, Miss Hinderliter was promoted to $1,860 per annum.

Under date of December 5, 1924, Miss Hinderliter was given an efficiency rating of 96.94 by Major Smith.

Under date of January 12, 1925, in response to a request of Major Smith that Miss Hinderliter's grade be changed to P. and S. 2, the director advised that until this employee had completed her study of law as evidenced by graduation he would not approve her assignment to such position.

On or about April 1, 1925, Major Smith recommended that Miss Hinderliter, law clerk of the general counsel, be promoted to $2,400 per annum.

Under date of May 23, 1925, Miss Hinderliter was given an efficiency rating of 98.44 by Randolph C. Shaw, one of the staff of the general counsel.

On October 23, 1925, Major Smith recommended to the director that the salary of Miss Hinderliter be increased to $2,700 per annum. He disapproved this recommendation November 3, 1925.

Under date of November 16, 1925, Miss Hinderliter was rated 98.94 per cent by Major Smith.

Under date of February 13, 1926, Major Smith recommended that Miss Hinderliter be promoted to the position of assistant to the general counsel.

Under date of June 2, 1926, the recommendation of the general counsel that Miss Hinderliter be promoted from P. and S. 2 at $2,600 per annum to grade P. and S. 3 at $3,000 per annum was approved, to be effective June 1, 1926.

And in addition to the above the official records show that William Wolff Smith wrote a 3-page document urging that Miss Annabel Hinderliter be promoted to a much higher grade and with a much higher salary, but he was turned down. And one of his attorneys testified yesterday before the Committee on Military Affairs that the statements of William Wolff Smith, when urging said promotion, were false, and he brought that fact to the attention of General Hines last year when Smith's legal department was overhauled, and Smith was shorn of most of his attorneys, and they were given to Mr. Roberts.

Mr. FOSS. Is she a lawyer?

Mr. BLANTON. She is rated as a lawyer now. But when she entered the bureau on February 12, 1923, as a clerk-stenographer, at a salary of $1,440, and has been working for the bureau ever since, I do not know how on earth she could have become a very profound lawyer. One of the bureau lawyers testified yesterday that she had never tried a case herself, although she had sat in on cases really tried by himself and other lawyers.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Just a minute, please. I have only a few minutes left, and I want to get these valuable facts in the RECORD so the gentleman and our other colleagues may read them in the morning. We must correct this situation by proper legislation before we adjourn this Congress.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret that I can not yield now. I must get in the RECORD what I want to place before the Congress.

I want you to know that when William Wolff Smith filed his amended application for retired pay as a disabled emergency officer, upon the forms the bureau promulgated and required, and he was asked under section 10 thereof to give the names and addresses of his employers and his monthly earnings just preceding his entry into the service of the World War, and he knew that his retirement pay would be predicated upon his earnings, he falsely and fraudulently stated that "he was in the private practice of the law," when he knew that during the six months just preceding his entry he had worked in the War Department for $125 per month, and he gave his address as "400 Commercial National Bank Building," pretending that he had a law office there, when in truth he did not, and he then gave his monthly earnings as "$600 per month, approx.," when in truth and in fact he had never tried a case and was getting only $125 per month as a clerk in the War Department, and he nowhere mentioned in such application that he was general counsel then in the Veterans' Bureau, and he had his assistant, Mr. James O'C. Roberts, and his stenographer, Miss Annabel Hinderliter, both swear to said application as true, and he swore to it that it was true.

And when he was trying to get his retired pay, after the retirement board, composed of Dr. B. A. Cockrell, Dr. J. C. Harris, Judge D. E. Smith, Hon. George K. Polk, and Chairman J. D. Hayes, had rendered an adverse decision against him on May 23, 1929, over a year after he filed his application, he got permission to file additional evidence, and then had his said stenographer, Miss Annabel Hinderliter, make an affidavit, in which she stated that since May 7, 1921, William Wolff Smith had been her immediate superior, and he had suffered with a cough, and "since I have known him he has always carried more than the usual number of handkerchiefs."

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Will the gentleman please give me five minutes more?

Mr. AYRES. I would be very glad to if I had the time. I yield three minutes to the gentleman.

Mr. BLANTON. I thank my colleague. And William Wolff Smith used that affidavit, and the affidavit and help he got from Watson B. Miller, who draws from the American Legion a salary of either $7,500 or $10,000, to get his retired pay. And you will remember that Watson B. Miller testified that since 1923—when Smith became general counsel—he and Smith—

Have traveled extensively together from one end of the country to another, many times sleeping in the same room in hotels and on trains; scores of times during that period we have played golf together; frequently when playing golf together I have noticed that he held his hand in this position. I have also seen him walk a long distance over the holes with golf club in one hand and his other hand pressed on his lower left side; * * * Major Smith and I are about the same age and weight; on 25 or 30 occasions, when we have been doing similar things, he has had to quit before I did; on one occasion, when we were playing golf, he got as far as the seventh hole of a certain course we were on and quit, and didn't say why he quit, but he had some reason for doing it; it may have been associated with his service-connected disability.

Mr. BALDRIGE. What can we do to stop this?

Mr. BLANTON. Here is what we can do. We must repeal the act of May 24, 1928. We must discharge William Wolff Smith and the other incompetent parasites from the bureau. We must keep the real, good lawyers, but these embryo lawyers, several hundred of them, we ought to dismiss from the service. We ought to reorganize the service.

We ought to take their legal departments away from every single department and bureau of the Government and put it in the Department of Justice, where legal matters are properly handled, and make the Department of Justice responsible to this Government for every case that is tried against this Government. We also ought to repeal that portion of section 19 of the World War veterans' act that permits every two-bit attorney in every section of the United States to indiscriminately sue the Government on claims that are not proper claims, and some of them are making a business out of it, and I have information that there are some parties connected with the bureau who are in collusion with them in bringing claims against the Government.

It was testified before your committee on yesterday that there are 25,000 cases pending under this article 19, against the United States Government. It will bankrupt this Government if we do not stop it. We should put legal matters in the Department of Justice and let the Federal district attorneys be responsible for them in every community of the United States. There are some good lawyers in the bureau, but these little lawyerettes are appointed by a man who does not know a lawyer from a doctor, and they misrepresent the Government; and when we bring William Wolff Smith to taws before the committee, though he has been the great general counsel, and question him a few hours, he breaks down and goes before Doctor Calver over here and cries one minute and laughs another, and Doctor Calver has to send him to a hospital for observation, and we had a neurologist come before the committee on yesterday and say that he did not know when Smith would be able to come before the committee again. Is he able to sit across the table against the best lawyers of the United States and represent this Government? Is he able, as general counsel, in charge of all insurance cases, 25,000 of which are existing against the Government to-day, to properly direct lawyers how to try them, a man who can not answer questions for four hours? It is ridiculous. We must change this situation if we would save this Government from bankruptcy. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FRENCH. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I do not know any other way when one is interested in legislation except to grasp the opportunities as they come along and urge that legislation when it is opportune and under consideration.

I would like the attention of the chairman of the Subcommittee on Appropriations for Naval Affairs, because I am again about to propose ways and means to save a very substantial sum of money for the Federal Government. As we all know, the leaders in both the House and the Senate are spending many sleepless nights trying to work out some way to economize, to reduce Federal expenditures, without interfering with the efficiency of the Government of the United States. I would ask the chairman of the subcommittee and the ranking minority Member why it would not be in order, why it would not be proper and sound and wise, to suggest to our delegates at the Disarmament Conference now being held at Geneva that we could have identically the same proportional national defense for naval purposes by continuing the 5–5–3 ratio, but by entering into a naval compact to reduce the number of our battleships and battle cruisers over 10,000 tons by one-half. In other words, we could probably reduce this appropriation of $300,000,000 by a hundred or a hundred and fifty million dollars by entering into an agreement with those nations now assembled at Geneva, where up to date they have done nothing but talk, and get them to agree to reduce the number of battleships from 18 to 10 for both Great Britain and the United States, and from 10 down to 6, on the same proportionate ratio, for Japan. If we did that, I believe we would have not only the same proportional national defense and the same comparable naval defense but a better national defense from the point of view of the United States of America, for the reason that up to this time we have failed to live up to our allotment under the present 5–5–3 ratio.

I, for one, believe in a strong navy. I, for one, propose to vote in this House to maintain the 5–5–3 ratio as established by the Washington conference in every respect, even to the high bracket where it is set to-day; but we do not do it. Therefore I submit for the attention of the committee that we would have a better national defense if we urged a further agreement with those other nations at the Geneva conference, particularly Japan and Great Britain, that while maintaining the same 5–5–3 ratio to reduce the number of battleships and battle cruisers under the present allotment of 18 for the United States, 18 for Great Britain, and 10 for Japan down to 10 for both Great Britain and the United States and 6 for Japan. We would not jeopardize the efficiency of our national defense or the efficiency of our naval defense in any way by such a proportional reduction in number of battleships and battle cruisers above 10,000 tons.

Mr. DOUGLASS of Massachusetts. Will the gentleman yield?

Mr. FISH. I yield.

Mr. DOUGLASS of Massachusetts. Does the gentleman seriously contend that with our extended waterfront six battleships would be sufficient for our national defense?

Mr. FISH. Not 6 but 10 under my proposal. I can answer the gentleman easily. What happened to the battleships of Great Britain during the World War? They were kept in their harbors because they were afraid of the submarines. My proposal does not interfere with the construction of light cruisers or the so-called 10,000-ton cruisers. Those are the ones to protect trade and commerce, but not the great battleships. If Japan reduces the same proportional amount and if Great Britain reduces the same comparable amount, we will have exactly the same degree of protection. Whom does the gentleman want us to fight—France and Italy and Germany—without practically any battleships over 10,000 tons?

Mr. DOUGLASS of Massachusetts. Will the gentleman yield further?

Mr. FISH. I yield.

Mr. DOUGLASS of Massachusetts. This gentleman does not want this country to fight with anybody, but I will answer the gentleman by saying that it is not the custom of American battleships to stay in the harbor during a war.

Mr. FISH. Now, the gentleman represents a district with a large navy yard, and I know the gentleman's attitude; but I submit that the way to economize, and yet maintain the same degree of national defense, is to cut the allotment for big battle cruisers and battleships in half and maintain the 5–5–3 ratio at the same time.

Mr. KELLER. Will the gentleman yield?

Mr. FISH. I yield.

Mr. KELLER. I would like to know how the gentleman would get Japan to agree?

Mr. FISH. The only way we can begin is to begin and make an offer. I would like to see a Secretary of State like Charles Evans Hughes, who went right out before the Washington Limitation of Armament Conference and said, "We propose to establish a 5–5–3 ratio. We propose to scrap so many battleships and leave 18 for the United States, 18 for Great Britain, and 10 for Japan."

That is the proper way to do it. All we would be required to do is to make the offer through our delegates at Geneva at this time, for the burden of naval construction and maintenance is even a greater burden to Great Britain and Japan than to ourselves.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FRENCH. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. EATON].

Mr. EATON of Colorado. Mr. Chairman, I agree with you that greater efficiency and economy should be practiced on all expenditures, whether additional or not, and I think I can say that the responsible men of this House are

going to continue their efforts to balance the Budget and reduce public expenditures so that the expenditures as well as the debts of the Government may be reduced, and at as early a date as possible materially reduce the tax burdens.

SECTION 19 OF VETERANS' LAW

Before proceeding I want to direct my remarks to the suggestion of the gentleman from Texas [Mr. BLANTON] to repeal section 19 of the war veterans' law. It appears to me that the reasons advanced for the repeal of the law do not logically indicate that a repeal is the necessary remedy, but that something else is necessary. For example, always when there is evidence in a case, whether it is ready to-day or ready before the case is entirely dead, it ought to be made available to the person whose case is being tried.

Within a week I appeared before the Veterans' Bureau in connection with a case that has been in existence from 1922. Time after time the claimant was rejected because it was said the records did not show that certain things were in existence upon his enlistment. He had made the allegation in his first application for compensation, and for a period of practically 10 years the report, in a file almost 2 inches thick, time after time said, "You are not entitled because the records do not support your allegations."

I talked with a man at the department, and maybe there was collusion between the Congressman and the departmental representative, but I did not call it that. He suggested to me that possibly if we had the records of the Navy Department they might show what the fact was. By telephone the Navy Department said they would furnish, and they did furnish, the man's enlistment and hospital record in photostats. I looked at the photostats and they corroborated the man's original statement of 1922. I took those several photostats with me and appeared before the gentlemen up at the Veterans' Administration. I showed them the photostats and asked them to make a final review of the case. Now, if this proposed change in section 19 were in effect and this man had taken that rejection as final and brought his suit, the evidence that was available to him would be entirely shut out. If the fact that a suggestion is made that you can find your evidence somewhere is collusion, then I say let that collusion continue.

I could give you three other examples where material evidence was lost in exactly the same way in the records of the Department of Veterans' Administration and in the Navy Department or the War Department, which, if a man were willing to take the time to search for, could be found, and which, when found, could be presented in the case and thus make it possible for a man who has an actual service-connected disability to begin to receive some of the compensation to which he is entitled. No man here would deny that a man with a service-connected disability should have the right to use the evidence available to him to show that he should get what care the Government is willing to give him.

Mr. BLANTON. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. BLANTON. I am with the gentleman. I do that which he has been doing practically every day. I only want a part of section 19 repealed, that part which permits cases to be filed against the Government when there is no merit in them at all, at a tremendous cost to the Government. I want to permit the adjudication of meritorious cases. I only object to collusion where one lawyer has 50 cases against the Government obtained through help in one certain department. When one lawyer brings 50 cases against the Government representing certain clients that sometimes indicates collusion between him and somebody in the department, beyond any question.

Mr. EATON of Colorado. But the proposal in the amendment is—

That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose statement has not previously been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of denial of the claim.

That is the amendment that is proposed and I am sure if the gentleman will read it again, he will agree with me.

Mr. BLANTON. Who is proposing that?

Mr. EATON of Colorado. That is proposed in the bill to effect economies in the National Government.

Mr. BLANTON. That has not come before us as yet, and I am not anticipating that bill now, because the committee has not yet definitely agreed upon what it shall contain.

Mr. EATON of Colorado. I may say in that connection that ever since some one told me that in the Sunday newspaper there was printed the bill that was going to be presented on the floor of this House, I have tried to get a copy of the bill. I asked at the desk here on my left, and I asked our Republican floor leader, and I asked the chairman of the Committee on Appropriations of the House on Monday and on Tuesday, and no one could give me a copy of the report; but upon Wednesday I obtained a mimeographed copy of something that I understood had been circulated around here, and it is from that proposed bill that I am reading the proposed amendment to section 19, which will be presented on the floor here.

Mr. BLANTON. The committee has not yet definitely agreed on its program, has it? There have been some tentative agreements and some tentative programs, but no program has been definitely agreed upon by the committee.

Mr. EATON of Colorado. I can not say. I am not a member of the committee.

Mr. BLANTON. I can not say, either, but I do not believe there has been.

VOCATIONAL EDUCATION

Mr. EATON of Colorado. There is one other subject that I wish to touch upon, and that is the subject of appropriations for vocational education. I want it understood, as I stated in the beginning, I am not here asking to have the expenses of the Government increased. I have probably voted against more increases than any other man on the floor, and I have carefully considered every vote I have cast; but in the matter of vocational education it seems to me you are striking at one of the places where expenditure might properly be continued, because that has to do with the preparing of men and women, both adults and children, who are not drones and who are willing to work and thus prepare themselves for better work and to make a better livelihood and be more available in our everyday work.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. LAGUARDIA. These handicapped children and citizens, of course, are not organized and are not in politics. They are spread all over the country, and they are not grouped in any one section. I suppose this is why a great many of these so-called economy artists have hit upon this appropriation to make a showing of economy. I am going to vote against it.

Mr. EATON of Colorado. I am going to join with the gentleman.

Mr. ARENTZ. Will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. ARENTZ. I do not know any more about what this Economy Committee is doing than the gentleman from Colorado, but I understand that the vocational-education item is going to be allowed in full, and that provision will be stricken from the bill that is going to be presented to the House; in other words, the agitation by a number of Members of the House, including our good friend from New York, has borne fruit, and I think the vocational-education item will be complete when it comes before the House.

Mr. BLANTON. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. BLANTON. Did the gentleman from New York [Mr. LAGUARDIA] say they are not organized? How many telegrams did the gentleman get this morning and yesterday and day before and during last week?

Mr. LaGUARDIA. They are from unorganized citizens who have the interest of education at heart.

Mr. BLANTON. But they know what is going on, and I am with them. They have been filling my desk, and they have been filling the desks of the other Members with their requests, and all of us are going to respond to their requests.

Mr. LaGUARDIA. But they are not organized.

Mr. EATON of Colorado. I do not know whether they are organized or not, but I will say that telegrams from teachers have been coming in to different ones; and no matter whether they are from teachers or who they may be from, and even though it may be from the selfish interest of the teacher to continue on the pay roll, yet the work they do in vocational education I think is the most productive of all the schemes of education that we have, and I want to do all I properly can to see that vocational education for the grown-up boy and girl and the adult who has not had education or opportunities is continued; and I say here that in our city where we have an opportunity school which was started years ago, and which is used as a model throughout the United States, that school is going to be maintained whether we have Federal appropriations or not.

Mr. BLANTON. I am with the gentleman on that.

Mr. EATON of Colorado. In the district which I represent, vocational education has been in force since 1891, and the Denver Opportunity School is a model for many such institutions in the United States. The school has an annual enrollment of 9,600 people of all ages throughout the school year. There are more than 3,000 in daily attendance for instruction. An employment bureau is also operated in connection with the school, which last year placed 1,500 in earning positions.

The detail of the Government's appropriation and its State apportionment is not before me, but throughout the State of Colorado vocational institutions are operated; and my last information was that notwithstanding Denver has approximately one-third of the population of the State of Colorado, but one-sixth of the Federal appropriation is allotted to Denver, the balance going to other sections of the State.

The only comments I have made in connection with the necessary reductions in the appropriations is where useful and necessary functions have been cut or threatened with insufficient appropriation for continuance of the necessary part of their functions. The work of vocational education is present this minute—right now. To-day is the day for training of those who are unfitted for productive participation in our daily work. Their training may not be curtailed without relegating to county aid a larger number, and that number is composed of those who are not drones, but who are ready and willing to work and better themselves to carry on the productive business of the world. Those who attend these schools are not mendicants, nor are they looking for a dole.

FEDERAL EMPLOYEES' SALARIES

I want to speak now on the subject of the proposed cut in the salaries of Federal employees. I do not think the Federal employees in Denver have any better friend than I am now and have been in the past. There are more than 1,700 in the Post Office and other departments. I am told that 93½ per cent of the workers in Denver receive a salary of less than $2,700 per year, and nearly 50 per cent are paid less than $1,800. I can not say how many receive less than $1,000.

There is one feature of this question which I have not yet heard discussed in this House. All of the employees of the Government are in one of these three classes—political, military, and civil service. Those in the political class take political chances as to their salaries and tenure of employment, based upon the results of elections and the pleasure of those elected from time to time. Those who enter the military service have the opportunity of life work at designated compensation and devote whatever skill and earning capacity they have to the general welfare and protection of our country. The rest have all availed themselves of a nonpartisan plan of civil service and have selected this stabilized employment in lieu of the competitive field in the commercial or professional world.

Every man and woman in civil service knows upon taking a civil-service position that upon good conduct, the proper performance of the assigned work, and passing the required and permitted examination, their stabilized employment is assured until sickness or age requires retirement. And during the retirement period they will receive monthly payments which will keep the wolf from the door.

They learn that a percentage of their salary is retained from every pay check which provides for a portion of their pay upon retirement. Every one of these civil-service employees gives up his or her chances for more lucrative employment and reward in a competitive field, and most of them devote their lives to good service in the Government. I hold no brief for the drones and incompetents; but I want to speak a word for those thousands of faithful workers who daily perform the actual work of our Government.

In a tabulation furnished me by the Bureau of the Budget I am informed that throughout the United States there are 345,351 who receive less than $1,000 per year. Or, to say it in another way, less than $83.33 per month. Another group of 336,541 receive salaries running from $1,000 to $2,000. A third group of 259,262 receive salaries running from $2,000 to $2,500, and I want to state that it is my experience that it is in this group where the men and women are found who do the most valuable work of the Government.

Surely those receiving less than $1,000 per year ought not yet be called upon to have their wages cut. There may not be so many who agree that those in the next two groups should not suffer any reduction; but if a plan were proposed which would cut out the drones and the incompetents, then those who conscientiously perform their daily work ought not to be compelled to suffer a penalty on account of the dereliction of some of the others. This is one feature in which it would appear the employees themselves ought to cooperate and furnish aid to the Economy Committee in reducing the expenses of the Government.

As far as I know, no one has yet proposed any proper change in civil-service rules which would aid in weeding out this deadwood. My present position is that I can not be a party to a horizontal cut from top to bottom, and I hope that those who are working on a plan of reducing the Federal pay roll will make some tangible, workable provision to get rid of the deadwood, see that the lowest-priced employees are protected in their stabilized employment, all permitted to receive a living wage, and then make proper adjustments in the higher brackets. I trust that their wisdom will result in the placing of the dividing line at a fair and equitable point.

In closing I want you to understand that I am just as keen to reduce public expenditures as any man in this House. And I feel sure that the controversy over Federal employees' salaries will continue until a fair adjustment is made, not to the workers alone but also to the people who pay the taxes.

If that does not sound sensible to you, let me know what you would do under the circumstances. [Applause.]

[Here the gavel fell.]

Mr. AYRES. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. McCLINTIC] such time as he may desire.

Mr. McCLINTIC of Oklahoma. Mr. Chairman and members of the committee, there has recently descended upon my office an avalanche of letters and telegrams, more in number than I have ever received during a similar period, protesting against any legislation which would curtail or destroy vocational education, as is provided for by the Smith-Hughes Act. I dare say that I have in my office over 150 letters that can not be answered for several days.

The friends of vocational training may not be organized as has been said on this floor, yet there is one thing certain; they are posted as to what is going on in Congress, and in my opinion, the Member who votes to destroy this legislation might just as well get ready for a free trip up Salt

Creek. One-half of the expense necessary to provide rural rehabilitation and education is either defrayed by the State or the community served. This kind of training extends to the underprivileged a service that can not be given in any other way; and regardless of what action the Economy Committee takes, I am not going to vote to destroy a system of education that is producing more good for the amount of money expended than anything else provided by the Government.

The bill that is now pending provides that the sum of $10,000,000 shall be expended to patch up several old battleships. It is proposed to expend between seventy-five and one hundred million dollars for such purposes. As I view it, such ships are already in the obsolescent class and will never again be used in a war with a major nation. If the appropriation committee that has jurisdiction over this subject wants to perform a real service for the Nation this item could be stricken from the bill, and it alone would be sufficient to take care of all the expense in connection with rural education. I have consistently spoken and voted against all such extravagant expenditures, and I venture to assert that it will only be a little while until these ships that have been patched up will be assigned to the scrap heap, as already over $11,000,000 expended for this same purpose has gone this route. [Applause.]

I desire to briefly discuss some of the important bills that have been enacted into law since I have been a Member of this House. In order that everyone may be posted as to the procedure that governs every matter in Congress, I will state that the party in power always is in full control of the legislative program, and, as a rule, no bill can become a law unless it is approved by the leaders of such party. The Democratic Party has not been in power since the elections of 1920, and at present both the Senate and the executive branch are under the control of the Republican Party. Therefore one can readily understand that during the period from 1920 up to date, it has been a rare occasion that a bill enacted into law carried the name of any Member of Congress unless he was affiliated with the dominant party.

During the present session I have introduced a number of bills, some of which are as follows:

A bill to bring about consolidation in every bureau of the Government for the purpose of preventing duplication and waste, which is in line with the work now being proposed by the Economy Committee.

A bill to regulate the sale of foreign securities, making it impossible to offer the same for sale to our people until approved by a governmental agency.

A bill to put into effect regulations governing the sale of all kinds of securities, thereby protecting the innocent investor so that his life earnings would not be wasted.

A bill to guarantee deposits in member banks of the Federal reserve system, which would provide the same kind of safety as is required on deposits made by States, counties, cities, and the Federal Government.

A bill making school warrants eligible for security in obtaining funds from the Secretary of the Treasury and providing that a separate issue of currency might be issued for this purpose.

A bill providing for payment to the ex-service men of the last half of their bonus, realizing that they are in more need at the present time than ever before.

A bill reducing the salaries of Government officials in the higher brackets, including Members of Congress.

A bill providing hospital facilities in private institutions for World War veterans when Government space is not available, thereby making it possible for many individuals to receive treatment near their homes.

I am especially interested in everything that relates to agriculture, realizing that the true source of all wealth is in the ground. The greatest evil that our farmers have had to put up with is the practice of selling futures on the different stock exchanges, thereby forcing abnormal prices, which in many instances have resulted in disaster. I have pending a bill before the Agriculture Committee, which would make it a punishable offense for anyone to sell such a future contract on certain farm products unless there is an actual delivery from the seller to the buyer, and giving the Secretary of Agriculture authority to make the necessary rules and regulations to govern such transactions. The results obtained by the Farm Board in speculating with the people's money on wheat and cotton has cost this Government millions of dollars, and has practically bankrupted many kinds of farm institutions. Everyone realizes the truth of this statement, even the Federal Farm Board, and they have given out information to the effect that a mistake was made and such a policy has been abandoned.

The price of commodities will have to be raised if the farmer is to survive. My bill would authorize the Secretary of Agriculture to select the products that are to be sold at a price not less than the cost of production and cause the kind of regulations to be put into effect, based upon supply and demand, to the extent that if there was a surplus produced over the domestic supply such surplus would be withheld from the market until it could be sold without disturbing existing conditions. Realizing the need of proper support for agriculture and those who till the soil, at the beginning of this session I met with the Oklahoma delegation for the purpose of working out a bill, and when the same was completed, at my request it was introduced by Congressman SWANK, as he at one time served on the Committee on Agriculture. This was a delegation measure, as it was our earnest desire to bring about some kind of relief along this line. I have added one new feature to this legislation, and I am sure that the enactment of this law will do more to bolster up agriculture than anything else that can be done.

One of the first bills that I assisted in passing was what is known as the good roads act. It put into effect a new policy, which has resulted in the construction of splendid highways throughout the Nation. The people who reside in the country have been the most benefited, as they now enjoy practically the same priviliges as those who reside in the city. In Oklahoma the sum of $2,555,034.34 was made available to be expended in 1932, and no more important legislation has been enacted into a law than this bill.

Another measure that has been especially beneficial, and one that I supported, is the rural credits legislation and the establishment of farm-loan banks, enabling farmers to borrow money at a low rate of interest. The first loan I ever obtained on a farm carried a rate of interest of 12½ per cent. The result was I got the loan and the mortgage company got the farm.

Our standard of living is so high that immigrants from every country in the world were flocking to the United States before the restricted immigration bill was enacted into a law. This measure was completed during my service, and is one of the most beneficial acts on our statutes, as it has stopped this Nation from being a dumping ground for many that could be classed as undesirable.

At the beginning of my service our rural-mail system was in its infancy. I point with pride to the efficient service that is now being given to the patrons, and it has been my privilege to aid in the passage of many bills that have made this result possible.

I have voted against a number of high tariff bills, realizing that the provisions contained in the same discriminate in favor of the big manufacturing interests and to the detriment of our farmers and consumers of the West and South. Such measures did much to destroy our foreign markets, thereby reducing prices on farm products and encouraging reprisals or retaliatory tariff acts by foreign governments, which have had much to do with the present depression.

I voted against all of the foreign-debt settlements for the reason over $10,000,000,000 was either canceled or omitted by such laws. I voted against the moratorium act, which postponed payments amounting to $252,000,000, realizing that the more foreign countries were excused from paying their obligations the more they expended on armaments and being against any policy that would not provide proper relief for our own people.

All during my service I have appreciated the patriotic aid given to our country by the ex-service men of all wars. Active support has been given to the various rehabilitation measures in their behalf, and I am now favoring the pay-

ment of the last half of the soldiers' bonus on the grounds that it would do more to increase the supply of currency and to bring relief to every section of the country than anything else.

One of the most iniquitous measures that was ever presented in the way of a revenue bearing bill was the so-called sales tax. If it had been put into effect a policy would have been established that might have remained with us for all time to come. I take the position that the more fortunate in life should be willing to pay a proportionate share of the expense of maintaining this Government and that the present deficit should be raised by increasing the amount collected from incomes in the higher brackets, increasing the inheritance tax, the gift tax, and by excess-profit taxes sufficiently to take care of the needs of the country. I am pleased that the principle of a sales tax was defeated, and I am sure that by reducing expenditures, abolishing useless bureaus, consolidating different departments, and reducing salaries it will be possible to provide a sufficient amount of money to defray the expenses of the Government.

I point with pride to other legislation which I have favored and aided in the passage of during my tenure in office:

War excess-profits tax, which caused some of the World War profiteers to help bear the expense of the Government.

The agricultural extension acts, which provide benefits to our rural sections of the Nation.

Federal warehouse and uniform cotton and grain grading acts, which brought about certain standardizations.

Federal Employment Bureau, which has rendered fine service in obtaining employment for many.

Women's and Children's Bureaus in the Department of Labor, which dispense much useful information covering many subjects relating to the home.

War risk insurance acts, which furnished protection to the dependents of the ex-service men.

Packers' and stockyards' inspection act, which has thrown many safeguards around meat for human consumption.

Disabled veterans' compensation act, which provides financial help to those injured while performing service in the World War and to their dependents.

Veterans' non-service connected disability act, which takes care of the unfortunates who are incapacitated to the extent they can not earn a livelihood.

Drought and storm relief legislation, which has aided thousands of our citizens who found themselves destitute because of conditions they could not control.

In addition to the above I have supported every rehabilitation measure during the present session of Congress, having in mind that the Nation was suffering from an industrial panic and that if relief had not been granted there would have been a financial crash that would have paralyzed nearly every kind of industry.

Congress, in many respects, is similar to an educational institution. One begins at the bottom and gradually works up. Experience and acquaintance are essential and can not be overlooked, and those who have the longest service are as a rule the ones who acquire the greatest amount of responsibility. The States that have profited the most are the ones that have recognized these principles, and I am grateful to the splendid citizens of the seventh congressional district for the constant support they have given me year after year, as such is responsible for the many positions of honor and trust that I now hold.

I have lived in what is now Oklahoma for the past 30 years. I have had experience as a homesteader and know something of the hardships that our early pioneers went through. It has been my constant aim at all times to render the best assistance possible to my fellow men. I have gone forward in the performance of my congressional duties with the thought of rendering to the people whom I have the honor to represent the kind of aid that would reflect credit upon them. I am proud of the confidence that has been bestowed upon me by my colleagues, and I shall be grateful if this record will meet the approval of those who have cooperated with me in such a fine way.

Mr. AYRES. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. ELLZEY] such time as he desires.

VOCATIONAL EDUCATION

Mr. ELLZEY. Mr. Chairman, my remarks will be made in behalf of vocational education and for thousands of American girls and boys who are now being educated in the rural schools of the Nation. This type of educational institution, better known as the consolidated school, for several years has been receiving Federal aid for vocational education.

Since becoming a Member of Congress I have listened attentively and with keen interest to many speeches that offered a sympathetic sentiment for the American farmer. Yes, that splendid desire to help him comes from practically every section of the Nation. Yet in the face of these facts the President of the Nation has made the ill-advised recommendation to the Economy Committee that Federal aid for vocational education be suspended for one year. Surely the gentleman is misguided as to its far-reaching and most disastrous results to the American farmer. Let us analyze this proposal.

Several years ago Congress passed a law which proposed to appropriate Federal funds for the support of vocational education throughout the Nation. The plan provided for a distribution of funds thus appropriated to the individual States. Each State was to appropriate an amount equal to the sum secured from the Federal Government. With such assurance from the Federal and State Governments—and may I term it a contract between them—the individual school districts proceeded to make preparations for a better educational program for their children. The new type of school became known as the Smith-Hughes school.

Then the rural citizens—if you please, that fine class of honest American citizens known as farmers—at a great expense erected school buildings. They equipped their schools with modern departments of agriculture, home economics, and manual training. The trustees of these schools demanded well-trained instructors to give vocational guidance to their children.

In view of these facts, which can not be disputed, it would be unfair to accept this recommendation. Surely it breaks faith with the farmer and violates a contract with him. Furthermore, it is unfair because it would probably force the State to withdraw support in case Federal aid is suspended.

This proposal, as recommended by the President, is false economy. Is it economy to say to the farmers that the Government will save money for the National Treasury, and at the same time force the farmers to raise additional funds to educate their children? Such a move will probably close the doors of Smith-Hughes schools next session. Is that economy? My conception of real economy was well demonstrated in the House when we voted recently for an appropriation bill that reduced expenditures approximately $55,000,000. Another fine example of economy was shown in our vote to eliminate an appropriation for the completion of one bridge in the District of Columbia in the sum of approximately $840,000. This expenditure was largely for ornamental purposes. For the sake of economy, why did not the President make the two recommendations mentioned above to the Economy Committee? I shall gladly vote for a reduction of my own salary, but I do believe the American children should be protected. [Applause.]

The department of vocational education in my State of Mississippi is certainly in sympathy with the spirit of rigid economy. This department went before the appropriation committees of the State legislature and requested a 25 per cent reduction. Furthermore, appreciating the serious economic situation facing us, I have been advised that no efforts were made by this State department urging Congress to pass the George-Reed bill, 1929, for vocational education. This bill provided for an increase of $500,000 for vocational education. Surely these people are sympathetic.

The Federal appropriation for vocational education goes directly to the farmers. In my candid opinion, it is one

of the few appropriations that very largely reaches its correct destination.

Let me urge the Members of the House to oppose this recommendation for the following reasons:

First. It is unfair to the American farmers and their children, because it breaks a contract with them. With millions of dollars invested in equipment, many schools would be forced to close.

Second. Such a plan is false economy, because in attempting to save money for the Federal Treasury, at the same time it forces the American farmer to raise vast sums of money for schools.

Third. This plan would probably force the farmers of the Nation to close the doors of a majority of Smith-Hughes schools.

(1) State aid would be withdrawn when Federal aid ceased.

(2) The farmers can not raise school funds with prices of agricultural commodities at rock bottom.

Please note facts relative to vocational education as they apply to Mississippi, namely:

First. There are 442 vocational departments in the high schools of Mississippi which are dependent on Federal aid for existence.

Second. Of the above number there are 194 departments of vocational agriculture—the only vocational education available to Mississippi rural boys.

Third. During the year ending 1931 there was a total enrollment of 22,957 in the vocational classes of these schools.

Fourth. Of this total there were 15,068 enrolled in vocational agriculture.

Fifth. The amount of Federal money expended in Mississippi in these schools in 1931 was $155,276.38.

Sixth. The profits made by those enrolled in classes of vocational agriculture was approximately twice the total cost of the instruction, including Federal, State, and local funds.

Mr. AYRES. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, I want to call the attention of the House to a very serious state of affairs that now exists. We have received word that the Committee on Economy and the President are absolutely floundering around in a maze of statements; that they are lost in a sea of words. I thought it was the duty of the House to take some action on this important matter. We owe it to them to help them out of their dilemma. I rose in these few minutes to suggest to the House that we appoint a clarification committee or a coordinating committee, in order that they may answer the S O S that has been sent out and try to locate where our distinguished President and the committee are now floundering. [Laughter.] Ordinarily when an S O S is sent out, help is sent from various life-saving stations and from headquarters of salvage-operating companies.

So I say we ought to take cognizance of this state of affairs and endeavor to send out pilots to properly guide the committee and the President to a safe harbor. [Laughter.]

As we all know, Federal employees are a distinctive arm of our service. We can not discharge the functions of government without them, and, indeed, they are entitled to proper consideration at our hands. It has been said that the cost of living has gone down. In some slight instances, yes; but as was illustrated by the gentleman from Texas [Mr. BLANTON] a while ago, the cost of professional services has not gone down. You are paying the same price to the doctor, to the optician, to the oculist, to the dentist, to the druggist, to the lawyer, and to practically every form of professional service that is included in our daily routine. I think, therefore, that the fact that a few cents be taken off the cost of bread or milk or meat or vegetables ought not to have a very serious effect upon our deliberations in considering the salaries of our splendid staff of Federal employees.

I believe also that by discussing these things we come to a realization of them. Gentlemen ought not to go back home with an alibi to their people that they did not know what it was all about. Take the time to be informed that you may know what these various plans are, and if they are presented to us eventually—that is, if the life-saving committee I suggested rescues them—I think we should find out what there is in the various bills. They are various; they are multitudinous. Each day brings forth a new one. Perhaps it may be the means of better information; perhaps it may be the result of having the advice of an expert. All these things, however, will require our careful consideration; and if these distinguished committees are so befogged and befuddled that they are unable to arrive at any particular or definite conclusion, what will be our plight when the plans are presented to us and we do not have time to properly consider them? Therefore, I say, beware of the plans that may be presented here by the various salary cutters. [Applause.]

Mr. AYRES. Mr. Chairman, I yield five minutes to the gentleman from Tennessee [Mr. BROWNING].

Mr. BROWNING. Mr. Chairman, I have asked for this time in view of some statements which the gentleman from Texas [Mr. BLANTON] made a few moments ago in regard to J. O'C. Roberts, who is the solicitor of the Veterans' Bureau. For the first six years of the life of the Veterans' Committee of the House I was a member of it, and I think three times during that period I was assigned on the subcommittee to draft a general legislative bill to bring to this House. Not only in the testimony given to the committee on which it might base its action but during the deliberations of that committee Mr. Roberts was assigned the task of assisting as the legal adviser from the Veterans' Bureau. I say without hesitation that I think Joe Roberts is the most efficient man on his job that I have found in the Government service since I have been in Washington. [Applause.] I say that with no apology to anybody. I am not intimate with him; I have never asked him for a favor. I have asked him for information, and I have always gotten the authentic kind and none other. I do think if the gentleman from Texas is basing his attack on information that he is acting on with regard to Mr. Roberts, possibly there may be some factionalism on the part of those who are furnishing him that information.

Mr. BLANTON. I have not denied that he is a good man and a gentleman. I question only his legal experience and ability as a lawyer.

Mr. BROWNING. I decline to yield to the gentleman from Texas. He was pushed for time and could not yield to me, and I have only five minutes. I am talking about his legal ability in the job that he is in. It has been my understanding from the beginning that the Department of Justice is the responsible authority for trying these cases against the Government. Usually a man is assigned from the Veterans' Bureau to assist the district attorney; and if the district attorney's office anywhere in this country does not have a qualified man to try a lawsuit, then you need not blame the solicitor of the Veterans' Bureau. In my judgment, Mr. Roberts is one of the most efficient men the Government has and one of the best fitted in his place, and I say that from my experience and observation with him.

I could not help being a bit amused at the fine bill of health the gentleman gave to Mr. Arnold. I have no grievance to express toward Mr. Arnold, but I remind the gentleman from Texas that Mr. Arnold was the guardianship officer under whom Mr. Frederick Fenning was operating at the time the gentleman from Texas performed so splendid a service in digging up Mr. Fenning's record; and when Mr. Arnold came before our committee, he declined to give any information with regard to the operations of Mr. Fenning; and I am somewhat surprised that the gentleman from Texas would now undertake to belittle the qualifications for his present job of a man as strong as J. O'C. Roberts and then be willing to give a clean bill of health to a man like Mr. Arnold.

Mr. BLANTON. I did not give him a clean bill of health. I merely said that he is a lawyer.

Mr. BROWNING. Unless the gentleman's remarks are absolutely deleted, it will show that he picked him out as the one lawyer in the Veterans' Bureau.

Mr. BLANTON. Well, he might be a good lawyer and yet use his wits and experience for a wrong purpose.

Mr. SIMMONS. Certainly the gentleman from Texas did not mean to infer that in his statement to the House a few moments ago.

Mr. BROWNING. I am not undertaking to infer that Mr. Arnold is crooked.

Mr. SIMMONS. I mean the gentleman from Texas. He did not infer anything of that kind.

Mr. BLANTON. I merely said that he was a good lawyer.

Mr. SIMMONS. Mr. Chairman will the gentleman yield?

Mr. BROWNING. Yes.

Mr. SIMMONS. I understand now that the gentleman from Texas claims that a good lawyer and a crooked lawyer may be the same thing. I disagree with him.

Mr. BROWNING. Under those circumstances I yield for a short statement to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. The only reference I made here to him was that he was a lawyer. He is a lawyer.

Mr. BROWNING. The gentleman does not think anybody can be a good lawyer who does not have a good character, does he? I do not. He might be an able lawyer and not good. I am not questioning his character.

Mr. BLANTON. One of the greatest lawyers in the United States is now defending a meritorious case in a foreign country, and he has kept more crooks of national reputation from getting their just deserts than possibly all of the other great criminal lawyers put together. Instead of saying that he was a good lawyer, I should have said a "shrewd" lawyer.

Mr. BROWNING. I do not want to leave it in the RECORD that the gentleman reflects on a man's character and then says he is a good lawyer. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. AYRES. Mr. Chairman, I yield two minutes to the gentleman from Alabama [Mr. PATTERSON].

Mr. PATTERSON. Mr. Chairman, the particular matters claiming the attention of Congress at this time with reference to a great many of the cross currents of economies must be met, and I wish to refer to one of those measures briefly. That is that economy proposed by the President, and I understand has been proposed by some of the members of the Economy Committee, to discontinue vocational education as furnished by the Federal Government in cooperation with the States. If I know the sentiment of this House and of the country, I believe I can say that no such measure as this is economy. It is false economy, and I do not believe this House will stand for any discontinuance of that valuable work.

If time permitted, I would attempt to show how far-reaching it is, and how many rural high schools of this country, where they never had an opportunity for education before, are built up around this very work. Doing away with this kind of work would cause those schools to be abandoned, and in many instances would break up communities. I think it is some of the most valuable work the Government does. In fact, I think it is the outstanding work of the Department of Agriculture; and I hope that if that measure is brought before this House, it will be defeated, and I shall do all I can to help defeat it. I am glad that we are informed that our committee is coming more and more to see the light. I presented this matter to our distinguished chairman upon its inception, and he was kind enough to give me the assurance that he would consider the matter very carefully. And I certainly hope no such legislation is reported to this House. If so, we should defeat this move, as I see it.

I am glad to give for the benefit of the RECORD some valuable information which I have not only learned at first-hand but much of which has been furnished me by distinguished educators and thousands of citizens of my district and my State. I want to speak for them briefly at this time and incorporate in the RECORD their constructive views and reasons for continuing this work.

Discontinuance of this work would mean to my State alone—and I am sure the other 47 States of the Union, in proportion—the discontinuance of 1,381 vocational classes. It would deprive 12,671 adult persons of evening and part-time training which they are now taking to better equip themselves to live and serve. It would affect thousands of other adults at various angles of life. It would result in closing of more than 350 departments, housed in quarters and new buildings constructed in many instances by communities where this construction was a great financial sacrifice, and break faith with them. It would destroy the evening program for adult farmers. It would result in disbanding of the Future Farmers of America in my State, which would directly affect 4,308 high-school boys. It would deprive the Alabama farmers of a type of training which they have long wished for and needed, relative to their home and farm problems. It would affect the teaching of home economics, which prepares thousands of our girls for home-keeping and home-loving and the many things of health and economics on which the successful and happy home depends. It would eliminate a great deal of inspiration for home-making and home-owning, which comes through this program and this work.

In addition to the professional work, it will do away with the evening industrial program, which in one county in my State has 50 classes. It would take immeasurable benefits from the trade schools in my State. It would do away with the training of foremen and leaders in 41 industrial plants in my State. It would destroy the vocational program in seven of the leading cities of my State, as well as the destruction of textile training in the various centers of textile industry, and vitally affect the institutes for the deaf, blind, and so on, and would withdraw complete support from the vocational teaching training classes in my State.

These are some of the facts that I give for the RECORD, with the hope that we may think on these things, and that every Member of Congress may resolve that no such program as this, if reported to the House, will pass. I, for one, as a former school administrator, where under my observation and administration this valuable work was done, believe in the work and feel that nothing has been proposed in this Congress since I have been a Member that would do more to disrupt farm communities and industrial programs and retard development of our communities than this proposed move. Too, as said before, it would be complete breaking of faith with those who have sacrificed to bring this work to their communities. I sincerely hope that the committee will recommend the continuance of this work and will not recommend any undue curtailment of vocational education.

I am glad to have this opportunity to speak for the tens of thousands of citizens in my State who are interested in this work and have seen its benefits.

Mr. TABER. Mr. Chairman, I yield to the gentleman from New York [Mr. BACON] five minutes.

Mr. BACON. Mr. Chairman, I want to address myself to one phase of the naval appropriation bill, which will soon be read under the 5-minute rule.

To-morrow we will reach the proposal to reduce the naval flying pay, and I am much concerned that that will mean a breakdown of all the work that has gone forward for the last 10 years to build up a real aviation service in both the Army and the Navy.

I addressed a communication to the Assistant Secretary of War as to the effects of a similar proposal on Army aviation, and I wish to read his letter, which is very brief, in reply. I may say that I was amazed to find that neither the Army nor the Navy had been called before either the

Appropriations Subcommittee of the Army or the Navy to discuss this question of a reduction in flying pay. The reduction proposed has been arbitrarily made without any testimony as to its possible effects.

The letter from the Assistant Secretary of War reads as follows:

WAR DEPARTMENT,
OFFICE OF ASSISTANT SECRETARY,
Washington, D. C., April 21, 1932.

Hon. ROBERT L. BACON,
United States House of Representatives,
Washington, D. C.

MY DEAR MR. BACON: I am very glad to answer your inquiry about my opinion of the effect of the proposed $1,100 limitation on the flying pay of Army Air Corps officers.

In my judgment, it will very seriously undermine the morale of our pilots who are engaged in the most hazardous of all peacetime governmental occupations. Since last July 1, 40 of our personnel have lost their lives in military flying.

It is grossly unfair that service pilots above all others should be singled out for special sacrifices.

This proposition would seriously reduce the flying pay of many lieutenants, all captains, and officers of higher grades. That includes all war-time pilots. Service pilots to-day are paid a lower rate than that received by pilots doing comparable but less hazardous flying in civil life. Sound principles of leadership require those in command to lead their air troops in combat flying in peace and in war. Our tables of organization call, whenever possible, upon captains to lead flights; majors, squadrons; lieutenant-colonels, groups; and colonels, wings. This responsibility requires experience, and that is only obtained with the passage of time in actual air operations. Meanwhile age increases the flying risks as the physical reactions slow down, and at the same time the ordinary financial responsibilities of life grow more burdensome.

If the basic idea of this limitation is economy, I am certain that such an end will not be attained. It will inevitably drive many of our key men out of flying. These men will be replaced by relatively inexperienced ones. This means inexperienced leadership with a resultant increase in the number of crashes, which will in turn result in increased costs to the Government, rather than decreased costs. With airplanes now costing up to $100,000 each, it would appear to me to be extremely poor policy to permit control of this equipment to fall into the hands of inexperienced and young men whose judgment has not as yet had time to mature.

Every one of our tactical groups in the field to-day is commanded by a field officer. He is not only technically in command but actually leads his group in all flying maneuvers and operations, incurring the same risks as the last man in each element, and more too, because of his age. I have in mind, for example, the major in command of the first pursuit group. Flying No. 1 in a close formation of some 60 planes, he daily leads them in vertical power dives of some 10,000 feet, in which the speed approaches 300 miles an hour. I also have in mind the major general, now chief of the Army Air Corps, who flies several hundred hours every year, never with an observer, but piloting himself, and who recently personally led the Army maneuvers of some 600 Army planes.

It has been said that there are individual abuses of flying pay. Even if that be true, it is no reason why an injustice should be done to those who daily risk their lives preparing the Nation for defense. I personally give my assurance that if such abuses are brought to the attention of the War Department they will be corrected forthwith.

I earnestly hope that this limitation will not be imposed.

Sincerely yours,

F. TRUBEE DAVISON,
Assistant Secretary of War.

Mr. Chairman, in addition to this letter which the Assistant Secretary of War has written, at my request he has sent me certain tables showing the fatalities in the Army Air Corps Service in the past few years. I ask unanimous consent to include those tables and some explanations with them in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. BACON]?

There was no objection.

The tables referred to are as follows:

[Extract from report of Appropriations Committee, CONGRESSIONAL RECORD, April 19, 1932, p. 6505]

It is among such junior officers and student flyers that the principal hazards lie. * * *

The reason for selecting $1,100 as the maximum amount for flying pay is because that it is the maximum rate now being received by the larger portion of the junior officer aviators.

The following statistics show that the principal hazards are not confined to the class drawing $1,100 or less:

Year	Number of officers receiving $1,100 or more	Fatalities	Number of officers receiving $1,100 or less	Fatalities
1920	185	8	720	21
1921	208	9	624	26
1922	231	14	622	21
1923	750	15	148	3
1924	741	12	186	7
1925	725	14	182	7
1926	708	7	212	6
1927	682	13	251	4
1928	638	4	319	6
1929	623	6	506	6
1930	688	2	552	6
1931	644	3	576	6
Averages, 12 years	576	9	410	10

Includes only regular officers commissioned in the Air Corps.

Statistics showing risk involved in flying by officers receiving $1,100 or more

Year	Number [1]	Fatalities	Injuries [2]	Other crashes [3]
1920	185	8	8	57
1921	208	9	10	78
1922	231	14	14	61
1923	750	15	5	43
1924	741	12	37	178
1925	725	14	33	190
1926	708	7	29	101
1927	682	13	16	94
1928	638	4	14	82
1929	623	6	15	102
1930	688	2	11	91
1931	644	3	15	56
First quarter, 1932		1	4	17
Average for 12 years	576	9	17	94

[1] Includes only regular officers commissioned in the Air Corps.
[2] Injuries entered on hospital records but excluding fatalities.
[3] Not involving hospitalization.

Effect on flying pay of officers, Regular Army Air Corps, by the application of $1,100 maximum carried in naval appropriation bill, fiscal year 1933

Grades	Number in grade	Years of service	Annual flying pay on 50 per cent basis	Annual flying pay on basis of $1,100 maximum	Savings
Major general	1		$4,000	$1,100	$2,900
Brigadier general	3		9,000	3,300	5,700
Colonel	5	30	15,000	5,500	9,500
Lieutenant colonel	10	30	28,800	11,000	17,800
Do	18	27	45,684	19,800	25,884
Major	1	30	2,625	1,100	1,525
Do	20	24	48,960	22,000	26,960
Do	2	24	7,344	2,200	[1] 5,144
Do	35	21	70,875	38,500	32,375
Do	1	21	3,048	1,100	[1] 1,948
Do	12	18	23,400	13,200	10,200
Do	19	15	35,625	20,900	14,725
Captain	3	30	6,750	3,300	3,450
Do	3	27	6,525	3,300	3,225
Do	2	24	4,200	2,200	2,000
Do	4	21	8,100	4,400	3,700
Do	3	18	5,850	3,300	2,550
Do	244	15	366,000	268,400	97,600
Do	25	12	36,000	27,500	8,500
First lieutenant	1	15	1,560	1,100	460
Do	90	15	135,000	99,000	36,000
Do	204	12	293,760	224,400	69,360
Do	20	10	27,000	22,000	5,000
Do	163	6	187,776	179,300	8,476
Second lieutenant	61	5	64,050	67,100	None.
Do	319	3	252,648	350,900	None.
Do	53	(?)	39,750	88,300	None.

[1] Military aviator, 75 per cent increase.
[2] Under 3 years.

Recapitulation, Air Corps

Total officers affected	889
Per cent of total	67.25
Total flying pay, 50 per cent	$1,373,482
Total flying pay, $1,100 maximum	$977,900
Total saving, application of $1,100 maximum	$395,582
Total officers not affected	433
Per cent officers not affected	32.75

OTHER ARMS OF THE SERVICE

Number of officers, 120; annual flying pay on 50 per cent basis, $203,900; annual flying pay on basis of $1,100 maximum, $132,000; savings, $71,900.

Total savings for the Regular Army, $467,482.

SUMMARY

Moral obligation: Officers have entered this hazardous profession in expectation that the rates provided would be continued.

Hazard: The hazards to the military flyer are much greater than the hazards to the commercial flyer.

Fatality: The fatality rate due to aviation accident is three times the fatality rate due to all other causes, including disease.

Insurance rate: Insurance companies have raised the rate of extra premium for aviation risk, and most companies will not insure aviators.

Insurance cost: The cost of proper insurance increases with age and family responsibilities and is equal to more than half the present flight pay.

Commercial pilots: Are paid more than military pilots.

Retired pay: Senior Air Corps officers jeopardize a retirement pay three times greater than the flight pay they receive in excess of the extra aviation insurance premiums.

Flying by senior officers: Senior officers fly with their organizations. All in turn are assigned to organizations. When not with organizations, most of them fly the maximum they can be required to fly.

All officers: The morale of all officers will be affected by a cut.

Savings: The savings to be obtained by a cut in the maximum rates are small, while the injury to morale and efficiency will be great.

Conclusion: No reduction in flying-pay rates should be made.

The proposition to reduce flying pay is uneconomical and is a breach of contract with the officers who adopted and remained in a hazardous profession in the belief that the Government would keep faith with them in the matter of continuing the extra compensation for this hazardous profession. Those who had faith in this implied contract find themselves now no longer fitted for adopting another profession in which the remuneration would be what they had believed the Government would provide.

Comparison with commercial aviation: It is incorrect to compare military aviation with commercial aviation with respect to the hazards involved. The commercial flyer flies over fixed routes, over established airways dotted with emergency landing fields at frequent intervals, guided by lights and marked airways, and kept informed of weather conditions by radio. The military flyer has none of these advantages. He must be trained to fly over uncharted courses in adverse weather conditions. He carries high explosives. He dives and fires on targets, practicing the accurate use of his machine guns. He must practice dangerous maneuvers, subjecting the airplane to great stresses. His airplanes are being designed to operate at greater speeds. He must control his airplane not only when flying alone but when flying in close formation while executing difficult maneuvers. He must practice flying in formation at extremely low altitudes, as attack aviation would maneuver in the face of the enemy. He must operate at high altitudes where additional supplies of oxygen must be furnished. He frequently must resort to the use of a parachute, and during all this flying he undergoes a great physical and mental strain. Decreases in the accident rate of military flying are apparent rather than real. The Air Corps in its development of military aviation is entering a period of greater hazard where much more will be required of material and personnel. Further increases in the reliability of engines and in mechanical construction will not greatly decrease this extra hazard. The development of military aviation to its maximum efficiency will increase this hazard.

Fatality rate: Statistics with respect to fatalities among personnel of the Air Corps on active service indicate a maximum annual rate of 3.5 per cent, a minimum annual rate of 1 per cent, and an average annual rate of 1.9 per cent. The present annual rate is over 2 per cent and is increasing. The best military training demands that the military personnel be capable of obtaining the maximum performance and maneuver ability from their equipment, and the attainment of these maximums will increase the hazards to such an extent that the annual rate of fatalities from aviation accidents may be predicted to be 3 per cent. The annual expected rate of fatality due to aviation accidents alone is three times the normal expected average fatality rate among men between the ages of 25 and 50.

Extra premium: The 3 per cent annual fatality aviation accident rate will require an extra annual insurance premium of over $30 per thousand. The total fatalities among commissioned personnel in the Air Corps during the last five years has been 3.77 times the fatality rate in the rest of the Army.

Debt: Air Corps officers have made commitments based on the expectation that the prescribed flying pay will be continued. It is quite a serious matter to suddenly withdraw this pay. Such action will not only cause a reduction in morale, due to a lowered standard of living thereby enforced, but will also cause a serious reduction in morale due to an officer being suddenly plunged into debt because of insufficient pay to take care of commitments already undertaken.

Insurance carried: Among these commitments is the question of insurance. Due to the extra hazard, Air Corps officers have made extensive commitments with reference to insurance. One officer has over $60,000, some officers have $50,000 insurance, many officers have $40,000 insurance, and still a larger percentage have lesser amounts. On all insurance, except Government insurance, unless an officer has been extremely lucky in obtaining insurance prior to his entering the aviation profession, an additional premium for flight hazard is required. This premium is being increased.

Cost of insurance: The additional premium for aviation risk is now $25 per thousand in the Prudential Insurance Co., which company permits only $10,000 worth of such insurance to be taken. The additional premium is $12 per thousand in the Travelers Insurance Co., which company likewise permits only $10,000 worth of insurance to be taken and permits no insurance of a pilot who has had less than 400 hours' experience. Insurance for aviators is not obtainable in most of the other companies. The average annual premium payments by Air Corps officers for straight life insurance are at the rate of $10 to $15 per thousand for $10,000 worth of Government insurance; at the rate of $15 to $20 per thousand on $30,000 private insurance, without extra premium for flying risk, and $10 to $25 per thousand additional premium for flying risk on $30,000 insurance in private companies, depending upon whether he took his insurance at the time when private companies were offering this insurance at $10 per thousand extra premium, or whether he took his insurance at a later date. This makes a total of from $350 to $1,500 annual premium, depending on age. These are commitments already made in the understanding that flying pay would be continued. The commitments will still remain necessary, irrespective of the continuation of flying pay.

Yield from insurance: There are some who, perhaps, think that $40,000 worth of insurance is an excessive amount of insurance for an officer with a family to carry, but when it is considered that it is difficult to make safe investments at any figure in excess of 5 per cent, which 5 per cent would yield only $2,000 per year, and which investments may not prove to be as safe as is anticipated, it is not believed that any normal man with normal feelings of responsibility for his family should consider carrying any lesser amount.

Pay of commercial pilots versus military pilots: The economic necessity of flying pay to fill the complement of Air Corps officers may be analyzed by comparison with pay of pilots in commercial aviation. The pay of pilots of the Boeing Air Transport was $781 per month; of the Pacific Air Transport, $723 per month; and of the Varney Air Lines, $696 per month in May, 1931. These rates are still continued. The Ludington Air Line was paying a straight salary of $500 per month, and is now paying the same amount, except that the pay is at the rate of 5½ cents a mile with $350 a month guaranteed. The average monthly pay of Air Corps officers, including base pay, flying pay, and all allowances will be in 1933, $400.63; of this amount $113.33 is flying pay. The Government is now obtaining its pilots very cheaply in spite of the added risk of military aviation.

Reasons for percentage schedule: The payment for the extra hazard should be made in amounts gradually increasing with age for the following reasons:

a. The compensation for extra hazard would otherwise be a smaller proportion of the income and thus furnish a lesser incentive for undertaking the hazardous duty.

b. An officer of 30 years' service may retire on an income of $359.37 per month. An officer of 23 years' service would retire, if permitted, on an income of $229 per month. It is not fair to ask them to jeopardize this income for their dependents by taking a risk two to three times as great as would otherwise be incurred and only recompense them by flight pay which may barely pay the insurance necessary to provide a fraction of the income which could be obtained by retirement.

Distribution of pay to grade: At present distribution of flight pay to the various grades is as follows:

	Per cent
Lieutenants	65.9
Captains	20.42
Majors	9.57
Lieutenant colonels	2.52
Colonels	.78
Generals	.66

Eighty-six per cent of the total flight pay goes to captains and lieutenants.

Flying performed by higher grades: The officers in the higher grades of the Air Corps, who are assigned to the command of units, fly with their organizations. The officers in the higher grades not assigned to tactical units are required to fly a maximum consistent with the proper performance of their other duties. This amount of flying is being carefully supervised. Even though flying in some cases a lesser number of hours, additional risk is incurred for each hour flown because lack of practice increases the hazard. Administrative action is being taken to increase the flying done by administrative officers in order to reduce the accident rate and effect savings in the cost of the maintenance of the Air Corps. This action will be ineffective if such officers have their flying pay reduced. Since officers at one time serve on administrative duties and at another time on tactical assignments, it is important that all officers maintain a proficiency in piloting which will not require the expense of a refresher course. It is likewise essential that all officers possess first-hand knowledge of the conditions of and requirements for equipment and training. It is unfair and uneconomical to penalize an individual because of a temporary period of reduced flying

activity. This reduced flying activity has not been great in the past. Statistics show that the average officer in each grade on administrative duties is flying on an average over 50 per cent of the general average for the Air Corps.

Savings: A rough estimate shows that the savings in the 1933 estimate if the maximum rate of flight pay is reduced to $1,100 will be $467,462. This reduction in flight pay will be absorbed by the communities in which aviators are stationed and will effect a reduction in the business activity in these communities equal to at least five times the amount absorbed.

In view of the injustices which will result to a large number of Air Corps officers, and the adverse effect on the morale of all Air Corps officers, it is urgently recommended that no change be made which will reduce the present rates of flying pay.

FOLLOWING LIST OF FIELD OFFICERS WHO HAVE DIED AS RESULT OF AIRPLANE ACCIDENTS FROM 1918 TO 1931, INCLUSIVE

1918: Lieut. Col. H. J. Damm, Maj. O. J. Brindley, Maj. J. P. Mitchel, Maj. W. R. Ream (medical officer detailed to the Air Corps).

1919: Maj. D. M. Peterman, Lieut. Col. F. T. Dickman, Maj. J. F. Butts, Maj. H. M. Clark, Maj. Patrick Frissell, Maj. D. B. Crissy, Maj. W. A. Saunders, Col. T. F. Dodd.

1921: Maj. S. L. Wheeler, Lieut. Col. A. Miller.

1922: Maj. J. W. Simons, Maj. G. L. Gearhart, Maj. W. W. Vautsmier, Maj. J. G. Thornell.

1923: Maj. T. N. Duncan, Maj. E. L. Napier (medical officer detailed to the Air Corps).

1925: Maj. Lee O. Wright, Maj. C. C. Benedict.

1926: Maj. W. L. Moose.

1927: Maj. H. L. Geiger.

1929: Maj. Paul Bock.

1931: Maj. C. Hart (medical officer detailed to the Air Corps).

The total number of field officers killed between 1918 and 1931, inclusive, was 26.

The average number of field officers in the Air Corps per year during this period was 115.

The average percentage killed per year was 2 per cent.

FIELD OFFICERS RECEIVING INJURIES IN AIRPLANE ACCIDENTS, 1920–1931

1920: Maj. H. L. Watson.

1921: Maj. A. W. Robins, Maj. J. Y. Chisum, Maj. W. H. Frank.

1922: Maj. W. W. Winn, Maj. Maxwell Kirby.

1923: Maj. H. J. Knerr.

1925: Maj. J. H. Pirie, Lieut. Col. William Schauffler, Lieut. Col. W. G. McChord, Lieut. Col. C. H. Danforth.

1926: Maj. Jacob E. Fickel, Lieut. Col. Arthur G. Fisher, Maj. Harold Geiger, Maj. Millard F. Harmon, Maj. Horace M. Hickam, Maj. Orlando J. Posey (M. C.).

1929: Maj. Claude W. Cummings (M. C.).

1930: Lieut. Col. Oscar Westover, Maj. R. F. Longacre (M. C.), Maj. Reginald Ducat (M. C.).

The total number of field officers injured between 1920 and 1931, inclusive, was 21.

The average number of field officers in the Air Corps per year during this period was 115.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. BACON. I yield.

Mr. BRITTEN. There is another matter that I would like to suggest to the gentleman in connection with his remarks about aviation pay. If the Economy Committee brings in a bill of any kind reducing pay generally in the Army and Navy, these flight officers and men will be reduced twice. In other words, their pay will be practically cut in half.

Mr. BACON. That will probably be true. I want to call attention, however, to the fact that this matter will come before the committee to-morrow, and I hope to have the opportunity to discuss it further. What applies to the Army applies also to the Navy. For the past 10 years we have been trying to build up a group of majors, lieutenant colonels, and colonels who can actually fly, themselves, and lead their squadrons in flights. You can not push the junior aviators, but you can lead them. This proposed reduction will undo the work of years, will destroy morale, and will greatly reduce the efficiency of both Army and Navy aviation. I hope the Members will study the letter and tables furnished by Mr. Davison before finally making up their minds.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FRENCH. Mr. Chairman, I yield one-half minute to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I have just received by air mail a resolution passed by the lower house of the Legislature of the State of Michigan, protesting against the breaking of the implied contract which is involved in this naval bill, which contract the Federal Government had with the State of Michigan. This implied contract is broken by the endeavor to scrap the training ships on the Great Lakes.

The Common Council of the City of Detroit also passed a resolution unanimously, two days ago, protesting against this breach of faith. The city of Detroit was induced to put $1,000,000 into this training scheme, and the State of Michigan appropriated $600,000. Now the Federal Government is leaving the city and State flat.

When the bill is read I will offer an amendment to correct that breach of faith.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. AYRES. Mr. Chairman, I yield five minutes to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, the House has passed the revenue bill, now pending before the Senate committee, which is estimated to raise approximately $1,250,000,000 additional revenue for a depleted Treasury. In addition to this every appropriation bill is being drastically reduced far below the Budget estimates approved and submitted by the President, in an effort to save approximately $250,000,000. The Economy Committee is working out a program for consideration as an amendment to the legislative appropriation bill, which will further reduce Government expenditures in a sum estimated to approximate $250,000,000. This will be a reduction in governmental expenditures, under the Budget estimates, of approximately $500,000,000.

The additional burdens of taxation in the revenue bill are being transferred to the taxpayers of our own country from the taxpayers of Europe, in part, because of the moratorium granted to European countries extending payments aggregating $252,000,000, not for one year, but over a period of 10 years.

The Senator from Nebraska [Mr. HOWELL] in a speech in the Senate stated that none of these extensions were asked for by European countries, but were made at the suggestion of "the invisible government," the international bankers, who have negotiated foreign loans in enormous amounts.

It was urged in support of the moratorium that it was necessary to save European countries from bankruptcy. The truth is if the budgets of the foreign countries had been reduced by the following amounts: Belgium 2.45 per cent of its budget, Great Britain 3.75 per cent, Italy 1.41 per cent, and France 2.65 per cent, it would not have been necessary to have extended the moratorium.

In our foreign-debt settlements, calculating the interest on a basis of 4¼ per cent instead of on what we actually received, we actually lost $10,705,618,006.90. The Senator from Idaho [Mr. BORAH] estimates that, on the basis of present-worth value, we lost on these adjustments about $6,000,000,000. These foreign Governments are spending annually on naval and land armaments as follows: Great Britain, $678,051,247; France, $517,910,816; Italy, not including naval aviation, $350,057,884.

If our Government were more insistent upon having the foreign Governments pay their indebtedness to the United States, instead of making an effort to protect the international bankers, business conditions would improve and much of the taxation necessary to be imposed would not be necessary.

I did not support the moratorium and voted against the reduction or cancellation of all of these indebtednesses.

Every European nation indebted to the United States is maintaining a larger and more expensive navy and a land force than ever before, except during the World War. According to the reports from the War Department, the total organized force of France at the present time is 6,942,559 men; Italy, 5,985,597; Poland, 1,977,095; and Great Britain, 744,646.

These armed forces require enormous expenditures, not only by the European Governments, but added competitive expenditures by our own Government as well. The present naval appropriation bill, now under consideration, recommends for the coming fiscal year an expenditure of $326,340,466.

There is absolutely no excuse for any leniency on behalf of our Government in any further extensions, cancellations,

or remissions, either of principal or interest, of the amount due us by these foreign Governments.

We have heard the statement made until it is threadbare, that they are not able to pay. This is refuted by the figures I have given showing the expenditures by the several European nations on naval armaments and land forces. Of course, if all of their money is spent in war preparations they have no money to spend on their legitimate obligations. The money due us is for the most part money advanced by us.

Many people really think that it would be such a financial strain that it would force the European countries into bankruptcy if they were urged to pay the amounts agreed upon in these several adjustments.

Does any person who reflects think if Italy reduced her budget 1.41 per cent and paid that amount to the United States on her indebtedness, this would force her into bankruptcy?

The truth is that the people of the country have been educated to believe that the payment of the small amounts due annually would force these Governments into bankruptcy, that they accept these statements without further investigation.

The Senator from Nebraska [Mr. HOWELL] made the astounding statement in the Senate, as shown on page 8493 of the CONGRESSIONAL RECORD of April 19, 1932, in discussing these foreign-debt settlements:

> In one case a nation had made a payment to the Treasury Department; the moratorium was granted and the payment returned.

The press reports indicated at the time that a number of European nations had made arrangements through New York banks to pay the amounts of their indebtedness to the United States in the event that the moratorium resolution was not passed. When representatives of these banks were summoned before a Senate committee they side-stepped in every direction and evaded a direct reply. My candid judgment is that all of these Governments were making the necessary financial arrangements to meet the payments when they were to become due.

The taxpayers of our country should be made to understand that the additional tax burdens imposed upon them by reason of the revenue bill is because of our remission or cancellation of a large part of the debts which the foreign Governments owe.

Some weeks ago I emphasized the necessity for the reduction of governmental expenditures. Every city and town throughout the United States is earnestly revising its budget.

The estimated expenditures for the year 1932 of our Government, including the Postal Service, is $5,178,524,967.95. In 1887, under the last year of the first Cleveland administration, our governmental expenditures were $383,245,913.54.

I have repeatedly insisted that the best way to economize is to reduce expenditures. Congress has not received the assistance that it should have received from the heads of the departments and the various bureaus. During the course of preparation of the several appropriation bills the head of practically every bureau appeared before the subcommittee and fought any reduction. The President has at his service the Bureau of the Budget. It has a large clerical force. The appropriation for the Bureau of the Budget for the current year is $190,000. It has plenty of time and the facilities for investigating every bureau. Congress has a right to expect that the report of the Bureau of the Budget represents the most economical amount that each department or bureau could be run for without crippling the service. Frankly, Congress, since the creation of the Bureau of the Budget, has always reduced its estimates. Congress is sharply reducing its estimates in every appropriation bill for the coming fiscal year.

I want again to emphasize to the taxpayers of the country that when they are called upon to pay increased taxes, it is in a measure because we have, first remitted or canceled a large part of the indebtedness due us from foreign Governments, and, second, we granted a moratorium of $252,000,000 in December last. The people are led to believe that this moratorium was for only one year, when the truth is that this $252,000,000 is to be repaid spread over a period of 10 years.

If the Economy Committee finds it necessary, to balance the Budget, to present an amendment reducing the salaries of the employees of the Nation, each one should remember that this was in part due to a falling off in the revenues of the Government, but that it was for the most part due to the leniency shown to the taxpayers of the foreign countries.

Many unthinking people ask, What are you going to do about it? Are you going to war to collect these amounts due? No; of course not. You do not have to fight every individual to whom you present an account. You can insist on an account that is due being paid without personal difficulty. The same is true with foreign nations. Those familiar with history will recall that about 100 years ago now France was indebted to our Government, and it took the insistent demands of "Old Hickory" to bring that Government to terms, and the amount was adjusted and settled.

The credits we extended these foreign Governments were in good faith. We paid all of our own expenses during the World War. Our soldiers gave a good account of themselves. They assisted in winning a triumphant victory.

I am trying to emphasize that there is nothing to the old threadbare statement that the nations of Europe are unable to pay their indebtedness to us. The figures that I have given showing their expenditures refute this, and the childish argument made for the purpose of alarming our people that a firmer insistence on behalf of our Government for the collection of the balance of the indebtedness due from each of these nations would lead to war. Of course, everyone who is at all familiar with our diplomatic relations knows that it is not true; and if our Government had stood firm, a much larger part would have been paid—and to the extent of the amount paid the increased taxes we are imposing would be reduced.

Mr. AYRES. Mr. Chairman, I yield to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, I have asked this time for the purpose of making an announcement of the one hundredth anniversary of Hot Springs National Park, Ark. On April 25 the celebration will begin, and it extends from the 25th of April to the 1st day of May.

Opening of a local museum on Central Avenue, which will contain historical exhibits a century old, will take place Monday. The historical pageant to be staged on the Rix Stadium field the following day will depict the history of Hot Springs from the time the Indians discovered the hot healing waters, and will portray the modern city and national park. Not fewer than 1,500 persons, including school children, will take part.

The pageant was written by Harvey H. Haley, city superintendent of schools, who, assisted by V. E. Sammons, principal of the high school, and Mrs. Lelia Conte, principal of Jones School, will direct it. The pageant is divided into five régimes. The discovery of the hot springs by the Indians will be shown, with ceremonial dances by various tribes and a bow-and-arrow dance. Then comes a portrayal of the visit of De Soto in 1541. Battles between the Spanish explorers and Indians also will be shown.

The third régime shows the visit of French engineers, trappers, and explorers, and depicts the early days of La Salle, Marquette, De Tonti, and Jacques Cartier, and includes the march of Jesuit priests and a reenactment of the Louisiana Purchase.

In régime No. 4 there will be a revival of the historic covered wagons. Conflicts with Indians will be shown. The action of Congress in 1882 in creating the Government's first national park will be depicted. The social life of residents of that time also will be shown, and that episode will close with a Virginia reel and the dancing of the minuet. The grand finale will typify Hot Springs as it is to-day and will close with Uncle Sam standing before the "mike" of KTHS and broadcasting a centennial message to the Nation.

There are 46 hot springs located in the national park and they have an aggregate flow of 851,308 gallons daily. These springs are owned and controlled by the United States Government, which indorses the curative properties of the hot water, which ranges in temperature from 102° to 147° Fahrenheit.

The centennial parade will be held Thursday afternoon, April 28. It will consist of military units and many floats, each of which will portray a feature of national-park and municipal history. No commercial float will be permitted. Bands and musical organizations from other cities will intersperse the sections of the parade.

Scott D. Hamilton, manager of the chamber of commerce, who is directing the entire centennial celebration, said plans were being made to devote Friday to aviation, with an air circus as the feature.

Saturday, April 30, has been designated as "Pioneer Day." Residents of Hot Springs have been asked on that day to discard modern attire and appear in costumes such as were worn a century ago.

The Rotary Club has offered a prize to the best set of whiskers and flowing mustache to be grown by any now smooth-faced man residing in Hot Springs. The celebration will close Sunday, May 1, when the local Choral Club will give a concert in the auditorium.

I take this opportunity of inviting the Speaker of the House and all the Members of the House who might have a chance to do so to visit the great Hot Springs National Park during this period of time.

Hot Springs National Park is growing by leaps and bounds. The last census showed a 30 per cent increase of the population in 10 years. The great Army, Navy, and veterans' hospital, to cost a million and a half dollars, provided for by this Congress is now in the course of construction, and when completed will be one of the most beautiful and comfortable hospitals in the United States.

No more prosperous businesses and business men can be found in the United States than are at Hot Springs National Park. Each man is a booster for the park and works and looks forward with great pride as the city grows and expands its usefulness to the world, to the greatest national park in America.

No finer hotels can be found anywhere than we have in this great national park, located in the mountains, where the air is pure and where everything is conducive to good health. Besides that we have the greatest curative waters that nature has given to the world. Thousands of people afflicted with various diseases go to this great natural health resort each year and are cured, and go home and give praise to this wonderful contribution that nature has given to mankind in the healing waters of this great resort.

By the side of this great city flows the beautiful Ouachita River, which is formed by the mountain streams and is as pure as can be found anywhere. Within a very short distance of this city the Arkansas Power & Light Co. has built two great dams, at the cost of many millions of dollars, and this stream is harnessed and used for the generation of electricity for three or four States and furnishes power for the running of all electric machinery.

The building of these two great dams near this great national resort has formed two lakes of something like 10,000 acres—Lake Hamilton and Lake Catherine—which have been stocked with fish by the National and State Governments and which are now nationally known as one of the greatest resorts of this kind, and fish can be caught there practically the year around. The lakes are stocked with motor boats that are as fine as can be found on the Potomac or elsewhere.

So one seeking rest and pleasure can find no better place to go than Hot Springs National Park. You hear each night over the radio an invitation from this city—from KTHS, which means "Come to Hot Springs." Anyone accepting that invitation will repeat it annually.

The great Broadway of America leading from Broadway, New York, to San Diego, Calif., extends through this great national park, and you can drive from Broadway, New York, to Hot Springs National Park on concrete or hard-surfaced roads.

We are told in the Bible that there was a pool known as the pool of Bethesda, and that at certain times the waters of this great pool were troubled and those that were permitted to enter it were healed. The difference between this great Hot Springs water and the Bethesda pool is that the waters at Hot Springs are troubled at all times; and if you are so afflicted that you can not get in them yourselves, they have attendants at each of the bathhouses to help you enter and let you be cured.

When this session of Congress is over many of you will want a much-needed rest, and I take pleasure in inviting you to this great national resort to spend your time in resting and recuperating—and you would also be given the privilege of enjoying the sunshine and friendship of our southern people, who know how to meet and greet the stranger and make him feel welcome. [Applause.]

Mr. FRENCH. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. HORR].

Mr. HORR. Mr. Chairman, it was my pleasure to hear the gentleman from Idaho [Mr. FRENCH] speaking to you on this Navy appropriation bill. The gentleman brought out the fact that the only letters he had received requesting further naval appropriations were from people who were interested in naval construction and in shipbuilding.

Mr. FRENCH. Will the gentleman yield there?

Mr. HORR. In just a moment.

Mr. FRENCH. The statement of the gentleman is not accurate at all. I did not make that statement.

Mr. HORR. If the gentleman did not make the statement, the RECORD will clarify what has been said.

I am proud of the fact that I do represent the Bremerton Navy Yard, which is in my district—a navy yard which built the cruiser *Louisville* for $1,000,000 less than the money appropriated for it, and 90 days under the time schedule.

Mr. THATCHER. Will the gentleman yield there?

Mr. HORR. I have only five minutes. If the gentleman can get me more time, I would be pleased to yield; but I have something else to say about the gentleman from Idaho.

Mr. THATCHER. I want to supplement the statement the gentleman has just made.

Mr. HORR. If the gentleman has something to supplement my statement, I yield.

Mr. THATCHER. And the *Louisville* was built at a cost of about $2,500,000 less than the amount bid by private yards.

Mr. HORR. Yes; and it is very kind of the gentleman to make that statement.

May I call the attention of the gentlemen who are opposed to these appropriations for the Navy to the fact that it seems strange that the membership of this House, who have participated in warfare and who really know what it is to serve their country in combat, are not the people who are opposing the appropriations for Army and for Navy.

May I also call attention to the fact that the letters I am receiving are not from the people who are particularly or directly interested in the building of ships, but I am receiving letters from the great American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, various patriotic organizations, and from men who have been tested under fire and know what it is to go into combat unprepared.

Talk about your Geneva conference and your agreements of nations, and you must do it without a smile! Did you hear the distinguished gentleman a few minutes ago calling your attention to the Geneva conference? Have we not had enough of international conferences? In our dealings with other nations we have been, as the philosopher, Will Rogers, has said, the only nation that has never lost a war and the only one that has never won a conference.

I may say to you that on the Pacific coast the Navy to us is the first line of defense. China and Japan are a long way from the eastern coast, and you are not cognizant of warlike conditions and you do not sense them like my people out on the Pacific coast. We realize just what it means when

the Orient begins to stir and warlike preparations are made in the Far East.

My good friend the gentleman from Idaho [Mr. FRENCH] opposes living up to the naval pact, and I give the gentleman credit for being sincere; but the gentleman comes from an inland State, a State that will never in all probability be invaded and, I hope, never know the real horrors of war; but may I call attention to the fact that at one time the gentleman was of the same thought as myself on maintaining the Navy to treaty strength? I refer you to the CONGRESSIONAL RECORD of April 15, 1922, and from page 5592 read you the statesmanlike utterance of this statesman from Idaho when the gentleman was speaking then upon the Navy bill and in favor of maintaining treaty strength. I now quote from his speech in 1922:

> The agreement of the conference carries dual responsibility—it carries responsibility to the nations of the world besides our own and it carries responsibility to our people. We must keep faith with foreign countries by refusing to go above the 5-5-3 agreement. We must keep faith with the people of the United States by refusing to go below, except as we may do so through the concert of supplemental agreements. This I hope we may be able to do.
>
> Gentlemen, I believe we have given you a bill that respects the treaty and that will challenge the admiration not only of our own people but of foreign countries as well.

The gentleman from Idaho could not present a better argument for the maintenance of our Navy up to the ratio prescribed in the London and Washington treaties, and I am surprised to-day to find him arguing against the maintenance of these treaty requirements.

In 1922 he gave voice to that which should prompt us all, namely, that we should keep faith with the American people by refusing to go below the treaty requirements. And, gentlemen of the House, we are not maintaining the ratio of these treaties, and the following chart will show that Japan and Great Britain both have exceeded their treaty allowances in comparison to the ratio prescribed for the United States. I submit the following table, which shows the increase in naval armament of Japan and Great Britain over the 10–10–6 ratio of the London treaty.

Ratio ships built and building

	United States		Great Britain		Japan		Treaty allowance
	1921	1931	1921	1931	1921	1931	
Capital ships, battleships and cruisers	10	10	7.1	12.2	4.9	6.5	10-10-6
Aircraft carriers	10	10	45.6	12.6	8.0	7.5	
Heavy cruisers	10	10	4.5	12.9	5.6	7.6	10-8.1-6
Light cruisers	10	10	35.0	23.6	11.2	12.8	10-13.4-7
Destroyers	10	10	6.8	6.9	2.1	11.9	10-10-7
Submarines	10	10	8.3	9.0	3.6	13.8	10-10-10
All combatant types	10	10	8.4	12.5	4.7	8.2	10-10-6

From this table we can readily see that in all combatant types the United States is maintaining its ratio of 10 and Great Britain has increased her ratio from 10, prescribed under the treaty, to 12.5, and that Japan has increased from her ratio of 6 to 8.2.

If we are to keep faith with the people of the United States, we must bring our Navy up to the standard of ratio prescribed.

I realize that we are in a depression; but when war comes considerations are not given to nations that are unprepared. Do the gentlemen realize that it takes 3½ years to build a battleship, 3 years to build a cruiser, from 3 to 3½ years to construct an aircraft carrier, 2 years for a destroyer, 2½ years for submarines; and do the gentlemen also know that 80 per cent of the money expended for the construction of naval armament is paid out for labor?

The London and Washington treaty ratios were without doubt based upon the present armaments of the nations that participated. What will be the condition of the United States in 1936, when these treaties terminate? We will without doubt be far below our quota; and it will be extremely difficult to insist upon our future proper naval development if we enter into another conference, which will without doubt be called, with a small Navy.

Economy in government is to be commended; but where appropriations are withheld to the extent that the military and naval prestige of our country is impaired, it is time to call a halt.

Has the gentleman taken into consideration in these curtailments the number of men who will be deprived of the opportunity of labor in the shipyards, both Government and privately owned, if this plan of Navy reduction is continued?

Do the gentlemen consider the subsidiary institutions of industry that manufacture materials that go into the construction of naval armament? Above all, has proper thought been given to the matter of adequate preparedness, which a reduction in Navy will destroy?

It is easy to talk of pacts, treaties, and agreements and peace conferences, but the people on the western coast of this great Republic feel keenly the lack of adequate preparedness when they consider the unrest in the Orient.

Do my colleagues realize just what war with the East would mean to my section of the country? Have they given thought to the fact that the first airplane raids would be directed against my home city of Seattle, the Puget Sound cities, and the navy yard at Bremerton?

Gentlemen, we feel keenly this lack of preparation and your failure to take into consideration our unpreparedness on the Pacific coast. The Navy is our first line of defense. Destroy it and you have destroyed any opportunity of offensive warfare. Do not, I implore you, invite invasion.

May I ask that you give your support to this necessary branch of national defense? [Applause.]

The Clerk read as follows:

NAVAL ESTABLISHMENT

OFFICE OF THE SECRETARY

PAY, MISCELLANEOUS

For commissions and interest; transportation of funds, including the cost of insurance on shipments of money by registered mail when necessary; exchange; not to exceed $2,000 for the part-time or intermittent employment in the District of Columbia or elsewhere of such experts and at such rates of compensation as may be contracted for by and in the discretion of the Secretary of the Navy; actual expenses of officers and midshipmen while on shore-patrol duty, including the hire of automobiles when necessary for the use of shore-patrol detachments; hire of launches or other small boats in Asiatic waters; for rent of buildings and offices not in navy yards; expenses of courts-martial, including law and reference books, prisoners and prisons, and courts of inquiry, boards of inspection, examining boards, with clerks, and witnesses' fees, and traveling expenses and costs; expenses of naval districts; not to exceed $15,000 for promoting accident prevention and safety for civilian employees in shore establishments of the Navy, to be expended in the discretion of the Secretary of the Navy; stationery and recording; religious books; newspapers and periodicals for the naval service; all advertising of the Naval Department and its bureaus (except advertising for recruits for the Bureau of Navigation); copying; ferriage, tolls; cost of suits; relief of vessels in distress; recovery of valuables from shipwrecks; quarantine expenses; reports; professional investigation; cost of special instruction at home in other than history, languages, civil government, and literature, and cost of special instruction abroad, including maintenance of students and attachés, and not to exceed $9,750 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., Supp. V, title 5, sec. 118a); information from abroad and at home, and the collection and classification thereof, and the expenditures for such purposes shall be accounted for specifically; all charges pertaining to the Navy Department and its bureaus for ice for the cooling of drinking water on shore (except at naval hospitals), and not to exceed $175,000 for telephone rentals and tolls, telegrams and cablegrams; postage, foreign and domestic, and post-office box rentals; for necessary expenses for interned persons and prisoners of war under the jurisdiction of Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while under such jurisdiction, and for payment of claims for damages as provided in the act making appropriations for the naval service for the fiscal year 1920, approved July 11, 1919 (U. S. C., title 34, sec. 600); and other necessary and incidental expenses; in all, $1,450,000: *Provided*, That no part of this appropriation shall be available for the expense of any naval district in which there may be an active navy yard, naval training station, or naval operating base, unless the commandant of the naval district shall be also the commandant of one of such establishments: *Provided further*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed $530,000.

Mr. AYRES. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 2, line 6, before the word "not," insert the following: "For traveling expenses of civilian employees."

Mr. AYRES. Mr. Chairman, that was omitted through inadvertence.

Mr. STAFFORD. Will the gentleman yield?

Mr. AYRES. I yield.

Mr. STAFFORD. A few days ago we had a striking example of the policy of the House in cutting down the amount reported from the committee by 10 per cent, as suggested and acted upon by the Senate. We have received no intimation that that policy will not be followed when the other appropriation bills reach the Senate, and those heretofore passed by the House. I wish to inquire whether the subcommittee has taken into consideration the fact of the adopted policy of Congress, that the amount agreed upon in the various items by the House committee is going to be curtailed to the extent of 10 per cent?

Mr. AYRES. The committee has not taken that into consideration at all. We have gone along without regard to any action of that kind.

Mr. STAFFORD. Has the committee in any of these items made any reduction in salary or compensation as compared with existing law?

Mr. AYRES. We have made no salary reductions at all.

Mr. STAFFORD. Last year I thought it was the policy of Congress to curtail the pay of the office of personnel as based upon the quota allowed under existing law.

Mr. FRENCH. Will the gentleman yield to me?

Mr. AYRES. I yield.

Mr. FRENCH. I think the gentleman will recall that we carried the provision limiting the number of officers to which pay could be made on the basis of existing law, so as to prevent a large additional number going in as graduates from the academy.

Mr. AYRES. That is correct; but we made no reduction.

Mr. FRENCH. No reduction; it was a reduction from what would have been the case if it were not for the legislation.

Mr. STAFFORD. Would the gentleman support a proposition to cut down all of these appropriations 10 per cent, so that the House may have the credit of being in favor of economy, rather than when the bill comes from the Senate, ratifying the action of the Senate, thereby proclaiming to the country that the Senate is the economy body?

Mr. AYRES. No; we have cut just as far as it was possible to cut, I should say, without impairing the efficiency of the Navy.

Mr. STAFFORD. But there is still a reservation—if perchance the Senate does adopt the policy of cutting all appropriation bills 10 per cent, and the chairman of the Committee on Appropriations of the House moves to concur in the Senate amendment, then will he not be only too happy to ratify the action of the Senate?

Mr. AYRES. I think the gentleman from Wisconsin is anticipating what the Senate might do.

Mr. STAFFORD. I understood the other day that the chairman of the Committee on Appropriations of the House was in favor of a policy of ratifying the action of the Senate in cutting down appropriations 10 per cent.

Mr. AYRES. I am not aware that he made such a declaration.

Mr. STAFFORD. He did not make the declaration then. It was by his conduct and action that he so declared the policy.

Mr. AYRES. I think that is a matter that we must determine if and when the question arises.

Mr. STAFFORD. I think that some of the bills that have already passed the House could be cut down much more than 10 per cent without doing harm to the service. I am seeking information as to whether the committee in this particular made any efforts to cut down the salary allowance for the office of the Secretary.

Mr. AYRES. The gentleman will find as we go through the bill, if he will make comparisons with the current appropriations, that we have made considerable reductions all along the line.

Mr. STAFFORD. I have the report here of the appropriation for the Secretary's office last year, $215,520; budgetary estimates, $215,520; amount recommended in the present bill, $215,520. Ergo, it may be subject to a 10 per cent reduction as established by the Senate policy.

Mr. AYRES. I made the statement in the beginning that the committee did not disturb any salary items.

Mr. STAFFORD. But in the Interior Department appropriation bill we did cut by 10 per cent every salary item as it left the House.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes.

Mr. BRIGGS. Just for the benefit of the RECORD and that the public may be informed, I should like to know just what percentage of reduction the House Appropriations Committee did effect under the recommendations of the Budget.

Mr. AYRES. We effected a reduction of a little over $15,000,000 under the current year.

Mr. BRIGGS. As I understand it, the Budget estimates provided a recommendation of $350,000,000.

Mr. AYRES. Yes; including special funds.

Mr. BRIGGS. And this bill carries recommendations for $326,000,000?

Mr. AYRES. Yes; but excluding the special funds.

Mr. BRIGGS. So there is a reduction under the Budget of what amount?

Mr. BRITTEN. About fifteen and a half million dollars.

Mr. AYRES. Yes; in direct appropriations.

Mr. BRIGGS. Oh, I see; in direct appropriations. That figure excludes special funds and a reappropriation?

Mr. AYRES. Yes.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes.

Mr. BRITTEN. With the gentleman's permission, at this point I would like to insert into the RECORD certain figures to call them to the attention of the House. The estimates for 1933 submitted in August, 1931, were $397,000,000. Subsequent to that, revised estimates were brought in for $358,000,000. Subsequent to that, in October, 1931, they were reduced to $346,000,000, and then finally recommended to the Bureau of the Budget at $341,500,000, when the Navy was cut to the bone, and from that $341,500,000 the gentleman is deducting $15,500,000. I understood the gentleman to say to the gentleman from Wisconsin a few moments ago that no salaries were reduced in this bill. It is my impression that flight pay for the Navy and Marine Corps is materially reduced.

Mr. AYRES. That is not a salary.

Mr. BRITTEN. What would the gentleman call it?

Mr. AYRES. I would call it an allowance, or, perhaps, a gratuity, extra to the salary; of course, in a sense, it is pay.

Mr. BRITTEN. The gentleman would call it pay. It is part of their salary.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. BRIGGS. Mr. Chairman, I ask unanimous consent that his time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes.

Mr. GOSS. Would the gentleman support a motion to recommit, including a 10 per cent decrease in the appropriations?

Mr. AYRES. We have not reached that point.

Mr. GOSS. I say, would he?

Mr. AYRES. Do not let us cross any bridges until we come to them.

Mr. BRIGGS. Did the gentleman's committee conscientiously endeavor to weed out every item it could do, without impairing the national defense?

Mr. AYRES. Certainly, and I so stated Tuesday last as well as I could. It is all in the RECORD. We did our best to

make reductions and at the same time not harm the efficiency of the Navy.

Mr. BRIGGS. Is the statement of the committee as set forth in the tabulation appearing in the committee's report correct? The bill carries direct appropriations of $326,340,466, or $31,921,657 less than the sum of the current appropriations.

Mr. AYRES. Yes.

Mr. BRIGGS. And $15,300,000 less than the Budget estimate?

Mr. AYRES. That is right.

Mr. BRIGGS. So you really cut this bill 10 per cent below the appropriation for the previous year?

Mr. AYRES. Not quite.

Mr. SUMMERS of Washington. Mr. Chairman, I move to strike out the last word to direct your attention to a splendid compliment to some worthy employees, all hidden away in the printed hearings on this bill.

In these days, Mr. Chairman, when we are emphasizing economy, and justly so, I think it is worth while to read these lines from the hearings on page 633:

COST OF HULL AND MACHINERY WORK

Mr. AYRES. Admiral Rock, are you and Admiral Robinson going to accomplish the hull and machinery work on any of the vessels, upon which work is proceeding, below the cost limits?

Admiral ROCK. Our experience up to the present time, except for the *Chicago* and the *Louisville*, built in the west coast navy yards, and the *Salt Lake City*, built under private contract in the East, is that the ships will cost practically up to the authorized limits of cost, and we are not estimating in our estimates, as submitted, any saving under the limits of cost on the ships now under construction, except about $1,250,000 on the two ships building on the west coast.

Mr. AYRES. That saving is due to what reason?

Admiral ROCK. I think the saving on the ships built and building on the west coast is due simply to the fact that the men there, up to the present time, have worked with a better spirit, more steadily, due, of course, partly to the management and partly to their own spirit, than they have in other parts of the country.

According to the testimony of Admiral Rock, we get more for the money expended when we build ships on the west coast; and I want to pay this tribute to the men and officers at the Puget Sound Navy Yard at Bremerton, Wash., and the Mare Island Yard in California, to which I think they are entitled. If, by their spirit and energy and better work, they are saving the people of this country nearly $2,000,000 on a single Navy vessel, it is worth while being made a matter of record, and I want to utter this word of commendation for those workmen and all others who perform their work in like manner.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. MORTON D. HULL. Is there any difference between the Government yards and private yards, in the cost, in that respect?

Mr. SUMMERS of Washington. Yes. The facts are set out here in the hearings on the Navy appropriation bill.

I call your attention to the fact that the Puget Sound and Mare Island Yards, on the west coast, saved the taxpayers nearly $4,000,000 in the construction of two vessels—the *Louisville* and *Chicago*—recently launched. The Navy Department also anticipates a million and a quarter dollar saving by these same yards on the *Astoria* and *San Francisco* now under construction. I compliment the men in those yards on this splendid showing. Records like these are the best guaranty of future contracts and steady employment.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment, merely to answer the gentleman from Wisconsin [Mr. STAFFORD] and the gentleman from Connecticut [Mr. GOSS].

In my judgment, if every supply bill that we send to the Senate is reduced 10 per cent by the Senate, and then when it comes back to the House, if it is reduced by us another 10 per cent, it would not hurt the Government one bit, and the people of the country would be much better off.

Mr. BRITTEN. Will the gentleman yield right there for a question?

Mr. BLANTON. Yes.

Mr. BRITTEN. I am asking the gentleman a serious question, of course.

Mr. BLANTON. My statement was serious. It is the best judgment I have.

Mr. BRITTEN. The gentleman knows the Senate reduced the appropriation for prohibition enforcement $1,100,000.

Mr. BLANTON. Oh, it did that to be consistent.

Mr. BRITTEN. Yes. Now, when that bill comes to the House will the gentleman offer an amendment to reduce it another $1,100,000? [Laughter.]

Mr. BLANTON. I will state to my friend the "wet" gentleman from Illinois that if he will agree concerning each and all of the appropriation bills which come from the Senate, after the Senate has reduced it 10 per cent, to get the House to reduce another 10 per cent, I will go along with him and be consistent and let the appropriation for prohibition enforcement be reduced proportionately with the others. Is that not consistent?

Mr. BRITTEN. That is consistent, and if I had the gentleman's persuasive power I would make an agreement with him right now.

Mr. BLANTON. If you make that extra 10 per cent reduction apply to all of the big supply bills, the taxpayers in every district in the United States would be glad, and some real, constructive economy would be accomplished.

Mr. GOSS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. GOSS. Was the gentleman speaking for himself or his party at that time?

Mr. BLANTON. I was speaking only for myself. No man on the floor has a right to speak for the Committee on Appropriations other than the chairman or the subchairman. I am not speaking for the Committee on Appropriations. The Committee on Appropriations is not a political committee. Every member of that committee works harmoniously with every other member for the best interest of the country. There is no politics in it. They put their shoulders to the wheel and work together. They have some differences, of course, and they fight them out among themselves, but you do not find them attacking each other on the floor. I am speaking only my private sentiments. The committee has already passed on the matter by bringing in this bill, but I imagine that they anticipated there would be another 10 per cent cut before the bill is finally passed into law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The pro forma amendment was withdrawn.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

STATE MARINE SCHOOLS, ACT MARCH 4, 1911

To reimburse the State of California, $25,000; the State of Massachusetts, $25,000; the State of New York, $25,000; and the State of Pennsylvania, $25,000, for expenses incurred in the maintenance and support of marine schools in such States as provided in the act authorizing the establishment of marine schools, etc., approved March 4, 1911 (U. S. C., title 34, sec. 1121), and for the maintenance and repair of the particular vessels loaned by the United States to the said States on the date of the approval of this act for use in connection with such State marine schools, $117,600; in all, $217,600.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I do this to obtain information as to the real purpose of these appropriations to the various four States as a contribution toward the maintenance of State marine schools. I was rather interested in the discussion in general debate as to the policy of the committee in discontinuing the appropriation in the next fiscal year for the naval reservists, particularly on the Great Lakes, and making no provision whatsoever for the officer personnel or for the maintenance of the four training ships during the fiscal year 1933. Here you have a contribution appropriation of $25,000 each to four States. It is in the nature of training for the Navy; yet if the committee and the House

are going to be consistent, why should not this $217,000 be eliminated? The States on the Great Lakes do not wish to be discriminated against even though these may not be comparable services. I am well aware of the fact that the Navy Department took it upon itself to deny to the Great Lakes States the privilege of 15 days' summer training and no training in 1933. It took that action without the knowledge, and even without the approval, you might say, of the subcommittee handling the naval appropriation bill.

Mr. AYRES. The subcommittee did not initiate the matter.

Mr. STAFFORD. I know it did not. I say the department took that action without the approval of the committee handling the naval appropriation bill and even without notice to the committee.

Mr. AYRES. We propose to reduce this appropriation from $267,000 to $217,000. As to the other proposition, I will say that the committee is not responsible for the move to take these boats off the Great Lakes. The first information the committee had that they were to be taken off was when it saw an announcement of the fact in what is known as the Army and Navy Register. It was through that source that we received information that the department already had suspended this activity. Therefore we called the naval authorities before us and were told that the step had been taken as a measure of economy. The week-end cruises and armory drill training will continue as heretofore.

Mr. STAFFORD. I understand from the hearings that it is not contemplated they are going to have any week-end cruises in the next year.

Mr. AYRES. That is not our information.

Mr. STAFFORD. In the fiscal year 1933?

Mr. TABER. Until the 1st of September, 1932.

Mr. STAFFORD. I am speaking of 1933.

Mr. TABER. That is in 1933.

Mr. STAFFORD. Only a fractional part and a vulgar fractional part of 1933.

Mr. TABER. Almost all of it.

Mr. STAFFORD. The substantial part is after September. I still insist that the committee has not provided one cent of money for cruises after September, 1932, and that is the major part of the fiscal year.

Mr. AYRES. If the gentleman from Wisconsin will permit me, the Navy Department or its responsible representatives, who are charged with the efficiency of the Navy, voluntarily have proposed this move. If we can not rely upon the Chief of Operations to effect changes that will least impair the efficiency of the Navy as a whole, what is the committee going to do?

Mr. STAFFORD. I will follow up the question I asked in the beginning. If the Navy Department is to be consistent, why should it not withdraw this $117,000 which it is proposed to give to some specially favored States along the seacoast and at the same time not give these privileges to the Great Lakes region?

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FRENCH. If the gentleman will yield, I should say that the appropriation for the marine schools is not analogous to the appropriation for the reserves. They are two different subjects.

Mr. STAFFORD. I grant you they are different; but are not they akin?

Mr. FRENCH. Yes. The marine-school appropriations are made for the purpose of supplementing appropriations made by the four States which are mentioned in the bill, where schools are maintained for the training of officers for the merchant marine of the United States. Of course, it is very possible that many of those who are trained in these schools will become members of the reserves but not necessarily so.

Mr. STAFFORD. They will certainly be trained for service in the Navy in case of war.

Mr. FRENCH. Oh, yes; that is true.

Mr. STAFFORD. That is the main purpose of the Naval Reserve.

Mr. FRENCH. But it is not the main purpose of the marine schools. It is by way of supplementing the work of the States in encouraging the training of men to take charge of ships in commerce.

Mr. STAFFORD. The gentleman does not wish to contend that the training given Naval Reserves does not equip those boys for operating as marines.

Mr. FRENCH. Of course, that is true.

Mr. STAFFORD. Of course, we need them as much on the Great Lakes as on the high seas—on the great unsalted seas of the interior. The gentleman is acquainted with our Great Lakes system, I suppose?

Mr. FRENCH. I am acquainted with the system to which the gentleman refers. I am pointing out, however, that the training in the marine school is for an entirely different purpose, with an entirely different objective.

Mr. STAFFORD. Do not emphasize "entirely different," because they are akin and very closely related except in name.

Mr. FRENCH. The training that is given to the reserves primarily is for the purpose of supplementing the Naval Establishment. The training in the marine school is for the purpose primarily of aiding the merchant marine of the United States.

Mr. STAFFORD. Mr. Chairman, I shall not charge that there is a difference without a distinction. There is a difference, but not much.

I withdraw the pro forma amendment.

The Clerk read as follows:

OPERATION AND CONSERVATION OF THE NAVAL PETROLEUM RESERVES

To enable the Secretary of the Navy to carry out the provisions contained in the act approved June 4, 1920 (U. S. C., title 34, sec. 524), requiring him to conserve, develop, use, and operate the naval petroleum reserves, $80,000, of which amount not to exceed $15,000 shall be available for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department and of which $5,000 shall be available exclusively for repairs to shut-in wells, Naval Petroleum Reserve No. 3: *Provided*, That out of any sums appropriated for naval purposes by this act any portion thereof, not to exceed $10,000,000, shall be available to enable the Secretary of the Navy to protect Naval Petroleum Reserve No. 1, established by Executive order of September 2, 1912, pursuant to the act of June 25, 1910 (U. S. C., title 43, secs. 141–143), by drilling wells and performing any work incident thereto, of which amount not to exceed $100,000 shall be available for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department: *Provided further*, That no part of the sum made available for the protection of this property shall be expended if a satisfactory agreement can be made with adjoining landowners to not drill offset wells for the purpose of producing oil.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

I think the House would be interested in having some explanation for the reason of cutting in half the appropriation of last year of $160,000 to $80,000 for the protection of our petroleum reserves. It was recommended to the gentleman's committee and the gentleman's committee has agreed to the recommendation of the Budget, but, nevertheless, there is a cut of 50 per cent in the appropriation of last year.

Mr. AYRES. I will state to the gentleman that it is due to the plan to curtail the program of mudding in inactive wells upon the naval petroleum reserves.

Mr. STAFFORD. There is not any less activity proposed.

Mr. AYRES. There is no immediate need, we are advised, for a larger appropriation for the purpose I just indicated.

Mr. STAFFORD. I assume, perhaps, the appropriation of last year was larger than the conditions required.

Mr. AYRES. I would not say that. The protection program has advanced to a point where a lesser amount will suffice for the present.

The pro forma amendment was withdrawn.

The Clerk read as follows:

BUREAU OF NAVIGATION

RECREATION FOR ENLISTED MEN, NAVY

For the recreation, amusement, comfort, contentment, and health of the Navy, including subscriptions to newspapers, to be expended in the discretion of the Secretary of the Navy, under such regulations as he may prescribe, $368,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department, exclusive of temporary services, shall not exceed $36,000: *Provided further*, That hereafter the Secretary of the Navy is authorized to accept donations and contributions from organizations, individuals, or others, for use in providing recreation, amusement, and contentment of enlisted men, such donations to be credited to "Ships' stores profits, Navy."

Mr. GOSS. Mr. Chairman, I reserve a point of order on the paragraph just read ending with line 5, on page 8, for the purpose of seeking an explanation from the chairman. The language is:

That hereafter the Secretary of the Navy is authorized to accept donations and contributions from organizations, individuals, or others for use in providing recreation, amusement, and contentment of enlisted men, such donations to be credited to "Ships' stores profits, Navy."

Mr. AYRES. I will say to the gentleman that it means just exactly what it says. They may accept donations from any source in order to augment this fund. It also contemplates the use of profits made on sales on the smaller vessels of the Navy, which do not have regularly constituted ships' stores, of such things as confections, cigars, and cigarettes.

Mr. GOSS. I may state to the gentleman that this is new legislation, unauthorized by law, and I would like to know what is the purpose of it.

Mr. AYRES. The purpose of it is to supplement to the extent practicable the appropriation we are considering.

Mr. BRIGGS. Is not this due to the fact that the Naval Appropriations Committee cut down the current appropriation—the one which had heretofore provided for this activity, and this provision is to make it possible for these activities to be continued without any impairment of the fund?

Mr. AYRES. Yes; except that the committee did not reduce the appropriation. The reduced amount came to us in the Budget.

Mr. GOSS. So now we expect the public to furnish the food and other things for nothing?

Mr. AYRES. The amendment does not restrict the sources.

Mr. BRITTEN. Will the gentleman from Connecticut yield for a question to the chairman?

Mr. GOSS. I yield.

Mr. BRITTEN. I would like to ask the chairman if this is not a direct appeal on the part of the Government for contributions of athletic goods of various kinds, pictures, baseball bats, boxing gloves, and everything that may be used for recreational purposes from the people of the country?

Mr. AYRES. It might appear so from the language, which I am frank to say was written in the Navy Department. I think, however, it is expected that the donations and contributions will come from sources within the service.

Mr. BRITTEN. Does it not make Uncle Sam look like a beggar?

Mr. AYRES. No; I do not agree to that.

Mr. BRITTEN. Let me read the gentleman the language of the proviso, if the gentlemen from Connecticut will permit:

Hereafter the Secretary of the Navy is authorized to accept donations and contributions from organizations, individuals, or others, for use in providing recreation, amusement, and contentment of enlisted men; such donations to be credited to "Ships' Stores Profits, Navy."

In other words, Uncle Sam is seen holding his hand out like a blind man or a beggar on the street asking for donations, so that our men may exercise and may have wholesome, healthful recreation wherever our ships may be. Is not this a rather sorry plight for the committee to put the Navy Department in?

Mr. AYRES. I will say to the gentleman that if we do not watch our step Uncle Sam probably will be holding out his hand for donations in order to run this Government.

Mr. BRITTEN. Let me read the language again:

That hereafter the Secretary of the Navy is authorized to accept donations and contributions from organizations, individuals, or others—

And so forth. What does that mean, if it does not mean that he has his hand out expecting some one to hand him a dollar with which to carry on?

Mr. AYRES. Did the gentleman ever accept a donation in his life?

Mr. BRITTEN. I never did.

Mr. AYRES. Then the gentleman is lucky. [Laughter.]

Mr. TABER. Mr. Chairman, the department came to the committee with this suggestion and with the reason that a large number of ship stores are run on the larger ships, like cruisers and battleships, from which the profits, under the law as it stands, have been turned into the recreation fund and used for that purpose.

But in the smaller ships the stores are not run in that way—on the destroyers and submarines—they make a profit, but under the ruling of the Comptroller General they have been unable to turn that profit into the recreation fund. The purpose of the department is, as they said when they came before us asking for the language, to permit these stores which are not operated in the regular way, under the direction of the Bureau of Supplies and Accounts, to turn whatever profit they may make into the recreation fund. It occurred to the committee that it was a perfectly proper proceeding.

Mr. BRITTEN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. BRITTEN. If the purpose of the language in the bill is what the gentleman states, I am in hearty accord with it, but that is not the fact. The fact of the matter is that this does not say anything about money taken in in the ship stores.

Mr. TABER. These stores are not run in the regular way under the Bureau of Supplies and Accounts as stores on the larger ships are. They are run in a way without the law and the Comptroller General has held that these profits can not be turned in and used as a part of the recreation fund.

Mr. BRITTEN. But this language does not refer to what the gentleman is talking about at all.

Mr. TABER. It permits it to be done. These informal organizations are run and they make a small profit, and this is the language that the department wanted to effectuate this purpose.

Mr. BRITTEN. Well, let us see if it does apply to ship stores.

That hereafter the Secretary of the Navy is authorized to accept donations and contributions from organizations.

That does not mean a naval vessel.

Mr. TABER. These organizations are all on the ships. They are informal organizations composed of officers and men on each ship.

Mr. BRITTEN. The language does not say anything about the Navy or a ship.

Mr. TABER. It says organizations and others. That is what the department wanted, and we let them have it, as it is their profit which they wish to use for this purpose.

Mr. BRITTEN. I agree with the gentleman 100 per cent if it is the intention or expectation that the money collected aboard the smaller ships is to be transferred to the recreation fund. I am whole-heartedly for it.

But there is not a single word in this language that indicates that that is what is to be done. This language here, as indicated by the chairman of the subcommittee having the bill in charge, is to permit outside organizations, outside individuals, to contribute money or anything else to ship stores for entertainment purposes, so that the officers and men may have entertainment and recreation. It does

not say a single word about these small-ship stores on destroyers, for instance.

Mr. TABER. These small stores are not within the law. That is, they are run by the men and the officers on the ships in the same way that the stores on the large ships are run, but they are not run under the department. They are informal organizations, and they want the contribution of these funds to use them in the regular way.

Mr. BRITTEN. I am for preparing and approving language that will do that thing.

Mr. MORTON D. HULL. What objection is there to that?

Mr. BRITTEN. What objection is there to Uncle Sam putting in an appropriation bill that Uncle Sam will receive contributions from people in the country to maintain the Government? I say it is a shameful declaration.

Mr. GOSS. Mr. Chairman, in view of the explanation of the gentleman I withdraw the point of order.

The Clerk read as follows:

INSTRUMENTS AND SUPPLIES, BUREAU OF NAVIGATION

For supplies for seamen's quarters; and for the purchase of all other articles of equipage at home and abroad; and for the payment of labor in equipping vessels therewith and manufacture of such articles in the several navy yards; all pilotage and towage of ships of war; canal tolls, wharfage, dock and port charges, and other necessary incidental expenses of a similar nature; services and materials in repairing, correcting, adjusting, and testing compasses on shore and on board ship; nautical and astronomical instruments and repairs to same; libraries for ships of war, professional books, schoolbooks, and papers; maintenance of gunnery and other training classes; compasses, compass fittings, including binnacles, tripods, and other appendages of ship's compasses; logs and other appliances for measuring the ship's way and leads and other appliances for sounding; photographs, photographic instruments and materials, printing outfit and materials; music and musical instruments; and for the necessary civilian electricians for gyrocompass testing and inspection; in all, $533,243: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed $33,460.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. What is this Group IV (b)?

Mr. AYRES. They are what we usually term classified employees.

Mr. GOSS. What do they do?

Mr. AYRES. They are the employees of the Navy Department in the field; that is, at the navy yards, navy stations, and other naval establishments apart from the Navy Department here in Washington. Field employees are divided administratively into five groups. Group I consists of unskilled laborers, Group II of helpers, Group III of mechanics, and Group IV (a) of supervisory mechanics, and Group IV (b) of clerks, draftsmen, technicians, watchmen.

Mr. GOSS. Has there been any reduction in their pay?

Mr. AYRES. No; in fact as to a very large number of them, their pay quite recently has been advanced.

Mr. STAFFORD. As I understand the provision, it merely seeks to limit the appropriation for this grade of work.

Mr. AYRES. That is all.

Mr. STAFFORD. Namely, draftsmen and other types of employment such as the gentleman enumerated.

Mr. AYRES. Yes.

Mr. FRENCH. If I may be permitted, we have carried similar limitations, heretofore, in different language accomplishing the same result.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

Mr. LANKFORD of Virginia. Mr. Chairman, I move to strike out the last word to ask a question of the chairman of the subcommittee. On page 10 of the bill, $27,000 is appropriated for Group IV (b) employees. Is that a new way that Group IV (b) is being treated this year? Heretofore they were all paid out of a special fund. I notice throughout this bill that a certain amount is allowed for Group IV (b) and what disturbs me is that, back on page 7, out of $368,000 for recreation the committee has allowed $36,000 for this Group IV (b), and that further on in the bill, out of an appropriation of $14,000,000, $30,000 only is allowed. What does that mean?

Mr. AYRES. Simply that the department has not asked for a larger amount.

Mr. LANKFORD of Virginia. But, as I understand it, draftsmen and men of that type are in this Group IV (b). Here is an appropriation of $14,000,000. Does that mean that only $30,000 can be allowed for draftsmen, storekeepers, and men of that type?

Mr. AYERS. To what item is the gentleman referring?

Mr. LANKFORD of Virginia. That is on page 50 of the bill. I am comparing that with this item just read.

Mr. AYRES. That has no connection with this.

Mr. LANKFORD of Virginia. It has on page 7, and it has where we have been reading. I am sure the gentleman must know, and if he will turn to page 50 for a moment, I think he can give us an explanation. That is a very important item. I know the importance of it, because I offered an amendment earlier in the session to increase the number of draftsmen because they could not keep up with the work.

Mr. AYRES. We have always limited the amount that might be expended for the class of services embraced by Group IV (b), although instead of designating them as a group, heretofore we have named the classes of employment, and for the sake of uniformity and definiteness this new language has been suggested.

Mr. LANKFORD of Virginia. In the Bureau of Construction and Repair can these draftsmen be paid out of their allowance? Those classes are engaged in this modernization work.

Mr. AYRES. Not in excess of the limitation.

Mr. LANKFORD of Virginia. What I am afraid of is that you have cut the amount down too much to carry on the work of this modernization. If $30,000 is all that you have for modernization, there must be something wrong.

Mr. AYRES. That is all the Navy Department has asked. There has been a slowing up in the modernization work, and this sum, we have been told, will be adequate.

Mr. LANKFORD of Virginia. Can you tell me where those draftsmen are going to be paid out of this $14,000,000 appropriation for modernization?

Mr. AYRES. The original estimate was $265,000. The department later reduced it to $30,000. I know of no other fund out of which draftsmen may be employed who are engaged exclusively in modernization work.

Mr. LANKFORD of Virginia. If the original estimate was $265,000, how can we go ahead with the modernization of those battleships with [illegible]

Mr. LANKFORD of Virginia. It seems to me there must be some explanation of it. Modernization work, like all other construction work, requires the services of draftsmen. We are undertaking $14,000,000 of modernization work and allowing but $30,000 for services of draftsmen. The gentleman says that last year the department recommended $265,000.

Mr. AYRES. No. I said the department originally asked for $265,000 for 1933, and later changed it to $30,000. I should think that much of the preliminary work has been done; the work on the ships has been started and much of the planning work necessarily must have been completed, as the vessels actually are undergoing modernization.

Mr. LANKFORD of Virginia. I understand that; but from the time they start work on a ship until the work is ended, draftsmen are needed, and I am wondering why the appropriation this year is so small compared with what it was last year.

Mr. AYRES. The only answer I can make to the gentleman is to repeat what I have already said, that the department has said that this was all that was needed for the purpose. We must rely upon them to acquaint us with their needs.

Mr. BRIGGS. Does not the provision at present under discussion relate to the hydrographic service?

Mr. LANKFORD of Virginia. That particular reference does, but it appears in several places in the bill. We are doing $14,000,000 of modernization. I am not satisfied with the explanation that has been given, but I will try to get something from the Navy Department before this comes up to-morrow.

Mr. AYRES. I would advise that the gentleman pursue that course.

Mr. LANKFORD of Virginia. I am not satisfied with the answers that have been given, but I will try to get further information from the Navy Department before this comes up to-morrow.

Mr. DELANEY. Mr. Chairman, I move to strike out the last two words.

As the gentleman from Virginia has suggested, there is quite a radical reduction in the appropriation from $260,000 to $30,000. I am informed that a great deal of work which is contemplated and which should be in process of prosecution is not being done for the very reason they have not a sufficient number of draftsmen to keep plans drawn ahead for the workmen in the different yards. A reduction in the amount allowed for draftsmen will further reduce the progress of the work on the ships on which modernization has been started.

Mr. AYRES. The reverse of that, I should say, would be true. The Navy Department says the smaller amount will suffice because there has been a slowing up in the modernization program.

Mr. DELANEY. There must be some good reason for such a radical reduction, it seems to me.

Mr. LAGUARDIA offered the following amendment:

Page 10, line 8, strike out "$65,000" and insert in lieu thereof "$86,600."

Mr. LAGUARDIA. Mr. Chairman, at this time the House is rather disturbed, and the Committee on Economy is very much disturbed, as to [illegible]

dustry, and agriculture. It will give the farmer an opportunity to pay his debts on a price level equal to that of the period in which the debts were contracted. But unless we take care (and I am certainly going to be on guard), to allow a compensating increase to the wage earners, we will find that the working people of this country and the wage earners will be compelled to carry the entire cost of this transition.

Therefore, Mr. Chairman, I submit that the Committee on Economy might very well drop its labors now on salary decreases, and instead of calling in the pruners they had better call in Mr. Ethelbert Stewart, the head of the Bureau of Labor Statistics of the Department of Labor, the recognized authority on commodity prices in this country, and be prepared with a plan which we will inevitably be compelled to adopt within six months to meet these increases of commodity prices.

Mr. BRITTEN. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BRITTEN. I am very much interested in what the gentleman has said. I am wondering if the gentleman can tell the House by what miracle, by what procedure this value of the dollar is to be so cheerfully and delightfully changed, under the Goldsborough legislation?

Mr. LAGUARDIA. Oh, I do not think that will be difficult under the provisions of the bill. Why, the Federal reserve is inflating that much currency now. The plan provided in the bill to which I have referred is just as artificial as our present monetary system.

Mr. BRITTEN. Does the gentleman really believe that the issuance of more money now by the Federal reserve system will do the very spectacular and almost impossible thing that the gentleman has just suggested to the House?

Mr. LAGUARDIA. Why, surely.

Mr. BRITTEN. Is it that easy?

Mr. LAGUARDIA. The other day it was testified by the governor of the Federal reserve bank that they were now issuing $100,000,000 a week of currency, and that was reflected in our exchange, and some of the gentlemen were whining and complaining that some one was pegging down the dollar. That is exactly what the Federal Reserve Board is trying to do.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BRITTEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRITTEN. Will the gentleman yield further?

Mr. LAGUARDIA. I yield.

Mr. BRITTEN. I would like to ask the gentleman how the $100,000,000 a week will finally get into the hands of the public? How will the man on the street in my district get some of that $100,000,000.

Mr. KEIBERLING. If the gentleman will yield, the gentleman made the statement that they were issuing currency. That is not true. They are buying securities and putting them in the banks.

Mr. LAGUARDIA. That is true. But they are issuing money against their own securities. It is—issuing money—

[illegible]

not say a single word about these small-ship stores on destroyers, for instance.

Mr. TABER. These small stores are not within the law. That is, they are run by the men and the officers on the ships in the same way that the stores on the large ships are run, but they are not run under the department. They are informal organizations, and they want the contribution of these funds to use them in the regular way.

Mr. BRITTEN. I am for preparing and approving language that will do that thing.

Mr. MORTON D. HULL. What objection is there to that?

Mr. BRITTEN. What objection is there to Uncle Sam putting in an appropriation bill that Uncle Sam will receive contributions from people in the country to maintain the Government? I say it is a shameful declaration.

Mr. GOSS. Mr. Chairman, in view of the explanation of the gentleman I withdraw the point of order.

The Clerk read as follows:

INSTRUMENTS AND SUPPLIES, BUREAU OF NAVIGATION

For supplies for seamen's quarters; and for the purchase of all other articles of equipage at home and abroad; and for the payment of labor in equipping vessels therewith and manufacture of such articles in the several navy yards; all pilotage and towage of ships of war; canal tolls, wharfage, dock and port charges, and other necessary incidental expenses of a similar nature; services and materials in repairing, correcting, adjusting, and testing compasses on shore and on board ship; nautical and astronomical instruments and repairs to same; libraries for ships of war, professional books, schoolbooks, and papers; maintenance of gunnery and other training classes; compasses, compass fittings, including binnacles, tripods, and other appendages of ship's compasses; logs and other appliances for measuring the ship's way and leads and other appliances for sounding; photographs, photographic instruments and materials, printing outfit and materials; music and musical instruments; and for the necessary civilian electricians for gyrocompass testing and inspection; in all, $533,243: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed $33,460.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. What is this Group IV (b)?

Mr. AYRES. They are what we usually term classified employees.

Mr. GOSS. What do they do?

Mr. AYRES. They are the employees of the Navy Department in the field; that is, at the navy yards, navy stations, and other naval establishments apart from the Navy Department here in Washington. Field employees are divided administratively into five groups. Group I consists of unskilled laborers, Group II of helpers, Group III of mechanics, and Group IV (a) of supervisory mechanics, and Group IV (b) of clerks, draftsmen, technicians, watchmen.

Mr. GOSS. Has there been any reduction in their pay?

Mr. AYRES. No; in fact as to a very large number of them, their pay quite recently has been advanced.

Mr. STAFFORD. As I understand the provision, it merely seeks to limit the appropriation for this grade of work.

Mr. AYRES. That is all.

Mr. STAFFORD. Namely, draftsmen and other types of employment such as the gentleman enumerated.

Mr. AYRES. Yes.

Mr. FRENCH. If I may be permitted, we have carried similar limitations heretofore in different language, accomplishing the same result.

Mr. AYRES. That is true.

The Clerk read as follows:

OCEAN AND LAKE SURVEYS, BUREAU OF NAVIGATION

For hydrographic surveys, including the pay of the necessary hydrographic surveyors, cartoghaphic draftsmen, and recorders, and for the purchase of nautical books, charts, and sailing directions, $65,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed $27,000.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that the Clerk be permitted to correct the spelling of the word "cartographic," in line 6, page 10.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

Mr. LANKFORD of Virginia. Mr. Chairman, I move to strike out the last word to ask a question of the chairman of the subcommittee. On page 10 of the bill, $27,000 is appropriated for Group IV (b) employees. Is that a new way that Group IV (b) is being treated this year? Heretofore they were all paid out of a special fund. I notice throughout this bill that a certain amount is allowed for Group IV (b) and what disturbs me is that, back on page 7, out of $368,000 for recreation the committee has allowed $36,000 for this Group IV (b), and that further on in the bill, out of an appropriation of $14,000,000, $30,000 only is allowed. What does that mean?

Mr. AYRES. Simply that the department has not asked for a larger amount.

Mr. LANKFORD of Virginia. But, as I understand it, draftsmen and men of that type are in this Group IV (b). Here is an appropriation of $14,000,000. Does that mean that only $30,000 can be allowed for draftsmen, storekeepers, and men of that type?

Mr. AYERS. To what item is the gentleman referring?

Mr. LANKFORD of Virginia. That is on page 50 of the bill. I am comparing that with this item just read.

Mr. AYRES. That has no connection with this.

Mr. LANKFORD of Virginia. It has on page 7, and it has where we have been reading. I am sure the gentleman must know, and if he will turn to page 50 for a moment, I think he can give us an explanation. That is a very important item. I know the importance of it, because I offered an amendment earlier in the session to increase the number of draftsmen because they could not keep up with the work.

Mr. AYRES. We have always limited the amount that might be expended for the class of services embraced by Group IV (b), although instead of designating them as a group, heretofore we have named the classes of employment, and for the sake of uniformity and definiteness this new language has been suggested.

Mr. LANKFORD of Virginia. In the Bureau of Construction and Repair can these draftsmen be paid out of their allowance? Those classes are engaged in this modernization work.

Mr. AYRES. Not in excess of the limitation.

Mr. LANKFORD of Virginia. What I am afraid of is that you have cut the amount down too much to carry on the work of this modernization. If $30,000 is all that you have for modernization, there must be something wrong.

Mr. AYRES. That is all the Navy Department has asked. There has been a slowing up in the modernization work, and this sum, we have been told, will be adequate.

Mr. LANKFORD of Virginia. Can you tell me where those draftsmen are going to be paid out of this $14,000,000 appropriation for modernization?

Mr. AYRES. The original estimate was $265,000. The department later reduced it to $30,000. I know of no other fund out of which draftsmen may be employed who are engaged exclusively in modernization work.

Mr. LANKFORD of Virginia. If the original estimate was $265,000, how can we go ahead with the modernization of those battleships with but $30,000?

Mr. AYRES. The gentleman will have to ask the Navy Department.

[Here the gavel fell.]

Mr. LANKFORD of Virginia. Mr. Chairman, I ask for five additional minutes.

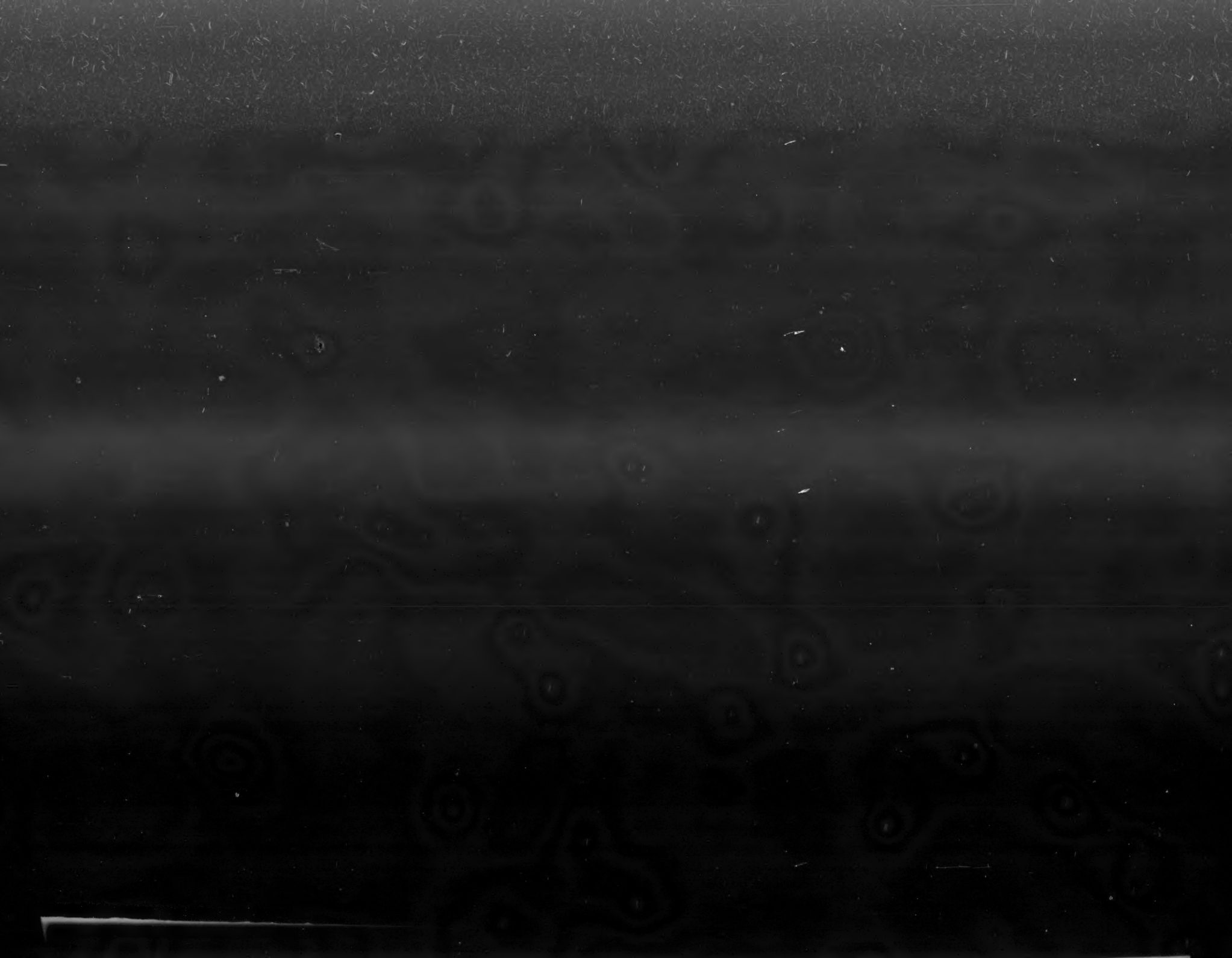
The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. AYRES. Have I answered the gentleman's question?

Mr. LANKFORD of Virginia. No; the gentleman has not answered my question; and I submit it is a very important item. I do not believe the gentleman himself understands my question.

Mr. AYRES. Perhaps I did not grasp the import of the gentleman's question, although I believe I did.



Mr. LANKFORD of Virginia. It seems to me there must be some explanation of it. Modernization work, like all other construction work, requires the services of draftsmen. We are undertaking $14,000,000 of modernization work and allowing but $30,000 for services of draftsmen. The gentleman says that last year the department recommended $265,000.

Mr. AYRES. No. I said the department originally asked for $265,000 for 1933, and later changed it to $30,000. I should think that much of the preliminary work has been done; the work on the ships has been started and much of the planning work necessarily must have been completed, as the vessels actually are undergoing modernization.

Mr. LANKFORD of Virginia. I understand that; but from the time they start work on a ship until the work is ended, draftsmen are needed, and I am wondering why the appropriation this year is so small compared with what it was last year.

Mr. AYRES. The only answer I can make to the gentleman is to repeat what I have already said, that the department has said that this was all that was needed for the purpose. We must rely upon them to acquaint us with their needs.

Mr. BRIGGS. Does not the provision at present under discussion relate to the hydrographic service?

Mr. LANKFORD of Virginia. That particular reference does, but it appears in several places in the bill. We are doing $14,000,000 of modernization. I am not satisfied with the explanation that has been given, but I will try to get something from the Navy Department before this comes up to-morrow.

Mr. AYRES. I would advise that the gentleman pursue that course.

Mr. LANKFORD of Virginia. I am not satisfied with the answers that have been given, but I will try to get further information from the Navy Department before this comes up to-morrow.

Mr. DELANEY. Mr. Chairman, I move to strike out the last two words.

As the gentleman from Virginia has suggested, there is quite a radical reduction in the appropriation from $260,000 to $30,000. I am informed that a great deal of work which is contemplated and which should be in process of prosecution is not being done for the very reason they have not a sufficient number of draftsmen to keep plans drawn ahead for the workmen in the different yards. A reduction in the amount allowed for draftsmen will further reduce the progress of the work on the ships on which modernization has been started.

Mr. AYRES. The reverse of that, I should say, would be true. The Navy Department says the smaller amount will suffice because there has been a slowing up in the modernization program.

Mr. DELANEY. There must be some good reason for such a radical reduction, it seems to me.

Mr. LAGUARDIA offered the following amendment:

Page 10, line 8, strike out "$65,000" and insert in lieu thereof "$86,600."

Mr. LAGUARDIA. Mr. Chairman, at this time the House is rather disturbed, and the Committee on Economy is very much undecided, as to just what to do to meet this hysteria, this mania of economy. I submit that now, instead of considering a reduction of wages of Federal employees we had better start figuring on increases in wages. Times are changing very fast. Mr. Chairman, to-day the Committee on Banking and Currency of this House voted unanimously, I understand, to favorably report the Goldsborough bill, restoring and maintaining the purchasing power of the dollar. I predict that when that bill comes before the House, it will pass with very little difficulty.

What does it do? It fixes the purchasing power of the dollar on the basis of commodity prices, and the range taken from 1921 to 1929 will fix the value of the dollar to meet commodity prices of 1926. That may create the stimulus necessary to rehabilitate business, commerce, industry, and agriculture. It will give the farmer an opportunity to pay his debts on a price level equal to that of the period in which the debts were contracted. But unless we take care (and I am certainly going to be on guard), to allow a compensating increase to the wage earners, we will find that the working people of this country and the wage earners will be compelled to carry the entire cost of this transition.

Therefore, Mr. Chairman, I submit that the Committee on Economy might very well drop its labors now on salary decreases, and instead of calling in the pruners they had better call in Mr. Ethelbert Stewart, the head of the Bureau of Labor Statistics of the Department of Labor, the recognized authority on commodity prices in this country, and be prepared with a plan which we will inevitably be compelled to adopt within six months to meet these increases of commodity prices.

Mr. BRITTEN. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BRITTEN. I am very much interested in what the gentleman has said. I am wondering if the gentleman can tell the House by what miracle, by what procedure this value of the dollar is to be so cheerfully and delightfully changed, under the Goldsborough legislation?

Mr. LAGUARDIA. Oh, I do not think that will be difficult under the provisions of the bill. Why, the Federal reserve is inflating that much currency now. The plan provided in the bill to which I have referred is just as artificial as our present monetary system.

Mr. BRITTEN. Does the gentleman really believe that the issuance of more money now by the Federal reserve system will do the very spectacular and almost impossible thing that the gentleman has just suggested to the House?

Mr. LAGUARDIA. Why, surely.

Mr. BRITTEN. Is it that easy?

Mr. LAGUARDIA. The other day it was testified by the governor of the Federal reserve bank that they were now issuing $100,000,000 a week of currency, and that was reflected in our exchange, and some of the gentlemen were whining and complaining that some one was pegging down the dollar. That is exactly what the Federal Reserve Board is trying to do.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BRITTEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRITTEN. Will the gentleman yield further?

Mr. LAGUARDIA. I yield.

Mr. BRITTEN. I would like to ask the gentleman how the $100,000,000 a week will finally get into the hands of the public? How will the man on the street in my district get some of that $100,000,000.

Mr. SEIBERLING. If the gentleman will yield, the gentleman made the statement that they were issuing currency. That is not true. They are buying securities and putting them in the banks.

Mr. LAGUARDIA. That is true. But they are issuing money against their own securities. It is—issuing money—paper money—inflating currency.

Mr. SEIBERLING. But they are buying securities.

Mr. LAGUARDIA. Quite true. But they are issuing money against their own securities.

Mr. BRITTEN. Mr. Chairman, the gentleman has not answered my question. How is that $100,000,000 going to find its way into the hands of the man on the street all over the United States?

Mr. LAGUARDIA. Increased wages, increased prices, increased credits, increased business, increased employment. The gentleman knows that commodity prices, being fixed on the value of the currency, if commodity prices go up, or currency values go down, it will furnish that stimulant to trade and industry that the country has been clamoring for. That being so, it will create work, and if it creates

work, it creates salaries and wages, and if it creates salaries and wages, it puts the money into circulation.

Mr. BRITTEN. The only way the commodity price can go up is by some one having money with which to buy the commodity?

Mr. KELLER. Certainly.

Mr. LaGUARDIA. That is true.

Mr. BRITTEN. How is the man on the street going to get some of this $100,000,000?

Mr. LaGUARDIA. By making money available for credit, which means money for industry, for business—creating jobs.

Mr. BRITTEN. Who is going to create the jobs for him?

Mr. LaGUARDIA. Increased purchasing power increases demand for goods—for food, for clothes. Increased commodity prices mean increased circulation.

Mr. BRITTEN. But the increased commodity price is only obtained by the circulation of money. How does this money circulate and get into the district before it gets to the commodity man?

Mr. LaGUARDIA. By increasing wages and prices the volume of money in circulation increases.

Mr. BRITTEN. I disagree with the gentleman. If you should print a thousand billion dollars worth of that money and hold it in the Federal reserve, it will never do any good.

Mr. LaGUARDIA. Of course, if they held it in the Federal reserve it would not do any good.

Mr. BRITTEN. The gentleman has not answered my question, and I will repeat it: How is the man on the street going to get any of that money?

Mr. LaGUARDIA. By getting a job caused by increased prices, causing increased business.

Mr. BRITTEN. For whom will he work? He is anxious for work now and can not get it.

Mr. DELANEY. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. DELANEY. Does the gentleman mean to say that the farmer can go to his bank with his grain and wheat and on the strength of presenting those things to the bank borrow money on those commodities?

Mr. LaGUARDIA. Yes; at increased prices.

Mr. DELANEY. On what year is that based—1926?

Mr. LaGUARDIA. It is based on a period from 1921 to 1929. The average commodity prices would therefore be of 1926, I should say.

Mr. KELLER. If the gentleman will permit, I will take just half a minute to say that I shall be very glad to undertake to answer the gentleman's [Mr. BRITTEN] questions. Whenever I have the opportunity, I shall be glad to answer them specifically.

Mr. LaGUARDIA. I know the gentleman can explain the plan, but he will never be able to answer the gentleman from Illinois [Mr. BRITTEN] because he does not want to learn.

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

NAVAL TRAINING STATIONS, BUREAU OF NAVIGATION

For maintenance, including labor and material, heat, light, water, general care, repairs, and improvements; school books; and all other incidental expenses for the naval training stations that follow:

San Diego, Calif., $166,300;
Newport, R. I., $182,000;
Great Lakes, Ill., $252,900;
Hampton Roads, Va., $231,000:

Provided, That the amount to be paid out of each of the foregoing sums for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed for San Diego, $7,500; for Newport, $10,000; for Great Lakes, $14,500; and for Hampton Roads, $5,500.

Mr. BURDICK. Mr. Chairman, I offer an amendment. In line 20, page 10, strike out the figures "$182,000" and insert the figures "$198,500."

The CHAIRMAN. The gentleman from Rhode Island offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BURDICK: On page 10, line 20, strike out the figures "$182,000" and insert in lieu thereof the figures "$198,500."

Mr. BURDICK. Mr. Chairman, I would like to ask the chairman of the subcommittee why the appropriation for the training station at Newport was reduced $89,000, the other training stations being reduced $23,000, $22,000, and $24,000, respectively.

Mr. AYRES. I will state to the gentleman that the department is considering closing that station and using it as a part of the War College.

Mr. BURDICK. What department is that?

Mr. AYRES. The Navy Department.

Mr. BURDICK. Is that statement made by the department in the hearings?

Mr. AYRES. Yes.

Mr. BURDICK. I will say to the gentleman that my information from the Navy Department, obtained no later than this morning, was that the Navy Department had no idea of using this training station as an addition to the War College.

Mr. AYRES. It was stated to the committee by representatives of the department that such a change was under consideration.

Mr. BURDICK. I could not find any such thing in the hearings, and I tried to go through them very thoroughly.

Mr. GOSS. Will the gentleman yield?

Mr. BURDICK. Yes.

Mr. GOSS. I wonder if the chairman of the subcommittee could explain the difference between Newport and San Diego. I notice in the hearings, page 210, that San Diego has a recruiting capacity of 1,754 while Newport has a recruiting capacity of 2,700. Then, again, it has a service-school capacity of 403 whereas Newport has a service-school capacity of 511; in fact, Newport has more capacity than any of the other naval-training stations, and yet that is the only one that is not given any large amount.

Mr. AYRES. And the reason is, as I stated before, that the Navy Department is contemplating discontinuing Newport as a training station.

Mr. GOSS. Why?

Mr. AYRES. I assume because they do not consider it necessary.

Mr. GOSS. Why not make the cuts even and make them apply equally to the station in San Diego and the one in the South?

Mr. AYRES. There is no intention to abandon them as training stations.

Mr. BRITTEN. Will the gentleman yield?

Mr. BURDICK. Yes.

Mr. BRITTEN. I would like to ask the chairman of the subcommittee just where in the hearings before his committee has the Navy Department or any representative of the Navy Department indicated that they were going to discontinue Newport as a training station?

Mr. AYRES. It has not been printed; but I shall be perfectly willing for the gentleman to see it.

Mr. BRITTEN. The gentleman does not recall, does he, any representative of the Navy Department coming before his subcommittee and recommending or suggesting that Newport was to be discontinued as a training station? If so, I would like to know the gentleman's name.

Mr. AYRES. The Secretary and the Chief of Operations, Admiral Pratt, indicated to us that the matter was under consideration.

Mr. BRITTEN. They spoke about the discontinuance of this station?

Mr. AYRES. They did.

Mr. BURDICK. Does that appear in the printed hearings?

Mr. AYRES. It does not, but I shall be glad to show the statement to the gentleman.

Mr. BURDICK. Then the committee hearings are not complete?

Mr. AYRES. A great many matters are presented to the committee that do not appear in the hearings.

[Here the gavel fell.]

Mr. GOSS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BURDICK. This training station at Newport is the first and oldest training station in America. It has permanent buildings in good repair, and, as has been stated, can care for 2,700 recruits. It has the reputation of turning out a class of recruits that is of great credit to the Navy. Health conditions are wonderful there. Everything is done there for the new boy who is leaving his home to join the service. The climate is good, conditions are good, they are on an island separated from the city, and the behavior and health record of these boys far excels that of any other training station in the United States.

Therefore, it seems to me, in view of the fact this committee has seen fit to make an appropriation for the training of the boys at this original training station, they should make an adequate appropriation.

I have not objected to the fact that the committee has cut off $65,000 from what the Budget estimated. The Budget estimated $265,000 for the coming year, and the committee has cut it down to $182,000. I am just asking you to put back the $16,500 that they have cut off from what is required for the actual training of the boys at this station.

Mr. GOSS. I understood it was $83,000 less than the Budget estimate.

Mr. BURDICK. That is correct, but $65,000 was for work on the wall and roads, and so on.

I would therefore ask the committee to restore to the appropriation the sum of $16,500 in order that the boys may be properly cared for and trained.

Mr. BRITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the matter that has just been called to the attention of the House concerning the Newport training station, to my mind is the first step toward eliminating one of the Atlantic coast stations, because the $182,000 provided for Newport can not maintain that station.

The committee, in its bill, has some new language which authorizes the President to dispose of, lease or sell, any of the Atlantic coast establishments. It may be subject to a point of order, as some one has suggested.

Mr. McMILLAN. If the gentleman will yield, it says "any shore establishment."

Mr. BRITTEN. Yes; any shore establishment.

This language is the first step toward closing one of these institutions.

The Director of the Budget, after having this matter in hand for weeks and months, and after scaling down the amount as far as he could go within reason, recommended to the committee that $270,000 be set aside for the maintenance of the Newport station. The subcommittee, in its wisdom, cut that $270,000 down to $182,000, or a cut of about $88,000.

The department has informed me that if you are aiming to get along at this station with $182,000, you might just as well close it, because it can not be maintained with that amount of money. I am not thinking of some construction work or additions that the gentleman from Rhode Island [Mr. BURDICK] recently referred to, a retaining wall and some sidewalks and some repairs that are necessary—I am not figuring on those items at all—it will require $220,000 to maintain this institution without any new construction.

If the House, in its wisdom, desires to discontinue the Newport station as a training station, then let us cut out the $180,000. If it desires to continue the Newport station as a training station, it will require $220,000, and I hope the gentlemen of the committee will see fit to maintain this institution where it belongs and as it is, and this will require $220,000 for maintenance alone, without any new construction.

Mr. GOSS. Will the gentleman yield?

Mr. BRITTEN. I yield.

Mr. GOSS. I notice on page 35 of the report that with respect to the naval training station in California there is only a reduction of $7,500 and for the one on the Great Lakes a reduction of $6,400, none at Hampton Roads, but a reduction of $83,000 at Newport.

Mr. BRITTEN. You can not always compare the stations in that way, I may say to the gentleman from Connecticut, but I think the deduction was arbitrarily made upon the presumption—not upon the fact but upon the presumption—that the activities of the training station were to be turned over to the War College.

Mr. Chairman, I offer as a substitute amendment that the amount carried in the bill at line 20, page 10, "$182,000," be changed to read, "Newport, R. I., $220,000," and I offer this as a substitute amendment.

The Clerk read as follows:

Substitute amendment for the amendment offered by Mr. BURDICK: Page 10, line 20, strike out "$182,000" and insert in lieu thereof "$220,000."

Mr. DELANEY. Will the gentleman yield?

Mr. BRITTEN. I yield.

Mr. DELANEY. The gentleman from Illinois is a member of the Naval Affairs Committee, and knows that next week, on Wednesday, the Secretary of the Navy is due to appear before the committee to submit a proposal to dispense with 20 shore stations all over the United States.

Mr. BRITTEN. Yes, if any.

Mr. DELANEY. So if the Secretary of the Navy's proposition prevails all this money we are discussing will not be used.

Mr. BRITTEN. It may not be. I will say that the language carried in the bill a little further along authorizing the Secretary of the Navy to dispense with shore stations is subject to a point of order. The legislative committee has agreed that the Secretary of the Navy shall meet us on next Wednesday morning, when he will be prepared to tell the committee and the Congress just which shore stations, if any, can be dispensed with. In the meantime I think it is only fair that the Newport station—and I have no particular interest in it except that if it is a going concern it should have a sufficient appropriation. It should have sufficient to keep it alive—and that is $220,000—until we hear from the Secretary of the Navy next week, when he may decide that it may be closed up; and if so, we will take care of that.

Mr. BURDICK. Was not it agreed that the committee should have in its hand a copy of the statement prior to that meeting?

Mr. BRITTEN. A copy of a detailed statement referring to all the yards on the Atlantic coast.

Mr. AYRES. Mr. Chairman, the Secretary of the Navy and the Chief of Operations said that consideration was being given to closing the Newport Training Station as such and enlarging the War College. So we felt, with that question pending, we would not be justified in bringing to you a larger appropriation than that for which the bill provides.

Mr. BRITTEN. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. BRITTEN. Is it necessary to appropriate $182,000 to maintain the Newport station in a closed condition?

Mr. AYRES. The appropriation of $182,000 will permit the station to be operated. If the department should close it, of course that amount would not be needed and we would expect a saving to be effected.

Mr. BRITTEN. But the gentleman says that they design to close it.

Mr. AYRES. That they have considered closing it and using it as a part of the War College.

Mr. BRITTEN. Does this bill carry any increase for the enlargement of the War College?

Mr. AYRES. No; not at all.

Mr. BURDICK. I would like to ask the gentleman why, in striking off $65,000 for new work, sidewalks, and roads—why, in addition, they cut off $16,500?

Mr. AYRES. That was due to confining the allowance for certain items to the 1931 expenditures.

Mr. TABER. The fuel expenditure in 1931 was $13,000 less than the estimate that was made up for 1933, and we thought that they ought to be able with current prices to get along for that figure.

Mr. AYRES. The fuel item is cut $13,000; light, and so forth, $2,000; and so on, all on the basis of the expenditures in 1931.

Mr. BURDICK. Then they should be able to carry on with the amount fixed here.

Mr. AYRES. Yes.

Mr. BURDICK. If they do the same as they did in 1931.

Mr. AYRES. Yes.

Mr. SABATH. Mr. Chairman, it is amazing to me when the Democratic members of this committee sincerely try to help balance the Budget, to see these Republicans jump up and offer amendments here and there for the purpose of increasing the appropriations, especially when they are not necessary, which even the Navy lords realize and recognize we can dispense with.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. SABATH. In a moment. Would it not be much better if some of the Republicans would try to help us bring back conditions that would make possible the employment of some of the 8,000,000 of unfortunate people who are seeking work and can not find it, instead of insisting upon these naval officers living in the splendor and luxury to which they have been accustomed? I have nothing against the Navy; I would like to see our country have the most powerful navy in the world, but I think, when the country is in the condition that it is to-day, when we are facing a situation where we are obliged to make up a deficit of nearly $1,500,000,000 which has been brought about by Republican misrule, it is manifestly unfair for the gentlemen on the Republican side to do all in their power to make it so hard for us Democrats to accomplish this. I now yield to the gentleman from Connecticut.

Mr. GOSS. Would the gentleman accept a reduction in the appropriation for the Great Lakes Naval Station in Illinois along the same line? This is in this same particular section.

Mr. SABATH. I never asked for any special appropriation for Illinois that I was not ready to accord to any other State.

Mr. GOSS. That is all we are asking for.

Mr. SABATH. If the great naval station in Illinois does not need the amount provided for it, I shall vote for a reduction that will not impair efficiency, and I shall vote for any reduction that shall be brought about to balance the Budget. Every time we try to raise a little money by suggesting this or that tax, the gentleman knows that immediately the industries or the interests of the country become aroused and say that we are trying to destroy them and make impossible their existence. Therefore they demand that we economize. I know that the word economy is hard for the Republicans to hear, and that it is hard for them to economize and get themselves into a position where they are ready to do so. They are perfectly willing to do it at home and through the Republican newspapers, but here on the floor I have not seen anyone, with the exception of two or three men, who has had the courage of his convictions and who has helped the Democrats bring about the economy that will balance the Budget, as it should be balanced.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRITTEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. BRITTEN. I compliment my Democratic economy friend, but I want to ask him a question. I believe the gentleman voted for the $135,000,000 road bill dole for the States last month.

Mr. SABATH. No; I did not.

Mr. BRITTEN. Then, I congratulate him again, although I am of the impression that he did so vote but he does not now remember it.

Mr. SABATH. I did not. If I thought that voting $135,000,000 would relieve the intolerable conditions brought about by the Republican Party, I would vote for it, but unfortunately I do not agree that we can relieve the conditions by such an appropriation. There are many other ways, as have been suggested by the gentleman from New York, whereby we may be able to bring about conditions, through Democratic wisdom and policy and energy and courage, that will relieve the situation that now exists.

If my colleague would familiarize himself a little more with the deplorable conditions existing at home, though I realize he is obliged to be here to look after the Navy interests, I know that he would come to the same conclusion that I have come to; that is, that it is absolutely imperative that something be done to reduce the expenditures and relieve the situation.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. MARTIN of Massachusetts. Does the gentleman's economy go so far as to vote against the world's fair appropriation?

Mr. SABATH. I am pleased, indeed, that the gentleman asked me this question. I have voted and worked for the appropriation of $1,000,000 for the reason that I believe it will bring about tremendous good to the country. I believe that this million dollars will bring to America at least 1,000,000 people from abroad and will attract many exhibitors, who will expend fifty times the amount that we have appropriated.

It will create employment; it will help to restore business in the United States.

What has the Navy ever done to relieve distressed business conditions? What we need to do at present is to restore, to rebuild, to reconstruct, not to destroy. The Navy is an implement of war; it destroys. I want to construct, reconstruct, rebuild, bring about employment, so that we can shortly give employment to some of the many millions that are without work due to Republican misrule.

[Here the gavel fell.]

Mr. AYRES. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Illinois [Mr. BRITTEN].

The question was taken; and on a division (demanded by Mr. BRITTEN) there were—ayes 27, noes 38.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Rhode Island [Mr. BURDICK].

The question was taken; and on a division (demanded by Mr. BURDICK) there were—ayes 34, noes 34.

The CHAIRMAN. The Chair votes no.

So the amendment was rejected.

Mr. BRITTEN. Mr. Chairman, before we proceed further I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BRITTEN. Mr. Chairman, a while ago we had a rather tentative agreement that when we reached the Naval Reserve section in the bill, or any other section in which the chairman of the Committee on Naval Affairs of the House, the gentleman from Georgia [Mr. VINSON], who is away at a funeral to-day, is interested, the committee would either rise or pass over that section. It is 5 o'clock, and I suggest

to the gentleman from Kansas [Mr. AYRES] that we rise for the day.

Mr. AYRES. I would suggest that we read to the end of the paragraph and then rise.

Mr. BRITTEN. Even though we read to the end of the paragraph to-night we would have to reread it to-morrow upon the request of some Member. There is nothing to be gained by reading to the end of the paragraph to-night.

Mr. CLANCY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CLANCY. If the committee proceeds as suggested by the gentleman from Kansas, will amendments to that paragraph be in order to-morrow?

Mr. AYRES. I may say to the Chair that the reason I asked that the paragraph be read at this time was for the purpose of using some time. I have no objection to passing the paragraph over until to-morrow.

Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore [Mr. BANKHEAD] having resumed the chair, Mr. FULLER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes, and had come to no resolution thereon.

THOMAS JEFFERSON

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting in the RECORD a speech I made at the State University at Columbia, Mo.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHANNON. Mr. Speaker, by unanimous consent I extend my remarks in the RECORD by printing an address made by me in Columbia, Mo., on April 13, 1932, at the exercises incident to the unveiling of a bronze tablet commemorative of Thomas Jefferson. Said exercises were the first held under a Missouri statute making Jefferson's birthday a legal holiday in the State of Missouri. The ceremonies were held under the supervision of the faculty and student body of the University of Missouri. I also wish to include the remarks of Mr. James C. Wilson, president of the Student Government Association, and Hon. Walter Williams, the president of said university, on that occasion. The remarks are all embodied in the following report prepared by Mr. John F. Williams, director of the university publications department of the University of Missouri:

COLUMBIA, MO., April 14.—Golden light of a setting sun cast a brilliant dignity around the 105-year-old Jefferson Monument on the University of Missouri campus yesterday as university students, Columbia townspeople, and visitors gathered to pay tribute to the memory of Thomas Jefferson, whose birthday was being celebrated for the first time as a State holiday by unveiling a bronze tablet bearing the epitaph written for himself by Jefferson.

The ceremony was held adjacent to the monument at the southeast corner of Francis Quadrangle. The entire cadet corps of the university was massed in front of the speakers' stand, with the university band on the flank, and about the monument were gathered hundreds of students from the university, members of the Daughters of the American Revolution, and other patriotic societies, and many distinguished visitors from Jefferson City and Kansas City.

James C. Wilson, president of the Student Government Association, which made plans for the occasion, presided, and presented Congressman JOSEPH B. SHANNON, of Kansas City, who made the presentation of the tablet in behalf of a group of friends whose contributions have made possible the purchase of the marker. In presenting Mr. SHANNON, Mr. Wilson said:

"Nearly two centuries ago there was born in the beautiful farm lands of Virginia a man whose life was to be devoted to the task of building a great democracy. Realizing that freedom, equality, and self-government are founded on an intelligent body politic, he conceived a system of free higher education in state-supported universities. This man was Thomas Jefferson.

"In a few years his vision was to be realized when he founded the first State university—the University of Virginia. From this descended our own university.

"As a statesman Thomas Jefferson envisioned a nation stretching from coast to coast. It was his courage and foresight that acquired for the United States the territory from which our own State was carved. And it was in this State that the first State university west of the Mississippi was founded. Consequently, 47 years ago the descendants of Jefferson deemed it fitting to present Missouri University with the original marker from the tomb of Thomas Jefferson in spite of the desire of Virginia University and others to have it.

"It is most proper that we gather here to-day to pay homage to the man who made it possible for us to be here. May we always remember our debt to him and gather here each year in tribute to his memory.

"To-day we are doubly honored in having with us one through whose efforts we received the bronze plaque placed upon the marker. He is the leading exponent of Thomas Jefferson and probably knows more of his life and work than any man alive. I take great pleasure in introducing Congressman JOSEPH B. SHANNON."

Mr. SHANNON gave a brief history of the enactment by the last general assembly of the law making Jefferson's Birthday a legal holiday in Missouri. He was the sponsor of this law and largely responsible for its passage. He paid gracious tribute to Governor Caulfield for having signed the bill a year ago yesterday, thus making it a law. Governor Caulfield has presented Mr. SHANNON with the pen with which he signed the bill. Mr. SHANNON'S address was particularly appropriate to the occasion and to the large audience of students. He spoke as follows:

"I know of no more appropriate way of improving the opportunity, so graciously afforded me by your honored president of the University of Missouri, of aiding in commemorating the occasion of this, the first legal celebration of Thomas Jefferson's birthday in the State of Missouri, than to leave with you, in some more enduring way than mere words of speech, a record of some of the great American principles that Jefferson enunciated.

"I believe that the most effective tribute that we can pay to his memory is not to elaborate or explain the principles that he stood for, but simply to let him speak for himself, as in his many writings and messages he has so clearly and eloquently voiced the ideals upon which he hoped this Republic would be founded and continued.

"With the hope and the purpose, therefore, that some of the essential teachings of this great American may remain with you in the permanent form of a printed memorial, I shall simply read to you to-day some of his notable and noble utterances illustrative of the doctrines of Jeffersonian Americanism.

"The three extracts that I have selected have to do with the spirit of all America as he conceived its destiny. I feel sure that if every American boy and girl were to keep the principles therein enunciated in perpetual remembrance they would aid in making them better citizens and more loyal and intelligent Americans.

"Jefferson's statement of the objects of primary education, contained in the report prepared by him for the commission appointed by the Governor of Virginia in 1818, will never be improved upon. It is more than a mere statement of the elements of rudimentary education. It is a crystallization of the duties of every good citizen under a popular government. He thus defined the objects of primary education:

"'1. To give to every citizen the information he needs for the transaction of his own business.

"'2. To enable him to calculate for himself, and to express and preserve his ideas, his contracts, and accounts in writing.

"'3. To improve, by reading, his morals and faculties.

"'4. To understand his duties to his neighbors and country, and to discharge with competence the functions confided to him by either.

"'5. To know his rights; to exercise with order and justice those he retains; to choose with discretion the fiduciary of those he delegates; and to notice their conduct with diligence, with candor and with judgment.

"'6. And, in general, to observe with intelligence and faithfulness all the social relations under which he shall be placed.'

"When Jefferson was nearing the close of life, he wrote a letter to his grandson in which he said:

"'This letter will be to you as one from the dead. The writer will be in the grave before you can weigh its counsels. Your affectionate father has requested that I would address you something which might possibly have a favorable influence on the course of life you have to run, and I, too, as a namesake, feel an interest in that course.

"'Few words will be necessary with good dispositions on your part. Adore God. Reverence and cherish your parents. Love your neighbor as yourself, and your country more than yourself. Be just. Be true. Murmur not at the ways of Providence, so that the life into which you have entered be the portal to one of eternal and ineffable bliss. And if to the dead it be permitted to care for the things of this world, every action of your life will be under my regard.'

"In a letter to Miles King, September 26, 1804, he said:

"'Our particular principles of religion are a subject of accountability to God alone. I inquire after no man's and trouble none with mine. Let us not be uneasy, then, about the different roads we may pursue as believing them the shortest to that of our last abode.'

"In his original bill for the establishment of religious freedom, Jefferson elaborated upon this American principle in the following language:

"'Our civil rights have no dependence on our religious opinions any more than our opinions in physics or geometry; therefore the proscribing any citizen as unworthy the public confidence by laying upon him an incapacity of being called to offices of trust and emolument unless he profess or renounce this or that religious opinion is depriving him injuriously of those privileges and advan-

tages to which, in common with his fellow citizens, he has a natural right; it tends also to corrupt the principles of that very religion it is meant to encourage, by bribing, with a monopoly of worldly honors and emoluments, those who will externally profess and conform to it; and though indeed these are criminal who do not withstand such temptation, yet neither are those innocent who lay the bait in their way.'

"In a letter to Dr. Benjamin Rush, September 23, 1800, he wrote:

"'I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man.'

"These doctrines of the great American, whose birth we are met to commemorate to-day, require no explanation, apology, or defense. They are the very essences of true American citizenship and loyalty. They should be engraven in the hearts of every student of our national traditions and ideals. They are the voice of one of the wisest and greatest of the founders of our Republic, speaking to us, as he said in his letter to his grandson, from the tomb, upon which, by his own request, his devotion to these principles was inscribed."

Following Mr. SHANNON'S address, Mr. Wilson presented Dr. Walter Williams, president of the University of Missouri, who made a brief address of acceptance, as follows:

"For years, beginning with the times when Col. J. S. Dorsey placed annually a wreath upon the Jefferson Monument, the birthday anniversary of Jefferson has been commemorated in various ways at the University of Missouri. At the latest session of the general assembly, Jefferson Day was made a legal holiday in Missouri. The celebration of to-day, appropriately in charge of the Student Self-Government Association, has for its chief speaker Congressman JOSEPH B. SHANNON, who was largely responsible for making this day a legal holiday, and for the gift to the university of the bronze marker which relates the story of the monument.

"Gov. Henry S. Caulfield, who signed the bill passed by the general assembly making Jefferson's birthday a legal holiday, has asked me to express his regrets at his inability to participate personally in the ceremony of to-day. While formal acceptance of the marker has already been made, I wish to add appreciation of Mr. SHANNON'S generosity and also appreciation of his presence here to-day and of his admirable address. I hope the formal observance at the oldest State university in the Louisiana territory will each year bring to students and faculty, to the community and the Commonwealth, remembrance of the debt we owe to the supreme American, Thomas Jefferson. A study of the principles of Thomas Jefferson—encouragement of freedom of speech, of freedom of religious belief, of education from the primary schools to the university, of toleration, of the central thought of his political philosophy, 'that whenever the people are well informed they can be trusted with their own affairs'—will fit us better to carry on the Republic of which he was the greatest figure in his day."

Following the remarks of President Williams the university band played Old Missouri, which was sung by the students. Immediately following this the band struck up a march and proceeded to the main campus, where the entire cadet corps marched in review, complimentary to Mr. Shannon.

The tablet, which has been affixed to the monument, bears this inscription:

"This original marker, placed at the grave of Thomas Jefferson at Monticello, Va., in 1826, constructed from his own design, was presented July 4, 1883, by the Jefferson heirs to the University of Missouri, first State university to be founded in the Louisiana territory purchased from France during President Jefferson's administration. The obelisk, dedicated on this campus at commencement, June 4, 1885, commemorates Thomas Jefferson, third President of the United States, whose faith in the future of Western America and whose confidence in the people has shaped our national ideals; commemorates the author of the Declaration of Independence and of the Virginia Statute for Religious Freedom, founder of the University of Virginia, fosterer of public education in the United States."

The original epitaph: "Here was buried Thomas Jefferson, author of the Declaration of American Independence, of the Statute of Virginia for Religious Freedom, and father of the University of Virginia. Born April 2, 1743 O. S.; died July 4, 1826."

ADDRESS OF HON. JOSEPH L. HOOPER, OF MICHIGAN

Mr. SNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech delivered by my colleague, the gentleman from Michigan [Mr. HOOPER].

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SNELL. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following speech delivered by my colleague the gentleman from Michigan, Mr. HOOPER:

WHERE IS THE DEMOCRATIC PROGRAM?

At the Jefferson Day banquet held in this city last week under the auspices of the Democratic National Committee former Gov. Alfred E. Smith reminded the Democratic leaders there assembled that the Democratic Party has been the minority party for 70 years, and he continued—I now quote:

"I am inclined to the belief that we are a minority party because during all of that period we have attempted to win national approval as a rebuke to the majority party. In other words, we seek a negative victory rather than an affirmative victory. We seek to ride into power upon the mistakes of our opponents rather than upon constructive achievement upon our own part. * * * This country is sick and tired of listening to political campaign orators who tell us what is the matter with us."

On November 14, 1928, Governor Smith in a nation-wide radio address made an appeal to the Democrats of the country, in which he said:

"The Democratic Party certainly would not be in a position four years from now to solicit the confidence and support of the American people if, during that period, it neglected to build up a constructive program and relied entirely upon the failure of the opposition party. The minority party must not permit itself to become a party of obstruction and opposition for political purposes only. * * * It would be regarded as a constructive achievement if the Democratic Party at Washington were to formulate a program, adopt it, and offer it to the Congress of the United States, and there defend it."

Immediately after the congressional elections in 1930 the recognized leaders of the Democratic Party issued a statement to the country which began as follows (I now quote):

"A remarkable victory has come to the Democratic Party. We, however, regard it less as a political triumph than as a great opportunity for constructive service."

The statement closed with the assurance that the Democratic Party realized it had been intrusted with a great task and with the pledge that it would perform that task.

That statement was signed by James M. Cox, John W. Davis, and Alfred E. Smith; by the Democratic leader in the United States Senate, JOSEPH T. ROBINSON; the Democratic leader in the House of Representatives, JOHN N. GARNER; Chairman Raskob of the Democratic National Committee; and the chairman of the Democratic National Executive Committee, Mr. Jouett Shouse.

Three years and a half have elapsed since Governor Smith made his appeal to the Democratic Party to show itself capable of something constructive. One year and a half has elapsed since the joint statement was issued by the leaders just named, stating they recognized the party's opportunity for constructive service and assuring the country that the Democratic congressional leaders were equal to the task.

Time has flown, but the Democratic Party hasn't moved. If it had an opportunity for constructive service, as its leaders claim, it did not measure up.

For three years and a half the American people have heard Democratic denunciation of the present tariff law as being vicious and uneconomic, robbing domestic consumers, destroying foreign markets, a tool of the special interests, an enemy of the common man. From every platform and through every microphone the American people have been assured that as soon as the Democratic Party obtained power the alleged evils of this iniquitous tariff would be promptly corrected. What happened after the Democratic Party obtained control of the House of Representatives which must, under our Federal Constitution, originate all tariff bills? The Democratic Ways and Means Committee reported and the Democratic House passed a so-called tariff bill which does not alter one single rate or touch a single schedule of the Republic tariff bill.

Now, the conclusion is inescapable that if the present tariff law is as iniquitous as it has been portrayed for three years by Democrats, then the action of the Democratic House was the essence of cowardice and a base betrayal of the American people. On the other hand, if the present tariff law is not as bad as it has been charged by Democrats, and the action of the Democratic House would indicate that it is not, then the Democratic Party has been a consummate hypocrite for three years and the truth does not pass its lips in the discussion of the tariff.

Governor Roosevelt, in his St. Paul address last evening, repeated the charge that existing rates in the present tariff law are exorbitantly high and that, furthermore, the law is not based upon any scientific analysis of the tariff. If that be true, then why do not Democrats take their case before the Tariff Commission, which is nonpartisan, upon which they have very able Democratic representation who would see that justice was done, and which is organized for the express purpose of arriving at scientific results in connection with tariff rates? To this date no Democrat has made an appeal to the Tariff Commission for a reduction of rates. On the other hand, the record shows that several Democrats have appeared before the commission petitioning for increase of existing rates. Where is the consistency in a program of this character?

Since July, 1929, the Democratic Party has denounced Republican agricultural legislation. The farmer has been told for the past three years that his only hope for better prices, wider markets, and higher purchasing power was in the control of Congress by the Democratic Party. The Democratic Party is officially in control of the House of Representatives and, to all practical intents and purposes, by reason of its alliance with the radical wing of the Republican Party, in control of the Senate. Yet it has not introduced a single bill, announced a single policy, or presented any kind of a program that would add a single penny to the price of a bushel of wheat, pay off a single dollar of any farm mortgage, or raise the purchasing power of agricultural products by a fraction of a cent.

For three years the Democratic Party has assured the workingman that he has nothing to hope for so long as the Republican Party remains in power; that the industrial policies of the Hoover administration were futile; that President Hoover's unemployment program was merely an insincere gesture; that this administration neither understands the problems of labor nor sympathizes with the wage earner. But to this very evening the Democratic Party has not come forward with any alternative program, policy, or suggestion. It has not presented any plan that would give a steady job to any idle man or start the wheels turning in any idle factory.

The combined brains of the Democrats in both branches of Congress have not been able, despite their 3-year criticism of the constructive policies of Herbert Hoover, to present any policy or agree upon any program that would lessen in any measure the severity of the existing economic depression or shorten it by one day.

One proposal has emanated from former Governor Smith, who, at the Jefferson Day banquet in Washington, advocated a 20-year moratorium on international debts as one method of relieving the present depression. In view of the fact that such a moratorium would cost the taxpayers of this country $300,000,000 a year interest for 20 years, the thinking man may be pardoned for not seeing any practical relief in such a program at a time when the prime need of the hour is a reduction of expenditures and taxes. Another proposal from the same source is the issuance of $5,000,000,000 in bonds for a more or less mythical program of public works. The program is very alluring to the superficial. Turning to the practical side of it, however, we are confronted with these difficulties. Five billion dollars in bonds could not be sold in this country without depreciating the value of all other Government bonds and all other outstanding securities at least 20 per cent, which loss would fall directly upon the individuals of this country who have purchased those bonds and securities.

Such a slump would constitute a grave threat at the solvency of every bank and life-insurance company whose principal assets consist of such bonds and securities. Another effect would be the withdrawing from private enterprise and industry of $5,000,000,000. The necessity of the hour is for industry to revive so that it may employ men. It certainly could not do this if the capital needed in its revival were attracted to a tax-exempt bond issue. The third question presented by this proposed $5,000,000,000 bond issue for public works is how it would be expended, where it would be expended, for what it would be expended, and who would decide the size of the several appropriations and the allotment and allocations. Such a proposal would instantly and inevitably, by reason of its character, degenerate into a pork-grabbing contest of unparalleled magnitude and an alarmingly high percentage of the funds would be wasted through political maneuvering and favoritism.

For three years the Democratic Party has told what is the matter with the country and insisted it needed a change of doctors, and now, when it is given control of Congress and asked to prescribe, it throws up its hands and admits it is unable to diagnose the case and has no remedy. No wonder Governor Smith, in his disgust at Democratic demagoguery in his Jefferson Day address, exclaimed: "I would rather have a short handshake with the fellow who knows how to do a thing than listen for a week to the fellow who knows how to tell you what the trouble is."

During the three years and a half which have elapsed since Governor Smith issued his first appeal, in November, 1928, for a constructive Democratic program presented to Congress, there have been four complete sessions of the Congress and it is now in its fifth session. These sessions have covered, all told, 25 months. It has, therefore, not been due to lack of either time or opportunity that the Democratic Party has failed to formulate a program and offer it to the Congress of the United States as Governor Smith advised. During all that time the Democratic congressional leaders were the same individuals who are the Democratic leaders of the present Congress and who will be the Democratic leaders in the next Congress.

If the lack of any program during the last three and a half years has been due to incapacity of the Democratic leaders, it is perfectly evident that the same incapacity will exist in the next Congress. If it has been due to the inability of the Democratic leaders to agree among themselves, it is perfectly clear that the same lack of harmony will exist in the next Congress.

For three and one-half years nothing has prevented the Democratic Party from getting together, formulating a legislative program and presenting it to Congress and the American people, except its infirmity of purpose, its lack of harmony, its bitter factional differences, and its general incompetency. These defects are characteristic of that party. They account for the fact that it has been a minority party of obstruction and denunciation, as Governor Smith has pointed out, since the Civil War. They are preventing the Democratic Party from functioning to-day. They will prevent its being a party that can constructively function to-morrow.

The stove league never wins any pennants. The Democratic street-corner brand of statesmanship never solves any problems. For 70 years the Democratic Party has done nothing but denounce the policies of the Republican Party. It has become a Democratic tradition. It has passed from generation to generation. The son has plied the trade of the father. It has become habitual. It is in the blood. You can not change it. Ladies and gentlemen of the radio audience, you can not expect a wrecking crew to do the work of an engineering corps.

THE SOLDIERS' BONUS

Mr. ALLGOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to insert a short address I made before the Ways and Means Committee on the subject of the bonus.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ALLGOOD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address made by me before the Ways and Means Committee on the subject of the bonus, April 18, 1932:

Mr. Chairman and gentlemen of the Ways and Means Committee, I am glad of this opportunity of appearing before you to congratulate this great committee for its decision to hold hearings on proposed legislation for the full cash payment of the bonus of the ex-service men.

We realize that the economic condition of the masses of this country is almost total depletion. Since the convening of Congress last December strong efforts have been put forth in a nonpartisan manner—I am happy to state—to bring better conditions among our people. We voted $2,000,000,000 for the Reconstruction Finance Corporation to help in restoring confidence, to stop bank failures, to aid in reducing unemployment, to extend seed and crop loans to needy farmers, and to stop further deflation of farm and commodity prices. I voted for this measure. The results show that the passage of this bill has been beneficial. More than 500 farmers in Etowah County, Ala., have borrowed from the Reconstruction Finance Corporation this year to make their crops, and many farmers in other counties throughout the State have done likewise. These men could not borrow a dollar from the local banks of their county, and they and their families would have been on sufferance and not able to grow the necessities of life this year had not this Congress enacted this law.

I am informed that we can pass legislation for the full cash payment of the bonus without increasing taxation at this time and without appropriating a single dollar from the Treasury. By the enactment of the Patman bill this can be done. Its enactment will place more than $2,000,000,000 of new money in circulation, which will double the amount of money in actual circulation. This amount of new money will inflate values, pay debts, pay taxes, promote business, revive industry, restore buying power, thereby increasing consumption and giving employment to the unemployed and relieving distress throughout the entire Nation. One new dollar put into circulation now would within a short period of time pass through the hands of at least 10 people; therefore this $2,000,000,000 of new money would transact $20,000,000,000 worth of business in one year's time. It has been indicated by some of the opponents of this bill that $2,000,000,000 is an insufficient amount to restore business; however, the $2,000,000,000 deficit in the Treasury has been a nightmare to this committee and the entire Congress.

The approximate cost of the World War was $200,000,000,000. The war was fought on a credit. The various Governments used every agency at their command in securing this credit, which resulted in excessive inflation of prices of all commodities. Now, 14 years after the close of this war with these enormous debts upon us and drastically deflated commodity prices, the people of the world can not now pay these debts and it is unjust for this generation to have to suffer all these evil consequences. Inasmuch as our Government used its agencies to secure credit to win the war, I think it should at this time, through this Congress, use its agencies to defer a part of this war debt until a later date. The war debt of the United States has already been reduced by $10,000,000,000, which is $3,500,000,000 more than was anticipated by the Treasury officials to be paid to this date, and there would not be a deficit in the Federal Treasury if the millionaires of the Nation, many of whom made their huge fortunes out of war contracts, had not been refunded in taxes more than $2,000,000,000 since the war closed.

President Hoover has already indicated that he will veto the bill for the payment of the bonus. In passing on public questions I have adopted the policy of as near as I can placing myself in the other fellow's shoes. If Mr. Hoover were one of the ex-service men of the average station in life instead of being President of the United States, I feel confident that he would favor the cash payment of the adjusted-service certificates. As to the needs of the ex-service men and their families, I will state that I have personally talked to many of them in my district and there are but few exceptions indeed where it is not sorely needed.

Mr. Chairman and gentlemen of the committee, we can not get away from the fact that this is a debt of honor this Nation owes its soldiers who so valiantly served in the World War.

I favor this Congress fighting this out and paying it if we have to stay in session the entire summer.

A HEART-TO-HEART TALK WITH MY CONSTITUENTS

Mr. KERR. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. ABERNETHY] have permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ABERNETHY. Mr. Speaker, ever since I was elected to Congress I have felt it was my duty, at reasonable intervals, to have a heart-to-heart talk with my constituents concerning affairs in Washington affecting them and myself.

The people of my district have been good to me and have kept me in Congress since November, 1922. I have only had one contest since that time in my own party, and was successful in being renominated by an overwhelming majority, for which I am deeply grateful and humbly appreciative. Every two years my majority in the general election has increased. I feel sure that my constituents will give me credit for a constant and earnest desire to represent them faithfully. Their continuation of my in office is proof of this, I think.

I have been honored by the Democratic Party by being placed on the great Appropriations Committee. This is probably the most powerful committee of the House, and is sought after by Members who have had long service in the House. I was one of the new seven Democrats assigned to this committee at the beginning of this session of Congress. Assignment to this committee carries with it very onerous work and long, strenuous hours. Daily hearings on the various appropriation bills have been held since the convening of Congress after the Christmas holidays. These hearings usually last from six to eight hours daily. This extra work in addition to my other duties as a Member of Congress greatly overtaxed my strength. When I was taken with a servere attack of influenza, I had little resistance left due to the fact that I had been working many hours overtime each day.

Due to the efficiency of my office force here in Washington, which is so well known to my constituents, I have been able to give attention to every request made of me, and in addition thereto I have always kept my Washington office open the year round. I have earnestly tried to comply with every reasonable request, and I am sure that any person in my district feels at liberty to call on me at any time without the formality of an introduction through some one else.

In addition to the service given from my Washington office, my office at New Bern has been very helpful and is always ready to render any assistance possible.

I realize that conditions back home are serious. Thousands of people are unemployed, and a great many have lost heavily during the depression. I can deeply sympathize with these people, because I am faced with the same situation.

For the past three weeks I have been confined to my room at the Raleigh Hotel under orders from my physician, Dr. George Calver, of the House of Representatives, and have had two nurses in daily attendance. Doctor Calver informs me, however, that I will be able to get out again within the next week. Of course, I will have to be very careful to conserve my strength to avoid a relapse.

I can truthfully say to every constituent of mine that I am in as good shape to carry on my work as ever before. Of course, I can have no complaint against anyone who wishes to oppose me. That is his privilege if he so desires; but since the question of my illness has been so much discussed, I felt that my constituents should have full knowledge of all the facts.

STATEMENT OF DR. GEORGE CALVER, OFFICIAL PHYSICIAN OF THE HOUSE OF REPRESENTATIVES

Congressman ABERNETHY has had an unusually severe and toxic attack of influenza. He has been confined in his room at the hotel, being too sick to move to a hospital. His convalescence has been very prolonged, but he has gained strength slowly and steadily. He is still quite weak, but should be able to return to his home in North Carolina about April 26. I have advised him to avoid strenuous speeches and overtaxing himself in his present weakened condition for fear that he might cause a relapse.

GEORGE W. CALVER.

It is my intention to run down home for a short period of time and talk things over with as many of you as I can, just as we have always done since you took me into your confidence and commenced voting for me for Congress. The confidence that you have placed in me all these years has been the happy inspiration necessary to push me forward and onward in the interest of the great people I represent.

I want to look you in the eyes and grasp your hand in the same confidence and friendship.

EXCISE TAX ON JEWELRY AND SILVER

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting a statement I made before the Senate Finance Committee on the excise tax on jewelry and silver.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following statement made by me before the Finance Committee of the Senate:

Mr. Chairman and members of the committee, I wish to record my opposition to the proposed 10 per cent tax on jewelry, optical goods, and allied articles. I believe it is manifestly unfair to single out a few industries for the imposition of a sales tax. I believe it is an injustice to make six of the smaller industries to be taxed the confiscatory rate of 10 per cent while others who have been singled out for the same discriminatory tax to pay a much smaller rate. I believe it very unwise to place a heavy burden on a prostrate industry, and industry which because of the very nature of its business must feel severely the effects of the depression, an industry whose employees for the most part are walking the streets, idle, discontented, and almost hopeless. Particularly is it unwise to make the levy when the revenue to be obtained is small, hardly of any consequence in the task of balancing the Budget but devastating in that it adds to the major problem of the country, that of unemployment.

The House Ways and Means Committee estimates a revenue of $15,000,000. The Government would be fortunate if it secured one-third of this sum. The figures from the industry show the sales are off more than one-half in the last two years and are still declining. More than 1,400 failures have been reported in the industry. These speak more eloquently than words of the demoralized condition of the industry. Put on this tax and you will drive more factories and more retail stores out of business, you will send thousands of workmen out to join the army of the unemployed, and you will dry up permanently a good source of income in better times.

When I review the present conditions of the jewelry industry, I am led to the conclusion that trying to secure money from this source is like going to the poorhouse to take a collection for the unemployed. It will be just as satisfactory in results.

People have not been buying jewelry in any quantity in recent years. They have been obliged to reduce their expenditures, and quite naturally buy less of these things which they can get along without. Large factories, which have successfully operated over 50 years, have been forced to liquidate. Only this past month two of the best-known Providence concerns closed—one for all time and the other until the dawn of more favorable conditions.

The question of finance and credit enters into this tax as well. The Government would require the tax to be paid monthly while the manufacturer is lucky if he gets his money in a year. How to finance this tax would be a problem. Certainly the banks won't put up the money, and most of the manufacturers after the past three years are in no condition to do so. The attitude of the banks may well be illustrated in a personal experience. I happened across a Providence manufacturer during the Christmas recess. He told me he had broken even in the first five months of 1931, had sustained heavy losses in the summer months, and in the fall months was unable to make up the losses.

As a result the year showed a loss. He thought he could easily make it back if business conditions improved as his concern had in the past been a good money-maker and enjoyed a fine standing in the jewelry world. The bankers, however, took the position they could get their loan by demanding payment then and they believed this might not be possible in another year. The loans were called, the business closed, and the workers were thrown out.

Let me give one more illustration of the financial conditions of the industry. One concern recently suspended, which had been prosperous and given employment to many people for more than 50 years. Its name was nationally known for the high standard of its goods. Its dies, machinery, and equipment were in good shape and inventoried for more than $50,000. It was not necessary to consummate a forced sale. The concern paid all its debts and tried for nearly a year to dispose of the business as a going concern. This was impossible, and it was finally sold for $2,500 to be junked.

These examples show the lack of confidence in the present outlook and indicate how utterly impossible it would be to secure banking facilities to finance the tax. No; the manufacturer can not pay this tax, and you Senators with many retail jewelers in your own States know they can not do it, either. The retailer is just as bad, if not worse off, than the manufacturer.

I wish the committee would bear in mind this is one of the few industries conducted by individuals. There are few large

corporations and few chain-store enterprises. Practically all are what may properly be classified as the "little fellows" in business.

The only excuse advanced for this particular tax is that it is on an industry classified as luxury. That is true in part, and because of that fact the industry is in such a precarious condition it can not stand this proposed burden. The luxury part of the industry, if there was a division, would come on articles sold over $10, where the value of the metal is a vital factor.

In articles under that sum the chief cost is labor. The only articles with any demand are in the cheaper field, and so this sales tax would fall chiefly on the stenographer, the office clerk, the factory worker, the school girl, or the housewife of moderate means who wishes to buy some little article of adornment, and the tax they will be obliged to pay under the arrangement in the House bill will be much larger than the 10 per cent as it passes through the necessary stages on the way to the consumer.

There is also one other thought in connection with the tax. The minute you put this tax into effect you automatically increase the price of all jewelry now in the store. It can not be otherwise. The storekeeper can not very well segregate articles in stock bought after the tax law went into effect from earlier purchases. Consequently he will mark up all.

This tax will bring the bootlegger into the jewelry business. The honest manufacturer will pay and some of his competitors will not. The tax will be difficult to enforce honestly. We have had one experience in the matter of diamonds. So much smuggling was reported it was decided in the last tariff law to reduce the tariff from 20 per cent to 10 per cent in the hope it would result in more declarations of diamonds.

The jewelers and silversmiths have no desire to shirk their part in maintaining the credit of the Government in this difficult financial period. They are willing to pay their full share; but they do believe in this period, when they are suffering more than other industries, they should not be singled out to pay a confiscatory tax of 10 per cent, while others more fortunately situated escape altogether.

May I in conclusion remind you there is an issue involved which is just as keen, just as important as securing revenue, and that is the problem of unemployment? From the unemployment situation came the problem of seeking funds for balancing the Budget.

So I ask this committee, which is the only one which has given these jewelers an opportunity to be heard, to give consideration to the industrial situation as it exists in the jewelry trade. Do not lose sight of the fact that the appeal of humanity transcends the appeal for revenue. The thousands of men engaged in the jewelry business have a right to expect their Government in an effort to balance a Budget will not act in a hysterical manner and throw them out of work without even achieving the object sought, to gain revenue. Do not put these workmen farther in the mire of distress. Do not make them dissatisfied members of society by placing an obstacle in the way of their getting a chance to earn their livelihood. In the spirit of "live and let live," I ask the elimination of this proposed excessive tax.

CLAIM OF MR. STELIO VASSILIADIS (S. DOC. NO. 85)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I inclose herewith a report which the Acting Secretary of State has addressed to me in regard to a claim of Mr. Stelio Vassiliadis, former Vice Consul of Spain at Kiev, Russia, for expenditures made by him at that post from March 1, 1918, to the end of February, 1920, in representing the interests of the United States at that post in the absence of the American Consul, Mr. Douglas Jenkins, who was obliged to depart on account of war conditions.

I recommend that an appropriation in the amount suggested by the Acting Secretary of State be authorized in order to reimburse Mr. Vassiliadis for the expenditures made by him during the above-mentioned period.

Inclosures: Report of the Acting Secretary of State with inclosures.

HERBERT HOOVER.

THE WHITE HOUSE.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President for his approval bills of the House of the following titles:

H. R. 882. An act for the relief of G. W. Wall;

H. R. 1202. An act for the relief of Lehde & Schoenhut;

H. R. 2086. An act for the relief of Francis Engler;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 3265. An act for the relief of W. J. Shirley;

H. R. 3373. An act for the relief of Fireman's Fund Insurance Co.;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 4329. An act for the relief of Alton B. Platner;

H. R. 5259. An act for the relief of Steve Fekete;

H. R. 5272. An act for the relief of Frank Bayer;

H. R. 5848. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans to be held at Richmond, Va., in June, 1932;

H. R. 7788. An act authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department;

H. R. 8087. An act authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservation of rights, ways, and easements;

H. R. 8779. An act granting certain lands to the board of commissioners of the Orleans levee district in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 9066. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa;

H. R. 9143. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak.;

H. R. 9301. An act to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark.;

H. R. 9974. An act to authorize appointment of public-school employees between meetings of the Board of Education;

H. R. 10088. An act to revive and reenact the act entitled "An act authorizing the South Carolina and the Georgia Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.," approved May 26, 1928;

H. R. 10362. An act to require the approval of the General Council of the Seminole Tribe or Nation in case of the disposal of any tribal land;

H. R. 10489. An act to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes; and

H. R. 8397. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CONNERY, of Massachusetts, for three days, on account of important business.

THE LATE EDWARD M. BEERS

Mr. DARROW. Mr. Speaker, it is my sad duty to announce to the House the death this afternoon of our esteemed colleague EDWARD M. BEERS, of the eighteenth Pennsylvania district.

I offer a resolution, which I send to the Speaker's desk.

The SPEAKER pro tempore. The gentleman from Pennsylvania offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 199

Resolved, That the House has heard with profound sorrow of the death of Hon. EDWARD M. BEERS, a Representative from the State of Pennsylvania.

Resolved, That a committee of 12 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following committee to attend the funeral of the deceased Member: Mr. DARROW, Mr. WATSON, Mr. CAMPBELL, Mr. STEVENSON, Mr. SHREVE, Mr. WELSH of Pennsylvania, Mr. DOUTRICH, Mr. COYLE, Mr. KINZER, Mr. RICH, Mr. HAINES, and Mr. LICHTENWALNER.

The Clerk will report the further resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect this House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 5 o'clock and 3 minutes p. m.), pursuant to the resolution just adopted, the House adjourned until to-morrow, Friday, April 22, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Friday, April 22, 1932, as reported to the floor leader by clerks of the several committees.

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

MILITARY AFFAIRS

(10.30 a. m.)

Hearings on private bills.

DISTRICT OF COLUMBIA

(10 a. m.)

To amend act creating office of steam-boiler inspector (H. R. 8013).

To regulate practice of plumbing, etc. (H. R. 8627).

To amend appropriations act of June 26, 1912, relating to contract and bond requirements (H. R. 8757).

EXECUTIVE COMMUNICATIONS, ETC.

533. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a report dated April 19, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of and review of reports on Toledo Harbor, Ohio, was taken from the Speaker's table and referred to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. H. R. 6483. A bill to provide for the protection of fish by requiring reports on the location of canneries in Alaska, and prohibiting certain salmon unlawfully caught from being brought into the United States, and for other purposes; with amendment (Rept. No. 1088). Referred to the House Calendar.

Mr. SMITH of Idaho. Committee on Irrigation and Reclamation. H. R. 10748. A bill for liquidating bonded and other outstanding indebtedness of the Farmers' Irrigation District, Nebraska; with amendment (Rept. No. 1089). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOREHEAD: Committee on the Post Office and Post Roads. H. R. 11152. A bill to amend section 293, title 39, of the United States Code, Supplement V, to promote Parcel Post Service; with amendment (Rept. No. 1090). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARLEY: Committee on Public Buildings and Grounds. H. R. 11337. A bill authorizing the Secretary of the Treasury to exchange the Federal building site in Dover, N. J., for another site; without amendment (Rept. No. 1091). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOREHEAD: Committee on the Post Office and Post Roads. S. 621. An act to repeal section 7 of the postal act approved May 29, 1928; with amendment (Rept. No. 1092). Referred to the Committee of the Whole House on the state of the Union.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 79. A bill to provide for conveyance of a portion of the Liston Range Rear Lighthouse Reservation, New Castle County, State of Delaware, for highway purposes; without amendment (Rept. No. 1093). Referred to the Committee of the Whole House on the state of the Union.

Mr. LONERGAN: Committee on Interstate and Foreign Commerce. H. R. 10683. A bill to provide for the conveyance by the United States of a certain tract of land to the borough of Stonington, in the county of New London, in the State of Connecticut; without amendment (Rept. No. 1094). Referred to the Committee of the Whole House on the state of the Union.

Mr. CORNING: Committee on Interstate and Foreign Commerce. S. 283. An act to provide for conveyance of a certain strip of land on Fenwick Island, Sussex County, State of Delaware, for roadway purposes; without amendment (Rept. No. 1095). Referred to the Committee of the Whole House on the state of the Union.

Mr. HALL of Mississippi: Committee on Indian Affairs. H. R. 10351. A bill approving and confirming contract for apportionment of waters of Ahtanum Creek, Wash., between Yakima Indian Reservation and lands north thereof, dated May 9, 1908; without amendment (Rept. No. 1096). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SCHAFER: Committee on Claims. H. R. 11477. A bill for the relief of George Charles Walthers; without amendment (Rept. No. 1087). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 10965) granting an increase of pension to Sarah L. Bowen; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11232) granting a pension to Laura Alice Donnelly; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LONERGAN: A bill (H. R. 11497) amending the interstate commerce act, as amended, and other acts of Congress relating to water transportation, for the purpose of further regulating carriers by water engaged in interstate commerce, whether coastwise, intercoastal, or on the Great Lakes or inland waterways of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MEAD: A bill (H. R. 11498) to amend the act relating to the liability of common carriers by railroad to their employees in certain cases; to the Committee on the Judiciary.

By Mr. GOLDSBOROUGH: A bill (H. R. 11499) for restoring and maintaining the purchasing power of the dollar; to the Committee on Banking and Currency.

By Mr. SABATH: A bill (H. R. 11500) to provide additional revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. CARTWRIGHT: A bill (H. R. 11501) to amend the World War adjusted-compensation act as amended; to the Committee on Ways and Means.

By Mr. MAAS: A bill (H. R. 11502) to amend section 1020 of the Revised Statutes relating to recognizances in criminal causes; to the Committee on the Judiciary.

By Mr. WILLIAMS of Missouri: A bill (H. R. 11503) to amend the act of January 22, 1932 (Public, No. 2), creating the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

By Mr. BOEHNE: A bill (H. R. 11504) authorizing the sale of certain Government property in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WITHROW: A bill (H. R. 11505) to provide that any extension or expansion of the United States Military Academy shall be made and located on the Government property at Camp McCoy, Wis.; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 11506) to amend section 19 of the Federal reserve act, as amended; to the Committee on Banking and Currency.

By Mr. JAMES: A bill (H. R. 11507) to grant double-time credit for retirement purposes to enlisted men of the Army, Navy, Marine Corps, or Coast Guard for certain service during the World War; to the Committee on Military Affairs.

By Mr. LaGUARDIA: A bill (H. R. 11508) to limit the jurisdiction of district courts of the United States; to the Committee on the Judiciary.

By Mr. SABATH: A bill (H. R. 11509) to prohibit the use of the mails or interstate-commerce facilities, the telegraph, telephone, wireless, and other means of communication, and banks from making loans in furtherance of bucket-shop transactions and short sales of securities; to the Committee on the Judiciary.

Also, a bill (H. R. 11510) to prohibit short sales of stock, and to regulate certain transactions in securities, and for other purposes; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALMON: A bill (H. R. 11511) granting an increase of pension to Mignon Jackson; to the Committee on Pensions.

By Mr. BALDRIGE: A bill (H. R. 11512) for the relief of the Bankers Reserve Life Co., of Omaha, Nebr., and Wisconsin National Life Insurance Co., of Oshkosh, Wis.; to the Committee on Claims.

By Mr. BARTON: A bill (H. R. 11513) granting a pension to Ruth Ann Breedlove; to the Committee on Invalid Pensions.

By Mr. BEEDY: A bill (H. R. 11514) granting a pension to Mary Dunleavy; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 11515) granting an increase of pension to Sarah E. Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11516) granting an increase of pension to Mary J. Meiser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11517) granting an increase of pension to Mary E. Goshorn; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 11518) authorizing preliminary examination and survey of the waters of Hampton Roads, Va., and its branches, tributaries, and adjacent waters for the purpose of disposal of dredged material; to the Committee on Rivers and Harbors.

By Mr. CANFIELD: A bill (H. R. 11519) granting an increase of pension to Catherine Andres; to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 11520) granting an increase of pension to George Ann Washington; to the Committee on Invalid Pensions.

By Mr. CHASE: A bill (H. R. 11521) granting an increase of pension to Sarah E. Kennedy White; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 11522) granting a pension to Sarah A. Willig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11523) for the relief of James D. Orr; to the Committee on Military Affairs.

Also, a bill (H. R. 11524) for the relief of Walter W. Newcomer; to the Committee on Military Affairs.

By Mr. CURRY: A bill (H. R. 11525) for the relief of Charles G. Johnson, State treasurer of the State of California; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 11526) granting a pension to Andrew J. Hayes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11527) granting a pension to Everet Nickless; to the Committee on Pensions.

By Mr. HESS: A bill (H. R. 11528) granting an increase of pension to Robert Goodman; to the Committee on Pensions.

By Mrs. KAHN: A bill (H. R. 11529) for the relief of Peter F. Ramm; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 11530) granting an increase of pension to Cora A. Pattison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11531) for the relief of Edward M. Wilson; to the Committee on Indian Affairs.

By Mr. LAMBERTSON: A bill (H. R. 11532) for the relief of William M. Sherman; to the Committee on Military Affairs.

Also, a bill (H. R. 11533) for the relief of certain claimants at Leavenworth, Kans., occasioned through damage to property inflicted by escaping prisoners; to the Committee on Claims.

By Mr. LAMNECK: A bill (H. R. 11534) granting an increase of pension to Ida S. Fasnaugh; to the Committee on Invalid Pensions.

By Mr. LONERGAN: A bill (H. R. 11535) for the relief of Walter Kaszubski; to the Committee on Military Affairs.

By Mr. LOVETTE: A bill (H. R. 11536) granting a pension to John P. Gunter; to the Committee on Pensions.

Also, a bill (H. R. 11537) granting a pension to Ray Lowe; to the Committee on Pensions.

Also, a bill (H. R. 11538) granting a pension to Patrick H. Henley; to the Committee on Pensions.

Also, a bill (H. R. 11539) granting a pension to Lewis Frost; to the Committee on Pensions.

Also, a bill (H. R. 11540) granting a pension to Sarah E. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11541) granting a pension to James Stout; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 11542) granting a pension to Albert Porteus; to the Committee on Pensions.

By Mr. MAGRADY: A bill (H. R. 11543) granting a pension to Rhinard J. Jones; to the Committee on Pensions.

Also, a bill (H. R. 11544) for the relief of Jonathan A. Steiner; to the Committee on Military Affairs.

By Mr. MOORE of Ohio: A bill (H. R. 11545) granting a pension to Sarah E. Davis; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 11546) granting a pension to Elizabeth C. Hansen; to the Committee on Pensions.

By Mr. REILLY: A bill (H. R. 11547) granting an increase of pension to Mary G. W. Nichols; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 11548) granting an increase of pension to Mary A. Moore; to the Committee on Invalid Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 11549) for the relief of Oliver Ellison; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6396. By Mr. ARNOLD: Petition from citizens of Keensburg, Ill., asking for proper regulation of trucks and busses engaged in interstate traffic; to the Committee on Interstate and Foreign Commerce.

6397. Also, petition from citizens of Keensburg, Ill., urging the enactment of legislation to regulate the use of public highways by trucks and busses engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

6398. Also, petition of citizens of Birds, Ill., urging proper regulation of trucks and busses engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

6399. Also, petition of business firms and citizens of Mount Carmel, Ill., urging that legislation be enacted providing for proper regulation of motor trucks and busses engaged in interstate traffic; to the Committee on Interstate and Foreign Commerce.

6400. By Mr. BOILEAU: Petition of 256 residents of Marathon County, Wis., protesting against compulsory Sunday observance, and particularly House bill 8092; to the Committee on Labor.

6401. By Mr. BRIGGS: Communication from Alex J. McKenzie, superintendent of Montgomery independent school district, Montgomery, Tex., urging continuance of rural vocational-training and home-economics courses by Federal Board for Vocational Education; to the Committee on Economy.

6402. Also, communication from W. B. Gay, secretary board of education, Montgomery, Tex., urging continuance of rural vocational-training and home-economics courses by Federal Board for Vocational Education; to the Committee on Economy.

6403. Also, communication from J. M. Powell, assistant cashier First State Bank, Montgomery, Tex., urging continuance of rural vocational-training and home-economics courses by Federal Board for Vocational Education; to the Committee on Economy.

6404. Also, communication from L. A. Peel, president board of education, Montgomery, Tex., urging continuance of rural vocational-training and home-economics courses by Federal Board for Vocational Education; to the Committee on Economy.

6405. Also, communication from Morgan Cartwright, of Montgomery, Tex., urging continuance of rural vocational-training and home-economics courses by Federal Board for Vocational Education; to the Committee on Economy.

6406. Also, communication from Z. Rabon, of Montgomery, Tex., urging continuance of rural vocational-training and home-economics courses by Federal Board for Vocational Education; to the Committee on Economy.

6407. By Mr. CAMPBELL of Iowa: Petition of 34 members of James Doornink Post, No. 199, of the American Legion, at Sioux Center, and a resolution, unanimously adopted by the Chateau Thierry Post, No. 36, of the American Legion, at Primghar, both of the State of Iowa, urging the immediate cash payment of the adjusted-service certificates; to the Committee on World War Veterans' Legislation.

6408. Also, petition of the Akron Commercial Club and 143 residents and business men of Akron, Iowa, and farmers in adjoining territory, urging the passage of the Frazier bill, S. 1197, providing for the refinancing of farm indebtedness, or any substitute bill of a similar nature; to the Committee on Agriculture.

6409. By Mr. CLAGUE: Petition of Ralph J. Hess, of Reading, Minn., and other railroad employees, favoring House bill 9891, and in opposition to House bill 10023; to the Committee on Interstate and Foreign Commerce.

6410. By Mr. CRAIL: Petition of the Women's Society of the Pasadena Presbyterian Church, protesting against any infringement upon native rights in reindeer herds and ranges in Alaska; to the Committee on the Territories.

6411. Also, petition of 300 citizens of Los Angeles County, Calif., requesting legislation which will provide adequate and proper radio protection for the lives of persons traveling or employed on vessels of the United States, and, in addition, grant to licensed commercial radio operators the rights and privileges commonly accorded to other citizens of the United States; to the Committee on Merchant Marine, Radio, and Fisheries.

6412. Also, petition of Veterans of Foreign Wars of the United States, Frank Ernest Post, No. 2134, of Los Angeles, Calif., favoring the cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

6413. By Mr. CULLEN: Petition of the Ca-Choo Club, of Sault Ste. Marie, Mich., the parent organization of the Hay Fever Association of America, urging the Congress to make provisions for an appropriation for research facilities to determine the cause and, if possible, the prevention of the seasonal disease of hay fever; to the Committee on Agriculture.

6414. By Mr. CURRY: Petition of Ben Ali Temple, A. A. O. N. M. S., favoring the adoption of the Stars and Stripes Forever as the national march of the United States of America; to the Committee on the Judiciary.

6415. By Mr. FITZPATRICK: Petition signed by a number of residents of Yonkers, N. Y., urging the passage of the measure introduced by Hon. WRIGHT PATMAN, of Texas, for the full payment of the World War adjusted-service certificates; to the Committee on Ways and Means.

6416. By Mr. GLOVER: Petition of the directors of Sheridan special school district No. 37; to the Committee on Economy.

6417. Also, petition of business men and farmers of New Edinburg, Ark.; to the Committee on Economy.

6418. By Mr. GOLDSBOROUGH: Resolution of the Chamber of Commerce of Salisbury, Md., requesting that in balancing the United States Government Budget means should be adopted to reduce governmental expenditures and not increase taxation; to the Committee on Expenditures in the Executive Departments.

6419. By Mr. HALL of Mississippi: Petition of 50 citizens and ex-service men of Simpson County, Miss., urging the passage of House bills 1 and 8578; to the Committee on Ways and Means.

6420. By Mr. HOLLISTER: Petition of members of Walnut Hills Seventh-day Adventist Church, Cincinnati, Ohio, opposing House bills 8092 and 8759, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

6421. By Mr. HOLMES: Petition of ex-service men, citizens, and taxpayers of Worcester, Mass., requesting that adjusted-service certificates be paid in full upon demand of any ex-service man who requests such payment; to the Committee on Ways and Means.

6422. By Mr. JAMES: Petition of Pirena Priniski, Toivo Leinonen, Edward Chaput, Elizabeth Sterk, and 114 other school children of copper miners of the Copper Range district of Houghton County, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

6423. Also, telegram from Thomas Coughlin, of Hancock, Mich., regarding necessity for tariff on copper; to the Committee on Ways and Means.

6424. Also, telegram from Cloverland Post, No. 82, Escanaba, Mich., through Philip Bruce, commander, favoring the immediate payment of balance on adjusted-service certificates; to the Committee on Ways and Means.

6425. Also, telegram from American Legion Post, No. 44, of Marquette, Mich., through George A. Hager, adjutant, favoring the full payment of the adjusted-service certificates; to the Committee on Ways and Means.

6426. Also, telegram from American Legion post of Bessemer, Mich., through James Carpenter, adjutant, favoring the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6427. Also, telegram from Rudolph M. Urich, secretary Railway Mail Association, Northern Peninsula Branch, protesting against furlough plan for postal employees; to the Committee on Economy.

6428. By Mr. JOHNSON of Texas: Petition of C. H. Morter, S. G. Wright, S. S. Bowmer, and C. A. Patterson, rural

mail carriers, Hubbard, Tex., opposing legislation requiring rural carriers to take reduction in salary, and also discontinuance of equipment allowance; to the Committee on Economy.

6429. Also, petition of E. J. Hunt, of Hillsboro, Tex., opposing a 10 per cent tax on jewelry; to the Committee on Ways and Means.

6430. Also, petition of W. W. Siddons, of Hillsboro, Tex., opposing cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6431. Also, petition of M. A. Smith, president Limestone County Rural Letter Carriers' Association, Groesbeck, Tex., opposing legislation requiring rural carriers to take reduction in salary, and also discontinuance of equipment allowance; to the Committee on Economy.

6432. Also, telegram from Willis Allmon, Sanford Bingham, Leroy McAfee, Allen Briethaupt, and Walter Roberts, rural-mail carriers, Corsicana, Tex., opposing legislation requiring rural carriers to take reduction in salary, and also discontinuance of equipment allowance; to the Committee on Economy.

6433. By Mr. KELLER: Petition from the citizens of Olmstead, Ill., urging the passage of Senate bill 2793; to the Committee on Interstate and Foreign Commerce.

6434. Also, petition of the Federation of Labor, Chicago, Ill., opposing any reductions in salary; to the Committee on Economy.

6435. Also, petition of 28 citizens of Johnston City, Ill., urging the immediate payment of the remainder of the soldiers' adjusted certificates; to the Committee on Ways and Means.

6436. Also, petition of the Martin Carter Steveson Post, No. 744, American Legion, Cutler, Ill., asking that payment be made of the remainder of the soldiers' adjusted-compensation certificates; to the Committee on Ways and Means.

6437. Also, petition of Local Union No. 4069, United Mine Workers of America, Zeigler, Ill., urging that a veterans' hospital be allotted to southern Illinois; to the Committee on World War Veterans' Legislation.

6438. Also, petition of Local Union No. 4069, United Mine Workers of America, Zeigler, Ill., asking for the repeal of all criminal syndicalist laws; to the Committee on the Judiciary.

6439. Also, petition of the board of education, Sesser, Ill., protesting against the discontinuance of appropriations for vocational education; to the Committee on Economy.

6440. Also, petition of Oliver K. Loomis, agricultural instructor Anna-Jonesboro Community High School, Anna, Ill., protesting against the elimination of appropriations for vocational education as proposed by the Economy Committee; to the Committee on Economy.

6441. Also, petition of Hon. William J. Bogan, superintendent of schools of the city of Chicago, protesting against any reduction in appropriations for vocational education, pointing out that such reduction will very seriously cripple Chicago schools; to the Committee on Economy.

6442. Also, petition of the staff and members of the Sparta Township high school, Sparta, Ill., protesting against any reduction in appropriations for vocational education; to the Committee on Economy.

6443. Also, petition of J. E. Hill, State supervisor of agricultural education, Springfield, Ill., protesting against eliminations of appropriations for vocational education; to the Committee on Economy.

6444. Also, petition of La Rue Van Meter, principal Johnston City (Ill.) Township High School, protesting against any reductions in appropriations for vocational education; to the Committee on Economy.

6445. Also, petition of Adah Hess, State supervisor of home economics, Springfield, Ill., protesting against reduction of appropriations for vocational education; to the Committee on Appropriations.

6446. Also, petition of Egyptian Lodge, No. 365, Brotherhood Railway Carmen of America, Murphysboro, Ill., protesting against reduction of salaries of Federal employees; to the Committee on Economy.

6447. Also, petition of Local Union No. 3543, United Mine Workers of America, Benton, Ill., favoring the immediate payment of soldiers' adjusted compensation; to the Committee on Ways and Means.

6448. Also, petition of E. W. Turner, principal Sumner High School, Cairo, Ill., protesting against any reduction in the appropriations for vocational education; to the Committee on Economy.

6449. Also, petition of the George L. Giles Post, No. 87, American Legion, Chicago, Ill., protesting against cutting of appropriations for veterans; to the Committee on Economy.

6450. By Mr. LANHAM: Petition of substitute post-office clerks of Fort Worth, Tex., favoring the amending of the Cochran substitute plan for salary reductions; to the Committee on Economy.

6451. By Mr. McMILLAN: Petition of citizens of Seneca, S. C., protesting against the discontinuance of Federal appropriations for vocational education; to the Committee on Economy.

6452. Also, petition of citizens of Central, S. C., protesting against the discontinuance of Federal appropriations for vocational education; to the Committee on Economy.

6453. By Mr. MAGRADY: Resolution by the industrial committee and citizens of Shamokin and Coal Township, Northumberland County, Pa., adopted March 7, 1932, calling upon the State and Federal authorities to make a thoroughgoing investigation of the anthracite-coal industry in order that all the facts bearing upon the industry may be ascertained and the causes responsible for the present distressing conditions may be eliminated; to the Committee on Interstate and Foreign Commerce.

6454. By Mr. MANSFIELD: Petition of citizens of Calhoun County, Tex., urging that legislation be adopted providing for the betterment of commercial radio operator stations; to the Committee on Merchant Marine, Radio, and Fisheries.

6455. By Mr. MILLARD: Petition signed by members of the Rockland County Peace Association, urging the passage of House Joint Resolution 282; to the Committee on Foreign Affairs.

6456. By Mr. PARKER of Georgia: Petition of J. F. Bates and 18 other citizens of the first congressional district of Georgia, urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

6457. Also, petition of W. F. Sullivan, Leon Donnelly, and P. O. Lanier, of Savannah, Ga., urging the passage of the railroad pension bill, H. R. 9891, and voicing opposition to Senate bill 3892 and House bill 10023; to the Committee on Interstate and Foreign Commerce.

6458. By Mr. PATMAN: Petition of J. R. Dowdle and other citizens and veterans of Alamagordo, N. Mex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6459. Also, petition of Max Hutchens and other citizens and veterans of New York City, N. Y., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6460. Also, petition of Antonio Difane and other citizens and veterans of Rochester, N. Y., urging cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

6461. Also, petition of W. S. Hinkle and other citizens of Castleton, N. Y., urging immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

6462. Also, petition of Ed C. Sullivan and 420 other citizens and veterans of New York, N. Y., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6463. Also, petition of Joe Stanton and other citizens and veterans of Rochester, N. Y., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6464. Also, petition of Walter Freer and other citizens and veterans of Binnewater, N. Y., urging immediate payment in

full of the adjusted-service certificates; to the Committee on Ways and Means.

6465. Also, petition of Floyd V. Patterson and other citizens and veterans of New York City, N. Y., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6466. Also, petition of Myron Butler and other citizens and veterans of Roscoe and Liberty, N. Y., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6467. Also, petition of Charlie Fairbairn and other citizens and veterans of Niagara Falls, N. Y., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6468. Also, petition of H. J. Duher and other citizens and veterans of Owosso and Chesaning, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6469. Also, petition of Frederick Arscott and other citizens and veterans of Neguanee, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6470. Also, petition of William Henry Erswell and other citizens and veterans of Skowhegan, Me., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6471. Also, petition of William Whyment and other citizens and veterans of Hibbing, Minn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6472. Also, petition of William Traffas and other veterans of Kansas City, Mo., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6473. Also, petition of B. N. Reeves and 140 other citizens and veterans of Gulfport, Miss., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6474. Also, petition of Willie Singleton and other citizens and veterans, Greenwood, Miss., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6475. Also, petition of L. E. Gaylor and 205 other citizens and veterans of Kansas City, Mo., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6476. Also, petition of Ralph A. Huscher, president of American Bank, Higginsville, Mo., indorsing immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6477. Also, petition of Herbert Young and other citizens and veterans of Carrolton, Mo., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6478. Also, petition of James R. Pringle and other citizens and veterans of Gloucester, Mass., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6479. Also, petition of James D. Sunderland and 601 other citizens of Lowell, Mass., urging immediate full cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

6480. Also, petition of T. J. Lenz and other citizens and veterans of Quinnesec, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6481. Also, petition of Harvey W. Halliook and 195 other citizens of the fourth congressional district, Michigan, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6482. Also, petition of M. E. Goodbee and 130 other citizens of Orion and Lake Orion, Oakland County, Mich., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6483. Also, petition of A. C. McCarthy and 170 other citizens and veterans of Boston, Mass., and vicinity, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6484. Also, petition of M. M. Conklin and 500 other citizens and veterans of Detroit, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6485. Also, petition of Charles E. Rouleau and 165 other citizens and veterans of Hancock, Rockland, Hubbell, and Menominee, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6486. Also, petition of James A. Serr and other citizens and veterans of Owosso, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6487. Also, petition of Joseph B. Collins and 140 other citizens and veterans of Iron Mountain, Kingsford, and Brietung, Mich., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6488. Also, petition of Herbert Smith and other citizens and veterans of Sonora, Ky., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6489. Also, petition of Martin J. Sullivan and 117 other citizens and veterans of Waterbury, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6490. Also, petition of Jack Bingham and other members of a committee representing 2,000 citizens and veterans of Boll County, Ky., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6491. Also, petition of Allen T. Walker and 105 other veterans of Kentucky, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6492. Also, petition of Acey M. Russell and other citizens and veterans of Greenup, Ky., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6493. Also, petition of Guy G. Parker and other citizens and veterans of New Orleans and Harahan, La., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6494. Also, petition of A. J. Cobb and other citizens and veterans of New Orleans, La., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6495. Also, petition of F. B. Brackett and other citizens and veterans of Pineville, Alexandria, Boyce, Tioga, and Center Point, La., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6496. Also, petition of Charles J. Doherty and other veterans of Portland, Me., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6497. Also, petition of Leon Chase Waite and other citizens and veterans of Lawrence, Mass., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6498. Also, petition of Roscoe C. Ward and other citizens and veterans of Cascade, Idaho, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6499. Also, petition of Roscoe Welch and other citizens and veterans of Homedale, Idaho, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6500. Also, petition of Edward R. Libert and other citizens and veterans of Twin Falls, Idaho, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6501. Also, petition of Andy Butler and other citizens and veterans, Chicago, Ill., urging immediate payment in

full of the adjusted-service certificates; to the Committee on Ways and Means.

6502. Also, petition of Pat V. Holtgrave and other citizens and veterans of East St. Louis, Ill., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6503. Also, petition of Roy Hale and other citizens and veterans of La Fayette, Ind., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6504. Also, petition of Eddie Cage and other citizens and veterans of East Moline and Rock Island, Ill., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6505. Also, petition of J. W. White and other citizens and veterans of McClur, Ill., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6506. Also, petition of John Nallon and other citizens and veterans of Cairo, Ill., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6507. Also, petition of Lester Bryant and other citizens and veterans of Forrest, Ill., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6508. Also, petition of Harry R. Stuck and other citizens and veterans of Indianapolis, Ind., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6509. Also, petition of Charles A. Grave and 165 other citizens and veterans of Boise, East Port, Genesee, Oxford, Preston, Dayton, Ronan, and Clifton, Idaho, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6510. Also, petition of Verne Labbers and other citizens and veterans of Webster City, Iowa, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6511. Also, petition of Henry C. Jansen and other citizens and veterans of Indianapolis, Ind., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6512. Also, petition of McKinley L. Burnett and other citizens and veterans of Topeka, Kans., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6513. Also, petition of R. W. Winburn and other citizens and veterans of Beagle, Kans., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6514. Also, petition of Hans C. Nelson and other citizens of El Dorado, Kans., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6515. Also, petition of John F. Deer and other citizens and veterans of Templer, Symbol, Cruise, Corbin, Cornette, Ionia, Eberle, Price, and Mershons, Ky., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6516. Also, petition of Charles M. Newton and other citizens and veterans of Paducah, Ky., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6517. Also, petition of Walter Saylor and other citizens and veterans of Saylor, Warbranch, Chappell, and Helton, Ky., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6518. Also, petition of John J. Beacon and other citizens and veterans of Thomaston, Bristol, Terryville, Forrestville, and Pequabuck, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6519. Also, petition of T. McLaughlin and other citizens and veterans of Norton, Bridgeport, Shelton, Stamford, and South Norwalk, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6520. Also, petition of Robert H. Thornton and 151 other veterans, Mount Alto Hospital, Washington, D. C., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6521. Also, petition of J. G. Bruce and other citizens and veterans of Franklin County, Fla., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6522. Also, petition of D. B. Brown and other citizens and veterans of Commerce, Jefferson, and Nicholson, Ga., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6523. Also, petition of A. K. Taylor and other American Legion members and citizens of Rome, Ga., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6524. Also, petition of Jesse R. Farr and 195 other citizens and veterans of Augusta, Ga., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6525. Also, petition of J. W. Gentry and other citizens and veterans of Franklin and Newnan, Ga., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6526. Also, petition of N. N. Davis and 280 other citizens and veterans of Clarksville, Demorest, and Cornelia, Ga., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6527. Also, petition of S. D. Bowen, jr., and 168 other citizens and veterans of Eastman, Chester, Empire, Cochran, Younker, Chauncey, and Rhine, Ga., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6528. Also, petition of W. F. William and 200 other citizens and veterans of Griffin, Ga., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6529. Also, petition of M. E. Webb and 105 other citizens and veterans of Villa Rica, Temple, Whitesburg, Douglasville, Carrollton, and Draketown, Ga., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6530. Also, petition of G. M. Runner and other citizens and veterans of Caldwell, Idaho, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6531. Also, petition of L. R. Mattison and other citizens and veterans of Bayview, Idaho, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6532. Also, petition of E. F. Morrow and other citizens and veterans of Idaho Falls, Idaho, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6533. Also, petition of Clarence Lewis and other citizens of Venice, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6534. Also, petition of William McGee and other citizens and veterans of Boulder, Colo., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6535. Also, petition of James Walsh and 167 other citizens and veterans of Middletown, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6536. Also, petition of D. F. Kerwin and other citizens and veterans of Waterbury, Cheshire, and Torrington, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6537. Also, petition of Veterans of Foreign Wars post and other citizens of Putnam, Conn., submitted by David F. Barry and 453 other citizens and members of post, urging

immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6538. Also, petition of William G. Ulrich and other veterans of Seymour, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6539. Also, petition of David B. Fendel and other citizens and veterans of New Britain, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6540. Also, petition of Nicholas Praga and other citizens and veterans of Shelton, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6541. Also, petition of Nichols J. Russe and other citizens and veterans of Hartford, Conn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6542. Also, petition of Andrew A. Walker and other citizens and veterans of Antoine, Ark., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6543. Also, petition of Luther S. Reid and other citizens and veterans of Fresno, Calif., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6544. Also, petition of Arthur A. Morrow and other citizens and veterans of Fort Smith, Ark., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6545. Also, petition of Glenn D. Watkins and other citizens and veterans of Laguna Beach, Santa Anna, and Huntington Beach, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6546. Also, petition of Melvin L. Smith and 185 other veterans, naval hospital, Mare Island, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6547. Also, petition of Elmer N. Fussell and 112 other citizens and veterans of San Jose, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6548. Also, petition of Martin M. Johnson and 215 other citizens and veterans of Los Angeles, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6549. Also, petition of S. E. Nelson and 820 other citizens and veterans of Los Angeles, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6550. Also, petition of William C. Anderson and other citizens and veterans of Albuquerque, Monticello, and Hot Springs, N. Mex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6551. Also, petition of P. L. Warner and other citizens and veterans of Wood Ridge, N. J., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6552. Also, petition of George S. Bunn and other citizens and veterans of Somerville, N. J., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6553. Also, petition of M. R. Minthorn and other citizens and veterans of Lincoln, Nebr., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6554. Also, petition of Jhonnie Butler and 587 other citizens and veterans of Omaha, Nebr., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6555. Also, petition of Waitman & Buehning and other business firms and citizens of Lyman, Nebr., indorsing immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6556. Also, petition of E. A. Buehning and other veterans of Lyman, Nebr., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6557. Also, petition of F. E. DeWeese and 139 other citizens and veterans of Brunswick, Mo., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6558. Also, petition of Harry White and 142 other veterans of Excelsior Springs, Mo., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6559. Also, petition of Thomas H. Kent and other citizens and veterans of Kirkville, Mo., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6560. Also, petition of Carl J. Hanchett and other citizens of Ryder, N. Dak., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6561. Also, petition of W. J. Flynn and other citizens of Roseglen, McLean County, N. Dak., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6562. Also, petition of Nelson Tucker and 469 other citizens and veterans of Middletown, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6563. Also, petition of D. L. Kime and other citizens and veterans of Mocksville, N. C., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6564. Also, petition of Lovell Brown and other citizens and veterans of Clinton, N. C., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6565. Also, petition of J. W. King and other citizens and veterans of Cooleeme, N. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6566. Also, petition of J. S. McLean and other citizens and veterans of Durham, N. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6567. Also, petition of Miles Allen and other citizens and veterans of Elmira, N. Y., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6568. Also, petition of John Morgan and other citizens and veterans of Rochester, N. Y., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6569. Also, petition of Nelson J. Doggett and other citizens and veterans of Tupper Lake, N. Y., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6570. Also, petition of John J. Duggan and 140 other citizens and veterans of Dunmore, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6571. Also, petition of George A. Cage and other citizens and veterans of New Castle, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6572. Also, petition of G. W. Pierce and other citizens and veterans of Mannsville, Okla., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6573. Also, petition of H. C. Bayer and other citizens and veterans of Springer, Okla., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6574. Also, petition of Carl Dumbleton and other citizens and veterans of Haileyville, Okla., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6575. Also, petition of L. M. Morris and other citizens and veterans of Quinton, Okla., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6576. Also, petition of John B. Johnson and other veterans, State University Hospital, Oklahoma City, Okla., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6577. Also, petition of Earl Johnson and 170 other citizens and veterans of Sebring, Alliance, and Deerfield, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6578. Also, petition of F. C. Davis and other citizens and veterans of Berlin Center, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6579. Also, petition of O. R. Parnell and other citizens and veterans of Urbana, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6580. Also, petition of G. E. Hillier and 181 other citizens and veterans of Newark, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6581. Also, petition of Harry Scully and other citizens and veterans of Cincinnati, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6582. Also, petition of Clyde Robey and 355 other citizens and veterans of Canton, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6583. Also, petition of J. D. Cummings and 1,120 other citizens and veterans of Toledo, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6584. Also, petition of Clinton C. Davis and other citizens and veterans of Higby and Chillicothe, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6585. Also, petition of George A. Sebastian and other citizens and veterans of Cincinnati, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6586. Also, petition of Charles Caldwell and other citizens and veterans of Circleville, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6587. Also, petition of the Thirty-seventh Division Veterans' Association, Toledo, Ohio, submitted by Walter L. Jacques, secretary of said association, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6588. Also, petition of M. J. McCarty and other veterans of Wahpeton, N. Dak., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6589. Also, petition of C. E. Knutsen and other citizens and veterans of Bismarck, N. Dak., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6590. Also, petition of Vance Roe and other citizens and veterans of Humboldt, Tenn., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6591. Also, petition of George Null and other veterans urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6592. Also, petition of Victor S. Adams and other citizens and veterans of Anderson, S. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6593. Also, petition of J. F. Freeman and other citizens and veterans of Columbia, Cameron, and St. Matthews, S. C., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6594. Also, petition of J. A. Bridges and 125 other citizens of Charleston, S. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6595. Also, petition of G. L. Kay and other citizens and veterans of Goldville, S. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6596. Also, petition of Lloyd A. Walker and 518 other citizens and veterans of Charleston County, S. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6597. Also, petition of A. H. Estes and 272 other citizens and veterans of Columbia, S. C., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6598. Also, petition of Mrs. Doris Hobson and other citizens and veterans of Oakland Beach and Providence, R. I., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6599. Also, petition of D. T. Blackman and other citizens and veterans of Columbia, S. C., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6600. Also, petition of N. R. Carns and 138 other citizens and veterans of Bethlehem, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6601. Also, petition of Le Roy V. Reeves and 176 other citizens of Philadelphia, Pa., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6602. Also, petition of Herrwood E. Hobbs and 279 other citizens and veterans of Pottsville, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6603. Also, petition of John A. Wall and other citizens and veterans of Olyphant, Scranton, and Dickson City, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6604. Also, petition of Linwood Ellis and other citizens and veterans of Chester and York, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6605. Also, petition of John R. Swope and other veterans of Philadelphia, Pa., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6606. Also, petition of Andrew H. Schott and other citizens and veterans of Doylestown, Pa., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6607. Also, petition of Charles Bergen and 149 other citizens and veterans of Philadelphia, Pa., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6608. Also, petition of William J. Schumacher and other American Legion members of Philadelphia, Pa., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6609. Also, petition of R. D. Phillips and 119 other citizens of New Castle, Pa., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6610. Also, petition of Joseph Disken and other citizens and veterans of Scranton, Pa., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6611. Also, petition of H. C. Martin and other American Legion members and citizens of Pittsburg, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6612. Also, petition of Carl Lohn and other business men and veterans of Gouldbusk, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6613. Also, petition of Hoyle McClanahan and other veterans of Sutherland Springs, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6614. Also, petition of C. H. Humphreys and other citizens and veterans of Blossom, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6615. Also, petition of James E. Knott and other citizens and veterans of Dallas, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6616. Also, petition of L. L. Hargrave and other citizens and veterans of Sherman, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6617. Also, petition of J. O. Herring and other veterans of Port Neches, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6618. Also, petition of E. H. Shaddix and other veterans of Marietta, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6619. Also, petition of S. F. Lake and 362 other citizens and veterans of Crane, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6620. Also, petition of J. R. Henderson and 386 other citizens of Edinburg, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6621. Also, petition of James W. Boyce and other citizens and veterans of Eagleville, Tenn., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6622. Also, petition of Fred L. Gunter and other citizens of McMinn County, Tenn., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6623. Also, petition of Bill Raley and other veterans, Bill Raley National Sanatorium, Johnson City, Tenn., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6624. Also, petition of Thad D. Smith and other veterans and law students of Cumberland University and Lebanon College of Law, Lebanon, Tenn., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6625. Also, petition of John T. Thomas and other colored veterans of Humboldt, Tenn., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6626. Also, petition of H. H. Hardy and other citizens and veterans of Houston, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6627. Also, petition of J. L. Warren and 177 other veterans of Abilene, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6628. Also, petition of L. F. Parton and other citizens and veterans of Carbon, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6629. Also, petition of D. L. Nabors and other citizens and veterans of Emory, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6630. Also, petition of Howard Owens and 103 other citizens of Lometta, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6631. Also, petition of W. E. Ferrell and other citizens and veterans of Seminary Hill, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6632. Also, petition of Floyd Culloes and other citizens and veterans of Sulphur Springs, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6633. Also, petition of W. M. Faulkner and other American Legion members of Rosebud, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6634. Also, petition of George Taylor and 122 other citizens and veterans of Como, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6635. Also, petition of John R. Pierce and 150 other citizens and veterans of Dallas, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6636. Also, petition of A. L. Lockhart and other citizens and veterans of Coleman, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6637. Also, petition of Sam S. Devall and other members of a committee representing the ex-service men and other citizens of Hallettsville, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6638. Also, petition of E. M. Deakins and 541 other nonveterans and citizens of Snyder, Tex., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6639. Also, petition of Joe Owen and other citizens and veterans of Merkel, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6640. Also, petition of W. R. Walker and other citizens and veterans of Dallas, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6641. Also, petition of William D. Hall and other citizens and veterans of Roanoke and Salem, Va., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6642. Also, petition of Frank Gibson and other citizens and veterans of Windsor, Vt., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6643. Also, petition of the following business firms of Dallas, Tex.: Hart Furniture Co., A. Harris & Co., and Nettleton Co. (Inc.), urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6644. Also, petition of O. W. Richey and other citizens and veterans of Amarillo, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6645. Also, petition of H. L. Burke and other citizens and veterans of Salado, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6646. Also, petition of H. E. Medford and other citizens of DeKalb, Tex., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6647. Also, petition of J. M. Birdwell and other citizens and veterans of Dimmitt, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6648. Also, petition of I. C. Underwood and 180 other business men and veterans of Gorman, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6649. Also, petition of R. C. Thomas and other citizens and veterans of Goliad, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6650. Also, petition of A. H. Potter and other citizens of Franklin, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6651. Also, petition of Joe Williams and 480 other citizens and veterans of Wheeling, W. Va., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6652. Also, petition of Ernest Goodman and other citizens and veterans of Cheyenne, Wyo., and vicinity, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6653. Also, petition of Albert E. Sandow and 476 other citizens and veterans of Milwaukee, Wis., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6654. Also, petition of J. H. Noonan and other citizens and veterans of Oconto, Wis., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6655. Also, petition of American Legion Post No. 146, Beaver Dam, Wis., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6656. Also, petition of W. T. Cole and other citizens and veterans of Milwaukee, Wis., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6657. Also, petition of Z. F. Mullen and other citizens and veterans, Neopit, Wis., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6658. Also, petition of A. T. Terry and 190 other citizens of Mingo County, W. Va., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6659. Also, petition of Floyd P. Cox and 560 other citizens and veterans of Spokane, Wash., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6660. Also, petition of Albert H. Roberts, secretary of the National Veterans Association, Seattle, Wash., and 206 other veterans of Seattle, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6661. Also, petition of Leo R. Leaden and 280 other citizens and veterans of Phoenix, Ariz., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6662. Also, petition of H. O. Julian and other citizens and veterans of Tucson, Ariz., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6663. Also, petition of Ivan E. Wallace and other citizens and veterans of Elkmont, Athens, and Thach, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6664. Also, petition of David G. Pearce and other citizens and veterans of Vina, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6665. Also, petition of Floyd E. Short and other citizens and veterans of Gadsden, Albertville, and Guntersville, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6666. Also, petition of A. L. Brooks and 139 other citizens and veterans of Linden, Ala., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6667. Also, petition of Carl Parke and other citizens and veterans of Montgomery, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6668. Also, petition of O. H. Green and 350 other citizens and veterans of Hackleburg, Phil Campbell, Russelville, Haleyville, Spruce Pine, Belgreen, Bear Creek, and Hodges, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6669. Also, petition of Edward G. Pilcher and 560 other citizens and veterans of Gadsden, Alabama City, Anniston, Attola, Altoona, and Boaz, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6670. Also, petition of Edward M. Wells and 325 other veterans of Tuskegee, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6671. Also, petition of Hane M. Windsor and 100 other citizens and veterans of Cullman and Crane Hill, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6672. Also, petition of H. Piper and 400 other citizens and veterans of Clanton, Jennison, Verbena, Maplesville, Thorsby, and Mountain Creek, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6673. Also, petition of Eli Holland and 224 other citizens and veterans of Dothan, Ala., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6674. Also, petition of E. F. Jones and 4,500 other citizens and veterans of Birmingham, Ala., and vicinity, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6675. Also, petition of American Legion Post No. 43, submitted by Walter J. McDonald, commander of said post, Fort Lyon, Colo., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6676. Also, petition of American Legion Post No. 375, submitted by Axel B. Johnson, commander, and W. G. Pattison, adjutant of said post, Palo Alto, Calif., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6677. Also, petition of American Legion Post No. 159, submitted by John O. Clover, adjutant of said post, Lakeport, Calif., indorsing immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6678. Also, petition of American Legion Post No. 418, submitted by T. Whiteman, adjutant of said post, Castroville, Calif., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6679. Also, petition of American Legion Post No. 133, submitted by L. E. Mitchell, adjutant of said post, Huntington Beach, Calif., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6680. Also, petition of American Legion Post No. 315, submitted by Victor L. Wyman, adjutant of said post, San Francisco, Calif., indorsing immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

6681. Also, petition of American Legion Post No. 347, submitted by Edwin H. Sully, adjutant of said post, San Francisco, Calif., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6682. Also, petition of American Legion Post No. 30, and citizens of Sheridan, Ark., urging immediate payment in full of the adjusted-service certificates, signed by John H. Boone and other citizens of Sheridan, Ark., and vicinity; to the Committee on Ways and Means.

6683. Also, petition of American Legion Post No. 142, submitted by J. C. Brown, commander of said post, Winthrop, Ark., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6684. Also, petition of Frank R. Taylor and other citizens and veterans of Tuscaloosa, Ala., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6685. Also, petition of Daniel D. Rappaport and 99 other citizens and veterans of Phoenix and Tucson, Ariz., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6686. Also, petition of American Legion Post No. 25 and other citizens and business men, submitted by L. F. Howser, adjutant of said post, Moulton, Ala., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6687. Also, petition of American Legion Post No. 14, submitted by H. J. Hand, commander of said post, Kingman, Ariz., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6688. Also, petition of American Legion Post No. 114, submitted by R. W. Tucker, commander of said post, Batesville, Ark., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6689. Also, petition of American Legion Post No. 337, submitted by E. M. McElhinny, commander, and L. E. Myatt, adjutant, of said post, Missouri Valley, Iowa, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6690. Also, petition of American Legion Post No. 348, submitted by Bayard C. Marsh, past commander of said post, Indianapolis, Ind., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6691. Also, petition of American Legion Post No. 47, submitted by William Sivits, adjutant of said post, Fort Wayne, Ind., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6692. Also, petition of American Legion Post No. 667, submitted by Patrick McGovern, commander, and Michael Reidy, adjutant, of said post, Chicago, Ill., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6693. Also, petition of Fulton County American Legion, submitted by C. R. Murphy, commander, and Joe L. Jackson, adjutant of said post, Cuba, Ill., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6694. Also, petition of Leo G. Greenwell and other members of American Legion Post No. 515, Martinsville, Ill., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6695. Also, petition of American Legion Post No. 4, submitted by C. W. Browning, commander, and other officers of said post, Washington, D. C., indorsing immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6696. Also, petition of American Legion Post No. 7, submitted by C. J. Williams, commander, and W. L. Norton, adjutant of said post, Gainesville, Ga., indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6697. Also, petition of American Legion Post No. 38, submitted by W. M. Gorman, adjutant of said post, Cordele, Ga., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6698. Also, petition of American Legion posts of Mancos, Dolores, Cortez, and Durango, Colo., indorsing immediate payment in full of the adjusted-service certificates, submitted by C. A. B. Scharf, commander of Post No. 92, Mancos, Colo.; to the Committee on Ways and Means.

6699. Also, petition of the Red Cloud, Blue Hill, Guide Rock, and Bladen American Legion posts and auxiliaries, Webster County, Nebr., urging immediate payment in full of the adjusted-service certificates, submitted by A. B. McArthur, county commander of said posts; to the Committee on Ways and Means.

6700. Also, petition of American Legion Post No. 8, Nebraska City, Nebr., urging immediate payment in full of the adjusted-service certificates, submitted by W. H. Achenbach, commander of said post; to the Committee on Ways and Means.

6701. Also, petition of Leland England and 116 other American Legion members and citizens of Missouri, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6702. Also, petition of American Legion Post No. 138, and other citizens of Bolivar, Mo., urging immediate payment in full of the adjusted-service certificates, signed by Baxter Lightfoot and 443 other citizens and members of said post; to the Committee on Ways and Means.

6703. Also, petition of American Legion Post No. 357, St. Louis, Mo., indorsing immediate cash payment in full of the adjusted-service certificates, submitted by Harry MacMellon, adjutant of said post; to the Committee on Ways and Means.

6704. Also, petition of American Legion Post No. 100, Poplarville, Miss., indorsing immediate payment in full of the adjusted-service certificates, signed by R. C. Daniels and other members of said post; to the Committee on Ways and Means.

6705. Also, petition of American Legion Post No. 3, Allein, Miss., indorsing immediate payment in full of the adjusted-service certificates, submitted by F. A. Kearns, commander, and other officers of said post; to the Committee on Ways and Means.

6706. Also, petition of American Legion Post No. 161, Le Roy, Minn., urging immediate payment of the adjusted-service certificates, submitted by Noah R. Engelsen, commander, and D. G. Johnson, adjutant, of said post; to the Committee on Ways and Means.

6707. Also, petition of American Legion Post No. 193, Becker, Minn., urging immediate payment in full of the adjusted-service certificates, submitted by Herbert R. Anderson, adjutant of said post; to the Committee on Ways and Means.

6708. Also, petition of American Legion Post No. 248, Ely, Minn., urging immediate cash payment in full of the adjusted-service certificates, submitted by Ray Hoefter, adjutant of said post; to the Committee on Ways and Means.

6709. Also, petition of American Legion Post No. 127, Marine City, Mich., indorsing immediate cash payment of the adjusted-service certificates, submitted by George W. Welch, commander of said post; to the Committee on Ways and Means.

6710. Also, petition of American Legion Post No. 23, St. Paul, Minn., urging immediate payment in full of the adjusted-service certificates, submitted by Paul Redpath, commander, and Noble L. MacVey, adjutant, of said post; to the Committee on Ways and Means.

6711. Also, petition of American Legion Post No. 85, Dorchester, Mass., indorsing immediate payment in full of the adjusted-service certificates, submitted by John C. Clougherty, adjutant of said post; to the Committee on Ways and Means.

6712. Also, petition of Russell P. Gray and other American Legion members, Stoneham, Mass., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6713. Also, petition of American Legion Post No. 95, Baltimore, Md., indorsing immediate payment in full of the adjusted-service certificates, submitted by commander, quartermaster, and paymaster of said post; to the Committee on Ways and Means.

6714. Also, petition of American Legion Post No. 127, Geneso, Kans., indorsing immediate payment of the adjusted-service certificates, submitted by J. E. Mock, commander of said post; to the Committee on Ways and Means.

6715. Also, petition of American Legion Post No. 22, Lewiston, Me., indorsing immediate payment in full of the adjusted-service certificates, submitted by M. J. Murphy, adjutant of said post; to the Committee on Ways and Means.

6716. Also, petition of American Legion Post No. 464, Adel, Iowa, urging immediate cash payment in full of the adjusted-service certificates, submitted by F. M. Dodge, adjutant of said post; to the Committee on Ways and Means.

6717. Also, petition of American Legion Post No. 151, Reydon, Okla., urging immediate payment in full of the

adjusted-service certificates, submitted by C. H. Marvin and other officers of said post; to the Committee on Ways and Means.

6718. Also, petition of American Legion Post No. 13, Oklahoma City, Okla., indorsing immediate payment in full of the adjusted-service certificates, submitted by Paul V. Funk, commander, and Carl R. Burton, adjutant of said post; to the Committee on Ways and Means.

6719. Also, petition of American Legion Post No. 158, Lebanon, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by Donald A. Behney, adjutant of said post; to the Committee on Ways and Means.

6720. Also, petition of American Legion Post No. 265, Wauseon, Ohio, indorsing immediate payment in full of the adjusted-service certificates, submitted by G. R. Goodwin, adjutant of said post; to the Committee on Ways and Means.

6721. Also, petition of American Legion Post No. 187, Ohio, indorsing immediate payment in full of the adjusted-service certificates, submitted by James Stewart, commander of said post; to the Committee on Ways and Means.

6722. Also, petition of American Legion Post No. 51, Fairview, Okla., urging immediate payment in full of the adjusted-service certificates, submitted by G. V. Underwood, Frank B. Garner, and E. R. Monzingo; to the Committee on Ways and Means.

6723. Also, petition of American Legion Post No. 308, South Euclid, Ohio, indorsing immediate payment of the adjusted-service certificates, submitted by H. G. Folger, adjutant of said post; to the Committee on Ways and Means.

6724. Also, petition of American Legion Post No. 68, Lovington, N. Mex., indorsing immediate payment in full of the adjusted-service certificates, submitted by W. E. Davis, adjutant of said post; to the Committee on Ways and Means.

6725. Also, petition of American Legion Post No. 148 Auxiliary, Sulphur, Okla., urging immediate payment in full of the adjusted-service certificates, submitted by Mrs. Paul Rial, president; to the Committee on Ways and Means.

6726. Also, petition of American Legion Post No. 29, Watford City, N. Dak., indorsing immediate cash payment in full of the adjusted-service certificates, submitted by Orlando D. Smith, adjutant; to the Committee on Ways and Means.

6727. Also, petition of American Legion Post No. 170, Rochelle Park, N. J., indorsing immediate payment in full of the adjusted-service certificates, submitted by Walter Dietel, adjutant; to the Committee on Ways and Means.

6728. Also, petition of American Legion Post No. 66, Maple Shade, N. J., urging immediate payment in full of the adjusted-service certificates, submitted by Charles P. Corkery, adjutant; to the Committee on Ways and Means.

6729. Also, petition of American Legion Post No. 200, Passaic, N. J., indorsing immediate payment in full of the adjusted-service certificates, submitted by John Cannon, adjutant; to the Committee on Ways and Means.

6730. Also, petition of American Legion Post No. 156, Soldiers' Home Branch, Tenn., urging immediate payment in full of the adjusted-service certificates, submitted by L. J. Kirkpatrick, G. C. Wuchner, and S. O. Hylton; to the Committee on Ways and Means.

6731. Also, petition of American Legion Post No. 217, Lake Norden, S. Dak., indorsing immediate payment in full of the adjusted-service certificates, submitted by O. E. Romsdahl, commander of said post; to the Committee on Ways and Means.

6732. Also, petition of American Legion Post No. 95, Pacolet Mills, S. C., indorsing immediate payment in full of the adjusted-service certificates, submitted by Carl Millwood, commander, and A. E. Phillips, adjutant, of said post; to the Committee on Ways and Means.

6733. Also, petition of American Legion Post No. 35, Summerton, S. C., urging immediate cash payment in full of the adjusted-service certificates, signed by J. Bates Gerald, commander, and other members of said post; to the Committee on Ways and Means.

6734. Also, petition of American Legion Post No. 39, Norristown, Pa., indorsing immediate cash payment in full of the adjusted-service certificates, submitted by Curtis Emery, adjutant of said post; to the Committee on Ways and Means.

6735. Also, petition of American Legion Post No. 174, Gallitzin, Pa., indorsing immediate payment of the adjusted-service certificates and condemning the action of the national officers at Detroit, submitted by John T. Byrne, service officer of said post; to the Committee on Ways and Means.

6736. Also, petition of American Legion Post No. 98, Philadelphia, Pa., indorsing immediate payment of the adjusted-service certificates, submitted by William M. Warner, commander of said post; to the Committee on Ways and Means.

6737. Also, petition of American Legion Post No. 60, Homestead, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by William H. Ruddell, commander, and John F. Moran, adjutant, of said post; to the Committee on Ways and Means.

6738. Also, petition of the Berks County American Legion Inter-Post Association, Berks County, Pa., urging immediate payment in full of the adjusted-service certificates, submitted by Elmer J. Correll, Hamburg, Pa.; to the Committee on Ways and Means.

6739. Also, petition of American Legion Post No. 17, Du Bois, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by Harry L. Griffith, adjutant of said post; to the Committee on Ways and Means.

6740. Also, petition of American Legion Post No. 89, Texas City, Tex., urging immediate cash payment in full of the adjusted-service certificates, signed by Miles Wasson, commander, and G. C. House, adjutant, and other members of said post; to the Committee on Ways and Means.

6741. Also, petition of Charles L. Kite and other members of American Legion Post No. 377, Houston, Tex., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6742. Also, petition of American Legion Post No. 213, Coleman, Tex., urging immediate payment in full of the adjusted-service certificates, submitted by A. L. Lockhart, adjutant of said post; to the Committee on Ways and Means.

6743. Also, petition of American Legion Post No. 295, Elgin, Tex., indorsing immediate payment in full of the adjusted-service certificates, submitted by J. C. Miller, commander of said post; to the Committee on Ways and Means.

6744. Also, petition of the second district American Legion convention, Nacogdoches, Tex., indorsing immediate payment in full of the adjusted-service certificates, submitted by W. M. Garrett, commander, and S. P. McDonnell, adjutant, of said district; to the Committee on Ways and Means.

6745. Also, petition of American Legion Post No. 350, Bremond, Tex., indorsing immediate payment in full of the adjusted-service certificates, submitted by George Abraham, commander, and other officers of said post; to the Committee on Ways and Means.

6746. Also, petition of American Legion Post No. 448, Waelder, Tex., and merchants and business men, Gonzales County, Tex., urging immediate payment of the adjusted-service certificates, signed by W. B. Brooker and other business men and members of said post; to the Committee on Ways and Means.

6747. Also, petition of A. M. Cade, adjutant, American Legion Post No. 250, Tahoka, Tex., and 141 other members of said post, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6748. Also, petition of American Legion Post No. 52, Morristown, Tenn., indorsing immediate payment in full of the adjusted-service certificates, submitted by S. W. Holloway, commander of said post; to the Committee on Ways and Means.

6749. Also, petition of American Legion Post No. 96, Copperhill, Tenn., indorsing immediate payment in full of the adjusted-service certificates, submitted by Sam Beckler, commander, and Ernest Baker, adjutant of said post; to the Committee on Ways and Means.

6750. Also, petition of American Legion Post No. 46, Cookville, Tenn., indorsing immediate payment in full of the adjusted-service certificates, submitted by A. B. McKay, service officer of said post; to the Committee on Ways and Means.

6751. Also, petition of American Legion Post No. 394 and 483 citizens, Coke County, Tex., urging immediate payment in full of the adjusted-service certificates, submitted by H. O. Whitt, commander of said post, Bronte, Tex.; to the Committee on Ways and Means.

6752. Also, petition of Post No. 38 of the Twenty-ninth Division Association, Windsor, Conn., indorsing immediate cash payment in full of the adjusted-service certificates, submitted by George F. Klopfer, secretary of said post; to the Committee on Ways and Means.

6753. Also, petition of the Veterans of Foreign Wars Post No. 83, New York City, N. Y., indorsing immediate payment in full of the adjusted-service certificates, submitted by Terence Delaney, commander of said post; to the Committee on Ways and Means.

6754. Also, petition of American Legion Post No. 5, Nashville, Tenn., urging immediate payment in full of the adjusted-service certificates, submitted by W. C. Boyd, member of said post; to the Committee on Ways and Means.

6755. Also, petition of American Legion Post No. 76, Racine, Wis., urging immediate payment in full of the adjusted-service certificates, submitted by M. W. Youngs, commander of said post; to the Committee on Ways and Means.

6756. Also, petition of Huntington Post, No. 16, the largest American Legion post in the State of West Virginia, with a membership over 1,000, urging immediate payment in full of the adjusted-service certificates, submitted by William D. Simmons, chairman resolutions committee of said post; to the Committee on Ways and Means.

6757. Also, petition of American Legion Post No. 10, Weirton-Cove, W. Va., indorsing immediate payment in full of the adjusted-service certificates, submitted by Walter Greeneltch, commander of said post; to the Committee on Ways and Means.

6758. Also, petition of Alfred Neffendorf, commander of American Legion Post No. 244, Fredericksburg, Tex., and other members of said post, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6759. Also, petition of American Legion Post No. 422, Pittsburg, Tex., indorsing immediate payment in full of the adjusted-service certificates, submitted by George D. Dicken, adjutant of said post; to the Committee on Ways and Means.

6760. Also, petition of American Legion Post No. 70, Eastland, Tex., indorsing immediate payment in full of the adjusted-service certificates, submitted by E. H. Jones and other members of resolutions committee of said post; to the Committee on Ways and Means.

6761. Also, petition of American Legion Post No. 6, Lexington, Tex., indorsing immediate cash payment in full of the adjusted-service certificates, submitted by M. R. Williams, commander of said post; to the Committee on Ways and Means.

6762. Also, petition of American Legion Post No. 221 and other citizens of Haskell County, Tex., urging immediate payment in full of the adjusted-service certificates, signed by J. E. Walling and 341 other citizens and members of said post; to the Committee on Ways and Means.

6763. Also, petition of American Legion Post No. 104 and 106 citizens of Anahuac, Chambers County, Tex., indorsing immediate payment in full of the adjusted-service certificates, submitted by O. O. Smith, officer of said post; to the Committee on Ways and Means.

6764. Also, petition of American Legion Post No. 309, Girardville, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by M. J. Zugzda, commander of said post; to the Committee on Ways and Means.

6765. Also, petition of American Legion Post No. 40 and other merchants and business men of Gonzales, Tex., indorsing immediate cash payment in full of the adjusted-service certificates, signed by H. L. Ramsay and 159 other business men and members of said post; to the Committee on Ways and Means.

6766. Also, petition of the Northwest Pay Bonus Now Organization, Hibbing, Minn., indorsing immediate cash payment in full of the adjusted-service certificates; submitted by Arnott Widstrand, president, and other officers of said organization; to the Committee on Ways and Means.

6767. Also, petition of Veterans of Foreign Wars Post No. 219, Baltimore, Md., indorsing immediate cash payment in full of the adjusted-service certificates, submitted by Benjamin Schwartz, adjutant of said post; to the Committee on Ways and Means.

6768. Also, petition of Veterans of Foreign Wars Post No. 111, Kansas City, Kans., indorsing immediate payment in full of the adjusted-service certificates, submitted by C. R. Barnes, commander, and J. N. Sellman, adjutant; to the Committee on Ways and Means.

6769. Also, petition of the Ladies' Auxiliary of Veterans of Foreign Wars Post No. 1740, South Wilmington, Ill., urging immediate payment in full of the adjusted-service certificates, submitted by Luella Williams, secretary of said auxiliary; to the Committee on Ways and Means.

6770. Also, petition of Veterans of Foreign Wars Post No. 367, Joliet, Ill., urging immediate payment in full of the adjusted-service certificates, signed by Frank J. Hickey, Louis C. Leimbacher, Joseph A. Smith, and other members of said post; to the Committee on Ways and Means.

6771. Also, petition of James E. Witteried, commander Veterans of Foreign Wars, 42 Rue de l'Echiguier, Paris, France, and 65 other American citizens and veterans of the Republic of France, urging immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

6772. Also, petition of J. W. McLane, president World War Veterans' Union, Birmingham, Ala., and 2,100 other members of said union, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6773. Also, petition of Chapter No. 2 of Disabled American Veterans of World War, Huntington, W. Va., indorsing immediate payment in full of the adjusted-service certificates, submitted by H. H. Hazelett, commander of said chapter; to the Committee on Ways and Means.

6774. Also, petition of Society of the First Division, Northwest Branch, comprising the States of Minnesota, Wisconsin, Iowa, North Dakota, South Dakota, and Montana, urging immediate cash payment in full of the adjusted-service certificates, submitted by A. B. Rennes, chairman resolutions committee of said society; to the Committee on Ways and Means.

6775. Also, petition of George Washington Post, No. 1, of the Allied Veterans of National Homes and Hospitals of America, Johnson City, Tenn., indorsing immediate payment in full of the adjusted-service certificates, submitted by William Murphy, commander of said post; to the Committee on Ways and Means.

6776. Also, petition of Loyal Order of Americans, Memphis, Tenn., indorsing immediate payment in full of the adjusted-service certificates, submitted by H. W. Pyle, secretary, and J. C. Jordan, president, of said order; to the Committee on Ways and Means.

6777. Also, petition of the Veterans of Foreign Wars posts from Carlisle, Columbia, Danville, Duncannon, Harrisburg, Lancaster, Lebanon, Lewistown, Mifflinburg, Milton, Mount Carmel, Red Lion, Shippensburg, Sunbury, and York, Pa., urging immediate payment in full of the adjusted-service certificates, submitted by Frank A. Bonesky, secretary of said posts, Lancaster, Pa.; to the Committee on Ways and Means.

6778. Also, petition of United Mine Workers of America, Local Unions No. 1830 and No. 92, Fayette City, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by Patrick Hynes, secretary, and other officers of said unions; to the Committee on Ways and Means.

6779. Also, petition of United Veterans League, Pennsylvania Division, Philadelphia, Pa., urging immediate cash payment in full of the adjusted-service certificates, submitted by Benjamin J. Spang, chairman of said league; to the Committee on Ways and Means.

6780. Also, petition of the Pittsburgh Building Trades Council, Pittsburgh, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by Leo A. Green, secretary of said council; to the Committee on Ways and Means.

6781. Also, petition of the Disabled American Veterans of the World War, Chapter No. 34, Altoona, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by commander of said chapter; to the Committee on Ways and Means.

6782. Also, petition of Veterans of Foreign Wars, Post No. 251, Philadelphia, Pa., indorsing immediate payment in full of the adjusted-service certificates, submitted by James B. Caverly, adjutant of said post; to the Committee on Ways and Means.

6783. Also, petition of Veterans of Foreign Wars, Post No. 474, Muskogee, Okla., urging immediate payment in full of the adjusted-service certificates, submitted by M. A. Briggs, commander of said post; to the Committee on Ways and Means.

6784. Also, petition of Disabled American Veterans of the World War, Chapter No. 7, Salisbury, N. C., indorsing immediate payment in full of the adjusted-service certificates, submitted by Wm. M. Sanders, commander, and L. M. Lyerly, adjutant of said post; to the Committee on Ways and Means.

6785. Also, petition of Frank T. Post and other members of David R. Morgan Post, No. 223, Verdel, Nebr., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6786. Also, petition of Fleet Reserve Association, Branch No. 2, Brooklyn, N. Y., urging immediate payment in full of the adjusted-service certificates, submitted by C. E. Anderson, secretary, and other members of said association; to the Committee on Ways and Means.

6787. Also, petition of Battery F, Veterans Association, New York, N. Y., indorsing immediate payment in full of the adjusted-service certificates, submitted by William E. Tierney, president of said association; to the Committee on Ways and Means.

6788. Also, petition of John P. Breman and 296 other citizens and members of eVterans of Foreign Wars Post No. 2445, Trenton, N. J., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6789. Also, petition of Veterans of Foreign Wars Post No. 110, Kansas City, Mo., indorsing immediate payment in full of the adjusted-service certificates, signed by C. H. Brown, commander, and other members of said post; to the Committee on Ways and Means.

6790. Also, petition of Veterans of Foreign Wars Post No. 1221, submitted by Oscar Levin, commander, and other officers of said post, Hibbing Minn., indorsing immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

6791. By Mr. RAINEY: Petition of James McCabe and 27 other members of the Pontiac Chapter of the Future Farmers of America, Pontiac, Ill., in the matter of the proposed economies in Government expenditures; to the Committee on Appropriations.

6792. By Mr. ROBINSON: Petition signed by Mrs. Louie B. Walker, of Jesup, Iowa, and other members of the Presbyterian Missionary Society of the Presbyterian Church of Jesup, Iowa, strongly urging protection for the reindeer in Alaska; to the Committee on Agriculture.

6793. Also, petition signed by Glenn C. Teeter, of La Porte City, Iowa, and 36 other ex-service men of La Porte City, Iowa, strongly urging the passage of H. R. 1; to the Committee on Ways and Means.

6794. By Mr. RUDD: Petition of Abraham & Straus (Inc.), Brooklyn, N. Y., opposing the payment of the soldiers' bonus; to the Committee on Ways and Means.

6795. Also, petition of the Jamaica National Bank Jamaica, N. Y., favoring reduction of Government expenditures and balancing of the Budget; to the Committee on Appropriations.

6796. Also, petition of W. M. Powell, 71 Broadway, New York City, opposing the so-called soldiers' bonus bill; to the Committee on Ways and Means.

6797. Also, petition of Ford & Co., Brooklyn, N. Y., favoring the balancing of the Budget; to the Committee on Appropriations.

6798. Also, petition of Ridgewood Council, No. 1814, Knights of Columbus, Brooklyn, N. Y., opposing the passage of H. R. 11082; to the Committee on Ways and Means.

6799. Also, petition of Maurice Stember, adjutant, New York Department, American Legion, protesting against economy being practiced at the expense of disabled veterans; to the Committee on Economy.

6800. Also, petition of New York Board of Trade (Inc.), New York City, opposing the cash payment of the soldiers' bonus; to the Committee on Ways and Means.

6801. Also, petition of T. E. Schneider, Larchmont, N. Y., opposing the passage of the Muscle Shoals legislation; to the Committee on Military Affairs.

6802. Also, petition of Brooklyn Technical High School faculty, Brooklyn, N. Y., opposing the proposed cut in appropriation for Federal aid for vocational education; to the Committee on Economy.

6803. Also, petition of Ahmeek Village, Ahmeek, Mich., favoring a duty on copper; to the Committee on Ways and Means.

6804. Also, petition of Brooklyn Technical High School faculty, Brooklyn, N. Y., opposing the proposed reduction of the Federal employees' salaries; to the Committee on Economy.

6805. By Mr. SELVIG: Petition of J. O. Vraa, Erie, Minn., urging enactment of bonus bill before adjournment; to the Committee on Ways and Means.

6806. Also, petition of Franklin Avenue Commercial Club, Minneapolis, Minn., urging enactment of bonus bill and payment of adjusted-service certificates; to the Committee on Ways and Means.

6807. Also, petition of Melvin E. Hearl Post, of Moorhead, Minn., favoring cash payment of the bonus; to the Committee on Ways and Means.

6808. By Mr. SMITH of West Virginia: Petition of citizens of Quinnimont, W. Va., favoring the passage of H. R. 9891, which has for its purpose to provide an adequate retirement pension for all persons employed by railroads, express and Pullman companies; to the Committee on Interstate and Foreign Commerce.

6809. Also, resolution of the Charleston Clearing House Association, of Charleston, W. Va., opposing the bills which provide for the guaranty of bank deposits; to the Committee on Banking and Currency.

6810. Also, resolution of the Twelfth Pythian District of the Knights of Pythias, of West Virginia, protesting against the passage of the Davis-Kelly coal measure; to the Committee on Interstate and Foreign Commerce.

6811. Also, resolution of the Beckley Rotary Club, of Beckley, W. Va., opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6812. Also, resolution of the Charleston Rotary Club, of Charleston, W. Va., opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6813. Also, resolution adopted by the Kanawha Valley Coal Mining Institute of Cannelton, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6814. Also, resolution adopted by the Railroad Employees and Taxpayers Association of Princeton-Bluefield, W. Va., protesting against the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

6815. By Mr. STEVENSON: Petition of E. L. Stone and 50 others, against the withdrawal of appropriation for vocational education. Also, a petition to the same effect signed by W. A. Moore and 54 others; to the Committee on Economy.

6816. By Mr. SUTPHIN: Petition of Milltown Grange, No. 151, Patrons of Husbandry, opposing any plan to suspend the payments for one year to the States for vocational education; to the Committee on Appropriations.

6817. By Mr. TIERNEY: Petition favoring home loan bank bill; to the Committee on Banking and Currency.

6818. By Mr. WILLIAMS of Texas: Telegram signed by president, secretary, and superintendent of public schools, Bowie, Tex., protesting suspension of appropriation of Federal funds for vocational education; to the Committee on Appropriations.

6819. Also, petition signed by 50 citizens of Boyd, Tex., protesting suspension of appropriation of Federal funds for vocational education; to the Committee on Appropriations.

SENATE

FRIDAY, APRIL 22, 1932

Rev. Joseph R. Sizoo, D. D., minister of the New York Avenue Presbyterian Church, of the city of Washington, offered the following prayer:

Ever-living, Ever-loving God, whose punctual providence has rolled back the curtains of night and led forth the rejoicing sun, banish from our spirits all darkness, misunderstanding, and fear, that the sun of righteousness may shine upon us with healing in his wings.

Have in Thy gracious keeping those who are in particular need of Thy comfort. Help us to cast our cares upon Thee, knowing Thou carest for us. When Thou hearest our prayer, forgive us our sins, through Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. VANDENBERG and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, transmitted the resolutions of the House adopted as a tribute to the memory of Hon. EDWARD M. BEERS, late a Representative from the State of Pennsylvania, and informed the Senate that a committee of 12 Members of the House was appointed to attend the funeral of the late Representative in conjunction with the committee appointed on the part of the Senate.

CALL OF THE ROLL

Mr. VANDENBERG. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Johnson	Robinson, Ind.
Austin	Costigan	Jones	Schall
Bailey	Couzens	Kean	Sheppard
Bankhead	Cutting	La Follette	Shipstead
Barbour	Dickinson	Lewis	Shortridge
Barkley	Dill	Logan	Smith
Bingham	Fletcher	Long	Smoot
Black	Frazier	McGill	Steiwer
Blaine	Glass	McNary	Stephens
Borah	Goldsborough	Metcalf	Thomas, Idaho
Bratton	Gore	Moses	Thomas, Okla.
Brousard	Hale	Neely	Townsend
Bulkley	Harrison	Norbeck	Tydings
Bulow	Hastings	Norris	Vandenberg
Byrnes	Hatfield	Nye	Wagner
Capper	Hayden	Oddie	Walcott
Caraway	Hebert	Patterson	Waterman
Carey	Howell	Pittman	Watson
Connally	Hull	Reed	Wheeler

Mr. SHEPPARD. I desire to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

I also desire to announce that the junior Senator from Utah [Mr. KING] is absent by reason of illness.

The VICE PRESIDENT. Seventy-six Senators have answered to their names. A quorum is present.

ALABAMA SENATORIAL CONTEST—PRIVILEGE TO MR. HEFLIN

Mr. LONG. Mr. President, I desire to ask unanimous consent of the Senate in the Bankhead-Heflin contest, on Monday next, at 2 o'clock p. m., that the contestant, Mr. Heflin, be granted two hours' time of the Senate to present his side of the controversy as he sees fit. I make this request on the grounds of precedents which I understand have been made before in such cases.

The VICE PRESIDENT. Is there objection to the request of the Senator from Louisiana?

Mr. McNARY. Mr. President, at this time I could not, as one Member of the Senate, consent to the proposal. For that reason I object.

The VICE PRESIDENT. Objection is made for the present.

PETITIONS AND MEMORIALS

Mr. CAPPER presented petitions of sundry citizens of Downs, Concordia, and Stockton, in the State of Kansas, praying for the passage of the bill (H. R. 9891) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

Mr. NEELY presented memorials in the form of resolutions of the directors of the Huntington Manufacturers' Club, O. T. Fries, president, of Huntington; the Chamber of Commerce, James E. Mann, president, of Bluefield; directors of the Coal River Mining Institute, E. E. White, secretary, of Madison; the Kiwanis Club, C. G. Casto, president; and the Chamber of Commerce of Beckley; Railway Employees' and Tax Payers' Association of West Virginia, Charleston Unit, E. T. Williams, president, of Charleston; the Chamber of Commerce, O. W. Evans, president, of Williamson; the John Brawley Post, No. 20, American Legion, Department of West Virginia; the Raleigh County Bar Association, of Beckley, Raleigh County, Clarence W. Meadows, secretary; and the Charleston Clearing House Association, W. L. Motley, secretary, of Charleston, all in the State of West Virginia, remonstrating against the passage of the so-called Davis-Kelly coal bill, to regulate interstate and foreign commerce in bituminous coal, etc., which were referred to the Committee on Mines and Mining.

Mr. TYDINGS presented papers, in the nature of petitions, of the United Veteran Association (Inc.), of Baltimore, and Branch No. 24, Fleet Reserve Association, of Annapolis, both in the State of Maryland, praying for the passage of legislation providing for immediate payment of adjusted-service certificates of World War veterans (bonus), which were referred to the Committee on Finance.

He also presented memorials of sundry citizens and business firms in the State of Maryland, remonstrating against the imposition of taxes on automobiles and the motor industry, which were referred to the Committee on Finance.

Mr. JONES presented a resolution adopted by directors of seven savings and loan associations of Grays Harbor County, Wash., favoring the passage of legislation known as the Federal home loan bank bill, which was referred to the Committee on Banking and Currency.

He also presented a memorial of sundry citizens of Seattle, Wash., remonstrating against the passage of measures proposing to curtail any of the benefits which disabled war veterans have been awarded, which was referred to the Committee on Finance.

He also presented a resolution adopted by the mayor and City Council of Aberdeen, Wash., favoring the imposition of adequate tariff duties for the protection of the lumber and timber industry, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of Anacortes, Mount Vernon, and Seattle, all in the State of Washington, praying for the imposition of adequate tariff duties

on importations of logs, lumber, shingles, and pulp, which were referred to the Committee on Finance.

Mr. COPELAND presented a letter signed by Mrs. Lucy H. Whitney, of Syracuse, and 10 other citizens, in the State of New York, indorsing whatever measures are adopted at the Geneva Disarmament Conference to bring about reductions in armaments and increasing international cooperation for the peace and welfare of the world, which was referred to the Committee on Foreign Relations.

He also presented a letter from the Kings County Grand Jurors Association, Brooklyn, N. Y., indorsing a resolution adopted by the advisory board of the American Coalition of Patriotic Societies, urging upon Congress the enactment of legislation providing for the registration of aliens, embodying the provisions that a system of identification be adhered to, etc., which was referred to the Committee on Immigration.

He also presented a petition of sundry citizens of Brooklyn and vicinity, N. Y., praying for the passage of legislation legalizing the manufacture and sale of 5 per cent beer, which was referred to the Committee on Manufactures.

He also presented a memorial of sundry citizens of Corinth, N. Y., remonstrating against the passage of House bill 8580, the so-called Hogg bill, to declare illegal the use of puzzle contests, naming contests, prize offers, or any other form of competition for prizes, etc., which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions adopted by New York Typographical Union, No. 6, of New York City, N. Y., and the board of supervisors of Cochise County, Ariz., indorsing legislation known as the Wagner bill, for the relief of unemployment by the inauguration of construction projects, which were ordered to lie on the table.

He also presented resolutions of Buffalo Post, No. 2, Jewish War Veterans of the United States, of Buffalo, and the First Ward Democratic Club, of Yonkers, both in the State of New York, protesting against proposed reductions in the compensation of postal and other Federal employees, which were referred to the Committee on Civil Service.

He also presented a memorial of sundry citizens of Staten Island, N. Y., remonstrating against proposed reductions in the compensation of postal and other Federal employees, which was referred to the Committee on Civil Service.

He also presented petitions of sundry citizens of New York City, of Amagansett, Sag Harbor, East Hampton, and Montauk, in the State of New York, praying for the imposition of an import duty of 2 cents per pound on fish oils and one-half cent per pound on meals and scrap, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of Buffalo, N. Y., praying for drastic reductions in Federal expenditures rather than the imposition of increased taxes, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Buffalo and vicinity, in the State of New York, remonstrating against the imposition of taxes on automobiles and the motor industry in the pending tax bill, which was referred to the Committee on Finance.

He also presented a memorial numerously signed by sundry citizens of Brooklyn, N. Y., remonstrating against the imposition of taxes upon jewelry and the manufactures thereof, which was referred to the Committee on Finance.

He also presented a resolution adopted by the congregation of St. Simeon's Episcopal Church, New York City, N. Y., favoring a bond issue to finance public works, so as to increase employment, etc., which was referred to the Committee on Finance.

He also presented petitions from the New York State Chapter of Rainbow Division Veterans, New York City, and of sundry citizens, being veterans at the United States Veterans' Home, at Bath, in the State of New York, praying for the passage of legislation providing for immediate payment of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Buffalo, N. Y., remonstrating against the imposition of taxes on automobiles and the motor industry, which was referred to the Committee on Finance.

He also presented numerous letters, in the nature of memorials, from the student-representatives of the various trade, technical, and commercial courses in the Trott Vocational School at Niagara Falls; members of the Sir William Johnson Agricultural Society, Chapter of Future Farmers of America, of Leavenworth Central School, of Wolcott, and sundry citizens, all in the State of New York, remonstrating against the proposed reduction or withdrawal of the appropriation for vocational education, which were referred to the Committee on Appropriations.

Mr. GOLDSBOROUGH presented numerous letters and papers, in the nature of memorials, from sundry citizens and organizations in the State of Maryland, remonstrating against proposed reductions in the compensation of Federal employees, which were referred to the Committee on Civil Service.

He also presented letters and telegrams, in the nature of memorials, from sundry citizens and organizations, all in the State of Maryland, remonstrating against the curtailment or elimination of the appropriation for vocational education for the coming fiscal year, which were referred to the Committee on Appropriations.

He also presented letters and telegrams, in the nature of petitions, from sundry citizens and organizations in the State of Maryland, praying for the adoption of a general manufacturers' sales tax in the pending tax bill, which were referred to the Committee on Finance.

He also presented numerous letters, in the nature of memorials, from sundry citizens and organizations, all in the State of Maryland, remonstrating against the imposition of a tax on sales of securities in the pending tax bill, which were referred to the Committee on Finance.

He also presented numerous letters and telegrams, in the nature of memorials, from sundry citizens and organizations in the State of Maryland, remonstrating against the proposed increase in the first-class postage rate, which were referred to the Committee on Finance.

He also presented letters and telegrams, in the nature of memorials, from sundry citizens and organizations in the State of Maryland, remonstrating against the imposition of taxes on automobiles and the motor industry in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from sundry citizens and business firms of Baltimore, Md., remonstrating against the imposition of a 10 per cent tax on jewelry sales in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from Edwin R. Dodge, of Philadelphia, Pa., and Auman & Werkmeister, furriers, etc., of Baltimore, Md., remonstrating against the imposition of a 10 per cent tax on sales of furs in the pending tax bill, which were referred to the Committee on Finance.

He also presented a telegram, in the nature of a memorial, from Eugene Blackford, president Chamber of Commerce of Baltimore, Md., remonstrating against the proposed increase in the tax on sales of agricultural products on commodity exchanges, which was referred to the Committee on Finance.

He also presented a telegram, in the nature of a memorial, from the Eisenbrandt Co. (Inc.), of Baltimore, Md., remonstrating against the imposition of a tax on automatic refrigerators, which was referred to the Committee on Finance.

He also presented letters and telegrams, in the nature of memorials, from several candy and confectionary firms of Baltimore, Md., remonstrating against the imposition of a 5 per cent tax on sales of candy, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from several publishing companies and book firms of Baltimore, Md., remonstrating against the imposition of taxes on books, which were referred to the Committee on Finance.

He also presented a letter, in the nature of a memorial, from the Mountain Valley Water Co., of Baltimore, Md., remonstrating against the proposed tax on natural or artificial mineral or table waters, which was referred to the Committee on Finance.

He also presented several letters and telegrams, in the nature of memorials, from safe-deposit companies of Baltimore, Md., remonstrating against the imposition of a 10 per cent tax on safe-deposit box rentals, which were referred to the Committee on Finance.

He also presented several letters, in the nature of memorials, from welfare and health associations of Baltimore, Md., remonstrating against the imposition of a tax on toilet soaps, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from the Real Estate Board of Baltimore, Md., remonstrating against the proposed sales tax on conveyance of papers in real-estate transactions, which were referred to the Committee on Finance.

He also presented a letter, in the nature of a memorial, from Frank Feldmann, jr., of Baltimore, Md., remonstrating against the proposed tax on amusements and theaters, which was referred to the Committee on Finance.

He also presented a letter from J. Forney Young, of Hagerstown, Md., urging that the proposed tax on amusements be not applied to county fairs, which was referred to the Committee on Finance.

He also presented letters and a telegram, in the nature of memorials, from several business firms of Baltimore, Md., remonstrating against the imposition of a tax on bank checks, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from the Corinthian Yacht Club, of Baltimore, and the commodore of the Havre de Grace Yacht Club (Inc.), both in the State of Maryland, remonstrating against the imposition of a 10 per cent tax on motor boats and yachts, which were referred to the Committee on Finance.

He also presented letters from sundry citizens and organizations of the State of Maryland, suggesting various methods and means for raising additional revenue so as to properly balance the Federal Budget, which were referred to the Committee on Finance.

PRESENTATION TO SENATOR MOSES

Mr. NYE. Mr. President, petitions and memorials come to us in rather odd forms at times. I have a memorial or petition, whatever it may be called, for presentation this morning which is most unusual.

From certain of my constituents, organized in what is known as the Galesburg (N. Dak.) Farmers' Union Local, I have received a club which appears to have been cut from a cottonwood tree [exhibiting]. With it come some rather broad insinuations as to how it shall be used. There is painted upon the club the following words: "Regards. Sons of Wild Jackasses."

Mr. President, considering the insinuations that were offered as to how the club might be used, I appreciate more than does anyone else my own failing at a time when temper might be lost. I certainly am not one who wants to keep any such dangerous weapon about me. I am going to ask that the club from the Galesburg Farmers' Union Local may be presented for safe-keeping to the author of the "wild jackass" utterance, the senior Senator from New Hampshire [Mr. MOSES]. [Laughter.]

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Mr. ODDIE. Mr. President, I present for printing in the RECORD at this point a letter from Mr. Chester H. Gray, of the American Farm Bureau Federation, showing the damaging effect on agriculture of certain cuts which have been proposed in the Department of Commerce appropriation bill.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

WASHINGTON, D. C., *April 21, 1932.*

HON. TASKER L. ODDIE,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR ODDIE: Perhaps any comment now is untimely, but I wish to commend you for having printed in the CONGRESSIONAL RECORD of April 19 a statement relative to the services of the Bureau of Foreign and Domestic Commerce in the Department of Commerce.

Several of the activities of this bureau, noticeably those related to customs statistics and agricultural trade expansion both at home and abroad, are of the keenest interest to agriculture. Without intending to deny the necessity for economy in governmental expenditures, the observation may be permitted that economies which, when put into effect, will destroy the opportunity of citizens to make money are false economies.

It is to be hoped that some of the severe reductions of this bureau may be corrected before the supply bill for the Department of Commerce finally is enacted.

Very truly yours,

AMERICAN FARM BUREAU FEDERATION,
CHESTER H. GRAY, *Washington Representative.*

REDUCTIONS IN PAY OF POSTAL EMPLOYEES

Mr. LA FOLLETTE. Mr. President, this morning, together with the chairmen of the Committees on Post Offices and Post Roads of the Senate and of the House, I was presented with a petition signed by 24,000 taxpayers of the city of Milwaukee, protesting against any reductions in pay of postal employees. The petition is a mile and a quarter long and very bulky. I ask that its reception may be noted in the RECORD and that the petition may be referred to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Without objection, that order will be made.

PROPOSED REBATE OF COMMODITY TAX COLLECTED FROM NORTH CAROLINA

Mr. BAILEY. Mr. President, I present a memorial at the command of the Commonwealth of North Carolina, and, in obedience to that command, I request that it be read, published in the RECORD, and appropriately referred.

The VICE PRESIDENT. Is there objection to the reading of the memorial? The Chair hears none, and the memorial will be read and appropriately referred.

The memorial of the General Assembly of North Carolina was read and referred to the Committee on Finance, as follows:

A joint resolution requesting Congress to rebate at least 20 per cent of the commodity tax collected from North Carolina to relieve the land tax for schools of the State

The General Assembly of North Carolina do enact:

Whereas for the fiscal year 1920 the Federal Government collected from tobacco and cigarette taxes imposed in North Carolina $108,457,156.85, and in 1930, $256,729,938.33. For 11 years $2,009,878,428.98 has been collected. The income tax for 1920 was $44,962,859.99; for 1929, $20,066,795.21. The tobacco taxes have increased nearly two and a half times and the income tax lowered by over one-half. The tobacco and cigarette tax in 1929 was $233,915,029.11—an increase this year over last year of $22,814,909.22, yet North Carolina collected for all States purposes last year (1929) from income, inheritance, license, and franchise tax $15,823,932.63. Of this sum $6,500,000 was used for an equalizing fund for schools. This year the tobacco farmers are estimated to have gotten an average of about 12 cents a pound for tobacco, and the Federal Government placed a tax of about 96 cents a pound on tobacco and cigarettes—the Federal Government got eight times more a pound than the farmer. This tax tends to depress the tobacco industry and ultimately and adversely affects the tobacco farmer.

Whereas our schools (other than the equalization fund) are supported by a tax on land and 46½ per cent of our tax on land is levied for school purposes. The total levied on land for the year 1927–28 was $35,605,440.70. Since the World War every tax has been decreased except the tobacco tax, which has been increased two and a half times—which is heavy. Under the Federal law the Federal estate tax is reduced by the amount of State inheritance tax paid down to a minimum of 20 per cent of the Federal tax, by giving credit on the Federal tax of all State tax paid up to 80 per cent of the Federal tax. For example: If the Federal tax is $10,000 and the North Carolina State tax $8,000, the taxpayer pays the National Government $2,000 and the State $8,000. Thus our State collects $8,000 without increasing the taxpayer's burden. We have a precedent to request this rebate.

Resolved by the senate (the house of representatives concurring),

SECTION 1. That the Congress of the United States be requested and urged to pass a law providing that whenever any State of the Union levies a tax for revenue on any commodity or

article upon which the United States Government levied a like or similar tax, the United States Government will remit to the person, firm, or corporation paying said tax an amount equal to the tax levied by the State for said purpose upon said commodity or article provided the State tax does not exceed 20 per cent of the tax levied by the United States Government.

SEC. 2. That His Excellency, Gov. O. Max Gardner, is requested to appoint a committee to memorialize Congress as to this heavy tax and take such action as they deem proper in an effort to obtain a rebate as suggested or any other method whereby a portion of this tax can be used to relieve the heavy tax on land in North Carolina; this committee to act without cost to the State.

SEC. 3. That a copy of this resolution be forwarded by the secretary of State to each Senator and Member of the House of Representatives in Congress from this State, that they may use their utmost endeavor to obtain this rebate.

SEC. 4. That this resolution be in force and effect from and after its ratification.

In the general assembly read three times and ratified this 19th day of January, 1931.

R. T. FOUNTAIN,
President of the Senate.
WILLIS SMITH,
Speaker of the House of Representatives.

Examined and found correct.

LOVILL, *for Committee.*

THE FEDERAL RESERVE BANKING SYSTEM

Mr. GLASS, from the Committee on Banking and Currency, submitted a report (No. 584) to accompany the bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, heretofore reported by him from that committee without amendment.

REPORTS OF COMMITTEES

Mr. BRATTON, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3852) to amend section 2288 of the Revised Statutes, as amended, with respect to the taking for highway purposes of lands entered upon under the homestead laws, reported it with amendments and submitted a report (No. 585) thereon.

He also, from the same committee, to which was referred the bill (S. 2654) to allow credit in connection with homestead entries to widows of persons who served in certain Indian wars, reported it with an amendment and submitted a report (No. 586) thereon.

Mr. KEAN, from the Committee on the District of Columbia, to which was referred the bill (S. 3929) to authorize the Commissioners of the District of Columbia to close certain alleys and to set aside land owned by the District of Columbia for alley purposes, reported it with amendments and submitted a report (No. 587) thereon.

Mr. TYDINGS, from the Committee on the District of Columbia, to which was referred the bill (S. 570) to exempt from taxation certain property of the National Society of the Colonial Dames of America, in the District of Columbia, reported it with amendments and submitted a report (No. 590) thereon.

Mr. HASTINGS, from the Committee on Military Affairs, to which was referred the bill (S. 1562) for the relief of William S. Cook, reported it with an amendment and submitted a report (No. 588) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 2687) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes, reported it with an amendment and submitted a report (No. 589) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 4193) to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock, reported it without amendment.

NATIONAL ECONOMIC COUNCIL—PRINTING OF HEARINGS

Mr. MOSES. From the Committee on Printing I report favorably without amendment Senate Concurrent Resolution 18, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Let the resolution be read for the information of the Senate.

The Chief Clerk read the resolution (S. Con. Res. 18) submitted by Mr. LA FOLLETTE February 18, 1932, as follows:

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the printing act, approved March 1, 1907, the Committee on Manufactures of the Senate be, and is hereby, empowered to have printed 3,000 additional copies of the hearings held before the committee during the current session on the establishment of a national economic council.

The VICE PRESIDENT. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

ENROLLED BILLS PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 21st instant that committee presented to the President of the United States the following enrolled bills:

S. 2682. An act to amend section 5 of the Criminal Code; and

S. 3086. An act relating to the construction of a Federal building at Ponca City, Okla.

EXECUTIVE REPORTS OF THE MILITARY AFFAIRS COMMITTEE

As in executive session,

Mr. REED, from the Committee on Military Affairs, reported favorably sundry nominations of officers in the Regular Army, which were placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 4454) to amend section 13 of the Federal reserve act by making notes of automobile finance companies subject to discount; to the Committee on Banking and Currency.

By Mr. COUZENS:

A bill (S. 4455) for the relief of John Moore; to the Committee on Claims.

By Mr. HOWELL:

A bill (S. 4456) for the relief of the Bankers Reserve Life Co., of Omaha, Nebr., and Wisconsin National Life Insurance Co., of Oshkosh, Wis.; to the Committee on Claims.

By Mr. BINGHAM:

A bill (S. 4457) for the relief of Lillian L. Bushnell; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 4459) for the relief of Anna Marie Sanford; to the Committee on Claims.

By Mr. McNARY (for Mr. BROOKHART):

A bill (S. 4460) to amend the Panama Canal retirement act, approved March 2, 1931; and

A bill (S. 4461) to amend the Panama Canal retirement act relating to retirement on annuities after 30 years' service; to the Committee on Interoceanic Canals.

DISPUTES BETWEEN COMMON CARRIERS BY AIR AND THEIR EMPLOYEES

Mr. BINGHAM. Mr. President, the pilots of various air mail lines and air transport lines are in some cases in difficulty with their employers. There is no provision of law whereby their disputes may be settled by a mediation board, as is the case with persons carrying the mails by rail. Therefore I am introducing a bill to amend the railway labor act of May 20, 1926. The purpose of this bill is to apply the procedure established by that act to the settlement of disputes between common carriers by air and their employees and to the settlement of disputes between air mail carriers and their employers. I ask that the bill may be referred to the Committee on Commerce.

The VICE PRESIDENT. Without objection, the bill will be received and referred.

The bill (S. 4458) to amend the railway labor act of May 20, 1926, was read twice by its title and referred to the Committee on Commerce.

AMENDMENT OF EMERGENCY OFFICERS' RETIREMENT ACT

Mr. COPELAND submitted an amendment intended to be proposed by him to the bill (S. 3769) to amend the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War," which was referred to the Committee on Military Affairs and ordered to be printed.

REVENUE AND TAXATION—AMENDMENT

Mr. HULL submitted an amendment intended to be proposed by him to the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes, which was referred to the Committee on Finance and ordered to be printed, as follows:

On page 266, after line 13, insert the following:

"(3) If a petition for redetermination of a deficiency has been filed within the time prescribed by section 308 of the revenue act of 1926 and upon the date this act is enacted no final order has been entered thereon, and thereafter a final order is entered upon the basis of which additional estate, inheritance, or legacy taxes are required to be paid to any State or Territory or the District of Columbia, then credit for such payment to the extent of 80 per cent of such deficiency shall be allowed if payment is made and credit claimed within 60 days of the entry of such final order by the board."

PRINTING OF CONSOLIDATED HEARINGS ON THE TAX BILL

Mr. SMOOT. Mr. President, I submit a Senate concurrent resolution and ask consent for its immediate consideration.

The concurrent resolution (S. Con. Res. 25) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Finance of the Senate be, and is hereby, empowered to have printed 1,500 additional copies of the consolidated hearings held before the committee during the current session on the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes.

WITHDRAWAL OF PAPERS—ZACHARA T. EDWARDS

On motion of Mr. CAPPER, it was

Ordered, That the papers filed with the bill (S. 108) for the relief of Zachara T. Edwards, Seventy-second Congress, first session, be withdrawn from the files of the Senate, no adverse report having been made thereon.

INTERNATIONAL BOUNDARY COMMISSION

Mr. CONNALLY submitted the following notice:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of Rule XVI for the purpose of proposing to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, the following amendment, viz: On page 16, after line 12, insert the following:

"That the American Section, International Water Commission, United States and Mexico, is hereby consolidated with the American Section, International Boundary Commission, United States and Mexico. Hereafter the powers, duties, and functions of such section of such commission shall be exercised by the American Section, International Boundary Commission, United States and Mexico.

"All records, files, and property of any nature whatsoever (including office equipment) of, and that portion of the unexpended appropriations less $25,000, for the American section of the International Water Commission, United States and Mexico, for the fiscal year 1931-32, are transferred to the American section, International Boundary Commission, and said appropriations shall be available for direct expenditure by the American section, International Boundary Commission, under the direction of the commissioner thereof. The commissioner is authorized to appoint to positions in the American section, International Boundary Commission, such employees of the American section, International Water Commission, or other persons as he may deem necessary in carrying out the provisions of this act, and said commissioner is further authorized to designate and redesignate, as he may determine to be necessary, the duties and headquarters station of all employees under his supervision."

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on April 21, 1932, the President approved and signed the following acts:

S. 1719. An act amending the act of Congress entitled "An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924;

S. 3569. An act to amend the act of May 27, 1930, authorizing an appropriation for the reconstruction and improvement of a road on the Shoshone Indian Reservation, Wyo.; and

S. 3655. An act to provide for the leasing of the segregated coal and asphalt deposits of the Choctaw and Chickasaw Indian Nations, in Oklahoma, and for an extension of time within which purchasers of such deposits may complete payments.

APPROPRIATION FOR ERADICATION OF GRASSHOPPER PLAGUE

Mr. SHIPSTEAD. Mr. President, I desire to take just a minute to call the Senate's attention to an item in the agricultural appropriation bill, which is now in conference.

The VICE PRESIDENT. Is there objection to the Senator from Minnesota making a statement? If not, the Senator is recognized.

Mr. SHIPSTEAD. There is an item in the agricultural appropriation bill providing a sum of money for the eradication of the grasshopper plague in four or five States of the Northwest. This, so far as I know, is the only emergency item in the bill. The information which comes from that part of the country is to the effect that unless that item shall be adopted immediately, and the money may be made available at once, the chances are that millions of dollars worth of damage will be done there. So, unless the bill now in conference is here in the Senate for action by Monday morning, I shall feel it necessary to ask during the morning hour on Monday, if there be one, consideration of Senate Joint Resolution 149, which would, if adopted by the Senate and the House, lift that item out of the appropriation bill so that the money for the purpose indicated may be made available at once. I want to give notice to the Senate now that I am going to make that move on Monday morning.

INSURANCE COMPANIES IN THE DISTRICT OF COLUMBIA—RETURN OF BILL

Mr. CAPPER. From the Committee on the District of Columbia I report an original Senate concurrent resolution, which the committee desires to have adopted, requesting the return to the Senate of a bill which is now in the hands of the President and in which it has been found a mistake has been made. I ask unanimous consent for the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. Let the concurrent resolution be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Con. Res. 26), as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the bill (S. 3534) entitled "An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes."

The VICE PRESIDENT. Is there objection to the consideration of the resolution at this time?

There being no objection, the concurrent resolution was considered and agreed to.

REPRINT OF NATIONAL BANK ACT

Mr. COPELAND. Mr. President, I should like to have the attention for a moment of the chairman of the Committee on Printing.

Mr. MOSES. Mr. President, the chairman of the Committee on Printing is not here. I happen to be the ranking member, and possibly I can serve the purposes of the Senator.

Mr. COPELAND. Mr. President, it is impossible to secure any copies of the national bank act as amended. I wish that the Committee on Printing might look into the matter, because there are many demands for the document, and, unless there are copies available, I think there should be a reprint.

Mr. MOSES. Mr. President, the Treasury Department has an ample appropriation for printing, and evidently must have on hand copies of the national banking act.

Mr. COPELAND. It is impossible at this moment to get them from the document room.

Mr. MOSES. That is probably so, because, of course, that particular legislation, so far as the document room is concerned, is quite old, but in the Treasury Department there must be an ample supply of copies.

Mr. COPELAND. I thank the Senator for his suggestion, and I will make application there.

FUNDING OF PUBLIC IMPROVEMENTS—PROPOSED AMENDMENT TO TAX BILL

Mr. VANDENBERG. Mr. President, I want to submit a proposed amendment to the pending tax bill, and I ask permission to make a very brief statement in explanation of it.

The VICE PRESIDENT. Is there objection to the Senator making a statement? The Chair hears none.

Mr. VANDENBERG. Mr. President, the able senior Senator from New York [Mr. COPELAND] has pending before the Senate a resolution proposing to take the sense of the Senate on the proposition that all permanent improvements shall be taken out of the pending current Budget and funded on a longer-time basis. Without seeking in any degree to anticipate a decision upon his proposal, I am taking the liberty of submitting a proposed specific amendment to the tax bill along the same general line for the purpose simply of developing in concrete form my own previous and somewhat long-time study of the same subject, and to indicate a possible formula for such procedure.

Mr. President, the proposition comes down simply to this—Let me exemplify it: We build a $4,000,000 post office in the city of Detroit this year which undoubtedly will stand for 50 years, and yet we charge the entire 50-year investment to the harassed taxpayers in the current tax year. On the other hand, if the Ford Motor Co., for example, were to build a $4,000,000 addition to its factory in Detroit this year and were to undertake to charge it all off against its income or corporation tax this year the Government would promptly say that that is an improper economic practice and that this investment will have to be amortized over a course of years. The philosophy involved in the exhibit, it occurs to me, is well worth study, with the idea that the Government may practice the same method in respect to fixed and permanent investments which it dictates to private business.

I am not suggesting that it is conclusively justified; I am suggesting that it is entitled to serious study in the situation in which we find ourselves. We face a $2,000,000,000 deficit, and part of it will be embraced in public buildings, permanent rivers and harbors improvements, Hoover Dam, and kindred permanent improvements in excess of $300,000,000.

There is this monitory thing to be borne in mind, of course; I suppose the greatest possible encouragement to public extravagance, which has led the municipalities of the country astray during the past decade, has been the ease with which they could fund their public improvements, borrow money, and transfer the burden into the future years. Certainly it would be a calamity if that infirmity were ever to be attached to the Federal Government's activities in respect to public buildings and other permanent improvements. Certainly I would not open the Federal door to any general drain upon the Federal credit, which is our supreme and priceless reliance. Nevertheless, in the tax emergency which we now confront, when increased current taxation is one of our most serious difficulties, I submit that it is distinctly entitled to serious study as to whether or not these strictly permanent improvements, which are already within the appropriations made this year by the Congress, and which must proceed regardless of how we pay for them, should not be funded over a 10-year period with a specific program for ultimate retirement.

Therefore, out of order, I ask leave to submit the proposed amendment to the tax bill, and I ask that it may be printed in the usual form, printed in the RECORD, and referred to the Finance Committee.

There being no objection, the amendment intended to be proposed by Mr. VANDENBERG was ordered to be printed in the usual form, to be printed in the RECORD, and to be referred to the Committee on Finance, as follows:

Amendment intended to be proposed by Mr. VANDENBERG to the bill (H. R. 10236) to provide revenue, equalise taxation, and for other purposes: On page —, line —, insert the following:

"TITLE —, PERMANENT IMPROVEMENT CONSTRUCTION FUND

"SEC. —. (a) There is hereby created a fund in the Treasury to be known as the 'Permanent improvement construction fund,' to be available for expenditure as hereinafter provided. For the purpose of providing funds to carry out the provisions of this title, the Secretary of the Treasury is authorized and directed to borrow from time to time on the credit of the United States not to exceed $400,000,000, and to issue bonds therefor, to be known as 'Permanent improvement bonds,' in such form as he may prescribe. Such bonds shall be in denominations of not less than $50, shall mature 10 years from the date of their issue, and shall bear interest at such rate as may be fixed by the Secretary of the Treasury, but not to exceed 4¼ per cent per annum. The principal and interest of such bonds shall be payable in United States gold coin of the present standard of value, and such bonds shall be exempt, as to both principal and interest, from all taxation (except estate and inheritance taxes and surtaxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

"(b) Such bonds shall be first offered at not less than par, as a popular loan, under such regulations to be prescribed by the Secretary of the Treasury as will give all citizens of the United States an equal opportunity to participate therein. Any portion of the bonds so offered and not subscribed for may be otherwise disposed of by the Secretary of the Treasury at not less than par. No commissions shall be allowed or paid in connection with the sale or other disposition of any such bonds. All amounts derived from the sale of such bonds shall be paid into the permanent improvement construction fund.

"(c) A sum not exceeding one-tenth of 1 per cent of the amount of bonds issued under authority of this section is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to pay the expenses of preparing, advertising, and issuing the same.

"SEC. —. There is hereby created in the Treasury a special cumulative sinking fund for the retirement of the bonds issued under the provisions of this title. Such sinking fund and all additions thereto shall be available until all such bonds are retired for the payment of such bonds at maturity and for the redemption or purchase thereof before maturity by the Secretary of the Treasury at such prices and upon such terms and conditions as he shall prescribe, but the average cost of the bonds so purchased shall not exceed par and accrued interest. Bonds purchased, redeemed, or paid out of the sinking fund shall be canceled and retired and shall not be reissued. For each of the first 10 fiscal years after the date of enactment of this act there is hereby appropriated, out of any money in the Treasury derived from current revenues for such fiscal years, for the purposes of such sinking fund, an amount equal to 10 per cent of the face value of the bonds authorized under this title plus an amount equal to the interest payable during each such fiscal year on the bonds then outstanding.

"SEC. —. During the next fiscal year no expenditure shall be made except out of the permanent improvement construction fund for any permanent improvement project for which an appropriation has heretofore been made or shall hereafter be made. All moneys in such fund are hereby appropriated for the construction of permanent improvement projects and shall be available for expenditure on such projects upon an order of the President stating the amount and specifically designating the project upon which such amount is to be expended. Any sums heretofore appropriated and allocated to any permanent improvement project shall be covered into the Treasury as miscellaneous receipts."

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Is there objection to the Senator from New York making a statement? The Chair hears none.

Mr. COPELAND. I am very glad the Senator from Michigan [Mr. VANDENBERG] has introduced an amendment to the tax bill for the purpose stated by him. The only reason why I have not yet pressed the resolution which I introduced several days ago is because of the opposition of the Treasury to this plan. I expect to do so within a short time.

It seems to me perfectly sensible that we should take from the pending appropriation bills all those items which have to do with permanent improvements; capital investment. If we were in funds now, if we had a surplus, as we have had during the past several years, we would, of course, pay these items out of the current revenues. During the past 10 years

we have had so much of a surplus that we have retired $10,000,000,000 of the national debt; but now we are in a period of economic depression. It is a time when every prudent man, of course, will economize; but if, for any reason, he has occasion to make a capital investment, he is not going to pay it out of current funds which he has not in hand.

I can not see why there should be any opposition on the part of the Treasury to the issuance of bonds to pay for these permanent improvements. Of course, if it is merely a matter of pride on the part of the Treasury, if the Treasury is unwilling to have a bond issue under such circumstances as these, all right; but I am sure it is a mistaken policy. This particular matter I presented to the Chamber of Commerce of the State of New York. Mind you, I am not saying "the city of New York," because if I said that everybody in the Chamber would think that naturally these "rich men in New York" do not wish to have their taxes increased. I am speaking, however, about the Chamber of Commerce of the State of New York. At a largely attended dinner of that organization, which was held in January or early February, I presented this plan of taking from the current Budget the $377,000,000 which, or a large portion of which, we will expend this year, and putting that into a bond issue running over 10 or 15 years, to be paid for at a time when the country is in funds. If we had a surplus which enabled us to reduce our debt during the past 10 years to the extent of $10,000,000,000, and if we have a time now when we are poor, naturally this is a time when we might increase that debt a little bit with advantage to the country.

I do not suppose it would amount to the full amount stated by the Budget as $377,000,000; but if it is $300,000,000, that would take off the overburdened taxpayers that much to be paid this year. After consultation with many influential men on this side of the Chamber, it is my purpose later to present for the consideration of the Senate the resolution which is now upon the table.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Nebraska?

Mr. COPELAND. I yield.

Mr. NORRIS. Would not the Senator accomplish the same result if he should provide by a simple joint resolution that the interest due on the bonds owed us by foreign governments, which will be paid now in a few days, I understand about June, should be segregated and set apart for that purpose?

Mr. COPELAND. I suppose that would accomplish the same purpose. I wish that might be done, but, of course, that will not be done. There is not any reason, however, why we should go to the extent of lowering every salary in the Government service, and reducing the activities of government to the dangerous extent that we are doing it, when by putting over these items which have to do with capital investment we might very well save at least that amount of money which otherwise must be raised this year.

We have over here the House Office Building, a magnificent building. We have the Supreme Court chambers being erected. Why should the taxpayers this year pay for those items when they will be used for 25, 50, or 100 years? So my plea is that we take from the appropriation bills those items of permanent improvement, and let the payment for them run on for a few years.

Mr. SHIPSTEAD. Mr. President——

Mr. COPELAND. I yield to the Senator from Minnesota.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. Yesterday unanimous consent was given to go forward with the Bankhead contest following the routine morning business to-day. I am enjoying this debate, but I hoped we might follow out the program which had been agreed upon. My parliamentary question is, Is debate now in order?

The VICE PRESIDENT. Debate is not in order without unanimous consent, and that was given. The Senator from New York was given unanimous consent to address the Senate.

Mr. COPELAND. I wish to finish my statement.

I contend that this matter of balancing the Budget, and finding some way to relieve the country of the burden of taxation resting upon it, is more important than any contest that could possibly be held by this body.

I do not mean, of course, that the Senate will necessarily accept this proposal, but at least it should think about it. We have it within our power to take between three and four hundred million dollars from the proposed tax bill and let posterity pay for some of the improvements which are going on throughout this country; and I think we may well take time, even in a busy session, to give thought to that.

I know how the people of the country are suffering from taxation, and it is not alone the rich who pay. The poor pay. Every time taxes are increased that means more burden upon the poor. We have it in our power here to take three or four hundred million dollars out of this tax bill and let it be paid in years of prosperity in the future, instead of being imposed upon a burdened country at the moment.

IMPORT TAXES ON FOREST PRODUCTS

Mr. ODDIE. Mr. President, I present for the RECORD a statement in regard to import taxes on forest products which has been furnished by Col. W. B. Greeley, secretary-manager of the West Coast Lumbermen's Association.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

BRIEF FOR IMPORT TAXES ON FOREST PRODUCTS

1. The forest industries of the Pacific Northwest, acting as a unit, respectfully request the Congress of the United States to extend the principle of protecting the natural resources of this country and the labor engaged in their conversion, already incorporated in the pending revenue bill in respect to oil and coal, to the forest resources, industries, and labor of the United States. The forest industries and their labor, now suffering from an acute financial crisis and widespread unemployment, are entitled to such protection as may be afforded by reasonable import taxes to at least an equal degree with any other natural-resource industry. And, furthermore, the imports of forest products into the United States offer an appropriate means of obtaining additional Federal revenue.

2. The import taxes which we propose are:

(1) On rough lumber of all softwood species, $3 per thousand feet board measure.

(2) On dressed lumber (planed on one side or more) of all softwood species, $5 per thousand feet board measure.

(3) On logs, poles, and piling of all species, $1.50 per thousand feet log scale.

(4) On pulpwood of all species, $1 per standard cord of 128 cubic feet.

(5) On mechanically ground wood pulp, one-sixth of 1 cent per pound, dry weight; chemical wood pulp, unbleached, one-third of 1 cent per pound, dry weight; chemical wood pulp, bleached, one-half of 1 cent per pound, dry weight.

(6) On cross-arms, shingles, laths, handles, turnery, and fence posts, 25 per cent ad valorem.

3. Present imports of forest products affected: The principal imports of forest products to which the proposed import taxes would apply are as follows for the last three years:

(1) Softwood lumber (1,000 board feet)

Year	Total	From Canada	Per cent	From Russia
1929	1,418,419	1,352,597	95.4	37,936
1930	1,146,105	1,059,983	92.5	70,767
1931	698,242	671,589	96.2	13,831

Of the above softwood lumber imported from Canada, 53.5 per cent pays a duty of $1 per thousand board feet under the tariff act of 1930. The remainder is cedar lumber or lumber of other softwood species not planed or dressed more than one side, which enters the United States duty free. The imports of cedar lumber were 46,534 thousand board feet in 1929, 37,239 thousand board feet in 1930, and 23,221 thousand board feet in 1931.

(2) Shingles (imported from Canada)

	Thousand
1929	1,716,651
1930	1,248,223
1931	998,473

Shingles now enter the United States duty free.

(3) *Logs (imported from Canada)*

	Thousand feet
1929	175,000
1930	139,116
1931	156,563

Log imports enter the United States, duty free, almost wholly in Puget Sound, where they compete in the log market directly with American timber.

(4) *Pulpwood (chiefly from Canada)*

	Cords
1928	1,409,411
1929	1,259,007
1930	1,582,201
1931	1,021,667
FROM RUSSIA	
1929	360,000
1930	238,437
1931	78,000

(5) *Wood pulp (chiefly from Canada, Sweden, Finland, Norway, and Germany)*

	Tons
1928	1,762,325
1929	1,887,504
1930	1,636,498
1931	1,421,686

4. Prospective revenue for the import taxes proposed: If the imports of the various classes of forest products specified continue at the same volume as in 1929, the Federal revenue obtained from the import taxes recommended would be approximately $20,500,000 per year. On the same volume of such imports as in 1931 the Federal revenue would be somewhat in excess of $17,000,000 per year. While some reductions in the volume of imported forest products would follow the imposition of the import taxes proposed, the revenue therefrom to the Federal Government would constitute a substantial item.

5. Other benefits from import taxes on forest products: Other benefits resulting from the import taxes proposed would be:

(1) An equalization of competitive conditions for American forest industries.

(2) Increased employment for our idle men, resulting from some increase in the volume of domestic forest products which would be absorbed by our home markets.

These benefits will now be presented in regard to the lumber industry of the Pacific Northwest and its labor and dependent communities. The critical condition of the lumber industry and the very serious regional effects of idle mills and unemployed labor necessitate any possible relief that may be obtained.

This is because, first, of the terrific shrinkage in the domestic consumption of softwood lumber. In 1929 the United States consumed 28,581,000,000 feet of softwood lumber. In 1930 consumption dropped to 21,462,000,000 feet, a shrinkage of 25 per cent. In 1931 consumption dropped to 14,573,000,000 feet, a shrinkage of 49 per cent. The consumption for 1932 indicated by the lumber sales to date will not exceed 12,000,000,000 feet, a shrinkage of 58 per cent below the level of 1929. The use of lumber this year is back to approximately the basis of 1869.

This sudden and rapid shrinkage in the consumption of lumber in the United States has forced upon the domestic industry a most drastic curtailment in production, closed down over half of its sawmills, and thrown over 60 per cent of its labor out of employment.

Notwithstanding this distress and sacrifice from the curtailment of production, the survey of the United States Timber Conservation Board on December 31, 1931, showed nearly 8,000,000,000 feet of softwood lumber in stock at American mills, or over half the preceding year's consumption. The Timber Conservation Board found these stocks to be 2,600,000,000 feet in excess of sound and reasonable inventories, and recommended a reduction of that amount as rapidly as practicable.

Under such conditions every foot of imported lumber simply adds to the distress and unemployment in the American industry, while bringing no benefit whatsoever to lumber consumers. The lumber imports of the last three years more than equal the present excess of softwood stocks, as determined by the Timber Conservation Board, which are breaking the back of the domestic industry.

The critical condition of the American industry is due, in the second place, to an almost proportionate loss of foreign markets for its products. In 1929 our softwood exports were 2,609,000,000 feet. In 1930 they dropped to 1,856,000,000 feet, a shrinkage of 25 per cent. In 1931 there was a further drop to 1,325,000,000 feet, a shrinkage of 49 per cent below the level of 1929.

The reasons for this drastic loss of foreign markets go far beyond the shrinkage in their consumption. They include:

(1) Depreciated currencies and rates of exchange, which are diverting export lumber trade from the United States to Canada. Since Canadian exchange dropped below par, Canadian exporters have had an advantage of from 10 to 20 per cent over American exporters in the delivered price of softwood lumber, transportation included, at most of the common competitive foreign markets. American shippers even suffer discrimination from American subsidized steamship companies in the Pacific, who accept freight payments from British Columbia shippers in Canadian funds, but require payment from American shippers in American funds.

(2) The preferential tariffs within the British Empire, which are rapidly closing many important former markets to American lumber. The trade agreement between Australia and Canada, made effective nearly a year ago, gives the Canadian lumber exporter a preference of 20 shillings per thousand board feet on the usual Douglas fir items and has largely shut out American lumber from this market. South Africa gives Canadian lumber a preferential tariff of 3 per cent; Great Britain a preferential tariff of 10 per cent, with every indication that it will be materially increased in pursuance of the British Empire trade policy. American lumber exports to Great Britain have already shrunk materially, and that market will hereafter be practically closed to our sawmills.

(3) Many special tariffs, quotas, and embargoes adopted in recent months by foreign countries have materially diminished—in some instances completely closed—former export markets of the American lumber industry. For example, application of the French embargo system has, at least for the time being, completely closed that market to American lumber.

In the case of the lumber industry on the Pacific coast the operation of these factors has to a large degree diverted export business from the United States to Canada. Between 1929 and 1931 American sawmills on the west coast lost 43 per cent of their export business (1929, 1,613,000,000 feet; 1931, 917,000,000 feet). In the same period British Columbia lumber exports dropped but 10 per cent (1929, 399,000,000 feet; 1931, 358,000,000 feet).

West coast lumber exports in January and February of 1932 were at the lowest ebb for 20 years (91,000,000 feet), shrinking 40 per cent below 1931 and 66 per cent below 1929. In the same two months, however, the water-borne lumber movement from British Columbia increased 22 per cent over the corresponding months of 1931 (1931, 90,000,000 feet; 1932, 111,000,000 feet). In the same period British Columbia lumber exports to Great Britain increased 58 per cent over the corresponding months of the previous year, and British Columbia lumber exports to China and Japan increased 73 per cent. A consular report in March states that the British Columbia sawmills operated in February at 44.5 per cent of their capacity. During the same month American mills on the west coast operated at 22 per cent of capacity.

6. The American lumber industry is in the thick of a trade war at home and abroad; the lumber industry of Canada frankly declares that the entire British Empire is its domestic market. American lumber will be excluded therefrom by high preferential tariffs.

Depreciated exchange is Canada's powerful weapon for wresting other export markets from American lumber products. To the extent the American producer sells in such markets it can only be at the ruinous prices established by Canada's lower cost of production and transportation.

At the same time Canada retains an American market for 30 to 35 per cent of her lumber production by virtue of—

(1) A normal lower production cost, with no offsetting duty on 46.5 per cent of her softwood lumber exports to the United States; no duty on shingles; and no duty on logs. There is no trade reciprocity, in fact, under the no-duty provision of the tariff act of 1930 on lumber rough or dressed one side, because the movement is practically all one way—from Canada into the United States.

(2) An average lower intercoastal transportation cost than that available to American mills on the west coast to American markets on the Atlantic seaboard. This affects from 15 to 20 per cent of the Canadian lumber imports. British Columbia shippers may employ any foreign-flag tonnage in moving their lumber to American ports, an opportunity denied the American shipper under our marine laws. Experience has demonstrated that whenever the American intercoastal lumber rate exceeds $9 per thousand board feet, foreign-flag tonnage is freely employed by British Columbia shippers at less than the American rate. For example, within a few weeks after the American intercoastal rate of $10 per thousand board feet had been announced for the month of March, 1932, five cargoes were chartered by British Columbia shippers at rates reported to be $9 per thousand board feet.

(3) The depreciation in exchange, which applies not only to costs of production but also to costs of transportation both by rail and water. The portion of the cost of rail haul from Canadian mills to American markets which is over Canadian railways is paid in Canadian funds. Foreign-flag charters for water transportation from Canadian mills to American markets are commonly reported as paid in Canadian funds. To a considerable extent, therefore, the gain from depreciated Canadian exchange applies to the delivered price of the product at American selling points.

On account of these competitive advantages, American lumber is to-day commonly undersold in its own domestic markets by Canadian lumber. This applies particularly on the Atlantic seaboard and the "back-haul" territory available to it and in the large competitive markets in the regions of the Great Lakes and prairie States. American sawmills have been constantly forced to meet lower prices until they were compelled to shut down.

7. These adverse factors have brought on a crisis in the lumber industry of the Pacific Northwest with widespread unemployment. Western Oregon and Washington contained on December 31, 1931, 722 "living" sawmills, of which 320 operated to some extent during 1931 and 402 were down completely.

Of the productive sawmill capacity of the region, 73 per cent was utilized in 1929, 54 per cent in 1930, 36.8 per cent in 1931, and 22 per cent in the first quarter of 1932. Mills representing 40 per cent of the region's capacity were shut down completely dur-

ing much of 1931 and are "down indefinitely" at the present time. Most of the mills attempting to operate are running from 24 to 36 hours per week.

The lumber produced in 1931 represented a shrinkage of 48 per cent from the production in 1929; and the lumber produced in the first quarter of 1932 showed a shrinkage of 66 per cent below the same period in 1929 (1929, 10,377,000,000 feet; 1931, 5,368,000,000 feet; 1932, 3,500,000,000 feet indicated).

The volume of lumber sales in 1931 shrank 45.3 per cent below 1929; and the volume of sales to date in 1932 has shrunk 58.4 per cent below the corresponding period of 1929.

The average price received by west coast mills for the lumber sold in February, 1932, showed a shrinkage of 48.6 per cent below the average price received in the spring of 1929.

(Average sales price of 162 key items reported by Davis Statistical Bureau, of Portland, Oreg.: May, 1929, $20.18 per M feet; February, 1932, $10.36; loss, $9.82 per M feet.)

In seven out of the last eight years the average west coast sawmill has not recovered its cost of production on lumber sales, with no interest included. This is based upon complete operating costs and sales returns at a considerable number of representative mills reporting to the West Coast Lumbermen's Association. In 1930 the average operating loss, without interest, was $2.10 per M board feet; in 1931, $2.16 per M board feet. These losses represented about 75 per cent of the average cost of the standing timber manufactured.

The mills attempting to operate in 1932, on the average, recover neither interest nor cost of standing timber and largely fail to recover depreciation. In many cases only actual labor and supply costs are recovered without tax or insurance charges. The west coast lumber industry is subsisting at all only by heavy drains upon its capital assets and credit resources. The industry is on the verge of almost complete financial collapse.

These conditions have resulted in a terrific shrinkage in the value of the timber lands which constitute the principal basic resource of the region and its largest source of tax revenue to States and counties. Tax-delinquent timber lands are rapidly increasing and already seriously threaten the income of local government and communities.

There is a like shrinkage and threat of complete collapse in the value of the Federal-owned timber lands in national forests, Indian reservations, and revested grants, which contain 38 per cent of all the timber in the region.

The most serious effect of all these distressing conditions on the west coast is the appalling shrinkage in employment. The primary logging and sawmill industries of western Oregon and Washington employed 94,000 men in 1929. The additional employment in the pulp and paper industry, sash and door plants, and other woodworking factories brought the aggregate up to approximately 125,000 employees. The forest industries are the great basic sources of labor employment in the region, supplying over 60 per cent of its total industrial pay rolls. The logging and lumber industries alone, in 1929, disbursed $120,000,000 in pay rolls.

Employment was steadily forced down during 1930 and 1931. In the first quarter of 1932 less than 35,000 men, or 37 per cent of the normal number of workers, were obtaining any employment in the sawmills and logging camps. At least two-thirds of this number were working on short shifts of from 24 to 36 hours per week, or intermittently—a few days or a week at a time. In hours per month present employment is not over 20 per cent of that in 1929. And the economic distress of the industry has forced an average shrinkage of probably 40 per cent in the hourly wage as compared with 1929.

The Pacific Northwest is wholly without other industries or resources capable of providing for even a small fraction of the seventy or seventy-five thousand men who have lost their normal employment in forest industries. Tremendous efforts have been made to provide relief through both public and private agencies, but these are approaching exhaustion. The effect of unemployment upon many northwestern communities built in connection with and dependent upon forest industries is serious in the extreme. Many cases could be cited where, with 20 per cent or more of their people now on public charge and with both public and private financial resources and credit almost exhausted, such communities face complete economic and social collapse.

Every additional thousand feet of lumber that can be produced in the United States by protecting our home market means two days' labor for logging camp and sawmill workers. We respectfully submit that the National Government should provide the only effective solution of this staggering problem of unemployment in the Pacific Northwest by permitting its major industries to resume some degree of their normal activity.

8. All forest products should be dealt with as a whole: At least in the Pacific Northwest a unified policy of import taxes dealing with all forest products is essential for the following reasons:

(1) Only such a policy will effectively conserve the value and tax-paying capacity of the basic natural resource, standing timber, and permit its economic utilization with a minimum of waste.

(2) All of the various forest products come out of the same forest and the same logging operations where the different classes and species of timber occur together. Economical logging requires varied markets for the different classes of material produced—pulp plants for logs of certain species, cedar lumber and shingle plants for cedar logs, and so forth.

(3) Further manufacture is closely integrated, as in the case of pulp mills, which afford a market for much of the waste material from sawmills, both as pulp stock and fuel.

That is, efficient use of raw material and economical production require maintenance of all the different forms of forest industries. Therefore they should all share in the protective benefits of a Government policy.

While dealing primarily with the lumber industry of the Pacific Northwest we believe that the conditions set forth apply to all forest regions and industries of the United States, and that the national emergency in these and other natural-resource industries demands relief through import taxes on their products.

Respectfully submitted.

WEST COAST LUMBERMEN'S ASSOCIATION,
By W. B. GREELEY, *Secretary-Manager.*

Indorsed by: Inman-Poulsen Lumber Co., Portland, Oreg., H. B. Van Duzer, vice president; Eastern & Western Lumber Co., Portland, Oreg., Frank Ransom, president; Coos Bay Lumber Co., Marshfield, Oreg., H. W. Bunker, president; Silver Falls Timber Co., Silverton, Oreg., M. C. Woodard, president; Pacific National Lumber Co., Tacoma, Wash., E. W. Demarest, president; Shaffer Box Co., Tacoma, Wash., Ralph Shaffer, president; E. C. Miller Cedar Lumber Co., Aberdeen, Wash., B. J. Ingram, vice president; Puget Sound Pulp & Timber Co., Everett, Wash., Ossian Anderson, president.

"A NEW JOB FOR CONGRESS"

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Mr. William Hirth, publisher of the Missouri Farmer, entitled "A New Job for Congress."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Hon. HARRY B. HAWES,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: As per my promise to you when I recently appeared before the Senate Interstate Commerce Committee, I herewith submit my views on the necessity of giving the Interstate Commerce Commission the power to fix the rates of interstate truck and bus carriers, and to surround the latter with other regulations in the interest of sound public policy. When witnesses appear before a congressional committee the frequent questions asked by the members make it difficult to follow a consecutive line of thought, and I therefore welcome this opportunity to restate what I intended to say in a more coherent manner.

In this connection I am glad to note that the Interstate Commerce Commission has asked Congress for the above authority; and if it is granted, I hope the commission will not proceed upon the theory that it must go through a long process of experimentation, for the need for this character of regulation is immediate and acute. Also I am not in accord with the suggestion of the commission that the railroads and water lines be encouraged to make a greater use of our public highways. As I will endeavor to show later, the congestion on the highways is already such that there is little room left for the motorist.

There is an old and oft-repeated saying that "competition is the life of trade," and thus it is not surprising that many Members of Congress, as well as laymen, have welcomed the new competition which trucks and busses have offered to the railroads during the last few years. But there is another old saying that "all is not gold that glitters," and I think this applies most forcibly in the present instance. That, generally speaking, competition should be preserved in all the great fields of industry goes without saying, but we should always have a care lest such competition leads to demoralization and thus becomes a vice rather than a virtue, and I think this is inevitable in the realm of transportation unless Congress takes a hand and formulates a definite nation-wide policy with reference to interstate truck and bus carriers which are expanding their operations by leaps and bounds, and which under existing conditions are a law unto themselves.

A MENACE TO FARM ORGANIZATIONS

It happens that I am the president of the Missouri Farmers' Association, which besides its larger centralized marketing agencies operates elevators and exchanges in nearly 400 Missouri towns; and when I tell you that our yearly volume of business in grain, livestock, poultry and dairy products, feed, flour, fertilizer, etc., is in excess of $100,000,000, you will appreciate that in these times of depressed farm prices not only is our association overwhelmingly the largest farm organization in any State in the Union but it is a question whether there is a larger one in the country, and, therefore, the problem of transportation is one of tremendous importance to us. That our nearly 400 elevators and exchanges, in which our thousands of farmer members have an investment of approximately $5,000,000, have saved the farmers of Missouri millions of dollars during the last 15 years in an increased price for farm commodities and in a lowered price of feed, flour, fertilizer, etc., is true beyond question, and in proof at the end of the year the profits earned by these elevators and exchanges are divided among our members in proportion to the business each has done, and thus these agencies are operated on a purely cost basis, and more than this a cooperative can not hope to achieve.

In addition to the above elevators and exchanges as late as three years ago we were also operating approximately 350 livestock-shipping associations, which gather up the local hogs, cattle, calves, and sheep when they are ready for market, and then they are shipped by rail to the big stockyard centers to our cooperative livestock commission companies, through which they are sold to the packers, order buyers, butchers, etc., and through

these terminal marketing agencies we have returned several million dollars in saved commission charges to our members in Missouri and to the members of allied farm organizations in the adjoining States. However, when three years or more ago the trucks appeared upon the scene, we suddenly found ourselves confronted by an entirely new situation; and as time has gone on, this situation has become increasingly menacing to the very existence of our association; during the early stages of truck expansion the trucker said to the farmer, "Why should you go to the trouble of hauling your livestock to town when I am glad to come to your farm and get it and when I am willing to haul it to market for only a little more than you would have to pay to ship it by rail?" This argument appealed to so many farmers that in a little while we found it impossible to gather up a weekly carload shipment at many points, and as a result many of our livestock-shipping associations have gone out of existence, and at this time the strongest of them are seriously menaced.

FARMER HASN'T THOUGHT IT THROUGH

Perhaps at first thought you will say, "If the trucker can offer a more convenient service to the farmer than the railroads, why should not the farmer avail himself of it?" And everything else being equal, this should decide the matter; but the facts are that the "shrink" of livestock by truck is much greater than by rail; and this is true because, as the trucks whirl around the innumerable curves on the average highway at a speed of 40 or 50 miles per hour, and go up and down hill, the livestock is constantly lunging from side to side, or from end to end, with the result that it often reaches the stockyards in such a nervous condition that it will neither drink nor eat, and thus a good "fill" is impossible; also many truckers deliver the farmers' livestock to packers who buy direct (not through a public stockyard) on the theory that this will save the farmer the usual selling commissions, feed, yardage charges, etc., and many farmers "fall" for this argument without considering the fact that this policy undermines the great competitive livestock markets where packers and other buyers are compelled to bid against each other, and which situation the livestock producers of the country should maintain at all hazards. When livestock is shipped by rail the movement is much less violent than by truck; and hence when it arrives at the stockyards it is not only ready for a good fill, but with fewer bruises, and also the railroads are interested in preserving the great central livestock markets, and thus it can be seen that the average farmer could well afford to ship by rail even if he is compelled to haul his livestock to the nearest shipping point, and even though the rail rates were somewhat higher, and I cite these facts merely to show that shipping by truck is not in fact in the interest of the farmer, and if it were, the big farm organizations would be the first to give their hearty approval.

It is true that the farmer is not compelled to pay selling commissions, yardage, etc., when his livestock is delivered to a direct packer buyer; but since such a packer is a mere "camp follower" of the big public stockyards in point of price, and since he names without competition the price he is willing to pay, and from which there is no appeal, is it not safe to assume that in the end the farmer loses more than the commissions, yardage, etc., he would pay at a big terminal market? Certainly the direct packer buyer has a reason for wanting to do business in this way, and certainly this reason is not in the interest of the livestock producer, except that trucking has expanded so rapidly that the farmer as yet has not seen both sides of the picture.

A few years ago the marketing of livestock by the big cooperatives seemed one of the finest fields that beckoned to us; and this not only because our big terminal market commission companies were returning hundreds of thousands of dollars in saved commission charges to our members annually, but by controlling livestock from the country shipping point to the stockyards we were getting in a fair way to stabilize terminal market prices. But with thousands of unregulated trucks breaking down our livestock-shipping associations and delivering livestock to direct packer buyers, and thus weakening the big central competitive markets, and by ignoring our terminal market agencies at other times, this means that one of the greatest opportunities of the cooperative movement has been largely shot into a cocked hat, and as a result the big Corn Belt cooperatives have been greatly enfeebled.

In the meantime, during the last two years the trucker has begun to say to our farmers, "If you will allow me to haul your livestock, and happen to need feed, such as bran, shorts, tankage, poultry feed, fertilizer, etc., I have made arrangements to buy these commodities at the wholesale price, and I will gladly deliver them to your door on this basis in order to get a back haul"—and then the truckers get as much out of the farmer as they can, figuring that they are killing two birds with one stone, first, that in this way they secure a pledge of the farmer's livestock, and second, that even though the back-haul charge is largely nominal, it is that much "velvet" in any case. First, the trucks broke up many of our livestock-shipping associations, and now they menace the existence of our nearly 400 elevators and exchanges, in which, as I have said, our members have an investment of $5,000,000; and this because when the truckers offer to deliver feed, fertilizer, etc., to the farmer's door at the wholesale price, plus a nominal back-haul charge, neither a cooperative agency nor an independent dealer can long hope to hold their own against such competition. And if somebody asks, "Does not this mean cheaper service to the farmer?" I ask the counterquestion, "Suppose it does on the commodities I have mentioned, but suppose that this practice destroys the big cooperatives, which we have spent years in building up and which market the farmer's grain, livestock, poultry, and dairy products direct to the big consuming centers, and which offer the only hope of the farmer ever having anything to say about what he shall receive for the fruits of his toil?" In this case will not the farmer in the end have traded his birthright for a mess of pottage? We can not pay the operating expense of our elevators and exchanges throughout the year without making a modest profit on feed, flour, fertilizer, etc., and this is why I say that the trucks have begun to menace the existence of these agencies.

OUR ENTIRE DISTRIBUTIVE MACHINERY THREATENED

In their zeal to get a back haul of some kind the livestock truckers and other truckers have almost completely captured the less-than-carload hauling of local merchants, and yet, in my opinion, the latter are penny-wise and pound-foolish, for already certain truckers are peddling merchandise direct to the townspeople just as they are peddling feed to the farmer, and therefore does not this practice threaten to destroy those of our independent merchants who have thus far survived the deadly competition of the chain stores? Certain truckers are also buying up the choice eggs and chickens of the farmer, while the inferior grades are left for our elevators and exchanges and the local merchants to handle as best they can, and thus the demoralization grows apace, and threatens the distributive machinery of the whole Nation in which hundreds of millions of dollars are invested.

So serious had these conditions become that in the winter of 1930 the executive committee of our association sponsored certain truck and bus bills in the Legislature of Missouri, and as a result these measures were passed by comfortable majorities. These bills regulate the size of trucks and busses, and give our State public service commission the right to fix the intrastate rates of such carriers; and yet with St. Louis and Kansas City (which are our principal markets) located on the State lines of Illinois and Kansas, the latter provision is very largely meaningless. The National Stockyards, which are our leading livestock market, are located in East St. Louis, on the Illinois side, while by driving a few blocks farther upon one pretext or another, the truckers who haul to the Kansas City Stockyards can likewise qualify as interstate carriers, and thus they are in position to snap their fingers in the face of our public service commission, and the only remedy in sight is for Congress to give the Interstate Commerce Commission the power to fix the rates of interstate truck and bus carriers—then and not until then will order come out of chaos, as it did years ago when the Interstate Commerce Commission and our various State public service commissions put an end to a similar demoralization with reference to the railroads.

LONG HAULS IMPORTANT FACTOR

In order to defend ourselves as best we can, some months ago we began to operate local trucks in certain communities, gathering up the livestock that was ready for market, and then shipping it by rail; at one point where the truckers were charging 50 cents per hundredweight for hauling livestock to East St. Louis, our trucks charged 12 cents per hundredweight to bring the livestock into the local shipping point; and after adding the rail charge, the total charge to the farmer amounted to 35 cents per hundredweight, thus effecting a saving for the farmer of 15 cents per hundredweight; thereupon one of the leading truckers reduced his charge to 35 cents, while another cut to 25 cents, and this merely goes to show that under existing conditions we are powerless to combat the situation, for faced with the loss of their business, the truckers will reduce their rates almost to the vanishing point—and the mere fact that they can not long exist on such a basis offers no comfort, for when one trucker is forced out, there are always two new and inexperienced ones to take his place. And until the interstate trucks are brought under control, the enforcement of a fair intrastate rate is greatly handicapped—first, because, as I have said, our livestock movement (which is the backbone of the trucking business) is very largely interstate, and because the enforcement of intrastate rates substantially higher than the interstate rates would soon bring on a public outcry, and hence early action by Congress is the only solution.

And here is another practical certainty that stares us in the face: In the course of the average year, our association ships in several thousand carloads of corn, oats, etc., from the outside States, and we also ship hundreds of carloads of eggs, poultry, sweet cream, and butter to the distant eastern markets, and all of these hauls are long ones in which the railroads are indispensable; therefore, if the trucks and busses are permitted to pick off the cream of the short-haul traffic, in the end will not the Interstate Commerce Commission be compelled to greatly increase the rail rates on the long hauls, a character of traffic for which the trucks are not practical? Already the existing rail rates on grain and cattle out of the distant Northwest, West, and Southwest are a burden which, under the present low price of grain and livestock is almost unbearable, while if there is any material increase in these long-haul rates, they will become utterly confiscatory, and this is likewise true of long merchandise hauls, which, in the end, must come out of the consumer's hide. And, therefore, should not this long-haul problem have the serious thought of Congress? If in this character of traffic the railroads are indispensable, then can not anybody see the direction into which we are drifting? If the long-haul rail rates are materially increased, it will place tens of thousands of farmers who live long distances from the central markets in an almost impossible position, and I, therefore, have little patience with those who are

constantly looking for a chance to "pound" the railroads without rhyme or reason, and who are too short-sighted to see what it is leading up to.

POUNDING HIGHWAYS TO PIECES

And now I desire to mention a phase of this matter which, in my opinion, is the most incongruous of all. During recent years our Government and the several States have invested approximately $12,000,000,000 in hard-surfaced highways which cover the country from end to end. Ostensibly these highways were built in the interest of the motorist; and yet no sooner were they ready for service than they were appropriated for private gain by the owners of trucks and busses, and this without compelling these carriers to contribute anything to the original construction cost of these highways, or even to contribute substantially to their maintenance—for such contribution as they make in the latter respect through license fees and a gasoline tax amount to a mere bagatelle, claims to the contrary notwithstanding.

No. 40, the main highway between St. Louis and Kansas City, cost approximately $10,000,000. It has been in use only about four years, and already I think I am safe in saying that 5 per cent of it has been resurfaced, and during the last year its deterioration has been rapidly increasing, and all because of the incessant pounding of the giant trucks and busses which cease neither day nor night. I understand that recently the ex-chairman of our State highway commission made the statement that this great highway will have to be completely rebuilt during the next three years, and in this case the bonds for its original construction will not have run half their maturity period; and if he is right, as I am sure he is, then where are we to get the millions of dollars that will be needed to replace it? In the meantime, as the trucks and busses increase, deadly accidents are likewise increasing, and this not only because of increasing congestion but because the motorist can not see past these huge trucks and busses, and thus he must be content to frequently trail them for a considerable distance, or take chances of a collision with an oncoming car, truck, or bus if he passes them. As a matter of fact, if this character of traffic keeps on increasing, the time is not far distant when the motorist will be driven off our leading highways entirely; and yet it was presumably in his interest that the Government and the States invested the gigantic sum of $12,000,000,000 in our great highway system; and, in my opinion, this situation constitutes the most idiotic and indefensible performance of its kind in the history of our country, and the only way in which we can hope to somewhat make amends is to compel trucks and busses to henceforth contribute their full share toward highway maintenance, and to fix their rates sufficiently high to enable them to do so.

Confined to the motorist, our highways would have lasted almost indefinitely, but, as things stand, the damage done by trucks and busses to our nation-wide highway system already mounts into hundreds of millions of dollars, and how much longer will our Government and the States continue a policy so unsound? Nearly all our leading highways parallel the railroads which are compelled to adhere to published rates, while the trucks and busses are free to prey upon their most desirable patronage as they please, and to make whatever rates they please, and in all decency is this fair?

In saying these things I certainly do not do so as a special pleader for the railroads, for as president of the Missouri Farmers' Association, and chairman of the Corn Belt Committee, which speaks for the big farm organizations of the Central States, I not only vigorously opposed the railroads in the Western Rate case some years ago, but I did likewise with reference to the 15 per cent freight increase for which they asked in 1931, and the records of the Interstate Commerce Commission will bear out this statement. But I can see what a menace the unregulated trucks have become to the continued existence of great cooperatives like the Missouri Farmers' Association, and likewise I see the menace they are with reference to the long-haul rates in which, as the picture looks now, the railroads will be indespensable for a long while to come. All in all, the situation is a good deal as it was years ago when the railroads were a law unto themselves, and when Congress was finally compelled to give the Interstate Commerce Commission authority over interstate rates, leaving it to the public-service commissions of the State to adjust intrastate rates accordingly, and in my opinion it is imperative that Congress adopt a similar policy with reference to trucks and busses, and no time should be lost in doing so—and I repeat that trucks and busses should be compelled to contribute their full share toward the maintenance of our highways, and that their rates should be fixed with this end in view.

A MISGUIDED TRANSPORTATION POLICY

And here I can not refrain from saying that in my opinion the general attitude of Congress during recent years toward our nation-wide transportation problem has been neither constructive nor in the interest of sound public policy. If it is really true that the railroads are the "backbone" of our transportation system, then why should not Congress have long since thrown a protecting arm around them, not in the interest of Wall Street, but to the end that rail rates might have been forced down to a minimum in the interest of all the people?

Is it consistent, on the one hand, to say through the Esch-Cummins Act that the railroads are entitled to a net return of 5¾ per cent and then on the other hand to appropriate hundreds of millions of dollars for highways and deep waterways and permit private individuals and corporations to use these subsidized agencies for private gain practically free of charge and thus make it impossible for the railroads to earn the net which the Esch-Cummins Act vouchsafes to them? Is such a policy fair to the railroads, or is it sound from a public standpoint? Should not Congress determine what agency or agencies can best serve the transportation needs of most of our people and then protect such agency or agencies in order that the rates may be kept as low as possible? If it is wise to have only one telephone and one light and power company in the same city in order to give the people the benefit of the lowered operating costs, should not the same general principle apply to transportation as near as possible? In other words, when we encourage as many different modes of transportation as Joseph's coat had colors, do we not increase the general burden on the public?

For a good many years we have had a certain type of so-called statesmen who have posed as "friends of the people" by everlastingly jumping onto the railroads, and usually these gentlemen dwell long and loud upon the sins of Wall Street, and in this latter connection I would like to see Congress surround railroad financing with sufficient safeguards so that racketeering bankers will be compelled to choose between jail and decency, for it is perfectly true that there have been many conscienceless and indefensible performances in these premises. But granting that stringent safeguards of this kind are needed, we should realise that the railroads are a tremendous factor in the Nation's prosperity, and this is true because 50 cents or more out of every dollar they collect for service immediately finds its way into the pockets of the approximately 2,000,000 men and women they employ in normal times, yet this is only half the story, for in normal times the railroads consume 25 per cent of the output of our steel mills, 25 per cent of the output of our coal mines, and 20 per cent of the output of our lumber and cement mills, and thus indirectly they supply employment to perhaps a million or more additional workers. Also in practically every State the railroads are our heaviest taxpayers, and therefore they make a heavy contribution to the support of our public schools and higher institutions of learning, and in paying the costs of State, county, and municipal government; and finally, billions of dollars of railroad securities are owned by our great life-insurance companies and savings banks, and have we any funds in our Nation that are more sacred or more entitled to the solicitude of our Government?

EXISTENCE OF RAILROADS AT STAKE

For the above reasons it seems to me that Congress should lose no time in putting an end to the demoralization which has been created by the rapidly expanding truck and bus traffic, a situation which at this hour threatens to drive every railroad in the country upon the rocks; next, I think it should stop using the money of our taxpayers in creating new agencies of transportation which are appropriated for private gain—certainly the least the taxpayer can ask in these premises is that these new agencies shall reimburse the Government and the States dollar for dollar. In my opinion, unless a policy of this kind is adopted, not a railroad in the country will escape a receivership, and in the ensuing chaos the people will, as usual, be compelled to "pay the fiddler." As matters now stand, the railroads personify a giant bull who has a ring in his nose and who is tethered to a tree, and thus completely at the mercy of competing trucks, busses, pipe lines, deep waterways, and airplanes, which are free to assault him as they will, while the Government and the States look on unconcerned; yea, more than unconcerned, for the service of the trucks, busses, deep waterways, and airplanes is being subsidized at tremendous public expense, and that this policy, if continued, means the early destruction of the railroads, lock, stock, and barrel, is as certain as the rising and setting of the sun. Already many branch lines have been abandoned, and thus the doors are locked on hundreds of small-town stations in which only yesterday an obliging station agent was known by his first name to every man, woman, and child. And when the deep snows and blizzards of winter come these towns will be without service, for the trucks and busses are fair-weather birds which come and go when and as they please. If the railroads have outlived their usefulness, then perhaps the impending tragedy is inevitable, but should not Congress and the States make sure that this is really true? No one will deny that these competing agencies of transportation have a rightful place in the picture, but they should be so regulated that they will not undermine and demoralize our entire transportation structure.

WILLIAM HIRTH.

SHORT SELLING ON THE NEW YORK STOCK EXCHANGE

Mr. CAPPER. Mr. President, I have received from Lloyd Maxwell, one of the leading business men of Chicago, a telegram commenting on the short-selling investigation, which I ask to have printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 18, 1932.*

Hon. ARTHUR CAPPER,
Senator from Kansas, Washington:

I believe the investigation of short selling should be pressed with aggressive and competent counsel and expert investigators in order to reveal the identity of many short sellers and the extent of their operations which should prove to be one of the major causes of the depression. Further, I believe if the exchange is not regulated and controlled in the future it will seri-

ously retard the early return of prosperity. Destruction of security values has in turn destroyed the basis of credit which in turn has correspondingly destroyed the buying power of millions of shareholders and investors and obviously the inevitable consequence is a great depression in business. Property values can not be overdeflated without an overdeflation of general business. With short-selling attacks on security values and property in general the inevitable result is liquidation, both forced and panicky. Liquidation in general has been an effect and not a cause. Creative and constructive efforts must supplant deflationary and destructive propaganda, and to safeguard the future it is necessary to expose the past, which should embrace a comprehensive investigation of the various activities of the New York Stock Exchange and its complicated machinery, including the dangerous privileges of the specialist, who can trade as a principal while acting as an agent. Every effort is being made to suppress the investigation of the New York Stock Exchange because of the fear of exposure by leading bears, many of whom may have violated important fiduciary relations while secretly and actively contributing to the continuous depression.

LLOYD MAXWELL,
President Williams & Cunnyngham.

PRICES OF FARM PRODUCTS

Mr. HOWELL. Mr. President, I ask unanimous consent to make a short statement.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, I think I must object. Last evening the Senate clearly indicated a desire to go forward with the debate on the privileged question now before the Senate, and it was thought that we might get started immediately following the morning business to-day. If the Senator will wait until later in the day, I think he will have an opportunity to make the remarks he has in mind.

Mr. HOWELL. I simply ask unanimous consent to make a very short statement.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, since the Senator assures me that the statement he desires to make will be very brief, I shall not object.

The VICE PRESIDENT. The Chair hears no objection, and the Senator from Nebraska will proceed.

Mr. HOWELL. Mr. President, I again desire to call the attention of the Senate to the fact that during this Congress nothing of a constructive character has been done for the farmer. The plight of the agricultural regions is most acute. Reports from counties in my State, Nebraska, indicate that the farmers are receiving in some sections such prices as 27 cents per bushel for wheat, 19 cents per bushel for corn, from 13 to 18 cents per pound for butterfat, 9 cents per pound for chickens, 6 cents per dozen for eggs, and even in western Iowa $3.15 per 100 pounds for hogs.

This means that the farmer is receiving less than one-half for his products as compared with average prices for the period from 1909 to 1914; but, mark you, he is paying for the things he buys from 15 to 20 per cent more than he paid during that same period, and it is not by any means all due to the existing depression. No improvement in economic conditions generally can be expected so long as such a differential prevails against the farmer. That must be evident, because the buying power of the whole rural population—nearly one-half of our population—is practically the same as that of the farmer, because of the prevailing prices for agricultural products.

Not only has this Congress failed to act constructively for the farmer, but there is no measure of such a character pending on the calendar of the Senate. What are we going to do about it? Only a little more than one month remains of this session. Are we to go back and tell the farmer we are helpless or that we could not even attempt legislation? Certainly such answers will not suffice, and I give warning here that such is the case. Such answers will be resented. No other result can be expected.

REDUCTION OF GOVERNMENT SALARIES

Mr. LONG. Mr. President, I send to the desk a letter from Mr. C. E. Johnston, president of the Kansas City Southern Railway Co. It is just a 1-page letter, and I ask that it be read.

The PRESIDENT pro tempore. Out of order and without objection, the letter will be read.

The Chief Clerk read as follows:

THE KANSAS CITY SOUTHERN RAILWAY CO.,
Kansas City, Mo., April 18, 1932.

To all employees:

Government employees from the highest to the lowest are servants of the people and as such are paid by taxes collected from the people. Practically all industry has been forced to cut the compensation to its officers and employees and all individual business has been forced to lower profits. Why should Government employees be exempt?

That it is necessary to balance our Budget, namely, equalize our expenses and our revenue, is agreed by every sane thinking person, and if our Nation is to endure and return to prosperity, the quicker this is accomplished the better. Federal employees should be willing to help bring about this balanced condition.

Millions of employees, including our company's, are taking their cut, and if this is to be accomplished with the Government employees our Senators and Representatives must have the moral support of their constituents. If you and the leading citizens of your community or among your acquaintances feel that it is right that Government employees should take a fair reduction in compensation, wire or write and tell your Congressmen. I hope you will individually take this action and will endeavor to get others to do the same. Eight or ten leading men from your community or circle, with a positive declaration in favor of this action, will have great influence. The sooner we meet this situation and face it courageously the sooner we will get back to normal.

Couple your suggestion to your Senators and Representatives with an earnest appeal to refrain from appropriations of all kinds except the normal expense of conducting the Government until such time as this depression passes.

It would be best, of course, to send your message in your own language, but as suggestion you may find in the accompanying sheets something that may assist you in expressing your views. Pick out one, change it to suit you, make it emphatic, and mail it quickly. For your convenience you will find attached a list of Senators and Congressmen from the various States and districts. Address both Senators from your State and the Congressman from your district.

C. E. JOHNSTON.

Mr. NORRIS subsequently said: Mr. President, did the Senator from Louisiana, in having the letter of the president of the railroad printed, ask to have printed also the four different forms? I think he ought to include them in his request and have the forms printed immediately following the letter.

Mr. LONG. I ask to have that done, if I did not before.

The PRESIDENT pro tempore. The Chair understood that those forms were sent to the desk together with the letter and that the Senator from Louisiana asked that the whole communication be printed.

Mr. LONG. I do want to have the four forms printed.

The PRESIDENT pro tempore. The Chair is under the impression that that order was entered.

Mr. NORRIS. Very well.

The matter referred to is as follows:

I respectfully urge your support for reduction in pay of Government employees. We have taken our cut, and private labor throughout the Nation has done same. Reductions must help taxes to balance the Budget. If you will vote for this and against all appropriations not justified under present distressing conditions we will back you up.

Government employees are servants of the people and are paid out of taxes collected from the people. Employees of practically every industry have had their wages reduced and are taking more. We feel that Government employees should do the same. Their scale of wages has been equal to and in some cases higher than ours, and if they are exempt our representative will be held accountable for it. I hope you will not fail to vote to adjust Government salaries to present-day requirements and that I may depend on you for no appropriation beyond the actual necessities of normal government. We who pay the taxes have more votes than the Government employees, and we and our families are entitled to the same consideration. They should share the burdens of the people, and we will support our representatives in bringing this about.

We all recognize the urgent necessity for quickly balancing our Nation's Budget. Instead of imposing new and increased taxes, the solution of our economic difficulty lies in cutting expenses so as to relieve the tax burden. Activities undertaken in times of prosperity should be discontinued or curtailed, new expenditures should not be permitted, and Federal employees should be compelled to bear their part of the load by taking a cut in pay. The voters have had to do this, and Government employees paid by the people should be treated likewise. Congress should insist

that this be done, and I hope that you individually will do everything possible to bring about strict economy in Government expenses.

All labor, except Government, is taking its cut in wages. Railroad employees in every branch voluntarily accepted a 10 per cent cut. I can think of no reason why Government employees, whose hours of labor are few and whose compensation is liberal, should not accept a similar cut in these distressing times. The sentiment in this community is for a wage reduction in all Government departments and no more appropriations except for normal expenses. Your constituents will be back of you in the work you must do to balance the Budget. This will help end the depression.

I do not believe there is any reason why Government employees should be exempt from salary reductions. Every other form of labor—white collar and blue overalls—has taken the cut. Government expenses are very great. Government workers have good pay and easy hours and many other compensations others can not command. There should be an immediate reduction in the pay of all Government employees. This is no more than fair to other forms of labor. Government expenses should be reduced; appropriations should be limited to actual necessities. The situation is serious. You may rest assured that this is the feeling among your constituents here.

The press is full of the efforts of Congress to "balance the Budget." This balancing process has been effected by industry in the only possible way—cutting expenses. My income and the income of practically every other person, except Government employees, has been affected. I urge you, therefore, to use your influence to see that Government forces bear their share of this necessary economy and that you support no appropriations or expenditures that can be avoided.

Arkansas: Senators JOSEPH T. ROBINSON and HATTIE W. CARAWAY. Representatives CLAUDE A. FULLER (Sulphur to Siloam Springs) and EFFIEGENE WINGO (Rich Mountain, south).

Kansas: Senators ARTHUR CAPPER and GEORGE MCGILL. Representatives ULYSSES S. GUYER (Wyandotte County) and HAROLD MCGUGIN (Mulberry to Baxter Springs).

Louisiana: Senators EDWIN S. BROUSSARD and HUEY P. LONG. Representatives JOHN N. SANDLIN (Rodessa to Benson), JOHN H. OVERTON (Converse to Ludington), and RENÉ L. DEROUEN (south of Ludington).

Missouri: Senators HARRY B. HAWES and ROSCOE C. PATTERSON. Representatives JOSEPH B. SHANNON (Kansas City to Grandview), CLEMENT C. DICKINSON (Jaudon to Hume), and JOE J. MANLOVE (south of Hume).

Oklahoma: Senators ELMER THOMAS and THOMAS P. GORE. Representatives WILLIAM W. HASTINGS (Watts to Redland) and WILBURN CARTWRIGHT (Spiro to Page).

Texas: Senators MORRIS SHEPPARD and TOM CONNALLY. Representatives WRIGHT PATMAN (Ogden to Bloomburg) and MARTIN DIES (Rulliff to Port Arthur).

Mr. LONG. Mr. President, I have sent this letter to the desk to be printed in the RECORD to show that many of the letters we are receiving, so emphatic, from the common people all over the country have been inspired by the railroad presidents, who are urging, as that letter shows, that all their employees should write very emphatic letters to Members of the Congress so as to make sure that Federal wages shall be reduced that the compensation of the employees of the Government shall be lowered.

I have asked that the letter be read in order that Senators and Representatives may understand the inspiration of these letters which are flooding us here, and that they are being directed, as this letter shows, by railroad presidents over the United States.

Mr. BINGHAM. Mr. President, along the line just mentioned by the Senator from Louisiana [Mr. LONG], I think it may interest Members of the Senate to have put into the RECORD a letter from John Haynes Holmes, chairman, and Roger N. Baldwin and Forrest Bailey, directors, of the American Civil Liberties Union, calling upon their friends to help defeat a certain group of bills and do all they can to secure the passage of other bills. That kind of letter has gone out quite widely and resulted in a good many letters being received by Senators and Representatives. I think it may interest Senators to have that letter also printed in the RECORD. Therefore I ask unanimous consent that this letter from the American Civil Liberties Union be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

AMERICAN CIVIL LIBERTIES UNION,
New York City, March, 1932.

To our friends:

We ask your help in putting through Congress certain bills which will help lessen the weapons of repression in the hands of courts and Government officials. With cooperation on the part of all our friends there seems a fair chance for the passage of a substantial part of this program. Pamphlets and leaflets on most of these bills are inclosed. They are:

1. Bills to limit the powers of Federal courts to issue injunctions in labor disputes. Nos. S. 935 and H. R. 5315. Passed by the Senate and may well be passed by the House by the time this reaches our friends.

Backed by the American Federation of Labor, and strangely enough, by the National Civic Federation. Campaign handled by our national committee on labor injunctions. Opposed by the National Manufacturers Association, the Coal Operators Association, the League for Industrial Rights, and other open-shop interests.

2. Bills to admit to citizenship alien conscientious objectors to war who refuse to promise to bear arms. Nos. S. 3275 and H. R. 298.

Backed by the religious press, the Griffin bill committee, Women's International League, National Council for the Prevention of War, and other pacifist organizations. Opposed by all the professional, patriotic, and militarist organizations.

3. To abolish one-man censorship by the Post Office Department by providing jury trials for all matter barred from the mails. S. 3907.

Backed by our National Council on Freedom from Censorship. Opposed by professional vice societies.

4. To prohibit the tapping of telephone wires to obtain evidence in Federal courts. S. 1396, H. R. 5305.

This bill aims to overcome a 5 to 4 Supreme Court decision rendered in a prohibition case. There is, therefore, a tendency to make it a wet and dry measure, which it obviously is not, and for drys to oppose it.

5. To repeal two sections of the war time espionage act, one of which, still in force, gives the Post Office Department power to bar "seditious matter" from the mails; the other is the section under which the war prosecutions for opinion were brought. S. 1058.

This bill passed the Senate unanimously last year. There is no opposition to it.

6. A resolution calling on the President to restore the rights of citizenship to persons convicted under the espionage act during the war for their pacifist utterances. S. J. Res. 43, H. J. Res. 179.

Now, 14 years after the war, they may not serve on juries, vote, or hold office. This bill is opposed by the Attorney General's office, which holds that these rights should be restored individually on application, not by a presidential proclamation. The method advocated by the Attorney General is entirely impracticable.

The pamphlets and leaflets inclosed cover all of the above except 5 and 6. Information on those issues will be sent to anyone on request.

We call on our friends to help defeat one group of bills of which there seems to be considerable danger of passage. They provide for the registration of all aliens. A pamphlet describing the bills and stating the arguments against them will be sent on request. Write to your Senators and Representatives opposing the passage of any bill whatever providing for registration.

These bills are backed in principle by the President, the Department of Labor, and the professional patriotic organizations. The American Federation of Labor, which once opposed them, can not be counted on now. They are opposed by all of the religious press, and by the foreign-language groups of naturalized citizens.

We ask you now to write letters to your Senators and Representatives urging the passage of any or all of these bills. Back those which especially interest you. Make the letters short, four or five lines only. Each letter should deal with one bill only. Mention it by number. If you write one Senator or Representative on several bills, space your letters a few days apart.

Letters to legislators always help if they come from their home districts. You will note by the opposition to the bills cited above that only the strongest possible expression of support from all our friends will put these bills through.

Also if you have time, write brief letters to your local newspapers in support of any of the bills; get organizations to adopt resolutions supporting them.

Please do your part promptly, backing up the effort we are making directly in Washington. If you are willing to help further, fill out and return the inclosed card.

With appreciation, sincerely yours.

JOHN HAYNES HOLMES,
Chairman.

ROGER N. BALDWIN,
FORREST BAILEY,
Directors.

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to make a short statement with reference to the letter just read from the president of the Southern Railroad, asking

for reduction of wages. If the Senator from Oregon will not object, I shall take only about a minute and a half.

Mr. McNARY. I shall object unless we have some idea of the time the Senator desires to take. Does the Senator want just a few minutes?

Mr. SHIPSTEAD. If I may have two minutes, that will be all I shall want.

Mr. McNARY. Very well.

Mr. SHIPSTEAD. Mr. President, I think it comes with poor grace for those who represent the railroads and the banks now to come and talk about the deficit. Five hundred million dollars has been appropriated out of the Federal Treasury to help the banks and the railroads. They were helped again when we canceled the foreign debts, which were bringing in $500,000,000 a year. That represents an extraordinary expenditure of a billion dollars out of appropriations this year.

They were helped again with the moratorium, which cost us $250,000,000, to help the banks of New York and London. Now they come passing the hat to collect from the working people of this country to make good the deficit that was caused by appropriations made at their request, made, in a way, as a result of threats of national and international disaster unless these doles were taken out of the Treasury and handed to them.

Working people all over the country are expected to donate to make up the deficit, and I expect they will have to donate, but I think it comes with very poor grace for the presidents of railroad corporations and banks, after having received all they asked for at the hands of this Congress, to come now and repeat and repeat and repeat that the great mass of the people shall now be compelled to contribute to the hat that is being passed to make up the existing deficit. The railroad executives and bankers have dominated this Government more than any other influence. The results of this domination make further advice from them seem effrontery.

Mr. LONG. Mr. President, I merely desire to say to the Senator from Minnesota that the communication which I just sent up to the desk contains form letters which the employees are to use. Those in authority wrote out several different forms that are to be used; and if Senators will notice the letters they are receiving, they will find that they track the words of these railroad executives, who came here and got the better part of $2,000,000,000 of Government money and are using their time and the Government money to send out form letters to their employees to urge Congress to press down the wages of Federal employees.

ALABAMA SENATORIAL CONTEST

The PRESIDENT pro tempore. Under the unanimous-consent agreement previously entered into, the Chair lays before the Senate the resolution (S. Res. 199) relating to the Alabama senatorial contest.

The Senate resumed the consideration of the resolution (S. Res. 199), reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. HASTINGS obtained the floor.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Nebraska?

Mr. HASTINGS. I yield.

Mr. NORRIS. I wanted to make a request for unanimous consent in order that we might pass a resolution. It will require unanimous consent, because we are going on with the resolution to which the Senator from Delaware is about to address himself under a unanimous-consent agreement.

Some time ago the Judiciary Committee reported a resolution introduced by the senior Senator from Montana [Mr. WALSH] and the junior Senator from New Mexico [Mr. CUTTING], asking for some action in regard to the pamphlets in the Mooney-Billings case. The Judiciary Committee reported recommending that the pamphlets be printed as a public document.

It was said that there was an attempt to influence the governor of the State, who had the application for pardon under consideration. That application has now been disposed of, and so far as I understand, no further objection exists to the action requested in the resolution.

I wanted to ask unanimous consent that the resolution reported by the Judiciary Committee be passed.

Mr. HASTINGS. Mr. President, I was among the members of the Committee on the Judiciary who filed a minority report in that matter, and I shall feel compelled to object to taking up the resolution now.

The PRESIDENT pro tempore. Objection is made.

Mr. McNARY. Mr. President, will the Senator from Delaware yield to me?

Mr. HASTINGS. I yield.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Kean	Schall
Austin	Couzens	Kendrick	Sheppard
Bailey	Cutting	La Follette	Shipstead
Bankhead	Dickinson	Lewis	Shortridge
Barbour	Dill	Logan	Smith
Barkley	Fletcher	Long	Smoot
Bingham	Frazier	McGill	Steiwer
Black	George	McKellar	Stephens
Blaine	Glass	McNary	Thomas, Idaho
Borah	Goldsborough	Metcalf	Thomas, Okla.
Bratton	Gore	Moses	Townsend
Brookhart	Hale	Neely	Trammell
Broussard	Harrison	Norbeck	Tydings
Bulkley	Hastings	Norris	Vandenberg
Bulow	Hatfield	Nye	Wagner
Byrnes	Hayden	Oddie	Walcott
Capper	Hebert	Patterson	Waterman
Caraway	Howell	Pittman	Watson
Carey	Hull	Reed	Wheeler
Connally	Johnson	Robinson, Ark.	
Copeland	Jones	Robinson, Ind.	

The PRESIDENT pro tempore. Eighty-two Senators having answered to their names, there is a quorum present.

Mr. HASTINGS. Mr. President, in the report submitted by the majority members of the Committee on Privileges and Elections with respect to the primary it is said:

> In our opinion the legality of the primary is not a proper matter for the consideration of the Senate of the United States. If it were, under the facts in this case, the action of the people in the general election has foreclosed consideration of it. For the fraud and corruption of the successful candidate in the election of the Senate may go into the primary, as was done in Smith's case and Vare's case. Here the alleged infirmity is in the action of the party committee, not in Mr. Bankhead.

After having read that report and with practically nothing having been said with respect to the validity of the primary, I had supposed that the Senators filing the report were depending entirely upon that statement in their report. Great stress was laid, however, by the Senator from New Mexico [Mr. BRATTON] yesterday upon the fact that the 1928 restrictions which were placed upon the candidates were not unusual and that similar provisions had been made since the year 1910.

The provision in section 612 of the statute, which makes it necessary from my point of view that the same restrictions be placed upon the voter as are placed upon the candidate, was placed there in the year 1919. It was contended and not denied that the words "for each candidate" were placed in the statute in that year and that the statute was so amended in order that the costs of the primary might be paid out of public funds, a decision of the State of Texas upon a similar statute having held to the contrary. It is not necessary, therefore, to inquire what the practice was prior to 1919. Indeed, I do not think the practice would be controlling in any event, but it might be worth while to find out whether the statement made by Mr. Bankhead with respect to this is entirely correct.

I can readily understand how the Senator from New Mexico may have overlooked things in the record with respect to this, because in part 3 of the hearings, where this evidence

appeared, it is not in chronological order, but the different years are on different pages in the record. The 1920 primary resolution, for instance, appears on page 352. That was dated January 30, 1920, beginning on page 351 and passing over to page 352, and the language is this:

Third. Whereas there are a large number of citizens in Alabama who will be qualified for the first time to participate in the coming primary election, many of whom have recently offered their lives in the service of their country; and

Whereas the Democratic Party of Alabama wishes to invite within its folds all of these new voters and any others who may become qualified before the date of holding the primary election: Therefore we hereby extend an invitation to all qualified white voters of the State of Alabama, and those who may become qualified by that time, who believe in the principles of the Democratic Party, to participate in the said primaries, and this shall be the only qualification required for the participation of qualified electors in said primary.

Fourth. On or before the 10th day of March, 1920, all persons desiring to have their names placed upon the ballots as candidates to be nominated for State offices and all other offices to be filled by the votes of more than one county shall file with the chairman of the Democratic State executive committee a certificate or statement that he is a candidate for such office; and all persons desiring their names placed upon the ballots as candidates for nomination for any county or precinct offices shall file with the chairman of the county executive committee a statement that he is a candidate for such office, which statement shall be so filed on or before the 10th day of March, 1920, and his assessment, if any, as fixed by the State committee paid, and all declarations of such candidates shall contain the statement that he will abide by the results of the primary and will support the nominees of the party.

There is nothing in the 1920 resolution that contains any provision that placed any restrictions upon the qualifications of the candidates. In 1922, appearing on page 346 of part 3 of the hearings, it was provided:

3. That all candidates for any of the offices or party places to be nominated in said primary shall qualify as such candidates on or before the 1st day of May, 1922, by filing, if a candidate for a State office or a State party office, his or her name with the chairman of this committee, and if a candidate for a county office or county party office, his or her name with the chairman of his or her county Democratic executive committee, designating the office or the place for which he or she is a candidate, and under oath declaring that he or she did not in the presidential election of 1920, support the presidential electors of any party other than the Democratic Party, and a declaration that he or she will be bound by the result of such primary and will support the nominees thereof.

A little later in the same year, as appears on pages 352 and 353 of the hearings, the executive committee passed this resolution:

Resolved, That where any such person has made a bona fide effort to comply with the party's requirements as evidenced by his having filed with some party authority, State or county, or with the secretary of state, or with the probate judge of his county, by or before April 1, 1922, a statement in writing declaring his candidacy, and in substance declaring that he is a Democrat, shall be and is, entitled to file such additional statement—

And so forth.

It seems that in 1922, the resolution dated April 28, the other having been dated January 13, qualifies, or intends to qualify, at any rate, the original statement that nobody could be a candidate unless he has voted the Democratic ticket.

In 1924, appearing on page 347 of the hearings, the whole matter was referred to the executive committee. In 1926 appearing on page 348 there was the same provision as in 1922, to wit:

Who did not in the last preceding election support the nominee or candidate of any party except the Democratic Party.

There is no such provision in the resolution of 1928 which appears at page 353:

That any white Democratic voter upon any qualifications fixed by this committee, or county committee if a candidate for a county office, may become a candidate in said primary election as follows.

Then it goes on to state the details that shall be covered. In 1930, which is the resolution under consideration, there was this provision:

3. The following persons, and none other, shall be eligible to be candidates for nomination in said primary election, viz:

Qualified white electors who possess the qualifications fixed by law for the respective offices for which they are candidates for nomination: *Provided, however*, That no person shall become a candidate for any State, district, Federal, or circuit office, or have his or her name printed upon the Democratic ballot in the primary election to be held on the 12th day of August, 1930, if such person either voted a Republican presidential ticket in November, 1928, or openly and publicly opposed the election of the nominees of the Democratic Party, or either of them, or who opposed the election of the Democratic electors for President or Vice President in November, 1928. Such proposed candidates shall also be required to pay the assessments fixed by this committee on or before the date limited for paying such assessments, and for the filing of declaration of their candidacy.

That appears on page 349 of the hearings.

Under date of December 16, 1931, in the resolution providing for the 1932 primaries, appearing at page 350 of the hearings, the following provision appears:

4. That the following persons shall be entitled to vote in said primary elections, and none others, namely: Qualified white electors in this State who believe in the principles of the Democratic Party and who agree and bind themselves by participating in said primary to abide by the result of said primary elections and to support the nominees of the Democratic Party therein.

The following persons, and none others, shall be eligible to be candidates for nomination or election in said primary election, namely: Qualified white electors who possess the qualifications fixed by law for the respective offices for which they are candidates for nomination or election: *Provided, however*, That no person shall become a candidate for any State, district, circuit, Federal, county, or party office, or have his or her name printed upon the Democratic ballot in said primary elections, if such person voted a Republican ticket or any independent ticket or the ticket of any other party or group other than the nominees of the Democratic Party or the Democratic ticket in the general election held on November 4, 1930, or openly and publicly opposed the election of the nominees of the Democratic Party or any of them in the general election held on November 4, 1930.

The call for the 1932 primaries is very similar to that of 1930, but I invite attention to the fact that in the meantime in the month of February, 1931, and before this last resolution of the executive committee of the Democratic Party was adopted, on February 25, 1931, the State of Alabama modified this very law by putting in the following language:

And the qualifications of elector entitled to vote in such primary election shall not necessarily be the same as the qualifications for electors to become candidates therein.

In other words they undertook by legislation in 1931 to do what the executive committee in 1930 did without legislation.

Senator Bankhead insists that this has been the practice in Alabama since 1910, but, as I have shown by reading these records, in 1920 there was no such provision; in 1922 it was qualified by subsequent resolution; in 1924 it was submitted to the committee, and there is no record as to what was done; in 1926 they did have in some restriction; in 1928 they had none; and in 1931 they had the one about which complaint is made.

Mr. LONG. Mr. President——

The PRESIDING OFFICER (Mr. HEBERT in the chair). Does the Senator from Delaware yield to the Senator from Louisiana?

Mr. HASTINGS. I yield.

Mr. LONG. A court decision was read yesterday by the Senator from New Mexico [Mr. BRATTON]. I wish to inquire if the statute had been amended before the supreme court rendered that decision, or was the decision rendered prior to the amendment of 1931?

Mr. HASTINGS. The decision was rendered before the amendment was adopted. I shall come to that decision in a few moments.

But with respect to what was the practice, I invite attention to the fact that in the report of the minority views at page 31 is a statement alleged to have been made, and it appeared all through the papers and I suppose there is no dispute about it, by the senior Senator from Alabama [Mr. BLACK], who ought to have been, and I assume was, familiar with the practice in Alabama, as was Senator Bankhead. This is what Senator BLACK said:

A study of the resolution—

He had reference to the resolution with these restrictions in it—

A study of the resolution convinces me the majority has acted in contravention of existing laws and statutes. The committee, in

my judgment, has no legal authority to adopt one rule of qualifications for voters in the primary and another rule of qualifications for candidates in that primary. The rule must be uniform with reference to both.

The law does not contemplate a special privileged class to run for office and a subordinate class who can vote but not hold office. Citizenship carries with it the right of an elector to vote and hold office. An attempt to abridge the sacred rights of citizenship is fundamentally un-American.

If a citizen is barred as a candidate for political office as party punishment, he must be barred as a voter. If barred as a voter, he must be barred as a candidate. This is clearly provided in section 612 of the Alabama Code of 1923, limiting the authority of the committee on this subject, as follows:

"All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed for its candidates."

This law is not ambiguous. It is plain. It means what it says. A rule which bars a candidate bars a voter, and vice versa. The Alabama Legislature evidently intended to protect ancient constitutional liberties and privileges and prevent any small group from perpetuating a favored officeholding class over and above the average man. The committee did not wish to bar as voters those who failed to vote for Governor Smith. It is clear, however, that they have barred thousands as voters if they have barred them as candidates. The courts should not be called upon to settle a question upon which there can be no reasonable grounds for disagreement. It is a situation which calls for the best thought and action of all Democrats who respect the ancient rights of citizenship and who love the traditions and principles of the Democratic Party.

I want to take up for a few moments the Lett case, which it is contended by the Senator from New Mexico is a decision by the courts of Alabama upon this subject; and I want to call particular attention to the distinction between the provision of the resolution adopted by the Republican Party and that which I have just read of the Democratic Party. The court says:

The Chilton County Republican executive committee called a primary election to be held "with the State primary election on August 12, 1930." In the call resolution all qualified voters, regardless of past party affiliations and who believe in the principles of the Republican Party and pledge themselves to support the nominees of such party in the primary, were invited to participate. But as to one desiring to become a candidate there was an additional requirement that he state "under oath how he or she voted in the last general election of 1928; that is, whether said proposed candidate supported the Republican ticket or the Democratic ticket or voted a split ticket."

It will be observed that in that connection there is a very great distinction between the two cases. In the Lett case an individual is not barred from being a candidate at all; he is merely required to state, for the information of the voter, how he voted. He is required to state that in an affidavit, for the benefit of those persons who want to look at the record when they go to the primary to ascertain for what particular kind of Republican they are voting.

It is not so in this case. In this case all persons who did not vote for the party candidates at the previous election were absolutely barred from participating in the primary; they had no right to put their names before the electorate; they could not get their names on the ballot if it were a fact—and there was no method provided to determine the fact—that they had voted for the candidates of some other party at a certain other time.

It is said that this question can not be raised, because the law provides in many cases that it is necessary for some action to be taken by the person contesting before he can raise this point. This identical question was raised, however, in the Supreme Court of Alabama, and Mr. Justice Thomas, one of the justices, rendered a dissenting opinion. I said it "was raised." I do not mean by that that Mr. Heflin was a party complainant, but the identical facts were brought to the court's attention by some other applicant or petitioner. On page 31 of the minority views this is what Judge Thomas says with respect to it—

That the statute is plain and unambiguous; it is its own interpreter, and expresses the legislative intent. Wilkerson *v.* Lane (181 Ala. 646, 62 So. 31). The intent and expressed purpose of the legislature are found in the use of the words "for its candidates" after the words "political party." This was the requirement for the one standard of party loyalty and affiliation for all who participated in the primary as electors and as candidates. In this requirement the due right to vote and participate in such primary election of a political party is not denied on grounds made the subject of the fourteenth and fifteenth amendments to the Federal Constitution.

(1) The statute, as required to be applied in section 612, Code, to electors and candidates alike, was applied by the resolution to the election of candidates for Federal, State, district, circuit offices, and State executive committees, and officers to be elected by the vote of a single county for a uniform and single test of party affiliation and loyalty for all electors; (2) a different test of party affiliation and loyalty is prescribed and required of candidates who stand for election to office for Federal, State, district, circuit, or State committeemen; different from that prescribed for all electors in party primary; (3) and different test from that permitted (with limitations) to exaction by county executive committee or candidates for county office to be filled by the "votes of a single county."

It follows from this material departure in the resolution from the requirements of law that the primary election called is not the kind of primary that may be held under the law, and at public expense in the State of Alabama.

I might say in connection with that case that the majority opinion of the court reached no conclusion at all with respect to the merits of this law, but held that it was not a case of equity for the equity court, and, therefore, refused to take jurisdiction of it; so that in the one application made to test this question in the courts of Alabama the courts of Alabama refused to take jurisdiction of the case, and it has never been legally decided.

I have pointed out that the Lett case is not only not controlling, it is not even persuasive, in determining this question, because it involves a wholly different question; it only went so far as to hold that the executive committee of a political party had some right under the statute of fixing the qualifications for electors.

In the minority views, on page 32, will be found the following touching this subject:

The governing body of a political party may prescribe the "political or other qualifications" of the qualified voters who may participate in the primaries of such party, and the candidates who may be named by it, and these shall be the same for both voter and candidate. The committee may decide whether the proposed candidate comes within the rules which it has adopted. It may decide more or less arbitrarily that he does not and, therefore, refuse to permit his name to be printed on the ballot. Such committee has the final decision and no court can properly review it. A somewhat similar rule applies to the voter. The voter appears at the polling place to cast his vote at a primary and he is challenged upon the ground that although he is a qualified voter he does not meet the political qualifications set up by the committee and, therefore, has no right to vote therein. If the election officers decide against him he can have no relief. In other words, the committee decides whether the proposed candidate comes within the definition it has set up for party allegiance, and the election officers make the same decision when the voter attempts to cast his ballot.

The committee of the Democratic Party in Alabama elected to hold a primary. Under the law such primary was to be held at public expense and to be regulated as the law prescribes. To say that all qualified electors had a right to vote at said primary is to take away from the Democratic Party the right to require a loyalty and allegiance to the party as a condition to the right to participate. It opens the door for qualified electors who are not loyal to the party to dictate the nominations. Section 612 of the Alabama Code specifically gives to the committee the right to prescribe for the qualified voter political qualifications. It could with propriety have prescribed for the voter the same qualifications it did for the candidate, namely, that no person shall be permitted to vote at said primary "if such person either voted a Republican presidential ticket in November, 1928, or openly or publicly opposed the election of the nominee, or either of them, of the Democratic convention held at Houston, Tex., in 1928, or who opposed the election of Democratic electors for President or Vice President in November, 1928." If the committee wanted to punish the voter for leaving his party in 1928, it had a perfect right to do so. Party management is entitled to insist upon party loyalty from those who desire to participate in purely party matters.

It is not permitted, however, under the Alabama law to apply one rule to the voter and another rule to the person who desires to be a candidate. The committee resolution shows clearly what a majority of the committee sought to do. It hoped to bring back into the party the voter who for one reason or another deserted it in 1928; it hoped at the same time to punish prospective candidates who had probably taken an active part in leading the voters in such desertion. In other words, pure party selfishness would suggest extending an invitation to the voter who had left his or her party in 1928 to return in 1930. He had something, to wit, a vote, that the party wanted. But it was, naturally, a very different thing when a person who had deserted his party in 1928 appeared in 1930 seeking party honors. It is not surprising that the committee should desire to find some way to prevent the success of such candidate.

But it seems to me the very object of section 612 of the code was to prevent this very thing. The legislature sought to put the voter and candidate in the same class and subject to the same

restrictions as to their party loyalty or allegiance, and it was not within the power of the committee to make fish of one and fowl of the other.

Reading from page 34, here is what Mr. Bankhead's counsel said with respect to it:

The true construction of the statute, however, is plain. Under its terms "all qualified electors under the general election laws of this State shall have the right to participate in such primary elections, *subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidate.*" (Italics supplied.)

The italicized portions of this statute simply mean that those qualified electors under the general election laws of the State, who accept the political or other qualifications fixed by the governing body of the party for its candidates, may enter the primary in which those candidates run. They have not the right to enter the primary if they do so as rebels against the action of the committee in fixing the qualifications of candidates. If they are willing to accept the qualifications for candidates, which the law gives the governing body of the party the authority to fix, and are qualified electors, then they have the right to enter the primary. The statute gives the governing body of the party the authority to fix qualifications for candidates, and requires those who wish to enter the primary to obey the exercise of that authority. If a member of the party chooses to come into the primary, he enters whether as voter or as candidate, subject to the action of the committee in respect to the qualifications, political and otherwise, prescribed for candidates. He must respect and acquiesce in this action both as voter and as candidate.

Commenting on that language used by counsel for Mr. Bankhead, the views of the minority proceed:

The above quotation was used in the brief upon another point, but it applies particularly to the convention made that no complaint can be made if the rights of the voters have been enlarged. The language used emphasizes the fact that section 612 meant to confine the persons having a right to vote to those "who accept the political or other qualifications fixed by the governing body of the party for its candidates." Again, "If they are willing to accept the qualifications for candidates, which the law gives the governing body of the party the authority to fix, and are qualified electors, then they have a right to enter the primary."

I can not escape the conviction that counsel for Mr. Bankhead has thoroughly justified the opinion I have reached. His interpretation of section 612, in this respect, if I fully understand him, is not very different from my own.

That statement was filed with the views of the minority some time ago, and there has been no comment upon it, so far as I know, by counsel for Mr. Bankhead.

Before leaving that subject, and in order that the Senate may have all the facts, I desire to call attention to this fact, which seems to me to be a matter of interest.

Since this question was raised, the Legislature of the State of Alabama passed a new primary law for that State, which was approved by the governor on February 25, 1931. I say "a new law." This particular section of it was new. The important part of the section is as follows:

And the qualifications of electors entitled to vote in such primary election shall not necessarily be the same as the qualifications for electors entitled to become candidates therein.

In other words, if it be true, as is contended, that this primary was in all sense legal, why should it be necessary for the legislature to follow it up in 1931, after the question was raised, and specifically to state the thing that they ought to have stated before if they wanted it interpreted in any such way as that? I think it is an interpretation of their own laws from which there is no reasonable escape.

The majority of the committee makes a distinction between the Senate's right to look into this primary, or to have anything to do with it, and the Smith and Vare cases, upon this theory (p. 8 of the majority report):

For the fraud and corruption of the successful candidate in the election the Senate may go into the primary, as was done in Smith's case and Vare's case. Here the alleged infirmity is in the action of the party committee, not in Mr. Bankhead.

I may not understand those cases as some Senators who were here at the time understand them, but it is stated generally that the Senate went into those primaries and declared them illegal because of fraud. The only reason why a thing is declared illegal because of fraud is because the fraud itself vitiates what otherwise would be legal. That is the only reason why we provide that fraud shall vitiate it. Fraud vitiates a thing which otherwise would be legal. If you have something that is illegal upon its face without any fraud, how can you possibly make a distinction between the two?

The Senate takes upon itself the responsibility of examining into a primary because there is an allegation of fraud. If fraud is proved, the Senate has held that there was no legal primary; but if it comes to a case where, upon the face of the resolution itself calling for the primary, it be admitted or can be shown conclusively, as I contend it is shown in this case, that it was of itself illegal, then certainly it is impossible to make any distinction between the two.

It may be said, and the Senator from New Mexico undertook to defend the Senator from Alabama upon that point, that he had no responsibility in connection with it, and did nothing to strengthen the position taken by his committee, and was not required to do anything that would cause the committee to repudiate what it had done. The Senator from New Mexico [Mr. BRATTON] called attention to the fact that in the hearings Mr. Bankhead said that he had given out a newspaper interview saying that he was not in favor of helping a man who had gone back on his party; but that, so far as he was concerned, he was perfectly willing to have the primary thrown open to the world and let all people come in who wanted to come in and participate in it; and for that reason the Senator contends that it is impossible to attach to Mr. Bankhead any blame for the existence of this resolution on the day of the primary. It appears in the record, however, and is in the minority report, on page 6:

Prior to the passage of this law in 1931, the Democratic executive committee of Alabama by resolution deliberately prescribed qualifications which excluded Mr. Heflin from participating in the primary. It appears from the record that a member of the State executive committee as early as December 21, 1929, directed a letter to Mr. Bankhead making certain inquiries of him, relative to his position in this matter. This was done by an exchange of letters, the important questions and answers being as follows:

"1. Are you willing to join in a request"—

This was a member of the State executive committee.

"Are you willing to join in a request that the State committee rescind that action and remove the restriction that was intended to keep the name of Senator Heflin and Judge Locke off the ballot?"

Mr. Bankhead's answer was that he would not.

"2. If the committee refuses to comply with such request, do you favor the voters in the primary being given an opportunity to stamp the names of Heflin and Locke on the ballot and vote for them if they want to do so?"

Mr. Bankhead's answer was:

"I shall not be a party to such a thing."

"3. If the voter should write or stamp the names of Heflin and Locke on the ballots and vote for them, do you favor Heflin being declared the Democratic nominee for Senator, if he should get more votes in the primary than any other candidate; and would you, in that event, refuse to allow your name certified as the nominee?"

Mr. Bankhead's answer was:

"I will do nothing, directly or indirectly, which may tend in any way to weaken or evade the action taken by our party in fixing the qualifications of candidates."

May I call the attention of the Senate to this very important fact in that connection: The Senator from New Mexico said that Mr. Bankhead was in no sense responsible for the resolution; it was the committee's action, and after the committee had acted upon it he refused in any way to interfere. I call your attention, however, to the very important fact appearing in this record and a thing that throughout the discussion must be remembered, that, according to Mr. Bankhead's own statement to the committee, in 60 out of the 67 counties the probate judges who conducted the election were partisans of Mr. Bankhead. I think it may be reasonably argued that if that be true with respect to the probate judges, he was in control of the executive committee of the Democratic Party in Alabama to an equal extent. I do not know whether that is true or not, but I assume that if he was in control of one, he was in reasonable control of the other.

Another thing that ought to be borne in mind in this connection is that the executive committee not only prescribed these qualifications but they announced that the voters in Alabama would not be permitted to name Heflin and Locke by writing in their names and thereby have them

declared nominated by getting a majority of the votes of the voters of Alabama.

I have selected some quotations from expressions made in the Senate upon these questions; and I do this in answer to the committee's report that the Senate has nothing to do with the matter, on the one hand, and, on the other hand, for the purpose of showing to what extent the Senate in the past has believed it had a right to inquire.

I read from part 3 of the hearings, page 308:

Mr. Reed of Missouri—

In the Smith contest—

Mr. REED of Missouri. They [frauds in the primary] did not make him incapable of election to the United States Senate, but they made it improper for him to sit in the United States Senate, because one of the steps by which he secured his election was through improper methods used to get on the ticket.

Not fraud; "improper methods used to get on the ticket."

Again, somebody made an inquiry, and Senator Reed continued:

I am going to give the Senator my opinion and give it to him very plainly. Does the Senator mean to say that if a man, by any kind of fraud or corruption, can get his name upon the ticket, and if thereafter he is elected, he is entitled to take his seat, although he never could have been upon the ticket except for that fraud and corruption, and that the vote of the people is final and conclusive, regardless of any fraud, chicanery, or corruption which may have been committed; does the Senator take that position? * * * I hold to the view that whenever any material step which a candidate for office takes in order to secure a seat in this body is a corrupt step, materially affecting the result, * * * it is the duty of the Senate in protection of the country to say that that kind of fraud and corruption vitiates the election. That is my view. To take the view that if a man can, by bribery, by fraud, by corruption, by any kind of villainy, get his name printed upon a party ticket so that, although there may be great numbers of the people who vote their protests, yet in the general sweep of the election he is carried over with the tide he must thereafter be seated, is to open the door to every kind of fraud and iniquity; it is to say to every scoundrel who is at large, "All you have to do is by some means to get upon a ticket in a State that is largely Democratic or largely Republican and then by virtue of the very fraud which gave you that position you can finally land here and there is no power to prevent it." If that is the case, then the Senate is defenseless and rogues may as well begin their nefarious business in the open.

The following question was asked Senator Reed:

The Senator will not attach any importance, then, to the action of the people of Illinois, who knew all about this election, just as much as the Senator from Missouri knows, and, nevertheless, chose to elect Frank Smith to the Senate?

Senator Reed replied:

I would not attach the slightest importance to the fact that in a party-ridden State a political machine was able to put over a candidate even though he was covered all over with the leprosy of crime, if when he came here, one of the steps he took was in the teeth of the law, in the teeth of morals, and in violation of the statutes of his own State, which is the case here.

He was talking about the Illinois case.

Senator Reed continued:

No vote thereafter taken by the people can cleanse the act of its fraud and its iniquity if it be an act which contributed to the bringing of the individual here to the Senate. More than that, there are other States in the Union that have some rights; for when a Senator comes here from Illinois he becomes a Senator of the United States, and he is as much a Senator for each of the 48 States as he is for the State that sent him here, and his vote binds all of the States. Therefore, these other States have the right to say that no matter what the vote may have been in a particular State, if the individual coming here does not come along the road of the law, walking it straight, and coming here without taint upon his office, they will refuse to allow him to sit here and bind the sovereign people of this Republic. Any other view than that means that fraud can walk in the noonday; that corrupt organizations can defeat any chance at fair elections and that every kind of iniquity and every sort of villainy will triumph, provided by some means a majority of votes can be gotten into a ballot box. That is not good morals; it is not good law.

The Senator from Montana [Mr. WALSH] said:

I am moved to advert to a theory advanced in the course of debate yesterday * * * that however tainted with corruption the nomination of a candidate for the Senate may be, * * * the facts being published during the campaign and thus brought to the notice of the electors of the State, who, nevertheless, give him a plurality of votes cast, his election is unimpeachable and he must be seated * * *. The proposition thus advanced scarcely requires refutation. Baldly stated, as it was on this floor, it is too shocking for acceptance.

* * * The Australian ballot system necessarily ties the primary to the ultimate election and makes them both equally a part of the machinery of the choice. But whether the Congress may or may not legislate with respect to primaries, it can inquire and ought to inquire, whether in any of the steps leading to the ultimate choice, the claimant or his supporters have resorted to corruption, and to reject him if in its opinion he has. * * *

What is the difference to the people of my State whether one claiming to be elected to the Senate from another secured his election by bribing his constituency in the primary or bribing them in the final election? If Congress can not legislate to insure purity in primaries, there is all the more reason why the Senate should exclude a claimant whose election is tainted with fraud perpetrated in the primaries.

Senator BORAH said on the same occasion:

It has been contended, and it is still contended, that the primary is so detached and distinguished from the election that it can have no bearing on the validity of the election and could not be regarded, even if corruption has tainted the title growing out of the election. With that proposition, Mr. President, I am wholly unable to agree.

This colloquy occurred:

Senator KENYON, of Iowa. Mr. President, if, as a legal proposition, anybody can do anything in the primary, * * * and the Senate can not inquire into it, of course, that is the end of this case * * *.

Mr. KING. If the Senate could inquire into expenditures made by Senator Stephenson, regardless of the fact that they were made in a primary, or even if they were not, why may we not inquire into expenditures made in a primary or anterior to a primary, with a view to determining whether or not the conduct of the Senator is such as to justify his retention in the Senate of the United States?

Mr. KENYON. I say we can.

Mr. KING. Undoubtedly.

Mr. President, I do not want to take up any more time on the question of the primary. When the matter was first brought up in the subcommittee the subcommittee insisted that it did not want to inquire into the primary; but counsel insisted upon being heard, and then they raised this very important question as to the legality of the primary itself, the very foundation for the election, and members of the subcommittee, knowing that there was a division in the Senate with respect to that subject, but knowing how very greatly interested some Senators were upon the subject and what a conviction they had as to the right and the duty to go into the primary, believed it important to go into that question. They heard the arguments on both sides, reported to the full committee, and the matter is now before the Senate, together with other objections to the election.

Mr. President, it is rather difficult for me to state at all briefly the facts in this case with which I think the Senate ought to be familiar before passing upon the question. On yesterday the senior Senator from New Mexico [Mr. BRATTON] discussed the failure to provide polling booths in Alabama as provided by law. The law provides that in towns of 3,000 inhabitants or more there shall be a private booth for each individual voter at the time he votes. The Senator from New Mexico laid great stress upon the fact that counsel for Mr. Bankhead, a gentleman some 50 years of age, stated that he had always lived in Alabama, and that during that time he had never seen such a booth on election day. The Senator, in his argument, cites other instances to show that in Alabama it was not the custom to have these booths.

I think the Senator called attention to the fact that some court decided that it was not a matter that was controlling; that it was not a thing which could not be avoided if there was a desire to avoid it. My attention has been called to the fact that that decision was rendered before the present law went into effect. But whether that would control or not is, in my judgment, beside the point.

I can not quite understand how it is possible to defend this case, and to defend Senator Bankhead's right to a seat upon the floor of the Senate, upon the theory that the people in Alabama have been accustomed to violate the law on election day. If that be true, and if that be a good defense here, then it is hardly worth while to bring to the Senate any case from Alabama at all unless we are able to find enough men who have seen enough ballots taken out to change the result.

I think the distinction is to be found in the fact that the matter has never been brought to the floor of the United States Senate when some question has been raised as to the legality of some election in the State of Alabama. It must be true that some time and somewhere the people of Alabama are entitled to have the question passed upon as to whether the violations of law on election day, which have been so flagrant, can pass without punishment to anybody, and that the person who claims to be elected, whether it be governor or Representative or Senator, shall at no time have any question regarding the election passed upon, but shall be able to depend upon the old cry that, "This has been our practice in Alabama for 25 years."

I shall call attention to various sections of the statute which have been violated, but before doing so I want to answer the argument made by the Senator from New Mexico yesterday, where he stressed the fact that it was not necessary for the election officers to sign the oath. I read from the argument of the Senator from New Mexico as it appears on page 8588 of the CONGRESSIONAL RECORD:

The chairman of the subcommittee, who speaks for the minority, suggests in his report, filed to-day, that some of the election officers failed to subscribe to an oath. I think he says that 544 of them failed to subscribe to an oath. The statute does not require them to subscribe to an oath. The language of the statute is that they shall take an oath. Of course, that statute could be fully complied with by the election officers standing before the polls opened and holding up their right hands and taking the oath verbally. The statute does not provide they shall sign an oath. Failure to file a written oath does not indicate a failure to comply with the statute. There is not a thing in the record to indicate that a single one of them failed to take the oath, which could be done verbally.

I am a little surprised that the Senator should have been so emphatic with respect to that one violation of the law, which is less important than most of the violations to which I shall call the Senate's attention. But I want to answer that suggestion by reading the whole provision of the law in respect to that matter.

SEC. 459. Oaths of election officers. Before entering upon their duties, inspectors and clerks must take an oath to perform their duties at the election according to law, and such oath may be administered by any person authorized by law to administer oaths, or by any one of the inspectors.

The distinguished Senator undertakes to defend the failure to sign the oath upon the theory that those officials are not required to sign anything, that they are merely required to take the oath. In order that we may know that that is not an unfamiliar provision of law, and what the practice is everywhere with respect to it, I call attention to the requirement in the Federal Consitution of an oath on the part of the President of the United States, which is as follows:

Before he enter on the execution of his office, he shall take the following oath or affirmation—

And so on.

In every provision of the law where anything is said about taking an oath, it is generally in exactly that language. But what do we need in order to find out whether or not a person has taken an oath? We need some evidence of it somewhere, and for that reason the President of the United States subscribes to an oath, so that there may be a record made of the fact that he did take an oath.

I call the attention of the Senator to the fact that in all the papers furnished by the election officials of Alabama the oath of election officers is provided on the back of the sheet. It reads:

We—

Naming them—

the inspectors appointed to act at a general election to be held in Covington County, in the State of Alabama, on this day, do solemnly swear that we will perform our duties as such inspectors according to law.

There is room for their signatures, all three of them. Then under that is this:

Sworn to and subscribed before me this ——— day of ——— 19—.

And there is room for the name of the officer administering the oath.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. LONG. I have been listening very closely to the Senator's argument. However, the same provision the Senator has read also applies to governors of States. I know that in my own State an oath is never subscribed. In taking the oath of office as governor I was sworn in by the chief justice of the State, but there was no oath subscribed. It is surprising to me to find that in that State there was never an oath subscribed by a governor who was sworn in. The governor was merely required to take an oath, which he did, publicly or privately, and there has never been a record made of an oath taken by a governor.

Mr. HASTINGS. Mr. President, I am willing to admit the proposition that it is not necessary for them to subscribe to the oath in order that they may have been legally elected officers and in a position to perform the duties of the particular office; I am ready to admit that; but the practice in Alabama, upon which the Senator from New Mexico depended so very much, is that these things are subscribed, and it is the only practical way, of course, to find out whether an oath was taken. I have no doubt, knowing as I do the thousands of violations of law in Alabama, that this oath was not administered in most instances. At any rate, in many instances to which I have called attention it was not administered.

I want to take up those sections and call the attention of the Senate to the violations. But before doing that and in order that we may have in mind what they are like, I shall read from the brief that was filed on behalf of Mr. Heflin and which was not answered and not replied to on behalf of Mr. Bankhead; in other words, Mr. Bankhead did not reply to this argument at all and did not reply to this brief.

My record shows a little differently from this, but I think, in order that the Senate may know at the outset how serious are these violations, it is worth while for me to read this statement. It appears on page 395 of the hearings, part 3:

The record shows that the following propositions have been established in this contest:

1. The Democratic primary in Alabama in 1930 was illegal and unlawful, and Mr. Bankhead's alleged nomination was null and void.

2. Mr. Bankhead refused to do anything which would tend in any way to correct the illegal action taken by the Democratic State executive committee after he had been informed by Senator Black and other competent lawyers who supported him that the action of the committee was unlawful and that any nomination coming from the proposed primary would be null and void.

3. The statement filed by Mr. Bankhead of his expenses during the primary did not comply with the Alabama law, and under that law he was not entitled to have his name placed on the ticket in the general election.

I forgot a moment ago to invite the attention of the Senate to something else, for whatever it may be worth. I wish to recur to the report filed by the minority. On page 5 appears this statement:

Section 593 of the Alabama Code provides for the filing of a statement by a candidate, itemizing all moneys expended in sums over $5, giving the names of the various persons to whom such moneys are paid, the specific nature of each item, by whom the service was performed, and the purpose for which it was expended.

Section 595 of the code provides that if the statement required to be made prior to such election is not made by any candidate, the name of such candidate shall not be placed upon the ballot to be used in such election.

In the record on pages 425 and 426 is a copy of Mr. Bankhead's statement of expeditures made by him in the primary election. It totals $6,106.78. This statement was sworn to on the 5th day of August, 1930.

A careful examination of that statement shows that there are seven items in it, totaling $3,977.09, which do not comply with the sections of the code above referred to.

Now let me continue with the summary by counsel for Mr. Heflin:

4. It was as essential for Mr. Bankhead to be lawfully nominated, as it was for him to be a qualified elector, in order to be elected in Alabama. Nomination is one of the conditions precedent to being elected to office in Alabama.

5. Not being lawfully nominated, Mr. Bankhead was not elected. His name was unlawfully on the ballot in the general election.

6. Senator Heflin was regularly nominated as the statutes of Alabama require; his name was lawfully on the ballot in the general election held on November 4, 1930, and he received every vote that could be lawfully cast for United States Senator from Alabama in that election.

In connection with the sixth proposition I may say that the committee did not take this view. The minority members concluded that no one was elected in Alabama in 1930.

7. There are 2,043 boxes in 64 counties in Alabama.

8. The boxes in three counties were unlawfully burned as soon as an investigation of the Alabama election was undertaken.

9. The seals on at least 905 boxes were unlawfully broken and the boxes entered prior to their delivery to agents of the committee in Alabama.

10. In 1,918 boxes (practically 94 per cent of the total) the ballots were not numbered as required by law.

11. There are 1,842 official envelopes, papers, etc., requiring the signatures of two or more election officers, where two or more names were signed by one person, in violation of the law.

12. There are 497 boxes in which the ballots were found folded and apparently had never been handled by the election officers.

13. There are 488 additional boxes in which the ballots were in their original folds, the ballots in each box being small tight folds and in many instances uniformly folded. The physical appearance of the ballots in these boxes refute any suggestion that they were ever opened and counted on election night or at any other time before they reached Washington.

14. There are 228 boxes in which the tally sheets were not totaled.

15. There are 569 boxes in which a list of the qualified voters, by which the election was held, which is required by law to be certified and secured in the box, was missing.

16. There are 576 boxes wherein the ballots were found loose in the box, instead of being rolled, sealed, secured, and identified, as required by law.

17. There were 651 boxes in which the stubs were not detached from the ballots, showing that these ballots were surreptitiously "stuffed" into these boxes, and law (Code, sec. 494) requiring stubs to be detached from the ballots before they are placed in the box.

18. There are 1,119 boxes in which there was no sealed certificate of the results as required by law.

19. There are 543 boxes that contain ballots from which the stubs have not been detached, wherein the stubs were not initialed, showing that these ballots never were official ballots, the law requiring the stub of an official ballot to be initialed by one of the election officers. (Sec. 493, Code of Alabama.)

20. There are 429 boxes in which no certificate of results (required by law to be sealed and deposited in the box) could be found in the boxes. Two hundred and thirty-five alleged certificates were procured from outside sources, leaving 194 boxes without any certificate from any source.

21. There are 643 boxes in which no certified poll list—i. e., a list of the electors who voted in that box—could be found. The law requires a certified poll list to be deposited in the box and the box sealed after the ballots have been counted.

22. There are 2,335 incomplete challenged oaths in the boxes.

23. There are 50 boxes wherein more ballots were found than voters shown on poll lists.

24. There are 82 boxes wherein the poll lists showed more voters than ballots found in the boxes.

25. There are 23 boxes wherein the ballots now in those show that the impression made in marking one ballot was carried through and made an impression upon the other ballots. This shows these ballots were marked while the ballots were in a pad. An elector is allowed but one ballot under the law, which is required to be marked secretly.

26. The ballots of watchers on duty to see that the election was fairly conducted, who voted for Heflin, were changed or swapped for ballots marked for Bankhead, without the watcher becoming aware of it, so artistically and so deftly was this fraud and thievery perpetrated.

27. Ballots marked for Heflin and cast for Heflin are in the boxes now marked for Bankhead, or a Bankhead ballot has been swapped for the ballot originally marked and cast for Heflin.

28. Ballots marked and cast for Heflin were not in the boxes when they were collected by the committee and have never been found.

29. Forgery was resorted to in order to cast absentee ballots for Mr. Bankhead. Many witnesses went to the polls, to find on arrival that an absentee ballot had already been cast for them without their knowledge or consent.

30. Approximately 36,000 illegal votes cast have been discovered by the supervisor. How many more illegal ballots were cast we do not know at this time.

31. Ballots were handed voters that had been previously marked for Bankhead; they had been so marked when they were received by election officers.

32. Many witnesses testified that persons desiring to vote for Senator Heflin were challenged without cause and were so annoyed that they left the polling place without voting.

33. In many instances a hat box or other similar box was used instead of a regular ballot box, some of the ballots being put in the box and others being piled around it.

34. Watchers selected by Senator Heflin were threatened and prevented from doing their duty.

35. Persons were permitted to vote without appearing in person. Managers left the polling place with blank ballots and returned with them marked and they were placed in the ballot box as though the voter had appeared in person. Some of these were sick, some were in hospitals, some were at the roadside in automobiles, and one person was 35 miles away. This was a widespread practice.

36. There were two instances where ballots were rejected over protest, one where 21 ballots were rejected, and another where 24 ballots were rejected. All of these were cast for Senator Heflin and counted by the supervisor.

37. One person at least was employed to solicit persons residing in Jefferson County whose names were on the qualified list in Shelby County to cast absolute ballots. The testimony shows that there were 107 such persons solicited by one person and that 63 of them voted.

38. The law of Alabama provides that a person paying the poll tax of another shall be guilty of bribery and shall be imprisoned for not less than one and not more than five years. Testimony shows that it was not only permitted, but it was the practice in Alabama to pay the poll tax of other persons. It is impossible to say how many persons voted whose tax had been illegally paid.

39. Two persons were permitted to vote who admitted to the officers that they lived in another county, but that it was too late in the day for them to get to their regular polling place.

40. Thousands of persons were permitted to vote by absentee ballots who did not live in the county in which they voted.

41. Booths for the accommodation of voters were not furnished in accordance with the Alabama law.

42. In 543 election districts the oaths of the inspectors, clerks, and returning officers were not attested.

43. Six hundred and thirty-four inspectors did not subscribe to oath.

44. Four hundred and fifty-three clerks did not subscribe to oath.

45. Three hundred and forty-nine returning officers did not subscribe to oath.

46. Six hundred and four inspectors did not certify to poll list.

47. In 140 election districts the poll list was not signed by the inspectors, clerks, or returning officer.

48. Thirty-one election districts where the committee was not furnished the poll lists. The committee could not ascertain whether the 186 officers in those districts subscribed the oath or not.

49. The Legislature of Alabama passed an act since the 1930 election, and after this investigation had been begun by the committee, directing the probate judges of Alabama to investigate the Alabama election in 1930 for United States Senator. This was done at the instance of Mr. Bankhead. Under the Alabama law the election is largely controlled by the probate judge of each country. Mr. Bankhead admitted that 60 out of the 67 of these probate judges were partisans of his.

50. The report of the supervisor shows that the election law of Alabama in the 1930 election was not fully complied with in a single precinct.

51. Irregularities of such substantial nature and so numerous vitiate an election without regard to direct proof of actual fraud.

52. Proof of widespread violations of the election law is prima facie evidence of fraud and makes out contestant's case.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Idaho?

Mr. HASTINGS. I yield.

Mr. BORAH. Is it the contention of the Senator that irregularities were so universal and of such grave moment that there was no election at all?

Mr. HASTINGS. That is exactly my position.

Mr. BORAH. Is there anything in the record to associate Mr. Bankhead with those irregularities?

Mr. HASTINGS. Speaking generally, nothing more than the fact that 60 of the 67 probate judges were partisans of his.

Mr. BORAH. Was the election in 1930 any different from other elections in Alabama?

Mr. HASTINGS. The contention is made that it was the cleanest election in Alabama for 50 years, or something like that. [Laughter.]

Mr. BORAH. How far is a candidate responsible for the irregularities which took place without his connivance?

Mr. HASTINGS. All the books hold that when a man is a candidate and his partisans have done irregular and fraudulent things, he must of necessity suffer if it goes to the extent of throwing out the election.

Mr. BORAH. If they have done fraudulent things; but must not the candidate in some way be associated with that fraudulent conduct?

Mr. HASTINGS. Does the Senator mean personally?

Mr. BORAH. I mean personally or knowingly through his agents.

Mr. HASTINGS. Oh, I do not think so.

Mr. BORAH. A gentleman appeared the other day before a committee of which I was chairman and testified there had not been a clean and incorrupt election, except one, in a certain city in the United States for 30 years. He spoke of irregularities; the manner in which the ballot boxes were controlled and "stuffed," to use the ordinary term; and said there had not been a clean election, an election in which the election law had been observed, in that city for 30 years. It could not be said that a candidate for the United States Senate in one of those elections was responsible for that general breakdown of the election laws, could it?

Mr. HASTINGS. My understanding of the law is this: If, in making inquiry about an election, there can be segregated the serious irregularities—if they are serious enough to warrant throwing out the ballots of a particular polling place or a particular county or what not—and there is left a substantial vote from which it can be reasonably determined that the people have expressed their will, then those tainted ballots may be thrown out, and from those that are left the election may be proceeded with and a determination reached.

Mr. BORAH. Irregular as this election was, there is nothing to indicate, is there, that Mr. Bankhead was not the choice of those who cast their ballots?

Mr. HASTINGS. Oh, I do not think there is any way of determining that question at all; we can do nothing more than guess at it. When as to half the ballots that were cast in Alabama and put in boxes, we find that the seal has been broken and the ballots have not been rolled and sealed as the law provides, I ask who is to say whether or not, under those circumstances, there has been fraud or whether there has not been fraud? In other words——

Mr. BORAH. Mr. President——

Mr. HASTINGS. If the Senator will permit me—in other words, does not that fact of itself shift the burden immediately and put it upon the candidate to show why those particular boxes were broken, and to show that they were not broken for any improper purpose? That is but one illustration.

Mr. BORAH. It does not seem to me that the burden shifts and that the responsibility rests upon the candidate to show affirmatively that there was a regular election unless he be associated with those irregularities.

Mr. HASTINGS. Perhaps I had better take up that question and let us see what Congress has done about it in the past.

The rule adopted by the House in the case of Butts *v.* Mackey, second South Carolina district, Forty-fourth Congress, was that the election was by this species of fraud and irregularity invalidated. The House committee unanimously declared this rule, on the showing of the evidence that voters were permitted to vote at other voting precincts than their own in their respective counties; and the committee used this language:

> Every facility is furnished for fraud and, even where the election officers are honest, great frauds may be readily committed without there being any practical means of detecting them. It is indispensable to a fair election that the electors shall be required to vote in the precinct where they reside.

Mr. LEWIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Illinois?

Mr. HASTINGS. I yield.

Mr. LEWIS. Will the Senator from Delaware state if the number of votes which he contends were irregular or wrongful equal in their total sum what is claimed to be the majority of the one who claims to be the victor? Does the Senator say that the number of votes which he claims to be irregular and wrongful were equal in number to the majority that is contended in behalf of the victor?

Mr. HASTINGS. I am sorry I do not understand the Senator's question.

Mr. LEWIS. Let me put it in this way: Possibly it is my fault in being a little involved. Is it the opinion of the Senator, or his judgment, that the number of votes which he contends were tainted with some irregularity or wrong equal the majority that is claimed for Mr. Bankhead?

Mr. HASTINGS. I think I now understand the Senator's question. I may say this: It has been impossible to segregate one from the other, for the reason that there is not a single precinct in the State in which there was not some irregularity.

Mr. BORAH. Mr. President, certainly mere irregularities are not sufficient to invalidate an election. The Senator does not contend that just any kind of irregularities invalidate an election? There is a class of irregularities which do not, as I understand, invalidate an election.

Mr. HASTINGS. Not at all.

Mr. BORAH. The point is, What were the irregularities which the Senator thinks invalidated the election? Was it the mere fact that the ballots were not certified and held in the ballot boxes until they were counted?

Mr. HASTINGS. It is a combination of many violations that impresses me in this matter.

Mr. BORAH. As I understand the Senator, the election was so irregular that he feels that there was no real expression of the people's voice?

Mr. HASTINGS. Yes.

Mr. BORAH. Then, secondly, the Senator says that this is claimed to have been the most regular election which has been held in Alabama for 30 years. That being true, and the Senator from Alabama [Mr. Bankhead] having pursued the ordinary course pursued in Alabama, taking the same method of securing his election that his predecessors had followed, can it be said that he in any way becomes personally associated with these irregularities? He simply adopted the method which had been practiced for 30 years. What I would like to know were these irregularities of exceptional nature.

Mr. HASTINGS. Of course, if Mr. Bankhead is not held responsible, then there is nothing in this case outside the question of the primary.

Mr. BORAH. The Senator from Delaware is infinitely better informed about this case than I am, and I am seeking information; but I can not believe, where there is a general election and where there are irregularities running through the general election which apply to all candidates, those for Senator and all other offices, that a Senator can be selected out unless associated personally with those irregularities in such a way as to make him culpable and thereby responsible for what happened.

There was a governor elected; there were Congressmen elected; there were precinct officers elected; there were candidates elected all up and down the line; they are in office; they are holding office; their election has not been challenged. It is the method which Alabama has pursued for 30 years. Now, can we select out the Senator from that group of candidates and associate him individually with the irregularities in such a way as to make him responsible?

Mr. HASTINGS. Mr. President, the Senate, as it seems to me, has done it many times, if I understand the cases. If I may go off my line of argument for a moment, I will refer to them. The Senator from Idaho is familiar with the Vare-Wilson case. In that case—and I am now talking about the election and the election alone—there never was a word of protest; there never was any evidence of any kind showing that Vare was responsible for anything that happened in that election.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield further to the Senator from Idaho?

Mr. HASTINGS. I yield.

Mr. BORAH. I can not quite agree with the Senator in that. There was such an enormous amount of money used for Vare that the presumption was that it corrupted the election.

Mr. HASTINGS. The Senator is now talking about the primary; I am just now talking about the election itself.

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield to me for an observation in that connection?

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Indiana?

Mr. HASTINGS. I yield.

Mr. ROBINSON of Indiana. In answer to the Senator from Idaho I merely desire to make this statement: There is no question in the world but that Mr. Smith was elected along with the other Republican candidates who were elected in the State of Illinois, but we singled him out and he was denied permission even to cross the threshold of the Senate. So in the case of Vare because of the election—not the primary but the election—we never let Mr. Vare get across the threshold, except to take a seat for a moment; and yet all the other candidates on the Republican ticket in Pennsylvania were elected in that same election. The Senator from Idaho voted to exclude both Mr. Vare, of Pennsylvania, and Mr. Smith, of Illinois. Both were singled out.

Those were cases where the only question raised was the amount of money expended in the election. I voted to exclude them both, because I thought the amount of money used in the campaign was exorbitant, extravagant, and entirely too great; but, Mr. President, in the primary in Alabama there was not a single election district in the State that operated according to the law of Alabama. So I do not get the distinction the Senator from Idaho makes when he says we should not single out the Senator from Alabama, who has been, at any rate, the beneficiary of all this rottenness and corruption and irregularity, because—and it is a rather queer line of reasoning it seems to me—the other candidates were not questioned but were permitted to come in and take their offices, and because such method has been pursued in Alabama for 30 years. If it has been pursued for a thousand years, if it is corrupt, it is wrong and, in my judgment, ought to be challenged by the Senate.

So, it seems to me that all precedents of the Senate in the past have been right along the line of singling out a Senator. We are not particularly interested, as a body, in the sheriffs who were elected in Alabama; we are not interested except as the election relates to a senatorial office. We are not interested in the election of the secretary of state in Alabama, or the treasurer of the State; we are not interested in the election of Members of the House.

If anything has gone wrong in such an election, if there has been corruption and a Congressman has been elected as a result of corruption, it is the duty of the body at the other end of the Capitol to purge itself of any irregularity. The Senate is interested in its own membership, and we have excluded within the last three or four years two Members, who happened to be on the Republican side of the Chamber, namely, Vare in Pennsylvania and Smith in Illinois, not as a result of primaries alone but of elections as well. After they had been fairly elected, there being no question about their election, they were singled out. That is the point I make, if it please the Senator from Idaho.

Mr. BORAH. Mr. President, the Senator from Indiana is speaking of something I did not know was in this record, and that is corruption.

Mr. ROBINSON of Indiana. If the Senator will read the report of the Senator from Delaware, the chairman of the subcommittee, as carefully as I myself have tried to read it, he is bound to be convinced that corruption is practically admitted by everybody, not only in one place but all over the State.

Mr. BORAH. Mr. President, I may be mistaken. I have read the record, but, perhaps, I do not understand it. I understood that the invalidity of the election rested upon what the Senator contends was the universal irregularity with which it was carried on. There is no evidence in the record that I have seen that Mr. Bankhead, like Mr. Vare, used money for the purpose of creating those irregularities. If there is such evidence, that settles the matter with me.

The Senator from Indiana is talking about something that I do not believe is in the record. That corruption tainting an election in part taints it in whole I admit, but I myself have not found any corruption in this record. I have found irregularities; but I remember when Lamar came here from Mississippi and it was claimed that he had not been elected, that he had been elected at a town meeting, that there was no State government in Mississippi, that it was a mob affair, the Senate, nevertheless, admitted him and gave him his seat because he accepted the method which they were using at that time to elect Senators in Mississippi.

Mr. ROBINSON of Indiana. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield further to the Senator from Indiana?

Mr. HASTINGS. I yield.

Mr. ROBINSON of Indiana. If the Senator will again read the record, and read it carefully, I think he will find all sorts of evidence of corruption of which the Senator elect was the direct beneficiary. I assume the Senator from Delaware will point that out carefully as he proceeds, and I hope it may change the mind of the Senator from Idaho on that subject.

Mr. BORAH. Of course, if they have proven corruption to such an extent that it invalidates the election——

Mr. ROBINSON of Indiana. That is exactly the point.

Mr. BORAH. Or if they have proven it in part only and still the Senator elected was associated with it, of course, I would not vote to seat him.

Mr. ROBINSON of Indiana. Exactly; and I do not see how anyone can read the record without agreeing with the Senator from Delaware, the chairman of the subcommittee, in his conclusion that there was no election held in Alabama for Senator in 1930. This is in line with what the Senate has decided in the past in cases exactly like this, in which the Senator from Idaho—for whom I have the highest admiration—and myself cast similar votes.

Mr. BORAH. I do not know just how the Senator from Indiana voted. I voted to admit both Smith and Vare to this floor to defend themselves. I voted against seating both of them because I believed that they were guilty of affirmatively using money in a corrupt way.

Mr. ROBINSON of Indiana. Then the Senator from Idaho did not go as far as I did. I voted to prevent them from even having the oath administered, because I felt that there was corruption in both the States, and that they ought to be denied admission; but substantially it amounted to the same thing in the end. Both of us voted to exclude them.

Mr. HASTINGS. Mr. President, in the first place I think it might be well to observe that there may be corruption in an election without the use of money. I think people generally and frequently emphasize unduly corruption by the use of money. So far as I am concerned, I can not see much difference between the system of going out and corrupting the electorate in order to get the position of United States Senator and having the people themselves do corrupt things because they want to see their own man succeed.

Mr. BORAH. The Senator says "having people to corrupt things." If Senator Bankhead had people do corrupt things, of course, he is just as responsible as if he had done the corrupt things himself.

Mr. HASTINGS. But does the Senator from Idaho think for a moment that a man who sits in the Senate is not to be held responsible for the corrupt things that are done in his favor, even without his knowing it? I am now talking about substance. I am not talking about a few little things that might affect the election, but I am talking about substantial things that make it doubtful whether the corrupt things done by his lieutenants or his partisans may have influenced the election to such an extent as to make us unable to determine what the choice of the people of that State was.

Mr. BORAH. Undoubtedly if the junior Senator from Alabama [Mr. Bankhead] knew that corruption was being practiced, even upon a small scale, he would be responsible for it; and undoubtedly, too, there may be corruption in other forms than money. But what does the Senator mean when he says that he "had people do corrupt things"?

Mr. HASTINGS. I certainly did not mean to say that Senator Bankhead had such things done; and for fear I may be misunderstood in this argument I want to state distinctly that so far as I have been able to observe this

record, the most offensive thing that he did related to the primary, when he permitted and did not protest against the action of the executive committee in the resolution it adopted. So far as the election is concerned and so far as his part in it is concerned, I want to say distinctly, and to be definitely understood as saying, that there is not a thing in the record that can be traced definitely and positively to Mr. Bankhead.

Mr. BORAH. That is the way I understood the record. I do not find any corrupt or wrongful acts upon the part of Mr. Bankhead.

Mr. HASTINGS. That is correct; and I want to be certain that that is understood.

In order that I may ascertain whether or not I am traveling in the right road in determining what the practice of the Senate is with respect to this matter, I desire to advert for a moment to the Vare case; and I want to be certain, when I do it, to dissociate the election of Vare, the Wilson-Vare contest, from the primary, because in no other way can I make my point clear.

I have read carefully the speeches made in the Senate upon this subject. I read the speeches on the subject made by the Senator from New Mexico [Mr. BRATTON], who was on that committee with the then junior Senator from Arkansas [Mr. Caraway], and two or three specific things were pointed out. One of them was that in the city of Pittsburgh from 11 to 12 per cent of the people had been employed at the rate of $5 a day, three of them at each polling place being called watchers, and then there being some provision for messengers. A sum of money of approximately forty-nine to fifty thousand dollars was expended for those purposes in the city of Pittsburgh. There was no evidence in that connection with respect to Vare. Nothing was shown in the record to indicate that Vare had anything to do with that.

In addition to that, in the city of Pittsburgh there were three or four boxes in which it was definitely shown that fraud had been committed by the election officers. Not only was that shown but they had been prosecuted by the officials of the State of Pennsylvania for that fraud.

That was one charge with respect to that contest. The other was in the city of Philadelphia, where something like one-third of the precincts were involved in the charge made by Wilson. In order to find out what happened the committee took testimony and examined the ballots. Here is what they found, and this is all they found: They found in some of those ballot boxes a change of some 20 votes in favor of Vare. Vare gained some votes in that contest, but that was not the worst they found. They found a list or slip kept at the prothonotary's office which gave, or was supposed to give, the time when these particular boxes got in there. An examination was made, and a test was made to find out whether it was possible to count those ballots after the polls closed and get them there in time. It was found that it was impossible to do it. There was no evidence to show who kept that record. There was no evidence to show that the record was proper as to the time. There were some things to show that it was not proper.

The committee reached the conclusion, with respect to that matter, that those ballots had not been counted, and therefore it was necessary to throw them out of the count entirely. It concluded that the officers did not count them; they could not possibly have counted them, and therefore they could not be counted in the majority that Vare got. The committee reached that definite conclusion—that is, that part of the committee for which the Senator from New Mexico [Mr. BRATTON] spoke on the floor of the Senate.

The Senator from New Mexico also referred to the fact that in the case of some of the boxes Vare got 100 per cent of the votes and Wilson did not get any votes. Vare got them all. He referred again to the fact that there was a 100 per cent vote cast in the district. From all that the Senator from New Mexico drew the conclusion that there was fraud in those places, and that it affected that district, and those votes had to be thrown out. He reached the conclusion that the money paid in Pittsburgh, although under the law it was legal, was shocking; and they threw out the votes in Pittsburgh.

From the speech of the Senator from New Mexico, it appears that he threw out everything except in those instances where the charge was made that the jurat was not signed when the officers took the oath. He not only threw out all these votes, because he drew from those facts fraud which from his point of view made it necessary to throw them out, but what else did the committee do? They reached the conclusion from that alone, notwithstanding the fact that all the balance of the votes was left, and that this was only a small portion of the votes in Pennsylvania, notwithstanding the fact that Vare had 19,000 votes left, that the election was so tainted with fraud that they were opposed to his being seated in this body at all.

I say, taking that as a precedent—and that precedent was followed by a great majority in this body—this Alabama case is not only tainted with fraud but it is smeared all over with fraud, and nobody can tell what was intended by the citizens of Alabama with respect to it.

It is upon that theory that I have made this investigation. It is upon that theory that I have urged this report upon my colleagues. It is upon that theory that I now present it to the Senate; and it is wholly immaterial to me what the Senate may do with it.

I propose to do my job as best I can, and in doing it I propose to present all the facts to the Senate and to the country, too, with this hope, if you please—not that it makes any difference to us on this side or to those on the other side what particular Democrat may sit there. We all know that Alabama is a Democratic State. We all know that if Senator Bankhead should be thrown out of this body he will come back again himself, so far as I know, and I should be delighted to have him come back; but I say the time has come when the Senate must determine whether or not they are going to permit people in these States of ours to enact laws and to set up these laws as things that must be lived up to, and then go and violate every one of them, pay no attention at all to them, and send somebody here to the United States Senate and say, "Because we have been doing this year in and year out, the Senate has no business to make any inquiry at all about it."

I want to read what the Senate has done in the past with respect to this matter.

Mr. BORAH. Mr. President, before the Senator leaves that point, let me ask him what became of the contest between Wilson and Vare?

Mr. HASTINGS. Vare was thrown out.

Mr. BORAH. I know; but he was not thrown out on the contest.

Mr. HASTINGS. Oh, yes; undoubtedly. There was a vote on it, and it was upon the election—not upon the primary. I have the record here and I will read the record. It was upon that vote and upon the other vote too. He was thrown out both ways, backward and forward—on the primary and on the election too.

Mr. BRATTON. Mr. President, will the Senator yield? I am sure the Senator wants to be accurate about the matter.

Mr. HASTINGS. I shall thank the Senator to correct me if I have made a mistake.

Mr. BRATTON. The vote in the Senate was taken on the resolution offered by the Senator from Nebraska [Mr. NORRIS] to exclude Vare on account of the primary conduct. The Senate never voted on the contest between Wilson and Vare. The moment Mr. Vare was excluded by the vote cast upon the resolution sponsored by the Senator from Nebraska, the whole matter was ended.

Mr. HASTINGS. I thank the Senator. I am quite certain that he is correct, and I am wrong.

Mr. ROBINSON of Indiana. Mr. President——

Mr. HASTINGS. Let me say just at that point that I was particularly interested in reading the record because I was trying to find out the difference between the opinion of the Senator from New Mexico in this case and that in the Vare case.

Mr. BORAH. Mr. President, I was satisfied that Vare went out on the ground that he was guilty of corruption in carrying on the primary.

Mr. HASTINGS. May I ask the Senator from Idaho, however, to let me read the supplemental report of the committee?

We, the undersigned, members of the Committee on Privileges and Elections, to whom was referred the contest instituted by the Hon. William B. Wilson against the Hon. William S. Vare, involving the office of United States Senator from the State of Pennsylvania, submit the following supplemental report:

Without approving all of the statements of fact contained in the report of the majority, we concur in the conclusion of the majority in so far as it determines that the contestant, Wilson, has failed to show affirmatively that he received a plurality of the legally qualified votes cast for Senator in the election of November 2, 1926, in the State of Pennsylvania, and therefore is not entitled to the seat in question.

We dissent from the conclusion of the majority that the contestee, Vare, received a plurality of the legal votes cast in said election, and in legal consequence, therefore, is entitled to said seat; because it appears from the evidence taken by the special committee of the Senate and made available for use and consideration by this committee under the provisions of Senate Resolution 68, together with the evidence submitted to this committee in the hearing of said cause, that on account of the excessive expenditure of money in the primary held in said State preceding the election in question, the expenditure of money in the election itself, and fraud committed by the contestee or by others in his behalf, the contestee's title to said office is tainted with fraud.

We conclude, therefore, that the contestee is not entitled to a seat in the Senate as Senator from the State of Pennsylvania.

Now I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, before I sit down, I want to say this, that I do not want the Senator from Delaware to think that I am finding fault with his presentation, or finding fault with the remarkable amount of work which he has done upon this case. I am simply trying to get the facts from the Senator, and I know the Senator from Delaware is in possession of them. I have great respect for his judgment and I know he will do his duty as he sees it.

Mr. HASTINGS. Mr. President, I did not mean to appear to be annoyed; I was not annoyed at the interruption or the suggestion of the Senator.

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. ROBINSON of Indiana. What the Senator has just read from the record of the Vare case coincides with my own recollection of what took place at that time. The election was involved, as well as the primary. So Vare was not thrown out on account of the primary alone, but on account of the primary and election, as the Senator just now read from the statement of the committee itself.

Mr. BRATTON. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. BRATTON. The Senator from Delaware is reading from the report made in the contest. The Senate never did vote upon the contest one way or the other. The vote came upon a resolution offered by the senior Senator from Nebraska [Mr. NORRIS] relating exclusively to the primary, and upon that resolution Mr. Vare was excluded from the Senate. The committee proceeding naturally died at that moment.

Mr. ROBINSON of Indiana. Of course, after he was excluded, there was no use excluding him again.

Mr. BRATTON. Of course.

Mr. ROBINSON of Indiana. But this report shows conclusively that the committee held at the time—and of course the Senate followed the committee, certainly in the primary report, in any event—that the election itself was tainted with fraud. There is no doubt the vote would have been precisely the same on either question. Besides, in the end the effect of the action was to hold that there was no election. Mr. Wilson was here contesting for the seat claimed by Mr. Vare, just exactly as Mr. Heflin is contesting now against Mr. Bankhead. In the end, of course, neither one was seated. It was held practically that there was no election. That was the result, and that is exactly what the Senate subcommittee recommends in this instance.

Mr. BRATTON. Mr. President, the point I make is that no vote was ever taken in the contest proceeding; it never came to a vote in the Senate.

Mr. BORAH. Mr. President, no vote was ever taken on the question of whether or not there was fraud in the election.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield to the Senator from Nebraska.

Mr. NORRIS. Unless my recollection fails, both the Senator from Delaware and the Senator from New Mexico are partly right and partly wrong. I am speaking from memory; I have not looked it up since the matter was before the Senate; but Mr. Vare, according to my recollection, was prevented from taking the oath of office by a resolution which referred exclusively and only to the primary election. But Mr. Wilson, who was the Democratic candidate at that election, of course was not precluded from following up the contest which he had commenced, claiming that he was elected. Wilson's contest went before the Committee on Privileges and Elections, and there were two reports. We did have a vote as to whether Wilson was elected. Vare had already gone; he was thrown out, but of course the contest of Wilson necessarily took within its scope all the votes that were cast for Vare, and that is why it is referred to.

Mr. ROBINSON of Indiana. That is as I recollect it.

Mr. BORAH. Did we have a vote on the question as to whether Wilson was entitled to the seat?

Mr. NORRIS. Yes; but that was after Mr. Vare had been excluded. Every Senator will realize that it was perfectly proper and legal for Mr. Wilson to claim, as he did, that he was elected in the election. That was entirely independent of the report of the special committee upon which was founded the resolution under which Vare was thrown out. Wilson went on with his contest, claiming that at the election he was elected to the Senate. That matter finally reached a climax here in the Senate, and we passed on the contest, voted on it, and it was decided by the Senate that Mr. Wilson was not elected.

Mr. BRATTON. Mr. President, will the Senator from Delaware yield?

Mr. HASTINGS. I yield.

Mr. BRATTON. The Senator from Nebraska is correct, and I was incorrect in part. Vare was excluded on the resolution offered by the Senator from Nebraska, and that eliminated him. After he was excluded, as I recall, we took a vote on the question as to whether Wilson was entitled to the seat, and the Senate held that, having failed to receive a majority of the legal votes, he was not entitled to the seat. That vote related to Wilson's right to the seat, and not to Vare's right to the seat. Vare was disposed of by the vote on the resolution offered by the Senator from Nebraska.

Mr. ROBINSON of Indiana. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Indiana?

Mr. HASTINGS. I yield.

Mr. ROBINSON of Indiana. I would like to suggest to the Senator from Delaware that the Senate excluded Smith of Illinois, after he had been appointed by the governor, without any question of primary election or the November election being involved at all.

Mr. DILL. Mr. President, will the Senator yield to me?

Mr. HASTINGS. I yield.

Mr. DILL. I was unable to be here when the Senator began his address, but I have read a large part of his report, and I should like to get from the Senator the basis of his contention that the Senator from Alabama should not continue in his seat. Is it on the basis of the action of the Democratic committee in Alabama with regard to the primary, or is it on the basis of failure to observe the law in the election; or is it on both grounds?

Mr. HASTINGS. Mr. President, I think that under the precedents, here, particularly with some Senators who firmly believe in the precedent with respect to the primary, Mr. Bankhead must of necessity be excluded upon the question of the primary, because the primary was illegal. I have not undertaken to divide the two, or to poll the committee with

respect to the two, but I have undertaken and am now undertaking to put all of the facts before the Senate.

In the first part of my address I called attention to the primary. I am sorry there were not more Senators present at the time. I challenged the statement made by the Senator from New Mexico [Mr. BRATTON] yesterday in two particulars.

I challenged the Senator's argument that the people in Alabama had since 1910 been accustomed to making the requirement made in the 1930 election. I called attention to the fact that there were only two instances, one in 1922, when they modified it somewhat, and again in 1926, when they did not modify it, so that as I see it the only time when they put any such restriction in was in 1926. They did not put in any in 1920 at all. In 1924 it was referred to the executive committee, in 1928 it was left out entirely, and the first time it appeared in any such form as it appears here in question, was in 1930.

I think the Senator from New Mexico might very well have gotten mixed when he said there was nothing in the record, because as I looked at the record at the time he was talking I agreed with him. But the reference to 1928 was placed ahead of the reference to 1922, and it was rather difficult in the record to turn to the particular pages. But I am very anxious that those interested in the subject should read the Lett case, which, it is contended by the Senator from New Mexico, is controlling. In my judgment it is not only not controlling, it is not even persuasive, because it does not touch this point at all. I think I can explain in a minute the difference between the two.

In the Republican primary, the one which gave rise to the Lett case, the Republican Party provided that before a man became a candidate he should take an oath stating how he voted in the last general election, or something to that effect. That is the one thing. It did not exclude him, it did not pretend to exclude him, but it did make available, and specifically made available to the public and to the persons who were interested in the subject, the affidavit made by the candidate, so that the people might find out, if you please, what kind of a Republican he was, and whether he was the kind of a Republican they wanted nominated or whether he was not. That is what the court said might be done under that statute.

Mr. BRATTON. Mr. President, will the Senator yield to me?

Mr. HASTINGS. I yield.

Mr. BRATTON. In that case Lett declined to take the oath and the committee refused to put his name on the ticket, and suit was in mandamus to compel them to put his name on the ticket, he asserting that they had excluded him. The court upheld the exclusion and denied the writ. The Senator now says that they did not exclude him, that they merely provided evidence of what kind of a Republican he was. They did exclude him, and the suit was to compel them to include him, and the court upheld the exclusion.

Mr. HASTINGS. Very well.

Mr. BRATTON. So that the case is on all fours with the one here, so far as the power to require the affidavit of the candidate is concerned.

Mr. HASTINGS. That is just the difference between the two. What the Senator says is exactly correct; but what I say is this: That in the 1930 primary resolution adopted by the Democratic executive committee in Alabama they prescribed that which Heflin, for instance, could not comply with. The Republicans did not prescribe anything which Lett could not comply with. He could make his affidavit and expose his politics, and the only argument made with respect to it was that he ought not, under the secrecy of the ballot in Alabama, be compelled to expose his politics, and that was the defense to that case.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. HASTINGS. I yield.

Mr. NORRIS. I think I can see the distinction the Senator is drawing, and I want to be sure I am right. The Senator from New Mexico has stated correctly, as I understand the Lett case, just what happened, but the Senator from Delaware is contending, as I understand him, that in the Lett case, if Lett had complied with the order of the committee and made the affidavit, he would still have been, by that committee, permitted to run in the primary.

Mr. HASTINGS. That is my contention, and if I am wrong in that, if there is anything in the case itself which warrants any other conclusion than that, I would like to have it pointed out to me.

Mr. NORRIS. The Senator's theory is that the object the Republican committee had in view in the Lett case was to compel all candidates to let the people who had a right to vote in the primary know really what they had been doing, how loyal party men they were, and then let the people at the primary consider that information, if they wanted to, in passing on the candidates.

Mr. HASTINGS. If I may be permitted to put the Heflin-Bankhead resolution on the same basis as the other, it would have provided something to this effect: "All the candidates on the Democratic ticket shall be compelled to file an affidavit with the Democratic executive committee stating whether or not they supported Governor Smith in 1928, whether they openly worked against him," and so forth, and so on, and stop there. If they did that under the Lett case, they would have been within the law. But they did not do that. They simply provided that the man who did those things might not be put upon the primary ticket.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Idaho?

Mr. HASTINGS. I yield.

Mr. BORAH. Am I to understand the Senator to say the resolution adopted by the committee relative to the primary in the campaign of 1930 had one precedent, and that is the resolution of 1926?

Mr. HASTINGS. I would like to state just how nearly it was a precedent. I think it might be called, roughly, a precedent, although I will read the difference. In order that Senators may find out just what was going through the minds of the committee, I want to refer to the 1922 resolution in which there is this provision:

3. That all candidates for any of the offices or party places be nominated in said primary shall qualify as such candidate on or before the 1st day of May, 1922, by filing, if a candidate for a State office or a State party office, his or her name with the chairman of this committee, and if a candidate for a county office or county party office, his or her name with the chairman of his or her county Democratic executive committee, designating the office or the place for which he or she is a candidate, and under oath declaring that he or she did not in the presidential election of 1920, support the presidential electors of any party other than the Democratic Party.

Mr. BORAH. Does that exclude them if they did support someone else?

Mr. HASTINGS. I think it does. But I invite the Senator's attention to a further resolution. That one was dated January 13, 1922, and the other dated April 28, 1922:

That no person shall become a candidate for any State, district, Federal, or circuit office, or have his or her name printed upon the Democratic ballot in the primary election to be held on the 12th day of August, 1930, if such person either voted a Republican presidential ticket in November, 1928, or openly and publicly opposed the election of the nominees of the Democratic Party, or either of them, or who opposed the election of the Democratic electors for President or Vice President in November, 1928.

In substance, that is, declaring that he is a Democrat. I think that might very well be considered explanation of what is meant over here when they state that he shall take an oath—

And under oath declare that he did not in the presidential election of 1920 support the presidential elector of any party other than that of the Democratic Party.

That was in 1922. In 1920 they did not have any such provision at all. In 1922 they put in this language. In 1924 it was referred to the executive committee, and there is no record of what they did. In 1926 they put in the same provision they had in 1922. In 1928 they put in nothing, and in 1930 they put in this provision:

That no person shall become a candidate for any State, district, Federal, or circuit office, or have his or her name printed upon the Democratic ballot in the primary election to be held on the 12th day of August, 1930, if such person either voted a Republican presidential ticket in November, 1928, or openly and publicly opposed the election of the nominees of the Democratic Party, or either of them, or who opposed the election of the Democratic electors for President or Vice President in November, 1928.

I do not know whether to call that a precedent or not. It is not exactly the same. It goes further than any other declaration.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Idaho?

Mr. HASTINGS. I yield.

Mr. BORAH. It is admitted, is it not, that they could fix those qualifications for a candidate? They had that power under the statute, had they not?

Mr. HASTINGS. They can fix any qualifications for the candidate so long as they fix the same for the electors.

Mr. BORAH. That is a subject of debate; but it is admitted that they can fix any qualifications they see fit for a candidate?

Mr. HASTINGS. I suppose we would have to say "reasonable."

Mr. BORAH. I do not know whether we would have to use the word "reasonable" in politics or not. [Laughter.] It seems to be admitted that they could fix any qualifications they saw fit, we will say reasonable qualifications; but the contention of the Senator is that if they fixed any qualification, the same qualification must apply to the voter?

Mr. HASTINGS. Undoubtedly.

Mr. DILL. Mr. President, may I inquire if this question went to the Supreme Court of Alabama?

Mr. HASTINGS. I do not think either of the questions did. I think the supreme court is not the highest court of Alabama.

Mr. DILL. I mean to the court of last resort.

Mr. HASTINGS. What happened was this: Upon this resolution being adopted, somebody took the case into the court of equity. It was not Heflin, but somebody took it into the court of equity.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Alabama?

Mr. HASTINGS. I yield.

Mr. BLACK. It was taken into court by Judge Wilkinson, attorney for Senator Heflin, who has been arguing before the committee.

Mr. HASTINGS. It was not in the name of Heflin.

Mr. BLACK. It was in the name of Wilkinson.

Mr. HASTINGS. But it was not in the name of Heflin. I will state in order to be fair that the contention on the other side is that because Heflin did not do that himself he is now shut off from complaining, so I wanted to make it clear that Heflin did not take the action himself and therefore is not in that position, but it was taken by Wilkinson. It does not make any difference who took it outside of the fact that it was not taken by Heflin. The court of equity heard the argument and ruled that it did not have jurisdiction, one judge dissenting and holding in his dissent with Senator BLACK, who made a statement about it when the ruling was first made, that this was unlawful, illegal, and beyond the authority of any executive committee to do.

Mr. DILL. Was the matter carried to any higher court?

Mr. HASTINGS. No; it was not.

Mr. DILL. There was no appeal taken?

Mr. HASTINGS. No.

Mr. BLACK. That was the highest court in the State.

Mr. HASTINGS. Will the Senator from Alabama state just what court it was?

Mr. BLACK. The supreme court.

Mr. HASTINGS. Is that the supreme court of the State?

Mr. BLACK. That is the court of last resort.

Mr. BRATTON. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from New Mexico?

Mr. HASTINGS. I yield.

Mr. BRATTON. In the interest of accuracy and in connection with the argument I made yesterday that it was incumbent upon Senator Heflin to take advantage of irregularities in the primary that he complained of, and to do so before the general election, the Senator will recall that the case instituted by Judge Wilkinson was only to enjoin the spending of public money to hold the primary. It was instituted before the primary was held. The Senator will agree with me in that statement?

Mr. HASTINGS. I am satisfied the Senator's statement is correct. I do not recollect the facts.

Mr. BRATTON. In that case the court held that the court of equity had no jurisdiction to grant an injunction for that purpose; but after the primary was conducted and Mr. Bankhead was declared to be the nominee, neither Mr. Heflin nor anyone else took any steps to prevent Mr. Bankhead's name going on the ticket at the November election as the nominee of the Democratic Party. The Senator and I will agree upon that as a correct statement of the facts.

Mr. HASTINGS. That is undoubtedly correct.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. HEBERT in the chair). Does the Senator from Delaware [Mr. HASTINGS] yield to the Senator from Nebraska?

Mr. HASTINGS. I yield.

Mr. NORRIS. Neither of the Senators seems to regard this case in the supreme court as of any importance, but to my mind it has a very important bearing on the controversy. As I understand it, an action was commenced asking for an injunction restraining any of the officials in Alabama from expending any public money in the primaries—and that was done before the primaries were held—basing it on the ground that this action of the Democratic Party was illegal and contrary to law and that under that order of the Democratic Party no lawful primary could be held. When that was decided by the Supreme Court of Alabama, it was decided by a divided court, the majority holding that the lower court had no jurisdiction, the minority of one judge holding that they did have jurisdiction, and in the minority opinion he went into the facts and the law and held that the action of the Democratic committee was illegal and that no legal primary should be held under it.

Did the majority opinion take up the facts as they were admitted to be or did it go off on a technicality?

Mr. HASTINGS. Purely upon the jurisdictional question, as I understand it. There was no expression from anybody except the dissenting judge.

Mr. NORRIS. And he said in his opinion as I understand it that the action of the Democratic committee made the primary illegal?

Mr. HASTINGS. That is correct. I will read it:

The statute is plain and unambiguous; it is its own interpreter, and expresses the legislative intent. The intent and expressed purpose of the legislature are found in the use of the words "for its candidates" after the words "political party."

I have stated heretofore that those words "for its candidates" were put in the statute in 1919 because it was the only way in which they could make the public pay for the primary expense, following the decision in Texas, and they modified their statute in 1919 and put in those words "for its candidates" in section 612. The minority opinion continues as follows:

This was the requirement for the one standard of party loyalty and affiliation for all who participated in the primary as electors and as candidates. In this requirement the due right to vote and participate in such primary election of a political party is not denied on grounds made the subject of the fourteenth and fifteenth amendments to the Federal Constitution.

(1) The statute, as required to be applied in section 612, code, to electors and candidates alike, was applied by the resolution to the election of candidates for Federal, State, district, circuit offices and State executive committees, and officers to be elected by the vote of a single county for a uniform and single test of party affiliation and loyalty for all electors; (2) a different test of party affiliation and loyalty is prescribed and required of candidates who stand for election to office for Federal, State, circuit, district, or

committeemen; different from that prescribed for all electors in party primary; (3) and different test from that permitted (with limitations) of exaction by county executive committee or candidates for county office to be filled by the "votes of a single county."

It follows from this material departure in the resolution from the requirements of law that the primary election called is not the kind of primary that may be held under the law, and at public expense in the State of Alabama.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Washington?

Mr. HASTINGS. I yield.

Mr. DILL. I notice the judge referred to the fourteenth and fifteenth amendments. As I recall it, the first part of the committee's resolution is that this applies only to white electors.

Mr. HASTINGS. That is right.

Mr. DILL. Was the question ever raised as to that part of the regulation being illegal?

Mr. HASTINGS. I do not remember that it was, but the argument was made before the committee that they could not provide qualifications for the electors but had to apply the general law to them. However, the committee did not agree with that contention. We held that in order to keep their party together and decide who should have the right to vote they might exact of the voter who wanted to participate in the Democratic primary such loyalty as they believed they were entitled to have; but in doing so they must put him in the same position as the candidate and they must put the candidate in the same position as that of the voter himself, for in no other way, perhaps, could they keep the party together.

Mr. DILL. Is it the Senator's contention that because a different requirement was prescribed for electors than for candidates, and electors who measured up to that different requirement entered the primary, the primary was illegal? Is it the Senator's contention that because electors who were not required to have the same qualifications as candidates participated in the primary that rendered it illegal?

Mr. HASTINGS. Oh, no; if I understand the question, because they might have permitted Republicans or anybody else to vote at those primaries without affecting the validity of the primary itself.

Mr. DILL. It was the ruling, then, that made it invalid?

Mr. HASTINGS. It was the ruling which prevented certain persons from running. If I understand their position, they might just as well have said, "No person who has occupied the position of United States Senator from this State and who has failed to support a certain Democratic measure shall be permitted to become a candidate for the United States Senate from Alabama." As a matter of fact, they have since that time—in February, 1931—done just that; they have provided in specific language that electors do not have to have the same qualifications as candidates, and they themselves may prescribe the qualifications. I say if that be constitutional, then the Democratic State committee of Alabama may exclude any person whom they care to exclude by rules and regulations they may make with respect to who may be candidates.

Mr. BLACK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Alabama?

Mr. HASTINGS. I yield.

Mr. BLACK. I am not familiar with the rule in all the States, and I am not really familiar with the party practice in Delaware. May I ask the Senator what is the power of the political committees in Delaware with reference to fixing the qualifications of candidates?

Mr. HASTINGS. What candidates does the Senator mean—candidate for what office?

Mr. BLACK. Candidates for any office.

Mr. HASTINGS. There is no rule.

Mr. BLACK. Suppose a man wants to become a candidate on the Republican ticket for Senator, what steps does he take in order to do so?

Mr. HASTINGS. Our practice is this: We have a convention. The Republicans elect their delegates to the convention. A Republican convention may nominate a Democrat if it wants to; and a Democratic convention, constituted in the same way, may nominate a Republican. There is no restriction at all; it all depends upon what the voters want. Never before have I known of a place where a man could not occasionally get off the reservation and still have some chance at some time to get back on again.

Mr. BLACK. I desire to ask the Senator another question. Suppose the members of the convention of the Republican Party decide that they did not want to inflict upon the party a man who had failed to vote for the last ticket of their party, would they have the authority to do that?

Mr. HASTINGS. Does the Senator mean to exclude such a man from becoming a candidate?

Mr. BLACK. Yes; not to nominate him.

Mr. HASTINGS. It is wholly up to the convention. They may pick whom they please, but they make no rules about what a candidate's political affiliations are. They do not make him stand up and swear as to everything that he has done in the past and what he hopes to do in the future. They do not do any such thing as that.

Mr. BLACK. Assuming that he was not ashamed to admit what he had done in the past, that has nothing to do with it. The question that I ask is this: Would not the Republican convention in the Senator's State have the right, if it saw fit, to decline to nominate a man because in the previous election he had failed to vote the Republican ticket?

Mr. HASTINGS. Yes; just as a lot of Republicans failed to vote for me when I thought they ought to have voted for me. [Laughter.] It is just exactly the same kind of a proposition; there is no difference between them.

Mr. BLACK. If I may ask the Senator another question, if the Senate has the right in this case to go into the Alabama primary, would it not also have the right to supervise a Republican convention in Delaware?

Mr. HASTINGS. I do not know; the Senator had better ask the Senators if he wishes to find out; I can not answer that question.

Mr. BLACK. May I ask the Senator this question: If it is right and legal for the Senate to attempt to supervise the Alabama primaries, which is the method by which candidates are nominated there, by the same token would it not be right and proper for the Senate to attempt to supervise the convention in any State where that is the method employed for nominating Senators?

Mr. HASTINGS. I have no doubt, under the precedents established by the Senate as to inquiring into primaries, that it may inquire into a convention that nominates a Senator just as certainly as it may into a primary itself, if that is the question the Senator asks.

Mr. BLACK. Then, as I understand the Senator, he believes in and favors the idea of the Senate supervising conventions all over the country held for the nomination of United States Senators.

Mr. HASTINGS. I have not even stated that I am in favor of the Senate supervising the primaries. I am only stating to the Senate what the facts show, as I understand them, and let every Senator decide for himself whether or not he thinks the Senate ought to follow such a procedure.

Mr. BLACK. May I ask the Senator this further question? I want to be sure about the Senator's opinion, because I did not quite get it straight. Do I understand that the Senator is now stating to the Senate that it is his belief that the Senate now should hold that the Alabama primary was illegal by reason of the matters he has set forth?

Mr. HASTINGS. I have expressed no view with respect to that except that it was illegal; and, with that conviction, I am presenting the question to the Senate to decide for itself. I have not had in my mind to decide that question, because I am satisfied of the fact that the circumstances of the election, excluding the primary, make it incumbent upon the Senate to declare that there was no election had on that day; and I insist that it was the duty of the Committee on Privileges and Elections to lay the facts with

respect to the primary before the Senate, because the committee knew, as I know, that there are many Members of the Senate who believe very strongly in the importance of the Senate supervising, to some extent, the primaries in which candidates for Senator are chosen.

Mr. BLACK. Then the conclusion which the Senator reaches, as I understand, is not on the basis of what he has said as to the illegality of the primary, but is on the basis of the other features of the case, so far as the Senator individually is concerned?

Mr. HASTINGS. I think that I have made myself clear. I have said that I have not at any time in this case undertaken to reach a definite conclusion that the primaries alone warrant the Senate in declaring that there was no election. I have said that it was not necessary for me to reach that conclusion, because, from my point of view, the other facts are important enough, and the other facts make it necessary for the Senate, in line with its decisions in the past, to decide that there was no election on that day. Now, have I not answered the Senator's question?

Mr. BLACK. May I ask the Senator this additional question, in order that I may be clear as to his position? The Senator, of course, is aware of the fact that, under the Constitution, this body can determine and legislate as to primaries and conventions held in the various States, and that this body has not done that? Does the Senator now believe that it is proper for the Senate, after a State has determined how it shall hold its primaries, to determine the legality of the primary rather than to have the courts of the particular State determine the legality of the primary?

Mr. HASTINGS. I do not think at all that the Senate is bound in any way by the failure of anybody to take this question to the court of his own State. Particularly is that true when there has been an effort on behalf of somebody to test, before the highest court of that State, the validity of the resolution which was adopted by the Democratic State committee in Alabama. That is shown by the decision from which I have read.

Mr. BLACK. Then, as I understand the Senator, he believes that, even without putting into operation the machinery provided in the Constitution for regulating primaries and conventions, the Senate has the right, and it is its duty to act in a supervisory capacity to determine for itself whether a Senator has been duly and legally nominated or whether he has not been?

Mr. HASTINGS. Why does the Senator persist in asking a question which I have declined to answer several times?

Mr. BLACK. If the Senator declines to answer the question, that is all right.

Mr. ROBINSON of Indiana. Mr. President, if the Senator will yield for that purpose, I should like to make a brief observation.

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Indiana?

Mr. HASTINGS. I yield.

Mr. ROBINSON of Indiana. The Senate went into that question in the Smith case, and the Senate concluded it had the right. It went into the same question in the Vare case and concluded it had the right. Furthermore, the Constitution of the United States itself provides very explicitly that the Senate shall be the judge of the election of its own Members; and some of us believe that the question of elections goes to the primaries as well as to the final fall elections. There is no question but that the Senate has ruled on that point, and has itself answered the Senator's question. That is the point I make. Regardless of what the Senator from Delaware may think, the Senate itself has ruled on that question.

Mr. BLACK. That is where the Senator and I do not agree. In so far as my vote was concerned, it was not based on that ground. My vote was determined by the evidence of corruption on the part of the individual who knocked at the door of the Senate. I voted against Smith because the evidence showed that the public utilities had contributed to further his campaign while he was on a body passing upon the rates of those public utilities. There is no evidence of any such character in this case; the Senator can not find it; and no one has charged it until the Senator from Indiana a few moments ago rose to do so. It was natural, of course, that he should.

Mr. ROBINSON of Indiana. I voted to exclude Smith and to prevent him from having the oath administered; there is no question about that. The point I make is that the Senate itself has in the past decided that it could question the primaries, and has done so, and the committees of the Senate have gone into primary after primary in the last few years, and certainly within the knowledge of the Senator from Alabama.

Mr. HASTINGS. Mr. President, some time ago I started to answer the Senator from Idaho with respect to the sufficiency of the evidence.

Mr. NORRIS. Mr. President, may I ask the Senator another question before he leaves the point we have been debating?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Nebraska?

Mr. HASTINGS. I yield.

Mr. NORRIS. To help those of us who want to read the decision, will the Senator give us the title of the case, the place where we can find it either in the hearings or in the briefs or in the court reports of Alabama? I refer to both opinions, the majority and the minority.

Mr. LONG. There were two decisions, one in the Lett case and one in another case.

Mr. HASTINGS. The Lett case is Two hundred and eleventh Alabama, page 423; One hundred and twenty-ninth Southern, page 33.

Mr. NORRIS. Is that the same case?

Mr. HASTINGS. Yes; that is the same case. I had it here on my desk.

Mr. NORRIS. Where will it be found in the Alabama Reports?

Mr. HASTINGS. Two hundred and twenty-first Alabama, page 423.

Mr. NORRIS. That is the Lett case?

Mr. HASTINGS. That is the Lett case.

Mr. NORRIS. The one I am particularly anxious to read is the Wilkinson case. I do not know who the defendant was.

Mr. HASTINGS. I will get that a little later.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Louisiana?

Mr. HASTINGS. I yield.

Mr. LONG. Before the Senator leaves that point I hope the Senator from Nebraska will give me his attention for just a moment while I make this statement:

No court has any jurisdiction in any primary election or general election except such as specifically is conferred upon the court. In other words, primary and general elections are outside the jurisdiction of courts unless the statute specifically gives them a right to inquire into them.

A further very well-known rule of law is this: Where the statute does give the courts jurisdiction, or by jurisprudence it has been held that they have jurisdiction, they have usually and as a matter of very uniform jurisprudence held that the right of a candidate seeking to force his name to be placed on a ballot must be asserted by mandamus against the committee and that the candidate is the only man who can bring that action.

The Alabama jurisprudence is no different, I think, than the jurisprudence of Nebraska or Pennsylvania, and I know it is no different than that of Louisiana. The contestant in this case had two remedies. If he thought that under the law of Alabama this action of the committee was illegal, he had a right to go into court by a mandamus proceeding, and to compel his name to be written on the ballot if the law was with him, because the court of Alabama in the very Lett case that the Senator from Delaware has read said that there was a remedy by mandamus.

He not only did not go into the court in his own name—and the law is certainly clear that the right to run for

office or claim the title to office is personal to the candidate, and to no other man—he not only did not go into court in his own name, but he went in under the name of an attorney, which no jurisprudence supports; and he did not bring the kind of action that any lawyer looking up the question of elections at all would have brought, one of mandamus to compel his name to be written on the ballot.

Having failed to exert that right, what did he do? He had the right to pass it over, and I say to you that under the jurisprudence in the Lett case he was very wise to pass it over, because I can not for the life of me see how the court could have said what it said in the Lett case and could have sustained any action that could have been brought by the contestant under that Alabama statute.

Let us say, however, that he did. He had the right to go into the court of Alabama. He had the right, if the law was with him, to have his name put on that ballot; and there was a court saying, "If you will bring a mandamus proceeding you have a standing in this court to put your name on the ballot if the law gives you that right." Instead of doing that, however, he waived whatever right he had under that law, and proposed to take his chances in a general election, and to put his name on the ballot against the candidate who had been nominated in the primary.

With the law as clear as it is, it seems very clear that the State having given this man every right in the world to settle the matter in the courts of the State, and he having decided not to settle it in the courts of the Sate, and then having decided to take the remedy in a general election, there would be no such thing as State sovereignty, when the State had gone that far to give that man every redress that he could have under the law, if now the Senate should decide that the primary was illegal.

Mr. HASTINGS. Mr. President, I will answer the Senator from Nebraska by giving him a reference to the Wilkinson case. It is found in 221 Ala. 254; 128 Southern 362; 70 A. L. R. 712. The title of the case is Wilkinson, appellant, against Hendrick, appellee.

Mr. NORRIS. I thank the Senator.

Mr. HASTINGS. Now, I desire to address myself to the question of sufficiency, the kind of fraud that it is necessary to show. I have here extracts from some decisions in the House of Representatives, and I think some in the Senate.

The first is the case of Butts against Mackey, second South Carolina district, Forty-fourth Congress. The committee used this language:

> Every facility is furnished for fraud; and even where the election officers are honest, great frauds may be readily committed without there being any practical means of detecting them. It is indispensable to a fair election that the electors shall be required to vote in the precinct where they reside.

Again, in the case of Platt against Goode, from Virginia, Senator Blackburn, while in the House, in the Forty-fourth Congress, said:

> The statute of Virginia requires that one of the poll books of election shall be put under cover and seal and sent to the county or corporation court clerk, together with the ballots, inclosed and sealed. There can be no question as to the mandatory character of this statute. Its object is to prevent fraud in tampering with the ballots or alteration of the returns.
>
> The rule laid down and supported by a number of adjudicated cases and applied in several instances by this House does not require that positive proof shall be adduced showing that the ballots have been tampered with. It is sufficient to show that opportunity for such tampering has been afforded. * * * We can not but conclude, in the light of the testimony, * * * that the vote of Bland and Rives Townships in the county of Prince Georges should be rejected.

In the case of Abbott against Frost, fourth Massachusetts district, decided in 1876, the House committee held that the poll must be excluded where the votes and returns were sent in to the county seat by one not officially authorized to carry them, unless it was proven that while the returns were out of legal custody they were not tampered with. That is virtually shifting the burden of proof. The House approved and adopted the report. (Smith's Contested Election Cases, 594 to 649.)

In that case the House committee observed:

> This testimony, we think, clearly shows that many of the plainest and most important provisions of the law were recklessly disregarded, if not purposely disobeyed, by the officers having in charge said election. * * * We are clearly of the opinion that the provisions of the statute which have been so totally and unblushingly disregarded in this case are not merely formal and directory, but vital and essential in order to render the election fair and free from fraud or the suspicion of fraud; for we hold it to be the duty of election officers so to conduct the election and everything thereunto appertaining as to as carefully guard against suspicion of or opportunity for fraud as fraud itself. Nothing short of this will satisfy either the spirit or letter of the statute made and enacted to protect and maintain the purity of elections.

The House committee in that case very evidently acted upon the principle of the rule declared by Mr. McCrary, chairman of the House committee in the Forty-second Congress, who, in the discussion of the case of Gooding against Wilson in that Congress, on the floor of the House said:

> I think another rule must be observed. It must appear that the ballots have been securely kept, that they have not been exposed, and that there has been no opportunity to tamper with them. This ought to appear affirmatively.

Another man who participated in the debate in the House in the case of Gooding against Wilson, in the Forty-second Congress, was the great constitutional lawyer and statesman, George Frisbie Hoar, of Massachusetts, then a Member of the House, but who was later to adorn the Senate for many years with the greatness of his character and patriotism, and to enlighten its counsels with his profound knowledge of statecraft and constitutional law. Senator Hoar, of course, knew that to contaminate the source of the election of Members of the Congress was to lay the ax at the very foundation of representative government, and anything that cast suspicion upon the election of Senators and Representatives affected him with horror. He recognized that the only way to preserve elections from suspicion was for the election officers faithfully to observe the essential safeguards and rules laid down by statute for the protection of the purity and honesty of the ballot, and that no election deserves to be recognized where these safeguards have not been observed. Mr. Hoar said, in the debate to which I have just referred:

> It makes no difference for the purpose of my point whether the ballot box was there in an exposed place for 12 hours or 12 days. Now, I do not claim that there is any evidence here that * * * any person entered it, opened that box and substituted other numbered ballots for the ballots which it contained. All I have to say is that an adroitness less than that practiced for a less important purpose in many ordinary cases of crime, robbery, burglary, and forgery, could easily accomplish that result. Now we know how eager, how unscrupulous, how adroit, in many instances, are the means which are used to affect political contests. It is not the question whether the friends of the very respectable and very able gentleman who claims this seat did, or were capable of doing such a thing * * *. The interests of the sitting Member and of the contestant disappear before a question like this, which involves the interests of the American people in the establishment and maintenance of a strict, wise, and safe rule of public policy. It is not merely a question whether the recount was correct; it is a question whether you know and are sure that the thing counted upon the recount was the same thing that was counted, or should have been counted, at the time the original count was made.
>
> If at an election of Representative the check list be flung aside and votes are indiscriminately crowded into the ballot box without an inspection by the moderator, it must be obvious to all observing citizens that every evil which the statute was designed to remedy is likely to happen, and that two prominent provisions of it will be trampled under foot. Votes so given and received are neither given nor received in conformity to the essential requisitions of the statute, and, such requisitions being violated, the votes must be void. They would be no more void if given viva voce rather than by ballot. If such a neglect of the statute will not render the whole proceedings void, what neglect will have that operation? The whole balloting, therefore, in this manner is vitiated; no Representative can thus be duly elected.
>
> In determining the title to the county office, the vote of a township should be excluded where it appears that in such township the mandatory provision requiring the official ballots to be kept in the custody of an inspector was violated by the appointment of an unofficial person as "instructor" to distribute the ballots, and allowing him access to the voters even after they had entered the booths, although the parties acted in good faith, and it is not shown that voters were unduly influenced.

The text-writer of Corpus Juris might well have been thinking of the Alabama Senatorial election of 1930 when he laid down in volume 20, page 183, the following rule:

An election will be vitiated by irregularities which are so numerous that they must be attributed to fraud rather than honest mistake; and although no actual fraud is apparent, yet an election will be invalidated where the whole conduct of the election officers shows such gross negligence and disregard of their official duties as to leave the judicial mind in doubt as to how the election resulted except for such widespread irregularities. (Hawood v. Cooper, 36th Cong., First Bartlett 275.)

Gross irregularities and palpable violations of law in conducting an election * * * should cause the rejection of the entire poll.

It is sometimes a difficult matter to decide whether misconduct on the part of the election officers is to be regarded as constituting fraud or as only the result of carelessness, ignorance, or negligence. If, however, such misconduct has the effect to destroy the integrity of the returns, and avoid the prima facie character which they ought to bear, such returns will be rejected and other proof demanded of each vote relied upon. And this is the rule concerning such misconduct whether it be shown to have been fraudulent; that is to say, prompted by a corrupt purpose, or whether it arise from a reckless disregard of the law or from ignorance of its requirements.

This fact was expressly recognized by the House committee in the case of Moore against Funston in the Fifty-third Congress, where the House committee observed:

The difficulty of establishing by legal evidence the existence of a conspiracy, generally great, is increased rather than lessened by the intermingling of politics. That this is so is apparent from the well-known fact that even where an entire community is convinced to a moral certainty that gross frauds have been perpetrated in an election in the execution of a studied effort to defraud, a sufficient amount of legal evidence to convict the suffrage assassins is rarely found, and usually enough of such evidence can not be procured to indict them. All text writers or other law authorities treating of the subject recognize the difficulty of proving a conspiracy by direct evidence; and, as in the case of fraud in general, recognize also the propriety, as well as the necessity, of proving distinct facts, many of them insignificant in themselves, from all of which, however, when sufficient, a firm belief in the existence of the conspiracy or fraud may safely be deduced, and the conclusion may be as safely acted upon. In many cases circumstantial evidence is the only evidence which can be obtained, and it is also not infrequently of the most satisfactory and convincing character.

Mr. WATSON. Mr. President, will the Senator yield to me?

Mr. HASTINGS. I yield.

Mr. WATSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Kean	Schall
Austin	Couzens	Kendrick	Sheppard
Bailey	Cutting	La Follette	Shipstead
Bankhead	Dickinson	Lewis	Shortridge
Barbour	Dill	Logan	Smith
Barkley	Fletcher	Long	Smoot
Bingham	Frazier	McGill	Steiwer
Black	George	McKellar	Stephens
Blaine	Glass	McNary	Thomas, Idaho
Borah	Goldsborough	Metcalf	Thomas, Okla.
Bratton	Gore	Moses	Townsend
Brookhart	Hale	Neely	Trammell
Broussard	Harrison	Norbeck	Tydings
Bulkley	Hastings	Norris	Vandenberg
Bulow	Hatfield	Nye	Wagner
Byrnes	Hayden	Oddie	Walcott
Capper	Hebert	Patterson	Waterman
Caraway	Howell	Pittman	Watson
Carey	Hull	Reed	Wheeler
Connally	Johnson	Robinson, Ark.	
Copeland	Jones	Robinson, Ind.	

The VICE PRESIDENT. Eighty-two Senators having answered to their names, there is a quorum present.

Mr. HASTINGS. Mr. President, I should like to take up the particular sections of the statutes of Alabama, and show how nearly they were complied with, or, putting it the other way, how often they were violated.

Section 404 of the Code of Alabama provides that:

Each ballot shall be numbered by one of the inspectors to correspond to the number of the voter voting the same on the poll list. A voter may write his name on the ballot. The number corresponding with the voter's name on the poll list must be plainly entered in ink on the back of the ballot of the voter.

In the figures I am about to give there must be excluded three counties, where the boxes were not secured by the committee, because the ballots had been burned some time prior to the adoption of the resolution of investigation by the Senate, as I recollect it.

Two thousand and forty-three boxes were examined. The boxes wherein the ballots were numbered in pencil numbered 1,361, the boxes wherein the ballots were numbered in ink numbered 125, and the boxes wherein the ballots were not numbered at all numbered 557. Fifty-eight thousand eight hundred and seventeen ballots, or 26.3 per cent of the vote, were not numbered in any way. Thirty-five thousand seven hundred and ninety-five, or 16 per cent of the vote, were properly numbered. The rest of them were numbered in pencil.

I think it worth while to call attention to the fact that the officers who failed to number these ballots made themselves liable in the State of Alabama under section 3937 of the code, which provides that:

Any person or persons who do any act defined or declared to be a corrupt practice under the election or primary laws of this State—

And this has been so defined in the law—

must be fined not more than $500, and may also be imprisoned in the county jail or sentenced to hard labor for the county for not more than six months, at the discretion of the court trying the case.

It is true that in Alabama it has been decided that this provision with respect to the numbering of the ballots is not a mandatory provision, and in the absence of fraud the votes may be counted. The case in which that was decided went to the court upon an agreed statement of facts in which it was definitely stated on both sides that there was no fraud in connection with the election.

I pass from that to section 456, which provides:

456. Returns of election; how made and duty of probate judge: One copy of the certificate of the result of the election shall be signed by the inspectors and inclosed in an envelope, which shall then be securely sealed, and each of the inspectors shall write his name across every fold at which the envelope, if unfastened, could be opened. Said envelope, with certificate inclosed, shall be at once delivered to the returning officer of the precinct, who shall deliver the same in the condition received to the judge of probate. The judge of probate shall keep and preserve the same unopened until the board of supervisors meet to ascertain the result of the election. In case of loss, mutilation, or absence of the original certificate of the result of the election by the inspectors of any voting place the envelope shall be opened and the copy therein shall be accepted as a certificate of the result of the election for that voting place.

The number of official envelopes, papers, and so forth, requiring signatures, and apparently signed by one person, amounted to 1,842.

Section 457 provides that "the poll list shall be sealed in an envelope before the inspectors begin to count the votes, and shall not be opened." The purpose of this was to make sure that the ballot was a secret ballot. The number of boxes wherein the poll lists were found loose was 222. The number of boxes wherein the poll list was found with ballots was two.

Section 459: The number of boxes wherein certification of the poll lists was not complete was 643.

Section 459 is the section requiring that the oath be administered.

The number of boxes wherein the stubs were not initialed was 543.

Section 493 provides for the initialing of the ballots:

After preparing his ballot the elector shall fold the same so as to conceal the face thereof and show the stub thereto attached with the name or the initial of the inspector and hand it to the receiving inspector. The inspector must receive the ballot folded and call the name of the elector audibly and distinctly, and the name of each elector whose ballot has been received must immediately be taken down by the clerks on separate lists, which shall be headed "Names of voters" and called "Poll lists," and the number of the order in which such elector votes must at the same time be entered by each clerk against his name, the first elector voting being numbered 1, the second 2, and so on, to the last elector voting.

Section 494: The number of boxes wherein the stubs were not detached from the ballots was 651.

Section 498 provides for the challenging of voters. The incomplete challenges found by the committee were 2,335.

Section 505 is the section which requires that—

As soon as the ballots are all counted the inspectors must ascertain the number of votes received for each person and for what office, and must make a statement of the same in writing, which statement must be signed by them; they must also certify in writing on one of the poll lists that such poll list is the poll list of the election precinct at which they were inspected, the day and year on which such election was held, and for what offices, which certificates must be signed by them; and such statement of the poll lists and votes thus certified must be sealed up, together with a list of the registered voters in such precinct at such election on such day, in a box to be furnished by the sheriff of the county, one or more for each precinct, and to consist of wood, tin, or sheet iron, and securely fastened by locks, directed to the sheriff of the county, if there be one, and if none, then to the person discharging the duties of such office, and immediately deliver the same to the returning officer of the precinct.

With respect to that one section, the number of boxes wherein the qualified lists were not found was 569; the number of boxes wherein the poll lists were not found in official envelopes for that purpose and were taken from the sheriff's was 135; the number of boxes wherein certificates of results were not found in envelopes for that purpose and were taken from the sheriff's was 412; the number of boxes wherein no certificates of results were found was 411; the number of boxes wherein certificates were not sealed was 1,119; the number of ballot boxes wherein no poll lists were found at all, 31; the number of ballot boxes wherein no poll lists were found in ballot boxes, 99.

Section 506 relates to the sealing of boxes. There may be some little dispute about the number of boxes not sealed. I think it is contended by Mr. Bankhead and his counsel that it is less than 1,087. However, 1,087 is the figure given me by the supervisor; but a difference of 100 is not great. The number of boxes wherein the ballots were found loose was 576. The number of boxes wherein the ballots were found folded was 1,543.

Mr. President, in the report filed by the minority I have called attention to this point which to me is quite significant. There were 634 inspectors and 453 clerks who failed to subscribe to the oath. In 349 election districts the returning officers did not subscribe to the oath. I had not called particular attention to that fact until I had read a part of the remarks made by the senior Senator from Nebraska [Mr. NORRIS] in the Vare case in which he called attention to this fact as being important, and for that reason I have placed it in the report.

But here is the particular thing that I think is important. Section 437 of the Alabama Code provides for the appointment of inspectors and clerks "from the qualified electors of the respective voting places" 15 days before the election. The records show 260 inspectors and 22 clerks were not qualified electors in the election districts in which they served; that 62 returning officers were not qualified electors in the precincts in which they served.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Alabama?

Mr. HASTINGS. I yield.

Mr. BLACK. Is the Senator reading that from the record, may I ask?

Mr. HASTINGS. I am reading from page 2 of the report.

Mr. BLACK. May I ask the Senator if any evidence was introduced before the committee establishing the fact that 260 inspectors and 22 clerks were not qualified electors?

Mr. HASTINGS. There may be some dispute between the Senator and myself as to what he means by "evidence." It is in evidence by an examination of the paraphernalia, the election machinery, showing those facts. I do not know whether the attention of the committee or anybody was called to it until this time.

Mr. BLACK. May I ask the Senator if he himself has examined any records which show there were 260 inspectors who were not qualified electors; and if so, where is that record?

Mr. HASTINGS. By "record," does the Senator mean a statement that was made up by somebody for me?

Mr. BLACK. I am asking where the Senator got the information, whether anybody testified to it or whether the Senator has any facts upon which he bases it?

Mr. HASTINGS. Yes; I have.

Mr. GEORGE. Mr. President, I shall be obliged to make this statement for the RECORD. There was never any evidence as to this fact; there was never any fact presented to the committee until after the committee had finished its work, when I received information that the supervisor was engaged in making up a list of the character to which the Senator is now referring. It never has been submitted to me and it never has been submitted to the subcommittee. If it has ever been submitted to the full committee, I have no knowledge of it at all. I do not think the Senator ought to put anything in here that was never submitted to the subcommittee, never brought to the attention of the subcommittee, and never brought to the attention of the full committee so far as I know from having the same presented to me as a member of that committee.

Mr. HASTINGS. There may be some impropriety in my doing this. It is a tabulation of facts from the record.

Mr. GEORGE. Will the Senator permit me to say that that is exactly why the Senator ought not to do it? The only information I have received about it is a statement that in point of fact the alleged facts were not facts proven, and I said, "Very well; if there is anything like that offered, you have a right to be heard."

Mr. HASTINGS. As a matter of fact was not this list handed to either Senator Bankhead or his counsel? Has not he seen the very list about which the Senator is now inquiring?

Mr. GEORGE. I do not know, but after we had closed the case I learned through Senator Bankhead or his counsel, I do not remember which, that the supervisor was then engaged in making up such a list. I then said, if that list was presented to the committee, he, of course, would have a right to learn about it, and he would have a right to make an examination of the facts alleged to be disclosed by it. But I have never seen the list.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. BLACK. This was called to my attention along about the time the evidence closed. Telegrams were sent to various probate judges and replies received. If the Senator is going to place in the RECORD this ex parte statement of the supervisor, it will certainly be proper that there be placed in the RECORD a statement of the probate judges hastily obtained, which will show that more than 75 per cent of the statements made by the supervisor are wholly incorrect. We absolutely know that if the matter is investigated it will show that to be the fact.

The only possible basis for such a charge is that in some cases a man's name might be on one list in a particular way and perhaps not in exactly the same identical way that it might be on another list.

It was my desire to call the attention of the Senator to the matter at this time because of the fact that I am not qualified to produce the telegrams of the probate judges; but, of course, if it is stated in the record that there were hundreds of election officers who were disqualified, it would make it absolutely imperative to place the telegrams from the probate judges in the record. My judgment is that neither would have a proper place here now, and that this statement should not be presented, because it is not in evidence.

Mr. HASTINGS. I will state my view with respect to it. I think either side would have a right from the evidence in hand to make such calculations as it may be able to make from the evidence; that is, that it is possible for me to go to the files as a member of the committee and to discover there certain facts which I think ought to be brought to the attention of the Senate. It might be done by me and brought directly to the Senate without any impropriety at all. That is my thought about it.

Mr. GEORGE. Mr. President, let me say right there that I am not going to question the propriety, but I am going to say to the Senator now that the facts which he is about to

state were definitely and positively stated to me to be incorrect, and I therefore dismissed the matter unless the facts were offered in some formal way in evidence.

Mr. HASTINGS. Let me continue a moment further. I had not seen this list to which I was about to refer until about the time I started to prepare the minority report. My attention was immediately attracted to the importance of it, and for that reason I wrote into the views of the minority those facts and expected to discuss them. I want to be careful not to do anything here which is unfair to either side, and I shall, for that reason, not touch upon that subject for the present, at least, without conferring with my colleagues upon the committee with respect to it.

There are, to my mind, some important things here which are somewhat controlling. I think it is true that when one examines a ballot box and finds that the ballots inside have not been numbered, attention is immediately attracted to the fact that the law has been violated.

If, however, it is found that those ballots have not been rolled and sealed as the law provides, then suspicion becomes greater, and one wonders what has happened to that particular ballot box. Then if it is found that on the outside of the box the seal itself has been broken, I think it exacts from somebody an explanation of that particular fact. I think I ought to have reversed the sequence. When one finds the seal of the boxes broken and goes inside and finds the seal of the ballots broken or the ballots not sealed as the law provides, and when he examines the ballots themselves and finds none of them numbered, I say those circumstances demand of the person who has received his election under such circumstances an explanation at the hands of the officers involved in that case.

If it be necessary to explain such facts, and there is suspicion attached to them, let us find out from the officer who had the ballot box in his custody why the particular box was open in that way. Let us find out from the election officer why the ballots were not sealed. If the man who has custody of the ballot box and the ballots gives a reasonable explanation as to why the ballot box was open and why the seal was broken, then we pass by that.

If the election officers at the same time give some good reason as to why the ballots were not sealed, then we will pass that and go to the next irregularity and find out why it was they were not numbered. However, I respectfully submit that when we find all three of these things together with many other irregularities in the same election, some of them affecting nearly every ballot box, that of itself makes it necessary for some clear and explicit explanation to be made as to what happened in Alabama.

I suggest that that question can not be answered by merely saying, "This has been our practice in Alabama for many years." That is not a sufficient answer. Considering the election laws of Alabama, when the election officials have been placed in a position where it is shown that they could have done numbers of things without anyone being able to detect them, then I say that the probability is not only that the laws of Alabama have been violated but they have been made practically null and void, so far as any good the public may be able to derive from them is concerned.

Can anyone look upon a situation like that without his suspicion being aroused as to fraud? Oh, but it is said, no one can be convicted of fraud upon suspicion. No; but all the rulings and precedents in election cases show that the facts must be looked to; and if suspicious circumstances are found creeping through the entire election machinery, it may very well be concluded that there was fraud in the particular election, and it may be declared that there was no election at all.

The Senator from New Mexico called attention to the fact that when the election was over the persons who made the election returns under the law were compelled to post notices on the doors of the proper buildings in various places; that they did so, and when they were examined by the newspapers and by the committee here they all agreed, so that there could not be any fraud there at all. One does not have to have much political experience to know that, in view of the way elections are conducted in Alabama, the ballots could have been stolen from every ballot box there without anyone being able subsequently to discover it.

It would have been the easiest thing in the world to do that. With a hatbox used as a ballot box, with one Heflin watcher there at the polling place—and in many instances the records show that he voted for Bankhead—in that kind of a case, does anyone mean to tell me that it was not possible for a designing election officer to slip 10 ballots from there, which were voted for Heflin, and put 10 ballots back, which were voted for Bankhead? It was an easy thing to do. With election officers anxious to control the situation, anxious to elect their particular candidate for office, it is not unreasonable for us to conclude that some ambitious man might make up his mind and say, "I will fix this particular box," and then to make a wrong return. That could have been easily done down there. Then the ballot box could have been taken to his home, and during the few days when he had that open ballot box, he could have changed the ballots to agree with the returns. Does anybody contend that that could not be done? Why is it insisted that the ballot boxes shall be sealed if it is not to prevent that sort of thing being done? How can anybody say it was not done when he finds the seals broken on the boxes? Can anybody say what happened? He can only speculate; he can not reach any definite conclusion with respect to it; it is impossible to do so.

It may be true for aught I know that there was substantial fraud sufficient to void the election; but I say that is not the sole point here. It was not the purpose of the committee to determine definitely whether it has been shown by the contestant that there was fraud openly committed and in such a way that one can put his finger upon it; that is not the question. The question is this, Have all the safeguards of the Alabama election laws been so violated that it can not possibly be determined definitely whether there was fraud or whether there was not fraud?

Somebody may say that I am undertaking to prove a negative; that everybody is presumed to be innocent until he is proved to be guilty, and that fraud is never presumed, and all that. That is all very true until it is found that some safeguard has been broken down, and the minute that safeguard is found gone, then it is proper to inquire what has happened, what has destroyed it, and why was it destroyed, and who has profited by its destruction. That is the inquiry we must make in a case like this. It is the only inquiry which can ever be made in order definitely to satisfy ourselves with respect to the result.

The law provides that the ballots shall be retained by the sheriff for a period of six months, and the boxes shall not be opened and the ballots shall not be unrolled except in case of a contest. In the investigation of this election case the ballots in three of the counties could not be found; the ballots were burned shortly after the election. Who can tell whether they were burned for the purpose of preventing their effect upon this contest? Nobody can tell that. The man who burned them is not going to admit it; but what are we going to do with those three counties in a case like this? Can we do anything more than to mark off entirely the ballots there cast and say that those counties are out? Of course not. It is the only way in which we can approach a determination of the question.

Mr. President, consider that evidence, and then consider this further evidence which is very significant in this case: The evidence is uncontroverted that it was not only permissible but it was the practice of both parties to pay the poll tax of some of the voters.

The law distinctly provides that it shall be unlawful for one person or organization to pay the poll tax of another person, and makes it a criminal offense to do so, but witnesses went upon the stand and said that it was not only permissible but that it was the practice of both parties to raise money in the month of January in order that they might pay the poll tax before the 1st of February of citizens who expected to vote at the ensuing election. There is evi-

dence in the testimony—it does not amount to very much, but the counsel for Mr. Heflin called attention to it—that about the month of January, 1930, a check for $25 was given by Mr. Bankhead for campaign purposes, and the inference was drawn that that money was used in order to pay the poll tax of other persons. However, the charge which I have just stated is not denied at all by Senator Bankhead, namely—and the practice is general—that the poll tax of some voters was paid by others; that such was the practice in Alabama. Senator Bankhead, however, did say that, so far as he knew, that practice is limited to two counties in the State of Alabama. I do not know whether it is limited to two counties or whether it is not, but I say in every county where it is practiced we must of necessity throw out the ballots and say that they can not be counted.

So, with one regulation after another broken, with one safeguard after another gone, I say in the end we can not reach any conclusion and the Senate can not possibly determine who was elected in Alabama by the people of Alabama.

Fifty-eight thousand ballots were not numbered at all. The law distinctly says that they shall be numbered. In the failure to number the ballots and the failure to seal the ballots alone there were 11,000 violations of the law by the election officers of Alabama, and every violation subjected the person to a fine of $500 and six months in jail.

In the Pennsylvania case fraud was proved by proving that in Pittsburgh some people were sent to jail for election frauds and that in Philadelphia likewise some people were sent to jail for election frauds. Is it contended, Mr. President, in this case because nobody in Alabama has been sent to jail for these violations we can not prove that they did not occur? Taking into consideration the various ballots which have been rejected because the voters were not on the poll lists and the other irregularities, while I have not tried to count them all, I have no doubt, if they were counted, that we could find a hundred thousand violations, and, so far as I know, not a single, solitary soul has been prosecuted for the violation of these important laws.

These laws are as good election laws as can be found in any State of the Union. Alabama has every reason to be proud of them; but why should such laws as these be passed, if nobody pays any attention at all to them?

The particular law in which counsel for Senator Bankhead is interested is the law which relates to the fraud that must be proved before an election can be vitiated in Alabama. If I were called to pass upon it, I should say that if that was anything it might very well be considered a joker in this law. While, however, the laws of Alabama ought to have a persuasive influence upon the Senate, and while I have been urging that the Senate in this matter must throw out this election because of the great number of violations of those laws, when it comes to the Alabama law saying that an election shall not be vitiated because of fraud unless it can be shown that one person secured more valid votes than some other, I respectfully submit that when they ask the United States Senate to do that they might just as well have written into the law, "Except that so far as a United States Senator is concerned, the laws of Alabama shall not be passed upon by them."

In other words, the effect of this law which counsel for Senator Bankhead urges upon the Senate is to say that the United States Senate, with all the powers it has, can never successfully investigate an election in the State of Alabama. That is what I think it says, and that is what I think the Senate is not bound to follow. What we ought to do here is to look these facts and figures in the face without prejudice, without any thought of doing injury, and without any thought of doing favor to one person or to another.

I say that the violation of the election laws of Alabama in 1930 is a scandal upon American political history, and it ought not to be left in any such shape as that. The United States Senate ought to have more regard for itself. The State of Alabama ought to have more regard for itself. Its representatives ought to have more regard for it than to come here and attempt to justify what has been done by the election officers in the State of Alabama. Either abolish your law and elect your people at a town meeting, or, if you are going to insist upon having a valid law and one that is quite worth while, then, I say, help the rest of us to help you support it.

Mr. BLACK obtained the floor.

Mr. BRATTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATFIELD in the chair). Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. BLACK. I yield.

Mr. BRATTON. May I have the attention of the Senator from Oregon [Mr. MCNARY]? It is now late in the afternoon. The Senator from Alabama expects to speak at some length. Since it will be impossible for him to conclude his address this afternoon, does not the Senator from Oregon think we might as well recess at this time until noon to-morrow?

Mr. MCNARY. Mr. President, does the Senator from Alabama desire to go forward until 5 o'clock this evening?

Mr. BLACK. It is satisfactory to me to do either way.

Mr. JONES. Mr. President, I should like to suggest to the Senators that we might proceed with the Department of Justice bill for the remaining time this afternoon. I am rather inclined to think we might get it through in that time. I hope so.

Mr. MCNARY. That would hardly be carrying out the spirit of the day. A good many Senators desire to be here when the Senator brings up his appropriation bill; and it would not be quite right to start in on an appropriation bill without warning and notice in advance.

Mr. JONES. Very well.

Mr. MCNARY. I think it would be well for the Senator from Alabama to proceed for a few moments, and about 5 o'clock we will take a recess until to-morrow.

Mr. BLACK. Mr. President, the peroration of the Senator from Delaware [Mr. HASTINGS], in which he made the statement that the Alabama election of 1930 was a scandal upon the political history of the Nation, might be startling to those who are not familiar with the facts in the case. It is a little surprising that the Senator from Delaware should use such strong and violent language with reference to an election when he has admitted upon the floor that there is not one vestige of evidence, not one place upon which he can put his finger, to show that there was any fraud or corruption.

It is startling in the extreme for the Senator from Delaware to stand upon the floor of this body and assert in substance that the people of Alabama and the representatives of the people of Alabama should be ashamed of an election when he has talked for three hours and has not yet presented one word or one sentence or one paragraph which shows, or tends to show, that there was any fraud in that election.

It is true that the Senator from Delaware has established to his own satisfaction that there was opportunity for fraud. Was it necessary to spend three hours in order to establish that in any election ever held in the world there was opportunity for fraud? Has the time come in the political history of the Nation when all we do is to say, "There was opportunity for fraud, and therefore there must have been fraud"?

That may apply to Delaware. It may be true that in some of the States of this Union the mere fact that there is an opportunity for fraud establishes the fact that there was fraud; but I deny that there is any reason to apply any such rule to the State of Alabama.

Mr. President, I listened with great interest to the emphatic statement with reference to the number of law violations that occurred in Alabama—100,000, we are told, and I reply to this first because it was the last remark of the Senator—100,000 instances of law violation on the part of the election managers and officers in the State of Alabama. That is the statement of the Senator from Delaware. In order to make it more emphatic, he calls attention in his report to the fact that for each violation there was likely to be imposed a fine of $500 and six months in jail. Serious as this is to the Senator from Delaware, he calls attention

to the fact that in 125,000 instances there was a violation of law.

In order that I might reach some conclusion, as he made his remarks, as to the seriousness of this charge as he stated that each violation subjected some one to a fine of $500, I made some figures; and I found that according to the idea of the Senator from Delaware—who says that unfortunately no one has been put in jail—they have subjected themselves, in his 100,000 instances, to fines of $50,000,000.

What is this crime, what is this serious offense for which the Senator from Delaware, in his extreme sensitiveness, would impose a penalty of $50,000,000 upon the people of Alabama who served in the election offices? They wrote with a pencil instead of writing with a pen!

I concluded that I would find out, as the Senator progressed with his talk, how much punishment he would impose upon these gentlemen and ladies, some of whom were the managers and clerks for Senator Heflin, who had written with a pencil instead of writing with a pen. It seems to be proper, according to the judgment of the Senator from Delaware and the Senator from Indiana [Mr. ROBINSON], to say that the Alabama election should be likened to the Pennsylvania and Illinois elections by reason of these law violations which he emphasizes. So, Mr. President, I found out that if the Senator's views should be put into effect, and each of these Alabama citizens should have imposed the fine which the Senator seems to indicate they should have for the serious offense of writing with a pencil instead of a pen, those election officers would be subjected to a punishment of 2,319,408 months in jail. The Senator said that there were 128,856 violations of law. Did he tell you what those violations of law were?

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BLACK. I yield to the Senator.

Mr. HASTINGS. I did not say that.

Mr. BLACK. Why, it is in the Senator's printed report that I have before me.

Mr. HASTINGS. What did the Senator say—128,000?

Mr. BLACK. One hundred and twenty-eight thousand eight hundred and fifty-six.

Mr. HASTINGS. Violations of law?

Mr. BLACK. Writing with a pencil instead of a pen; and the Senator stated immediately afterwards that each one was a separate violation, and he quoted the statute.

Mr. HASTINGS. I did not say there were 128,856 violations of law. That is what I deny.

Mr. BLACK. Let me read what the Senator said.

Mr. HASTINGS. I wish the Senator would read the language to which he refers.

Mr. BLACK. I shall be delighted to do it. How many does the Senator say there were? Of course the Senator on the floor said "100,000," but I happen to have the report made by the Senator in which he gives, as a part of his cumulative opportunity for fraud, 128,000 instances in which people wrote with a pencil instead of a pen.

Mr. HASTINGS. There is no such thing in the report.

Mr. BLACK. I shall be glad to read it to the Senator.

Mr. HASTINGS. What report does the Senator refer to?

Mr. BLACK. I am referring to the report signed with the name of the Senator from Delaware at the head, Mr. HASTINGS. Now I shall read from it.

Mr. HASTINGS. What page of the report, please?

Mr. BLACK. Page 8. I shall read some of the other serious violations. One of the other violations for which the Senator would have the election managers sent to jail is folding the ballots instead of rolling them. I realize that there is a difference between folding and rolling.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator.

Mr. HASTINGS. The Senator promised to read from the report upon the question of the 128,856 violations.

Mr. BLACK. Which I expect to do.

Mr. HASTINGS. Will the Senator do so now?

Mr. BLACK. I shall do so in a moment. I want to call attention, in the second place, however, to the combination of law violations to which the Senator refers, the other being that the ballots were folded instead of being rolled.

Section 3937 of the Code provides:

> Any person or persons who do any act defined or declared to be a corrupt practice under the election or primary election laws of this State * * * must be fined not more than $500, and may also be imprisoned in the county jail or sentenced to hard labor for the county for not more than six months at the discretion of the court trying the case.

Following that he said:

> I have heretofore pointed out that the Alabama law requires the inspectors of elections to number each ballot in ink. This number corresponds with a number on the poll list. The secrecy of the ballot is secured by providing that before the count is started the poll list be sealed and not again opened. It will be observed from this report that 35,795 ballots, or 16 per cent, were properly numbered; 128,856, or 57.7 per cent, were numbered in pencil, and that 58,817, or 26.3 per cent, were not numbered at all.

Continuing further the Senator says:

> It further appears that out of a total of 2,043 boxes the ballots in only 125 of them were properly numbered.

Going on to the next paragraph, he said:

> Mr. Heflin's representative has emphasized the fact that the case here is different from that in that fraud is here alleged, but I have read the decision with great care and I am satisfied that the facts so far disclosed would not justify the committee in refusing to count these ballots for the reason that they had not been properly numbered.
>
> Take another illustration, which I think is of considerable importance.

Following immediately after the pencil-and-pen statement in the Senator's report, he said:

> The law requires that the ballots that have been counted shall be rolled and sealed and returned to the ballot box and the ballot box shall be sealed and the ballots shall remain in the box for a period of six months, except in case of a contest. Out of the total of 2,043 boxes, in 1,543 of them the ballots were found folded instead of rolled and sealed and in 576 boxes they were found loose, both of these irregularities frequently occuring in the same box.

In other words, sometimes they would find them folded; sometimes they would find them loose.

There were but 19 boxes.

> There were but 19 boxes where the ballots were properly rolled and sealed. It was the duty of the inspectors of election to see that these ballots were rolled and sealed. They failed to do it. This makes every officer guilty of an additional crime under the Alabama Code, as above outlined.

The Senator has given a code section, and then he starts off with the way the election officers became criminals as they violated that section, and his first illustration is that there were 128,856 election managers and clerks in Alabama who wrote with a pencil instead of with a pen.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. I ask the Senator to point out where I said what he says I said.

Mr. BLACK. I have just read it. The Senator stated that there were 100,000 violations. Can the Senator figure up a hundred thousand violations without taking the ballots which were marked with a pencil instead of with a pen?

Mr. HASTINGS. Yes; I think so.

Mr. BLACK. What would the Senator include?

Mr. HASTINGS. There were some 30,000 illegal votes cast, and the persons casting the illegal votes were guilty under this law. I assume that there were probably seven or eight thousand absentee ballots cast which were illegal, and thus violations of the law. Then, if we take all of these violations of the officers, the many violations set out, I suspect we would not be far from 100,000. But may I call the Senator's attention to the fact that on page 9 I have called attention to the fact that in the numbering of the ballots and the failure to roll them there were 11,826 violations of law? The Senator can defend those violations, but I am perfectly satisfied they were violations.

Mr. BLACK. The Senator is trying to get away from his first charge. He has heralded all over the United States of

of America that in hundreds of thousands of instances the people of Alabama have violated the law, and in order to reach that conclusion he has had to get down to a discussion and an enumeration of people writing with a pencil instead of with a pen.

What were his three classes of violations of law? Let us see. First, he says, they did not number some of the ballots. In other instances they numbered them with a pencil instead of with a pen. In other instances they folded the ballots instead of rolling the ballots, a terrible crime, one which has aroused the sensitive instincts of the Senator who puts at the end of his report the statement that all that is necessary to prove fraud is to prove that somebody had an opportunity to commit fraud. In other words, it may be true that there are some who adopt the principle in this life that all that is necessary to convict a good citizen of fraud is to prove he had a chance to commit fraud; but that is contrary to the primary principles of American jurisprudence; it is contrary to the primary principles of justice and of right. If the time has come in America when one can get up on the floor of the Senate and charge that the action of a whole people is a scandal in our political history simply because of the fact that they had a chance to commit fraud, and find such a body as this following him, then we have come upon sad times in America.

Mr. President, I am delighted to know that, with the careful scrutiny of the Senator from Delaware and the inspectors and supervisors from over this country who have looked with a microscope into the Alabama election of 1930, they have been compelled in the final analysis, when they come to the Senate floor, to say, not that fraud was committed here and fraud was committed there, but, as they look with their microscope, they come back into the Senate and say on the Senate floor, "There was an opportunity for fraud in Alabama; therefore we ask you to clear Pennsylvania and Illinois."

There is no similarity between this case and the elections in Pennsylvania and Illinois, which were the subjects of investigation by this body. In those States the evidence showed corruption. In this case the Senator from Delaware has been compelled to admit on the floor that the evidence does not show corruption in Alabama. I challenge him now, if he has any evidence of any money being spent in Alabama wrongfully, to let the Senate know of it. I challenge him now, if he has any of the evidence we have been hearing about in the papers, that dead people voted, to get up and tell the Senate and the country about it. I will wait for a reply. I challenge him now—and I shall wait for a reply—to produce any evidence that thousands of votes were fraudulently cast in Alabama. He will not do it, because there is no such evidence in the record. Neither he nor anyone else, on the other side or on this side, or anywhere in the United States of America, can produce proof of fraud and corruption in that election.

I have taken up these matters first because they constituted the closing remarks of the address of the Senator from Delaware. It is my expectation to discuss to-morrow the question of the primary and its effect, but I am glad to have this opportunity, immediately after the discussion by the Senator from Delaware, to reassert that there is no evidence of fraud in this record, unless we have come to the point where we must stoop so low as to view with suspicion every opportunity for the commission of fraud. The Senate has not reached that point.

It is impossible to imagine a judicial body which would reach the conclusion that all that need be done in order to overturn the will of a majority of the people of a State was to show that there was opportunity for somebody to commit fraud.

Conventions are held in Delaware. Every time a convention is held in Delaware there is an opportunity for somebody to bribe a member of that convention. Every time there is a convention to nominate a candidate for United States Senator, or governor, or any other officer, there is an opportunity, by undercover methods, which are sometimes used in conventions, to thwart the will of the people. Every time they vote by secret ballot in Delaware in a convention or anywhere else there is an opportunity for fraud.

If that be true, whose seat is safe in this body? Can it be said that there was no opportunity for fraud in the last convention held in the State of Delaware, or in any other State in this Union? Can it be said that there was no opportunity for fraud in any primary held anywhere in this Nation? Yet the Senator from Delaware comes into this Chamber and seriously requests that sane men, sober men, honest men, men who have enough judgment to have reached the United States Senate, depart from the time-honored rule of presuming that people are innocent until they are proven guilty and hold that because there was an opportunity to defraud therefore there must have been fraud.

What state of mind could bring a man to reach such a conclusion as that? It is contrary to the first principles upon which this country rests with reference to the protection and safety of its citizens. The presumption of innocence is a part of the very warp and woof of our political life. Never before have I heard it challenged in this body. Yet, forsooth, because perchance 128,000 ballots were marked with a pencil instead of a pen and 50,000 were not marked at all; because some ballots were folded instead of being rolled; and because the seals of some boxes were broken, the Senator from Delaware says that there was an opportunity for fraud, and therefore we will talk about Alabama.

Mr. President, I do not believe it is possible, in this body, to bring a reasonable number of its Members to vote upon any such hypothesis as that. It is my intention to show to the Senate by the record in this case, which can not be disputed, that fraud has been successfully proven not to have existed. According to every measure which can be adopted by sane, reasonable, and just men, the will of the people of Alabama was fairly and justly expressed at the polls in November, 1930.

Mr. President, I desire to discuss briefly the question of the effect of the primary, but if I understood correctly the Senator from Oregon, it is his desire to recess at this time.

Mr. McNARY. It is.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HATFIELD in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. McNARY. Mr. President, I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock p. m.) took a recess until to-morrow, Saturday, April 23, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 22, 1932

COMMISSIONER OF IMMIGRATION

Ernest A. Burguieres, of Louisiana, commissioner of immigration at the port of New Orleans, La.

PROMOTIONS IN THE REGULAR ARMY

To be lieutenant colonel

Maj. Charles Hartwell Bonesteel, Infantry, from April 18, 1932.

To be majors

Capt. Stephen Ralph Tiffany, Infantry, from April 17, 1932.

Capt. Ottmann William Freeborn, Infantry, from April 18, 1932.

To be captains

First Lieut. Edwin Thomas May, Infantry, from April 17, 1932.

First Lieut. Stephen Bowen Elkins, Infantry, from April 18, 1932.

To be first lieutenants

Second Lieut. Henry Lee Hughes, Coast Artillery Corps, from April 17, 1932.

Second Lieut. Norman Mahlon Winn, Cavalry, from April 18, 1932.

PROMOTIONS IN THE NAVY

Commander Robert A. White to be a captain in the Navy, from the 8th day of April, 1932.

The following-named lieutenant commanders to be commanders in the Navy, from the 1st day of February, 1932:

Carleton H. Wright.

Herman E. Fischer.

Thomas L. Gatch.

Lieut. Cyril T. Simard to be a lieutenant commander in the Navy, from the 1st day of October, 1931.

Lieut. Henry A. Stuart to be a lieutenant commander in the Navy from the 8th day of April, 1932.

Lieut. (Junior Grade) Kenneth P. Hartman to be a lieutenant in the Navy from the 16th day of October, 1930.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of January, 1932:

Murr E. Arnold.

Claude F. Sullivan.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of February, 1932:

Robert R. Buck.

David E. Roth.

William G. Pogue.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 7th day of June, 1931:

Robert W. Wood.

William D. Thomas.

Passed Assistant Paymaster John N. Harriman to be a paymaster in the Navy, with the rank of lieutenant commander, from the 4th day of June, 1931.

Assistant Paymaster Reed T. Roberts to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 1st day of October, 1931.

MARINE CORPS

Capt. Leo D. Hermle to be a major in the Marine Corps from the 1st day of April, 1932.

Capt. Lemuel C. Shephard, jr., to be a major in the Marine Corps from the 20th day of April, 1932.

First Lieut. Harry E. Leland to be a captain in the Marine Corps from the 1st day of September, 1931.

First Lieut. William E. Quaster to be a captain in the Marine Corps from the 1st day of April, 1932.

Second Lieut. Frank P. Pysick to be a first lieutenant in the Marine Corps from the 29th day of October, 1931.

Second Lieut. Roy M. Gulick to be a first lieutenant in the Marine Corps from the 1st day of April, 1932.

Second Lieut. Charles G. Wadbrook to be a first lieutenant in the Marine Corps from the 20th day of April, 1932.

POSTMASTERS

CALIFORNIA

Harry A. Canfield to be postmaster at Bellflower, Calif., in place of H. A. Canfield. Incumbent's commission expires May 25, 1932.

Lela P. James to be postmaster at El Segundo, Calif., in place of L. P. James. Incumbent's commission expired January 11, 1932.

Marion W. Bessom to be postmaster at Lawndale, Calif., in place of M. W. Bessom. Incumbent's commission expires May 26, 1932.

Frances W. Brown to be postmaster at Montrose, Calif., in place of F. W. Brown. Incumbent's commission expires May 14, 1932.

William N. Friend to be postmaster at Oakland, Calif., in place of W. N. Friend. Incumbent's commission expires May 26, 1932.

Myrtle H. Turner to be postmaster at Roseda, Calif., in place of M. H. Turner. Incumbent's commission expires May 22, 1932.

Louis P. Miller to be postmaster at Rio Vista, Calif., in place of L. P. Miller. Incumbent's commission expires May 22, 1932.

Alfred Gourdier to be postmaster at Torrance, Calif., in place of Alfred Gourdier. Incumbent's commission expires May 22, 1932.

William Braucht to be postmaster at Whittier, Calif., in place of William Braucht. Incumbent's commission expires May 22, 1932.

Belle B. Jenks to be postmaster at Willowbrook, Calif., in place of B. B. Jenks. Incumbent's commission expired April 3, 1932.

COLORADO

John Davis to be postmaster at Arriba, Colo., in place of John Davis. Incumbent's commission expired March 8, 1932.

Irving P. Beckett to be postmaster at Craig, Colo., in place of I. P. Beckett. Incumbent's commission expires May 12, 1932.

Oscar L. Morris to be postmaster at La Salle, Colo., in place of O. L. Morris. Incumbent's commission expires May 26, 1932.

Mabel M. Gallagher to be postmaster at Windsor, Colo., in place of P. H. Gallagher, deceased.

CONNECTICUT

Earle C. Martin to be postmaster at Bridgeport, Conn., in place of W. T. Meyer, deceased.

James F. Holden to be postmaster at Forestville, Conn., in place of J. F. Holden. Incumbent's commission expires May 12, 1932.

James T. Rooney to be postmaster at Sound View, Conn., in place of D. S. Case, removed.

DELAWARE

William H. Evans to be postmaster at Newark, Del., in place of W. H. Evans. Incumbent's commission expires May 2, 1932.

FLORIDA

Max V. Robinson to be postmaster at Melbourne, Fla., in place of M. V. Robinson. Incumbent's commission expired January 4, 1932.

GEORGIA

Will E. Davis to be postmaster at Boston, Ga., in place of W. E. Davis. Incumbent's commission expired December 17, 1930.

J. Arthur Westbrook to be postmaster at Powder Springs, Ga., in place of J. A. Westbrook. Incumbent's commission expired January 11, 1932.

Mrs. Hubert H. Berry to be postmaster at Sparta, Ga., in place of Mrs. H. H. Berry. Incumbent's commission expired January 11, 1932.

Emmett D. Dial to be postmaster at Woodstock, Ga., in place of E. D. Dial. Incumbent's commission expired May 25, 1930.

HAWAII

Joseph Herrscher to be postmaster at Hana, Hawaii, in place of Joseph Herrscher. Incumbent's commission expires May 16, 1932.

IDAHO

Amanda O. Holmes to be postmaster at Plummer, Idaho, in place of A. O. Holmes. Incumbent's commission expires May 14, 1932.

INDIANA

Elston H. Elliott to be postmaster at Lynn, Ind., in place of J. G. Martin. Incumbent's commission expired December 19, 1931.

Ira J. Wilson to be postmaster at Muncie, Ind., in place of W. H. Williams, jr. Incumbent's commission expired April 9, 1932.

IOWA

Emma H. Hager to be postmaster at Burdette, Iowa. Office became presidential July 1, 1931.

Charles B. Santee to be postmaster at Cedar Falls, Iowa, in place of C. B. Santee. Incumbent's commission expires May 12, 1932.

Harlie A. Grantham to be postmaster at Dewitt, Iowa, in place of J. F. Homer. Incumbent's commission expired February 2, 1932.

Grace F. Newton to be postmaster at Dickens, Iowa, in place of G. F. Newton. Incumbent's commission expired March 27, 1932.

Rose M. Ward to be postmaster at Neola, Iowa, in place of R. M. Ward. Incumbent's commission expired December 19, 1931.

KANSAS

William T. Perry to be postmaster at Belleville, Kans., in place of W. T. Perry. Incumbent's commission expires May 16, 1932.

Wilfrid Cavaness to be postmaster at Chanute, Kans., in place of C. S. Nation. Incumbent's commission expired December 19, 1931.

Edward L. Kier to be postmaster at Courtland, Kans., in place of E. L. Kier. Incumbent's commission expired December 19, 1931.

Raymond C. Ogden to be postmaster at Eudora, Kans., in place of E. W. Melville, deceased.

Robert H. Rippetoe to be postmaster at Havana, Kans., in place of P. H. Lindley. Incumbent's commission expired January 10, 1932.

Charles F. Schafer to be postmaster at Jewell, Kans., in place of C. F. Schafer. Incumbent's commission expires May 12, 1932.

Ross W. Gault to be postmaster at Lebo, Kans., in place of N. R. Kirkham. Incumbent's commission expired February 24, 1931.

Bessie Custer to be postmaster at Satanta, Kans., in place of Bessie Custer. Incumbent's commission expired March 27, 1932.

KENTUCKY

John G. Fisher to be postmaster at Berry, Ky., in place of J. G. Fisher. Incumbent's commission expires May 12, 1932.

Ruth VanZant to be postmaster at Edmonton, Ky., in place of J. P. Vanzant. Incumbent's commission expired June 10, 1930.

James A. Hargan to be postmaster at Fort Knox, Ky., in place of J. A. Hargan. Incumbent's commission expires April 30, 1932.

John Eversole to be postmaster at London, Ky., in place of John Eversole. Incumbent's commission expired January 11, 1932.

Helen E. Park to be postmaster at Rockport, Ky., in place of H. E. Park. Incumbent's commission expires May 12, 1932.

LOUISIANA

Aimie B. Garrett to be postmaster at New Roads, La., in place of A. B. Garrett. Incumbent's commission expires May 17, 1932.

MAINE

Charles W. McClintock to be postmaster at Fairfield, Me., in place of E. L. Jewell, removed.

MARYLAND

Fred W. Kubler to be postmaster at Cordova, Md., in place of C. C. Wilson, deceased.

Richard M. Canady to be postmaster at Fort Washington, Md., in place of M. J. Johnston, resigned.

MICHIGAN

Elmer C. Clute to be postmaster at Harrison, Mich., in place of E. C. Clute. Incumbent's commission expired February 27, 1932.

Adrian J. Westveer to be postmaster at Holland, Mich., in place of A. J. Westveer. Incumbent's commission expires May 12, 1932.

Bird L. Hight to be postmaster at Howell, Mich., in place of W. M. Cansfield. Incumbent's commission expired January 9, 1932.

Clyde E. Dohm to be postmaster at Sodus, Mich. Office became presidential July 1, 1931.

MINNESOTA

Charles W. Patsold to be postmaster at Cambridge, Minn., in place of C. W. Patsold. Incumbent's commission expired December 16, 1926.

J. Arthur Johnson to be postmaster at Center City, Minn., in place of J. A. Johnson. Incumbent's commission expired February 28, 1931.

Jennie L. Phillips to be postmaster at Clearwater, Minn., in place of J. L. Phillips. Incumbent's commission expired December 17, 1930.

Christ Bottge to be postmaster at Correll, Minn., in place of Christ Bottge. Incumbent's commission expired March 1, 1932.

Ida V. Lund to be postmaster at Farwell, Minn., in place of I. V. Lund. Incumbent's commission expired March 1, 1932.

Lillian F. Sandin to be postmaster at Grandy, Minn., in place of M. V. Barker, resigned.

Howard O. Haggberg to be postmaster at Isle, Minn., in place of H. O. Haggberg. Incumbent's commission expired March 3, 1931.

Ruth J. L. Anderson to be postmaster at Lindstrom, Minn., in place of R. J. L. Anderson. Incumbent's commission expired April 9, 1932.

Edwin H. Anderson to be postmaster at Monticello, Minn., in place of E. H. Anderson. Incumbent's commission expired February 17, 1931.

Alvin A. Ogren to be postmaster at New London, Minn., in place of A. A. Ogren. Incumbent's commission expires May 14, 1932.

George Neumann to be postmaster at Osseo, Minn., in place of George Neumann. Incumbent's commission expired April 9, 1932.

Louise S. Lundberg to be postmaster at Taylors Falls, Minn., in place of L. S. Lundberg. Incumbent's commission expired April 9, 1932.

Maggie N. Halgren to be postmaster at Wahkon, Minn., in place of M. N. Halgren. Incumbent's commission expired February 28, 1931.

Ralph Wright to be postmaster at Walker, Minn., in place of Arthur McBride, deceased.

Emory B. Linsley to be postmaster at Willow River, Minn., in place of E. B. Linsley. Incumbent's commission expired February 28, 1931.

Silas A. Brown to be postmaster at Windom, Minn., in place of J. H. Johnson. Incumbent's commission expired January 18, 1932.

MISSISSIPPI

Kathleen M. Baker to be postmaster at Scooba, Miss., in place of K. M. Baker. Incumbent's commission expired December 17, 1931.

Charles Kramer to be postmaster at Stonewall, Miss., in place of Charles Kramer. Incumbent's commission expires May 8, 1932.

MISSOURI

Leonard E. Decker to be postmaster at Creve Coeur, Mo., in place of G. R. Baumann. Incumbent's commission expired January 13, 1932.

Amanda P. Renfrow to be postmaster at Humansville, Mo., in place of A. P. Renfrow. Incumbent's commission expired January 31, 1932.

MONTANA

Orion A. Tellifero to be postmaster at Browning, Mont., in place of A. E. Armstrong, removed.

NEBRASKA

Wesley E. Snider to be postmaster at Osceola, Nebr., in place of W. E. Snider. Incumbent's commission expires May 12, 1932.

NEW HAMPSHIRE

Alice M. Sloane to be postmaster at Conway, N. H., in place of A. M. Sloane. Incumbent's commission expires May 16, 1932.

Harry D. Eastman to be postmaster at North Conway, N. H., in place of H. D. Eastman. Incumbent's commission expires May 16, 1932.

Everett F. Tozier to be postmaster at Salmon Falls, N. H., in place of E. F. Tozier. Incumbent's commission expires May 23, 1932.

John H. Garvin, jr., to be postmaster at Sanbornville, N. H., in place of J. H. Garvin, jr. Incumbent's commission expires May 26, 1932.

Eleazer F. Baker to be postmaster at Suncook, N. H., in place of E. F. Baker. Incumbent's commission expires May 19, 1932.

Willis R. Morrison to be postmaster at Tilton, N. H., in place of W. C. Wyatt. Incumbent's commission expired December 11, 1930.

NEW JERSEY

George Coleman to be postmaster at Delanco, N. J., in place of George Coleman. Incumbent's commission expires May 14, 1932.

Winifred E. Lindstedt to be postmaster at Helmetta, N. J., in place of C. A. Burt, resigned.

Jacob D. Roe to be postmaster at Newton, N. J., in place of J. D. Roe. Incumbent's commission expired March 24, 1932.

Ida H. Collon to be postmaster at Pemberton, N. J., in place of I. H. Collon. Incumbent's commission expires May 14, 1932.

Raymond Johnson to be postmaster at Riverside, N. J., in place of Raymond Johnson. Incumbent's commission expires May 2, 1932.

G. Raymond Beck to be postmaster at Roebling, N. J., in place of G. R. Beck. Incumbent's commission expires May 2, 1932.

Hillis K. Colkitt to be postmaster at Vincentown, N. J., in place of H. K. Colkitt. Incumbent's commission expired January 22, 1931.

NEW YORK

Margaret M. Senecal to be postmaster at Champlain, N. Y., in place of M. M. Senecal. Incumbent's commission expires May 14, 1932.

Henry E. Thompson to be postmaster at Chateaugay, N. Y., in place of H. E. Thompson. Incumbent's commission expired April 5, 1932.

Daniel T. Evans to be postmaster at Chittenango, N. Y., in place of D. T. Evans. Incumbent's commission expires May 14, 1932.

Clifford C. Wenzel to be postmaster at Deferiet, N. Y., in place of C. C. Wenzel. Incumbent's commission expires May 14, 1932.

Ralph D. Sanford to be postmaster at Hammondsport, N. Y., in place of R. D. Sanford. Incumbent's commission expires May 5, 1932.

Albert F. Becker to be postmaster at Livonia, N. Y., in place of A. F. Becker. Incumbent's commission expires May 16, 1932.

Austin E. Hummel to be postmaster at Prattsville, N. Y., in place of A. E. Hummel. Incumbent's commission expires May 5, 1932.

Kate L. Holden to be postmaster at Peru, N. Y., in place of K. L. Holden. Incumbent's commission expired April 18, 1932.

Thomas Wheatcroft to be postmaster at Watervliet, N. Y., in place of Thomas Wheatcroft. Incumbent's commission expires May 5, 1932.

NORTH CAROLINA

George E. Sweet to be postmaster at Cornelius, N. C., in place of G. E. Sweet. Incumbent's commission expired January 5, 1932.

Joseph B. Sparger to be postmaster at Mount Airy, N. C., in place of J. B. Sparger. Incumbent's commission expires May 17, 1932.

John N. Powell to be postmaster at Southern Pines, N. C., in place of J. N. Powell. Incumbent's commission expires May 17, 1932.

George W. Stanton to be postmaster at Wilson, N. C., in place of G. W. Stanton. Incumbent's commission expired April 10, 1932.

NORTH DAKOTA

Paul M. Bell to be postmaster at Elgin, N. Dak., in place of P. M. Bell. Incumbent's commission expires May 12, 1932.

Peder T. Rygg to be postmaster at Fairdale, N. Dak., in place of P. T. Rygg. Incumbent's commission expired February 4, 1932.

Charles L. Erickson to be postmaster at Lankin, N. Dak., in place of C. L. Erickson. Incumbent's commission expired March 1, 1932.

OHIO

Roy S. Grunder to be postmaster at Creston, Ohio, in place of R. S. Grunder. Incumbent's commission expires May 16, 1932.

Roy F. Judge to be postmaster at Milan, Ohio, in place of G. L. Sayles. Incumbent's commission expired December 17, 1931.

Edward P. Harker to be postmaster at Rossford, Ohio, in place of E. P. Harker. Incumbent's commission expires May 16, 1932.

Egbert H. Mack to be postmaster at Sandusky, Ohio, in place of E. H. Mack. Incumbent's comission expired February 17, 1932.

Ernest G. Lergier to be postmaster at Weston, Ohio, in place of C. B. Saxby, deceased.

Bertus H. Moore to be postmaster at Williamsport, Ohio, in place of B. H. Moore. Incumbent's commission expired January 6, 1930.

OKLAHOMA

Hubbard Ross to be postmaster at Fort Gibson, Okla., in place of Hubbard Ross. Incumbent's commission expires May 22, 1932.

John I. Lumley to be postmaster at Hennessey, Okla., in place of S. A. Snyder. Incumbent's commission expired January 22, 1931.

Ira G. Engle to be postmaster at Leedey, Okla., in place of B. A. Hawley, deceased.

OREGON

William P. Skiens to be postmaster at Burns, Oreg., in place of W. P. Skiens. Incumbent's commission expires May 12, 1932.

Odden L. Dickens to be postmaster at John Day, Oreg., in place of Nellie Elliott. Incumbent's commission expired January 4, 1932.

PENNSYLVANIA

Ruth M. Steiger to be postmaster at Albion, Pa., in place of G. R. Steiger, deceased.

Samuel M. Carnell to be postmaster at Dott, Pa., in place of S. M. Carnell. Incumbent's commission expires May 23, 1932.

Mildred E. Wagner to be postmaster at Freemansburg, Pa., in place of M. E. Wagner. Incumbent's commission expired January 10, 1932.

George A. Hill to be postmaster at Newtown, Pa., in place of G. A. Hill. Incumbent's commission expires May 17, 1932.

William M. Thomas to be postmaster at Ridgway, Pa., in place of W. M. Thomas. Incumbent's commission expired February 10, 1932.

Temple K. Gregg to be postmaster at Strafford, Pa., in place of T. K. Gregg. Incumbent's commission expired January 10, 1932.

Thomas Y. Tarlton to be postmaster at Summithill, Pa., in place of T. Y. Tarlton. Incumbent's commission expired January 11, 1932.

SOUTH CAROLINA

Cecil S. Rice to be postmaster at Denmark, S. C., in place of C. S. Rice. Incumbent's commission expired April 18, 1932.

Malcolm J. Stanley to be postmaster at Hampton, S. C., in place of M. J. Stanley. Incumbent's commission expired March 12, 1932.

Thomas W. Blakely to be postmaster at Langley, S. C., in place of T. W. Blakely. Incumbent's commission expired April 6, 1932.

James V. Askew, jr., to be postmaster at Lockhart, S. C., in place of J. V. Askew, jr. Incumbent's commission expired April 5, 1932.

William J. Hughes to be postmaster at Loris, S. C., in place of W. J. Hughes. Incumbent's commission expired February 2, 1932.

Bessie T. Cooper to be postmaster at Mayesville, S. C., in place of B. T. Cooper. Incumbent's commission expired April 18, 1932.

Neely J. Smith to be postmaster at Ridgeville, S. C., in place of N. J. Smith. Incumbent's commission expired March 12, 1932.

Ben Harper to be postmaster at Seneca, S. C., in place of Ben Harper. Incumbent's commission expired April 5, 1932.

TENNESSEE

Gussie Gobelet to be postmaster at Linden, Tenn., in place of Eva Shelton. Incumbent's commission expired January 4, 1932.

Beulah O. Hughes to be postmaster at Murfreesboro, Tenn., in place of J. S. Braswell, resigned.

TEXAS

Lillie J. Tolleson to be postmaster at Bardwell, Tex., in place of J. W. Render, resigned.

John W. Stegall to be postmaster at Holliday, Tex., in place of J. W. Stegall. Incumbent's commission expires May 26, 1932.

John A. Wilson to be postmaster at Knox City, Tex., in place of J. E. Clarke, removed.

Bassett R. Miles to be postmaster at Luling, Tex., in place of B. R. Miles. Incumbent's commission expires May 16, 1932.

George F. Bates to be postmaster at Lyons, Tex., in place of G. F. Bates. Incumbent's commission expires May 12, 1932.

Mabel E. Bryant to be postmaster at Rockport, Tex., in place of M. E. Bryant. Incumbent's commission expires May 19, 1932.

Hal M. Knight to be postmaster at Sterling City, Tex., in place of H. M. Knight. Incumbent's commission expires May 12, 1932.

Ben M. Vick to be postmaster at Valentine, Tex., in place of B. M. Vick. Incumbent's commission expires May 23, 1932.

Oliver P. Maricle to be postmaster at Wichita Falls, Tex., in place of O. P. Maricle. Incumbent's commission expires May 12, 1932.

UTAH

Harris B. Simonsen to be postmaster at Helper, Utah, in place of H. B. Simonsen. Incumbent's commission expires May 12, 1932.

VERMONT

Paul W. Higbee to be postmaster at Proctor, Vt., in place of W. H. Startup, deceased.

VIRGINIA

Jessie M. Martin to be postmaster at Concord Depot, Va., in place of J. M. Martin. Incumbent's commission expired January 31, 1932.

Nannie L. Curtis to be postmaster at Lee Hall, Va., in place of N. L. Curtis. Incumbent's commission expires May 14, 1932.

Charles E. Virts to be postmaster at Lovettsville, Va., in place of C. E. Virts. Incumbent's commission expires May 29, 1932.

John J. Ward to be postmaster at Nassawadox, Va., in place of J. J. Ward. Incumbent's commission expires May 14, 1932.

Richard F. Hicks to be postmaster at Schuyler, Va., in place of R. F. Hicks. Incumbent's commission expires May 2, 1932.

Samuel R. Gault to be postmaster at Scottsville, Va., in place of S. R. Gault. Incumbent's commission expires May 26, 1932.

WASHINGTON

Roy E. Edwards to be postmaster at Ritzville, Wash., in place of S. E. Edwards, resigned.

WEST VIRGINIA

George E. Hurd to be postmaster at Richwood, W. Va., in place of E. E. Deitz. Incumbent's commission expired February 16, 1932.

WISCONSIN

Henry F. Roehrig to be postmaster at Arpin, Wis., in place of Mae Wittmann. Incumbent's commission expired December 19, 1931.

John C. Chapple to be postmaster at Ashland, Wis., in place of J. C. Chapple. Incumbent's commission expires May 29, 1932.

George Ketz to be postmaster at Clayton, Wis., in place of C. J. Anderson, removed.

Charles E. Sage to be postmaster at Wild Rose, Wis., in place of C. E. Sage. Incumbent's commission expires May 17, 1932.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 22, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art the heart of our hearts and the soul of our souls, sustain us with the courage of faith and with the light of hope. Allow these divinely inspired virtues to expel fear and anxiety and lead us on in the ways of right. Another Member, beloved and honored, has joined the ranks of the immortal dead. Bend to our prayer and bear company with us in our sorrow. Silent is that home as the companion of the years sits alone, looking out upon a barren earth, shadowed by that mysterious power that makes life's deep undertone. O Thou who art the messenger of sympathy and comfort, keep her close to that realm where angels have their birth and wear their garments of white and love through the eternal years. O Mighty God, hear us as our souls speak in tears of gratitude to Thee for the whisper of the Lord in our hearts: "Heaven and earth shall pass away, but my words shall not pass away." We praise Thee that the river of life flows on forever and the light is above us and rest is before us. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolution:

Senate Resolution 205

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. EDWARD M. BEERS, late a Representative from the State of Pennsylvania.

Resolved, That a committee of 10 Senators be appointed by the President pro tempore to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

The message also announced that pursuant to the foregoing resolutions the President pro tempore had appointed Mr. REED, Mr. DAVIS, Mr. SHIPSTEAD, Mr. MOSES, Mr. VANDENBERG, Mr. DICKINSON, Mr. FLETCHER, Mr. WALSH of Massachusetts, Mr. HAYDEN, and Mr. CAPPER members of the committee on the part of the Senate to attend the funeral of the deceased Representative.

The message also announced that the Senate had passed a bill and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 929. An act relating to the taking of depositions in cases arising under section 19 of the World War veterans' act, 1924, as amended;

S. Con. Res. 18. Concurrent resolution authorizing the printing of 3,000 additional copies of hearings held before the Committee on Manufactures of the Senate on the establishment of a national economic council;

S. Con. Res. 25. Concurrent resolution providing for printing additional copies of the hearings before the Senate Committee on Finance on the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes.

S. Con. Res. 26. Concurrent resolution requesting the President of the United States to return to the Senate the enrolled bill (S. 3584) entitled "An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes."

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 277. An act defining and regulating power sites upon the Blackfeet Indian Reservation, in the State of Montana; to the Committee on Indian Affairs.

S. 660. An act for the relief of Hamilton Grounds; to the Committee on Indian Affairs.

S. 929. An act relating to the taking of depositions in cases arising under section 19 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

S. 1385. An act for the relief of Dan Davis; to the Committee on Military Affairs.

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased; to the Committee on Claims.

S. 1705. An act for the relief of Samuel C. Davis; to the Committee on Claims.

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton; to the Committee on the Public Lands.

S. 2393. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

S. 2990. An act for the relief of C. O. Meyer; to the Committee on Claims.

S. 2991. An act for the relief of B. J. Sample; to the Committee on Claims.

S. 3179. An act for the relief of Charles E. Bourke; to the Committee on Military Affairs.

S. 3334. An act for the relief of William M. Sherman; to the Committee on Military Affairs.

S. 3638. An act to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases; to the Committee on the Public Lands.

S. 3675. An act relating to the deferment and adjustment of construction charges for the years 1931 and 1932 on Indian irrigation projects; to the Committee on Indian Affairs.

S. 3711. An act to authorize the adjustment of the boundaries of the Chelan National Forest, in the State of Washington, and for other purposes; to the Committee on the Public Lands.

S. 3830. An act to remove a cloud on the title of certain land in the city of Corpus Christi, Tex.; to the Committee on the Public Lands.

S. 3847. An act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings; to the Committee on Labor.

S. 4038. An act to amend section 1 of an act entitled "An act to provide home care for dependent children in the District of Columbia," approved June 22, 1926; to the Committee on the District of Columbia.

S. 4235. An act to aid the Grand Army of the Republic in its Memorial Day services, May 30, 1932; to the Committee on Military Affairs.

S. 4289. An act to amend the act of February 23, 1927, as amended (U. S. C., title 47, sec. 85), and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

S. J. Res. 108. Joint resolution to authorize and direct the Secretary of Agriculture to investigate the cost of maintaining the present system of future trading in agricultural products and to ascertain what classes of citizens bear such cost; to the Committee on Agriculture.

S. J. Res. 134. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Manob Suriya, a citizen of Siam; to the Committee on Military Affairs.

S. J. Res. 135. Joint resolution creating a joint commission concerning the coordination and economical administration of the executive departments and independent establishments of the Government; to the Committee on Rules.

RADIO ADVERTISING

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a talk I made on radio advertising before the annual convention of the American Association of Advertising Agencies.

The SPEAKER. Is there objection?

There was no objection.

Mr. DAVIS. Mr. Speaker, under leave granted to do so, I herewith insert in the RECORD a talk made by me at the radio session of the fifteenth annual meeting of the American Association of Advertising Agencies convened at the Mayflower Hotel, Washington, D. C., April 15, 1932:

Chairman Gamble, members of the association, and invited guests, we are exceedingly fortunate this afternoon to have gathered in this room the leading representatives of four of the most influential factors in radio—the Congress of the United States, the Federal Radio Commission, the National Association of Broadcasters, and the American Association of Advertising Agencies.

Hon. EWIN L. DAVIS. Mr. Chairman, ladies, and gentlemen, I have very much enjoyed Senator DILL's address, as I am sure all of you have, and there is really no occasion for any other representative from Congress to discuss this question. He has covered it so fully and so ably and so entertainingly and I have prepared absolutely nothing whatever to say to you, not even in my own mind. I was scarcely able to be with you at all, because of official duties.

I am not going to make a speech, but I do wish to supplement what Senator DILL has said in a rather informal talk.

I am in accord with what Senator DILL has said, and I believe that that represents pretty well the congressional viewpoint. We are the legal custodians of the law regulating radio. Because of the situation, with which all of you are familiar, it was necessary for some functionary, some tribunal, to regulate radio; for reasons which were apparent to all that service could be rendered solely by the National Government, and the Federal Government having necessarily and properly assumed jurisdiction over the subject there goes with that authority a certain responsibility and obligation.

The Federal Government is the trustee for all the people in providing for the allotment to different citizens of the right to use the air through the instrumentality of the radio. It is assumed that the air belongs to all the people, that no one individual has any vested rights therein, and that radio consequently is a matter of public interest. Consequently radio should be regulated and administered in the interest of and for the benefit of the entire public, including all classes of citizens.

Those of us in Congress feel, therefore, that it is our duty to approach this subject from that standpoint. The interest of others is only incidental, so far as the interest of the whole public is concerned.

As I understand I am expected, as was Senator DILL, to talk with you with particular reference to radio advertising. I certainly would not be capable of talking to a convention of expert and experienced advertisers upon any other feature of their work, even if it were true (which it probably is not) that I am capable of discussing this one phase of your profession and problems.

In the first place I wish to state that, with Senator DILL, I am a believer in the American system. In fact, I think it is always better for functions of any kind, unless they be strictly governmental, to be administered by private citizens rather than through the Government. I think that that applies to radio. However, I am very decidedly of the opinion that the use of it should be and must be regulated in the public interest. And, of course, as we have a system now which is largely predicated upon advertising,

or rather funds raised from advertising, the question of advertising enters very definitely and importantly into the subject.

I always undertake to talk very frankly, either publicly or privately. I may be too candid sometimes, but that is my method, and I never mean anything offensive by it. I shall probably say some things that many of you do not approve. However, I want to state that whatever I may say will be said in an entirely kindly and friendly spirit. I am in no sense hostile to advertisers or advertising in the proper place and of the proper kind. However, I state without hesitation that I think we have decidedly too much sales talk over the radio, and I think that that is the general public opinion, and I think that that is proving harmful not only to the radio industry, to the broadcasting stations, but to the advertisers themselves.

Senator DILL enumerated certain powerful factors who are making a crusade against so much advertising over the radio. I have in mind a much larger, a much more important, and, to my mind, in the final analysis, a much more influential group than those which he mentioned. I refer to the rank and file of the listeners.

Having been for 12 or 13 years a member of the committee of the House which has jurisdiction over radio legislation, I have given the subject much consideration and as much investigation as I could. At all times, wherever I have been, I have been on the alert to learn what I could with respect to the public psychology as related to radio. Consequently, for years and years I have, to the best of my ability, been studying the public viewpoint, and I am sure that Senator DILL and I have somewhat more opportunity to get a general expression and a general knowledge upon that subject from various sources than is true with respect to the ordinary individual because of our connection with the subject of radio legislation. We receive letters constantly from everywhere giving the views of the listeners and of various other citizens upon the subject.

In addition to that, people talk with us frequently and constantly about the subject, and I know my colleagues who come from every section of the United States talk to me about the matter. They give their own reactions and they give the reactions of their constituents, which they receive through personal contact and through correspondence.

In the light of that study and of information coming through those various sources, I am convinced that there is a very considerable dissatisfaction with and reaction against the amount of sales talk now going on over the radio. And when that situation is being agitated and that feeling is being fanned by the aggressive elements which Senator Dill has mentioned, in my opinion it will reach such momentum that something will be done with the present system.

I want us to retain this system we have, but I want us to curb and to reform this system, not only in order that we will be able to retain it but in order that it may render the public service which radio can and should render.

My friends, radio is not maintained to sell goods. There is no justification for the Federal Government maintaining an agency for the purpose of advertisers to use in a commercial way. The only justification for advertising, for the commercial use of radio, is the use of it in such a way and to such an extent that it may be maintained financially for the purpose of rendering a greater and a larger public service.

Those are my views. And I want to state furthermore that I do not believe the public will stand for any other use of it in the final analysis.

With respect to the amount of sales talk that is being indulged in, more than two years ago I began giving public warnings along this line, before there was any pronounced public reaction. I talked with many of those engaged in the broadcasting industry. I have discussed it with them since. Many of them have all along said, "I think you are correct. I agree with you, but we will handle the situation ourselves."

However, instead of that situation, which is causing criticism, being remedied it has grown steadily worse. There is more advertising talk over the radio to-day, according to my observations, than there ever has been before.

Of course, you gentlemen naturally feel that I am not capable of giving you advice with respect to advertising, but, based upon my own observations and the things that I hear said around me constantly, as indicated before, I think that much of the advertising going over the radio now is overdone to such an extent that it has the opposite effect from that sought by the advertisers.

The purpose of advertising is to win good will for this, that, or the other commodity or service. When it does that, it is successful advertising. When it creates ill will it has the opposite effect, and it is very common to be in any group when a radio program is coming over the air and to hear expressions of disgust on all sides, on the part of the audience. In a case of that kind that advertising is doing the advertiser more harm than it is good and it is certainly doing that broadcast station or that chain system a great deal more harm than it is good.

Not only that, but when you indulge in so much of that advertising talk interspersed all through a program you are going to lose listeners, more and more.

I will tell you what my idea is: That you will get very much better results by having a moderate amount of advertising than you will by having the amount that is generally given now. For instance, this is what ordinarily happens: If there is a name advertised or if they mention some commodity, in a very brief statement, and then they go into the program the auditors will listen to all of it. But when they know from experience that when this announcer or this advertiser starts to talk he is going to talk for a minute or 2 or 3 or 4 minutes, what happens? Do those listening sit there and listen through that talk? No. They start talking with each other; they either go to biffing this sales talk or they start talking about something else. So the advertiser loses the effect of even having them listen to what is being said. Then if the program goes on for a few minutes and then they go back to that advertising talk, the same thing occurs.

If you give the public only so much sales talk or so much advertising, they are willing to listen and absorb and you will be doing infinitely better for yourselves than you will if you make it so lengthy or so obnoxious that they will not listen to it at all and will turn away in disgust either mentally or physically. In other words, I am firmly convinced that a proper curb on advertising will not only be in the interest of radio generally but even in the interest of the advertisers themselves.

I don't know what experience you have had, but my observation has been such that I have become absolutely convinced beyond any peradventure of a doubt of the sentiment which I am expressing.

Another thing. As I suggested before, the Federal Government is trustee of this important function, of this function with such a tremendous potentiality. The public so regards us. They come to us with complaints if they think that we are not administering our trusteeship in a manner in which they think it should be administered. And as I stated before, the obligation does rest upon us to see that radio, which we have assumed to supervise and to regulate, shall be held on a high and an unobjectionable plane from every standpoint, in so far as that may be possible.

Right in that connection, the House of Representatives has passed, and the Committee on Interstate and Foreign Commerce of the Senate has reported, I believe, a bill which embraces a provision forbidding the conducting or advertising of lotteries or lottery contests over the radio. There has been very little objection even from the industry to that so far as I have heard, but we couldn't do otherwise. Certainly Congress and the Federal Government can not be put in the attitude of licensing citizens to violate the laws of every State in the Union over the radio.

I heard mention of these contests to-day. They arouse interest, yes. You can always arouse interest with a lottery. Why, the Federal Government could go into the lottery business and could conduct a great national lottery and raise enough money to run the Federal Government without any other taxes. Yes; that could be done. But we can't afford to do it. We can't afford to raise public revenue in that way. In like manner we can not afford to license individuals to do the same thing.

If we regulate and maintain radiobroadcasting upon a sane, sound basis and in a manner that it will render a service that is acceptable to the masses of the people, there won't be any difficulty about continuing the present American system, at least in principle. If we fail, however, to maintain it on that plane, you may rest assured that there will be such a reaction that the system will inevitably be changed.

I do not want to see that done, and so I give the warnings which I have to-day and heretofore, with a view to preserving the system and avoiding the destruction of it. But, as I say, I am convinced that there is room for reform, there is room for correction of evils.

I have discussed this subject—and they have come and discussed with me—with many men engaged in broadcasting and in other branches of the radio industry, including executives of broadcast stations and of broadcast systems. Almost without exception they agree that I am correct in principle. They approve all of it but they speak of difficulties. They say that "the advertising agencies insist upon more sales talk than we ourselves think is proper. We have trouble with them constantly."

I understand that the advertising agencies say they have trouble because of the insistence of their clients.

I don't know just how that is. I expect that is true. I suppose that the average individual advertiser is obsessed with the idea that if he is to pay for 15 minutes he should be able to talk just as much as they will let him about himself and his goods. But he is looking at it from an individual selfish standpoint. He is not looking at it from the interest of that broadcast station and he is not looking at it from the interest of the broadcast system generally. So perhaps the advertising agency feels that he may want too much advertising and maybe he will politely curb him just as much as possible but still agree to perhaps more than he himself thinks is wise. The same thing takes place between the advertising agency and the broadcast station.

There is an opportunity and a duty for everybody involved, but I will frankly say that I haven't a great deal of faith that it is possible for the industry itself to entirely eradicate an excessive amount of sales talk. Even if a majority of advertisers and a majority of the advertising agencies and a majority of the broadcast stations and systems were aware of the situation which I have undertaken to describe and were disposed to prevent an excessive amount of talk, there would certainly always be a considerable element who would persist in an excessive amount of sales talk.

And so one advertiser will go to one station—one agency—and he will be allowed to talk this much. One of his competitors will go through another channel and he will not be permitted to engage in so much talk. The latter naturally wants to have as much sales talk as his competitor, and so he will go to his station and say, "If you don't permit me to talk that much I shall have to go to the other station," and so he will go. That is the way those things work out.

I have very, very often been impressed with the fact that those in this industry, both the executives of broadcast stations and

advertisers themselves, especially those in advertising agencies, realize that this is carried too far and yet they are in somewhat of a vise. They are driven more or less by competitive conditions and forced frequently to agree to something which they themselves do not approve. Consequently I would frankly state, as I have heretofore, that I believe the only reform—and reform is absolutely necessary to preserve the system—will be some regulation by Congress itself, or rather some criterion laid down for the Radio Commission, so as to treat everybody alike, so that everybody will be on the same basis. In my opinion that would not only not result in hurting radio or the advertiser but it would really help both.

Therefore I do not consider that any suggestions I make in this regard are hostile to either. Of course, if permitted to run on in an unbridled way, it is doubtless true that for the time being more revenue might be received. But I am talking about the future. I am discussing what will result in the final analysis and we may as well look at that because we are going to be confronted with it, and not at any distant date, unless there is a change in the present system. I mean not so much the present system as the present practices.

I have thought over this matter a great deal. I have discussed the question of the method of regulation with a great many people in all branches of the radio industry as well as those who are not within the industry but who are interested in the subject and in the success of radio broadcasting, and I think that it is pretty generally recognized by all of those with whom I have discussed the subject that the practices can not go on to the extent they are going on now, with respect to excessive advertising. I should like for us to correct this situation before it reaches a point that the public will not be satisfied with the correction but will want to use the guillotine instead of the pruning knife.

We have so often seen a lack of recognition of a sentiment and a disregard of sentiment, until it finally got absolutely beyond bounds, and I am convinced that we are confronted with such a situation with respect to radio advertising.

I don't expect all of you gentlemen to concur in these views and conclusions. But as you were kind enough to ask me to come and talk with you I felt that you wanted my real, candid views and did not want or expect me to come down here simply for the purpose of attempting to entertain you. So I have in this very informal way given you very briefly and incoherently some of the thoughts which I have upon the subject, and I believe that that expresses the sentiment of a very large segment of the public, not to speak of the interests who, perhaps, may have a different motive, and which, as I said, were described by Senator DILL.

Instead of killing the goose that lays the golden egg let us all work together toward perfecting instead of destroying a great American system of radio control. I thank you. [Applause.]

Chairman GAMBLE. We thank you, Mr. DAVIS, for this very interesting talk.

Both Senator DILL and Representative DAVIS have expressed their willingness to answer questions. I hope that our members and guests will take full advantage of this unique opportunity for a personal exchange of views.

Mr. GANNON (New York): Mr. Chairman, I should like to ask the judge if he would state the type of regulation which he favors.

Chairman GAMBLE. Mr. Gannon has asked Judge DAVIS to state the type of regulation which he favors.

Representative DAVIS. Well, of course, that has been a moot question among those who feel that something should be done along this line, and various suggestions have been made.

My opinion candidly is that it should consist at least chiefly of name or indirect advertising and perhaps the use of a slogan. I agree thoroughly with you gentlemen who have stressed the difference between the quality of advertising. Some of it is objectionable, no matter how brief. Others are not so unless carried to an unusual length. But there is no way of defining or regulating the character and efficiency of an announcer or of a particular program. While there is undoubtedly a difference in the quality and in the acceptability of it from a listener's standpoint, yet notwithstanding that, I think that many of the programs are entirely too lengthy as far as advertising talk is concerned.

I think many of you gentlemen are aware of the fact that some of the most effective advertising in the history of advertising has been name advertising. I think entirely too much stress is laid upon purely elementary descriptions. For instance, if you are advertising a certain car, it isn't necessary to tell the public what a car is for or details which are familiar to everybody who is interested in a car. What you should do is get over to the public mind that particular car.

It is the same with regard to tooth paste. Anybody who is likely to buy tooth paste knows what it is for when he buys it. It isn't necessary to give a long detailed instruction as to how to use it.

So it is with various things. I think that by name advertising at appropriate intervals, and not too often, and perhaps by the use of some slogan which would drive home the commodity or the service, some brief statement of that kind, you will get more results than you will by a continued detailed discussion of a fundamental use of the commodity because you will hold the attention of the listener during the entire program and the entire statement; whereas, as I said, and I have observed it so often and have heard others say that they have observed, if you go into a long sales talk they will quit listening and begin thinking about something else or talking about something else.

That is my view in a general way.

Mr. DAWSON. Mr. Chairman, may I ask the judge a question?

Judge DAVIS seemed to be rather positive about the large number of people who object to the type of advertising credit that is now being employed. I should like to ask the judge if he has made any investigation—let me make this statement first: He has likewise evidenced a desire that we continue to give to the American people the kind of radio entertainment that they are getting at present. I should like to ask the judge if he has made any investigation as to what would happen to radio if the advertiser should be reduced to mention of name only and a slogan. Does he know or does he have any idea as to what use would be made of radio under those circumstances?

Representative DAVIS. It was used largely in that manner up until recent years, until the last two or three years. It started with name advertising. Advertising got in. It has gradually grown and grown and grown. It is my opinion that the advertiser would get just as good or better results and would continue to advertise as much as he does now.

That is my opinion.

Chairman GAMBLE. This closing session of the fifteenth annual meeting of the four A's has certainly been one of the most interesting in it. For its success we are deeply indebted to our distinguished guest speakers of this afternoon. We thank them.

MIRRORS OF WASHINGTON

Mr. MANLOVE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address delivered from Washington by the Secretary of Agriculture, Arthur M. Hyde, over a chain of stations of the National Broadcasting Co. on Wednesday evening, April 20, 1932.

The SPEAKER. Is there objection?

There was no objection.

Mr. MANLOVE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered from Washington by Secretary of Agriculture Arthur M. Hyde over a chain of stations of the National Broadcasting Co., Wednesday evening, April 20, 1932:

O wad some power the giftie gie us
To see oursels as ithers see us!
It wad frae monie a blunder free us
An' foolish notion.

Ever since Bobbie Burns penned those lines it has been considered good medicine to see ourselves as others see us. It is usually bitter stuff, but most medicines are beneficial in direct ratio to their bitterness. Mere introspection is valuable but usually biased. Looking into a mirror held by the other fellow is free from any favorable bias and reduces bumptiousness. All of which leads to the observation that most of us in Washington have been looking with mingled pain and profit into mirrors held before us by a lot of people. In this the Department of Agriculture is no exception.

Sometimes, however, we suspect that the mirror is twisted. For example: Not long ago a distinguished Senator, his appetite keen for economy in all States except his own, leaped greedily upon the efforts of the Department of Agriculture to eradicate white-pine blister rust, a disease which threatens to destroy $420,000,000 worth of white-pine timber, and to eradicate which the department is spending about one-tenth of 1 per cent of that amount annually.

The Senator was attempting to explain what white-pine blister rust is. He said: "White-pine blister rust is a little insect that first forms on the bark of the white-pine tree as a little worm, develops into a moth or fly, and then flies to a currant bush."

Here the Senator became somewhat muddy, but he seemed to feel, rather than think, that this determined moth next lays eggs on the currant bush, the eggs become worms, then change to flies or moths (I wish he'd make up his mind which), and at once dart back to the white-pine trees to do their deadly work. "The bud of the currant bushes," said the Senator, "or the sap of the currant seems to strengthen their boring qualities, and they bore through the pine a little bit."

I showed this esoteric bit of natural history to a scientist in the Department of Agriculture. He was aghast at the extent and novelty of the Senator's revelations in the field of biology. After he had recovered sufficiently, he told me the Senator's statement was accurate except for such minor details as these: White-pine blister rust is not a bug, moth, or fly, it is a fungus disease. It does not pick, peck, poke, or bore holes into the pine tree, but acts on a tree just like a germ disease does on a man. As much as we all admire the Senator and his uncanny ability to confuse insects with diseases, bushes with trees, and facts with fancies, we in the department suspect that the mirror he has held up to us is cracked.

Another "hot one," which originated on the floor of the Senate and has spread from New York to the Golden Gate, is that merry gibe at the Department of Agriculture about a bulletin alleged to be entitled "The Love Life of a Bullfrog." It was such a "rip

rarin'" good one that it is a pity to spoil it. The cold facts, however, are:

1. No bulletin of that name was ever issued by any governmental department.

2. No bulletin dealing with frogs, their lives, legs, or loves, has ever been published by the Department of Agriculture.

In spite of the fact that the original gag isn't true, there is nevertheless a "good one" in the yarn which I must let you in on.

1. The gag was originated by Democrats to show how silly the Republicans are.

2. The only basis for it is a bulletin entitled "Frogs," which was published in 1919 by the then Democratic administration of the Department of Commerce.

3. The Democrats not only paid the expense of printing and circulating the bulletin, but they paid a Cornell professor $1,700 for writing the manuscript.

All of which shows once more the desirability of examining the mirror before you ask the other fellow to look into it.

Another mirror into which we in the Department of Agriculture are continually gazing is a chart which, with an ominous and altitudinous curve shows that the expenditures of the department have jumped from $30,000,000 in 1917 to $300,000,000 in 1931. No explanation accompanies the chart. Consequently, two conclusions are immediately drawn. One: That in 14 years the low-browed bureau chiefs of the department have expanded their baleful activities by ten. Two: That from the work of these bureaucrats no benefits whatever have resulted. One genial editor, in a recent speech, charged us with being racketeers. This criticism would have been passed over as mild and reasonable except for the fact that the editor resides in Chicago and spoke with that authority.

I enter no defense for governmental extravagance. Projects which take money may be highly desirable in prosperity, and highly undersirable at other times. Consequently, I connived with the President to lop off from the appropriations for the Agricultural Department all that could be lopped off and still carry on the duties with which we are charged under the law. Congress can take more because by so doing they will relieve us of our obligations under the law. They have our blessing. They can take more if they choose. There will be no yelp from me. Our duties are whatever Congress makes them, and be our appropriations little or still less, we of the department will click our heels and carry on with whatever is left.

But before the department, its chief officers, or myself are held up to the country as having expanded our operations ten times, let us analyze that chart a little: One hundred and seventy-four million dollars of that $296,000,000 spent in 1931 went for Federal highways, none in 1918; $50,000,000 went to farmers in the form of drought-relief loans; $14,000,000 went direct to the several States for experiment stations, extension services, and forest-fire prevention.

These three items aggregate $238,000,000 of the $296,000,000 charged to us in 1931. The funds were not appropriated because heavy-jawed bureau chiefs demanded them. The States wanted roads and crop-production loans and experiment stations, and Congress provided the money. We were merely the channel through which the money flowed from the Federal Treasury to the States.

Thus it is clear that only one dollar out of five appropriated to the Department of Agriculture goes for our own expenditures—and of this dollar nearly 60 cents goes for public-health services and conservation. The remaining 40 cents may be said to be purely agricultural.

Consequently when the mirror of increasing expenditures is held before the Department of Agriculture, we see not so much the work of bureaucracy as the demands of the States and of the people.

These statements are made not to minimize the need for economy nor to belittle any effort to cut down governmental expenditures but to point out some of the difficulties in the way of achieving those desirable ends. Beyond a doubt there exists in the vast and complicated machinery of government some of that sinister scheming and reaching for larger powers which is covered by the general term "bureaucracy." Nevertheless it is not bureaucracy which has built the machine and added millions to our tax burdens. The real culprit is the demand which has come from the people to relieve local burdens, from organizations of class or special interests to obtain special benefits from the Federal Treasury. To this demand Congress, which derives its mandates and its votes from the people, has lent an all-too-willing ear until we have built up a set of needs and a machine against which Congress is itself powerless. Local self-government has avoided its responsibilities and abdicated its powers. We have built our own Frankenstein.

Not the least of our difficulties is the fact that, by yielding to local and special demands, we have built up an ever-growing appetite for larger demands. I know of no better example of this than the so-called crop-production loans which the Department of Agriculture is making to farmers.

The genesis of crop loans lies in the action of President Wilson when, in answer to an emergency war need, he loaned small amounts in the Northwestern States to buy wheat for seed only. This action, proper as it was, immediately became a precedent which has been expanded in peace time far beyond its original intent.

The purposes of such loans have been expanded to include not only seed but feed for work animals, fertilizer, oil and gasoline for tractors, and repair of irrigation ditches. In 1931 the purposes were further expanded to include drought relief, feed for livestock, agricultural rehabilitation in all respects affecting crops—and in 1932 to include loans wherever farmers are otherwise unable to obtain loans for crop purposes.

In my own three years at this post I have seen the amounts expand from $6,000,000 in 1930 to $67,000,000 in 1931 and $200,000,000 in 1932.

A few weeks ago I protested against such loans and the enormous expansion in their purpose and amount. Immediately I found myself in the headlines.

One Senator charged me with being unsympathetic to farmers. I hope I am not lacking in sympathy with the American farmer. He is my client. His success is my job.

In opposing such loans I am not thinking of the burden such huge sums cast upon the taxpayers of this country (among them the farmer himself), but I am thinking of the welfare of the American farm family.

I assert that you can't save American agriculture by injecting it full of the opiate of credit. You may stimulate it temporarily. You may later lull it to sleep, but it will wake up next fall with all the painful reactions of surplus production and low prices. It will be burdened with an accumulated debt which will require years to pay off.

Seed loans may be justifiable and desirable when a visitation of nature, such as a storm, flood, or drought, has devastated whole counties or States and bears unequally as between individuals or groups of farmers. But when the exigency is economic and affects every one of us alike, the experience inherited by the farmer from his pioneer ancestors teaches him that the man who lives on what he has and borrows least will come through best.

The vice of Government loans is manifold. The Government can not make discriminations between the needs and the merits of individual citizens. We must loan not only to the worthy and the industries, but to the unworthy and the shiftless, provided only they come within the scant limitations of a general act of Congress. Such loans defy the inexorable economic law. They perpetuate in the competitive picture submarginal farmers and submarginal farms to the detriment of those who, but for the competition thus created, might succeed. They delay recovery.

When the money is going out, all is well. But when the attempt is made to collect it back, pandemonium breaks loose. Local interests want to collect the proceeds of the crop themselves. Political interests wheel into action demanding cancellation of the debt or a moratorium, or at least an extension of time. To the everlasting credit of the farmer be it said that he does very little of the howling. Also be it said that his own views are so much sounder than those of his representatives that during the very time that his representatives were dinning it into our ears that he could not pay, the farmer went ahead and paid over 60 per cent of our 1931 loans.

The farmer needs many things much more than he needs loans. He needs relief from the excessive burden of taxation which he bears. He knows that, because he is a consumer, much of the burden of taxes which is ostensibly loaded upon industry comes back to him in the price of what he buys.

He needs a consuming population which possesses a high buying power, not a population burdened with taxation.

The primary need of the farmer is not loans but a market, where he can sell his products at a fair price. To obtain this market, he needs an organization which will represent him. To obtain such an organization, the Government can help and is helping through the Farm Board. To hold such a market, he needs the protection of a tariff high enough to give him undisputed possession of the home demand. To reap full benefits of such a market, he needs to control his production to such volume as will balance with demand. Governmental funds will be more wisely employed in relieving the domestic market from the burden of existing surpluses than in stimulating by means of loans a larger production and an increased surplus.

The statement is frequently made that the President's program for recovery provides ample assistance for banks, railroads, and corporations, but none for "the little fellow." Such statements are utterly unfounded. It is true that the Reconstruction Finance Corporation makes its loans to such institutions, but its primary purpose is to release the strangle hold which fear and panic have had upon the credit and the job of "the little fellow."

The extent to which our difficulties are due to unreasoning fear and panic is hard to measure. Some indication may be had from the fact that although our foreign trade has declined (in dollars, not volume) less than 5 per cent of our productive capacity, our production has declined somewhere around 30 per cent. Yet the consumptive power of our people is just as large as it was at the heyday of consumption. Some part of the difference between 5 per cent and 30 per cent of our productive capacity is pure scare.

The distress of "the little fellow" during these last 30 months has been due to that scare. Fear and panic have been prolific causes of credit contraction. Bank failures and the shrinkage of railroad values have been the fuel upon which the flames of panic fed. The daily announcement of bank failures, in the days gone by, alarmed not only other depositors but other bankers. Each new failure tied up, not only the deposits of the failed bank, but forced other bankers to protect themselves against possible runs by demanding payment of loans, and by refusing to extend new credits. Thus by the spread of fear, credit was withdrawn from business. Consumption declined, and production was reduced. In turn, railroad tonnage fell off, and the value of their securities dropped. This added to the difficulties of the banks in which "the little fellow" had his savings and the insurance companies in which he carried his risks. Bank failures, contracting credit, falling buying power, declining production—it was along

this vicious circle as it spiraled downward that "the little fellow" lost his market and his job.

The Reconstruction Finance Corporation was given the job of reversing this process. Already the failure of banks has largely ceased, and this cause for alarm has been withdrawn. If the flow of credit to business is resumed, "the little fellow" will regain on the way up what he lost on the way down.

Those who criticize because loans are made to banks and other institutions should pause to remember, first, that all such institutions are required to put up adequate security and pay 5½ to 6 per cent interest, and, second, that we are living, not in a state of nature but in an organized society in which such institutions render a vital service to every one of us. To illustrate: You can get in Africa land as fertile as any to be had in this country. You can get all you want of it. It will cost you little or nothing. But you wouldn't have it even as a gift. You wouldn't have it because it has no banks, no railroads, none of the service corporations and institutions which are necessary to a civilized standard of living in an organized society. If we permit our banks to fail, credit will dry up and business will stop. If we permit our railroads to fail, farms will also fail. This is so perfectly obvious that even slight reflection will demonstrate the President's program to be primarily for "the little fellow" and an answer to his needs.

It was on this very point that a prominent Democratic candidate for President recently said:

"I will fight any candidate who persists in any demagogic appeal to the masses of the working people of this country to destroy themselves by setting class against class and rich against poor."

I am not in the habit of taking marching orders from Democratic sources, but here at last is a point upon which I line up with Al Smith.

While we are gazing into mirrors held up for us to look into, let us all look into a great mirror and see ourselves as a Nation. It will reflect back to us our own image, in the cold light in which we view the other fellow. Let us each ask ourselves what sacrifice we are making for the welfare of the Nation. We were heroes in war. We vied with each other in the glorious sacrifice and we won! What about peace-time sacrifices?

Congress can not do it all. Congress is your creature. It represents you. We shall solve many of our problems when Senators stop talking about "my State" and begin talking about "my country"; when Representatives forget their district and remember only the Nation. And that happy hour will occur when organizations massed behind special interests are willing to submerge those interests for the national welfare, when sectional interests are merged into the larger interests of the whole Nation, and individuals with pet projects are willing to offer them on the altar of national well-being. For, after all, Congress represents us as we are. Members of Congress are just as patriotic, just as wise, and just as courageous as we will let them be. The beginnings of wisdom, of patriotism, and of courage lie in each one of us—as individuals. That, after all, is the mirror which reflects a true picture.

DISTINGUISHED VISITOR

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, seldom is the House of Representatives honored by the presence of a distinguished lady guest. On yesterday women assembled in Washington from all the States of the Union elected a new leader. I refer to that organization of patriotic and public-spirited ladies known as the Daughters of the American Revolution. These ladies chose as their president general for the coming three years an esteemed constituent and personal friend of mine, Mrs. Russell William Magna, of Holyoke, Mass. She was accorded the unusual honor of being elected without opposition in recognition of her years of faithful and outstanding service to the organization.

It is a privilege and pleasure to present to the Members of this House the president general elect of the Daughters of the American Revolution, Mrs. Russell William Magna, who, with her husband and father, is now in the Speaker's gallery.

I suggest that the House extend to her a hearty welcome. [Applause.]

FEDERAL PAY CUTS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MEAD. Mr. Speaker, a petition protesting against Federal pay cuts, a mile and a quarter in length, signed by 24,000 taxpayers of Milwaukee, was to-day presented to Senators LA FOLLETTE and BLAINE and members of the Wisconsin delegation in the House by representatives of postal employees' organizations. The petition was addressed to me as chairman of the House Post Office Committee, who turned it over to the Wisconsin legislators, including the Hon. JOHN C. SCHAFER and Hon. GEORGE J. SCHNEIDER on the east steps of the Capitol.

The petition is the result of an educational campaign carried on by the "Big Three" organizations of postal employees—the National Federation of Post Office Clerks, the National Association of Letter Carriers, and the Railway Mail Association. These groups, representing directly 150,000 postal employees, are acquainting business men with the fact that a Federal pay cut means a diminished purchasing power reacting against the restoration of prosperity in every community in the country.

The officials of the postal organizations making the presentation were: Leo E. George, Thomas F. Flaherty, and William Otte, of the National Federation of Post Office Clerks; Edward J. Gainor, M. T. Finnan, and Clarence Stinson, of the National Association of Letter Carriers; and William Collins, Henry Strickland, and J. F. Bennett, of the Railway Mail Association.

NAVY DEPARTMENT APPROPRIATION BILL

Mr. AYRES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11452, the Navy Department appropriation bill, with Mr. FULLER in the chair.

The Clerk read the title of the bill.

Mr. AYRES. Mr. Chairman, before the Clerk begins the reading of the bill I ask unanimous consent to proceed for five minutes. I rather think most of the members will be interested in this statement.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. AYRES. Mr. Chairman, we carry on pages 25 and 44 of this bill provisions limiting flying pay to $1,100 per annum. By reason of such action we have subtracted $6,187 from the appropriation for the Naval Reserve, $271,890 from the appropriation for pay of the Navy and $16,130 from the appropriation for pay of the Marine Corps, or a total of $294,207.

I am advised that on yesterday the Chief of the Bureau of Aeronautics of the Navy Department informed the chairman of the Committee on Appropriations [Mr. BYRNS] that if the committee would remove the limitations on the amount of flying pay that might be paid to an individual officer, that the department would so administer the assignment of officers to flying duty as to make the reduced appropriation for pay of the Navy suffice. This would be accomplished, I understand, by refusing flight orders to officers whose duties do not make it essential for them to engage in aerial flights.

The committee is willing to accept that proposition as a substitute, and I shall move, when the paragraphs containing the limitations have been read, to strike them out, and to insert in the appropriations pay of the Navy and pay of the Marine Corps limitations on the total amount that may be expended for flight pay in conformity with the suggestion of Admiral Moffett. [Applause.]

The small amount—$6,187—deducted from the appropriation for the Naval Reserve I shall move to restore.

In conclusion, I wish to read a letter from the Secretary of the Navy to Chairman BYRNS, dated April 21, 1932, relative to this matter.

THE SECRETARY OF THE NAVY,
Washington, April 21, 1932.

MY DEAR MR. BYRNS: Referring to the provision on page 25 of the naval appropriation bill, which limits so-called flight pay to $1,100, may I urge that, in view of the grave uncertainty whether aviators will continue their voluntary acceptance of flight duty at

this limit of pay, that you support the amendment striking out lines 11 to 15 on page 25 and lines 10 to 12 on page 44. If this is done, the Navy feels that it can accept the reduction of flight pay elsewhere provided.

Very truly yours,

C. P. ADAMS.

Hon. JOSEPH W. BYRNS,
House of Representatives, Washington, D. C.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. LaGUARDIA. May I ask the gentleman whether the same will apply to the submarine service?

Mr. AYRES. Yes. We will make the same provision, of course, as to the submarine service.

Mr. LaGUARDIA. If there is no joker in it, this looks good, and I will study it.

Mr. AYRES. I assure the gentleman he has my permission.

Mr. STAFFORD. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. STAFFORD. Then, I understand the position of the committee is that they will not recommend to the Congress a reduction in the base pay for flying service?

Mr. AYRES. That is right.

Mr. STAFFORD. I say that in view of the fact that the Committee on Military Affairs held a hearing this morning at which the head of the Army flying service and others gave testimony showing the injustices which would follow if the limitation as carried in the Navy appropriation act was also carried in the Army appropriation act. So it is now the purpose of the Appropriations Committee to abandon that policy with reference to base pay?

Mr. AYRES. That is right. Of course, the gentleman means flying pay.

Mr. STAFFORD. Yes. Will that apply to both services?

Mr. AYRES. I can not speak for the Army.

Mr. BRIGGS. Will that apply to the Army as well as to the Navy?

Mr. AYRES. As I said to the gentleman from Wisconsin, I can not speak as to the Army.

Mr. BRITTEN. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. BRITTEN. In view of what has just transpired I would like to ask the chairman of the subcommittee if he had any member of the Navy Department before his subcommittee personally to justify the bill that is now before the House, not the one as amended but the bill as it is now before the House, as affecting aviation and submarine pay decreases.

Mr. AYRES. Admiral Moffett filed a statement, which appears in the hearings.

Mr. BRITTEN. That is not answering my question. Did any member of the Navy Department come before the gentleman's subcommittee and testify?

Mr. AYRES. No; not as to reducing flying pay.

Mr. BRITTEN. That is the reason the bill is as it is.

[Here the gavel fell.]

The Clerk read as follows:

NAVAL RESERVE

For expenses of organizing, administering, and recruiting the Naval Reserve and Naval Militia; pay and allowances of officers and enlisted men of the Naval Reserve when employed on authorized training duty; mileage for officers while traveling under orders to and from training duty; transportation of enlisted men to and from training duty, and subsistence and transfers en route, or cash in lieu thereof; subsistence of enlisted men during the actual period of training duty; subsistence of officers and enlisted men of the Fleet Naval Reserve while performing authorized training or other duty without pay; pay, mileage, and allowances of officers of the Naval Reserve and pay, allowances, and subsistence of enlisted men of the Naval Reserve when ordered to active duty in connection with the instruction, training, and drilling of the Naval Reserve; pay of officers and enlisted men of the Fleet Naval Reserve for the performance of not to exceed 48 drills per annum or other equivalent instruction or duty, or appropriate duties, and administrative duties, exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate physically and psychologically qualified to serve as pilots of naval aircraft, $3,071,499, of which amount not more than $150,000 shall be available for maintenance and rental of armories, including pay of necessary janitors, and for wharfage; not more than $81,000 shall be available for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department; not less than $575,079 shall be available, in addition to other appropriations, for aviation material, equipment, fuel, and rental of hangars, and not more than $336,375 shall be available, in addition to other appropriations, for fuel and the transportation thereof, and for all other expenses in connection with the maintenance, operation, repair, and upkeep of vessels assigned for training the Naval Reserve: *Provided*, That no appropriation contained in this act shall be available to pay more than one officer of the Naval Reserve and one officer of the Marine Corps Reserve above the grade of lieutenant or captain, respectively, for the performance of active duty other than the performance of drills or other equivalent instruction or duty and/or the performance of 15 days' active training duty.

Mr. AYRES. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment which the Clerk will report.

Mr. BRITTEN. Mr. Chairman, I desire to reserve a point of order on the proviso beginning in line 23, page 12, and extending to line 6 on page 13.

The CHAIRMAN. The gentleman's point of order comes too late. An amendment has been offered and is in the hands of the Clerk.

The Clerk read as follows:

Committee amendment offered by Mr. AYRES: Page 12, line 8, strike out "$3,071,499" and insert in lieu thereof "$3,077,686."

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes.

Mr. STAFFORD. As I understand, the effect of the proposed amendment is to take care of the aviation-pay matter that the gentleman just referred to.

Mr. AYRES. That is it exactly.

Mr. STAFFORD. It does not make provision for taking care of the Great Lakes boats that have in the past been in the service and which are desired by many to be continued in the service for 1933.

Mr. AYRES. No; it is confined entirely to the restoration of $6,187 for flying pay for reserve aviators.

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition to the amendment.

I would like to inquire of the gentleman from Michigan [Mr. CLANCY], because he may lose his rights if this amendment is adopted, whether he intends to offer any amendment to increase the appropriation as carried in this item?

Mr. CLANCY. Mr. Chairman, I may inform the gentleman from Wisconsin that my amendment is waiting on the desk, and I understood I could offer the amendment after action was taken on the amendment offered by the gentleman from Kansas [Mr. AYRES].

Mr. STAFFORD. May I inquire what the amendment is? If we adopt the committee amendment, I will say to the gentleman, there will be no further amendment with respect to the total amount, and I do not want the gentleman from Michigan, or the gentleman from Minnesota [Mr. PITTENGER], or anyone else to lose his rights. I am trying to act in a protective capacity here.

The CHAIRMAN. If the gentleman will suspend a moment, the Chair is informed that if the gentleman from Michigan cares to offer his amendment, he should offer it to the amendment of the gentleman from Kansas, and should offer it now.

Mr. PITTENGER. I would like to ask the gentleman from Kansas a question.

Mr. CLANCY. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Kansas.

Mr. STAFFORD. I have the floor. For information, Mr. Chairman, may we have the proposed amendment read?

The CHAIRMAN. Without objection, the Clerk will read the proposed amendment.

The Clerk read as follows:

Amendment offered by Mr. CLANCY as an amendment to the committee amendment offered by Mr. AYRES: On page 12, line 8, strike out "$3,071,499" and insert in lieu thereof "$3,171,499."

Mr. STAFFORD. I now yield the floor to allow the gentleman to offer his amendment.

Mr. CLANCY. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CLANCY as an amendment to the committee amendment offered by Mr. AYRES: On page 12, line 8, strike out "$3,071,499" and insert in lieu thereof "$3,171,499."

Mr. CLANCY. Mr. Chairman, the purpose of my three amendments is to make an appropriation of $100,000 for the operation and maintenance on training cruises of five training ships and two Eagle boats.

These ships are stationed at strategic points on the Great Lakes at Chicago, Duluth, Detroit, Cleveland, and Toledo and provide for the yearly training of 2,960 officers and men who would help to operate in time of war the additional war ships and transports which would be put into the service to defend the country.

The committee has cut out over $600,000 as the cost of training naval reservists on training ships on fresh and salt water.

My amendments merely aim to restore $100,000 of this $600,000 plus and to add specific language to make sure that the Great Lakes training is included in the program for the navigation season of the year 1932. A number of great States with a population of about thirty millions of people is covered by this item.

These States are New York, Pennsylvania, Ohio, Indiana, Illinois, Wisconsin, and Minnesota.

SPRUNG AS A SURPRISE

The members of the appropriations subcommittee have repeatedly admitted that the Navy Department did not take them into its confidence in its alleged plan to junk and sell these five ships and two Eagle boats on the Great Lakes. The chairman, Mr. AYRES, said yesterday that the first belated notice came through an item in the Army and Navy Journal. Mr. TABER, of New York, of the committee, also said on the floor yesterday the same thing, and that notice came after his committee hearings were closed.

Earlier this week Members of the House—for instance, Mr. WHITE, of Ohio, and Mr. PITTENGER, of Minnesota—said they had been informed by the Navy Department that the purpose is to sell and junk the ships which have cost millions of dollars for what can be practically gotten for them as old iron. Members of the subcommittee insist the ships will not be junked.

These ships are not obsolete with possibly one exception. They have been modernized and are safe and can provide for the yearly training of 3,000 men. Two of the ships just last year cost $150,000 in improvements and were changed from coal burning to modern, economical, oil-burning ships.

Certainly we ought to clear up the confusion which exists in the minds of the Members of the subcommittee and of the House as to just what the Navy Department intends to do with these ships. Some say on the floor of the House they will not be junked and others say just as positively on the floor they will be junked.

GREAT LAKES TRAINING BEST

The Navy Department claims that salt-water training is better than Great Lakes training for the naval reservists, who will be expected to operate ships in time of war both in navigating the ship and in running the engine room. Admiral Simms, the United States Navy chief at Chicago, and the naval reservists say just as positively that the Great Lakes training is much superior to the open-ocean training because of the difficulties of navigating the river and lakes of the Great Lakes and of the presence of a tremendous amount of traffic day and night.

A LOSS AND NOT A SAVING

The Navy Department say they will save $36,000 per year by junking these ships and taking the 3,000 naval reservists of the Great Lakes region to salt water by railroad and maintaining them there.

The officers of the United States Naval Reserve Association say just as positively that these figures are false, and that instead of saving $36,000 they will lose much more than that amount by the greater cost of transportation, and so forth.

My amendments do not aim to restore the summer cruises. Mr. TABER, of the subcommittee, who has made a deep study of the question, says he is not in favor of the summer cruises this year, but that he does believe in the week-end cruises. My amendments provide for the week-end cruises this year and next summer.

PASSING THE BUCK

Chairman AYRES says that the Navy Department is recommending this action, and that they are the experts and we should take their word for it; but the Navy Department has made mistakes before and will make them again, and is making them now.

We can not pass the buck to the Navy Department. The responsibility is ours. We can not alibi ourselves by saying that we took the recommendations of the bureau chiefs.

Some say we can not afford this $100,000 for national defense. I hold in my hand a newspaper photograph of the *Dubuque*, a fine serviceable gunboat with oil-burning engines, covering the Detroit district. Last year it cost only $27,000 to operate. It can carry about 250 men on a cruise and afford them training. This summer and next summer it can be operated much cheaper than $27,000.

THE DEADLY PARALLEL

The Appropriations Committee say we can not afford fifteen or twenty thousand dollars for that boat, but the Appropriations Committee say that we can afford about $3,000,000 per year on the Detroit front for a fleet of rum chasers and patrolmen.

I hold in my hand large newspaper photographs of a part of the rum-chasing fleet on the Detroit front which went into commission a few days ago, on April 16. Here they are, 50 of them, expensive motor boats, most of them practically new. See the tremendous wake they make as they tear across the water, some of them going 60 miles an hour and eating up every hour tremendous amounts of taxes in gasoline. This is only a part of the fleet. There are many Eagle boats and Coast Guard cruisers much larger than these motor boats. These border patrolmen and their boats cost at least $3,000,000 per year on that front, and yet you say you can not afford fifteen or twenty thousand dollars to save the *Dubuque*?

MILLIONS FOR PROHIBITION

There are about 150 customs border patrolmen on the Detroit front. There are about 230 Coast Guard men on the Detroit front, which extends to Buffalo, and their orders allow them to mobilize on the Detroit River for an emergency. There are also about 230 immigration border patrolmen on the Detroit front, thus making about 600 Federal border patrolmen who are superimposed upon about 3,500 policemen, deputy sheriffs, marshals, State police, and so forth, who are supported by city, county, and State taxes.

You might say that they are necessary to watch the 3,500 other policemen, but the customs border patrolmen on the Detroit front have been the most corrupt force in the history of American police work.

The United States Commissioner of Customs a few years ago, testifying before high Canadian officials at Ottowa, Canada, said that 90 per cent of them were dishonest or inefficient.

Every year tremendous scandals develop and a number of these customs officials are sent to Leavenworth or Atlanta by United States courts. They have shot innocent men and they have terrorized men, women, and children.

[Here the gavel fell.]

Mr. CLANCY. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLANCY. Now, you say that you can afford millions per year for men of this sort and you can not afford $100,000 for the Naval Reserves, who are the very highest type of American manhood according to all the testimony—sober, honest, patriotic, and intelligent.

Every high Government official in charge of the border patrol testifying recently before House and Senate committees said that the Canadian embargo on liquor is efficient and that very little of it is coming across the Canadian border, probably 1 per cent of all the liquor used in the United States; and yet you are willing to throw away millions of dollars on this parasitic service and also to destroy an arm of the national defense, the Naval Reservist boats of the Great Lakes.

I regret to have to bring in the question of prohibition enforcement, but the very same House Appropriations Committee which seems to take a vague stand on the destruction of these five training ships and two Eagle boats on the Great Lakes is the very body of men who say that it is necessary to waste all this money on these prohibition-enforcement speed boats, Eagle boats, and cruisers.

Why, if you would just eliminate the cost of five of these motor boats and the salary of the men necessary to run them for one year, you could run the *Dubuque* easily for two summers.

You have a number of prohibition-enforcement torpedo-boat destroyers on salt water, some of them with crews of 80 or 90 men; and if you just laid up one of those prohibition cruisers for one year, you could run the entire training fleet on the Great Lakes for at least a few years.

If you tied to the dock one cruiser of the regular Navy, you would not have to curtail this Naval Reserve training in any respect, summer cruises and all.

You say you can not afford the $100,000 for all these ships. That statement is extremely inaccurate, to say the least.

BREAKING FAITH WITH DETROIT

I have in my hand resolutions passed by the Common Council of Detroit, April 19, 1932, protesting vigorously against the Navy Department breaking faith and the implied contract existing between Detroit and the Federal Government which was made when the city of Detroit gave about a million dollars' worth of property to aid in this naval training.

BREAKING CONTRACT WITH STATES

I hold in my hand a similar resolution passed by the house of the State legislature at Lansing, also protesting against the Navy Department for its proposed scheme to abolish naval training on the Great Lakes and the junking of these ships, breaking faith and the implied contract with the State of Michigan which was made when the legislature was induced to appropriate $600,000 recently to aid this Federal naval training.

What is true of Michigan is true of Illinois, which gave $800,000 for this naval-training work, and Ohio, which gave $200,000, and New York, which gave $500,000.

The Navy Department breaks its word of honor and its implied contract, alleging that it can save $36,000 per year, whereas the United States Naval Reserve Officers' Association, a body of honest, patriotic, intelligent men, claims that a great loss to the taxpayers will result.

The Government claims it can not take care of these reservists who are mostly not on salary and who give up their time and energies as an arm of the national defense, and yet it can put on these waters a couple of hundred Customs and Coast Guard border patrolmen, prohibition-enforcement agents, to watch over 3,500 policemen who are paid out of the city, county, and State coffers.

Every year a large number of these Detroit border patrolmen are sent to Leavenworth or to Atlanta to "the big house," and it is estimated that it takes only three months to corrupt a new force. Are you going to say to the taxpayers that you can pay $3,000,000 every year for a border patrol and a worthless fleet of boats like this, 50 fast speed boats eating up gasoline, parasitic, and doing no good, but that you can not afford $15,000 or $20,000 per year to maintain this historic gunboat, the *Dubuque*, which is doing a great deal for the national defense?

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. CLANCY. Yes.

Mr. SWEENEY. Will the gentleman explain to the House the amounts of money the several States have contributed voluntarily toward this matter?

Mr. CLANCY. Yes. Michigan gave $600,000. Illinois, thinking the United States Government would keep its implied contract, gave $800,000. Ohio gave $200,000, and New York gave $500,000.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection?

Mr. CLANCY. Mr. Chairman, I reserve the right to object. Thirty million people are affected directly in six or seven States, and several gentlemen from these States wish to discuss the matter.

Mr. BRITTEN. Mr. Chairman, I reserve the right to object. I have an amendment that will strike out the proviso at the bottom of page 12 and that may require some considerable time.

The CHAIRMAN. Is there objection?

Mr. MICHENER. Mr. Chairman, I object.

Mr. AYRES. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Kansas that all debate upon this section and all amendments thereto close in 30 minutes.

The question was taken; and on a division (demanded by Mr. AYRES) there were—ayes 43, noes 55.

So the motion was rejected.

Mr. BYRNS. Mr. Chairman, I move to strike out the last word for the purpose of making a statement to the House. It is perfectly satisfactory, of course, to have unnecessary debate if the House wants to, but I serve notice on the House now that we will have a Saturday session unless this bill is completed to-day. If the House wants to stay here to-morrow, we will be glad, of course, to discuss these matters at length, or as long as you want to, but the gentleman from Kansas [Mr. AYRES] made the motion simply for the purpose of expediting the passage of the bill. He had no other purpose save the view and the hope that it would be possible to conclude it to-day and take a recess over to-morrow until Monday.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. Yes.

Mr. HASTINGS. The gentleman from Kansas and the gentleman from Tennessee can stop debate much more quickly than under 30 minutes on this amendment if they will ask that the rules be enforced. In other words, let us have five minutes debate on each side of each of these amendments.

Mr. BYRNS. Mr. Chairman, I have no desire to enforce the rules if the House wants to stay here, but I want gentlemen to understand that if we continue this debate we will meet to-morrow to complete the bill.

Mr. CLANCY. Mr. Chairman, we do not want to consume unnecessary time; but if the gentleman will ask for a show of hands as to the number of members here who want to talk, I think he will find there may be only five or six, and then we can go ahead, but we fear the gentleman is not going to give opportunity to discuss the question.

Mr. BYRNS. I do not want any gentleman on the floor of the House to think that personally I would cut off anybody. I simply want gentlemen to understand the facts and to understand the necessity of completing the bill to-day or of meeting to-morrow to complete it. I shall be here anyway.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the amendment.

There is no desire, Mr. Chairman, to prolong debate unnecessarily, but this is an important proposition to the Members coming from the Great Lakes districts. The amendment proposes to increase the appropriation, as recommended, $100,000. The gentleman from Kansas [Mr. AYRES] has already offered to increase the appropriation

$6,000 for a fad aviation service. We are only seeking an appropriation of $94,000 for an essential service, which is as essential to the fleet reserve as the camp maneuvers are to the National Guard during the summer encampments.

It is now proposed by the department that, instead of having these Naval Reservists, who are the same as National Guard men, trained for two weeks on vessels on the Great Lakes, where the States have contributed hundreds of thousands of dollars for the maintenance of that service, that service should be discontinued after September of this year, and instead the Naval Reservists should be transported thousands of miles to the seaboard for that character of training.

It has been the aim and endeavor of the War Department Appropriations Committee to have similar exercises, as far as the Reserve Officers' Training Corps and the citizen's military training camp service are concerned, carried on proximate to the places where the men are organized for the sole purpose of saving transportation expense. Now, seamen can not be developed by being trained on land. We must have vessels; and it is just as essential to have a vessel on the Lakes where they can have week-end training as well as the two weeks' training as it is for an infantryman to have a musket in order to be properly trained.

The restrictive proposal is being carried altogether too far. There is only $100,000 involved. I hope the gentleman from Kansas, in his magnanimous spirit, will agree to the $100,000 in order to keep these vessels on the Great Lakes. The gentleman knows I have tried to cooperate in every endeavor for economy, but it is my firm opinion, after reading the hearings, that here is a place where we can really economize by allowing $100,000 for the maintenance of these vessels. Will the gentleman from Kansas not accede to that reasonable request?

Mr. AYRES. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. AYRES. I would say to the gentleman the committee did not initiate this. The responsible officials of the Navy Department came before our committee and stated that as a measure of economy this step had been taken. Now, we do not wish to be placed in the position of asking the Government of the United States to spend money which the department itself is trying to save.

Mr. STAFFORD. Well, it is not always that the Secretary of the Navy, who hails from the classic atmosphere of Cambridge, knows what the conditions are on the unsalted seas of the Middle West. He might know something about Boston, but he does not know of the practices that are indulged in on the Great Lakes. He has not qualified in that particular. In this bill, on yesterday, we carried $100,000 or more for training marines at schools supported by four States along the seaboard. We are only wanting what is fair. We want to educate the Secretary of the Navy in order to broaden him in his knowledge. He has too much classical atmosphere about him.

Mr. BANKHEAD. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BANKHEAD. Does the gentleman propose that the Secretary of the Navy shall serve an apprenticeship on one of these training ships?

Mr. STAFFORD. It would have been far better if he had gone West to get some knowledge of the liberal thought and ideals that prevail in the West, especially as to maritime conditions on Lake Michigan and Lake Erie and Lake Superior.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHREVE. Mr. Chairman——

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. What is the motion which the gentleman from Pennsylvania [Mr. SHREVE] proposes to discuss?

Mr. SHREVE. I propose to discuss training schools and ships on the Great Lakes.

Mr. BANKHEAD. Does the gentleman rise in opposition to something pending before the committee?

Mr. SHREVE. Yes. I am in favor of the amendment that is now before the committee to add $100,000.

I want to say, Mr. Chairman, I have lived on the shores, within a short distance of the shores of Lake Erie, all my life, and I think I know something about the proposition.

One hundred and thirteen years ago the world's fleet was built right in Erie harbor. Erie is my home city. The first battleship that was ever built on any waters was the old *Michigan* that was built on Lake Erie. For more than a hundred years that great body of water has been recognized by the Navy in Washington as one of the finest and best places to train men for service on the seas. Why? Because, as one of the gentlemen who has preceded me has already stated, there are the dangers of navigation. John Sharp Williams, on the floor of this House, once said that more freight passed through the harbor of Detroit and down the Lakes than passed out of New York, London, Hong Kong, China, and Buenos Aires. When vessels seven and eight hundred feet long, carrying 12,000 tons of freight, are placed on that inland sea, there is an opportunity to test the navigating abilities of the men who are trying to run a ship, a great deal better than if they are sent out on the ocean to float around in the sunshine, and not have any of that experience that they get in navigating the Great Lakes.

I am amazed when I hear there is a thought of doing away with those ships and that they are going to be scrapped. In the old days men who received their training on the Great Lakes would never have thought of such a thing.

The old *Michigan* spent its winters in our harbor. Its officers and men married our girls, and for a long time the city of Erie was known as the mother-in-law of the Navy. Those old-time commanders would not have thought of destroying the training ships on the Great Lakes. They would have been in favor of building more ships, because they knew exactly what it meant. They knew that men trained on the Great Lakes were far superior to those who received their training on the ocean.

I hope this motion will prevail. [Applause.]

Mr. AYRES. Mr. Chairman, I desire to submit another unanimous-consent request, that all debate on this section and amendments thereto close in 20 minutes.

Mr. BRITTEN. Mr. Chairman, I object.

Mr. AYRES. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

The motion was agreed to.

Mr. MAPES. Mr. Chairman, I want to take just a minute to support the motion of my colleague [Mr. CLANCY]. We are all in favor of economy and the reduction of expenditures by the Government to the lowest point possible consistent with the welfare of the people. The only difference of opinion arises over what activities shall be curtailed and to what extent the expenditures for any given services shall be reduced.

The naval unit of my home city, Grand Rapids, Mich., Division 13 of the United States Naval Reserve Forces, has ranked first in the report of the Naval Reserves Inspection Board for the last several years. The members of the organization there have taken great pride in their work and are very enthusiastic about it. It would be exceedingly unfortunate to do anything here that would dampen or discourage that enthusiasm. The failure to pass the amendment offered by my colleague will not only deprive them of training of great benefit to them and to the Government but it would at the same time go a long way to destroy their morale. What is true of the Grand Rapids unit is equally true of other units around the Great Lakes. For one, I trust the motion of my colleague will prevail.

Mr. WHITE. Mr. Chairman, 15 years ago we went to war in a condition which permitted us to train men while we stood behind the defenses of our allied armies. While those with whom we were fighting were protecting us we attempted to train both officers and men.

Here is an organization, the Naval Reserve, that is used not only for men who were trained then but men of education who want to be trained now in order that they might help us if such an emergency should arise in the future. As to the probability of that emergency I shall not speak, but I will say that speeches were made on the floor of this House less than two months before the World War started to the effect that there was no chance of war and that there were no signs of war. Speeches were made on the floor less than two months before we went into the World War to the effect that we could not possibly get into it. So you can not take for granted any such eventualities, because you can not see them coming.

I want to say to you that in my opinion this is an effort to destroy the entire reserve force of both the Marine Corps and the Navy for the purpose of preserving the money for the regular Navy forces. [Applause.] It is not economy in any sense to attempt to destroy ships which two years ago were remodeled. Besides the two ships my colleague from Michgin [Mr. CLANCY] mentioned, a ship in my own home city was overhauled in 1930 at an approximate cost of $40,000. To scrap that ship at this time would be a rank and inexcusable extravagance.

I insist to you that the building of this reserve force has made a valuable and useful arm of the defensive service of this country.

I want to call your attention to some figures in connection with the Marine Reserve, which we are not discussing now but will come to later. In 1928 and 1929 it cost $459 per member of the organization trained. In 1930 and 1931 it cost $62. These men in the Naval Reserve are willing to go on the same basis of no pay and no money for uniforms. Those whom I have been able to reach have expressed a willingness to even provide their own mess if these ships are preserved for them.

These men have been willing to cut down the force in charge of this ship to one officer and three enlisted men as ship keepers for half of the year, or during the summer months, and five during the winter. This cost for one ship will be about $30,000. These men are willing to go on this basis.

To scrap these ships will be a rank destruction of something that we spent money on two years ago, and will not be a saving in any sense of the word.

Mr. BYRNS. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. BYRNS. Can the gentleman see any justification for Members of Congress who are trying to reduce expenses to vote $100,000 into this bill when the Navy Department says it does not want it and does not need it?

Mr. WHITE. The Navy Department is attempting to destroy this part of the civilian service.

Mr. BYRNS. What right has the gentleman to make such a serious charge against the Navy Department?

Mr. WHITE. I insist it is true.

Mr. BYRNS. Here is an order issued by the Navy Department discontinuing training up there after September 1, and yet the gentleman proposes that we vote $100,000 of the taxpayers' money when the department says it does not need it.

Mr. WHITE. I still maintain that my charge is true. Why not sink a battleship to save money? That would do it. That is the same principle exactly.

Mr. PITTENGER. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. PITTENGER. Is it not a fact that when the hearings were held before the subcommittee on naval expenditures no such program was presented, and is it not the fact that after the hearings were printed, after the committee had ceased its deliberations, without a single objection or without any support of the Naval Reserves, the Navy Department then issued this order to junk or decommission these vessels, and is it not a further fact that the economy that is being practiced, if there is any, is at the expense of the Naval Reserve Force and not at the expense of the other branches of the Navy?

Mr. WHITE. Exactly; and I thank the gentleman for his suggestion.

Mr. WOODRUFF, Mr. FRENCH, and Mr. AYRES rose.

Mr. AYRES. Mr. Chairman, 8 minutes of the 20 minutes for discussion on this paragraph has been used by those in favor of the amendment. I shall certainly insist on only 2 minutes more being used for that purpose and that those in opposition have 10 minutes.

The CHAIRMAN. The gentleman's position is well taken, and the Chair recognizes the gentleman from Michigan [Mr. WOODRUFF] for two minutes.

Mr. WOODRUFF. Mr. Chairman, under the circumstances, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Chairman, the chairman of the Appropriations Committee [Mr. BYRNS] asked the gentleman who just preceded me what justification there is for asking an additional $100,000 for the purpose of keeping these ships in commission, these Naval Reserve officers, and men on the Great Lakes, if we are to put into effect the economy program we are all so anxious to see adopted.

We have 3,000 officers and men in the Naval Reserve on the Great Lakes. Since time began for us a part of our naval force has been trained on these waters. Conditions for training naval personnel there are ideal. I wonder if you gentlemen know that it is the policy of the Navy Department, if this legislation goes through, to in the future train these naval reserves on the Atlantic Ocean. This is the program, and I wonder if you gentlemen know just how much it will cost to transport these 3,000 men to the Atlantic coast and back again each year. It will cost just $50,000 more than the amount involved in the amendment.

If we are trying to reduce the expenses of government, if we are trying to do something for the sake of economy, here is an opportunity to practice it and at the same time show the people of the States bordering on the Great Lakes that Congress appreciates the substantial appropriations made each year by those States to assist in the training of this naval personnel.

It is not a matter of importance to me, Mr. Chairman, whether or not the Naval Reserve is trained in one place or another. It is important, however, that this training be given where it will be most effectively done for the least expense. An examination of all the facts will convince anyone that transferring these activities to the Atlantic will add to rather than reduce the cost, and this without adding in any way to the efficiency of the corps. As a matter of fact, it is believed by the officers of the corps that the training on the lakes is, because of its peculiar effectiveness, vastly superior to that given with the fleet on either the Atlantic or Pacific.

I believe the first thing in connection with this or any other question that should be considered by Congress is the welfare of the country. Everyone knows, who knows anything about our past wars, that our regular Navy and our Regular Army are the first lines of defense. Our Naval Reserve and the National Guard are next called upon. It is upon the foundation formed by these arms of the service that the entire war strength of the Nation must be built. The peace-time strength of neither the Army nor the Navy is such as even to properly police the country, man our coast defenses and strategic points on the one hand, or to properly man our available fighting ships on the other.

On the call to arms it is the reserves in both services that are first called to the colors. They must be fit for any duty. They must be ready to meet any demand made upon them. They must be able to take their places alongside their fellows of the Regular Establishments without loss of time for further training. This they can not do unless they are given something more than a bare 15 days' training per year. They will have this, as they have in the past, if these ships are kept in commission and these men are permitted to continue to train as they have trained in years gone by.

The gentleman from Pennsylvania [Mr. SHREVE] has told you something of the splendid traditions of these civilian sailors of the Great Lakes. They are of a nature to inspire every member of the corps all down the years to come. The spirit of enthusiasm for the service should not be killed. The adoption of the amendment will preserve it.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, I am opposed to the amendment, and in order that others may have time I shall try to limit my remarks to two or three minutes.

One of the gentlemen, a moment ago, said that the Members of the Congress are in favor of retrenchment and reduction in national expenditures except, he said, in the matter of allocation. The trouble is we are in favor of reduction when it touches the other fellow, but opposed to it when it touches an area or a community in which we are interested.

The gentleman who has just spoken referred to the cruises and to the trips that would be made to the sea and the extra expense over the method that has been followed in the past and that which would be followed if the cruises were made upon the Great Lakes. The trouble with this argument is that it is not involved in the pending amendment, because the Secretary has already determined the course for the coming fiscal year. There will be no cruises either upon the Great Lakes or with the ships of the Navy at sea.

Mr. WOODRUFF. Will the gentleman yield?

Mr. FRENCH. Not now.

The problem, then, is whether or not we are going to put this additional money into the bill for the purpose of retaining these ships for the coming year.

I may say there is carried in the bill now something like $52,000, which will be adequate to care for these ships until the first of the coming year. In the meantime, all the evidence touching upon the problem that the gentleman from Michigan who preceded me suggested, and any other factors may be considered by the committees of the Congress and by the department, and that will be ample time for us to consider whether or not we shall withdraw these four craft from the naval establishment or whether we shall continue the program that has been followed during the last some years.

Mr. WOODRUFF. Will the gentleman yield? The gentleman has mentioned the remarks I made and has commented upon them.

Mr. FRENCH. I am sorry, but I must yield the floor to members of the committee on the other side.

Mr. BRITTEN. Mr. Chairman, in the limited time I have I would like to call the attention of the House to the amendment which I have sent to the Clerk's desk, which strikes out the proviso beginning on line 23, page 12, and running over to page 13. This proviso will take out the reserve service—it does not cost any money—and it will conform to the desire of the Navy Department. This language, if it stays in the bill, will take out of the reserve force such officers as Commodore Forscheu, of New York; Capt. Edwin Evers, the most efficient officer in the reserve force; and many other men who have given the best part of their lives to this fine service. They are qualified for any duty in any emergency, and will build up the personnel of the regular Navy when called upon to do so.

My amendment will not cost an additional dollar. It is only in line with the desire of the Navy Department for greater efficiency in the reserve force. I hope you gentlemen will lend me your assistance and give to the Navy what it wants. [Applause.]

Mr. Chairman, this proviso as worded, when taken in connection with basic law, would seem to deny all officers above the grade of lieutenant from receiving pay other than for 15 days' training duty. Basic law (sec. 21 of the act of February 28, 1925, to provide for the creation, and so forth, of a naval reserve and Marine Corps Reserve) provides that officers above the grade of lieutenant shall not be entitled to pay for the performance of drills or equivalent instruction or duty, but they shall receive pay for the performance of appropriate duties. Since the savings for the appropriate duty pay of officers above the grade of lieutenant, as contained in the Budget, were not deleted from the appropriation, and no mention of this feature was contained in the committee report, it is believed that it was not the intention of the committee to deprive all Naval Reserve officers above the grade of lieutenant from receiving their appropriate duty pay.

Of the reserve officers above the grade of lieutenant now on active duty, there are many who have been performing their duties long and efficiently. Under the proviso objected to, they would have to be replaced with new and untried personnel. The principle of discharging old and faithful servants of long service and their replacement with new personnel at the slightly lower rates of pay for the sake of the comparatively small savings involved, is considered to be unjust and not conducive to the highest efficiency. Through certain changes which have recently taken place, there are certain positions or offices held by reservists which can be vacated entirely. Through the savings effected in this way, sufficient money is now contained in the bill to permit the retention of the various officers of the higher grades which the bureau desires, without any increase in appropriation. The retention of these officers can not, however, be effected within the terms of the proviso.

Mr. OLIVER of Alabama. Mr. Chairman, answering very briefly the argument of the gentleman from Illinois [Mr. BRITTEN], I will state that it will cost more than $30,000 if you strike out this proviso. The gentleman is in error when he says it will not cost a dollar.

Now, inasmuch as he predicated his whole argument on the statement that it would not cost more, I think that a sufficient answer, since his amendment was evidently offered because of misinformation.

In reference to the other matter, discussed at great length and with much feeling, no member of the subcommittee would detract in the slightest degree from the fine and well-deserved tribute paid to the reserves in the States bordering on the Great Lakes. They are efficient, loyal, and serve with a splendid spirit. We are treating them like other reserves, and have followed the advice of the Navy Department in doing so.

The amendment as offered, carrying an additional $100,000, does not require that the President and the Secretary of the Navy must spend it. It is left to their discretion.

Let me read to you the order:

For economical reasons, all 15-day training cruises now scheduled for Fleet Naval Reserve division, all districts, will not be made this summer and instructions pertaining thereto are canceled.

All 15-day training cruises and all 15-day training duties are eliminated for entire fiscal year '33. Above eliminations do not apply aviation divisions.

Week-end cruises authorized as heretofore.

The appropriation carried in the bill as reported carries sufficient funds to provide for cruises through September.

It likewise provides funds for the care of the ships up to January, and if when we re-assemble in December the ideas of the Navy Department should change, we can provide funds for the rest of the year, if it is then thought wise to do so.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Not just now. The Navy Department has full knowledge of these matters. They recognize the fine service that these reservists are rendering, but they are trying to cooperate with Congress in its effort to reduce expenses. They have frankly said, "Here is where we believe without hurt to the service we can effect a saving," and that is why the committee has recommended this to the House. The Navy Department has said in advance, "Do not give us this because, forsooth, we might not spend it if you did give us the money. We feel that we are prompted by the same desire and the same purpose as Congress is manifesting in keeping down appropriations." Under the circumstances would the House have expected the committee to pay no attention to what the Navy Department recommends, and which largely reduces this appropriation?

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. KELLER. Is there anything to the statement that these vessels are to be junked?

Mr. OLIVER of Alabama. There is nothing, so far as the committee knows. These vessels are provided for until January and an officer is assigned to the district to that date, and this appropriation that we have recommended carries every dollar necessary to carry on the cruises to the end of September, and likewise provides for the care of ships to January.

The CHAIRMAN. The time of the gentlemen from Alabama has expired. All time has expired. The question is on the amendment offered by the gentleman from Michigan as an amendment to the committee amendment.

The question was taken; and on a division (demanded by Mr. CLANCY) there were—ayes 68, noes 73.

Mr. CLANCY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. CLANCY and Mr. AYRES to act as tellers.

The committee again divided, and the tellers reported—ayes 105, noes 110.

So the amendment was rejected.

Mr. CLANCY. Mr. Chairman, I offer the following amendment to the amendment.

The Clerk read as follows:

Page 12, line 22, after the word "vessels," insert a comma and the following: "including the training vessels and Eagle boats on the Great Lakes."

The CHAIRMAN. The Chair does not think that that is an amendment to the amendment. The question is on the committee amendment offered by the gentleman from Kansas [Mr. AYRES].

The question was taken; and on a division (demanded by Mr. AYRES) there were—ayes 127, noes none.

So the amendment was agreed to.

Mr. CLANCY. Mr. Chairman, I now offer my amendment as an amendment to the end of the paragraph.

The Clerk read as follows:

Page 12, line 22, after the word "vessels," insert a comma and add the following: "including training vessels and Eagle boats on the Great Lakes."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. CLANCY) there were—ayes 52, noes 70.

Mr. CLANCY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. CLANCY and Mr. AYRES to act as tellers.

The committee again divided, and the tellers reported—ayes 68, noes 100.

So the amendment was rejected.

Mr. BRITTEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BRITTEN: Page 12, line 23, strike out all of the proviso.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. BRITTEN) there were—ayes 39, noes 89.

So the amendment was rejected.

Mr. PITTENGER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. PITTENGER: Page 13, add the following at the end of line 6: "*Provided*, That the Navy Department shall not put into effect its plans, revised or otherwise, to withdraw and decommission the training vessels and Eagle boats on the Great Lakes now being used for the Naval Reserve."

Mr. AYRES. Mr. Chairman, I make the point of order that that is legislation on an appropriation bill.

Mr. MAAS. Mr. Chairman, I think that this is a limitation. It limits the expenditures that might be made to junk these ships.

The CHAIRMAN. The Chair sustains the point of order.

The Chair will call the attention of the gentleman from Kansas to the fact that, in line 18, on page 12, the word "rental" is misspelled.

Without objection, the Clerk will correct the spelling.

There was no objection.

The Clerk read as follows:

NAVAL RESERVE OFFICERS' TRAINING CORPS

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of the Navy, to institutions at which one or more units of the Naval Reserve Officers' Training Corps are established, of such means of transportation, books, supplies, tentage, equipment, and uniforms as he may deem necessary, and all other miscellaneous items, including cleaning and laundering of uniforms and clothing at camps or on board ship; and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of the Navy; for transporting supplies and equipment from place of issue to the several institutions, training camps, and ships, and return of same to place of issue when necessary; for the establishment and maintenance of camps of instruction, and schools on ships for the further practical instruction of members of the Naval Reserve Officers' Training Corps, and for transporting members of such corps to and from camps, ships, or other designated places of instruction, and to subsist them while traveling to and from such camps or ships and while remaining therein so far as appropriations will permit or, in lieu of transporting them to and from such camps or ships and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp or ship and for the return journey thereto, and to pay the return travel pay in advance of the actual performance of the travel; for pay of students attending advanced camps or advanced schools on ships at the rate prescribed for enlisted men of the seventh pay grade; for the payment of commutation of subsistence to members of the senior division of the Naval Reserve Officers' Training Corps, at a rate not exceeding the cost of the commuted ration of the Navy; for medical and hospital treatment, subsistence until furnished transportation, and transportation when fit for travel to their homes of members of the Naval Reserve Officers' Training Corps injured in line of duty while at camps of instruction or on ships; and for the cost of preparation and transportation to their homes and burial expenses of the remains of the members of the Naval Reserve Officers' Training Corps who die while attending camps of instruction or on ships; and for the cost of maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $90,085: *Provided*, That none of the funds appropriated in this act shall be used for any expense incident to training or practice cruises of members of the Naval Reserve Officers' Training Corps, but members of such corps denied such cruises in consequence hereof shall not be refused appointments as ensighs in the Naval Reserve by reason thereof: *Provided further*, That uniforms and other equipment or material issued to the Naval Reserve Officers' Training Corps in accordance with law may be furnished from surplus or reserve stocks of the Navy without payment from this appropriation, except for actual expenses incurred in the manufacture or issue: *Provided further*, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Naval Reserve Officers' Training Corps from stocks under the control of the Navy be in excess of the price current at the time the issue is made.

Mr. BRITTEN. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. BRITTEN: Page 15, line 1, strike out all the language after the word "*Provided*," down to and including line 6, and insert the following: "Any member of the Reserve Officers' Training Corps denied the advance-course training cruise at the convenience of the Government shall not be refused appointment as ensign in the Naval Reserve by reason thereof."

Mr. LaGUARDIA. Mr. Chairman, I reserve a point of order on the amendment.

Mr. AYRES. Mr. Chairman, I reserve a point of order on the amendment.

Mr. BRITTEN. Mr. Chairman, of course, if my amendment is subject to a point of order, then this proviso is subject to a point of order, because I have accepted half of the proviso as presented in the bill. The part I have stricken from the bill will be approved by the Navy Department, so that the reserve force shall not be completely crippled, and at the same time without increasing the appropriations for the Naval Reserve.

I hope the chairman of the committee will be fair with the House. I do not use that expression in any offensive way at all. The language which is carried in the amendment which I have offered is language that is in the bill which the gentleman has proposed; and if the language in the amendment is subject to a point of order, then the lan-

guage in the gentleman's bill is also subject to a point of order. I am merely aiming to perfect this legislation. I am sure the gentlemen will agree with me. There is $90,085 carried for training, food, subsistence, maintenance, and all sorts of expense in connection with the Naval Reserve. That is shown on page 15—$90,085. The language that I ask to be taken out of the proviso is this:

That none of the funds appropriated in this act shall be used for any expense incident to training or practice cruises of members of the Naval Reserve.

Now, realizing that $90,000 is carried in the bill, much of that $90,000 in the past would go for mileage, for food, for pay, and various other things connected with the reserve training. Now, it is barely possible that if my amendment is carried and the amount—$90,000—is left as it is, the department may still carry on its cruises. The cruises are the backbone of the reserve force. They may still carry on their summer cruises and make arrangements with the reservists to pay their own mileage, to pay for their own food, to accept, if need be, a reduction in pay.

In any event we will get the younger, the more agile, and the better subjects for the reserve force, who in time of emergency will build up into the officer personnel of the Regular Navy. There is nothing drastic about the amendment. I simply take out the proviso that is in the bill which says that no part of this $90,000 shall be used for training cruises. If we are going to retain the reserve force, let us give them an opportunity to cruise, if they can, on the $90,000 that is carried in the bill. If they can not maintain their cruises, if they can not put their cruises into effect with certain additional economies, then that will be too bad for the service; but at least the House should not limit the appropriation of $90,000 for the reserve force by saying that no part of this money shall be used for training cruises.

I hope the House will go along with me on this. It will be approved by the Navy Department. It is something that the reserve force needs. It is something that will prove for the efficiency of the reserve force. It may give the younger men an opportunity to have cruises in the summer time if they are willing to pay their own food or mileage. Let the Navy Department have a little latitude at least and do not encumber the reserve force with the provision that is in the bill.

Mr. BLANTON. Will the gentleman yield?

Mr. BRITTEN. I yield.

Mr. BLANTON. The subject of the gentleman's address, as announced a few minutes ago, was "give the Navy what it wants"?

Mr. BRITTEN. I said the Navy Department was in favor of this.

Mr. BLANTON. But the gentleman said, "give the Navy what it wants." That is the gentleman's idea?

Mr. BRITTEN. Oh, yes; certainly.

Mr. BLANTON. Now, in 1917, before we entered the war——

Mr. BRITTEN. The summer cruise is probably the greatest incentive to membership in the Reserve Officers' Training Corps. If discontinued, the morale of the Reserve Officers' Training Corps will undoubtedly suffer. In the past the department has been put to expense on account of the cruise for mileage, food, and pay. The amount of the appropriation has been cut; but without this prohibition against the cruise, the department would still be able to offer a cruise to such students as might wish to take it without such reimbursement of mileage, food, or pay as the state of the appropriation might make desirable. It is believed that under these conditions a large number of the ex-juniors could be given the cruise.

Reserve naval officers can not be given proper training without experience on board ships at sea.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois may proceed for two additional minutes.

Mr. AYRES. Mr. Chairman, I had reserved a point of order, and I now make the point of order against the amendment, that it is legislation on an appropriation bill.

Mr. CHINDBLOM. Mr. Chairman, I would like to be heard on the point of order.

I do not have the amendment before me, but I looked at it a moment ago. It repeats the last half of what is already in the text of this proviso. It omits the first half of the proviso. I call attention to the well-established rule that where language already in the text of a bill or already in the text of an amendment may have been subject to a point of order, an amendment to such language, which does not involve a new point of order or enlarge the objection involved in a point of order, is in order.

In this case this language is in the proviso:

Members of such corps—

Meaning the Naval Reserve Officers' Training Corps—

denied such cruises—

Meaning cruises such as are mentioned in the foregoing—

shall not be refused appointments as ensigns in the Naval Reserve by reason thereof.

For that language the gentleman from Illinois offers an amendment, which reads as follows:

Any member of the Reserve Officers' Training Corps denied the advanced-course training cruise at the convenience of the Government shall not be refused appointment as ensign in the Naval Reserve by reason thereof.

The CHAIRMAN. Does the gentleman from Kansas desire to be heard on the point of order?

Mr. BANKHEAD. Mr. Chairman, I would like to address a few remarks to the Chair on the question. I frankly confess it is a matter that is not entirely clear in my own mind; but if the point of order is well taken, it is upon the assumption that in the first instance the committee having incorporated in the bill a provision that is itself legislation upon an appropriation bill and it is sought to strike that out entirely by the amendment proposed, whether or not as an original proposition the point of order would not be in the position of being laid against the original proposition, which in itself confessedly is not authorized by law. The gentleman from Illinois offers an amendment striking out the entire proviso. If he seeks to strike out the entire proviso and add additional language, the purpose of his motion would be to nullify the entire provision and then the gentleman would have to rely upon the proposition offered by himself, which, I think, is confessedly legislation on an appropriation bill. If the point of order is well taken, I think it must be based upon that assumption; and, in my opinion, unless there are precedents to support the statement made by the gentleman from Illinois in his initial statement, the point of order is clearly well taken.

Mr. CHINDBLOM. Mr. Chairman, may I add this one word? I call attention to the fact that the amendment offered by my colleague from Illinois does not strike out the whole proviso. It strikes out everything after the word "*Provided*" and inserts language in lieu of the matter so stricken out. So it is an amendment offered in lieu of language in the text.

Mr. BLANTON. Mr. Chairman, I want to be heard on the point of order. The only instance where it has been held that an amendment that is subject to a point of order may be added to by another amendment that is subject to a point of order is where the original proposition is offered on the floor as an amendment to the bill. Then if the original proposition which is offered from the floor as an amendment to the bill is in itself subject to a point of order and there is no point of order made against it, then it has been held that a germane amendment can be added to it that would otherwise be subject to a point of order. But this is not an analogous case. This is a provision in the bill and it has passed the point-of-order stage. There was no point of order made against it. This is an attempt to strike it out and put something in the bill which is subject to a point of order, because it is legislation unauthorized on an appropriation bill.

The CHAIRMAN (Mr. FULLER). The Chair is ready to rule. The Chair is in a little doubt about this proposition, but he is fortified by the opinion of the Parliamentarian. The first part of this clause is a limitation down to line 4 and the rest of it is clearly legislation, but no objection was made to it because it was legislation.

In a decision rendered by Speaker Cannon, found in section 8504 of Cannon's Precedents, it is stated:

A paragraph changing existing law, being permitted to remain by general consent, may be perfected by germane amendments which do not provide additional legislation.

This was concurred in by Chairman Garrett, of Tennessee. As the Chair stated, he was in a little bit of doubt; but being fortified by those opinions, the Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. BRITTEN) there were—ayes 39, noes 79.

So the amendment was rejected.

The Clerk read as follows:

NAVAL WAR COLLEGE, BUREAU OF NAVIGATION

For maintenance of the Naval War College on Coasters Harbor Island, including care of grounds, $100,000; services of a professor of international law, $2,000; services of civilian lecturers, rendered at the War College, $2,000; care and preservation of the library, including the purchase, binding, and repair of books of reference and periodicals, including subscriptions to newspapers, $5,000; for contingencies of the president of the Naval War College, to be expended in his discretion, not exceeding $1,000; in all, $110,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $78,000.

Mr. BURDICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURDICK: Page 15, line 20, change $100,000 to $168,000; page 16, line 3, change $110,000 to $178,000 and add the following immediately thereafter: *Provided*, That if the training of recruits is continued at the naval training station at Newport and the said training station is not closed, the sum of $68,000 from this appropriation is hereby made available for the maintenance of the naval training station, Newport, in addition to any other sums appropriated for the maintenance of said station.

Mr. AYRES. Mr. Chairman, I reserve a point of order.

Mr. BURDICK. Mr. Chairman, yesterday the committee voted down an amendment to increase the appropriation for the training of recruits at Newport and gave as the reason that the Navy Department was considering closing training there and adding it to the War College. It is absolutely necessary to keep up this station and practically the amount that I have asked to be added to this appropriation for the War College is the lowest amount for which the station can be maintained. It is necessary to keep up the grounds whether training is conducted at the training station or not. The War College is on the same grounds with the same supply of heat and with the same pipes requiring the same amount of work, whether actual training is continued at that point or not.

Therefore, it seems to me if you are going to take the sum of $83,000 from the amount that the Bureau of the Budget recommended for the Newport Naval Training Station, you should at least add the sum of $68,000 to the appropriation for the War College in order that they may carry on, because, as I have said, the heat, light, or other similar work is done by the training station on the island, and all that work practically will have to be done if it is continued solely as a War College.

The amount estimated, therefore, is to keep up the station whether training goes on there or not, and the reason for this amendment, as I have said, is because the grounds, the sea walls, the roads, the walks, the pipe lines and the electrical supply are all necessary to be kept up so long as the War College is situated on this island.

I therefore hope the committee will see that this station, which even the Appropriations Committee acknowledges must be carried on for the benefit of the War College, has a sufficient amount allotted them to keep up the work.

Mr. AYRES. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill.

The CHAIRMAN. The Chair is of the opinion the point is well taken and sustains the point of order.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to comment on the suggestion made by our good friend from Illinois [Mr. BRITTEN], that we ought to give the Navy everything it wants.

Just before we entered the war in 1917 we had 30 admirals. We have 59 to-day. We have approximately twice as many admirals to-day as we had when we entered the war. When we entered the war in 1917 we had 99 captains in the Navy, and to-day we have 242.

We have in Washington doing land service to-day nearly 500 naval officers. They are in each other's way. I wish you would go down to the Navy Department building and go in every room of that building at 10 o'clock in the morning or at 2.30 o'clock in the afternoon and tell me how many high naval officers you find hard at work there. They will be talking over last night's dance, or reception, or bridge game, or golf, or polo, or horseback riding, or something that is not business.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. BLANTON. Yes; I yield, always, to the big-navy man, who is naturally "wet."

Mr. BRITTEN. In addition to his remarks about the work of the naval officers in a particular department, will the gentleman tell me how many highly paid men there are in the Prohibition Bureau in this town who are wasting money every day?

Mr. BLANTON. Yes; I shall answer the gentleman. They are not idle. They are hard at work. They are doing good work. They caught nearly $300,000 worth of liquor the other day. And they are now catching the big moguls.

Mr. BRITTEN. Where did that liquor go? Who got the liquor?

Mr. BLANTON. The Government takes it and confiscates it. They have taken in more property and more money in fines than they have paid out in expenses. That is a paying department of the Government; it is self-supporting. It is the only department of the Government that is paying its own way.

Mr. LAGUARDIA. I will say it is a paying job for the agents.

Mr. BLANTON. I can not yield further.

Since my friend from Illinois and my friend from New York are on the floor I want to take this opportunity to take my hat off to the brave Governor of California who has upheld the honor of the great Commonwealth of California. He has seen fit to consider upholding the law and the courts of California of more importance than yielding to outside influence exerted in behalf of a murderous dynamiter. He believes in looking at the record and evidence of a case and paying some attention to it and not trying cases on outside influence; and when it came to granting a pardon to a man who murderously had taken the lives of 10 innocent men, women, and little children with a bomb, he had the guts and the courage to stand up and uphold the law. Great is the Commonwealth of California, and great is Governor Rolph of that great State. [Applause.]

I have probably made a closer study of and know more about the official trial of Tom Mooney than any other Member in this House. At the time Hon. W. B. Wilson was Secretary of Labor, during the Sixty-sixth Congress, I introduced in the House, on June 20, 1919, a resolution known as H. Res. 128, which was referred to the Committee on Labor, which resolution directed the Secretary of Labor to promptly report to the House of Representatives, first, what connection John B. Densmore, then Director of the United States Employment Service, had with the case of Thomas J. Mooney, convicted in California, stating in detail the activities of said Densmore concerning said case, attaching copies of all reports concerning same made to the Department of Labor by said John B. Densmore, director; and second, what connection in behalf of the Department of Labor, since the

punishment of said Thomas J. Mooney was commuted to life imprisonment, has any employee of the Department of Labor had with said case of Thomas J. Mooney; and, third, what requests on the Department of Labor, if any, have been made by a grand jury or a court in California for said John B. Densmore, director, to appear in California to give evidence, and what action concerning same was taken by the Department of Labor.

The Committee on Labor gave me a prompt hearing and favorably reported my said resolution, House Resolution 128, on June 26, 1919, and it was referred to the House Calendar, and the then chairman of the Committee on Labor, Mr. Smith, of Michigan, filed the committee Report No. 75, and on June 27, 1919, my said resolution was duly passed by the House of Representatives.

Pursuant to the requirements of my said resolution, House Resolution 128, Hon. W. B. Wilson, Secretary of Labor, transmitted to the House of Representatives his report on July 22, 1919, which embraced a report of 88 printed pages, made by said John B. Densmore, director, detailing how his paid assistants, paid with the money of the taxpayers of the United States, had burglarized the office of the district attorney, Charles M. Fickert, who had tried and convicted Mooney, and how they had secretly installed a dictaphone in this State official's office. This report was printed by the House of Representatives as House Document No. 157, first session Sixty-sixth Congress, and contains 90 printed pages.

I wish every Member of this Congress would get a copy of this House Document No. 157 and read it. You would then understand how in 1918 evidence was already being manufactured to free Mooney when he had been legally tried before an impartial jury of his peers and lawfully convicted in an orderly way of an heinous and dastardly crime.

In such connection, it should be remembered that it was during the Preparedness Day parade in San Francisco on July 22, 1916, that Thomas J. Mooney perpetrated his bomb outrage, throwing his deadly bomb among innocent people and killing 10 men, women, and little children who suffered horrible deaths, and seriously wounding a large number of others.

This report of Director John B. Densmore is disgusting and revolting to every American who believes in law and order. He had the audacity to report to a Cabinet officer of the United States of America, the Secretary of Labor, that—

> His plan was to proceed secretly, with but two or three men, and make no move that would attract attention, either from the prosecution, the defense, or the corporate interests of the city of San Francisco.

Densmore further reported that he—

> had at this time two trusted assistants in San Francisco, and to them I confided my plan of operations, leaving, however, the execution of the details very largely to their own judgment.

Densmore further reported that his assistants "had not been long at work before they unearthed evidence that convinced them that it was absolutely necessary to the success of the operation to install a dictaphone in the office of the district attorney, Mr. Charles M. Fickert."

And then it was most astounding when Densmore, a high official of the United States, confessed that he was a party to committing deliberate burglary when he reported:

> This task was a seemingly impossible one, owing to the fact that Fickert keeps himself barricaded behind double-locked doors on the fourth floor of the Hall of Justice in a private office to which only one other man has the keys.

And then, apparently ashamed of disclosing just how he committed burglary and other crimes, Densmore reported:

> The full details as to how this dictaphone was finally installed will probably never be divulged, as no good purpose could be served by a recital of the facts, interesting as they are. Some idea of the difficulties involved will be gained when it is stated that more than two months of careful and clever work were required before the installation was complete and the machine in actual operation.

It took Director Densmore that long to bribe the one other man who had keys to the district attorney's office.

Then I want you to note the minute description of the private office of the district attorney of California, which, through committing heinous crimes, this United States official, Densmore, was able to enter secretly, for Densmore reported:

> Fickert's office in the Hall of Justice is a very large room in the southwest corner of the building, on the topmost floor. (See diagram, Exhibit A.) It is lighted by two arched windows, one overlooking Portsmouth Square to the west, the other fronting Merchant Street on the south. The district attorney's desk is in the extreme southwest corner of the room, between the two windows. Besides the desk, the room contains a large oblong table; otherwise there is little furniture. On the floor and table, in picturesque disarray, are countless exhibits alleged to the activities of the I. W. W.'s, the Mooney defendants, and other reputed agitators and dynamiters.

You will note that it was this brave district attorney of the great Commonwealth of California who, in behalf of law and order and of good society, was bending his efforts to disrupt I. W. W.'s and dynamiters, and it was this interfering official of the United States Government who was out there, across the United States from Washington, burglarizing even the Hall of Justice in an attempt to manufacture evidence to free a murderous dynamiter.

Densmore further reported:

> For dictaphone purposes the location was by no means an ideal one. Rumbling teams and street cars, tooting automobiles, the shouts of Chinese children playing around the Robert Louis Stevenson fountain in the park opposite—these and other sounds from Kearney Street ascended and mingled with the voices of those conversing within the room. The room itself was about 25 by 30 feet, and when conversations were held in a low voice at some distance from the transmitter the results attained were not always satisfactory.

I want to ask my colleagues here in this House if they have ever before heard of a more revolting and disgusting detail of how criminals worked to manufacture evidence.

Now, listen to this. Densmore further reported:

> Considerable experiment was thus required to adjust the delicate microphone to the peculiar and baffling conditions. After trying out various combinations of batteries, resistance coils, amplifying valves, and receivers, and making several novel improvements never before attempted in similar lines of work, a final satisfactory adjustment was at last received.

And I want my colleagues here to read all of the ridiculous matter said Densmore reported—that for days he took over that dictaphone, as contained in his said report—none of any probative force, effect, or value whatever, and yet the Secretary of Labor reported to Congress that our Government paid to Densmore's said assistants the sum of $6,101, and other expenses of $1,043, used in committing crimes.

It was my investigation of these criminal activities of Director John B. Densmore on the Pacific coast that led me to discover that he had wasted and grafted several hundred thousand dollars, and the record will show that when he tried to get $5,000,000 more out of the Treasury I fought and blocked it, and kept him from getting it.

After getting the Densmore report of his crimes committed in San Francisco, I then got the House of Representatives to pass my resolution, House Resolution 225, which required the Secretary of Labor to furnish other facts to Congress, and pursuant thereto Secretary W. B. Wilson, on August 28, 1919, transmitted his report embracing the information sought, and same was printed into House Document No. 209, first session Sixty-sixth Congress, and I want my colleagues to get same and read the astounding facts contained therein.

And while he was Secretary of Labor, at an annual convention of the American Federation of Labor at Atlantic City, Secretary W. B. Wilson and President Gompers sat on the platform with Mrs. Rena Mooney and passed sympathetic resolutions and helped to collect funds to fight for Mooney's pardon.

Since the American Federation of Labor has repudiated anarchy and anarchists and communists, and has broken away from William Z. Foster and Emma Goldman and Alexander Berkman and that ilk, I had hoped that they would no longer defend a convicted bomb thrower, who killed and wounded his innocent victims by the score, without the semblance of an excuse except that he wanted to break up and interfere with a Preparedness Day parade.

Yet we find to-day reputable members of organized labor, and sympathizers even here in this Congress, who will still defend Mooney, and fight to have him pardoned, when all they know about his case is that money, Densmores, and other influences have tried to cast clouds upon his trial, and to impeach his conviction.

I have personally discussed the details of the case against Mooney with Hon. Charles M. Fickert, the district attorney in California who tried the case, who was familiar with every detail of the testimony, and who convicted Mooney before a fair and impartial jury, and he convinced me beyond peradventure of a doubt that Mooney was guilty, and was lawfully convicted.

Judge Matt I. Sullivan, former chief justice of the Supreme Court of California, who carefully reviewed Mooney's trial, certified that Mooney had been proven to be a dangerous radical, a coworker of Emma Goldman and Alexander Berkman, and had been identified with the bomb planting that killed and injured so many people.

Four distinguished, brave, unbiased, impartial Governors of the great Commonwealth of California have now reviewed the conviction of Thomas J. Mooney, and in spite of every influence that could be brought to bear upon officials have decided that Mooney is guilty of a heinous crime, that he was lawfully tried, and legally convicted.

I did not intend to discuss the Mooney case when I arose. Now, I want to get back to these 59 admirals.

Mr. HARLAN. Will the gentleman yield for a question pertaining to the 59 admirals and directly on that point?

Mr. BLANTON. Yes.

Mr. HARLAN. The gentleman spoke of the great number of naval officers in Washington doing land duty.

Mr. BLANTON. Nearly 500 of them.

Mr. HARLAN. How are we going to maintain a naval establishment suitable for war conditions unless we maintain a corps of officers in some way?

Mr. BLANTON. The question has gone far enough for me to answer it. I shall answer the gentleman.

Mr. HARLAN. I would like to finish the question.

Mr. BLANTON. I will answer the question.

If we could conduct the Naval Establishment in 1917—and we had a pretty good one—with 30 admirals, who, after the commencement of the war, got our men across and helped win the war by stopping the German Kaiser and saving the civilization of the world—if we could do all that then with 30 admirals, why do we now need 59 admirals in peace time? And if in 1917 when we entered war we could do it with 99 captains, why do we now need 252 captains in the United States Navy in peace time?

If we could only cut off of the pay roll of the Government the admirals and other big Navy officers we do not need, and cut off the generals and other big Army officers we do not need, and cut off the chiefs and thousands of other bureau employees we do not need, we could then balance the Budget and get back to normalcy, and our Government and people would be much better off.

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment. I am gratified to say that I can agree to some extent with the gentleman from Texas [Mr. BLANTON] on one proposition, namely, on the tremendous number of these useless admirals and captains that we are providing for.

But I can not agree with him in his defense of these prohibition admirals, generals, snoopers, snipers, and boozers for whom we appropriate, and are appropriating, these large sums of money, notwithstanding that we have had a deficit of nearly $1,500,000,000. However, I am hopeful that some day the gentleman from Texas will realize and admit that his defense of these professional prohibitionists was undeserved.

Nor do I agree with the gentleman from Texas in his commendation of the Governor of the great State of California. I respect the people of California. I am acquainted with many of them, and I find in that great State some of the finest men and women in our country. However, I do regret exceedingly that the Governor of California did not have the courage to do the righteous thing and pardon Mooney, a man who is innocently suffering for the misdeeds of others and a man who, as unbiased investigation disclosed and as Trial Judge Griffin and all of the jurors now admit, although they found him guilty at the time, was convicted on perjured testimony. I feel that if the gentleman from Texas, though he is prejudiced against labor, and especially organized labor, would investigate all of the disclosures in that case, particularly in regard to how Tom Mooney was "framed," I feel that he would be man enough to condemn, instead of commending, not only the governor but all of those responsible for the most glaring injustice ever perpetrated in the name of the law.

At this moment I have come into possession of statements which I feel should satisfy even the gentleman from Texas that Thomas J. Mooney not only should have been pardoned but should not have been convicted. Superior Court Judge Franklin Griffin, who presided at the Mooney trial, has this to say in regard to the decision of the Governor of California in denying Mooney a pardon:

> A great disappointment. I firmly believe he is absolutely innocent.

Capt. Duncan Matheson, who directed the police case against Mooney, expresses himself as follows:

> California has lost another opportunity to correct a miscarriage of justice.

William V. MacNevin, foreman of the jury that convicted Mooney, states:

> I am sorry he was not freed.

I am hopeful that in the near future there will be a governor elected in that great State who shall have the courage to do what the great Gov. John P. Altgeld of my State did when he found that certain men were unjustly convicted of a crime which they never committed—pardon an innocent man.

In the State of California an election will soon be held, and I hope the honest citizens of that State will elect a man who will be courageous enough, strong enough, and just enough to do the righteous thing by Mooney, who has been convicted, as I have said, on perjured evidence and incarcerated unjustly.

[Here the gavel fell.]

Mr. SABATH. I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman to read the public document that I had printed years ago showing John B. Dinsmore's activities in spending hundreds of thousands of dollars of Government money in manufacturing testimony for Tom Mooney in Los Angeles.

Mr. SABATH. I can not yield further to the gentleman. I have read the evidence that he refers to; and if it was manufactured evidence, it was not in behalf of Mooney but in behalf of the State. This much was admitted by the witnesses who were made to offer the perjured testimony which convicted Mooney, to the everlasting shame to the State of California.

Now, as to the Navy, we read every day and we hear on the floor of this House that we are starving the Navy, and that we are starving the Army. I am the last person who wants to see the Navy or the Army starved. I know we are starving 8,000,000 American citizens who are unable to find employment.

When I entered this House 25 years ago we appropriated $94,000,000 for the Navy. Last year we appropriated $300,101,593, an increase in appropriations of almost 400 per cent in a quarter of a century.

And for the information of the House and for those who continually cry and deplore that we are starving the Nation, I shall take the privilege of inserting in the RECORD the figures showing the great increase that has taken place in the Navy as well as the Army appropriations since the be-

ginning of my incumbency in the House. These are not my figures, but have been prepared for me by the director of the Library of Congress, and are therefore correct:

Fiscal year ended June 30—	Grand total, all appropriations	War Department		Navy Department		Pensions, Interior Department
		Total	Military Establishment	Total	Naval Establishment	
1908 [1]	$710,287,628	$182,106,207	$78,883,990	$102,880,052	$94,471,571	$146,143,000
1909 [2]	852,629,363	193,328,116	98,160,659	133,160,401	112,977,358	163,053,000
1910 [3]	835,593,379	208,546,483	101,262,070	143,122,757	130,137,432	160,908,000
1911 [4]	805,294,513	213,205,301	96,141,285	136,061,340	121,886,212	155,758,000
1912 [5]	767,218,485	190,747,922	93,412,231	130,610,218	117,881,632	153,686,500
1913 [6]	751,377,207	193,980,943	91,830,532	126,807,323	118,539,339	164,725,000
1914 [7]	788,864,599	191,950,494	95,185,668	143,490,119	136,369,460	180,300,000
1931 [8]	4,242,870,150	464,350,935	346,655,079	400,008,101	(9)	
1932 [8]	3,905,028,535	400,078,650	334,781,865	360,101,593	(9)	

Veterans' Administration, total	$921,392,349
Army and Navy pensions	232,000,000
Adjusted-service certificate fund	112,000,000

[1] Estimates of appropriations, for fiscal year ending June 30, 1909. Washington: Government Printing Office, 1907. Pp. 564–566. Includes deficiencies, miscellaneous, and permanent annual appropriations.

[2] Ibid. for 1910, pp. 608–609. Includes deficiencies, miscellaneous, and permanent annual.

[3] Ibid. for 1911, pp. 557–558. Includes deficiencies, miscellaneous, and permanent annual, but excludes Postal Service payable from postal revenues.

[4] Ibid. for 1912, pp. 500–502. Includes deficiencies, miscellaneous, and permanent annual, but excludes Postal Service payable from postal revenues.

[5] Ibid. for 1913, pp. 541–543. Includes deficiencies, miscellaneous, and permanent annual, but excludes Postal Service payable from postal revenues.

[6] Ibid. for 1914, pp. 807–809. Includes deficiencies, miscellaneous, and permanent annual, but excludes Postal Service payable from postal revenues.

[7] Ibid. for 1915, pp. 743–745. All appropriations made during the Sixty-second Congress, third session, and Sixty-third Congress, first session, for 1914 (exclusive of Postal Service); but not including deficiencies for prior years, amounting to $30,537,275.

[8] The Budget for 1933, totals as given on p. A–177; Military Establishment, p. A–115; details for Veterans' Administration, p. A–27.

[9] Separate figures for total Naval Establishment not given.

The above figures should forever silence the professional Navy and Army propagandists and lobbyists that Congress is not fair to the Navy or the Army.

Mr. Chairman, ladies, and gentlemen, I am absolutely certain that, if a real survey were taken, we would find that we could easily eliminate not only 10 but 20 per cent of the appropriations for the Army and Navy, and that without affecting or impairing in any way the efficiency of either. And I feel, therefore, that the remarks which have been made that we are starving the Navy are unfair and unjust. [Applause.]

Mr. BURDICK. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. BURDICK: Page 15, line 20, change "$100,000" to read "$168,000," and on page 16, line 3, change "$110,000" to read "$178,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island.

The question was taken; and on a division (demanded by Mr. BURDICK) there were—ayes 16, noes 60.

So the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the paragraph, and I ask unanimous consent to speak out of order for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. AYRES. Mr. Chairman, I hope that after this 5-minute speech there will be no more speaking out of order. We want to finish this bill this afternoon, else we shall have to have a session tomorrow.

Mr. LAGUARDIA. Mr. Chairman, I shall not feel offended if the gentleman from Kansas objects. He is quite within his rights when he objects to time being used on subjects not related to the bill, and I sympathize with him in his efforts to expedite consideration of the bill. I would not have asked to speak out of order were it not for the unfortunate statement made by the gentleman from Texas [Mr. BLANTON] in reference to the Mooney case. I can not permit the record to remain unchallenged as to the conclusions reached by the gentleman from Texas and inserted into the RECORD a few moments ago. No fair-minded man, none with the slightest knowledge of law, can read the record in the Mooney case without becoming indignant and ashamed of such administration of justice.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. I decline to yield. Every responsible man who was connected with that trial who has learned since the trial of the perjury committed, of the framed witnesses brought there to testify, has expressed his regret for his action in connection with that trial. The judge himself said it was the dirtiest day's work in his life. Every living juror has signed a statement that had he known that the testimony was perjured and framed he would not have brought in a verdict of guilty. Only recently the Wickersham Committee, which the gentleman from Texas himself praised for the great ability of its members and the great confidence he had in its membership, caused an investigation of that case to be made, and the findings of the trained investigators were so repulsive, so repugnant, it so exposed the indecency of that trial to such an extent, that for some unknown reason or for some mysterious reason the report was suppressed. The Senate committee succeeded in obtaining the report, and if the gentleman from Texas will take the pains he can get that report to the Wickersham Committee.

I am sure that instead of taking the floor and glorifying the continued incarceration of an American citizen who has been proved to be innocent, after reading it he will hang his head in shame at the conduct, surroundings, and perjury of that trial.

Mr. BLANTON. Mr. Chairman, will the gentleman be fair enough to yield to me now?

Mr. LAGUARDIA. On that ground I yield.

Mr. BLANTON. The gentleman is talking about a record that has been fixed up since the trial by somebody else. I have been talking about, and the Governor of California has passed on, the official record of the trial itself, which four distinguished governors of California have held showed a lawful conviction.

Mr. LAGUARDIA. Mr. Chairman, when the gentleman refers to a record that has been fixed up, I say yes, the record in the Mooney case was fixed, was perjured, and stands there as a blot on American justice. [Applause.]

The Clerk read as follows:

Maintenance: For water rent, heating, and lighting; cemetery, burial expenses, and headstones; general care and improvements of grounds, buildings, walls, and fences; repairs to power-plant equipment, implements, tools, and furniture, and purchase of the same; music in chapel and entertainments for beneficiaries; stationery, books, and periodicals; transportation of indigent and destitute beneficiaries to the Naval Home, and of sick and insane beneficiaries, their attendants and necessary subsistence for both, to and from other Government hospitals; employment of such beneficiaries in and about the Naval Home as may be authorized by the Secretary of the Navy, on the recommendation of the governor; support of beneficiaries and all other contingent expenses, including the maintenance, repair, and operation of two motor-propelled vehicles, and one motor-propelled passenger-carrying vehicle, to be used only for official purposes, $98,475.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word. I did not intend to speak on this bill, but I am wondering what the gentleman from Texas [Mr. BLANTON] would have defend this Nation in time of another war. He wants to increase the river of unemployment by adding to the great many already unemployed many of the officers and enlisted personnel of our Navy, where active service should be continued in order to maintain an adequate defense. He cited the personnel which we had in the Navy prior to the World War, and I suggest to my friend from Texas that perhaps in a future war, where the very destiny of the Nation and the lives and homes of our people are involved, we might not be fortunate enough to have allies carrying the burden of the war for many months until we were able to train officers to command and lead the legions of American manhood as in the case of the World War.

I suppose if another great catastrophe came upon our Nation and her people that the gentleman from Texas would rely upon the naval experts in the prohibition-enforcement part of the Coast Guard Service, who have been trained in

chasing rum runners, bootleggers, and hijackers. I suggest that the gentleman from Texas and the gentleman from Illinois [Mr. SABATH] look into the stupendous increase in the cost of maintaining the Coast Guard by reason of its prohibition-enforcement activities, if they want to make a real study from the economy standpoint. I suppose that the gentleman from Texas, in time of national emergency, would also have the Army-officer personnel recruited from the shotgun experts of the Prohibition Unit, which unit is costing the taxpayers many millions of dollars each year. The gentleman from Texas favors this extraordinary large expense in the name of law enforcement. The Committee on Expenditures in the Executive Departments recently had hearings, which developed that the Bureau of Investigation, Department of Justice, was charged with the enforcement of a multitude of criminal laws.

This bureau is charged with enforcing the Mann White Slave Act, the national motor vehicle theft act, the national bankruptcy act, the national bank and Federal reserve act, all frauds perpetrated against the Government, antitrust prosecutions, thefts from interstate shipments, all crimes committed on Government reservations and the high seas, bribery and corruption of Government officials, and impersonations. These are some of the major violations. There are many smaller violations. They also apprehend all fugitives from justice, whether they have been convicted by another governmental agency or not. They also perform investigative functions for the State Department and other departments of the Government. They also investigate applications for appointment as Federal judges, United States attorneys, United States marshals, and other important officers.

The total personnel of this bureau is now only 820; the total appropriation for the fiscal year 1932 is only $2,978,520, and there are now over 1,100 cases on record for investigation which have not been assigned.

On the other hand, a total personnel of 12,443 and a total expenditure of $40,043,313.50 from the Federal Treasury is provided for the same fiscal year to enforce the one sacred prohibition law.

The breakdown is as follows:

Bureau of Industrial Alcohol, personnel 1,718; expenditure	$4,814,420.00
Prohibition Bureau, personnel 3,380; expenditure	11,369,500.00
Increase in Coast Guard since that branch of the Government has been charged with prohibition enforcement, personnel 7,345, expenditure	23,859,393.50

From the law-enforcement standpoint, as viewed and expressed by the gentleman from Texas, I believe he thinks it is more important to catch a poor widow selling a glass of home-brew containing 2½ per cent of alcohol, in order to support her children, and send her to jail for five years under the nefarious Jones law than it is to catch a white slaver or a murderer on an Indian reservation, or a public official who robbed the Nation of Teapot Dome—Mr. Fall, a Republican, who conspired with Mr. Doheny, that sterling Democrat.

When you talk about law enforcement, come down to bedrock and do not demagogue and try to fool the American people. I wonder if the Committee on Appropriations, led by the economy expert, the chairman of the committee [Mr. BYRNS], really believes this is the correct Navy appropriation bill. It is unfair for the taxpayers of this Nation and the Members of this House and the other body to be made pawns in a fake economy battle of Tennessee, from "BYRNS to MCKELLAR to BYRNS to MCKELLAR."

After careful consideration of the Interior Department appropriation bill, Mr. BYRNS's committee recommended——

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. AYRES. Mr. Chairman, I demand the regular order.

Mr. SCHAFER. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. AYRES. Mr. Chairman, I withdraw my objection.

Mr. HUDDLESTON. Mr. Chairman, I object.

Mr. SCHAFER. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

The Clerk read as follows:

BUREAU OF ENGINEERING

ENGINEERING

For repairs, preservation, and renewal of machinery, auxiliary machinery, and boilers of naval vessels, yard craft, and ships' boats, distilling and refrigerating apparatus; repairs, preservation, and renewals of electric interior and exterior signal communications and all electrical appliances of whatsoever nature on board naval vessels, except range finders, battle order and range transmitters and indicators, and motors and their controlling apparatus used to operate machinery belonging to other bureaus; searchlights and fire-control equipments for antiaircraft defense at shore stations; maintenance and operation of coast signal service; equipage, supplies, and materials under the cognizance of the bureau required for the maintenance and operation of naval vessels, yard craft, and ships' boats; purchase, installation, repair, and preservation of machinery, tools, and appliances in navy yards and stations, accident prevention, pay of classified field force under the bureau; incidental expenses for naval vessels, navy yards, and stations, inspectors' offices, the engineering experiment station, such as photographing, technical books and periodicals, stationery, and instruments; services, instruments, machines and auxiliaries, apparatus, and supplies, and technical books and periodicals necessary to carry on experimental and research work; maintenance and equipment of buildings and grounds at the engineering experiment station, Annapolis, Md.; payment of part-time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicists as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding $20 per diem for any person so employed; in all, $18,030,000, of which $250,000 shall be available exclusively for the procurement and installation of new tools and machinery for shops under the cognizance of the Bureaus of Engineering and Construction and Repair, and $90,000 shall be available exclusively to continue in effect for an additional period of 18 months the license agreement entered into by the Navy Department, May 2, 1931, for the use of certain inventions pertaining to radio control: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed $1,650,000.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word.

I rise at this time to ask the chairman of the Committee on Appropriations if this bill is perfect as reported by his committee from the standpoint of economy and efficiency? If a distinguished Member of another body makes a motion to strike 10 per cent from the total appropriations recommended by the committee and the Senate agrees to the reduction, will the House be called upon, under suspension of the rules, to cut 10 per cent, no matter where it hits, and without any information or consideration of the appropriations involved, as in the case of the Interior Department appropriation bill?

Mr. AYRES. The gentleman is directing his question to the chairman of the Committee on Appropriations and not to the chairman of the subcommittee?

Mr. SCHAFER. I am directing my question to the chairman of the Committee on Appropriations. I will repeat it. The Committee on Appropriations held extensive hearings on this bill. It was reported to the House of Representatives by the Appropriations Committee, which is the agent of the House. The Interior Department appropriation bill, containing certain appropriations, with a certain total, was also reported by the Appropriations Committee. Following the recommendation of its agent, the Committee on Appropriations, the House very carefully considered the bill under the 5-minute rule and passed the bill and sent it to the Senate. Then the other body arbitrarily reduced the total of the bill 10 per cent and, I believe, incorporated some 186 amendments which increased, decreased, eliminated, or added certain appropriations. This House was again called upon by the chairman of the Appropriations Committee after the bill came back to swallow every one of the amendments under suspension of the rules, with only 40 minutes' debate. We were told we must accept the bill with all its amendments in order to make the bill perfect from an economy standpoint.

I wonder whether the bill now being considered by the House is the real economy opinion of the Committee on Appropriations, or should the gentleman from Tennessee at the other end of the Capitol make another reduction of 10 per cent of the total, whether the Committee on Appropriations of the House of Representatives will come to the House and say, "We were all wrong when we recommended the amounts reported in this bill," the same as they did in the case of the Interior Department appropriation bill?

Mr. BYRNS. I will say to the gentleman from Wisconsin that I think the subcommittee of the Committee on Appropriations, of which the gentleman from Kansas [Mr. AYRES] is chairman, has performed a splendid service in the preparation and reporting of this bill. I think they have done a real service to the people and to the Treasury. They have made every reduction they thought possible, consistent with national defense. Too much praise can not be given them for that. Now, I am not responsible, and neither is the gentleman, for what the body at the other end of the Capitol may do. The gentleman says that a certain Senator is performing this job over there, but I call the attention of the gentleman to the fact that while the Senator may have made the motion to cut these appropriation bills 10 per cent, it is the action of the entire Senate body. I, for one, believing in economy, believing in making every reduction possible, have made up my mind, so far as I am personally concerned, to accept every reduction they make in any of these bills [applause] and leave the responsibility with them as to whether it is sufficient to carry on the activities of the Government.

Mr. SCHAFER. That is a remarkable statement coming from the chairman of the great Committee on Appropriations, a committee which is the agent of this House. After careful and lengthy hearings and consideration they recommend to this House certain appropriation bills, and they say they have cut to the bone, and then, because another body arbitrarily cuts 10 per cent of the total, without realizing what activity of the Government is being crippled, we are told that we should swallow every amendment adopted by the other body. If that policy is to be followed, then in the name of economy we should make provision for the House of Representatives to dissolve and let the Senate legislate. I ask the Members of the House not to forget, if the Appropriations Committee does, that under the Constitution of the United States we have certain duties and responsibilities. If the Committee on Appropriations is going to follow that policy of betraying the House of Representatives whom they represent, and make it a cat's-paw and rubber stamp for the Senate, I call upon the alleged economy members of the Appropriations Committee to resign, so that we can have an Appropriations Committee that will not lead the House to slaughter because of a few political economy peddlers at the other end of the Capitol. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Clerk read as follows:

PERSONNEL

Pay of naval personnel: For pay and allowances prescribed by law of officers on sea duty and other duty, and officers on waiting orders (not to exceed, exclusive of officers designated pursuant to law as additional numbers, 5,499 commissioned officers of the line, 908 officers of the Medical Corps, 186 officers of the Dental Corps, 556 officers of the Supply Corps, 83 officers of the Chaplain Corps, 233 officers of the Construction Corps, 109 officers of the Civil Engineer Corps, and 1,461 warrant and commissioned warrant officers), pay—$30,646,680; rental allowance, $6,098,515; subsistence allowance, $3,705,180; in all, $40,450,375; officers on the retired list, $5,800,410; for hire of quarters for officers serving with troops where there are no public quarters belonging to the Government, and where there are not sufficient quarters possessed by the United States to accommodate them, and hire of quarters for officers and enlisted men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable, $3,000; pay of enlisted men on the retired list, $4,419,910; extra pay to men reenlisting after being honorably discharged, $2,480,225; interest on deposits by men, $3,000; pay of petty officers (not to exceed 5,910 chief petty officers and 850 chief petty officers under acting appointment), seamen, landsmen, and apprentice seamen, including men in the engineer's force and men detailed for duty with the Fish Commission, enlisted men, men in trade schools, pay of enlisted men of the Hospital Corps, extra pay for men for diving, and cash prizes (not to exceed $71,500) for men for excellence in gunnery, target practice, and engineering competitions, $63,729,756, and, in addition, the Secretary of the Treasury is authorized and directed, upon request of the Secretary of the Navy, to make transfers during the fiscal year 1933 from the clothing and small-stores fund to this appropriation of sums aggregating not to exceed $2,750,000; outfits for all enlisted men and apprentice seamen of the Navy on first enlistment at not to exceed $100 each, civilian clothing not to exceed $15 per man to men given discharges for bad conduct or undesirability or inaptitude, reimbursement in kind of clothing to persons in the Navy for losses in cases of marine or aircraft disasters or in the operation of water or air borne craft, and the authorized issue of clothing and equipment to the members of the Nurse Corps, $1,409,449; pay of enlisted men undergoing sentence of court-martial, $134,596, and as many machinists as the President may from time to time deem necessary to appoint; and apprentice seamen under training at training stations and on board training ships, at the pay prescribed by law, $990,420; pay and allowances of the Nurse Corps, including assistant superintendents, directors, and assistant directors—pay $613,900, rental allowance $35,520, subsistence allowance $19,272; pay retired list $47,641; in all, $716,333; rent of quarters for members of the Nurse Corps; pay and allowances of transferred and assigned men of the Fleet Naval Reserve, $10,451,941; reimbursement for losses of property as provided in the act approved October 6, 1917 (U. S. C., title 34, secs. 981, 982), as amended by the act of March 3, 1927 (U. S. C., Supp. V, title 34, sec. 983), $5,000; payment of six months' death gratuity, $150,000; in all, $130,744,415, and no part of such sum shall be available to pay active-duty pay and allowances to officers on the retired list: *Provided*, That hereafter additional pay for making aerial flights or for duty on board a submarine of the Navy shall in no case be at a rate in excess of $1,100 per annum and $720 per annum, respectively: *Provided further*, That hereafter no enlisted man of the Navy shall be assigned to the Fleet Naval Reserve as provided for in section 22 of the act of February 28, 1925 (U. S. C., title 34, sec. 783): *Provided further*, That the total number of enlisted men in the ratings of bandmaster, first musician, musician first class, and musician second class on April 18, 1932, shall be reduced by 355 by discontinuing new enlistments and reenlistments not continuous in such ratings and/or placing in such ratings men otherwise rated.

Mr. LAGUARDIA. Mr. Chairman, I reserve a point of order.

Mr. AYRES. Mr. Chairman, I offer a committee amendment.

Mr. GOSS. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. I make a point of order on the second proviso, beginning with the words "Provided further," in line 15, to and including line 19, just before the next proviso.

Mr. BANKHEAD. What is the gentleman's point of order?

Mr. GOSS. That it is legislation on an appropriation bill.

Mr. LAGUARDIA. I make an additional point of order on next to the last proviso, commencing in line 19 and including the balance of the paragraph.

Mr. GOSS. For the same reason?

Mr. LAGUARDIA. Yes.

Mr. GOSS. Mr. Chairman, on page 1094 of Cannon's Precedents, under the chairmanship of Hon. John A. Buchanan, of Virginia, the ruling was made and later cited and approved by Hon. William L. Wilson, of West Virginia, that on an amendment offered—

"*Provided*, That no further contract shall be entered into by the Postmaster General under said act."

A point of order on the amendment having been raised by Mr. Dingley, the chairman held—

"The amendment offered by the gentleman from Illinois changes existing law, because it repeals the power conferred upon the Postmaster General by the first section of the act of March 3, 1891. As an amendment to an appropriation bill it must be germane to the subject matter and must retrench expenditures in one or more of the methods pointed out in the rule. The Chair is of the opinion that it does not do this unless by inference, and therefore is not in order."

Now, Mr. Chairman, reference is made in this proviso to title 34, section 783, of the United States Code, which states:

"That the Secretary of the Navy, in his discretion and under such regulations," etc., "may require any person when first enlisting in the regular naval service and may authorize any enlisted man in such service to pledge himself to serve for four years in the Fleet Naval Reserve upon termination of enlistment in the regular naval service."

The proviso in the bill before us reads:

That hereafter no enlisted man of the Navy shall be assigned to the Fleet Naval Reserve.

It does not refer to a regular enlisted man or to an enlisted man of the regular Navy. I claim that it can not come under the Holman rule, because there is no proven saving to the country covered in this section. It is, therefore, not a limitation. Further, it has the tendency of repealing title 34, section 783, of the United States Code, which is at present existing law; and, repeating the chairman's opinion:

The Chair is of the opinion that it does not do this unless by inference, and therefore is not in order.

And further, it does repeal, or have the effect of repealing that whole existing law.

And if you follow it down further—I refer to page 31 of the report that refers to this section, and over on page 32, section 4—it states:

Enlisted men of the regular naval service assigned to the Fleet Naval Reserve in accordance with the provisions of this section, or enlisted men who within three months from date of discharge from the regular naval service upon completion of a four or six year enlistment, enlist in the Naval Reserve may, while so in the Naval Reserve, be permitted to reenlist in the regular naval service, in which case they shall be entitled to the same benefits as if they had enlisted in the regular naval service within three months of their last discharge therefrom.

Therefore there is no way to tell whether this would come under the Holman rule as a limitation, because no one knows when those enlistments or reenlistments expired or started.

Further, the existing law refers to the regular naval service, while in the bill it refers to enlisted men only.

Mr. SWING. Mr. Chairman, I would like to supplement the statement made by the gentleman from Connecticut. Ordinarily the Holman rule is invoked as an exception to the general rules of the House when it is applicable to and operates as a limitation on an appropriation in the bill for that year only. It comes in like a camel's head under a tent for the purpose of limiting the specific appropriation in connection with which it is offered. This objectionable feature is not in the form in which the Holman rule has been sustained so many times. This is a bald, open, and deliberate undertaking to change the general law on the subject, not with relation to the dollars that are herein appropriated for the ensuing fiscal year but for all time to come, until Congress again by some legislative enactment may change it. That is a far different thing from the usual case in which the Holman rule has been invoked and has been sustained.

It is provided in line 12:

That hereafter—

Which means for all time to come. Here is permanent legislative enactment by the Appropriations Committee and not a mere limitation upon an appropriation for this year. The same evil is found in line 16. If countenanced, this will break down all distinction between legislative committees and the Appropriations Committee, and hereafter appropriation bills may contain any declaration of public policy or substantive law which that committee sees fit to put in them.

Mr. GOSS. Mr. Chairman, I had not quite completed my thought. I desire to refer the Chair to page 1094 of Cannon's Precedents, where this language is found:

Provided, That no further contract shall be entered into by the Postmaster General under said act.

I claim that the contracts referred to in this particular bill are entered into by the Secretary of the Navy, and I respectfully refer the Chair to that part of the section—that is, title 34, section 783—where it starts out by saying the Secretary of the Navy, in the place of the Postmaster General, as was under discussion at the time of the former Chairman's ruling. In my opinion, it clearly comes under that ruling.

Mr. STAFFORD. Mr. Chairman, recent decisions of the Chair construing the scope of the Holman rule have gone pretty far afield. Those decisions are so broad that they are virtually supererogating to the Appropriations Committee legislative authority, which the Holman rule never intended to give to the Appropriations Committee or any Member on the floor.

Let us construe just what the Holman rule does, because there is before the Chair now the question as to whether there shall be any limit at all on the power of the Appropriations Committee or of any Member of this House in seeking to change existing law that squints at economy or whose ulterior purpose or manifest purpose is economy.

What are the three proposals that may be considered under the Holman rule, as written in clause 2 of Rule XXI? There are three proposals and three proposals only.

Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter—

It first has to be germane—

except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States—

This certainly does not come within that category—

by the reduction of the compensation of any person paid out of the Treasury of the United States—

Certainly this amendment does not come within that classification—

or by the reduction of amounts of money covered by the bill.

There is nothing on the face of this amendment that shows that it comes within the last classification.

These are only three classes on which the Appropriations Committee or a Member of this House may justify an amendment counter to the general rules of the House.

Now, going to the proviso, the Committee on Appropriations is not a legislative committee and it does not come within that proviso.

I direct the Chair's attention to what is covered in the proviso:

Provided, That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law.

The Appropriations Committee has no legislative power. It is not authorized by law to change existing law. That rests with the Committee on Naval Affairs.

Or the House Members of any such commission having jurisdiction of the subject matter of such amendment.

Certainly that is not the proposal here, because there is no commission making a definitive proposal for the changing of substantive law which results in the reduction of expenditures.

Which amendment being germane to the subject matter of the bill shall retrench expenditures.

Mr. Chairman, here we have the broadest kind of legislative authority being attempted by the Appropriations Committee. What is it? It says:

That hereafter—

Not alone so far as the appropriations as carried in this bill are concerned but for all time the Appropriations Committee is seeking to take unto itself the powers of the Committee on Naval Affairs.

That hereafter no enlisted man of the Navy shall be assigned to the Fleet Naval Reserve as provided for in section 22 of the act of February 28, 1925.

Certainly, if it were not for the Holman rule the Chair would unhesitatingly rule that this was legislation on an appropriation bill, because it interferes directly with existing law which gives the Secretary of the Navy full power and direction so far as the enlisted men of the Fleet Naval Reserve are concerned.

In view of the three designated classes which the Committee on Appropriations must show to bring it within the Holman rule there is, in my opinion, with all due respect to the great Committee on Appropriations, no authority whatsoever that will justify the great power which is sought in

this instance, namely, of supererogating to itself the legislative power of the Congress where naval affairs are concerned.

Mr. BANKHEAD and Mr. LAGUARDIA rose.

Mr. BANKHEAD. Mr. Chairman, I would like to be heard very briefly on the point of order.

The CHAIRMAN. Does the gentleman from New York [Mr. LAGUARDIA] want to be heard on his point of order?

Mr. LAGUARDIA. There are two points of order and I would like to be heard on the one that I have submitted.

The CHAIRMAN. The Chair is considering the points of order together, as they both involve the same point.

Mr. LAGUARDIA. Mr. Chairman, I would like to be heard following the gentleman from Alabama.

The CHAIRMAN. The Chair would prefer to hear first the gentleman from New York.

Mr. LAGUARDIA. Mr. Chairman, with respect to the point of order I made to the last proviso, there is not even the semblance or the color of any economy or retrenchment, and the Chair can not infer, even by the remotest stretch of the imagination, any economy there. Why? It simply provides and legislates against any new enlistments. It does not reduce the number now in the service. It does not attempt to discharge any musicians now in the service.

The CHAIRMAN. The gentleman's point of order was directed to the last proviso that provides for a reduction of 355.

Mr. LAGUARDIA. But it does no such thing, as a matter of fact. It does not discharge a single man. It simply provides against any new enlistment, but every member now in the service may reenlist, and therefore it is purely legislation and nothing else. In fact, it is a mere declaration of policy. It has not even the color of economy. The amendment does not provide for the discharge of any given number of men. As the amendment now stands it suggests to the Secretary of the Navy that some time in the future in the case of a decrease in the number of musicians by death or otherwise, some time in the distant future because present personnel are entitled to reenlist, no new men should be enlisted. Surely this proposed legislation can not be brought within the requirements of the Holman rule. Further argument is unnecessary if the rules and precedents are to be followed by the Chair.

Mr. BANKHEAD. Mr. Chairman, I shall make a very brief statement of my views on the point of order as to both of these provisos.

I think we should frankly concede for the purpose of this argument that both of these provisos do, as a matter of fact, constitute legislation upon an appropriation bill.

The only justification for their insertion and the only ground that is left for a vote by the Committee of the Whole on these two provisos is with respect to whether or not they come within the provisions of the Holman rule.

There is no dispute as to the citations offered by the gentleman from Connecticut [Mr. Goss] or the interpretation of the rule as cited by the gentleman from Wisconsin, Mr. STAFFORD. I think we are all pretty familiar with the general principles involved in interpretation of the Holman rule. The Chair can not, by inference, read into a provision any imaginative economy, but it must be apparent to the Chair upon the face of the provision itself that it does, as a matter of language and as a matter of direct interpretation, come within one of the three exceptions set out in the Holman rule.

With this premise I want to read into the RECORD the statement made by the gentleman from Kansas [Mr. AYRES] with reference to the status of these men that are involved in the first proviso that is assailed:

> We have a class of reservists, composed of what are termed "assigned" men. Assigned men are former enlisted men who, for a consideration of $25 per annum, obligate themselves to serve in the Navy or Marine Corps in the event of war occurring within four years from the date of expiration of their enlistment. You will find the law on the subject in full on pages 31 and 32 of the report.

I think the gentleman from Connecticut cited that provision of law in his argument, so it will not be necessary to restate it.

The sole question here is raised in view of this law which has been cited and which, perhaps, I should restate:

> The Secretary of the Navy, in his discretion, under such regulations as he may prescribe, may require any person when first enlisting in the regular naval service, and may authorize any enlisted man in the service to obligate himself to serve four years in the Fleet Naval Reserve upon termination of his enlistment in the regular naval service.

This was an authorization under which the Secretary of the Navy could enlist these men. Under this proviso it is stated that hereafter no enlisted man of the Navy shall be assigned to the Fleet Naval Reserve as provided for in section 22 of the act of February 28, 1925, which is the act I have just cited. So the sole question before the Chair, as I understand it, is whether or not this prohibition set-up in this proviso does, as a matter of direct interpretation, reduce the expenditures out of the Federal Treasury.

Mr. BACON. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. BACON. How does the gentleman interpret the word "hereafter"?

Mr. BANKHEAD. For the purpose of a proper interpretation of the Holman rule, I do not think that makes any difference. The question, as I understand it, is not necessarily confined to a reduction in the immediate bill. I think sufficiently wide scope may be given to it to make it permanent law, although as to that I may be in error. Nevertheless, that is not the decisive question for the Chair here to decide, and my interpretation of the proviso is that it necessarily follows that if any enlisted man can be enlisted, under the terms of the law I have just read, the necessary inference is that when you cut off or prohibit enlistments that are now authorized, you thereby reduce the expenses.

The CHAIRMAN. The Chair is prepared to rule. The Chair has carefully examined the language to which the point of order has been directed. The Chair thinks that his decision on this point of order should be governed by the last sentence of clause 2 of Rule XXI, which provides:

> Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States by the reduction in compensation of any person paid out of the Treasury of the United States or by the reduction of amounts of money covered by the bill.

That provision of the rule which the Chair has just read permits legislation on an appropriation bill provided it comes within one of the excepted classes just enumerated. The Chair thinks that the language to which the point of order has been made is germane to the bill under consideration. The Chair also thinks that the language reduces expenditures in at least two of the ways provided by the rule. The Chair is of the opinion that all of the language to which the point of order has been made is necessary to bring about the reduction sought. The Chair, therefore, overrules the point of order.

Mr. AYRES. Now, Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

> Page 23, line 8, strike out the figures "$30,640,680" and insert "$30,653,486, including not to exceed $1,014,250 for increase pay for making aerial flights."

Mr. AYRES. That is in accordance with the agreement this morning. I am going to offer another amendment in relation to submarines.

Mr. TABER. Mr. Chairman, I have an amendment which I want to offer to the committee amendment.

The Clerk read as follows:

> Amendment by Mr. TABER to the committee amendment: Page 23, line 8, after the word "pay," strike out "$30,653,000" and insert in lieu thereof "$30,242,680."

Mr. TABER. Mr. Chairman, this amendment I expect to follow later with the amendment that I stated when we were under general debate.

This amendment is designed to reduce the pay to officers by $400,000, and I expect to follow this by an amendment at the end of page 25, which will prohibit constructive com-

mission services, so that the officer shall be entitled only to actual commission services.

My idea in offering this amendment is that there are a number of officers in the Army and in the Navy who, by reason of constructive service, are being paid large amounts of money which are not justified by the service they perform. They are being paid these sums because of some constructive service as an enlisted man or in the National Guard out of all proportion to the rank they occupy. For instance, there was the case of a certain admiral in China, and the pay of a lieutenant serving under him was greater than that of the admiral. These payments are out of all proportion.

Mr. LaGUARDIA. There seems to be some confusion here. The gentleman from Kansas offered an amendment. Does the amendment offered by the gentleman from New York go over the figures of the gentleman from Kansas or under?

Mr. TABER. Under.

Mr. HILL of Alabama. Did the subcommittee have any hearings on the proposition?

Mr. TABER. Simply as to the amount, the figures.

Mr. HILL of Alabama. Then you had no real hearings?

Mr. TABER. No; not going into this in detail.

Mr. HILL of Alabama. And the subcommittee really never considered it?

Mr. TABER. No; they did not. It was brought up in the full committee, and I brought it up on the floor. I tried to bring it up at different times, but the others refused to consider it, not because they did not recognize its merits, I think, but for some other reason.

Mr. OLIVER of Alabama. Mr. Chairman, in order to simplify the matter so that the House can consider it separately why not let the committee amendment be first adopted, and then have the gentleman offer his amendment, which will raise, as he knows, a very controversial question?

Mr. TABER. The reason is that under the rules I can not offer the amendment later.

Mr. HILL of Alabama. The gentleman could ask unanimous consent, so that we may have the two matters put to us separately.

Mr. TABER. The committee can act upon my amendment and then can act upon the committee amendment.

Mr. LaGUARDIA. Mr. Chairman, I want to ask this question. There is this danger, that if this amount is cut now, it will destroy the purpose that the gentleman from Kansas has in offering an amendment to maintain the flight pay. I am sure the gentleman does not want to confuse the issue to that extent.

Mr. TABER. I do not want to confuse any issue; I want it clear. Does this amendment of the gentleman from Kansas raise this sum?

Mr. HILL of Alabama. Yes; it raises the figure now carried in the bill.

Mr. TILSON. What assurance has the gentleman that this deduction will be made from the sum he says it will? It is a lump sum; and why could not the reduction be subtracted from some other portion of the expense?

Mr. TABER. It should come out of this particular item, because this is the item out of which these people are paid.

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. AYRES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. AYRES: Page 25, lines 12 to 16, inclusive, strike out the following:

"*Provided*, That hereafter additional pay for making aerial flights or for duty on board a submarine of the Navy shall in no case be at a rate in excess of $1,100 per annum and $720 per annum, respectively: *Provided further*."

Mr. AYRES. Mr. Chairman, that is in accordance with the announcement I made this morning.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. AYRES. Yes.

Mr. VINSON of Georgia. The purpose of the amendment is to strike out the reduction of the flight pay?

Mr. AYRES. The limitation.

Mr. VINSON of Georgia. Then the flight pay stands as it does now?

Mr. AYRES. Yes.

Mr. LaGUARDIA. That means the existing law as it is as to flight pay?

Mr. AYRES. That is correct.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word.

Mr. AYRES. I hope the gentleman will not take any more time out of order.

Mr. SCHAFER. I do not intend to discuss politics, as I want to call to the attention of the members of the Committee on Appropriations and the Economy Committee certain conditions existing with reference to the Navy officer personnel from the standpoint of economy. I shall not take the five minutes if the gentleman will be patient.

I suggest that the members of the Naval Affairs Appropriation Subcommittee, the members of the Naval Affairs Legislative Committee, and the members of the Economy Committee look into an absolute waste of the taxpayers' money in so far as expenditures in the Navy Department are concerned. We have a situation in the Navy Department today which is becoming very expensive to the Treasury, because of a shortage in the number of vacancies in the higher-officer-personnel grades. The taxpayers of the Nation have been training midshipmen at Annapolis at a cost of about $16,000 each. Under the existing method of promotion in the higher-officer ranks we have a number of admirals sitting in star-chamber proceedings—a so-called selection board—plucking them up and plucking them down. This plucking board considers the records and ability of the officers, not in the rank to which they seek promotion but the recommendations of superior officers as to how they performed the duties assigned to their lower rank prior to the promotion.

It is a star-chamber proceeding without records being kept. These admirals on the plucking board choose, for instance, in the case of lieutenant commanders, which ones are to be selected for promotion on their record and, on the other hand, designate those who should not be promoted. And then all of these lieutenant commanders who have not been selected for promotion and who are in the prime of life and who have been educated at the Naval Academy at a cost of $16,000 to the taxpayers, after having 21 years service, are placed on the retired list to draw on the average $3,000 per year as long as they live without rendering any service. I want to suggest that if you want economy in the Navy look into this fraud on the taxpayers and bring legislation before the House which will cure this indefensible extravagance.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that the spelling of the word "subsistence," in line 9, on page 23, may be corrected.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BRITTEN. Mr. Chairman, I rise in favor of the amendment for the purpose of having the Clerk read in my time a telegram just received from Capt. Eddie V. Rickenbacker, American ace of the World War. It has to do with the gentleman's amendment, which is now before the House.

The CHAIRMAN. Without objection, the Clerk will read the telegram, as requested.

There was no objection.

The Clerk read the telegram, as follows:

NEW YORK, N. Y., *April 22, 1932.*

Congressman FRED A. BRITTEN,
House of Representatives:

May I enlist your sincere support in opposing the elimination of flying pay for Army, Navy, and Marine Corps pilots? My years of experience and close association with the members of these branches of our defensive arms recommend the maintenance of the high standard which has been developed as a guaranty that we may never again be confronted with the usual problems which faced us during the World War. It is my genuine belief—and I speak for a great many of my former comrades of the air—that not only is the elimination of flying pay false economy but would destroy the desire and ambition of our present service pilots, and would also work a definite hardship financially on them, as the individual expense brought about by the very spirit that exists to-day among our flying personnel makes it inadvisable. It is essential that this high standard and spirit be maintained in order that these branches of our national defense may continue as years go on to attract the quality of youth and intelligence which, in my estimation, is second to none throughout the world. The limited number of fatalities in the face of the tremendous hazards among the different branches of our Air Service during the past year is indicative of the qualities mentioned above, which should be maintained regardless of cost. The great majority of commercial pilots flying throughout the United States with our mail and passengers, both day and night, are graduates of the Army, Navy, and Marine Corps flying schools. Again, proof that the necessity of the above is emphasized in the fact that America can to-day boast of the finest combination of commercial and transportation systems by air that exist anywhere in the world, which is the second line of our aerial defense in peace time, and from which would be recruited in time of national emergency the great majority of highly skilled technicians, administrative, and flying personnel. Implore you and every other Member of the House of Representatives to guard this spirit jealously in honor of that great body of pioneers of the air, both in peace and in war, who gave their all in the springtime of their lives that this generation and those yet unborn may be privileged to enjoy the peace and happiness we all so fervently desire. Certainly the very conditions which are to-day demanding the utmost effort in the interests of economy on the part of our representatives also demand judgment in bringing about these economies that are the result of calm deliberate reflection rather than hysteria.

CAPT. E. V. RICKENBACKER.

Mr. BRITTEN. Mr. Chairman, at this time I desire to say that there are a certain number of officers and enlisted men (besides pilots) whose duty in connection with aviation requires them to make regular and frequent flights in aircraft. The number that can be so detailed is restricted by certain laws enacted by Congress, and the following are quoted:

[From an act, Public, No. 35, 67th Cong. (H. R. 4803)]

There shall be a chief of the Bureau of Aeronautics, appointed by the President, by and with the advice and consent of the Senate, from among the officers of the active list of the Navy or Marine Corps who shall within one year after his appointment qualify as an aircraft pilot or observer, * * *:

Provided, That not to exceed 30 per cent of the officers in each grade below that of rear admiral who fail to qualify as aircraft pilots or as aircraft observers within one year after the date of their detail into the Bureau of Aeronautics shall be permitted to remain detailed in this bureau: *Provided further*, That flying units or detachments, with the exception of aircraft carriers or other vessels, shall in all cases be commanded by flying officers.

[From air program act, June 24, 1926, sec. 3, par. 5]

Line officers detailed to command of aircraft carriers or aircraft tenders shall be naval aviators or naval aviation observers who are otherwise qualified. (44 Stat. 767, ch. 608.)

[From the joint service pay act, June 10, 1922, sec. 20]

Exclusive of the Army Air Corps, and student aviators and qualified aircraft pilots of the Navy, Marine Corps, and Coast Guard, the number of officers of any of the services mentioned in the title of this act who may be required by competent authority to participate regularly and frequently in aerial flights as defined by such Executive orders as have heretofore been or may hereafter be, promulgated by the President, shall not at any one time exceed 1 per cent of the total authorized commissioned strength of such service.

Mr. Chairman, a previous law provided that one-half of 1 per cent of the total number of officers of the Navy could be detailed for duty involving flying, besides naval aviators, and receive flight pay. This law was later changed to the above; namely, providing that 1 per cent of the total number of officers in the Navy could be given flight orders.

The most recent law thus permits the Secretary of the Navy to detail to duty involving flying, with the award of flight pay, 92 officers. The Navy Department has never taken full advantage of this law nor employed this number, but has carefully restricted the number so detailed as much as possible. There are now 57 nonaviator officers instead of the 92 allowed, who have flight orders, including 27 medical officers, 12 aerologists, 5 naval aviation observers, and 13 others. The flag officers detailed to duty involving flying at present include two—the Chief of Bureau of Aeronautics and the Commander Aircraft, Battle Fleet, both of whom are naval aviation observers. There is also a captain naval aviation observer, ordered to command the carrier *Lexington*. All of these officers' duties require them to make regular and frequent flights in aircraft, and they have flight orders and the laws so intended. The law establishing the Bureau of Aeronautics requires the chief of bureau to be a pilot or observer, and that 30 per cent of each grade below that of rear admiral be naval aviation observers or naval aviators, the evident intent of the law being that they should engage in regular and frequent flights. There are two naval aviation observers, besides the chief of bureau, in the Bureau of Aeronautics, who were so qualified in order to comply with this law, and whose duties require regular and frequent flights in aircraft. Another aviation observer is the officer in charge of the naval aircraft factory. His duties require regular and frequent flights and he has flight orders. The flight orders of these officers are considered absolutely necessary and justifiable in every sense of the word.

It is highly desirable that a certain number of medical officers and areologists have flight orders. Their detail has resulted in increased efficiency and safer flying for all the personnel concerned.

It will be seen, however, that the detailing to duty involving flying of nonaviators is an administrative matter in the hands of the Secretary of the Navy, authorized by the above-mentioned laws, and that it was evidently the intent of the Congress in passing these laws that the Chief of Bureau of Aeronautics and at least 30 per cent of the officers of each grade detailed in the Bureau of Aeronautics, and the commanding officers of aircraft carriers, should be aircraft pilots or aircraft observers, and engage in frequent and regular flights.

The total flight pay received by the 57 nonaviator officers in the entire aeronautic organization who have flight orders is $95,145.

There are 1,097 enlisted men (exclusive of enlisted pilots) who have flight orders, whose total flight pay amounts to $688,851. These men are flying radiomen, gunners, and mechanics. It is absolutely necessary for the efficiency and safety of aviation that these men have flight orders. The number is restricted and kept to the lowest possible limit, as is the case with officers.

It will be seen that the authorization by law for flight orders to nonaviators was made after the most careful consideration by Congress and that the number awarded flight orders by the Navy Department has been kept to the lowest possible limit consistent with efficiency and safety. Proof of this is in the fact that only 57 officer nonaviators have flight orders, whereas a maximum of 92 is allowed by law. Likewise the appropriations for the current fiscal year carried funds for flight orders for a maximum of 1,600 enlisted men, whereas the average number of flight orders actually in effect has been 1,472, including enlisted pilots.

Mr. Chairman, as my good friend, Eddie Rickenbacker, indicates, the fact is well known that aviation duty is much more hazardous than other naval duty. The principle of giving increased pay for performing this duty has been established by the justice of law and of custom. For the Navy this increase has been 50 per cent of the base pay of all rates and ranks of enlisted men and officers. It has compensated them for the extra hazard of their duties; it has permitted them to make provision for the care of their families by life insurance, to purchase the additional uniforms required in aviation duties, and to cover the extra expenses which an aviator incurs in the execution of his duties and for which he can not always obtain recompense from the Government.

The officers assigned to aviation duty must fly. Their flying may be of different kinds, but the flying must be

done. The ensigns, lieutenants (junior grade), and the lieutenants (second and first lieutenants) and captains of the Marine Corps on sea duty or duty in the field comprise the squadrons and fleet aviation units or the watch officers of our rigid airships. Their flying is intensive, dangerous, and mandatory. They can not pick and choose the kind of flying they want to do, the types of planes to fly in, nor the days on which they will fly. Their flying is dictated by rigid schedules of operation, which include gunnery, bombing, air tactics, scouting, patrol, observation, and all those functions included in war games. It involves flying off and on carriers, being catapulted from ships, landing and taking off from the open sea. Their operations are carried on far from land and even far from surface ships. For some of the marines it involves participation in actual guerrilla warfare, with casualties resulting from enemy gunfire.

These same officers—ensigns, lieutenants (junior grade), and lieutenants—when they go to shore duty become the flight instructors at the various training centers. They train students in flying day after day the year round, or they are assigned as test pilots at the various test stations, or as test pilots to fly planes newly overhauled, erected, or repaired. Their intensive and hazardous flying continues whether the officers are ashore or afloat. An increase in these officers' pay of 50 per cent is but just and proper to induce them to become naval aviators and to enable them to cover up with life insurance and other protection to themselves and their families.

The lieutenant commanders—majors, Marine Corps—come next in rank. These are the squadron commanders and executive officers of the Navy squadrons at sea, the executive officers of our rigid airships, or the squadron commanders in the field. They have all the flying, the same kind of flying, that the more junior officers have, but added to all that is the responsibility for the safe conduct of the squadrons to their objectives, the proper performance of the mission at hand, and then the safe conduct of the squadrons back to their carriers, ships, or bases. They have administrative and executive responsibility in addition to all the hazards of daily flying on naval missions.

Ashore these officers are the chief instructors at training centers, or the heads of departments at naval air stations, where their duties require them to fly intensively to supervise the work of their subordinates. Some lieutenant commanders are assigned as inspectors of naval aircraft, others to administrative duties in the Navy Department, but they all must fly in the execution of their duties. This flying includes the hazardous checking, testing, and inspecting of new equipment in the air. During the fiscal years 1929, 1930, and 1931 the average flying time for lieutenant commanders flying in all capacities was 140 hours per year. This includes every lieutenant commander, no matter what billet he was filling. An increase of pay of 50 per cent for these lieutenant commanders is eminently justified by the flying duty to which they are assigned and assignable.

Mr. Chairman, at this time it appears proper to reiterate that flying involves military or naval missions that may be of short duration, but full of action. In dive bombing, for instance, the pilot of a fighting plane can take off, drop his bombs, and be back on the ground in 20 minutes. If he does this three times a day, his total time for the day is one hour, during which time he has exposed himself to collision with other planes, the stripping of the wings from his plane, and to fire and engine failure caused by high-diving speeds. In aerial combat, a squadron may take off from a carrier, meet the "enemy," engage in all the hazards of the ensuing mêlée, and be back on the carrier in an hour. So on throughout the various types of aerial duties. Each flight may be short or long, but each flight on naval and Marine Corps missions usually contains some danger occasioned by naval flying duty.

Above the lieutenant commanders (majors in the Marine Corps) come the commanders (lieutenant colonels)—men who have passed through the hard apprenticeship of the lower ranks and who have been properly rewarded by promotion. These officers are the executive officers of air stations, of aircraft carriers, or aircraft tenders, of rigid airships, and administrative officers ashore. It has long been the desire of the Navy to have commanders (lieutenant colonels) in command of the various wings of aircraft. Up to now this has been impossible because, as naval aviation expanded, the demand for commander aviators in administrative and executive billets has exceeded the supply. As soon as enough commanders are available, it is planned to assign them as wing commanders. Their present duties are executive and administrative because the lessons learned during the days of their apprenticeship make them eminently fitted for such duty. They are employed on aviation duty because of their knowledge of aviation matters. Their flying is necessarily somewhat reduced because they are employed in positions which require their aviation knowledge, acquired in intensive flying, to administer naval aviation, but they must maintain that knowledge by flying, or their efforts suffer accordingly. New planes, new methods, new tactics, new policies, require their constant attention; and unless these officers keep familiar with the new things by flying, their value to the Navy will fall off proportionately. However, the fact that the number of flying hours is lowered, in no way influences life-insurance companies toward reducing premiums, nor reduces the financial obligations that increased rank and responsibilities have brought on, nor detracts from the justice of increased pay for hazardous duty in maintaining their ability and increased responsibility. From these officers are selected the captains and admirals for high command in later years. Their aviation experience must be capitalized, and their recompense must be such as to induce them to stay in aviation, otherwise their experience is lost, and their value for future aviation assignments is reduced. The average flying time for each commander for the fiscal years 1929, 1930, and 1931 was only somewhat less than that for each lieutenant commander.

Mr. Chairman, the captains in the Navy (colonels of the Marine Corps) are the commanding officers of aircraft carriers and tenders, of naval air stations, the chiefs of staff of the flag officers, and the commanding officers of rigid airships. Through these officers are executed the plans and operation of all naval aviation. The success or failure of these officers in their duties means the success or failure of naval aviation. In 1931 there were only nine captains in the Navy on aviation duty. The billets for these officers are filled as necessary, and each billet is of vital importance. During the past three fiscal years the captains on aviation duty flew more than the commanders did.

The three admirals on aviation duties are the high commanders. Theirs is the responsibility for all naval aviation. Their ability, their experience, and their courage control the destinies of naval aviation, and the efficiency of naval aviation may well mean the safety of the Nation. Many times 50 per cent increase in pay is too little for these men.

Their foresight and their immediate efforts may in one short decision put their value to the Nation far above evaluation in dollars and cents. Their flying to accompany their fleets of airplanes, in rigid airships, in furthering the development of the Nation's defense is hazardous. They have taken on many and unescapble obligtions, and they should accordingly be able to carry these obligations in a fitting manner. Their responsibilities are too great to justify any reduction in their increased pay for hazardous duty. Their flying is hazardous, but more hazardous to health and well-being is the responsibility that they carry for the lives of their subordinates. It requires much more courage to order a hundred planes into the air on a dangerous mission than it takes to pilot one of the hundred planes. It takes high courage to order a rigid airship on a new and untried kind of flight or to order the launching of aircraft from a carrier at sea in the face of darkness, low visibility, and other hazardous conditions. This courage takes its toll in health and happiness and it should be adequately rewarded.

The morale and efficiency of naval aviation are vitally dependent upon the services of the senior officers, com-

manders, captains, and admirals, many of whom have been with the naval aviation since its inception and who have brought it to its present high state of efficiency. In recognition of this fact, the Morrow Board went so far as to recommend "the giving of temporary rank as captain, commander, or lieutenant commander to any officer of a junior grade when he is detailed to duty requiring specialization in aviation and for which the higher rank is proper." The senior officers should be given an inducement, aside from a natural love of this branch of the service, to remain with naval aviation. They should and do fly as much as their administrative and command functions permit. It is manifestly unfair to expect them to continue in a duty which they know is dangerous for a decreased sum of money which would hardly cover the excessive life-insurance premiums they would have to pay. For example, a flat rate which would induce a junior officer to fly is not a large enough percentage increase of pay of the senior officer to cause him to overlook his responsibilities to himself and his family by risking his life at a time when he should be anticipating security for himself and his growing sons and daughters.

Mr. Chairman, a study has been made showing the savings that could be effected if certain flat rates of flight pay were substituted above certain ranks for the present 50 per cent increase. This study shows that if the average captain's flight pay ($3,000) were the maximum paid, the saving would be exactly $1,000 per year; if the average commander's flight pay ($2,450) were the maximum paid, the saving would be $19,600 per year, or 1.11 per cent of the total flight pay of all Navy and Marine Corps officers; if the average lieutenant commander's (major's) flight pay ($1,958) were the maximum, the saving would be $29,248 per year; and if one went down the list as far as lieutenants and made the average lieutenant's flight pay ($1,422) the maximum paid, the total saving would be only slightly over $100,000 per year, or the cost of two flying boats.

It is understood that economy is the sole reason for the suggestion that flight pay be reduced. The above study of changes in the system of flight pay shows that inconsiderable savings will result. Certainly the saving would be insufficient to compensate for the blow to the morale and efficiency of the officers concerned. The principle of increased pay for extrahazardous duty has been well recognized. It should be pointed out that if the pay of the Navy is cut in the interests of economy, such cut will automatically carry with it a cut in the extra pay for flying, because the increase now is 50 per cent of the person's base pay. Thus a cut in flight pay now plus a future cut in the pay of the Navy would cause a double cut in the pay of naval aviators.

Mr. Chairman, it has long been recognized that extra reward should be given for extrahazardous duty or work. This is true in all walks of life and is by no means confined to the armed services. In the business world it is impossible to get workers in munition factories for the same wage as those who work in cotton factories, or sappers and miners at the pay of ditch diggers.

Flight pay, or the extra compensation paid to those engaged in the extrahazardous duty of flying, has been recognized by the Congress as being just and equitable practically since the inception of military and naval aviation. It is recognized and paid to flying personnel in the service of all countries in so far as known. In 1914 and again in 1922 the Navy Department declared itself to be in favor of flight pay. The Congress recognized the value and merits of flight pay and provided for its payment by the necessary legislation. In 1925 the Morrow Board carefully considered this question and recommended:

> Considering the extrahazardous nature of flying, we believe that the principle of extra pay for flying should be recognized as permanent in time of peace.

The report of the Interdepartmental Pay Board of July 19, 1929, contains the following:

> The foregoing principles are not intended to affect the right of officers regardless of rank to receive special compensation while performing duty involving extra hazard as determined by the Congress.

Thus we see that the principle of flight pay has for a long time had the approval and backing of the Navy Department, the Congress, and of special investigators.

It has been pointed out that the principal of extra compensation for extrahazardous duty is so well recognized as to be almost axiomatic, and that flight pay has been so recognized by both law and custom as to be its natural corollary. Statistics covering the five calendar years 1926–1930 show the average annual death rate of naval aviators killed in aviation accidents to be 21.34 per thousand. The average annual death rate of all officers, excluding aviators, from accidental causes, for the same period, was 0.71 per thousand. This means that the accidental death rate of the aviator engaged in the normal pursuit of his duties was thirty times that of his brother officer during the above 5-year period.

In addition to the much greater probability of early death, the aviator is faced with the danger of injury to a far greater extent than is his brother officer on other duties. The line existing between fatal accidents and injury accidents is so fine that it is difficult to define. Luck, skill, split-second decisions, and lightning-fast executions frequently change a potentially fatal accident to a minor one with no injury to personnel. To cite only one example of many which frequently occur: Two planes in company were caught in a fog. One pilot, attempting to turn back to the clear, hooked a wing on the ground and both pilot and passenger were killed. The other landed blind, and, fortunately, striking no major obstructions, both pilot and passenger were uninjured. Personnel and material factors, and other causes too numerous to enumerate, frequently cause loss of life in a comparatively minor accident. In many instances, people otherwise uninjured are drowned when unable to extricate themselves from a plane which has crashed in the water. These very apparent hazards are not considered in the above comparison of death rates, and yet they are ever present.

Safety in operations has steadily increased and is constantly pointed to with pride. Let us consider this. In 1926 there were flown 4,380 hours per fatality, and in 1930, 14,710 hours, an increase in safety of operations of 236 per cent. The death rate for 1926 was 21.70 per thousand, and for 1930 it was 18.45 per thousand. Although safety of operations increased 236 per cent, safety of personnel, with which we are vitally concerned, increased only 15 per cent. Also for the year 1930, when the great record of 14,710 hours per fatality was made, the ratio of the death rate of aviators to nonaviators was 102.5 to 1, an abnormally high figure, showing that the extra hazard was present to a greater degree than ever before, even in our "safest" year.

One of the reasons for the above paradox lies in the ever-increasing use of aviation, especially in the fleet at sea. Naval aviation, being an integral part of our combatant forces, participates in practically all fleet maneuvers, and maneuvers at sea with aircraft are steadily increasing. Only the advent of more reliable power plants, radios, and direction finders, flotation gear and rubber boats, and other developments and improvements in recent years and the increased skill and greater experience of our aviators have prevented the death rate from being higher than it actually is. That the aviation hazard is considered real by senior naval officers in the fleet is shown by the following quotation from the report of the commander in chief of the United States Fleet in the 1931 maneuvers:

> I wish to call your attention to the fact that personnel of the air force in the air come nearer to operating under war conditions, so far as the hazard of their profession is concerned, than any other naval personnel.

Mr. Chairman, aside from death or injury in accidents, the aviator is constantly suffering deleterious effects caused by actual operations. The injurious effects are many, there being particular strain on the eyes, ears, and heart. The eye-muscle balance is subject to derangement because of the rapid change of focus required in constant shift from instrument board to far horizons. Exophoria and other eye

troubles develop as a result of the goggles and the windblast.

Rapid changes of pressure and of temperature encountered in a dive of 10,000 feet or more aggravate infections of the sinus passages, the nose, and the throat, and at the same time are particularly injurious to the ears. There is almost invariably loss of acuity in hearing as a result of these factors, coupled with the constant noise of the engine. The pull-outs from dives and the rapid changes of direction and velocity in aerial combat produce a tremendous strain on the contents of the chest and abdomen, and may cause injury of such nature as to result in complete disability.

Since the human body is not adjusted to withstand the demands placed upon it by high altitude, there is, naturally, an unusual strain upon the heart and whole circulatory system when the pilot reaches excessive heights. The air is a new element for man; his body suffers in an attempt to conquer it. Until such time as evolution can so change his body to meet the new requirements, deleterious effects must continue to exist.

Mr. Chairman, all life-insurance companies consider that flying is an extrahazardous occupation. Some companies will insure aviators in the Army and Navy, but they require extra premiums of from $12 to $50 per year per thousand. Even the Army and Navy mutual aid associations exact extra rates. Some of the large companies, for example, Penn Mutual, Ætna, Union Central, and others, refuse to insure aviators.

The following table gives an example of the increased cost of insurance for aviators. The figures on costs shown in the first column were obtained from a well-known commercial company:

Insurance costs per year for $10,000 policy for man aged 25 years

	Non-flyer	Naval aviator					
		$12 loading	Per cent increase	$25 loading	Per cent increase	$50 loading [1]	Per cent increase
Straight life	$147.20	$267.20	81	$307.20	177	$647.20	439
20-pay life	221.90	341.90	54	471.90	113	721.90	225
20-year endowment	403.10	523.10	29	653.10	62	903.10	124

[1] Loadings are the extra premiums required of aviators by all companies that will insure aviators. They range from $12 to $50 per year per thousand. The amount of insurance obtainable from one company is generally limited for officers required by orders to make frequent flights.

Mr. Chairman, it has been shown that extra compensation for hazardous duty is sound, that flight pay has always been considered reasonable and just, and that extra hazard does exist in connection with flying. Several methods for giving just, extra compensation have been proposed, the most prominent being:

(a) Percentage of normal pay (present method).

(b) Flat rate.

(c) Free insurance to those engaged in flying duty.

This is the present method and was adopted by Congress after due consideration. It is believed to be the best one for the following reasons:

(1) It has the approval and backing of the personnel involved and actually incurring the extra hazard.

(2) It is the most fair and just to the individual involved.

(3) It has the approval and backing of custom and Congress.

(4) It is not unduly expensive, as compared with other proposed methods.

In this connection attention is invited to the fact that as originally planned flight pay consisted of 50 per cent of pay and allowances. This has been reduced to 50 per cent of the base pay.

Mr. Chairman, regarding the flat rate, the contention is made that the risk for all flyers being equal the compensation should be equal. To this I can not subscribe. The senior officer is considered to be more valuable than his junior brother, as recognized by the fact that he has more experience, occupies more responsible positions, and is given a larger salary. Also he has greater responsibilities, especially as regards dependents, and the risk he runs as to his health is greater with age.

One fact that should be remembered is that officers rotate in their duties. A man occupying an administrative position on one tour of duty is, on his next tour, almost invariably ordered to duty in the fleet, where the hazards are multiplied. Even while on his administrative status he is often called upon to perform flights of extremely hazardous nature, so that it may be safely said that all naval aviators are, in the long run, subjected to approximately the same hazards.

A sum of X dollars may be sufficient to induce a young officer to risk his life in flying, because such sum is fairly large in proportion to the normal salary of an officer of his grade. With a senior officer this does not hold. His normal salary is increased over that of his junior by reason of his increased worth to the Government, his responsibilities, the demands made upon him by his increased rank as a representative of the Government, his dependents, increased insurance, and so forth. For these reasons his flight pay should be correspondingly increased. The officer of increased rank, such as the commander of a squadron, vessel, or air station, is responsible not only for his own life in the air but he must also assume the responsibility for the lives of his subordinates. It is as logical to contend that the six months' gratuity pay given to an officer's dependents in the case of his death should be the same for an ensign as for a rear admiral as to contend that all ranks should receive the same flight pay.

It has been proposed to substitute a flat rate of a certain amount for all persons engaged in duty involving flying, regardless of rank; in other words, to substitute a flat rate for the present system. Aviation had no representative on the Interdepartmental Pay Board, but in hearings before the board aviation personnel opposed any change in the present system of flight pay. The Interdepartmental Pay Board did recommend, however, a flat rate of $125 a month for all officers engaged in flying as a substitute for the present system of flight pay. The board made this recommendation on the assumption that its proposed increase of base pay and allowances would be adopted, and the change to a flat rate of $125 a month was coupled with this proposal.

At this point I desire to point out that the pay for aviators is in almost every case less than the pay recommended by the Interdepartmental Pay Board for nonflying officers in corresponding ranks.

I further desire to point out that if the flat rate of $125 a month were substituted for the present system of flight pay for officers alone it would cause an increase in the total appropriation for flight pay of $193,198. For officers and enlisted men there would be caused an increase in total appropriations of $1,660,519.

If the flat rate for officers only were reduced to $100 per month—$1,200 per year—the reduction or saving to the Government would be only $114,302. If it were further reduced—for officers only—to $83.33 per month—$1,000 a year—the reduction or saving would be only $319,302. If the flat rates were also applied to enlisted men, there would be a total increase—at the rate of $100 per month—of $857,119. Under the rate of $83.33 per month the total increase would be $321,519.

Mr. Chairman, the proponents of the flat-rate system argue, however, that the risk is equal and the pay should therefore be equal. If such a principle is accepted, the flight pay of an enlisted man under flight orders should be the same as for an officer engaged in duty involving flying. Consistency demands this.

I believe that a wrong impression exists as to distribution of flight pay in the various grades. An analysis of flight pay for the fiscal year 1931 shows that less than 1 per cent of flight pay is received by flag officers; 2.42 per cent by captains; 5.71 per cent by commanders; 16.43 per cent by lieutenant commanders; 36.41 per cent by lieutenants; 35.55 per cent by lieutenants, junior grade, and ensigns; and 2.59

per cent by warrant officers; 72 per cent of total flight pay goes to lieutenants, junior grade, ensigns, and lieutenants. Only 5.3 per cent—$66,400—of the total amount of flight pay went to officers on flight duty who are over 45 years of age. During the current fiscal year there are only two rear admirals on flying duty, so that their total pay is 0.6 per cent of the total officers' flight pay. Seven rear admirals who were formerly in aviation and received flight pay have returned to regular Navy duties.

Mr. Chairman, there is a general impression or belief that there will be a steady and great increase in aviators in the upper grades, resulting in a great increase of flight pay. Such is not the case, as will be seen from the following table:

Naval aviators and observers (U. S. Navy) by ranks, for fiscal years 1931, 1932, and 1933; estimated number that will be assigned on September 30 of each fiscal year

Rank	1931	Per cent of total	1932	Per cent of total	1933 (estimated)	Per cent of total
Rear admiral	3	0.45	2	0.26	8	0.36
Captain	9	1.36	10	1.30	13	1.51
Commander	21	3.17	20	3.77	29	3.44
Lieutenant commander	77	11.54	77	10.01	79	9.36
Lieutenant	258	38.91	266	34.58	268	31.75
Lieutenant (junior grade)	250	37.71	306	39.79	340	40.28
Ensign	22	3.32	57	7.40	95	11.26
Warrant officer	21	3.17	22	2.86	17	2.01
Total	663		769		844	

It will be noted from the above table that the number of naval aviators in the senior grades (rear admiral, captain, commander) will increase slightly during the next few years to meet the actual needs of the service; a total of only 14 in the upper grades in 1933–34 as compared with 1931, whereas there is an increase of 173 in lieutenants, lieutenants (junior grade), and ensigns.

Owing to the newness of aviation there has always been a shortage of senior officer aviators, so that officers of junior rank have necessarily been assigned to positions commensurate with senior rank. However, the number in the three senior grades will stabilize in the near future, and the number in the senior grades will remain the same. Officers in these three grades will then be returned to regular line duties. Seven rear admirals who have served in aviation have been so returned already.

The increase in flight pay required for increases in the senior grades in the fiscal years 1931–1933 will amount altogether to $34,600. It will be noted from the above tables that the percentage of increases in the upper grades is practically the same, being increased in some cases and decreased in others.

Mr. Chairman, I can not too forcibly express my conviction that the substitution of insurance for flight pay would be ruinous to naval aviation. In the first place, insurance is the personal and private concern of the individual. The amount of life insurance that an individual should properly carry depends upon the number of actual dependents that he may have and the financial resources of himself and his dependents, and his financial needs. Therefore, it would not be justifiable to give to all aviators insurance for a fixed amount irrespective of the status of the individual as regards dependents, his personal resources, and obligations.

The principle of extra compensation for extrahazardous duty has been accepted as sound. In the case of individuals with no dependents, wherein would be the compensation received by insurance which they neither want nor need?

One important feature of this phase of the subject is the direct financial loss that would result from this substitution in the case of many officers. The majority of officers having dependents have used their flight pay to carry expensive insurance policies which they could not have afforded on normal salary, and they increase their insurance with increase in dependents. Since some of these policies now in effect are endowment policies, partly paid up, the revocation of flight pay would necessarily require the forfeiture of the policy, with a direct, unfair monetary loss to the officers concerned.

I have no hesitancy in saying that the extra compensation for the hazards of flying has been well deserved and has had much to do with the success we have gained in naval aviation. The equalization of material naval strength by treaty agreements means that superiority must be sought in personnel. I believe that we now possess that superiority and that it would be grossly unwise to sacrifice or to do anything to lessen the high morale, and with it the efficiency of naval aviators, in an attempt to effect a comparatively small monetary saving.

By hard fighting and constant loyal effort, especially on the part of naval aviators, naval aviation has been kept as an integral part of the Navy. United States naval aviation undoubtedly leads in the navies of the world to-day. In this connection I invite attention to excerpts from two articles which show the regard in which others hold us. First, Admiral Lord Beatty in a letter to the London Times under date of April 30, 1930:

SIR: * * * The navy to-day is the most up to date and efficient navy in the world, except in one respect, and that is the air equipment. The air wing of the United States Navy, owing to the single control exercised over the United States Navy, is far ahead of our fleet air arm. They carry out exercises on a scale quite impossible in our fleet. Cooperation between their ship-borne and shore-based aircraft has reached a high state of efficiency; with us it is nonexistent.

And second, an article appearing in La Revue Maritime, of November, 1930, which won the first prize in the Académie de Marine, France:

* * * The result of this organization is that naval aviation in the United States is much ahead of all others in the world; their Navy is distinguished by the prodigious development of its aviation, and particularly of its employment. It was the first to employ catapults, and it holds enviable rank among world's records.

Mr. Chairman, in recent years since the advent of flying we have built up in the Navy a great organization based on sound principles. The most important part of this organization is not the material but the personnel—naval aviation personnel.

United States naval aviation is on a sound foundation. Why do anything, especially anything of a doubtful nature, to shake this foundation, to upset and undo all we have so carefully and laboriously built up? Remove flight pay or drastically change it and you will ruin United States naval aviation morale as it exists to-day, and also Army aviation. I say this advisedly and from an intimate knowledge not only of naval aviation but also of the Navy as a whole.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. LaGUARDIA: Page 25, line 16, beginning with the word "that," strike out the remainder of the paragraph.

Mr. BRITTEN. Mr. Chairman, I desire to offer a substitute amendment, instead of striking out the language just referred to by the gentleman from New York, beginning on line 19, page 25, strike out the balance of the paragraph.

The Clerk read as follows:

Amendment offered by Mr. BRITTEN: Page 25, line 19, after the colon, strike out the remainder of the paragraph.

Mr. BRITTEN. Mr. Chairman, that will have the effect of preserving music for the Navy. The amendment offered by the gentleman from New York covers two provisos in the bill, and I am sure the Members of the House would much prefer to vote upon them separately. Particularly do I feel that Members of the House are interested in retaining music for the Navy. There is little enough in the Navy for the officers and men without taking from them this occasional music. [Applause.]

Mr. GOSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. In view of the substitute amendment offered by the gentleman from Illinois, I would like to inquire if I will have an opportunity, after this vote is taken, to offer an amendment to strike out the proviso from line 15 to line 19?

The CHAIRMAN. That is the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I ask for recognition on my amendment.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Would not the object sought by the gentleman from Illinois [Mr. BRITTEN] be attained by asking for a division of the subject matter?

The CHAIRMAN. The Chair is of that opinion, but the gentleman has offered it as a substitute amendment.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to withdraw the amendment which I offered. That will leave the amendment offered by the gentleman from Illinois before the House. After that is disposed of, the gentleman from Connecticut may offer his amendment.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from New York is withdrawn.

There was no objection.

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Illinois.

The Clerk again reported the amendment offered by Mr. BRITTEN.

Mr. LAGUARDIA. Mr. Chairman, I ask for recognition on the amendment offered by the gentleman from Illinois.

I hope the chairman of the committee will state to the House that, as far as economy for the next fiscal year is concerned, there will be none effected, because any musician now in the service may reenlist. Surely all of the enlistments are not expiring this year. What will be the result? The result will be that as a musician's enlistment expires and he does not wish to reenlist, or he dies, his place may not be filled, so that it is quite possible a battleship may have a band that is absolutely helpless and unable to perform. If the musicians who play solo parts should die or be transferred, a band may be left entirely dismembered.

Mr. Chairman, I wish to point out that music in the Navy is not a luxury. It is a necessity. If 1,200 men are placed on a battleship or a group of Americans are stationed in any of the distant posts and they are left there day after day without some music to break the monotony, the discipline and morale will go to pieces. Why is it that every division, every brigade, and every regiment demands a band in times of hostility?

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. VINSON of Georgia. The only amusement that the men on the battleship have is the moving pictures and the band, is it not?

Mr. LAGUARDIA. I am not talking about the amusement side of it. I insist that music, a band, is essential in any military or naval organization. It is almost impossible to go through the setting-up exercises unless there is music for the rhythm. The same is true as to drills. It is absolutely a part of the daily routine work. I say, Mr. Chairman, this subject can not be indifferently brushed aside. It is a most serious matter.

To take 355, or whatever number you want to reduce them, and drop them at once might support a plea of economy, but you can not make that plea when you have to wait until they die.

Mr. BRITTEN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BRITTEN. Will the gentleman be good enough to ask the chairman of the subcommittee whether or not it is intended to take the bandsmen off of battleships? I might say that these 355 men referred to were to be bandsmen in navy yards, and would include the destruction of the Navy Band, but would not apply to bands on battleships.

Mr. AYRES. That is my understanding of the matter.

Mr. VINSON of Georgia. It means that if the enlistment of a bandmaster expires he is out of the service; he can not reenlist.

Mr. LAGUARDIA. No, no; it does not apply to reenlistments. That is why this amendment is worth nothing. A musician in the service may reenlist. The provision of the bill is:

> The total number of enlisted men of the rating of musicians, first class, and musicians, second class, shall be reduced by 355 by discontinuing new enlistments and reenlistments not continuous.

That means, of course, that every man now in the service can and will reenlist.

Mr. AYRES. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. AYRES. I should like to say that this matter did not originate with the committee. The Secretary of the Navy in a letter dated March 19, 1932, addressed to the chairman of the Committee on Economy, at that time the gentleman from Tennessee, Mr. BYRNS, indicated that the Marine Band would serve all needs of the Navy in Washington and that "military features" would not be affected if bands at navy yards, except Cavite, P. I., were discontinued. The Secretary specifically excepted bands at training stations and at the Naval Academy. The adoption of this course ultimately would dispense with about 355 bandsmen.

Mr. LAGUARDIA. The Secretary of the Navy is the last man in the United States who should take such a stand. Last fall when I objected to the Navy Band playing an admission concert in New York the answer was that the Secretary of the Navy put on his yachting cap and went to see a lawn-tennis game in New York and insisted on having the band with him. If the Secretary of the Navy recommends abolishing music in the Navy, he does not know what he is talking about.

[Here the gavel fell.]

Mr. LAGUARDIA. Mr. Chairman, I ask for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LAGUARDIA. I believe that music in the Navy is absolutely necessary, not as a luxury, not as an amusement, but for the proper morale and discipline of the personnel.

Let me repeat for the third or fourth time that there is no economy effected by this provision. You can not prevent a reenlistment of continuous service, but you have to wait for these men to die.

So, let us not cripple the music of the Navy. I appeal to my colleagues to vote down this provision of the bill.

Mr. SCHAFER. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. SCHAFER. This same Secretary of the Navy took the position in the name of economy that the Navy Band could not play at the United States Spanish War Veterans' reunion in Milwaukee, but at the same time they are making arrangements to have the United States Marine Band go to Canada and play God Save the King.

Mr. LAGUARDIA. If anyone is to blame for the band not going to Milwaukee, it would be the Secretary of the Navy. I am not to blame for that. I am for the Navy Band playing for the Navy and not competing with unemployed musicians. I have a right to defend the Navy Band. I believe in the band for strictly naval purposes and am against this band going on a concert tour booked by a cheap private booking agent making money out of it. That is why I am sure the House will listen to my appeal to continue music in the Navy.

Mr. BRITTEN. Mr. Chairman, I rise in support of my amendment.

I wish to take but a few minutes of the time of the committee to show the peculiar position into which these bands will ultimately be placed if the proviso in the bill is adopted. It provides that the bandsmen go out of service as they retire, not necessarily at the end of their 4-year enlistment, but as they retire, and their places shall not be filled.

It happens that this year one of our best players in the Navy Band will retire. He is an outstanding solo player. That place can not be filled and the loss of that instrument may destroy the value of the band.

If we are going to have music, if we are going to have a Navy Band, let us have a Navy Band that is second to none; let us have a real band. If we are going to lose the first cornetist and perhaps the slide trombonist and maybe a click-clack drummer and be unable to put others in their places, the result will be that we will have no band worth while and we might just as well discontinue it and refuse to appropriate for it completely. But in the name of Heaven, if this wonderful aggregation of players that we call the Navy Band is worth while, let us not destroy it by indirection. That is what this legislation contemplates.

Let the Navy have music. Let the people in Washington have music. Let the people all over the United States hear the Navy Band, as they do once or twice a week over the radio. No charge is made for that music. It is worth millions to the psychology of the people of the country. Who could fail to be happy when he hears some of Benter's fine music over the radio? I think it is better music than that of the Marine Band; it is more mirthful. If we are going to discontinue one of these bands, let us do away with the Marine Band. Let us put one of these bands out of business completely, but do not let either of them continue to be deprived of three or four important instruments. That is what the proviso does. I hope you gentlemen will vote with us to retain the Navy bands and retain music in the Navy. The gradual saving to be made is too costly. It is false economy.

Mr. Chairman, economy in Federal expenditure, as everyone knows, is to-day not a theory but a condition demanded at almost any sacrifice. There is one point at which the country has a right to expect the sacrifice will not be made. That is the point at which the interests of national defense can be imperiled.

Yesterday the House Appropriations Committee, continuing its sharp reductions of the President's Budget estimates, cut the amount recommended for naval requirements $31,921,657 below appropriations for the current year and $15,336,984 under President Hoover's Budget proposal. As left by the committee, the Navy for "direct" needs is assigned $326,340,466 for the fiscal year 1933.

The ordinary citizen—and as far as that is concerned, the average Member of Congress—has only limited knowledge of the actual necessities of the fleet. The country at large has confidence in the wisdom and patriotism of the men in charge of the Navy. It will be preponderantly inclined to believe that the House Appropriations Committee was ill-advised when it ignored the following message from Admiral Pratt, Chief of Naval Operations, which was submitted when Congress began consideration of the annual Navy budget:

> The Navy Department is constantly seeking means to reduce expenditures. One of the most obvious methods is to decommission ships. A careful survey is made annually and only such ships are kept in commission as are considered to be absolutely essential to provide security for the Nation and to perform the functions assigned to the naval service.
>
> Under stress of existing conditions we have cut our operating forces to the danger zone. We can not go any further without jeopardizing our national security.
>
> International conditions are such to-day as to render it unwise, in my opinion, to make further cuts in the operating forces of the Navy.

Mr. Chairman, little needs to be added to that sailor-like and statesmanlike declaration. Surely in a Budget aggregating four and a half billion dollars and in a proposed "omnibus" slash of five hundred million and odd it should not be beyond the wit of Congress to cheesepare in directions which will leave the Nation's first concern, its security, unquestionably unimpaired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. BRITTEN].

The question was taken; and on a division (demanded by Mr. AYRES) there were—ayes 67, noes 35.

So the amendment was agreed to.

Mr. GOSS. Mr. Chairman, I offer an amendment. I move to strike out the proviso beginning in line 15, down to and including the colon in line 19, on page 25.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. GOSS: Page 25, line 15, strike out the proviso beginning in line 15, down to and including the colon on line 19.

Mr. GOSS. Mr. Chairman, I have searched the hearings in connection with this particular proviso and can not find where any information is contained therein. I asked the chairman of the subcommittee how much would be saved through the adoption of this proviso and he told me $30,000.

I want to read from page 18 of the report.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. GOSS. Yes.

Mr. OLIVER of Alabama. It will save about $275,000.

Mr. GOSS. I wish to have the record correct. How will it save that?

Mr. OLIVER of Alabama. Because this repeals a continuing law. It will save about $30,000 for the next fiscal year.

Mr. GOSS. I read the following from page 18 of the report:

> Besides the other limitations and provisions of a legislative character previously referred to herein, there has been included on page 25 of the bill a prohibition against assigning additional men to the Fleet Naval Reserve. A similar provision has been included under the Marine Corps section of the bill applicable to the Fleet Marine Corps Reserve. Assigned men are former enlisted men who, for a consideration of $25 per annum, obligate themselves to serve in the Navy or Marine Corps in the event of war occurring within four years from the date of expiration of their enlistments. In the committee's judgment, this is a needless expense.

I call upon the members of the committee who are interested in national defense as referred to by the Navy and the Marine Corps to vote to strike out this proviso.

I want to say we have an Officers' Reserve upon whom we can call in time of war, but that will not be true as far as enlisted men are concerned if this proviso should remain in the bill. These men agree, upon being paid $25 a year, to go to war upon call, and they are men who have been thoroughly trained in the Navy and the Marine Corps.

It seems to me this is silly economy and economy that is aimed at national defense.

I hope the committee in its wisdom will vote to strike out this part of the paragraph. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The question was taken; and on a division (demanded by Mr. GOSS) there were—ayes 49, noes 52.

Mr. GOSS. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The Clerk read as follows:

> In all, for pay, subsistence, and transportation of naval personnel, $149,045,405, of which sum $1,000,000 shall be immediately available, and the money herein specifically appropriated or transferred from the clothing and small stores' fund to this appropriation as herein authorized for "Pay, subsistence, and transportation of naval personnel" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That additional commissioned, warranted, appointed, enlisted, and civilian personnel of the Medical Department of the Navy, required for the care of patients of the United States Veterans' Bureau in naval hospitals, may be employed in addition to the numbers not specifically appropriated for in this act: *Provided further*, That no part of this appropriation shall be available for the pay of any midshipman whose admission subsequent to January 30, 1932, would result in exceeding at any time an allowance of three midshipmen for each Senator, Representative, and Delegate in Congress; of one midshipman for Porto Rico, a native of the island, appointed on nomination of the governor, and of three midshipmen from Porto Rico appointed on nomination of the Resident Commissioner; and of two midshipmen for the District of Columbia: *Provided further*, That nothing herein shall be construed to repeal or modify in any way existing laws relative to the appointment of midshipmen at large from the enlisted personnel of the naval service or from the Naval Reserve: *Provided further*, That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy for admission to the Naval Academy in the class entering in the calen-

dar year 1933 who has not served aboard a vessel of the Navy in full commission for at least nine months prior to such admission: *Provided further*, That hereafter no person holding a civil office or position, appointive or elective, under the Federal Government or the municipal government of the District of Columbia or under any corporation a majority of the capital stock of which is owned by the Government of the United States shall be entitled, during the period of such incumbency, to retired pay from the United States for or on account of services as a commissioned officer in the Navy or Marine Corps at a rate in excess of an amount which, when combined with the annual rate of compensation from any such civil office or position, makes the total rate from both sources more than $3,000; and when the retired pay amounts to or exceeds the rate of $3,000 per annum such person shall be entitled to the pay of the civil office or position or the retired pay, whichever he may elect: *Provided*, That the term "retired pay" shall be construed to include credits for all military or naval service as lawfully may enter into the computation thereof.

Mr. BOYLAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BOYLAN: Page 29, line 16, after the word "holding," strike out "a" and insert the words "an appointive."

In line 17, after the word "position," strike out the words "appointive or elective."

Mr. BOYLAN. Mr. Chairman, I desire to call the attention of the committee to this amendment. Under the language of the provision a distinguished Member of this House, the Delegate from Hawaii, would be precluded from receiving his retirement pay. There should be no objection to this provision applying to an appointive office, because in that case a man is appointed by some authority, but it should not apply to an elective office, because in the case of an elective office a man receives his mandate from the people. If we were to adopt this provision in the bill, we would prevent the Delegate from Hawaii from receiving his retired pay.

The pay he receives as a retired officer of the Navy is the pay due him for past services and for faithful service rendered to this Government as an official in the Navy. I can not understand why a provision of this kind should be inserted in this appropriation bill. There should be no objection, as I have stated, to an appointive officer but not to an elective officer, because an elective officer is a man who has been elected by the people, with full knowledge of his record, of his career, and the service he has rendered, and for which the retired pay is a just, fair, and equitable compensation.

Mr. BRITTEN. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BRITTEN. Is it not likely to be the fact that a man may be elected to office because of the service he has rendered to his country?

Mr. BOYLAN. Absolutely.

Mr. BRITTEN. And in the course of time such a man may be entitled to retired pay. Surely no one in this House would desire to take that away from him simply because he has been elected to office or because he has had additional glory forced upon him by his constituents. I agree with the gentleman.

Mr. BOYLAN. I think not, because they are just rewards for faithful service rendered to the Republic. Retired pay is not something discretionary or optional. It is something that is conferred upon a man because of service fairly and faithfully rendered. The mere fact that he is elected by the people should not militate against his standing as a retired officer.

Mr. SWING. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. SWING. I do not altogether agree with the gentleman in his use of the word "reward." I like the idea that a man has earned it. It is like a man who has paid premiums to an insurance company over a period of time and finally becomes entitled to be paid a certain amount because of the premiums he has paid. His constituency knows he receives retired pay; and if because of their respect for him they desire in addition to give him an elective office, that ought to be their privilege.

Mr. BOYLAN. I think the gentleman's point is well taken, and I agree with him.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. LaGUARDIA. I do not get the distinction between the two. Is the gentleman in favor of the provision limiting the pay to appointive or civil-service personnel?

Mr. BOYLAN. No; I am striking out "elective" and leaving the word "appointive" in the bill. I say it should not apply to an elective office.

Mr. LaGUARDIA. It seems to me if it applies to one it should apply to the other.

Mr. BOYLAN. The question has been raised as to a point of order, and it was stated that it would not apply.

Mr. AYRES. Will the gentleman yield?

Mr. BOYLAN. I will be pleased to yield.

Mr. AYRES. Does the gentleman see any more justice in submitting an appointive officer to this limitation that he speaks of than an elective office?

Mr. BOYLAN. Certainly. There is all the difference in the world. Anybody can appoint a man, but everybody can not be elected by the people as their representative.

Mr. AYRES. I will put the question in another way. Does the gentleman know any more reason why a man holding an elective office should draw two salaries than a man holding an appointive office?

Mr. BOYLAN. It is not a question of salary. As the gentleman from California has stated, it is a question of something he has earned. It is not making a present or gift to him; it is something he has earned by reason of his service.

Mr. AYRES. Does not that apply also to one who is holding an appointive office?

Mr. BOYLAN. That is not in the same category. The gentleman well knows that.

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. O'CONNOR. Is not the fundamental difference just this? When you say to a person who is running for an elective office, "You are not eligible for that office," or "If you get the office you must surrender something," in effect that violates our theory of government. Very often a person who holds an appointive office has sought the position and he may be going into the same department. There is great danger in the Government appointing retired officers to positions in the same department, but when a person goes before the people and is elected to a certain position, to put a string on him and say that he must surrender something that he already has violates the real principles of our form of government; and as the gentleman well knows, if this provision goes through, a similar provision will be put on the Army bill and will take away the well-earned rewards of some of the most honorable and distinguished Members of this House.

Mr. BOYLAN. The gentleman has well stated the matter.

Mr. FISH. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. FISH. If the provision goes in the Navy bill, why should it not go in the Army bill?

Mr. O'CONNOR. It should.

Mr. BOYLAN. The gentleman's point is well taken.

Mr. FISH. I would also like to ask the gentleman why the amount is placed at $3,000. Is not that rather high?

Mr. BOYLAN. I do not know. I am not in favor of this at all. I am trying to change it. I did not put the language in here, and I want it changed to strike out "elective" and have it apply only to appointive positions.

Mr. FISH. The gentleman is on the Committee on Appropriations.

Mr. BOYLAN. But not on this particular subcommittee. The gentleman has asked a question that perhaps could be

answered by the chairman of the subcommittee. I can not answer the gentleman's question.

Mr. FISH. I will ask the chairman later on.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. BOYLAN. Yes; with pleasure.

Mr. OLIVER of Alabama. With reference to an elective office, I doubt whether the electors ever take into consideration the amount of pay when favoring one for an elective office. Why should one elected to an office not be put in the same position with respect to an act passed by Congress as one holding an appointive office in so far as drawing compensation from the Government on two separate pay rolls?

Mr. BOYLAN. The distinguished gentleman knows that the people, in considering the qualifications of a candidate in an election, know all about his past performances, his record is before them, and if they did not desire to elect him, knowing him to be a retired naval or military officer, they would not elect him. The people pass on that, and surely the gentleman, believing as he does in our theory of government, is willing to abide by the result of an election, which we all must do.

I do not think it is fair to militate in this way against a Member of this body if he has been elected to represent his people. If they know he is a retired officer of the Navy, why should we put a limitation upon the amount of salary he should receive, inasmuch as the retired pay, as has been brought out by the gentleman from California [Mr. SWING] is not a reward, but something that he has earned on account of the service he has rendered the Government.

I do not think it lies within the province of the Congress to attempt to put a limitation of this kind in an appropriation bill. [Applause.]

Mr. COLLINS. Mr. Chairman, we have in the Government service some Army officers and naval officers who are performing services that involve expenditures of millions of dollars and who are in charge of the management of plants and activities involving many more millions of dollars. These officers receive the regular salary stipulated for the grade or rank of the officer holding the position, and they receive only their salaries, without any additional pay from any other source.

Other officers hold positions civilian in their nature, like the Governor of the Panama Canal, whose salary, I believe, is $10,000 a year. The Panama Canal pays that part of his $10,000 salary over and above the officer's regular salary. Another is the engineer commissioner for the District of Columbia, who is paid his salary plus the amount required to make his salary the same as that of the other two commissioners. There are other Army and Navy officers holding civilian positions in the Government whose salaries are regulated in the same way.

Mr. BOYLAN. But they are not elective officers.

Mr. COLLINS. I do not yield to the gentleman from New York. The rule of fairness does not vary, whether the position held is an elective or appointive one. The grade of the work done or the responsibility of the position should regulate the amount of the salary an officer should receive. That is the rule prevailing in civil as well as official life. Congress should not try to protect some one merely because he may happen to belong to this body.

A man is retired usually because of his age or because of physical and mental disabilities. This is true in the Army or the Navy. It is believed that when a man reaches a certain age his efficiency is impaired or that he has reached an age beyond which he can not render effective service, therefore he is retired. If an individual who has been retired goes into an office, either appointive or elective, he ought to receive the salary which the office pays and no more. I doubt seriously, with unemployment rampant, as it is, if men in a retired status, drawing large retirement pay, should be appointed to positions that others can perform equally well or perhaps better.

Something has been said about certain individuals in this House who have a retired status in the Army or Navy; that this provision of the bill will take from them the amount they receive over and above the salary of $10,000 paid to Members of Congress. That argument weighs lightly with me. I believe every man in this House ought to receive identically the same salary. I do not believe that certain ones ought to be selected and paid a sum larger than the rest of us merely because they held another Government job before they came here.

I believe when a man runs for public office or is appointed to public office he ought to take the salary that the office pays and no more. If he is elected, his responsibilities are not necessarily greater than another who was appointed to an office. A great many people believe in appointing officers rather than in electing them. The duties and responsibilities of the position is all that should be considered in fixing the size of the wage.

The public does not know whether an individual receives retirement pay from the Government when he is elected. They are not presumed to know it. He is elected because he is nominated by a political party usually. When he comes to the floor of this House or the floor of the Senate or elsewhere, he should be on an equality with every other person holding a similar position and all should receive the same salary, and no one should be placed in a preferred pay status and be permitted to draw a larger salary than the others. [Applause.]

Mr. BLANTON. Mr. Chairman, every dollar of retired pay is presumed to be compensation to a man for some kind of disability. He is presumed to be either disabled or to have reached the end of his full usefulness. He is presumed not to be able to render a full amount of service, and he is paid for it.

Why, we all know of the past years when our friend Admiral Benson drew an admiral's retired pay, and at the same time drew a tremendous salary besides from a corporation. We objected to it then but found we could not stop it. We all know that Gen. James G. Harbord draws the retired pay of a general, and at the same time for years he has drawn a tremendous salary, which they say is $50,000, from the Radio Corporation of America, and has for years. If he can render $50,000 worth of services to a corporation, why could not he have continued in the regular service of the United States Army?

Gen. Charles McK. Saltzman, chairman of the Federal Radio Commission, as a retired general, is drawing $6,000 retired pay and also a $10,000 salary additional as chairman of the Radio Commission. Gen. Pelham D. Glassford draws $4,312.44 retirement pay and also an $8,000 salary additional as superintendent of police of Washington, and he is able to drive his own motorcycle all over Washington, and is fit both physically and mentally. Why should he be doing it? And I want you to remember that each one of these retired Army and Navy officers, in addition to their retired pay, and their additional salaries, have furnished to them free an automobile and a chauffeur to drive it, and they get free from the Government for themselves and their families doctors, dentists, surgeons, nurses, hospitals, medicines, and every attention when they are sick. And also remember that they have the privilege as long as they live of buying all of their family and household supplies, including coal, from the Government stores at actual Government cost, and they use Government trucks to do their hauling.

Here is Gen. Mason M. Patrick drawing a general's retired pay of $6,000, and also $7,500 salary additional as head of the Utilities Commission in the city of Washington. Then, there is Gen. Herbert B. Crosby drawing $6,000 retired pay and at the same time drawing a $9,000 salary additional as Commissioner of the District of Columbia. Here is Gen. John C. Gotwals drawing a $9,000 salary as Engineer Commissioner, and has not rendered any service whatever therefor in months.

Mr. LaGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LaGUARDIA. I think the gentleman is slightly in error as to the retired pay of the Army and Navy. That is not exactly based on disability. It is based on length of service.

Mr. BLANTON. My friend is in error. I am not mistaken. I know what I am talking about. All of the facts and figures I have mentioned are true and correct. I am in favor of not retiring a single officer until he reaches a certain age, say 64, or else is retired for disability, because it costs $13,000 first to educate them at West Point or Annapolis and then it costs about $25,000 more to specialize their education for the next 25 years.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Not at this moment. One of our friends and colleagues here in the House, who draws retired pay, authorizes me to state for him that he is not in favor of officials drawing double and that he is perfectly willing to go along with us and help to correct this situation, which is justly causing dissatisfaction everywhere all over the United States.

I do not believe that any Member of this Congress can go home and get the people of his district to indorse the policy of allowing public officials to draw more than one salary at a time. It is not just. It is not right. We have 8,000,000 men, heads of families, now walking the streets to-day without jobs, hungry, if you please, with big officials here drawing $6,000 retired pay and then in addition drawing a Government salary of $7,500 to $10,000 per annum, and you are going to have a bill brought in here next week to reduce all Federal salaries above $2,000, and all of you are going to vote for it.

There are a few of you possibly who will dare vote against it, but most of you will support the reductions. You can not afford to vote against it. You are going to pass the bill by an overwhelming vote and reduce all salaries in this country above $2,000, and the President will not dare not to take his medicine along with the balance of us, nor will the Justices of the Supreme Court dare not to make the same sacrifice with all the rest of us. Anyway, we will try them out.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BRITTEN. I want the gentleman to understand he is not speaking for me when he is talking about reducing the salaries of poor postmen who are already underpaid.

Mr. BLANTON. I did not mention poor postmen. I am talking about reducing the big bugs, not the little ones. I do not want to reduce any salaries under $2,000, but I want to get at the big fellows at the top who are drawing two and three salaries.

We must reduce the expenses of this Government. I have been fighting here, earnestly and uncompromisingly, for 15 years to stop the waste, extravagance, and graft in Government bureaus and departments. I have been fighting to abolish useless bureaus. I have been fighting to consolidate departments, bureaus, and commissions, and to eliminate wasteful overhead now existing everywhere.

But every time the crisis is reached, and the crucial test comes, when we are to deny appropriations that the bureaus could get along without, there will be found here and there some friends of the surplus employees who ought to be taken off of the pay roll, who will get on the floor and make a strenuous fight to continue the appropriations, and they are usually continued. And real economies are not effected. And the spending goes on, and the deficits grow larger and larger.

We must not permit this amendment to pass. We must not allow these double salaries to continue. The provision that will stop double salaries was written into this bill by the Committee on Appropriations, composed of 35 earnest Members of this House. Let us vote down the amendment to strike it out.

Mr. AYRES. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from New York [Mr. BOYLAN].

The question was taken; and on a division (demanded by Mr. BOYLAN) there were—ayes 30, noes, 69.

So the amendment was rejected.

The Clerk read as follows:

BUREAU OF MEDICINE AND SURGERY

MEDICAL DEPARTMENT

For surgeon's necessaries for vessels in commission, navy yards, naval stations, and Marine Corps; and for the civil establishment at the several naval hospitals, navy yards, naval medical supply depots, Naval Medical School and dispensary, Washington, and Naval Academy; for tolls and ferriages; purchase of books and stationery; hygienic and sanitary investigation and illustration; sanitary, hygienic, administrative, and special instruction, including the issuing of naval medical bulletins and supplements; purchase and repairs of nonpassenger-carrying wagons, automobile ambulances, and harness; purchase of and feed for horses and cows; maintenance, repair, and operation of three passenger-carrying motor vehicles for naval dispensary, Washington, D. C., and of one motor-propelled vehicle for official use only for the medical officer on out-patient medical service at the Naval Academy; trees, plants, care of grounds, garden tools, and seeds; incidental articles for the Naval Medical School and naval dispensary, Washington, naval medical supply depots, sick quarters at Naval Academy and marine barracks; washing for medical department at Naval Medical School and naval dispensary, Washington, naval medical supply depots, sick quarters at Naval Academy and marine barracks, dispensaries at navy yards and naval stations, and ships; and for minor repairs on buildings and grounds of the United States Naval Medical School and naval medical supply depots; rent of rooms for naval dispensary, Washington, D. C., not to exceed $1,200; for the care, maintenance, and treatment of the insane of the Navy and Marine Corps on the Pacific coast, including supernumeraries held for transfer to the Government Hospital for the Insane; for dental outfits and dental material; and all other necessary contingent expenses; in all, $1,840,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the schedule of wages for civil employees in the field service of the Navy Department shall not exceed $200,000.

Mr. SCHAFER. Mr. Chairman, I move to strike out $200,000. I want to keep the record straight after the speech of the gentleman from Texas [Mr. BLANTON]. He apparently fails to realize that the retirement pay of regular Navy and Army officers is in fact considered as a part of their compensation when on active duty. When salaries were being raised in Federal and municipal governments and in private institutions the salaries of this personnel were not increased. While in the active service Army and Navy officers have to move all over the world, with their furniture and baggage and families, and in many cases have to send the children to private schools because public schools are not available. I do not believe that the gentleman from Texas would desire to support himself and family on some of the salaries of the Army and Navy officers, even if he did not have some of the unusual expenses by reason of changing the station of his place of employment.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Naval lighter-than-air base, Sunnyvale, Calif.: To continue construction and improvements as authorized by the act entitled "An act authorizing the Secretary of the Navy to accept, without cost to the Government of the United States, a lighter-than-air base, near Sunnyvale, Calif., in the county of Santa Clara, State of California, and construct necessary improvements thereon," approved February 12, 1931, in addition to the contract authorization contained in the second deficiency act, fiscal year 1931, approved March 4, 1931, $1,000,000: *Provided*, That no part of this appropriation shall be expended for the construction of quarters for commissioned officers to cost in excess of the respective limits fixed by law for quarters for commissioned officers of corresponding rank in the Army.

Mr. DARROW. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. DARROW: On page 39, after line 4, insert a separate paragraph, as follows:

"Naval Hospital, Philadelphia, Pa.: To continue construction of the public works authorized by the act entitled 'An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Philadelphia, Pa., and for other purposes,' approved February 12, 1932 (46 Stat. 1091), subject to the limit of cost fixed by such act, the Secretary of the Navy is au-

thorized to expend $1,000,000 from the naval-hospital fund for the buildings, equipment, accessories, and appurtenances authorized by such act, in addition to the expenditures authorized from such fund by such act."

Mr. OLIVER of Alabama. Mr. Chairman, I reserve a point of order on the amendment.

Mr. DARROW. Mr. Chairman, does the gentleman intend to make his point of order?

Mr. OLIVER of Alabama. I think it would be well to have it passed on now if the gentleman prefers.

Mr. DARROW. I would like to have the point of order discussed.

Mr. OLIVER of Alabama. I will reserve it if the gentleman desires.

Mr. DARROW. It does seem to me that this point of order is not well taken.

Mr. OLIVER of Alabama. What authority in law is there for using the Navy hospital fund for the purpose of building this hospital in excess of the sum authorized by the legislative committee, of which the gentleman is a member?

Mr. DARROW. In the act authorizing this construction, which was approved in the last Congress on the 12th of February, 1931, there was an authorization, and also an authorization to take from this fund $300,000, $200,000 of which was for the purchase of a site and $100,000 for the preparation of the plans. The site has been purchased and the plans have been prepared, and it was not a limitation, nor did it in any way indicate that other amounts should not be taken from that item. It does not seem to me in this case, because the authorization has been made, that the point of order would lie against it under those circumstances.

Mr. OLIVER of Alabama. The Navy hospital fund is supported by a tax of 20 cents per month collected from the officers and men of the Navy and of the pensions of the inmates of the Naval Home at Philadelphia, Pa., together with the balance of fines and forfeitures imposed by naval courts-martial not needed for transportation, and so forth, of discharged prisoners to their homes.

This amendment would seem to be a diversion.

In the authorization for this hospital the legislative committee provided $300,000 of the fund to be used for this purpose. There seems to be no authorization for a larger sum to be used. It would appear that the authorization by the legislative committee was necessary, and they expressly fixed the amount at $300,000—fixing the definite purposes for which it should be used.

Mr. STAFFORD. Will the gentleman yield?

Mr. DARROW. I yield to the gentleman from Wisconsin to discuss the point of order.

Mr. STAFFORD. Mr. Chairman, at the request of the gentleman from Pennsylvania [Mr. DARROW] on yesterday I have given more than passing consideration to the question as to whether the amendment recommended by the Budgetary Office would be in order on the appropriation bill.

My argument will be somewhat elaborate. I wish to call attention first to the existing law, as far as the naval fund is concerned. The question here involved is whether the Treasury of the United States shall be called upon to pay $900,000 or whether the naval-hospital fun may be substituted to that extent for construction purposes.

All the laws relating to the naval-hospital fund are found collated in the hearings on the Navy appropriation bill of 1926 on pages 821 et seq.

By the bye, this 20 cents per head which the gentleman from Alabama referred to as being the contribution and basis for this naval-hospital fund was enacted at the very beginning of our Government in 1798 and has been the law ever since.

On page 822 of the hearings, where all the laws were collated at the request of the chairman of the committee, to have them embodied for all time, we find this statement:

The acts of February 26, 1811, and July 10, 1832, when later condensed, were reenacted into section 4810 of the Revised Statutes, which stood without change from 1874 until March 4, 1913, when it was reenacted by Congress without change in the original language, except by the addition of a proviso as shown.

I am now reading section 4810, with the added proviso, which was passed on March 4, 1913:

SEC. 4810. The Secretary of the Navy shall procure at suitable places proper sites for Navy hospitals, and if the necessary buildings are not procured with the site, shall cause such to be erected, having due regard to economy, and giving preference to such plans as with most convenience and least cost will admit of subsequent additions, when the funds permit and circumstances require; and shall provide, at one of the establishments, a permanent asylum for disabled and decrepit Navy officers, seamen, and marines.

That was the law up to 1913. The Secretary of the Navy had absolute authority to use any of the naval-hospital fund for the purchase of sites and the construction of buildings without limitation by Congress. The proviso which was adopted in that year is as follows:

Provided, That hereafter no site shall be procured or hospital building erected or extensions to existing hospitals made unless hereafter authorized by Congress.

Again I read:

Provided, That hereafter no site shall be procured or hospital building erected or extensions to existing hospitals made unless hereafter authorized by Congress.

Now, I contend that the Congress did last year provide this definitive proposal to erect a naval hospital at Philadelphia.

There is no denying the fact that if the gentleman from Pennsylvania would offer an amendment providing for this work and that $1,000,000 should be appropriated from the Treasury it would be in order on this appropriation bill. I bottom my whole argument upon the fact that that would be in order.

The question which is very likely troubling the Chair, and also the parliamentary adviser, is whether the fact that in the authorization bill the proviso said that of the above amounts, namely, the full amount of $3,000,000 for construction purposes, that of the above amounts $200,000 shall be used for the purchase of land and $100,000 for the buildings, equipments, accessories, and appurtenance, and so forth, $300,000 shall be expended from the naval-hospital fund. This amendment that the gentleman from Pennsylvania has offered seeks to appropriate the additional amount for construction up to $1,000,000 from the naval hospital fund.

Now, follow me closely. I said a moment ago that I bottom my argument on the fact that it would be in order for the gentleman to offer an amendment providing for an expenditure of $1,000,000 from the Treasury of the United States for the construction of this hospital. There can be no denying that, because it is authorized. Suppose the gentleman had offered that amendment and that amendment were pending before the committee, and that I, as a Member of the House, offered the amendment proposed by the gentleman as a substitute. Would that amendment, being germane, be in order? That is the one question that is before the House, and I maintain with all the strength I have that it would be in order under the Holman rule. Under what part of the Holman rule do I contend it would be in order? Before I read the Holman rule, let me call attention to the fact that the organic act has placed a limitation of $300,000 as the amount that shall be used of the naval-hospital fund. Therefore, the Secretary of the Navy would have the right to use the naval-hospital fund upon his own motion for this construction when once the construction is authorized without further ado by Congress. Why? We find at page 823 in the interpretative part of that authorization that that year there was spent for reconstruction $282,000.

But now I am going back to my original proposal, that it can not be denied that if the gentleman from Pennsylvania had offered an amendment providing for an appropriation from the Treasury of $1,000,000 for the construction of the naval hospital at Philadelphia, it would have been in order, and I then would be entitled to offer the amendment that he has now offered, which is the budgetary estimate.

Why do I say it would be offered as a germane amendment? The Chairman of the Committee of the Whole just a moment ago gave a very broad construction to the Holman

rule. The proposal, which is now before the committee for consideration, on its face shows that there would be a saving. There would be a saving to the Government of appropriations under the last clause of the Holman rule, which says:

Or by the reduction of amounts of money covered by the bill.

Understand me clearly, the gentleman from Pennsylvania offers an amendment that is in order on this bill providing for the authorization of $1,000,000 for that construction, and it is in order because it is authorized by law. Then I offer an amendment as proposed by the gentleman providing that $1,000,000 shall be obtained from the hospital fund. On its face the amendment would be shown to be germane in character, that it was an amendment coming within the third provision of the Holman rule with respect to reductions of money covered by the bill. You can not escape the logic of the argument.

Now, are we going to make this in order by the circuitous proposal that there shall be offered an original proposal that a million dollars shall be paid out of the Treasury for the construction of this naval hospital at Philadelphia and then the gentleman from Pennsylvania will offer his amendment in order to make it in order? Under the case I have suggested, it would be in order. Then, of course, the chairman would have to hold in order the present amendment.

I make a further argument based on the organic act, but I make my strong holding on the fact that this proposal of the gentleman from Pennsylvania is a germane amendment to an amendment offered by me or any other Member of the House providing for the appropriation of $1,000,000 from the Treasury. This would be a clear saving of money, because it would not be out of the Treasury, but it would be out of the naval-hospital fund.

Although the original act said that not more than $300,000 shall be expended from the naval-hospital fund, that does not prevent Congress, under its rules, from providing for more being spent in that way, because it is not in violation of existing law.

The existing law clearly shows that for construction purposes this money may be paid out of the naval-hospital fund.

For the benefit of the parliamentary adviser I again call his attention to section 4810, with the proviso that was adopted on March 4, 1913, which reads as follows:

Provided, That hereafter no site shall be procured or hospital buildings erected or extensions to existing hospitals made unless hereafter authorized by Congress.

Gentlemen, if it had not been for that cost of $300,000 there would have been no question whatsoever that this money could have been used from the naval-hospital fund.

In view of the fact that the organic law provides that it may be used without limit and that the third classification of the Holman rule provides that it shall be in order if there is a saving to the Government, I respectfully contend that it is in order for the reasons I have stated.

The CHAIRMAN (Mr. FULLER). The Chair is prepared to rule. The Chair thinks the point of order is well taken. The Chair can see no connection with the Holman rule. The law which has been referred to as providing for the building of a hospital in Philadelphia was a general law authorizing appropriations for that purpose. In that law it is specifically provided that $300,000 of the Navy-hospital fund may be used for the purpose of constructing the hospital. Under the amendment offered it is proposed to appropriate $1,000,000 out of the hospital fund, which changes the law to that extent. The amendment changes existing law and is therefore legislation.

The Chair sustains the point of order.

Mr. DARROW. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DARROW: On page 39, after line 4, insert as a separate paragraph the following:

"Naval hospital, Philadelphia, Pa.: To continue construction of the public works authorized by the act entitled 'An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Philadelphia, Pa., and for other purposes,' approved February 12, 1931 (46 Stat. 1091), subject to the limit of cost fixed by such act, $1,000,000."

Mr. DARROW. Mr. Chairman, I want to appeal to members of the committee, with all the earnestness I have, for the adoption of this amendment.

The increasing urgency for an early start on the construction of the Philadelphia Naval Hospital has become so great that the President of the United States sent a special message to Congress transmitting a supplemental estimate from the Bureau of the Budget to enable the Secretary of the Navy to use $1,000,000, of the naval-hospital fund for this purpose. Such action was approved by the Secretary of the Navy, by the Bureau of the Budget and by the President of the United States. It is very clear to me this is the most urgent construction required anywhere in the country.

I want to give you, if I may, a brief description of the present hospital buildings. There are 34 in number. They are of a very flimsy wooden-type construction, mostly stucco on wood laths, built for war-time emergencies. They are built on wooden piles, about two feet or two and a half feet from the ground. They have been decaying so rapidly that the sills are rotting away. The buildings are sagging, and in many instances the heating pipes and plumbing have been disconnected. Captain Dennis told me a few days ago that when he visited these buildings in September last, during a heavy rain, he saw the patients, eating in the mess hall with umbrellas over them to keep from getting wet. The buildings being grouped closely together, and because of this flimsy construction, we have there one of the greatest fire hazards which you can conceive. Should a fire break out, the loss of life, I am afraid, would be appalling.

It seems to me a crime and a disgrace for this Government to keep men housed in buildings of that character. I know the committee made a comparison between certain wooden structures at Pensacola, Fla., Parris Island, and Charleston, S. C., but those buildings are mostly one-story and were built of a permanent character as far as wooden buildings can be built, and there is no comparison between conditions there and conditions in Philadelphia.

There are upwards of 465 veterans being treated at this hospital in addition to the Navy personnel. It is the only general and surgical hospital anywhere near this locality for veteran patients as well as for patients of the Navy. The nearest Veterans' Bureau hospital at the present time is at Hartford, Conn., and we must find some place for those who require general and surgical attention.

[Here the gavel fell.]

Mr. DARROW. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DARROW. Every veterans' organization in the State of Pennsylvania as well as veterans' organizations in near-by States are pleading for this more earnestly, I believe, than anything else. To deny them these facilities and subject those patients to that terrible risk of fire is a crime and a disgrace.

Mr. STAFFORD. Will the gentleman yield?

Mr. DARROW. Yes.

Mr. STAFFORD. Is there any Army hospital or any veterans' hospital nearer to that at League Island than the Walter Reed Hospital, which gives attention to general hospital patients?

Mr. DARROW. There is not.

Mr. STAFFORD. There is none proposed by the Veterans' Bureau or in course of construction, and it is proposed to utilize some of these beds for veteran patients.

Mr. DARROW. That is true. The reason for combining the two in one hospital is on account of the great economy which can be effected. According to the last report of the Surgeon General of the Navy, and General Hines, of the Veterans' Bureau, it was clearly shown that for general and surgical classes of patients there was a saving of 93 cents per day per man if hospitalized in a naval hospital?

Mr. LINTHICUM. Will the gentleman yield?

Mr. DARROW. Yes.

Mr. LINTHICUM. Where is this hospital located in Philadelphia?

Mr. DARROW. The present hospital is in the navy yard. We have purchased a beautiful site of 22 acres and a fraction, facing League Island Park, within about a half mile from the navy yard, where they will always have a beautiful and open recreation space.

The site has been purchased, the plans have been prepared and we are ready to go ahead, and if there is anything that is needed as much as this, I do not know where it is.

I plead with you to grant this appropriation. I had hoped that a point of order would not be made against my first amendment, because the naval-hospital fund is intended for this very purpose and yet, on a point of order, you do not permit it.

Mr. LINTHICUM. Is that fund sufficiently large to construct this hospital?

Mr. DARROW. The naval-hospital fund at the present time has about $1,250,000 in it. According to the Surgeon General, there will be an addition to that fund of over $800,000 during the next fiscal year.

I can not feel that there is any new construction anywhere in the United States the demand for which is at all comparable with this, and the amendment ought to be adopted even if we take the funds from the Treasury of the United States.

I appeal to you in behalf of the veterans who are hospitalized there, and in behalf of the naval patients, to grant this appropriation.

I understand that some naval officer intimated to the committee that this is not essential at this time. I have looked through the hearings and I can not find anything in them to that effect. The Secretary of the Navy has approved this proposal in writing, and while I am a thorough believer in a strong Navy, I can not understand how anyone could be so hard-hearted as to want nothing but ships and men and give no attention to the poor unfortunates who have given their services and have become disabled. I do not see how anyone, even though he may be a high ranking officer in the Navy, could make any such statement, off the record.

Mr. Chairman, I wish I could have the Members see the condition of these buildings. I have here photographs of them, showing that the sills have rotted away and that the buildings are in a most deplorable condition. They constitute an extreme fire hazard, and continuous supervision, inspection, and care are necessary to guard against fire. The hospital is usually filled to capacity and the conditions in case of fire present a serious menace to the life of the patients. The complete replacement of the present hospital is a very urgent necessity, and, as construction costs are now so favorable, this is a most opportune time to proceed with its building.

The authorization for the construction of this hospital, enacted on February 12, 1931, provided that $200,000 for the purchase of the site and $100,000 for the preparation of plans be made available from naval-hospital fund.

The site has been purchased. It is a tract of 22.1 acres, splendidly located, near the Philadelphia Navy Yard, on Pattison Avenue between Sixteenth and Nineteenth Streets, facing League Island Park, and it is considered an ideal location. The price paid is about $60,000 below the sum authorized.

The architects' plans have been approved, and within the limits of the authorized appropriation I believe we will obtain the most modern, the most useful, and the most economical hospital building to be had.

Probably I should further emphasize the fact that while this is a naval hospital, officered and manned by naval personnel, it is to a great extent used by disabled veterans under the jurisdiction of the Veterans' Administration. This arrangement is entirely satisfactory and desired by General Hines, of the Veterans' Administration, with whom I have been in frequent consultation on this subject. It has the hearty indorsement and approval of the President, of the Secretary of the Navy, of the Chief of the Bureau of Medicine and Surgery, and the Chief of the Bureau of Yards and Docks. Our veterans' organizations are urgent in their demand for new, modern, and fireproof facilities, where patients may receive care and treatment with safety and without the threat of fire hazards.

Gentlemen, I am pleading for your support of this amendment. Even with the spirit of economy which all of us wish to practice in face of the present economic conditions, I feel justified in asking your support for this appropriation and feel that such action can not be criticized, for I can not conceive that anyone anywhere would want a member of his family or a sick and disabled veteran or service man treated under conditions now existing at this hospital. This proposal is most meritorious, and I request that it be given your support.

Mr. AYRES. Mr. Chairman, I rise in opposition to the amendment.

What the gentleman from Pennsylvania [Mr. DARROW] has said relative to a supplemental estimate being sent down to the committee is true. The estimate was received after we practically had completed our hearings and were ready to frame the bill. The committee, following the principle which it was understood was applied in the preparation of the original Budget, that no funds would be recommended for undertaking new work, concluded to make no provision for initiating this project.

From a purely naval standpoint the hospital is not required, and its erection is not advocated by the regular administrative officials of the Navy. Admiral Pratt, who is Chief of Operations, stated before our committee that it is not required; and so did the Secretary of the Navy, for that matter.

There are many places in the country that need a permanent hospital just as much as Philadelphia.

The Navy at this time has 5,071 beds in fire-resistant buildings, and on November 11 last the Navy patients numbered 2,514, or about one-half the number of patients for which we have beds in fire-resistant buildings. It is true that the present hospital at Philadelphia is entirely of temporary construction, but this is also true as to Charleston, S. C., Parris Island, S. C., and Pensacola, Fla., while at many other places, as will be seen from the table on page 746 of the hearings, both permanent and temporary facilities exist, the latter being the more commodious, in two or three instances, particularly at Great Lakes, Ill.

There is no more need, from a naval standpoint, to have this hospital for these patients at Philadelphia than at Pensacola or Charleston, S. C., or any of these other places.

Mr. STAFFORD. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. STAFFORD. Is it not generally accepted that League Island Navy Yard is a live navy yard, whereas Pensacola and Charleston are being considered for abandonment?

Mr. AYRES. No; not at all.

Mr. STAFFORD. Is it not generally accepted that the Secretary of the Navy has recommended the abandonment of the yard at Charleston?

Mr. AYRES. There has been no suggestion to close Pensacola or to abandon activities at or in the vicinity of Charleston to an extent that would justify closing the hospital there.

Mr. STAFFORD. Charleston is being considered for abandonment, and Pensacola was considered a raid on the Treasury when it was established years back through the efforts of a Senator from that State.

Mr. AYRES. The navy yard is the only activity at Charleston which has been considered for abandonment. The Marine Corps activities at Parris Island are near by. The gentleman will recall, I am sure, that the Navy's flying school is maintained at Pensacola.

Mr. LINTHICUM. Could not these beds be used by the veterans? If you try now to get a veteran in the hospital, they tell you there are 40 or 50 ahead of him.

Mr. AYRES. The larger portion of the patients in these hospitals are veteran patients.

Mr. LINTHICUM. Why could we not have these facilities provided for the veterans? We need them for some of our people in Maryland.

Mr. AYRES. Then I say to the gentleman from Maryland that it should be paid for out of the veterans' fund. The gentleman knows that the Veterans' Bureau is building hospitals all over the United States. Why have the Navy build a hospital for the purpose of housing veterans?

Mr. STAFFORD. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. STAFFORD. Is it not the fact that the Veterans' Bureau wishes this new building constructed so as to accommodate the veterans, and that they are not planning for any general hospitals for veterans this side of the Allegheny Mountains?

Mr. AYRES. Not to my knowledge.

Mr. STAFFORD. I have made inquiry, and that is the fact.

Mr. AYRES. I have also made inquiry, and I have not found anything to that effect.

Mr. BACON. Will the gentleman yield?

Mr. AYRES. Yes.

Mr. BACON. Is it not true that there are at the present moment over 600 patients in this fire trap, and would the gentleman be happy if the fire trap burned down and three or four hundred patients were burned to death?

Mr. AYRES. I do not think the gentleman is fair in asking that question.

Mr. BACON. There are over 600 patients there.

Mr. AYRES. If we are going to build a permanent hospital in Philadelphia, then why not build such hospitals at the other places where we have temporary facilities? Of course, I believe that all hospitals should be fireproof, but I must confess that I do not like the idea of waiting until our Treasury is exhausted to launch a replacement program.

I may say further that there was no recommendation on the part of the President relative to this hospital until the bill was practically completed, when all of a sudden it appeared before the committee. It seems to me to be unfair to the rest of the places that claim they should have hospitals of permanent construction. I hope the amendment will be voted down.

Mr. DARROW. Is not the gentleman in favor of economy, and by combining the Veterans' Bureau and the naval stations together we save on this one hospital over $221,000, to the better satisfaction of the veterans and all concerned? It is advocated by the Veterans' Bureau and by the Navy.

Mr. McCLINTIC of Oklahoma. The Veterans' Bureau did not approve of it. I will read the language of Doctor TEMPLE last year:

> Mr. TEMPLE. Mr. Chairman, the gentleman from Oklahoma, Mr. McCLINTIC, who has preceded me, spoke at some length of a letter from General Hines written to the chairman of the Committee on Rules. I can readily understand why General Hines, the Director of the Veterans' Bureau, would not interfere with the administration of the Navy Department by recommending the construction of a naval hospital. In fact, he himself told me that he could not do that. Having said that, I am also thoroughly convinced that he would not interfere with the department in the opposite way by recommending that a naval hospital should not be constructed.

So he did not recommend the construction of this hospital.

Mr. BECK. Mr. Chairman, I ask unanimous consent that I may proceed for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BECK. Mr. Chairman, I only want to testify of my own knowledge to the present condition of this hospital, which would do little credit to the smallest South American republic. It can not be compared to the hospitals, to which reference has been made, which are in a warmer climate. These flimsy, wooden, decayed structures are in a climate where the thermometer sometimes goes to zero.

I can not add anything to what my colleague, Mr. DARROW, has so ably and eloquently said, except to make a plea to the membership of this House. Philadelphia gave to the United States Government, without the expenditure of a penny, the magnificent site of the navy yard, one of the choicest sections in its future possibilities, because it is at the junction of two great rivers that flow through Philadelphia.

It is true that at any moment, while we speak, a match could set fire to these buildings and two or three hundred patients might be burned to death. I have followed the committee in most of its plans for economy, but I draw the line at this question of health and even life. I think the least we can do for the service men and the faithful employees of the Navy Yard is to build this new building, or rather commence its construction, to furnish adequate facilities to the men whose services deserve so well of their country. [Applause.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, when this bill was up for consideration last year I opposed it on the ground that the Veterans' Bureau should be willing to provide the necessary facilities for its own patients. I am the last person who would ever raise my voice against providing hospital facilities for any class that is entitled to the same, but there should be sufficient facilities available to take care of them without using naval hospitals.

There are naval hospitals with sufficient available beds for use at the present time. Everybody knows that naval enlisted men are subject to be transferred from one place to another. Now, I want to call attention to where we are going.

In 1915 the total appropriation for naval purposes, including the amounts allocated for shipbuilding, was $172,498,000. In 1916 the total was $186,565,000. Now we are being called upon to appropriate more than $340,000,000 for next year, which means that expenditures for the upkeep of this branch of our Government has doubled, and apparently there is no desire upon the part of this House to reduce expenditures further. As long as the naval hospitals have sufficient facilities to take care of their own men, that ought to be sufficient, and further, that is the reason General Hines refused to favorably approve this particular piece of legislation when it was under consideration last year. I am in favor of some economy at some place somewhere, and I am hoping that this House will at least look at this subject from the standpoint of reason and stop wasting the taxpayers' money.

Mr. AYRES. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

Mr. LINTHICUM. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

Mr. AYRES. Mr. Chairman, it is my purpose to complete this bill if it takes until 10 or 11 o'clock to-night.

The CHAIRMAN. The question is on the motion of the gentleman from Kansas that debate do now close.

The question was taken; and on a division (demanded by Mr. LINTHICUM) there were—ayes 70, noes 11.

Mr. LINTHICUM. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Maryland makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighteen Members, a quorum.

The question now is on the amendment offered by the gentleman from Pennsylvania [Mr. DARROW].

The question was taken; and on a division (demanded by Mr. AYRES) there were—ayes 75, noes 72.

Mr. AYRES. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DARROW and Mr. AYRES to act as tellers.

The committee again divided, and the tellers reported—ayes 74, noes 62.

So the amendment was agreed to.

The Clerk read as follows:

> Naval radio and radio-compass stations: Improvement of power plant, Darien, Canal Zone, and improvement of building No. 1, Destruction Island, Wash., $40,000.

Mr. SNOW. Mr. Chairman, I move to strike out the last word. I will say to the chairman of the subcommittee, the gentleman from Kansas [Mr. AYRES], that technically I shall speak somewhat out of order. I am anxious to leave the Chamber, and I have one or two observations to make on a paragraph of the bill that has not yet been reached. I hope no objection will be raised under the circumstances, as I shall be very brief.

An appropriation bill is solely for the purpose of appropriating money for the maintenance of the various Government departments and activities and nothing else.

Consequently, this paragraph on page 39 of the bill authorizing the President to sell, lease, or cease to operate certain naval shore properties does not belong in this bill. It is clearly an attempt to legislate and is not related to the present appropriation.

In other words, it is a subterfuge and a left-handed way of legislating. The question of closing the navy yards at New Orleans, Charleston, S. C., Boston, Mass., Kittery, Me., and various other places is a matter of grave concern.

In the name of a sensible-sized Navy, adequate to protect our country in case of war, and also in the name of thousands of employees who would be thrown out of employment in these most distressing times if this paragraph is not stricken from the bill, I ask the membership of this House to stop and ponder before voting on this critically important matter.

Perhaps there is merit in the proposal, but by all means let it be considered carefully and in an orderly legislative manner before any final action is taken here in this House of Representatives.

Let the proponents introduce a bill calling for this elimination, let it be referred to a proper committee who will have complete and full hearings, and then report to the House. We will then have the advantage of reading the hearings, obtaining the best thought of the committee members who will have given the matter careful thought and study, and will then—and not until then—be in a position to vote intelligently on the proposition.

The Clerk read as follows:

The President is authorized to sell, lease, or cease operating such naval shore property as the Secretary of the Navy may certify to him is no longer required or needed for naval purposes, and appropriations or portions of appropriations unexpended by reason of such action shall not be used for any other purposes, but shall be impounded and returned to the Treasury.

Mr. ROGERS. Mr. Chairman, I make a point of order on the paragraph on the ground that it is legislation on an appropriation bill.

Mr. McMILLAN. Mr. Chairman, I make the point of order beginning in line 9 on page 39, upon the ground that it is legislation on an appropriation bill.

Mr. AYRES. Mr. Chairman, in order to save any controversy, I concede the point of order.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

BUREAU OF AERONAUTICS

AVIATION, NAVY

For aviation, as follows: For navigational, photographic, aerological, radio, and miscellaneous equipment, including repairs thereto, for use with aircraft built or building on June 30, 1932, $949,900; for maintenance, repair, and operation of aircraft factory, air stations, fleet air bases, fleet and all other aviation activities, accident prevention, testing laboratories, for overhauling of planes, and for the purchase for aviation purposes only of special clothing, wearing apparel, and special equipment, $13,578,805, including $153,000 for the equipment of vessels with catapults and including not to exceed $175,000 for the procurement of helium, and such sum shall be transferred to and made available to the Bureau of Mines on July 1, 1932; for continuing experiments and development work on all types of aircraft, including the payment of part-time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicists as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding $20 per diem for any person so employed, $2,210,000; for the payment of obligations incurred under the contract authorization carried in the Navy appropriation act for the fiscal year 1932 for the production and purchase of new airplanes and their equipment, spare parts and accessories, $7,200,000; toward the construction of the rigid airships as provided in the act authorizing construction of aircraft, etc., approved June 24, 1926 (U. S. C., Supp. V, title 34, sec. 749a), and subject to the contractural conditions stipulated as to such rigid airships in the act making appropriations for the Navy Department and the naval service for the fiscal year 1929, $1,450,000; in all, $25,388,705; and the money herein specifically appropriated for "Aviation" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $1,192,145: *Provided further*, That in addition to the amount herein appropriated the Secretary of the Navy may, prior to July 1, 1934, enter into contracts for the production and purchase of new airplanes and their equipment, spare parts and accessories, to an amount not in excess of $5,000,000: *Provided further*, That no part of this appropriation shall be expended for maintenance of more than six heavier-than-air stations on the coast of the continental United States: *Provided further*, That no part of this appropriation shall be used for the construction of a factory for the manufacture of airplanes: *Provided further*, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft, where such claim does not exceed the sum of $500.

Mr. LOZIER. Mr. Chairman, I move to strike out the last word. I am in sympathy with the efforts of the subcommittee to complete the reading and consideration of the pending Navy appropriation bill this afternoon, and I shall not use all the time to which I am entitled, to the end that a final vote on the pending appropriation bill may not be delayed.

Yesterday the gentleman from New York [Mr. LAGUARDIA] referred to an hysteria of economy that was sweeping over the Nation. I think it is regrettable that this so-called economy complex, mania, hysteria, or psychological condition did not infect and dominate the American people and the Republican national administration that have been in charge of our Government for the last 11 years. If the Harding, Coolidge, and Hoover administrations had been inoculated with this economy virus we would not be facing a bankrupt Treasury. If President Hoover and his Republican predecessors had exercised a little economy and their much advertised governmental efficiency and had not lulled the American people into a fictitious prosperity and into a false sense of security, much of the evil effects of this depression could have been avoided.

The measure we are considering carries an appropriation of approximately $340,000,000 for the support of the Navy Department for the approaching fiscal year. Within the last 11 years we have appropriated $4,468,445,868 for the support of our War Department or Military Establishment, an average annual expense for military purposes of $406,222,351. In the same 11 years we appropriated $4,157,327,827 for our Navy, approximately $378,000,000 annually. In these last 11 years our combined appropriations for the War and Navy Departments aggregated $8,625,773,695, or approximately $784,000,000 annually for the support of our Army and Navy.

These enormous expenditures can only be met by laying heavy tax burdens on the backs of the American people who are already bending beneath an unbearable load. It is not my purpose at this time to analyze and discuss these appropriations for the support of our Military and Naval Establishments, further than to say that while many of the expenditures may have been justified, undoubtedly a very considerable proportion of the aggregate outlay represented an unwise and unnecessary expenditure.

The all-important issue before the American people is the reduction of taxation and expenses of Government. I have risen to suggest that a way must be found to reduce the expenses of our Government, otherwise our free institutions can not endure. In this enlightened age the people of the United States and other civilized nations should be able to formulate a policy that will relieve a tax-burdened world of the present excessive taxation for military and naval purposes. It is not to the credit of the American people or the nations overseas that they have not found a sane and sensible method of reducing our Naval and Military Establishments to the point where they will not constitute a burden on the citizenry of the great nations that control the destinies of the world.

Mr. LaGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. LOZIER. I yield.

Mr. LaGUARDIA. The gentleman referred to a statement which I made yesterday.

Mr. LOZIER. Yes.

Mr. LaGUARDIA. In this hysteria and mania of economy to which I referred there is not contemplated 5 cents reduction in the items to which the gentleman referred.

Mr. LOZIER. I am sure the gentleman from New York favors genuine economy and a substantial reduction in the expenses of Government. As an able and useful public servant he is no doubt convinced that prodigality or waste in expenditures of public funds can not be justified or defended. The well-being of the Nation should be our first concern.

We are drifting into a period of competitive naval construction, which will ultimately carry with it a substantial increase in the strength of our Military Establishment and in a few years double or treble our present expenditures of these two departments. In this connection may I say that if the bill granting independence to the Philippine Islands fails to become a law, and if their independence is denied or indefinitely delayed, such action on our part will make it absolutely imperative that we expend not only hundreds of millions but at least a billion dollars annually on our Navy. From a diligent study of the Philippine problem I am convinced that the permanent retention of these far-away possessions, or our exercise of sovereignty over them for 25 or 50 years, will necessitate the construction of a Navy so large and expensive as to shock the national conscience and drive our Government dangerously close to bankruptcy and economic disaster.

The forces favoring our permanent retention of the Philippines or withholding independence for an indefinite period are not asleep at the switch but are exerting every possible influence to delay and ultimately defeat the enactment of any measure designed to fulfill our national covenants and grant independence to these islands which by the fickle fortunes of war were left on our doorstep. I indulge the earnest hope that the influence of every Member of the House who recently voted for the Philippine independence measure may be exerted to the uttermost, within the limits of right and propriety, to secure favorable action in the Senate on the Hare bill providing for the withdrawal of our flag from the Orient.

We must not be drawn into a naval building contest which I believe to be inevitable unless we promptly withdraw our flag from the Philippines. By such action we will promote the interests of the American people and the welfare of our insular wards.

Now is the opportune time to withdraw our sovereignty from the Philippines. The dream of territorial expansion, the fever of national aggrandizement, the vision of gold from exploitation of Philippine resources, the piping hours of jubilee and dalliance are at an end. Prudence, reason, common sense, expediency, and sound public policy emphasize the importance of fulfilling our commitments, and withdrawing our flag from the Philippines in the immediate future.

To paraphrase the language of Horace, by withdrawing from the Philippines, thereby contributing to the creation and stabilization of the Filipino republic, we will have reared for our own people and Nation a monument more lasting than brass, more enduring than bronze or marble, more majestic than the Parthenon or Temple of Hadrian in their pristine splendor, and more regal and sublime than the ancient pyramids, which neither the wasting shower, the unavailing north wind, or an innumerable succession of years, and the flight of seasons shall be able to demolish.

Both the American and the Filipino are creatures of the same Benevolent and Infinite Father, in whose likeness and similitude each was made. The finger of Deity touched a block of Parian marble, and the American came forth. The same Omniscient Power breathed on a block of brown granite, and out of it sprang the Filipino. Each may invoke His unstinted bounty; each may claim His all-sufficient protection; each may share in the covenant of grace He gave to a misguided and self-centered world, and they may enjoy alike the birthright of freedom, and the inalienable right to work out, each his own destiny, free from the dominion or control of the other.

In meeting our obligations to withdraw from the Philippines we have experienced a flux of promises and a paucity of performance, the inevitable effect of which will be to benumb our sense of obligation and make callous and irresponsive our national conscience. It is quite evident that we have approached the Philippine problem with laggard, halting, and tardy-gaited feet. The movement for Philippine independence is flowing like a mighty river, with ever-increasing volume and momentum, toward the great ocean of realization. Not infrequently the duration of an illness is in proportion to the length of the patient's purse. And some would protract our stay in the Philippines because of the rich financial rewards that will come to a few of our people from commercial ventures in the Philippines.

Somewhere I have read of a looking-glass kept in a heathen temple that makes beautiful things appear deformed and deformed things appear beautiful. Methinks some of my colleagues, in some niche or corner of their otherwise well-balanced brains, have a mirror of this kind into which they look when considering the Philippine problem, and from which they see reflected the Filipino, of pigmy stature, grotesquely caparisoned, and wholly incapable of self-government, while in this same trick mirror they visualize "Uncle Sam" as a benevolent lord, guardian angel, and wet nurse of the Filipino people, and pretend to see the dire calamities that will overtake the native inhabitants if they are granted the poor but God-given privilege of managing their affairs, free from the guiding hand and fatherly protection of the United States Government.

Our century and a half of national life is but a moment in the tideless sweep of time. "A thousand years scarce serve to form a state; an hour may lay it in the dust." Our longevity as a nation will depend on how sacredly we hold to the high ideals on which our institutions are builded. Our Republic is not immune from the insidious process of delay, nor from the relentless forces of destruction which like rust eats its way ruthlessly through massive steel beam and column. Turn to the pages of history and learn that oblivion enshrouds not only illustrious persons but puissant nations. A Roman poet gave expression to this great truth when he said:

> The loftiest pine is oftenest agitated by the winds—high towers rush to the earth with heavier fall, and the lightning most frequently strikes the highest mountain.

And Sallust tells us:

> Everything rises but to fall, and increases but to decay.

Nations are no exception to this ruthless rule. Only by a scrupulous adherence to our national ideals can we successfully resist the insidious forces of destruction that have disintegrated world powers in the past.

It is a great thing for Americans to sit down by themselves occasionally, take stock, and learn their own shortcomings. Colton said:

> It is with nations as with individuals—those who know the least of others think the highest of themselves; for the whole family of pride and ignorance are incestuous and mutually beget each other.

Some one has said that governments of the world are like a stream that rolls under us; men are only bubbles that rise on its surface; some are brighter and larger, and sparkle longer in the sun than others; but all must break, whilst the mighty current rolls on in its wonted majesty. And friends, what are we that we should vainly boast our mastery in the science of government? What are we that we should refuse to recognize in others the aptitude for efficient self-government that we claim to possess? What assurance have we that the bubble that typifies our national life may not be punctured and collapse long before the bubble of Filipino destiny disappears in the wreck wrought by the onrushing centuries?

Ours is the most resourceful and puissant Nation on the globe; but our power, great as it may be, is not sufficient to prevent the ultimate establishment of a republic in the Philippines. In their struggle for independence, Providence is fighting on the side of the Filipinos. There is no instance in the history of the world where 13,000,000 people, as well qualified for governing themselves as the Filipinos, have ever lost their battle for independence. Sometimes destiny may travel with laggard footsteps, but ultimately he crowns with victory the efforts of every upstanding, forward-looking race to achieve independence. In the language of Morier—

The decrees of Providence are inscrutable. In spite of man's shortsighted endeavors to dispose of events according to his own wishes and his own purposes, there is an intelligence beyond his reason which holds the scales of justice in spite of his puny efforts.

And this wonder-working Providence will in the near future bring independence to the Philippines. Liberty withheld will poison the fountains of Filipino life and breed ever-increasing discontent among the inhabitants as they bite the political chains that bind them. We are not justified in longer withholding independence from the Filipinos. We should no longer stop the throats of the Filipinos who are pleading for independence and the God-given right to solve their own problems and live under laws of their own enactment.

We must once and for all time forego the exercise of sovereignty over the Philippines. We should restore the government of these islands to the race that inhabits and owns them. This act of renunciation is not incompatible with our national interests. Let us actively and unselfishly assist the Filipinos in establishing and maintaining a sister republic, motivated and inspired by the high ideals that underlie, permeate, and vitalize our free institutions, to the end that the American and Filipino Republics may go down the ages arm in arm, each a lamp and light to the other's feet. With our Republic for a pattern, and animated by our accomplishments and our high ideals in our dealings with other nations, the Filipino republic will prosper without having to fertilize her tree of liberty with the blood of her patriots. [Applause.]

The pro forma amendment was withdrawn.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word. It is getting late in the day. There is not a quorum present, and I want to call the attention of the Members of the House who are present to the fact that it would be well for them to remain if we are going to complete the bill to-day, because I intend, if I can obtain recognition, to offer a motion to recommit the bill to the Committee on Appropriations with instructions to further consider it and report it back with a 10 per cent total reduction.

Since the Senate has indicated that it is going to follow this 10 per cent arbitrary reduction on all of the appropriation bills which we send over there, and since the chairman of our Committee on Appropriations indicates he is going to swallow those reductions without further consideration, if this reduction is to come, let it come from the House, so that when the bill is finally passed with a 10 per cent reduction we will pass it after a careful consideration of all of the items involved under the 5-minute rule. It is poor economy from the standpoint of real economy for the Committee on Appropriations of this House to hold hearings and spend hours and days considering a very voluminous bill of this nature, involving so much money, and then have the membership remain on the floor of the House, as we have to-day, carefully going over each and every item under the 5-minute rule, and send the bill to the Senate to be arbitrarily reduced 10 per cent, without a record roll-call vote on many important appropriations, and then expect the House of Representatives to rubber stamp the Senate amendments under suspension of the rules, with only 40 minutes' consideration.

If the arbitrary additional reduction is to be made in order to enhance the political standing of some who would destroy some of the essential functions of the Government by a false and fake economy, and since the chairman of the Committee on Appropriations indicates he will support the 10 per cent reduction if it is incorporated in this bill in the Senate and swallow it as he did the 10 per cent reduction on the Interior Department appropriation bill, let us, in the name of orderly procedure, in keeping with the authority and responsibility vested in us under the Constitution, take our part in the enactment of this appropriation bill.

Mr. BYRNS. If the gentleman has reached the end of his sentence, I would like to ask him to yield.

Mr. SCHAFER. I yield.

Mr. BYRNS. The gentleman had something to say about my position as chairman of the Committee on Appropriations, with reference, I assume, to the action taken with reference to the Interior Department appropriation bill. I just want to call the attention of the gentleman to the fact that on a record vote this House approved that action by a vote of 268 to 42.

Mr. SCHAFER. I did not approve of that action then and I do not now. I have also talked with many Members who followed the gentleman from Tennessee who would not do it again. If the gentleman would have made his eloquent political speech in the name of economy and asked the House to vote that the sun shall rise at 7 o'clock a. m. each day in the future and that the moon shall rise at 7 o'clock p. m. each evening; if one of the many Senate amendments to the Interior appropriations bill so provided, no doubt the roll call would have been the same. You might fool some of the people some of the time, but you can not all of the time.

If you could take that roll-call vote over again to-day, I know you would not even get a majority to follow the strange and unusual procedure.

Mr. BYRNS. If the gentleman has reached the end of his second sentence, I would like to ask him another question.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. TABER. Mr. Chairman, I object.

Mr. BYRNS. If the gentleman would practice a little more economy, he would represent the taxpayers of his district. I am sure that his district, like my district and every other district in the United States, wants to see these expenditures cut down.

The CHAIRMAN. The time of the gentleman has expired. Objection was made.

The Clerk will read.

The Clerk read as follows:

NAVAL ACADEMY

Pay, Naval Academy—pay for professors and others, Naval Academy: Pay of professors and instructors, including one professor as librarian, $269,000: *Provided*, That not more than $36,500 shall be paid for masters and instructors in swordsmanship and physical training.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I move to strike out the last word for the purpose of bringing a situation to the attention of the chairman of the subcommittee. I find that the military appropriation bill provides $46,561, as is found on page 21 of the appropriation bill, for the payment of salaries of professors in the Military Academy. Then on page 18 of last year's naval appropriation bill I find that the sum was $290,000. In view of the fact that the Military Academy takes care of two appointees for each Senator and each Member of the House, and the Naval Academy takes care of only three, I can not understand why it is necessary to appropriate $290,000 to take care of teachers in one of these institutions and only $46,000 in the other. I respectfully ask somebody to tell us why these inequalities seem to exist.

Mr. GOSS. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. GOSS. Was the gentleman reading from this year's Army appropriation bill or last year's Army appropriation bill?

Mr. McCLINTIC of Oklahoma. I am reading from last year's Army appropriation bill. I understand that both of these bills have been reduced in a slight percentage, but the ratio remains the same. It does seem to me that if we are

interested in economy, and we base this upon the number of appointees that the House Members have, there is something radically wrong, and I would like some one who has the facts to give them to the committee.

Mr. AYRES. I will state to the gentleman that I can not speak as to the West Point proposition.

Mr. McCLINTIC of Oklahoma. I will be glad to get information from some one.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. CHINDBLOM. Does not the difference arise from the fact that at the Military Academy they employ officers who are assigned to duty as teachers and instructors rather than employing civilian teachers and instructors?

Mr. McCLINTIC of Oklahoma. I do not know how far the gentleman's statement is accurate, but I do know that in the Naval Academy they possibly employ as many officers as they do in the Military Academy.

Mr. TABER. If the gentleman will yield, they have more at the Naval Academy.

Mr. BARBOUR. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. BARBOUR. I think they have about eight civilian instructors at West Point and the rest are Army officers.

Mr. McCLINTIC of Oklahoma. Can the gentleman enlighten the committee as to why this enormous inconsistency exists with respect to the appropriations that are made to take care of teachers in both of these institutions?

Mr. BARBOUR. I am not familiar with the situation at the Naval Academy, but I understand they employ a great many more civilians there.

Mr. McCLINTIC of Oklahoma. It seems to me the committee ought to be furnished with the facts. It seems to me somebody ought to know just why this inconsistency exists.

Mr. STAFFORD. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. STAFFORD. Last March, after the adjournment of Congress, as a member of the Board of Visitors, that question arose, and it was called to our attention that at the Naval Academy they have many more civilian instructors than they have at the Military Academy.

Mr. McCLINTIC of Oklahoma. On that point I want to say that the appropriation for civilian employees at the Naval Academy is $649,000 against the sum of $276,000 at the Military Academy.

[Here the gavel fell.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McCLINTIC of Oklahoma. If these figures are correct then approximately three times more is necessary to take care of the civilian employees at Annapolis than at the Military Academy.

Mr. STAFFORD. If the gentleman will yield further, there are stationed at the Military Academy two troops of enlisted men, and they perform services that are performed by civilians at the Naval Academy.

Mr. COLLINS. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. COLLINS. There are about 450 civilians at the Military Academy and between 1,100 and 1,200 soldiers at the Military Academy besides the officers.

Mr. STAFFORD. I wish to say that upon a very thorough investigation at the Military Academy, in company with the gentleman from South Carolina, our esteemed chairman of the committee [Mr. McSWAIN], the gentleman from Connecticut [Mr. GOSS], and the gentleman from Pennsylvania [Mr. COCHRAN], we saw no surplusage as far as civilian employees were concerned.

Mr. McCLINTIC of Oklahoma. I have no criticism to offer of the appropriation made to take care of these duties at the Military Academy, but I can not understand why it requires nearly three times as much to take care of the same number of employees at Annapolis.

Mr. FISH. Why does it?

Mr. McCLINTIC of Oklahoma. I would like to know.

Mr. FISH. Who is going to answer?

Mr. McCLINTIC of Oklahoma. I do not know. I have asked the chairman of the subcommittee and the different members of the committee, but up to the present time I have not been able to get any information.

Mr. BRITTEN. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. I will be pleased to yield.

Mr. BRITTEN. The reason these figures appear to give the Naval Academy all the worst of it is because the Naval Academy employs a great many less officers of the line of the Navy as instructors than West Point for its languages and higher studies——

Mr. McCLINTIC of Oklahoma. I think the gentleman is in error. I now yield to the gentleman from New York.

Mr. BRITTEN. Let me finish my statement. With respect to some of the higher studies we use nothing but civilian instructors at the Naval Academy, while the Military Academy at West Point does not have this expense at all. If the gentleman will add the civilian instructors to the officer instructors at both institutions, he will find there are fewer instructors per student at the Naval Academy to-day than there are at West Point. I am sure about this.

Mr. McCLINTIC of Oklahoma. I think the gentleman is in error. I think there are many more instructors, taking into consideration the number of men that are employed as swordsmen, tutors, athletic directors, and various kinds of assistants.

Mr. BRITTEN. I have just inquired of the Navy Department, and that is the reason I am answering the gentleman in this way.

[Here the gavel fell.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. McCLINTIC of Oklahoma: Page 42, line 1, after the word "librarian," strike out "$269,000" and insert "$200,000."

Mr. AYRES. Mr. Chairman, it is evident that we will be unable to finish the consideration of the bill this evening. I move, therefore, that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FULLER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11452, the Navy Department appropriation bill, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. MAY (at the request of Mr. THOMASON), for the balance of the week, on account of important business.

Mrs. OWEN, for one week, on account of important business.

AMENDMENT OF THE CONSTITUTION

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read as follows:

DEPARTMENT OF STATE,
STATE OF MAINE,
Augusta, April 19, 1932.

To the honorable the SPEAKER OF HOUSE OF REPRESENTATIVES,
Washington, D. C.

SIR: In accordance with the provisions of the attached resolution of the Legislature of the State of Maine, I have the honor to forward you herewith a certified and fully authenticated copy of a resolution titled as follows:

"A resolve ratifying proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress."

The same was adopted by the Legislature of the State of Maine on April 1, A. D. 1932.

Respectfully,

EDGAR C. SMITH, *Secretary of State.*

INSURANCE CORPORATIONS IN THE DISTRICT OF COLUMBIA

The SPEAKER. The Chair lays before the House the following concurrent resolution.

The Clerk read as follows:

Senate Concurrent Resolution No. 26

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the bill (S. 3584) entitled "An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Laws of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes."

The SPEAKER. The Chair is informed that the chairman of the Committee on the District of Columbia has no objection to this resolution.

Is there objection to the present consideration of the concurrent resolution?

There was no objection.

The concurrent resolution was agreed to.

SOLDIERS' ADJUSTED-SERVICE CERTIFICATES

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD I insert the following speech by myself on the subject of the bonus:

SPEECH OF HON. HAMILTON FISH, JR., IN RADIO DEBATE WITH HON. WRIGHT PATMAN, TUESDAY EVENING, APRIL 19, 1932

I am glad of this opportunity to discuss over the radio with my good friend, colleague, and comrade in arms, WRIGHT PATMAN, in a calm and deliberate manner, without prejudice of any kind, the already much and hotly debated question of the so-called bonus payment to the veterans of the World War.

For some 12 years past as a Member of the House of Representatives I have raised my voice and given my vote freely and openly for the benefit of the disabled veterans and of all other veterans. I was among the first to urge the creation of a Veterans' Legislative Committee in the House of Representatives and participated to the best of my ability in the original fight for adjusted compensation for the veterans, and I even voted to override the veto of a President of my own party, and only last year urged the payment of loans up to 50 per cent on the face value of the adjusted-service certificates.

I need no alibi or no defense of my record in behalf of justice, not charity, to the veterans and for all kinds of beneficial legislation sought by the three great veterans' organizations, the American Legion, Veterans of Foreign Wars, and the Disabled American Veterans, the first two of which I am proud to be a member.

There is room for differences of opinion among veterans, and it is just and right that there should be, as the veterans merely represent a cross section of the American people who served in the armed forces of the United States in a great national emergency.

I am not unmindful of the suffering and privation among the unemployed veterans and believe that preference should be given them in obtaining positions and that the comprehensive and constructive campaign or drive of the American Legion and the Disabled American Veterans to provide work and jobs should be encouraged and supported in every way by the American public.

The veterans want jobs, not charity or doles, and I will gladly support a bond issue of $500,000,000 to provide for needed highway construction, the completion of the Federal program for post offices already allocated but not appropriated for, and for other necessary public works, with a proviso that unemployed veterans be given preference on all new construction work.

It is estimated that appropriations for the fiscal year of 1932 will approximate $1,127,935,000 for veterans' relief purposes, or over $3,000,000 a day, or more than 25 per cent of our total Federal expenditures, including debt charges of $600,000,000. Veterans' relief is by far the largest single item in our Budget, and if national defense and interest on debts are excluded, it amounts to 40 per cent of all our Federal Government expenditures.

No sane person can deny that the Government has been extremely liberal, generous, and fair in its treatment of its veterans, particularly when compared with what other countries, such as England, France, or Italy, have done for their soldiers.

It is true that we are in an economic crisis far more serious to the welfare, interests, happiness, and security of the American people than during the World War. Uncle Sam has always fulfilled every obligation to its veterans of all its wars, and has never given a bad check and never will. If it were a fact that the Federal Government owes any money to the veterans, ways and means should be found to pay it now. Obligations of the Government must be paid in full in both good and bad times. Promises and pledges must be kept to veterans as well as to all other citizens.

I, however, deny most emphatically that the Federal Government owes one red cent to any veteran at this time, either directly or indirectly, or has made any implied promise to pay in cash any part of the adjusted-service certificates this year, next year, or any time before 1945. For some incomprehensible reason many misguided veterans take it for granted and firmly believe that they are owed a debt by the Government, which they seem to think has turned a cold shoulder to them and refuses to pay what is their due.

It is utterly inconceivable that the Congress will approve the various suggestions made to start the printing presses going and issue depreciated currency to pay in cash the adjusted-service certificates during the present economic emergency. Such action by Congress would seriously affect every American household and impair the value of wages, real estate, insurance policies, bonds and other securities, and deposits in savings banks belonging to industrious and thrifty American wage earners. Any tampering with the American dollar, which is the only thing left that retains its value, by issuing two billions in paper currency will be injurious to the public credit and destructive of what remains of economic confidence, and will prolong both the depression and unemployment.

It is, in the last analysis, the same old fight of soft money against sound money. We are already in the midst of a severe panic, but if the proposed financial heresy of printing two more billions of paper money is carried out it will mean the collapse of the dollar and American credit that will make the present panic look like a new-born babe.

The proposal to pay adjusted-service certificates in United States bank notes, as suggested by Representative PATMAN, backed by 40 per cent gold, would exhaust our gold reserves, cause the flight of gold to France and other foreign countries, and probably shove us off the gold standard within six months, and be detrimental to the welfare of the Nation and ruinous to credit stability.

It is the paramount duty of the Congress of the United States to maintain the credit of the Nation, balance the Budget, and reduce governmental expenditures and thereby restore economic faith among our people, without which the depression will become worse and unemployment increase.

I appeal to all veterans not to insist on extravagant demands upon the Public Treasury at this time, when the Congress is struggling to balance the Budget and restore economic confidence. I take this occasion to seriously warn all veterans that their demand for additional compensation to the able-bodied veterans during the present crisis is causing serious public resentment and will jeopardize the benefits provided by law for the disabled veterans and the passage of the pending legislation for widows and orphans. A definite movement is under way to reduce the amount of relief already provided by Congress for the disabled veterans in a desperate effort to balance the Budget, and it is a most unwise policy for any group of veterans to alienate the support of the public by tremendous demands for cash payments to the able-bodied veterans at this time. The taxpayers throughout the Nation are on the verge of a political revolt; and while they do not begrudge the disabled veterans their just dues, they are opposed to further drains on the Treasury for any group or any section of the country.

It is not easy for me to oppose any claims of the veterans for monetary relief in this period of unemployment and distress, yet, believing firmly as I do, that any attempt to pay $2,400,000,000 to the veterans would undo all the efforts of the Government to balance the Budget and scrap all ideas of governmental economy, and be harmful to our financial credit at home and abroad and destructive of the economic welfare of the great mass of American wage earners, there is no other course for me to take except to uphold, without fear or favor, what I honestly deem to be the best interests of all the American people in preserving the integrity of the gold standard and preventing the issue of depreciated currency as a temporary expedient, which will bring ruin and disaster in its wake, as it has done in Russia and Germany and in every other country where it has been tried since the French Revolution, 140 years ago, when worthless paper currency, known to history as "assignats," were issued in vast quantities. I know of no more dangerous precedent to establish than to start the printing presses going and issue several billions of dollars to the veterans or any other group among the American people, whether they be farmers who are burdened with debts or factory workers who are unemployed.

Once Congress starts in, by a mere majority vote, to change the value of money under political pressure, whether of the veterans or any other group, it will be the beginning of the end of American currency. The value of the dollar might drop to 50 cents or even 30 cents if we go off the gold standard. If Congress starts in trying to manipulate the dollar, or pay obligations of the Government through paper currency, it may mean not only severe depreciation of our money but that it is headed for destruction.

There is no more valid reason to print two billions of new currency for the able-bodied veterans than to balance the Budget by new note issues. Why spend months haggling over various kinds of new taxes, when all that is necessary is to buy a few gallons of oil and a few bales of bank-note paper and print sufficient paper currency? What is sauce for the goose is sauce for the gander. Why argue over a program of national economy and reduction of wages; it is much easier to rely on the printing presses. Why worry over an expensive road construction and public-building program when new bank notes can be issued into the billions?

Why strive over the cost of national defense and talk of reducing the Army and Navy and closing the navy yards? Why not solve all the problems of the farmers by issuing nine billions in paper currency as suggested by one of their ultraradical organizations? There is no end to the absurdity of issuing fiat money. It is always the last resort of bankrupt nations and has never

failed to end in a financial and economic catastrophe. Instead of reviving business it would produce runs on banks, as everyone would want gold instead of fiat money or congressional or political bank notes. I know of nothing that would prostrate business quicker or more surely.

At my request, the Veterans' Administration furnished me to-day with the following astounding data relative to the number of veterans of the World War who are receiving every month monetary relief from the Treasury of the United States. The sums received by the veterans range from $8 to $100, except for special awards to the blinded, amounting to $150, and to the doubled permanently disabled, amounting to $200. There are to-day 322,825 World War veterans receiving disability compensation and 353,744 receiving disability allowance for injuries or diseases that have no connection with war service.

There are also 6,451 disabled emergency officers receiving retirement pay, of which 25 per cent are doctors. In addition, 98,401 dependents of World War veterans, making a total of 781,421 World War veterans and dependents of veterans receiving financial relief from the Government of the United States.

There has been much loose talk over the vote of Congress to set up the Reconstruction Finance Corporation with a $2,000,000,000 credit in order, in this emergency, to make loans to banks, railroads, building and loan associations, and certain farm cooperatives. In the first place, the Congress is not giving away anything; it is merely proposing to extend credit and loans on adequate security, primarily to small banks, on behalf of the small-town grocer, butcher, dairyman, or farmer. Few, if any, of the big banks have failed or are in financial trouble. The record of the Reconstruction Finance Corporation shows that it has extended loans as of April 19, 1932, to 1,520 banks. Ninety-two per cent of these loans have been made in cities of less than 100,000 population and 76 per cent in cities of less than 10,000.

There is no chance whatever of the adjusted-service certificate bill becoming law over the President's veto. In my opinion, the bill will not receive a majority in Congress, nor a majority of the veterans in Congress.

It is, however, true that there are great numbers of unemployed veterans, and much hardship and suffering among them, and it is most unjust to attempt to deceive them by holding out the hope of cash payments at this time.

I am in favor of reducing the interest on the adjusted-service certificates to 3 per cent and have introduced a bill to this effect.

No Member of Congress can vote to expend public funds to the amount of $2,400,000,000 to able-bodied veterans and at the same time represent to his people back home that he has carried out their demands for governmental economy. The veterans should not in this emergency expect individual Members of Congress who have the interest of the veterans and the public at heart to vote for any governmental expenditures that are not due or absolutely necessary.

Those Members of Congress who for selfish, political purposes propose to vote for the so-called bonus and then, if the bill passes, do an about-face and uphold the President's assured veto will be doing a cowardly political act and a distinct disservice to the veterans by holding out false hopes for cash payments, when none exist, during the present economic crisis and national emergency.

We are already confronted with a deficit of nearly $3,000,000,000 and with steadily decreasing Federal income. At this very moment we are faced with the difficulty of finding new sources of revenue, and it may be necessary to reduce the salaries of men and women in the employ of the Government. No individual has ever found a way of pulling himself up by the bootstraps, nor has any nation overcome depression by printing vast quantities of paper money without strangling public credit and confidence and within a short time creating a vicious financial and monetary circle that wrecks trade and commerce, with disastrous consequence to the rich and poor alike, thereby increasing human misery and distress and adding more unfortunates to the already huge number of unemployed.

The main reason I oppose the payment of $2,400,000,000 in unsupported paper currency to the veterans at this time is my firm conviction that it would cause runs on banks, destroy faith in our financial system, and virtually bankrupt the credit of the Federal Government.

CALENDAR WEDNESDAY

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that next Calendar Wednesday business be made in order on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DEATH OF JOSEPH WARREN KEIFER

Mr. BRAND of Ohio. Mr. Speaker, I regret to inform the House of the death of J. Warren Keifer at Springfield, Ohio, on this morning. He was 96 years of age. He was formerly a Speaker of this House, just 50 years ago, in the Forty-seventh Congress. Mr. Speaker, I offer the following resolution.

The Clerk read as follows:

Resolved, That the following minute be spread upon the record of the House of Representatives:

Hon. Joseph Warren Keifer died in Springfield, Ohio, April 22, 1932. On January 30, 1932, he reached the venerable age of 96 years. For seven terms he was a Member of this House; for one term (the Forty-seventh Congress) its Speaker. His services terminated with the Sixty-first Congress. He was a brave and distinguished soldier. For "gallant and meritorious service" in the Civil War he was made a brigadier general, and in the same war, having been wounded four times in battle, was made a major general of volunteers. In the Spanish-American War he was commissioned and served as a major general of volunteers side by side with Gen. Joe Wheeler and Gen. Fitzhugh Lee. He was a statesman, a scholar, an author, and a patriot. His nearly five score years of life were filled with useful deeds of kindness, of courage, and of fidelity to his country and to his fellow men, and he has passed into history honored and beloved.

Resolved, That in honor of the distinguished dead the House do now adjourn.

Mr. STAFFORD. Mr. Speaker, I know of no precedent for adjournment on account of the death of an ex-Member.

Mr. BRAND of Ohio. I am informed by the former Clerk of the House that there are several precedents.

The SPEAKER. The Chair is not informed, but understands that similar resolutions have been passed by the House.

Mr. STAFFORD. Mr. Speaker, Mr. Keifer having been an ex-Speaker of the House, I withdraw the objection.

ADJOURNMENT

The resolution was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.), in pursuance to the resolution, the House adjourned until to-morrow, Saturday, April 23, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

534. A letter from the Secretary of War, transmitting a report dated April 20, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of the harbor at Grand Marais, Minn.; to the Committee on Rivers and Harbors.

535. A letter from the Secretary of War, transmitting a report dated April 19, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Great Sodus Bay Harbor, N. Y.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McKEOWN: Committee on the Judiciary. H. R. 10593. A bill to amend section 1025 of the Revised Statutes of the United States; without amendment (Rept. No. 1097). Referred to the House Calendar.

Mr. CONDON: Committee on the Judiciary. H. R. 11057. A bill to amend section 129 of the Criminal Code of the United States; with amendment (Rept. No. 1098). Referred to the House Calendar.

Mr. MONTAGUE: Committee on the Judiciary. S. 418. An act to extend the admiralty laws of the United States of America to the Virgin Islands; without amendment (Rept. No. 1099). Referred to the House Calendar.

Mr. LEAVITT: Committee on Indian Affairs. S. 3110. An act authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians, and for other purposes; with amendment (Rept. No. 1100). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 7532. A bill to provide funds for cooperation with the school board at Frazer, Mont., in the completion of the high-school building there to be available to Indian children of the Fort Peck Indian Reservation; without amendment (Rept. No. 1101). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 9064. A bill to provide funds for cooperation with the school board at Wolf Point, Mont., in the extension of the public-school building to be available to Indian children of the Fort Peck Indian Reservation; without amendment (Rept. No. 1102). Referred to the Committee of the Whole House on the state of the Union.

Mr. GOLDSBOROUGH: Committee on Banking and Currency. H. R. 11499. A bill for restoring and maintaining the purchasing power of the dollar; without amendment (Rept. No. 1103). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on World War Veterans' Legislation. S. 694. An act to authorize the sale of interest in lands devised to the United States under the will of Sophie Chanquet; without amendment (Rept. No. 1104). Referred to the Committee of the Whole House on the state of the Union.

Mr. LINTHICUM: Committee on Foreign Affairs. H. R. 9892. A bill to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1933, and to authorize an appropriation to assist in meeting the expenses of the session; without amendment (Rept. No. 1105). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 11244) granting an increase of pension to Joseph Tritschler, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRAIL: A bill (H. R. 11550) to enact a uniform pension law for disabilities incurred in war service and granting pensions to certain soldiers, sailors, marines, and nurses who served the United States in time of war; to the Committee on Pensions.

By Mr. FULBRIGHT: A bill (H. R. 11551) to amend section 3 of an act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes," as amended; to the Committee on Flood Control.

By Mr. DICKSTEIN: A bill (H. R. 11552) to provide for review of the action of consular officers in refusing immigration visas; to the Committee on Immigration and Naturalization.

By Mr. SABATH: Joint resolution (H. J. Res. 372) requesting the President to establish friendly diplomatic and commercial relations with Soviet Government of Russia; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 11553) granting an increase of pension to Mary J. Goodwin; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 11554) granting an increase of pension to Lovery Myers; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 11555) granting a pension to Lillie Watson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11556) granting an increase of pension to Mary E. Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11557) granting an increase of pension to Emma L. Gossard; to the Committee on Invalid Pensions.

By Mr. FISH: A bill (H. R. 11558) granting an increase of pension to Lizzie Odell; to the Committee on Invalid Pensions.

By Mr. FULBRIGHT: A bill (H. R. 11559) for the relief of A. H. Marshall; to the Committee on Claims.

By Mr. JOHNSON of Illinois: A bill (H. R. 11560) granting an increase of pension to Catherine Norton; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Missouri: A bill (H. R. 11561) granting a pension to Sarah C. Malone; to the Committee on Pensions.

By Mr. MANLOVE: A bill (H. R. 11563) granting an increase of pension to Mary E. Chenoweth; to the Committee on Invalid Pensions.

By Mrs. PRATT: A bill (H. R. 11563) for the relief of Mrs. Alice C. Wainwright; to the Committee on Claims.

By Mr. STRONG of Kansas: A bill (H. R. 11564) to provide for the making of emergency loans upon farm lands within the municipality of St. Croix, Virgin Islands of the United States; to the Committee on Banking and Currency.

By Mr. VINSON of Kentucky: A bill (H. R. 11565) granting a pension to Louise Workman; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 11566) granting an increase of pension to Emma J. Barker; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6820. By Mr. ANDREWS of New York: Resolution adopted by Buffalo Post, No. 25, Jewish War Veterans of the United States, urging opposition to reduction of salaries of Federal employees; to the Committee on Economy.

6821. By Mr. BACON: Resolution of Military Order of Foreign Wars of the United States, New York Commandery, opposing the immediate payment of veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

6822. By Mr. BOHN: Petition of Hay Fever Association of Sault Ste. Marie, Mich., requesting that an investigation be instituted to determine some relief for the hay fever and hay asthma sufferers; to the Committee on Agriculture.

6823. By Mr. BOYLAN: Letter from the American Federation of Teachers of New York City, opposing any reduction in Federal salaries; to the Committee on Appropriations.

6824. Also, report on taxation and finance unanimously adopted at a meeting of the New York Board of Trade, New York City, N. Y.; to the Committee on Ways and Means.

6825. Also, resolution unanimously adopted by the Merchant Tailors Society of New York, opposing the stock transfer tax; to the Committee on Ways and Means.

6826. Also, resolution unanimously adopted by the Merchant Tailors Society of New York, urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

6827. By Mr. CRAIL: Petition from the Presbyterian Missionary Society of Inglewood, Calif., favoring the preservation of the herds of the Eskimos; to the Committee on the Territories.

6828. By Mr. CULLEN: Petition of the Merchant Tailors Society of the city of New York, opposing the soldiers' bonus bill; to the Committee on Ways and Means.

6829. Also, petition from the Merchant Tailors Society of the city of New York, urging the Congress to eliminate the proposed stock-transfer tax; to the Committee on Ways and Means.

6830. Also, petition from the Merchants Society of the city of New York, voicing its sincere opposition to the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

6831. Also, petition from the Dairymen's League Cooperative Association (Inc.), expressing the opinion that the work that is being performed under the provisions of the Smith-Hughes and Smith-Lever laws is not only priceless to American agriculture but of great value to all of the people, and urging the Congress not to make any drastic cut in the appropriations heretofore granted; to the Committee on Appropriations.

6832. By Mr. DAVENPORT: Petition of Randolph Perry, of Herkimer, N. Y., and other residents of Herkimer County,

protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6833. By Mr. FULLER: Petition of Lundy Orrell, as secretary, and 52 members of the Green Forest Chapter, No. 98, Future Farmers of America, of Green Forest, Ark., protesting against the proposed repeal of the Federal appropriation for vocational agriculture; to the Committee on Appropriations.

6834. Also, petition of members of Chapter No. 11 of the Future Farmers of America, of Huntsville, Ark., protesting against the proposed repeal of the Federal appropriations for vocational agriculture; to the Committee on Appropriations.

6835. By Mr. GLOVER: Petition of the Future Farmers of America, Malvern High School; to the Committee on Appropriations.

6836. By Mr. JAMES: Petition from Division No. 1, Ancient Order of Hibernians, of Hancock, Mich., through M. McMahon, J. D. Shea, Dan Harrington, Michael Shea, John Carney, and Edward Cuff, committee, favoring a tariff on copper; to the Committee on Ways and Means.

6837. Also, resolution from the council of the village of Ahmeek, Keweenaw County, Mich., through John Grindatti, president, and Mary Schutte, clerk, favoring a tariff on copper; to the Committee on Ways and Means.

6838. By Mr. JOHNSON of Texas: Petition of Major Davis, president Dawson School Board, Dawson, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6839. Also, petition of E. E. Nettles, president Kerens National Bank, Kerens, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6840. Also, petition of Hon. J. Luther Broadway, of Madisonville, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6841. Also, resolution passed at annual district convention of twelfth district, Texas Cotton Cooperative Association, opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6842. Also, petition of Howell Brister, president Chamber of Commerce, Kerens, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6843. Also, petition of W. T. Stockton, president First National Bank, Kerens, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6844. Also, petition of J. E. Woods, president Teague National Bank, Teague, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6845. Also, petition of Dr. J. C. Blair, president Kerens Board of Education, Kerens, Tex., opposing suspension for one year of Federal funds for vocational education; to the Committee on Economy.

6846. Also, petition of Second Division, American Legion, Department of Texas, favoring immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

6847. By Mr. KELLER: Petition from National Rural Letter Carriers' Association, protesting against salary cuts; to the Committee on Economy.

6848. Also, petition of Cloyed E. McGhee, of Mount Vernon, Ill., protesting against salary cuts; to the Committee on Economy.

6849. Also, petition of William E. Barron, of Cairo, Ill., protesting against salary cuts; to the Committee on Economy.

6850. Also, petition of S. B. Thomas, of Cairo, Ill., protesting against salary cuts; to the Committee on Economy.

6851. Also, petition from Local 1492, National Association of Letter Carriers, by Frank L. Veach, secretary, Marion, Ill., protesting against salary cuts; to the Committee on Economy.

6852. Also, petition of postal employees of Benton, Ill., protesting against salary cuts; to the Committee on Economy.

6853. Also, petition of Paul M. Dillow, of Anna, Ill., protesting against salary cuts; to the Committee on Economy.

6854. Also, petition of Federal Employees Association, No. 446, Rock Island, Ill., protesting against salary cuts; to the Committee on Economy.

6855. Also, petition from the National Association of United States Civil Service Employees at Navy Yards, New York, protesting against salary cuts; to the Committee on Economy.

6856. Also, petition from Randolph County Rural Letter Carriers, by Don G. Williamson, president, Steeleville, Ill., protesting against pay cuts; to the Committee on Economy.

6857. Also, petition of Rural Letter Carriers of Jackson County, by their president, Edgar G. Gordon, Ava, Ill., protesting against Federal pay cuts; to the Committee on Economy.

6858. Also, petition of Perry County Rural Letter Carriers Association, by their president, Logan Thimmig, protesting against Federal pay cuts; to the Committee on Economy.

6859. Also, petition of Carbondale (Ill.) Branch, Railway Mail Association, by their president, W. L. Kenney, protesting against Federal pay cuts; to the Committee on Economy.

6860. Also, petition from the Illinois State Federation of Labor, protesting against reduction in salaries of Federal workers, pointing out that such reduction will have bad effect upon the economic and industrial life of the Nation; to the Committee on Economy.

6861. Also, petition of John N. Niehouse, Wilbert T. Ribbe, and Henry C. Lemmerman, of Chester, protesting against Federal pay cuts; to the Committee on Economy.

6862. Also, petition of Clem T. Hamm, of Chester, Ill., protesting against Federal pay cuts; to the Committee on Economy.

6863. Also, petition of A. F. Whitney, president of the Brotherhood of Railroad Trainmen, protesting against reduction in the Salaries of Federal employees; to the Committee on Economy.

6864. Also, petition of Mr. and Mrs. H. E. De Lap, of Carbondale, Ill., protesting against Federal pay cuts; to the Committee on Economy.

6865. Also, petition of Albert E. Carlson, of Chicago, Ill., protesting against proposed Federal pay cuts; to the Committee on Economy.

6866. Also, petition from Chester (Ill.) Chapter of Future Farmers of America, signed by 23 members, protesting against proposed cuts or elimination of Federal funds for vocational education; to the Committee on Economy.

6867. Also, petition of Charles E. Simmons, president Illinois Rural Letter Carriers Association, Mount Vernon, Ill., in which he speaks for 2,400 rural mail carriers, protesting against Federal salary reductions; to the Committee on Economy.

6868. Also, petition from the Illinois branch of the Railway Mail Association of Chicago, protesting against Federal salary reductions; to the Committee on Economy.

6869. Also, petition of Harold C. Dannenbrink, protesting against Federal pay cuts; to the Committee on Economy.

6870. Also, petition from the Ladies' Auxiliary Local, No. 239, National Federation of Post Office Clerks, protesting against the proposed salary cuts; to the Committee on Economy.

6871. Also, petition from the Chicago Post Office Clerks Union, No. 1, protesting against proposed Federal salary cuts; to the Committee on Economy.

6872. Also, petition of Harry F. Wolter, president of Government Workers Local, No. 167, representing 757 employees, Waukegan, Ill., protesting against proposed Federal salary cuts; to the Committee on Economy.

6873. Also, petition from Herrin Chapter, of Future Farmers of America, signed by 33 members of the organization, protesting against elimination of appropriations for vocational education; to the Committee on Economy.

6874. Also, petition of Post Office Clerks Union, No. 1152, Marion, Ill., protesting against Federal salary cut; to the Committee on Economy.

6875. Also, petition from Railway Mail Association of Chicago, protesting against proposed salary reductions by Federal Government; to the Committee on Economy.

6876. Also, petition of citizens of Mound City, Ill., asking favorable action on all bills relating to interstate trucks and busses; to the Committee on Interstate and Foreign Commerce.

6877. Also, petition of citizens of Karnak, Ill., asking favorable action on all bills relating to interstate trucks and busses; to the Committee on Interstate and Foreign Commerce.

6878. Also, petition of citizens of Grand Chain, Ill., asking favorable action on all bills relating to interstate trucks and busses; to the Committee on Interstate and Foreign Commerce.

6879. Also, petition of the following individuals: Herman Sims, (6880) Fred H. Stotlar, (6881) D. E. Odum, (6882) R. D. Blake, (6883) L. A. Sanders, (6884) Hessie L. Grant, (6885) D. D. Smith, (6886) A. A. Simpson, (6887) W. E. Motsinger, (6888) Leon D. Jeter, of Marion, and (6889) Dr. J. S. Williams, of Broughton, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

6890. By Mr. LAMNECK: Petition of Joe Martin, John L. Patrick, and other citizens of the city of Columbus, Ohio, protesting against the decommissioning of the U. S. S. *Wilmington*, Ohio's training ship, and the Navy Department order dispensing with 15 days' training duty for the Ohio Naval Reserve; to the Committee on Appropriations.

6891. Also, petition of Louis Woerner, A. R. Rice, and 12 other citizens of Franklin County, Ohio, petitioning Congress to enact such legislation as appears to be necessary at this time to curb the activities of the growing monopolistic organizations commonly known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

6892. Also, petition of Charles F. Althen, L. H. Shirey, and 25 other citizens of Franklin County, Ohio, petitioning Congress to enact such legislation as is necessary at this time to curb the activities of the growing monopolistic organizations known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

6893. Also, petition of L. H. Allard, R. G. Allen, and numerous other citizens of the city of Columbus, Ohio, protesting against the decommissioning of the U. S. S. *Wilmington*, Ohio's training ship, and the Navy Department order dispensing with 15 days' training duty for the Ohio Naval Reserve; to the Committee on Appropriations.

6894. By Mr. LINDSAY: Petition of the University of the State of New York, the State education department, Albany, N. Y., opposing reduction of Federal aid for vocational education; to the Committee on Economy.

6895. Also, petition of Substitutes Legislative Committee, post office, Schenectady, N. Y., with reference to legislation now pending for their interests; to the Committee on the Post Office and Post Roads.

6896. By Mr. MILLARD: Petition signed by employees of the Schenectady (N. Y.) post office, urging relief for substitute employees; to the Committee on the Post Office and Post Roads.

6897. Also, resolution unanimously adopted at a meeting of the New York Commandery, Military Order of Foreign Wars of the United States, opposing payment of the adjusted-service certificates; to the Committee on Ways and Means.

6898. Also, resolutions unanimously adopted by the executive committee of the Merchant Tailors' Society of New York, opposing prohibition, the proposed tax on the sale of securities, and the payment of the adjusted-service certificates held by veterans of the World War; to the Committee on Ways and Means.

6899. By Mr. NIEDRINGHAUS: Petition of 15 voters and residents of St. Louis, Mo., urging that high tax on security transfers be removed; that no further soldiers' bonus be paid at this time, and that positive steps be made to reduce the high cost of government; to the Committee on Ways and Means.

6900. By Mr. PARKER of Georgia: Petition of I. P. Herrington, of Munnerlyn, Ga., and 16 other citizens of the first congressional district of Georgia, urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

6901. By Mr. RUDD: Petition of American Manufacturing Co., Brooklyn, N. Y., with reference to the manufacturers' sales tax and favoring the manufacture and controlling the sale of alcoholic beverages; to the Committee on Ways and Means.

6902. Also, petition of Substitutes Legislative Committee, post office, Schenectady, N. Y., favoring certain legislation now pending in their interests before the Post Office Committee; to the Committee on the Post Office and Post Roads.

6903. Also, petition of Dairymen's League Cooperative Association (Inc.), New York, opposing elimination of Federal aid for vocational education; to the Committee on Ways and Means.

6904. Also, petition of Hugh Smith Thompson, 3d, Chapter No. 17, Disabled American Veterans of the World War, Castle Point, N. Y., opposing any legislation which would reduce the disability allowance, compensation, or retirement pay of any disabled veteran; to the Committee on Economy.

6905. Also, petition of New York Newspaper Printing Pressmen's Union, No. 2, New York City, opposing the reduction of appropriation of financial aid to the States for promotion and development of vocational education; to the Committee on Economy.

6906. Also, petition of American Federation of Teachers, Chicago, Ill., opposing any reduction of the Federal employees salaries; to the Committee on Economy.

6907. Also, petition of Egleston Bros. & Co. (Inc.), Long Island City, favoring the reduction of the Budget estimates; to the Committee on Appropriations.

6908. Also, petition of the Merchant Tailors Society of the City of New York, favoring the repeal of the eighteenth amendment to the Constitution and the Volstead Act; to the Committee on the Judiciary.

6909. Also, petition of the Merchant Tailors Society of the City of New York, opposing the payment of the soldiers' bonus; to the Committee on Ways and Means.

6910. Also, petition of the Merchant Tailors Society of the City of New York, opposing the stock-transfer tax amendment, and favoring its removal from the revenue bill; to the Committee on Ways and Means.

6911. Also, petition of the University of the State of New York, the State education department, Albany, N. Y., opposing elimination of Federal aid for vocational education; to the Committee on Economy.

6912. By Mr. SANDERS of Texas: Resolution of Second Division, American Legion of Texas, urging payment of the adjusted-service certificates; to the Committee on Ways and Means.

6913. By Mr. SANDERS of New York: Petition of Botts-Fiorito Post of the American Legion at Le Roy, N. Y., favoring the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

6914. By Mr. SANDERS of Texas: Resolution of Alamo Post, No. 2, American Legion, San Antonio, Tex., urging payment of adjusted-service certificates; to the Committee on Ways and Means.

6915. Also, petition of Claude R. Moore and several others of Texarkana, Tex., urging passage of legislation providing for a 40-hour week with 44-hour pay in lieu of the present 44-hour week with 48-hour pay; to the Committee on the Post Office and Post Roads.

6916. By Mr. SMITH of West Virginia: Resolution from the Madison Rotary Club, of Madison, W. Va., protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6917. Also, resolution of the Fayetteville Rotary Club, of Fayetteville, W. Va., protesting against the passage of the

Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6918. By Mr. SUTPHIN: Petition of Dairymen's League Cooperative Association, asking support in rebuilding vocational education appropriation; to the Committee on Appropriations.

6919. By Mr. TURPIN: Petition of American Legion Post, No. 176, of Peely, Pa., requesting the passage of legislation for the payment of the full face value of adjusted-service certificates; to the Committee on Ways and Means.

6920. By the SPEAKER: Petition of citizens of Philadelphia, requesting that an investigation be directed immediately by the House of Representatives of the United States to the end that the expenditures of Representative EDWARD LOWBER STOKES may be regulated or limited as prescribed and intended in accordance with the Federal Statutes; to the Committee on Rules.

6921. Also, petition of the First Ward Democratic Club of Yonkers, N. Y., protesting against any reduction of salaries of postal employees; to the Committee on Economy.

SENATE

SATURDAY, APRIL 23, 1932

(Legislative day of Friday, April 22, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had concurred in the concurrent resolution (S. Con. Res. 26) requesting the President of the United States to return to the Senate the enrolled bill (S. 3584) entitled "An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes."

FINANCING OF CRIME

Mr. BINGHAM. Mr. President, I notice in the morning paper an astonishing statement that Al Capone has again offered to assist in recovering the Lindbergh baby and has actually offered an absolute guarantee that if he is permitted temporarily to leave his sojourn in the Federal penitentiary he will see that the baby is returned within a very few days. His friend has assured Colonel Lindbergh that the return of the baby will be made without the payment of a cent in ransom in addition to that which has already been paid.

Mr. President, this is the second time it has occurred that Al Capone has offered to return the baby if he could get out of jail for a while. Furthermore, the Lindbergh family have been in touch with two of the leading gangsters in New York in an effort to get the baby back. The fact that the Federal and local officials have been baffled for weeks and that it has been necessary to turn to the gangsters and that their leader, who made his money chiefly from the beer racket and from bootleggers, is willing to stake his reputation by guaranteeing that the baby can be returned lends some force to the claim which has frequently been made to me by various people that the kidnaping was done by a friend of Capone for this very purpose.

Furthermore, people have been writing to me from various parts of the country saying that they agree with the resolution adopted by the Los Angeles Aviators' Post of the American Legion, which blames the prohibition laws for the gangsters' activities. Essentially the resolution states that it is their belief that these organized criminal activities have been created and are fostered by the continuance of our existing national prohibition laws which have made enormous profits available for such antisocial groups. I have received letters from various persons in widely separated parts of the United States who tell me that circumstances connected with the kidnaping of the Lindbergh baby have convinced them that the adoption of the eighteenth amendment was a mistake and that it should be repealed. In one letter the father of a family of five children stated that he and his neighbors had until recently been ardent advocates of the eighteenth amendment, but that now they are convinced that it should be repealed.

The crime of kidnaping is not a new crime, and I do not believe that it has been caused by prohibition. At the same time it must be obvious to everyone that the successful financing of crime on a large scale has unquestionably been due to the enormous profits of the bootleggers. The Government has lost hundreds of millions of dollars in revenue which has gone into the bootleggers' pockets as profits. These profits have enabled them to finance crime on a hitherto unparalleled scale.

Although I can not agree fully with my various correspondents who blame the kidnaping of the Lindbergh baby entirely on the prohibition laws, I have the greatest sympathy with the position which they have taken, and I do feel that the time has come for the Congress to face the fact called attention to by the Los Angeles aviators, that our existing national prohibition laws have made enormous profits available to gangsters and racketeers. The sooner we repeal the eighteenth amendment and the Volstead Act and permit each State to pass the kind of prohibition law desired by the majority of its citizens the sooner will we diminish the enormous profits which are now going into the pockets of criminals and helping them to carry out difficult crimes successfully.

I send to the desk the resolution of the Los Angeles Aviators' Post of the American Legion to which I have referred and ask that it may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution is as follows:

Whereas, apparently as the direct result of a dangerous new development of gangster and racketeer activities in this Nation, there has recently been perpetrated a peculiarly heinous crime, to wit, the kidnaping of the infant son of a nationally honored and beloved hero, Col. Charles A. Lindbergh; and

Whereas under stress of the great anxiety occasioned by the said crime Colonel Lindbergh has apparently deemed it necessary to carry on negotiations for the recovery of his child with reputed notorious gangster, racketeer, and other so-called underworld characters rather than depending solely upon the lawfully constituted authorities of his State and of the Federal Government; and

Whereas the perpetration of such a crime and the most regrettable means considered necessary for its solution are both indications of how seriously gangster and racketeer activities have fastened themselves upon the life of the Nation; and

Whereas, in our opinion, such organized criminal activities have been created by and are fostered by the continuance of our existing national prohibition laws, which have made enormous profits available to such antisocial groups: Therefore be it

Resolved, That Aviators' Post, No. 350, of the American Legion, Department of California, petition our Senators and Representatives in Congress to give earnest consideration to such lawful measures as may secure changes in the existing prohibition statutes which will remove the primary cause of the dangerous gangster and racketeer organizations of the country.

PETITIONS AND MEMORIALS

Mr. VANDENBERG presented a resolution adopted by the Common Council of the City of Detroit, Mich., inviting attention to the naval appropriation bill and favoring the appropriation of sufficient funds therein to enable the Federal Government continue its share of the expense of the Naval Reserve, which was referred to the Committee on Appropriations.

Mr. ASHURST presented a telegram, in the nature of a memorial, from the Phoenix (Ariz.) Clearing House Association, remonstrating against the passage of the so-called Norbeck bill, being the bill (S. 4291) to amend section 5219 of the Revised Statutes, as amended, which was referred to the Committee on Banking and Currency.

He also presented a memorial of sundry citizens of Pima County, Ariz., remonstrating against proposed reductions in the compensation of Federal employees, which was referred to the Committee on Appropriations.

He also presented telegrams, in the nature of memorials, from Fred W. Moore, president of the Chamber of Commerce of Flagstaff and the Chamber of Commerce of Wins-

low, both in the State of Arizona, remonstrating against proposed reductions in the compensation of Federal employees, which were referred to the Committee on Appropriations.

He also presented a telegram from sundry letter carriers of New Orleans, La., congratulating the senior Senator from Arizona [Mr. ASHURST] on his stand opposing Federal salary reductions, and stating in part, "Industries are just waiting for this opportunity to cut salaries. This will not only demoralize but will lower living standards. Spending power should not be lowered," which was referred to the Committee on Appropriations.

Mr. BARBOUR presented a resolution adopted by the Frank J. Bartletta Association, of Hoboken, N. J., protesting against proposed reductions in the compensation of postal employees, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Cold Spring Grange, No. 132, Patrons of Husbandry, of Cold Spring, Cape May County, N. J., remonstrating against the imposition of taxes on automobiles and the automobile industry, which was referred to the Committee on Finance.

He also presented a resolution adopted by Albert L. Quinn Post, No. 52, American Legion, Department of New Jersey, urging the national commander of the American Legion to convene the executive committee of the Legion in special session for the purpose of rescinding the previous action taken on the cash-payment question (bonus) at Detroit, Mich., and at such session to arrange for a poll of the Legion membership on the question, etc., which was referred to the Committee on Finance.

He also presented a resolution adopted by the Chamber of Commerce of Atlantic City, N. J., protesting against the passage of legislation to pay adjusted-compensation certificates of World War veterans (bonus) at the present time, which was referred to the Committee on Finance.

APPROPRIATION FOR ERADICATION OF GRASSHOPPER PLAGUE

Mr. SHIPSTEAD. Mr. President, on yesterday I served notice that on Monday in the morning hour I would press for consideration of Senate Joint Resolution 149, providing for lifting the appropriation for grasshopper eradication out of the agricultural appropriation bill, now in conference, unless it appears at that time that that bill will be here for final passage at that time.

To show the urgency of this appropriation I ask to have printed in the RECORD and appropriately referred a telegram received by me this morning from the State entomologist of Minnesota.

There being no objection, the telegram was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *April 23, 1932.*

Senator HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.:

Latest time mash application varies middle May to last of June. Appropriation delay results poor organization for handling bait, due to rules of bidding and shortage bran. Great doubt now that can be secured on time in sufficient quantities. Mash must be in counties May 15. Hopper eggs wintered perfectly. Situation serious.

A. G. RUGGLES.

PAYMENT OF SOLDIERS' BONUS

Mr. ROBINSON of Indiana. Mr. President, I ask permission to have incorporated in the RECORD and appropriately referred a telegram received from a number of business men of Valparaiso, Ind., favoring immediate payment of the soldiers' bonus.

There being no objection, the telegram was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

VALPARAISO, IND., *April 22, 1932.*

Senator ARTHUR ROBINSON,
United States Senate, Washington, D. C.:

We, the undersigned business men of Valparaiso, Ind., having given the matter serious consideration, advise you that notwithstanding Mr. Dawes's profanity, we favor the payment of the soldiers' bonus bill with greenbacks based on the 40 per cent gold guaranty as outlined by Senator CAPPER and Representative PATMAN. The deflation, unless checked, will bankrupt 90 per cent of the business men and farmers in our district.

GLEN J. GODDARD.
J. D. KEEHN.
JAMES H. MCGILL.
G. R. JONES.
C. L. BARTHOLOMEW.
THOMAS M. HARROLD.
J. L. MEAGHER.
JUSTIN O. SHAUER.
MANDEL LOWENSTINE.

PROPOSED REDUCTION OF FEDERAL SALARIES

Mr. ROBINSON of Indiana. Mr. President, also I ask permission to have printed in the RECORD and appropriately referred a resolution of Federal Post, No. 62, the American Legion, of Indianapolis, Ind., protesting against contemplated salary reductions.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Whereas certain bills have been introduced in the present Congress contemplating the reduction of salaries of Federal employees; and

Whereas the present economic condition has had a tolling effect on the families of Federal employees, in some cases due to relatives of said employees being forced into a state of dependency by the said present economic conditions; and

Whereas the Federal employees have donated to charity institutions and relief organizations in amounts heretofore unknown to be given by men drawing like salaries; and

Whereas Federal employees have worked for a very small salary while others in the industrial service were receiving high wages, the lowest being about double the amount paid Federal employees; and

Whereas such reductions in salaries will decrease the buying power of the Nation and thereby prolong the present economic conditions: Therefore be it

Resolved, That Federal Post, No. 62, the American Legion, Department of Indiana, memorialize the national headquarters of the American Legion to protest against such contemplated salary reductions; and be it further

Resolved, That copies of this resolution be sent to the national commander of the American Legion, the national legislative committee, and all Senators and Representatives from Indiana.

FEDERAL POST, NO. 62, THE AMERICAN LEGION,
DEPARTMENT OF INDIANA,
By L. E. ZINKAN, *Adjutant.*

PROPOSED TAX ON SALES OF SECURITIES

Mr. ROBINSON of Indiana. Mr. President, also I ask leave to have printed in the RECORD, without the signatures, and appropriately referred a memorial numerously signed by citizens of Terre Haute and vicinity, in my State, remonstrating against the proposed tax on sales of securities.

There being no objection, the memorial was referred to the Committee on Finance and ordered to be printed in the RECORD, without the signatures, as follows:

Hon. Senator ARTHUR R. ROBINSON,
United States Senate, Washington, D. C.:

The revenue bill in its present form, providing for a tax of one-quarter of 1 per cent on the sale of securities and a 5-cent tax on each hundred dollars value of commodities traded in on futures markets, will not produce the revenue which is now anticipated. The fact is that the cost to the investors in stocks and commodities will be so prohibitive that they will of necessity seek other forms of investment. This will dry up the markets, and trading of this character will be reduced to a small fraction of its present volume, thereby defeating the purpose of the tax and eventually greatly increasing our taxes on other necessities. In addition to this, many banking institutions, financial houses, and brokerage firms will find it necessary to reduce expenses by force reduction, which in no wise will help our present economic situation.

We, the undersigned, most drastically oppose the passage of the revenue bill, which is now before the Finance Committee of the United States Senate, especially in so far as same pertains to the further taxation of one-quarter of 1 per cent on securities and 5 cents on every $100 traded on in the commodities markets. It is our earnest belief that such taxation, if permitted to become a law, will undoubtedly be the means of driving out of the securities and commodities markets the speculative and investment interests so necessary to maintain an equitable basis for such markets. Taxation already imposed is sufficient without adding any further burden and tending to destroy the markets of the farmers and industries. We urge that you do everything in your power to bring about the defeat of this proposed legislation.

WILLIAM L. HINDS
(And others).

MINNESOTA SENATORIAL CONTEST

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Le Sueur

News-Herald, of the 20th instant, published at Le Sueur, in my State.

There being no objection, the editorial was ordered to be printed in the RECORD, and it is as follows:

Hoidale has filed his papers in an effort to unseat Senator SCHALL. He charges irregularities in certain precincts. If there were irregularities, perhaps they should have been hung on Hoidale. Perhaps Hoidale is above suspicion, and perhaps not. Hoidale says SCHALL violated the postal laws by sending out political matter under his "frank." The United States Post Office Department says Senator SCHALL was within his rights. The department ought to know. Hoidale charges that Senator SCHALL was elected by "illegal methods and by fraud." It is possible the court may hang something on Hoidale that will make him feel about as he did when he made the speech thanking the voters for electing him United States Senator. It is quite evident, however, that Mr. Hoidale is bringing the contest for the sole purpose of "gathering in" the cash allowance made and provided for such cases. Remember Magnus Johnson received quite a sum in a similar proceeding, so the story goes.

REPORTS OF THE MILITARY AFFAIRS COMMITTEE

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 3577) for the relief of Rolando B. Moffett, reported it without amendment and submitted a report (No. 591) thereon.

Mr. LOGAN, from the Committee on Military Affairs, to which was referred the bill (S. 4190) for the relief of Thomas E. Reed, reported it with an amendment and submitted a report (No. 592) thereon.

Mr. DICKINSON, from the Committee on Military Affairs, to which was referred the bill (H. R. 1029) for the relief of Basil N. Henry, reported it with an amendment and submitted a report (No. 593) thereon.

EXECUTIVE REPORTS OF THE POST OFFICE COMMITTEE

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LOGAN:

A bill (S. 4462) to accelerate public construction in periods of business depression through the creation of an Administration of Public Works and to provide for a more effective coordination and correlation of the public-works functions of the Government, and for other purposes; to the Committee on Education and Labor.

By Mr. SHEPPARD:

A bill (S. 4463) authorizing the President to appoint Sergt. Charles F. Clark a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. BAILEY:

A bill (S. 4464) authorizing appropriations for the improvement of Smiths Creek, N. C.; to the Committee on Commerce.

A bill (S. 4465) for the relief of McKimmon & McKee (Inc.); and

A bill (S. 4466) for the relief of James R. Young; to the Committee on Claims.

By Mr. HOWELL:

A bill (S. 4467) for the relief of Robert D. Baldwin (with accompanying papers); to the Committee on Claims.

By Mr. NEELY:

A bill (S. 4468) granting an increase of pension to Charles Adkins; to the Committee on Finance.

By Mr. JOHNSON:

A bill (S. 4469) granting a pension to Guy G. Le Moyne (with accompanying papers); to the Committee on Pensions.

By Mr. SCHALL:

A bill (S. 4470) granting a pension to Henry Berndt; and

A bill (S. 4471) granting a pension to Elsie D. Cole; to the Committee on Pensions.

By Mr. NYE:

A bill (S. 4472) to provide for the restoration, through exchange, of certain timberlands to the Yosemite National Park, Calif., and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. NORBECK:

A bill (S. 4473) to amend section 19 of the Federal reserve act, as amended; to the Committee on Banking and Currency.

AIR MAIL SERVICES IN THE ORIENT

Mr. ODDIE. Mr. President, I ask that there may be printed in the RECORD a letter which I have received from the Department of Commerce, Assistant Secretary for Aeronautics, on the importance of American participation in air mail services in the Orient.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF COMMERCE,
ASSISTANT SECRETARY FOR AERONAUTICS,
Washington, April 21, 1932.

Hon. TASKER L. ODDIE,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR ODDIE: I am inclosing a copy of a memorandum on the subject of Encouragement to American Participation in Air Mail Services in the Far East, at the request of Mr. Julean Arnold, the American commercial attaché at Shanghai, China. This memorandum is a copy of one being transmitted by the American Chamber of Commerce of Shanghai to the United States Chamber of Commerce for consideration at its annual meeting on May 16–20 at San Francisco.

It will interest you to know that the German group, who represent in China the Lufthansa Co., of Berlin, which is establishing a line between China and Germany, has made an offer to the Chinese Government to take over the Sino-American contract and to finance the losses accruing to the Chinese Government in connection with the operations of this agreement. It is understood that the Lufthansa Co. will agree to advance 90 per cent of the money needed to establish a factory in China for the manufacture of aviation equipment, thereby frustrating American efforts to conclude a contract with the Chinese on this subject. It appears that the German interests are not lacking in funds. The Lufthansa Co. is subsidized by the German Government.

If there is any further information with regard to this subject which you might desire to have, please let us know.

Sincerely yours,

CLARENCE M. YOUNG,
Assistant Secretary of Commerce.

[Inclosure]

ENCOURAGEMENT TO AMERICAN PARTICIPATION IN AIR MAIL SERVICES IN THE FAR EAST

China possesses unusually alluring potentialities in commercial aviation owing to (a) its vast area, (b) its enormous population, and (c) its lamentable backwardness in the development of railways and motor roads. China's population is densely congested in certain areas, making it possible to reach enormous numbers of people over comparatively short distances in flying.

To realize upon the potentialities in the purchasing power of the masses in China, one of the outstanding essentials is modern means of communications. Through better internal transportation economic conditions will be improved gradually, adding to the purchasing power of these naturally industrious people.

To construct China's necessary trunk railway lines will require enormous outlays of capital and much time. The Chinese people are becoming road minded. Air mail and passenger services accentuate the needs for and advantages of motor transportation. Commercial aviation at comparatively small capital outlays can be speedily installed to connect up the centers of population throughout the vast area comprising China. For instance, a line now operating between Shanghai and Chungking, 1,100 miles by air, delivers mail to the commercial capital of a Province of upward of 50,000,000 people in two days. Prior to the inauguration of this service the average time required for mail from Shanghai to Chungking, 1,400 miles by water, was two weeks. It was estimated that the average time for a letter to make the round trip from Shanghai to Chungking was from five to six weeks. Now, with the air mail service, the average round-trip time is five or six days. It is interesting to note that this service from Hankow to Chungking, where there is a crying need for expeditious transportation, actually pays its way, leading to the assumption that when other equally strategic lines are under operation it will be possible to make at least several of them profitable ventures from the very inception of the services.

American capital and initiative are pioneering commercial aviation in China. In financial cooperation with the Chinese Government they have, for the present at least, a virtual monopoly of Chinese domestic air transport. This will be of great advantage if it can be maintained over the present period of great and unexpected difficulties. They have had to meet numerous obstacles and handicaps, many of which were quite unforeseen. Probably the most serious of these handicaps are the financial drains on the central government treasury due to civil wars, the disastrous Yangtze floods, and the demands arising from the Japanese aggression. Thus the American group operating as the China Airways, Federal (Inc.), United States of America, finds it difficult to tide

over the financial demands during this period of pioneering development, especially so considering the inability of the Chinese Government to raise the revenues required for air mail subsidy, without which no air transport line in the world to-day could continue operating without loss.

This situation is now threatened because a German corporation, which is developing a line through China to connect with Europe, is heavily subsidized, and on account of this fact is able to offer more alluring financial terms to the Chinese Government than can the American corporation, which must depend entirely upon private capital. Unless the American corporation is able to secure assistance from our Government, we may expect to find that the German-subsidized line will be able to present such favorable financial proposals to the Chinese Government as to force the Americans to retire from the field. In this connection it must be borne in mind that the Sino-American line is operating with American pilots and American equipment and considerable American personnel otherwise. It is a very significant fact, for it means that the American pilots are American trade scouts. The American planes advertise American materials and lead to the use of American air equipment as well as other American products in China. Furthermore, Chinese trained in the Sino-American company become accustomed to the use of American equipment, American ideas, and American materials, and unconsciously sell America to China.

The American plan for far-eastern aviation contemplates the pick-up and put-down of American air mail in Yokohama and the similar pick-up and put-down in Manila, with a general distribution throughout China. This plan would speed the round trip of a letter from Shanghai to Yokohama or to Manila by a week and from Manila to the United States by two weeks. Thus the development of internal air lines under American auspices will make for an advantageous distribution throughout China, for contact with the Philippine Islands, with Hawaii, and with prospective trans-Pacific air services.

If the China services are operated under German auspices, little or no cognizance will be taken of the needs of improving communications with the United States. German control would naturally prevent this, since their full energy would be devoted to establishing trade channels in the other direction. The German line, operating through China across central Asia and into Europe, will speed up mail service between Europe and China, thereby further handicapping American trade, unless America is able to develop equally expeditious mail contacts with China. Furthermore, the materials, methods, and ideas will be German and the future of aviation development in China will be of German rather than of American character. The effect on general business will be of German complexion rather than an American.

Hence by supporting the Sino-American aviation developments in China and making them effective services in internal communications we prepare the way for successful and profitable contacts by air between China and other Pacific regions, and more especially with the objective in view of connecting United States and China by regular air services.

At present an air mail line runs from Miami, Fla., to the West Indies, to Central America, and to South America. This line touches roughly about a hundred and twenty million people and a volume of American business approximately equal to American business in the Far East. The United States Post Office Department subsidizes this line to the extent of $6,500,000 to $7,000,000 gold annually. If the Post Office Department will subsidize the activities of the far-eastern service above referred to to the extent of $1,000,000 gold annually, about 300,000,000 people of great potential buying power can be touched.

Our Government has deemed it worth while to subsidize the American lines connecting up with South America with large annual contributions, yet the entire population of all of South America is but a fraction of that of China while the total volume of trade between America and South America, Central America, and the West Indies is less than that between the United States and the Far East. Furthermore, the potentialities of our trade with China will be greater when improved communications make it possible to tap those centers of population and resources of the Asiatic continent now out of economic communications with much of the rest of the world. The American group would not require any such large sum as six or seven million dollars by way of subsidies to support the pioneer years of its activities in China and to hold the great and obvious advantage for American trade, but would be able to operate successfully on a subsidy of about a million dollars.

Thus, with one-sixth or one-seventh of the amount now being dispensed in subsidies to the South American services, and with even greater American trade potentialities, we should be able to hold our place in competition with German or other interests in China and to play a very important part in opening up the internal resources of China to the outside world and in particular to America. It would be a master stroke in trade diplomacy, and it would do more to help in the advancement of American trade prestige in China than could probably be accomplished with an expenditure of a similar sum of money in any other direction. Certainly, after two or three years the subsidy could be reduced. There exists the probability that these operations may become self-supporting after a few years.

REDUCTION OF POST OFFICE DEPARTMENT APPROPRIATIONS

Mr. ODDIE. Mr. President, I ask permission to have printed in the RECORD a statement by the Postmaster General with reference to the effect of the proposed 10 per cent cut on the Post Office Department, which I have strongly opposed. I want it particularly understood that I disagree with the furlough and the five day a week on the per diem basis plan. I believe we can get along without them and without a cut in Federal wages and salaries.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

Postmaster General Walter F. Brown told the Senate Committee on Appropriations to-day that the flat reduction ordered by the Senate in the appropriations for the Post Office Department, without adopting the President's plan as proposed to the House Economy Committee, would demoralize the Postal Service and work a permanent injury to not less than 40,000 faithful postal employees. Mr. Brown said in part:

"Mr. Chairman and gentlemen of the Senate Committee on Appropriations, I appreciate this opportunity of appearing before your committee on behalf of the postal patrons of our country and on behalf of the 350,000 postal workers whom I have the honor to represent.

"It goes without saying that the Post Office Department desires to cooperate whole-heartedly in any effort to reduce postal expenditures. Substantial reductions in this time of emergency should be, and can be, made, but, as the President has repeatedly pointed out, this can not be accomplished without discharging from 30,000 to 40,000 postal employees and drastically curtailing the Postal Service unless Congress, as provided by his plan, will meet the necessity of suspending or amending the laws which impose unnecessary expenditures on the Postal Service. If the President's plan is adopted, the savings desired can be realized except where the Government is under contractual obligation to make definite expenditures.

"In considering this problem certain fundamental principles must be borne in mind. The Postal Establishment is unique among the Federal departments in that it is a Government-operated public utility, the function of which is the collection, transportation, and delivery of personal communications, money, printed matter, and merchandise for the individual citizens of the United States. Like any other public utility, the department should perform for its patrons whatever service they require and are willing to pay for. It should not exact from them more than the cost of its operations, conducted in accordance with sound business practices, and it should not impose a burden upon the General Treasury by charging less than the cost of its operations. If the necessities of the Treasury so require, the Government may, with propriety, levy an excise tax on postal operations, just as upon the business of any other public utility. But the revenue derived therefrom should not be covered into the General Treasury at the expense of the service to postal patrons who buy the service and pay the tax. I can think of no justification for increasing postage rates and at the same time curtailing service to the public.

"And let me say, with the candor which the present grave situation demands, that if anyone entertains the view that the present Postal Service can be maintained by withholding adequate appropriations at the present time and by voting deficiency appropriations at some more propitious time after November, he is wholly mistaken. We are obliged by law to limit expenditures week by week and month by month to the ratable share of the gross sum appropriated for each respective item. It follows that if the Post Office Department appropriations for 1933 are arbitrarily cut 10 per cent without amending or suspending the laws relating to the compensation of public employees, their hours of work, furloughs, allowances, and promotions, we must abandon or reduce many services now performed for postal patrons and run the risk of seriously impairing the efficiency of the services which may remain.

"A brief analysis of the items carried in the House bill will, in my judgment, make it clear that the arbitrary reduction proposed by the Senate is altogether ill-advised unless it is accompanied by the suspension or amendment of the laws to which reference has been made. Of the $805,000,000 in the bill as it passed the House, approximately $105,000,000 is for the compensation of railroads for carrying the mails. The rates of compensation for this service are fixed by the Interstate Commerce Commission. The amount payable depends upon the volume of mail handled and is not subject to departmental action. On the basis of the anticipated business for the fiscal year 1933, no substantial reduction can be made in this sum of $105,000,000 unless service is abandoned on many trains and storage cars substituted for post-office cars, thus greatly slowing up the service. About $90,000,000 is to cover obligations to other carriers of the mails, including shipping companies, air transport companies, mail messengers, screen-wagon operators, and star-route carriers. Because this service is largely covered by long-term contracts, assuming that the Government intends to carry out its obligations, this item is susceptible of only a small reduction. The sum of $23,000,000 is for rental, heating, and lighting of post-office quarters. The department's obligations in this particular are also covered in large part by long-term contracts. Approximately $17,000,000 is for supplies, equipment, travel, and miscellaneous operating expenses, barely sufficient to cover the department's minimum needs if the Postal Service is to be continued.

"These four items aggregate $235,000,000. The remainder of the amount carried in the House bill for the Postal Service, ap-

proximately $570,000,000, is for salaries and wages of the officers and employees of the department in the District of Columbia, and the salaries, wages, and allowances of postmasters, supervisors, clerks, carriers, messengers, laborers, watchmen, and other employees in the field. Thus it is manifest that more than three-quarters of the $80,000,000 which the Senate proposes to cut from the bill must be applied against the appropriation of $570,000,000 for salaries and wages. The necessary reduction in this item will compel us to drop from the rolls between 30,000 and 40,000 postal workers of all classes, including departmental employees, assistant postmasters, clerks, city and village carriers, rural carriers, and railway postal clerks. Obviously there will not be available a sufficient force to maintain the present postal facilities. It will be necessary to consolidate about 8,000 rural routes and place about 9,000 others on a basis of triweekly instead of daily service. Delivery service must be discontinued in every small town. In the cities it will be necessary to reduce residential deliveries to one a day and business deliveries to not more than two a day. The hours of window service at post offices must be reduced, and, wherever the terms of leases will permit, post-office stations and branches must be closed. I need not state what the effect of all these changes would be upon the postal service, which has been developed to a high standard of efficiency over a period of 150 years.

"I shall be pleased at all times to make available to your committee any information which the department has and to inform you with respect to the effect on the service of any specific cuts which you may contemplate. But unless the Congress will incorporate in the appropriation bill the features applying to the Postal Service contained in the President's economy program transmitted to the House Committee on Economy, I can make no other recommendations with respect to postal appropriations than those which I made to your committee at the hearings on the House bill some weeks ago. The responsibility for demoralizing the Postal Service and doing an irreparable injury to thousands of faithful postal employees must rest upon some one other than me.

"On the other hand, if the Senate will incorporate in the bill the features of the President's economy program to which reference has been made, I shall be pleased to state what savings in specific appropriations can be made thereby.

"It may interest you to know that the officers of the Association of Presidential Postmasters, which group has received the smallest increase in pay since 1919, amounting to approximately 20 per cent, have assured me that their members will accept the 30 days' furlough without pay, in accordance with the President's program, as their contribution in the present emergency. In my judgment, the rank and file of postal workers will much prefer the President's plan of 30 days' furlough, without pay, which preserves the basic wage scale, to the plan proposed by members of the House Economy Committee, which involves substantially a 10 per cent reduction in basic pay, or the Senate's proposal, which involves the discharge of thirty or forty thousand of their fellow employees.

"The President's plan, which provides for staggering work in the Government just as industry is now doing, will discharge no one, but will give employment to at least 20,000 substitutes. Moreover, it will effect great savings, at the same time maintaining the present high standard of service."

GRANTS OF PUBLIC LAND FOR SCHOOLS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3570) to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927, which were, on page 1, line 3, to strike out "subsection" and insert "subsections (b) and" and on page 1, after line 7, to insert:

(b) That the additional grant made by this act is upon the express condition that all sales, grants, deeds, or patents for any of the lands so granted shall hereafter be subject to and contain a reservation to the State of all the coal and other minerals in the lands so sold, granted, deeded, or patented, together with the right to prospect for, mine, and remove the same. The coal and other mineral deposits in such lands not heretofore disposed of by the State shall be subject to lease by the State as the State legislature may direct, the proceeds and rentals and royalties therefrom to be utilized for the support or in aid of the common or public schools: *Provided*, That any lands or minerals hereafter disposed of contrary to the provisions of this act shall be forfeited to the United States by appropriate proceedings instituted by the Attorney General for that purpose in the United States district court for the district in which the property or some part thereof is located.

Mr. BRATTON. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

FARM LIFE AND CONDITIONS IN DENMARK

Mr. THOMAS of Oklahoma. Mr. President, I ask permission to print in the RECORD a radio address made to-day by John A. Simpson, president of the National Farmers' Union, over a nation wide hook-up.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

ORGANIZATION AND COOPERATION AS I SAW IT IN DENMARK, AND THE SITUATION IN THE NATIONAL CAPITAL

DENMARK

At this time last year I was in Europe. Primarily I went there to attend a world-wide wheat conference held in Rome, Italy, the last two weeks of March, 1931. Delegates attended this convention from 46 nations. Wheat-importing nations all told of governmental assistance to encourage farmers to produce more wheat. Exporting countries such as Canada, Argentina, Australia, and Russia all declared they would be increasing acreage and production for years to come. Under such circumstances there is little hope for a profitable export market to the farmers of this country in the near future.

One of the features of the convention was a session addressed by Mussolini. He spoke in French, and as I read it in English it was a very sensible talk. He is a man with a lot of personality and a doer of things as well as a preacher. Those with whom I talked, who had been visiting Italy for the last 30 years, told me of the wonderful changes in cleanliness, in policing, in modernizing homes, farms, and cities since Mussolini has been in charge of the Italian Government. Italy has a King, but no one talks about the King; everything is Mussolini. Italy is different in the matter of agriculture from many European countries. The farms are large estates operated by tenants. In France and Denmark agriculture is made up of small home-owning farmers. The landlords of Italy for hundreds of years have treated their tenants like slaves. These tenants live in hay huts that had neither windows nor doors, just openings. The hay huts are round like a ball cut into halves. A hut 12 feet in diameter would house a whole family. Since Mussolini has come into power he is requiring landlords to build large, modern apartment buildings in the center of their estates with an apartment for each tenant. Where this has been done the hay huts have been destroyed. Likewise, these landlords have been compelled to drain and terrace where needed. To increase acreage and production of wheat the Government of Italy guarantees a minimum price equal to $1.60 a bushel. This assistance has resulted in the farmers sowing wheat everywhere. I saw hundreds of thousands of acres of wheat growing between the rows of grapes in their vineyards. The rows of grapes are so close together that the cradle would be the only means of harvesting the wheat. Italians told me that during the World War they suffered because they depended on overseas countries for bread. They expect to develop the wheat production in their country to the point that in the next war they will have bread of their own.

But I must get to Denmark for my subject is organization and cooperation as I saw it in Denmark. At the wheat conference in Rome the delegate from Denmark was a Mr. Holm, president of the Farmers' Union of that country. When he found out I was going to visit Denmark he made me promise to allow the Farmers' Union to be our host while there. I say "our host" because my wife was with me. When we landed in Copenhagen, we reported to Mr. Holm's office. After about a half day's visit in their headquarters, he placed us in charge of Mr. and Mrs. Claussen, workers in the headquarters of the Farmers' Union there. Mr. and Mrs. Claussen spoke English fluently. Both of them had attended school in the United States after finishing in their own country. In fact, Mr. Holm worked as a hired man in the United States for several years. He worked for some farmer out in Oregon. He told me that while working for this man he was invited one time to speak to a Farmers' Union county convention. He rode 40 miles on a horse to attend this convention, and returned the same night. The man he was working for gave him just one day's vacation for the purpose. Mr. and Mrs. Claussen took my wife and I for two days in their car. I would ask to see a cooperative creamery, and they would show us two or three. I would ask to see a cooperative packing plant, and they would drive us to one. I would ask to see a cooperative cheese factory, and we would be visiting one in less than an hour. I would ask to visit a large-scale farmer, and they would take us to one.

We visited a Mr. Newman, who has a farm of 800 acres. He had a beautiful house with 25 rooms. I venture two of the rooms were not less than 30 by 50 feet. The rooms were as elegantly furnished as they were large and as there were many of them. This man had 200 milch cows in the stanchions and 700 hogs in fattening pens. He had 12 pens, with 60 to a pen. He sold 60 hogs every week and bought sixty 2-month-old weaned pigs every week. This meant that at five months old he marketed hogs that weighed 200 pounds. They standardize on everything. Hogs must be pure white in color and strictly bacon type. Mr. Newman, I think, was about 55 years old. He told me he was not in debt, his farm was clear, and that he maintained this beautiful home with no other income than that from his 800 acres of land.

I visited a medium-sized farm owned by a Mr. Larsen. It contained 90 acres. He had a beautiful place. His house was well arranged and had 10 rooms. We visited a number of what are called the small farmers. They consisted of farms from 10 to 30 acres. All of these farms were well kept. The yards and gardens looked like they were professionally landscaped. There were no dilapidated or run-down buildings. In fact, practically all buildings in Denmark are of stone, brick, or tile, and all roofs are either tile, slate, or thatched. I thought a thatched roof would be short-

lived, but to my surprise I found that they last from 30 to 50 years; much longer than shingles in this country.

The State furnishes an abundance of schools but farmers add to these, many cooperative institutions of learning that they own and operate just like they do their cheese factories or creameries. They told me a most wonderful story of cooperation. They started to practice cooperation about 75 years ago. When they started just 15 per cent of the farmers owned the farms on which they lived; 85 per cent were tenants. After 75 years of cooperation, that situation has been reversed. To-day 85 per cent of the farmers of Denmark own the farms on which they live; just 15 per cent are tenants. In this country 75 years ago more than 85 per cent of our farmers owned their homes; to-day, less than half of the farmers of this Nation own their homes. In Denmark 85 per cent of the farm homes have electricity, telephone, radio, running water. In fact, they are modern. In this country less than 10 per cent have these things. In some of the Southern States less than 1 per cent of the farm homes are modern. In Denmark a dairy farmer sells all his products to some farmers' cooperative. He can not sell any other place because there is no other place to sell. The hog raisers do not take their hogs to some private dealer. They sell them to some farmers' cooperative packing plant, because there is no other place to sell to. The farmers are nearly 100 per cent in their Farmers' Union class organization and practically 100 per cent in their farmers' cooperative marketing organizations. The farmer who produces hogs in Denmark knows before the pigs are born what he is to get for them when they are ready for the market.

The population of Denmark is about three millions, one million of which live in the city of Copenhagen, another million in the towns and smaller cities, and one million out on the farms. The farmers of Denmark are about the same percentage of the total population of that country as the farmers are of this country. In this country, through lack of organization, farmers have very little to say about the affairs of our State and National Governments. In Denmark, through 100 per cent organization, they dominate all governmental affairs. They have a King in Denmark, but Mr. Stauning, Prime Minister, who is an ex-president of their Farmers' Union, writes the messages of the King and tells him where to sign. Those farmers are only one-third of the population of their country, but, through organization, control all legislation. The farmers here are one-third of the population of the country, but through lack of organization we are about the weakest group in national legislation. Denmark should be a lesson to the farmers of this country. We should get into our class organization 100 per cent, and then market all of our products through our own cooperative business institutions.

When we do this, our just part in the affairs of government will follow as night the day. If we were organized 100 per cent, as are the farmers of Denmark, no President would write a message to Congress without consulting the farmers of the Nation; no Congressman or Senator would propose a bill for agriculture that did not have the indorsement of the farmers of the Nation. It is up to you farmers listening in to join your class organization, the Farmers' Union. It is up to you listening in who are members to get those who are not members into the organization.

We farmers must not blame the bankers, the merchants, the lawyers, or somebody else for our troubles. They can not solve our problems; no one can solve our problems but ourselves. We can only solve them through organization. They will never be solved in any other way. Every day you put off organizing your community 100 per cent delays the time when agriculture will be on an equality with other industries.

The situation in the National Capital

TAXATION

I am glad to be able to report progress on the tax question. The legislative program of the National Farmers' Union on this question provides for eliminating as nearly as possible every kind of a tax that falls upon the poor people of the country. Our program on the tax question provides for income-tax rates on the higher income brackets sufficient to pay all the running expenses of the Government. Our legislative program provides for inheritance taxes that take everything from an estate above one-half million dollars to each heir.

They talk about balancing the Budget. If they will eliminate all the graft in government, it will balance the Budget. This is not an extravagant statement. I ask you to write to Congressman THOMAS L. BLANTON for a copy of House Joint Resolution 355. This tells a little of the graft in one department. Here is one of over 6,935 cases in this department.

William W. Smith was taken into the Army 13 days before the armistice. He was given a swivel-chair commission. Soon after the war he was given a job in the Veterans' Bureau; is now one of 64 other lawyers in that department. He is drawing a salary of $9,000 per year as an attorney, although he admits he has never tried a case in court in his life. He has also been drawing, for a number of years, disability compensation in the sum of $187 per month.

All of these 6,935 cases are similar. None of them show any war service except office service. Nearly all of them qualify for this compensation on the complaint of having a leaky heart. I suggest that they be reexamined for the itch. It will probably disclose the part most affected is the palm of the hand.

The tax bill as it passed the House was a great victory for the Farmers' Union and other farm organizations. During the war income-tax and surtax rates reached a climax of 72 per cent. Under the influence of Mellon and Morgan on the present administration these rates had been reduced until they were about 20 per cent. Ours was a victory to the extent that these rates were almost trebled. The rates on inheritance taxes were trebled. The President, the leaders of both the Republican and Democratic Parties of the House, all fought placing these rates so high, and all of them fought to place the burden on the consumption of the great mass of common people of the country in a general sales tax. Thanks to the response of members of the Farmers' Union all over the United States, Congress was literally covered up with wires, letters, petitions, and resolutions against the sales tax and in favor of higher rates on income and inheritance taxes.

The battle is now on in the Senate. Big manufacturers, big bankers, that gambling inferno, the New York Stock Exchange, and every kind of big business has been here for two weeks testifying before the Senate Finance Committee asking for a reduction in these high rates on incomes and inheritance taxes; also asking to have the general sales tax put back into the bill. We farm-organization leaders have testified against this. We will lose unless you soldiers back at the crossroads come to our aid. It is absolutely necessary, if you want to keep poverty from being taxed, that you wire, write, and petition your two Senators to oppose the sales tax and support the higher income and inheritance tax rates. You have won one battle; you must win another one in order to win the war.

There are two battles in this war. I hope what you did in the House battle will be duplicated in the Senate battle. Remember the proposed general sales tax raises $600,000,000 by a tax on consumption. This is an average of $5 per person, or $25 per family. A tax on consumption means that a poor farmer or working man pays about the same tax as does a very rich man, because the very rich man consumes little more than a common laborer. An income tax makes those pay who are able to pay, which is fair.

THE WAIL OF THE RICH

When the farmers and laborers defeated the sales tax in the House nearly all the big newspapers in the United States cried like their hearts would break. Mellon, Morgan, and others of the international bankers' class wrote a song called "The Wail of the Rich," and that great tenor, William Randolph Hearst, sang the song through his great chain of papers, the greatest in the world. I quote from the Washington Herald of March 25:

"We will have to use the old automobile and wear the old suits.

"We will have to relinquish those pretty things at the shops that we would like to have for ourselves and the family.

"We will have to get along with the old house and postpone the painting job for another year or two.

"We will have to patch up the old furniture and dispense with all luxuries and even comforts.

"We will have to give up some amusements and abandon that trip or vacation we had been intending to take with the 'folks,' and we will have to save every dollar to give to the Government."

Don't let anybody fool you into believing that a general sales tax is a good thing for the common people. Every argument used is that it is a system of theft by stealth, a system in which you tax the poor without their knowing they are being robbed. If they once get this system started, they will increase the rates and include more things under the system until wealth will be relieved of every bit of income and inheritance tax.

PHILIPPINE INDEPENDENCE

In the legislative program of the National Farmers' Union is a demand for Philippine independence. We have taken an active part in promoting this legislation through this session of Congress. We have been successful to the extent that the House offers a bill granting the Philippines independence in 8 years, and the Senate one granting independence in 10 years. It is our hope that the Senate will recede from its position and adopt the House bill. We fought for independence in five years.

Every day we own the Philippines we are one day nearer the time when that ownership will involve us in the biggest war we were ever in. The quicker we get rid of them the quicker we eliminate the opportunity for that war.

THE FARM BOARD

The National Farmers' Union in their last annual convention by resolution demanded of Congress "a thorough and searching investigation of the Farm Board and its set-ups." I am glad to report that the Senate has authorized such an investigation. I wish you would write to Senator CHARLES L. MCNARY, chairman of the Senate Agriculture Committee, asking that this be a real investigation and not a whitewash. There are those who would like to make a whitewash of it.

THE THREE BILLS

We are still working for passage of the three Farmers' Union measures that we firmly believe will remedy the terrible conditions that exist in this country.

First, the Frazier bill, numbered S. 1197. This bill refinances farmers on a basis of 1½ per cent interest and on a basis of Government money instead of bankers' money.

All interest is usury and is forbidden in the teachings of Christ. It is a cancer on the body politic. I saw where two men in Baton Rouge, Mr. J. D. Stottler and Mr. R. E. Collins, made a bet on the question of whether or not a certain building there would be good in 500 years. One bet $2.50 that it would be a good building and the other $2.50 that it would not. They placed the money in the local bank where it was to remain 500 years and draw interest at the rate of 3 per cent compounded semiannually. A mathema-

tician figured that the heirs of the winner would have due from that bet at the end of 500 years $2,084,495,606.22.

I believe you will agree that my statement is not extravagant when I say interest is the most deadly of diseases—a cancer. It eats the life out of everything it touches.

Second. The Swank-Thomas bill, which is numbered in the House as H. R. 7797 and in the Senate as S. 3133. This is known as the cost of production bill for that part of farmers' crops used in this country. After being refinanced under the Frazier bill, we must have cost of production for what the home folks use if we pay off principal on a basis of interest even as low as 1½ per cent.

Third. The Wheeler bill, No. S. 2487. This provides for the remonetization of silver. This bill is absolutely necessary in order that we may sell our products to other countries. Under a high-priced gold-standard dollar other countries can sell their products here but can not buy from us. England has been off the gold standard now for about six months. Her money has been cheapened at least 25 per cent. The Canadian dollar as measured by our gold-standard dollar is worth only 75 cents. Since going off the gold standard Canada now ships in five times the poultry and dairy products she was shipping in six months ago. She can pay the tariff, get our high-priced dollar, take it home, change it into their cheap dollar at about $1.33 for one of ours, and have a profit.

About the only progress I have to report on these bills is that the Senate Agriculture Committee has invited all farm-organization leaders to appear before the committee next Tuesday, April 26, for the purpose of agreeing on a farm-relief program. Many Congressmen and Senators, through the efforts of the citizens in their districts by writing and otherwise communicating with them, have been converted and are now supporting these three bills who would not support them in the beginning.

Let me urge every one of you to continue your efforts along these lines. We may not get this legislation through at this session of Congress, but we will get it in some future session or there will be revolution in this country. I mean by that that these three bills are real remedies; these three bills on the day they become a part of the laws of this country will start an immediate return to prosperity. Nothing less will do it. If it is not done, the only alternative is revolution.

The Farmers' Union is fighting to prevent revolution. The big interests of this country are doing everything they can to bring on revolution. If it comes they will be the ones who are guilty and they will be the ones who will suffer most. Their greed, selfishness, and avarice have blinded them to where they can not see the inevitable doom that awaits them.

AN UNPLEASANT TASK

You must know it is not a pleasant task to tell the citizens of this country that our Government discriminates between classes. I have but one object in calling these things to your attention and that is to arouse your interest in affairs of government. I do not like to deal in the sins of men; I would much rather talk about their virtues. However, the great mass of common people of this country will never do their duty as citizens except as they understand and know that because in the past they have not done their duty they are not receiving a fair deal from those in power in this country.

Take the national bankers as a class. They have the privilege when they have certain Government promises to pay of laying those promises down on the counter of the Secretary of the Treasury and receiving par in national-bank notes, which they can loan out to their customers at high rates of interest, and continue to draw Government interest on the bonds left as a guarantee that the bank will stay open and redeem the notes on request.

The ex-service boys hold securities of the Government, obligations to pay to the bearer. The Government does not permit them to receive money for them except in the last session of Congress they did provide for loaning these ex-service boys 50 per cent of the Government's obligation to them at 4½ per cent interest.

Thus we see cold-blooded bankers who never did anything for their country granted privileges by the Government that ex-service boys who faced machine guns, gas, and every kind of death-dealing instrument are denied.

In the present session of Congress bills have been passed to help railroads, banks, and the big insurance companies. Two billion dollars have been appropriated to help these interests. Fifty million was appropriated to help the drought-stricken farmers to secure feed and seed; $25,000,000 was appropriated to extend interest payments for farmers who owe Federal farm-land banks. The farming industry, in dollars and cents, is larger than bankers and railroads combined. In population we are a thousand times that of the groups represented by banks and railroads. We get seventy-five million appropriated out of two billion. This is rank discrimination. Those who administer this two billion further liberalize the provisions of Congress for the railroads, insurance companies, and banks, but make them harder for farmers.

For instance, the funds granted the railroads were to be used to employ men to repair present facilities and to employ men to expand present facilities. The international bankers, the power that dominates the present administration, liberalizes this provision in their own behalf by having the Reconstruction Finance Corporation loan large sums of money to the railroads for the purpose of paying interest on what they owed Mr. Morgan and other New York bankers. Even in paying principal on the notes they owed.

The Missouri-Pacific Railroad was loaned $5,850,000 to pay on a note owed to J. P. Morgan & Co. Altogether this railroad has received $17,100,000 for such purposes. The Baltimore & Ohio Railroad was loaned $7,000,000 to pay taxes. The old-line life-insurance companies have received millions of dollars of loans from the Reconstruction Finance Corporation on liberal terms.

Secretary of Agriculture Hyde makes such hard regulations that out of the $50,000,000 placed in his hands to loan to drouth-stricken farmers only a small part has been used. He lays down rules and regulations that if a widow has a team and a cow unmortgaged she is disqualified from receiving any of these funds. If a widow has everything mortgaged, then she is qualified, provided she can get her landlord and everyone she owes to relinquish their claims to any of the crop she produces for the year 1932. The facts are the Secretary has openly declared that he did not want to handle this money. He has said that to prevent these drouth-stricken farmers from getting seed and feed would be a good method of reducing production.

They also discriminate in the rates of interest as between big business and farmers. The Government has loaned millions of dollars to the shipping interests at rates as low as three-eighths to seven-eighths of 1 per cent per annum. They have loaned to foreign governments at rates as low at 1½ per cent. Farmers pay on feed and seed loans 5½ per cent. To the Federal farm-land banks they pay 5½ per cent plus a certain amount of capital stock they have to take out. When the stock goes down it amounts to more interest. The intermediate-credit loans to farmers run from 7 per cent to 9 per cent. This is rank discrimination against farmers.

I don't like to deal in these nasty truths. I would not if I did not believe it to be absolutely necessary in order to get you who are discriminated against to wake up and do your duty as a citizen by taking part in the running of the affairs of this country. I do blame Morgan and Mellon for contributing handsomely to the political parties. I do blame them for coming to Washington and working to take all the money away from the common people of this country that it is possible to get through the help of legislation. I do blame the 120,000,000 common people, who think more of a ball game or an Amos and Andy radio program than they do of studying public issues, for allowing this thing to happen. The big fellows will furnish you with amusement while they rob you.

Some one the other day spoke disparagingly of the intelligence of the Members of the House and Senate. That is not the proper view to take. There is no lack of intelligence in the House and Senate; neither is there lack of intelligence among the 120,000,000 common people of this country who send these gentlemen to Congress. There is a lack on the part of the 120,000,000 common people of devoting the intelligence they have to a proper selection of these gentlemen.

Some one wrote me commending to Congress the economies practiced by the President. He says the President commenced economizing by selling the yacht which former Presidents had used. I don't want anyone to unjustly criticize the President this way. If there is one thing he is not guilty of, it is practicing economy. He sold one yacht and bought another. He established an extensive summer camp on the Rapidan River about 100 miles out of Washington. It has been largely developed and improved by the labor of those drawing their pay from the Government.

A few nights ago the President, in behalf of the big automobile manufacturers, broadcasted advising everybody to turn in their old car and get a new one. Practicing what he preached, he turned in nine good used cars and got nine brand new ones for the use of the White House. One secretary used to be sufficient for a President. Our present President requires three secretaries, and each of these has to have an automobile. His wife has to have two and the President has two. Two are kept for the fine guests entertained there.

There is enough truth to tell about the President without misrepresenting him and I do not want anybody to charge him with practicing economy in government. He has appointed more boards, commissions, with other boards and commissions to check up on the ones first appointed, than all other Presidents put together in the history of our country.

The same party writing me spoke of the great courage of the President. Of course, courage is susceptible of different meanings, but I observe that in 17 States that provide for each political party selecting a choice for President through direct primaries the President has filed in only 1 of them.

Amazing things are done in Government circles here in Washington. The other day George P. Byers, a Government chemist in the Treasury Department, one of Andy Mellon's boys, gave a splendid recommendation to the liquor being dispensed by the bootleggers in Washington. I do not know whether these bootleggers are handling Andy's product or not. Here is what Mr. Byers said: "I can not say that there is anything definitely harmful about the quality of the liquor sold here, most of the injuries it inflicts coming from injudicious consumption of it. The rye and corn whisky shipped here is pretty raw, but after ageing can hardly be told from the medicinally legal product."

The exchanges—commodity and stock—are a part of the mess with the bad odor here in Washington. It seems Congress is waking up to the fact that the international bankers use the exchanges as one of the means of robbing the people.

I am a member of an organization that is planning a huge suit against the grain and cotton exchanges in the near future. The secretary of this organization is H. W. Worthington, Mangum, Okla. Any farmers or others interested, I urge you to write to Mr. Worthington for full information on the purpose of the organization.

While I am telling you about places to write I want to let you know that you can get full information on the Muscle Shoals power and light question by writing Judson King, Munsey Building, Washington, D. C. It is a Government-printed document and valuable information. Remember my object in this talk is to arouse the citizenship of this country to an interest in public questions.

MUST TAKE PUNISHMENT

Anyone who has the courage to speak and work for the poor people of the country as against the ultrarich must be prepared to take punishment. Congressman LAGUARDIA comes out against the sales tax. He is immediately branded unpatriotic by the henchmen of the big interests. LAGUARDIA was a Congressman when we entered the World War. He resigned and enlisted as a soldier. His father was a Spanish-American War veteran. LAGUARDIA was born in this country. Because he dared stand for the poor against the rich he was maligned and lied about.

Governor Roosevelt pledged himself to a program of help and assistance to the poor, to the distressed of the country. The spokesmen for the ultrarich cry out, calling him a demagogue.

An organization known as the Daughters of the American Revolution are having their annual convention in Washington this week. Their president, Mrs. Hobart, in addressing the convention declares the main job of the organization is to destroy radicals. Another delegate to the convention charged Jane Addams with being a radical. Jane Addams is a welfare worker of world-wide reputation, who established Hull House in Chicago. Jane Addams must take punishment for being a friend of the poor.

Christ was a radical, Patrick Henry was a radical, Abraham Lincoln was a radical. They took punishment for being radicals. If they were on earth to-day Mrs. Hobart would be denouncing them because they were radicals. For Mrs. Hobart I define a radical: A radical is a person who has the intelligence to know his rights and the courage to demand them, and fight for them if necessary. I might define a conservative, which I presume Mrs. Hobart prides herself on being: A conservative is a person who worships dead radicals.

The following advertisement, which appeared in the evening papers the night Mrs. Hobart made her speech, indicates the lack of touch these good women have with the poor of this country: "Laura Scott Fenstermacher, of Wilkes-Barre, Pa., a delegate to the Daughters of the American Revolution Congress, reported to the police to-day she had lost a diamond bracelet valued at $1,000, either in Constitution Hall or in a taxicab on the way to the Annapolis Hotel, where she is staying while in Washington."

TWO CLASSES

In closing, I want to divide this country into two classes. In one group are the 120,000,000 common people whom I will call the debtor class. In the other group are 10,000 ultrarich, whom I will call the creditor class. The 10,000 ultrarich have more voice in running the affairs of this country, and have had for a half century, than the 120,000,000 common people. All financial legislation in the past 50 years has been in the interest of creditors.

The time has come when the 120,000,000 common people must take part and see that some legislation is enacted in the interest of the debtor. You 120,000,000 will never be able to pay your debts with a dollar that buys 16 dozens of eggs from a farm woman, with a dollar that buys 3 bushels of wheat from a western Kansas farmer, with a dollar that buys 20 pounds of cotton from a Texas cotton farmer. The 120,000,000 common people must rise up and demand of Congress that they take from the bankers the power of making money. They must demand of Congress that all money must be issued by the Government as provided in the Constitution.

The present policy in three years has created an army of unemployed of 8,000,000. It has caused six and a half million farmers to lose their homes by mortgage foreclosures or tax sales, or those who have not lost them are holding only a scant equity. It has bankrupted 1,000,000 small business men. It has wrecked 10,000 once happy and prosperous small-town bankers. They have lost everything and those who are not eating at a prison table walk the streets with the rest of the jobless. Add to these 10,000 men who three years ago were what is called small millionaires. They were worth one, two, or three million, some of them five million dollars. The ultrarich are cannibals; they eat each other. The big millionaires ate up the little millionaires. Now these little millionaires are not quite out on the street, but they are walking around with us radicals. In fact, all it takes to make a Bolshevik of any man is to step on his pocketbook.

It looks like, if the present policy is continued, another four years will bring us all to the same level. They will make us a real democracy. This is on the theory that the creditor will be ruined, too. It is happening every day.

Recently, in Mississippi, 82 sheriffs auctioned off and sold 60,000 farms for taxes. These farms, bought in by the counties and State, aggregate more than 7,000,000 acres and constitute one-fourth of the farm lands of that State. In the last three years more than 70,000,000 acres in the United States have thus become public domain. A report from Montana says that 80 per cent of the farm lands in that State have delinquent taxes against them.

I commend these thoughts to those listening in. A copy of this program will be furnished to those asking for it. Until further notice, address me, John Simpson, Kankakee, Ill.

Remember the Farmers' Union hour, the fourth Saturday in each month, at 12.30 to 1.30, eastern standard time.

TARIFF ON ISLAND OILS

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Minneapolis Tribune in the nature of an interview with Dr. Alonzo E. Taylor, a world famous chemist, and two editorials upon the subject of Philippine independence and a duty on fats and oils.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article and editorials are as follows:

URGES TARIFFS ON ISLAND OILS—ALONZO TAYLOR, ECONOMIST AND CHEMIST, CITES INJUSTICE TO UNITED STATES FARMER

"As an economist, I have no hesitancy in saying that our Government should immediately take effective steps to stop the importation of tropical oils into the United States. The greatest menace that confronts the American farmer to-day is the Tropics."

This is the gist of an interview given to the Tribune Saturday by Dr. Alonzo E. Taylor, world famous chemist and economist, who was in the city as the guest of James Ford Bell. Doctor Taylor left Saturday night to return to his home at Stanford University.

"Purely as an economist, without thought of the ethics or the political significance involved in the question, I have no hesitancy in saying that we should at once put a duty on coconut oil that now comes in free from the Philippines. We have brought over 600,000,000 pounds of coconut oils into the United States every year, and at the same time we have a tremendous surplus of fats in the United States which go begging because of these oils.

MENACE OF TROPICS

"I think that even a free trader must admit that we are now, rightly or wrongly, in an era of protective tariffs and that being the case it seems to me to be the height of folly to permit tropical oils to displace our American-produced fats. Some 12 years ago at the University of Wisconsin I delivered a lecture on 'The Menace of the Tropics.' The lecture did not attract a great deal of attention, but those who gave it any thought were not overly charitable in their estimate of my mentality. But the last dozen years have borne out the fact that the Tropics are a menace to the agriculture in the Temperate Zone.

"Not only are they a menace but they are an actual damage, and this damage will increase every year. It is a very simple thing to understand that fats—vegetable fats—can be produced cheaper in the Tropics than animal fats can be produced in the Temperate Zone. The additional sunlight and the heat of the Tropics and the fact that the fats are taken directly from vegetation rather than from an animal to whom the vegetation is fed all conspire to give the Tropics an inescapable advantage. In addition to these chemical facts there is the fact of the lower standard of living of the natives in the Tropics. The farmer in the Temperate Zone can not hope to compete with him on any basis of equality.

DOMESTIC FATS SUFFICIENT

"On the other hand, the American farmer produces fats as a by-product. The hog is raised for his bacon, not his lard. The steer is raised for beef, not for tallow. Yet we can not produce either beef or bacon without producing fats. Unless the American farmer can find a market for his fats, he suffers an additional handicap in his competition with the tropical oils.

"There is some admitted need for coconut oil in the United States. There are certain soaps that can not be made without coconut oil, but these soaps constitute a very small percentage of the total volume of soap manufactured in the United States. Probably 50,000,000 pounds of coconut oil would more than take care of the soap necessities. Beyond these necessities there is no appreciable need in the United States for coconut oil which could not be satisfied by the animal fats produced in this country, which are now a drug in the market.

"There is, of course, a widespread opinion that we can not impose a duty on importations from the Philippines. This is not a fact. Since the Philippines have come under our control, the United States has imposed duties on the importations from the Islands and can do it again. We could very well make some such arrangement as was made with Cuba. We gave Cuba a preferential duty on sugar. We could impose a duty on all tropical oils and by reason of our relationship with the Philippines give them a lower duty as we do on Cuban sugar.

"I suspect that here in the Northwest you place too much emphasis on the part that coconut oil plays in the manufacture of margarine. If these tropical oils only affected butter, it would be one story, but they affect the whole fat production. Every fat suffers, and butter is merely the first on the list. The tropical oils imported into this country become many other food substitutes.

TROPICS' ADVANTAGE GROWS

"It is common knowledge that science is every day adding to the advantage the Tropics have in the production of fats. The American farmer is beset with many economic disadvantages, but so long as we protect the manufacturer in the interests of our standard of living, there is absolutely no reason why we should not protect the American farmer to the same end. The American farmer is rapidly losing his market for his animal fats by reason of the increasing importations of tropical oils, 600,000,000 pounds of which come in duty free from the Philippine

Islands. There may be ethical and political reasons why the Philippines should be granted their independence or refused their independence. I am not discussing these reasons, but I do say that there is no economic reason for permitting 600,000,000 pounds of coconut oil to come into this country duty free to be substituted for animal fats produced on American farms."

TAX TROPICAL OILS

The clean-cut statement of Dr. Alonzo Taylor, world-famous economist, to the effect that it was the imperative duty of the United States to protect the American farmer from the importation of tropical oils, is both significant and timely. The present bill which proposes to grant freedom to the Philippine Islands in the future is of little present interest to the American farmer. The American farmer is primarily and exclusively interested in the economic effect of our political relationship with the Philippine Islands. It is an incontrovertible fact that 600,000,000 pounds of coconut oil and copra come into the United States every year from the Philippine Islands and drive out of our market as least as many pounds of American-produced animal and cottonseed fats. Doctor Taylor makes it plain that there is not the faintest economic reason to sustain this policy and that there is every economic reason for a policy that will protect the American farmer.

Those who maintain that we have a moral obligation to protect and cherish the Filipino may argue on a basis of morality to their hearts' content. But there isn't any morality in making the American farmer sustain the burden of our Philippine philanthropy. Doctor Taylor is as famous a chemist as he is an economist. Doctor Taylor says that only a small percentage of our soap needs coconut oil as an ingredient. This is a specialized soap not in general use. The American farmer is entitled to protection from tropical plantations to the same extent that the American workingman is entitled to protection from oriental labor. We have raised the bars on foreign immigration for the protection of the American laborer, and it is impossible to conceive the mental process of the legislator who can not see the same necessity for the protection of the American farmer from the rapidly increasing flood of tropical oils that is pouring into this country every year. America has a surplus of the animals and cottonseed fats. Animal fat is a drug on the market to-day. The swine raiser is penalized by the packer for the excess fat on his hogs. The dairyman, with the price of butter down to a ruinous level, is forced to compete with the margarine made from Philippine oil importations. When Doctor Taylor as a chemist says that there isn't any reason why American-produced fats should not be used in the manufacture of our soaps, no fair-minded person would question his statement.

Giving the Filipinos their freedom 8 or 10 years hence is a fine, generous gesture which may or may not be translated into a reality, but this does the American farmer no good to-day. In his present state he hasn't the time nor the inclination to clap his hands in glee over the spectacle of the Filipinos waving the flag of independence. It means little or nothing to him. What the American farmer wants is protection from the coconut oil from the Philippines and protection from the other oils of the Tropics against which he is unable to compete any more than is the American manufacturer able to compete with the low wage and low standard of living of foreign countries. If there is any right or justice, if there is any political or economic expediency in a protective tariff, that tariff should be imposed on the oils from the Tropics that compete with cottonseed, peanut oil, and animal fats produced in the United States.

THE FARMER IS FORGOTTEN

The bill recently passed by the House and now before the Senate which proposes to grant political freedom to the Philippines at the end of an 8-year period will be of no benefit to the American farmer.

The bill will permit the Philippines to import more coconut oil into the United States free of duty for the next eight years than is now coming in. Paragraph 2 of section 6 of the bill provides:

"There shall be levied, collected, and paid on all coconut oil coming into the United States from the Philippine Islands in any calendar year in excess of 200,000 long tons, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries."

This provision is supposed to put a limitation on the oil imports from the Philippines in the interests of the American farmer. The joker in the provision is this, that the Philippines have never yet sent as much as 200,000 long tons of coconut oil to the United States. Therefore, instead of putting a limit on this duty-free oil that would tend to remedy the present ruinous condition of the American fat market, it actually permits a greater importation.

Two hundred thousand long tons of oil equals 448,000,000 pounds. In 1930 the Philippines sent us 322,000,000 pounds. Under this bill the Philippines could import free of duty an additional 126,000,000 pounds of oil to compete with American-produced cottonseed oil and animal fats. In 1929 the coconut-oil importation reached its peak of 415,000,000 pounds, some 33,000,000 pounds less than the limit permitted by the present bill.

It is obvious from these figures that for eight years at least the American farmer will get no relief if the present bill becomes a law. It is equaly plain that the bill provides an opportunity to make the situation even worse than it now is to the extent, at least, of 126,000,000 pounds of oil. Under the present tariff law coconut oil imported from other countries than the Philippines pays a duty of 2 cents a pound. But there is likewise a joker in this, because copra, from which coconut oil is extracted, comes into the United States duty free from all countries.

In 1930 the importations of oil and copra in terms of oil reached the staggering sum of 518,161,000 pounds. In 1929, the high point of importation, oil and copra importations together were equivalent to 507,836,000 pounds. The admission of copra duty free into the United States is for the benefit of the copra-crushing mills on the Pacific coast. The oil produced on the Pacific coast affects the American farmer to exactly the same degree as the duty-free oil from the Philippines.

Between the Smoot-Hawley tariff law and the Philippine independence bill the American farmer, dairyman, swine and beef raiser are deprived of the American markets for fats. The dairyman suffers grievously from the production of margarine, which is sold at a lower price than butter. The swine raiser and the cattleman are in the same predicament as is the cotton grower of the South, who loses the market for his cottonseed oil.

The bill now before the Senate is not a bill conceived in the interest of the American farmer, but exclusively in the interests of the political aspirations of the Filipinos. The very best the American farmer can hope for is the possible limitation to the damage that may be done to him in the next eight years. This limitation is a possibility only and by no means a probability. Under this bill the Philippines can add some 25 per cent to their present imports before they are required to pay a duty, and should their imports reach 200,000 long tons a year, at which point a duty of 2 cents would be imposed on their oil, they still have the opportunity to ship into the United States free of duty all the copra that this country can consume at the expense of the American farmer.

Any bill providing for the independence of the Philippines can be of no economic interest to the American farmer unless it reduces drastically the coconut oil imports, and in turn there can be no reduction of coconut oil imports as long as copra is permitted to come into this country free of duty. The interest of the American farmer in the Philippine Islands is not a political one, it is strictly economic. The issue involves a much vaster area than the Philippine Islands. The issue is that of tropical oils of any description which are used in the United States as substitutes for food fats and for vegetable oils produced in this country. The question will not be settled by the passage of the Hare bill. Should it pass the Senate and receive the President's signature, it will not affect the American farmer in the least. It will leave him in the same or in a worse position for the next eight years than he now is.

The American farmer wants and should have ample protection from coconut oil and copra and from all tropical oils which are now so disastrously competing with him in the American fat market. The Hare bill gives him no protection whatever.

AIR MAIL SERVICE TO LATIN AMERICA

Mr. ODDIE. Mr. President, I ask that there be printed in the RECORD a number of letters received by the Pan American-Grace Airways (Inc.), which has a contract with our Government for Central and South American air mail. These letters protest against the proposed reduction in air mail service which has been suggested under the 10 per cent cut in appropriations for the Post Office Department and show the importance to American industry in the continuation of that service.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letters are as follows:

NEW YORK, *April 21, 1932.*

The Hon. TASKER L. ODDIE,
United States Senate, Washington, D. C.

MY DEAR MR. SENATOR: At the request of Mr. Robert H. Patchin I am sending you to-day by express a binder containing a great number of letters we have received from officials of many industries expressing an opinion as to the value of air mail service to Latin America.

Respectfully yours,

PAN AMERICAN-GRACE AIRWAYS (INC.),
J. D. MACGREGOR,
Vice President and General Manager.

CHICAGO, ILL., *May 6, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We wish to acknowledge with thanks your letter of May 1 regarding air service to South America.

We use this service regularly and although we have no outstanding incidents to describe, we do wish to say that this air service has proven to be extremely helpful to us, to say the least. Prac-

tically all of our more important mail is now sent by air, and we are very much pleased with the service.

Yours very truly,

ALEMITE CORPORATION,
R. K. TORSON,
Export Manager.

SANTIAGO, *December 22, 1930.*

GRACE & CIA.,
Castilla No. 14–D, Pte.

DEAR SIRS: In reply to your letter of December 19 regarding the Panagra air mail we would advise that we have no comments to make except perhaps to state that we use this service regularly and have found same satisfactory.

Very truly yours,

P. SOC. MPRA. ALLIS-CHALMERS,
L. F. JAMES, *Santiago Office.*

ALUMINUM LINE,
New Orleans, La., May 4, 1931.

Mr. J. D. MACGREGOR,
Vice President and General Manager
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIR: Replying to your letter of May 1, we do not have occasion to use air mail service to the west coast of Colombia, Ecuador, Peru, Bolivia, Chile, Argentina, Uruguay, and Paraguay, and are therefore not in a position to give you any data in regard to said service.

We do, however, make frequent and quite extensive use of Pan American air mail service to the east coast of Colombia, Venezuela, Jamaica, Haiti, Santo Domingo, the Windward and Leeward Islands, and British and Dutch Guiana. We find this latter service to be of considerable value and assistance in our steamship operations in the territory mentioned. The saving in time by using the air mail has enabled us to handle innumerable matters by mail which we would have otherwise handled by cable less satisfactorily and at much greater expense.

Yours very truly,

WM J. FINLAN,
General Manager Southern Division.

LONG ISLAND CITY, N. Y., *March 12, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention Mr. W. M. North.)

GENTLEMEN: We acknowledge receipt of your kind favor dated March 10, 1931, and since the time of your recent visit literature has been received here in connection with your air mail service, for which we thank you.

You will no doubt be glad to know that we are using your mail service in connection with our transactions in the foreign countries: Panama, Colombia, Ecuador, Peru, Chile, Argentina, and Uruguay.

We have found that the use of air mail is most helpful, particularly on involved matters wherein quick decisions are necessary, and to transmit the data by cable would be most expensive.

Very truly yours,

AMERICAN CHICLE CO.,
T. J. MACDONALD,
Export Manager.

JANUARY 15, 1931.

Mr. WALTER F. BROWN,
Postmaster General, Washington, D. C.

DEAR POSTMASTER GENERAL: We are pleased to inform you that since the inauguration of the airplane mail to the west coast of South America under the control of the Pan American-Grace Airways (Inc.) we have consistently used this service and have found it in every way highly satisfactory.

We are now beginning to use the service on the east coast to Rio de Janeiro and Santos, and feel sure that this newer service of the Pan American Airways (Inc.) will prove equally satisfactory.

Very truly yours,

AMERICAN COFFEE CORPORATION.
FRANCIS M. KURTZ.

AMERICAN EXPRESS CO.,
New York, May 28, 1931.

Mr. WILLIAM N. NORTH,
Pan American-Grace Airways (Inc.), 122 East
Forty-second Street, New York, N. Y.

DEAR SIR: We thank you for having sent us the maps, schedules, and rates covering your company's service.

You may be interested in learning that we use "Pan American" service to a great extent and in many cases find it indispensable. This is particularly true in cases where we find it impossible to connect documents with the carrying steamer and therefore have to rely on your service to see that documents reach destination before carrying steamer. As a matter of fact, we use your service whenever we desire prompt reports from any of our correspondents located in the West Indies, Central or South America.

In conclusion, permit us to say that the service rendered is A–1 and we shall continue to use it whenever the circumstances warrant.

Yours very truly,

GEO. WESTON,
Vice President and Treasurer.

HOBOKEN, N. J., *March 6, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
122 East Forty-second Street, New York, N. Y.
(Attention Mr. William M. North.)

GENTLEMEN: Concerning your letter of March 5, we would say that we shall continue to encourage the use of your plane service, as we believe that the growth of such operations is necessary for the development and maintenance of our Latin American business.

Yours very truly,

AMERICAN LEAD PENCIL CO.,
GERARD NOLAN,
Export Department.

COMPAÑIA AMERICAN SMELTING,
Santiago, December 20, 1930.

Messrs. GRACE & CO.,
Santiago, Chile, South America.

GENTLEMEN: I have just received your letter of December 19, regarding the Panagra air mail service to the United States, and take pleasure in advising you that we have found it exceedingly satisfactory. So far, to our knowledge, no letter has ever gone astray and has always been delivered at destination as per schedule.

Very truly yours,

JOHN P. CHADWICK.

ANDES COPPER MINING CO., POTRERILLOS,
Potrerillos, Chile, December 9, 1930.

Mr. A. C. STEEL,
Agent, Grace & Cia. (Chile), S. A.,
Chañaral.

DEAR SIR: We have your letter of November 25, 1930, in which you ask that we give you a report on the air mail service of the Panagra line.

Recently we have obtained much better results from the use of the air mail service than we did during the earlier months of its inception. We are using the Ovalle station to catch the Panagra line for mail to the United States, and we find that it is the best service that we can secure. We have recently been checking up the dates of arrival of mail here in Potrerillos which has come by air from the States, and we find that in almost every case the mail is delivered to us as quickly as possible with the connections which are available.

Yours very truly,

H. C. BARTEAU,
Business Manager.

THE ANGLO-SOUTH AMERICAN TRUST CO.,
New York, May 25, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
122 East Forty-second Street, New York, N. Y.

GENTLEMEN: Referring to Mr. North's call upon us a few days ago, we would say that we are using your service exclusively where we use air mail, except to Colombia. The service has so far proven entirely satisfactory.

You will, of course, understand that in certain cases, even where our preference might be to use air mail, we are obliged to use rail and steamer service as shipping contracts often call for certain documents to be sent on the carrier of the merchandise.

Yours very truly,

C. M. PRATT, *Vice President.*

CLEVELAND, *May 5, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.
(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: I have your letter of May 1 with reference to air mail service in the United States and the different South American countries. We regret to advise that we have no experience with this service due to the fact that none of our products have been sold in the South American countries as yet. Naturally we are working along those lines and should something develop later that would be of interest to you we will be very glad to write you.

Very truly yours,

THE BAKER-RAULANG CO.,
C. H. WARREN, *Sales Department.*

BANK OF NEW YORK AND TRUST CO.,
New York, May 28, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention Mr. William M. North.)

DEAR SIRS: As per our conversation of to-day, while we do not make any extensive use of your air mails, we have been called

upon from time to time to send letters to points covered by your service. Up to this time we have found such air mail service quite satisfactory to us.

Yours very truly,

JOHN FISCHER,
Assistant Treasurer.

NEW YORK, *April 29, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We received your letter of April 28 regarding the air mail service maintained by your company between the United States and South America.

We have not had occasion to use this service for any outstanding transactions but have kept in mind the saving of time which this service assures. Our South American correspondents have on several occasions used this service and it apparently was entirely satifactory.

Very truly yours,

Per pro. BANKERS TRUST CO.,
E. M. ANDEL.

NEW YORK CITY, *April 23, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.

GENTLEMEN: We use quite regularly the air mail service to west-coast and east-coast countries of South America in communicating to our agents various matters in connection with the sale of our fabrics in their countries and have always found this service to be exceedingly fast and convenient.

Only a few weeks ago in trying to make new connections for our representation in Montevideo we communicated by air mail with a prospective agent giving a great deal of information regarding our line and other matters which could not very well have been treated by cable and the agent in question replied accepting our proposition. This is one of the many instances where time is a major consideration and the short number of days it takes to communicate with far-off places is a distinct advantage.

Yours very truly,

EDWIN E. BERLINER & CO.,
L. O. MONTES, *Export Manager.*

HAMMOND, IND., *May 29, 1931.*

J. D. MACGREGOR,
General Manager Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIR: Please pardon the delay in answering yours of May 1.

We frequently have occasion to use your service to South American countries. While we do not keep a record of such transactions, I do know of one case in particular where we were able to land a large order by promptly submitting our figures by air mail.

Whenever shipments are made we also use your service in advising our customers names of steamer and date and port from which it leaves, and are sure this is very satisfactory, since it gives consignee plenty of time to arrange every detail before shipment arrives.

Yours very truly,

F. S. BETZ CO.,
J. A. ARR,
Traffic Manager.

NEW YORK, *April 15, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. J. D. MacGregor.)

GENTLEMEN: Answering your letter of the 13th instant, we would advise you that we are using the air mail to quite an extent in the Central American countries and Colombia and Venezuela. To a smaller extent we are using the air mail to the Argentine, but this is due to decreased business in that market and also in Chile.

We feel, however, that air mail is a vital factor, and is serving to bring foreign markets into very much closer contact, and it is our feeling that there will be a very heavy increase in air mail traffic after houses both here and abroad realize the value of the service.

Yours very truly,

M. C. D. BORDEN & SONS (INC.),
By H. N. PEAU.

NEW YORK, *April 15, 1931.*

PAN AMERICAN-GRACE AIRWAYS,
New York, N. Y.

(Attention of Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We have been using the air mail between the United States and the Argentine with considerable satisfaction.

The air mail has been most valuable in enabling us to promptly get reports of conditions in the Argentine affecting our policies of doing business there.

We can not say that the same results have been obtained from communication with the more northern countries, such as Colombia. We can not find any saving in time or service in sending our correspondence to Colombia by air mail. We hope, however, that the schedules will eventually allow a considerable saving in the transmitting of messages between the United States and Colombia.

Very truly yours,

BLAW-KNOX INTERNATIONAL CORPORATION,
NICHOLAS GERTEN, *Vice President.*

BRADEN COPPER CO., RANCAGUA-CHILE,
OFICINA DEL CONTRALOR LOCAL (ART: OAS),
Rancagua, 2 de Diciembre de 1930

AGENCIA GRACE Y CIA.
(Chile), S. A., Presente.

MUY SEÑORES NUESTROS: Contestando su atenta de fecha 17 de Noviembre de 1930, debemos manifestarles que hasta la fecha no hemos notado ninguna demora anormal en la entrega de la correspondencia llegada por avión y dirijida a esta compañia.

SALUDA A UDS. ATENTAMENTE,
Contralor Local.

CHICAGO, *May 19, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We are in receipt of your letter of the 15th regarding additional uses of air mail.

It may interest you to know that we have been using the air mail service for collection of our South American accounts, as well as Central American accounts, for six months or a year and have found that our customers appreciate this service, for the return communications invariably come in via air mail.

Yours very truly,

THE BRUNSWICK-BALKE-COLLENDER CO.,
Per P. O. SEELY, *Export Credit Department.*

NEW YORK CITY, *May 23, 1931.*

MR. J. D. MACGREGOR,
Care of Pan American-Grace Airways (Inc.),
New York City, N. Y.

DEAR MR. MACGREGOR: We are pleased to acknowledge your letter of the 15th and take this opportunity to tell you that we are making extensive use of air mail throughout Central and South America. In fact, air mail has supplanted over 50 per cent of the communications we formerly sent by cable to this territory.

Attached herewith is a copy of a letter which we have just sent to your traffic department and which holds possibilities for further use of air mail. Of course, our use of this will be governed entirely upon the cost.

We take this opportunity to thank Pan American as well as Pan American-Grace for the splendid cooperation they have extended us on the many occasions we have had to call on them.

Very truly yours,

BUTLER BROS.,
B. F. BANTA,
Manager of Export Sales.

CENTRAL HANOVER BANK & TRUST CO.,
New York, May 21, 1931.

Attention Mr. W. M. NORTH,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIRS: We refer to your recent personal call, requesting that we outline our experience and the benefits derived from the use of your air mail service to South America.

We have already addressed your Mr. MacGregor on the subject; nevertheless, we wish to add a few more lines here.

One of the stipulations of an important agreement we made recently contained the provision that all documents were to be forwarded by air mail so that they might be in our possession within a week or 10 days ahead of the arrival of the steamer carrying the merchandise at the American port. This stipulation will involve the extensive use of your air mail service from July 1 on.

All important remittances of funds from South America in the form of checks or drafts now come by air mail, as do all drawings of South American banks on us. The use of air mail for these remittances and drawings has started a controversial discussion among the various banks who contend that their rates when selling their checks on New York are based on a 15 or 20 day schedule of the maritime routes and that they lose interest by having their checks arrive before time by air mail. I have no doubt that in a short time all checks on New York for amounts of any importance will be forwarded by air mail and the various South American banks will find it necessary to adjust their rates in accordance with this new service. This is already being done by some of the institutions in that territory.

Very truly yours,

D. A. DEL RIO,
Assistant Vice President.

CLEVELAND, OHIO, *October 8, 1930.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

GENTLEMEN: On all of our collections to South America where we can conveniently use air mail, we are doing so. Some time ago we sent a draft for collection to Buenos Aires. As I recall it, the amount was approximately $4,000. We specified that settlement should be made by air mail. From the time that the draft was paid in Buenos Aires until it reached our hands, 10 days had elapsed. If this remittance had come by vessel it would have taken approximately 31 days; in other words, 21 days' time was saved by using air mail. Figuring the interest on $4,000 for 21 days at 6 per cent, after deducting air mail postage, actually meant a saving of approximately $10.

You may rest assured that when we can advantageously use air mail we do so. We are in hopes of using this service more extensively as time goes on.

Very truly yours,

CENTRAL UNITED NATIONAL BANK,
O. L. CARLTON, *Vice President.*

CERTAIN-TEED PRODUCTS CORPORATION,
New York, March 30, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention Mr. W. M. North.)

GENTLEMEN: We find that the air mail service offered by your organization to be excellent and a great help to us in furthering our business interests.

We use this air mail constantly, and we have no complaints to offer as to the service rendered.

Our customers in Latin America also use the air mail service a great deal, and most of our important mail is handled by this method.

Yours very truly,

RICHARD LUTHER, *Export Manager.*

NEW YORK, *May 15, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC).,
New York City.
(Attention Mr. William M. North.)

GENTLEMEN: For nearly a year and a half we have been using your air mail service between the United States and the various countries of South America which you serve, and we feel that we have effected a considerable saving both in cable rates and in time because of this service.

We have considerable correspondence with our branch office in Lima, Peru, and with our agents in Santiago, Chile, Buenos Aires, and Maracaibo. The fact that we are no longer at the mercy of slow steamship communication has been a source of much benefit to us.

We are very glad, indeed, to have the opportunity of expressing our satisfaction with your service, and we have no criticisms whatever to make of your facilities.

Very truly yours,

CHICAGO PNEUMATIC TOOL CO.,
By MAXIMILIAN PAGE,
Assistant Manager Foreign Trade Division.

THE CHILE COPPER CO.,
New York City, November 21, 1930.

The POSTMASTER GENERAL,
Washington, D. C.

DEAR SIR: We are pleased to advise you of our experience with the air mail service between New York and Chile, South America.

We are able to reach our mines at Chuquicamata, Chile, near the port of Antofagasta, by air mail in 6 days, whereas the regular mail consumes at least 16 days. This has been of great advantage to us, as it has not only speeded up our correspondence but has enabled us to reduce materially the number of cablegrams exchanged with our mine offices. Much of our important and emergency correspondence is now handled by the air mail between New York and Chile, and we can, therefore, testify to the usefulness and value of this service to the company.

Very truly yours,

H. C. BELLINGER, *Vice President.*

CHILE TELEPHONE CO.,
OFICINA GENERAL,
Santiago, December 31, 1930.

Señor ROBERTO DAGNINO,
Grace y Cia. (Chile), S. A., Santiago.

DEAR SIR: Relative to your letter of the 19th instant, we beg to advise that we make considerable use of the Panagra air mail and find the service quite satisfactory.

The only observation we could make—and we presume that this does not actually affect the Panagra service—is that there is some delay (one or two days after the arrival of the plane) in the delivery of the registered mail (certificados). Perhaps you could have this corrected in the proper quarters.

Yours very truly,

JOHN T. QUINN,
General Manager.

COLOMBIAN-AMERICAN CHAMBER OF COMMERCE,
New York, N. Y., May 22, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention Mr. J. D. MacGregor, vice president and general manager.)

DEAR SIRS: Referring to your letter inquiring about the results I have obtained by using air mail in soliciting dormant accounts in Colombia, South America, I am very pleased indeed to inform you that I have been using your air-mail service for this purpose for a long time already, and, needless to say, inasmuch as I continue using it I am perfectly satisfied with the results.

The saving in time in sending letters, drafts, etc., by air mail from New York to Gogota, Colombia South America, and vice versa, is so practical that compensate any postage expenses.

But the way that I have benefited the most by using air mail service is in sending most of the news and information to the various Colombian daily newspapers I represent. In this respect I have been congratulated by these newspapers for the promptness in conveying to them all information.

The air mail service has proven very effective indeed in soliciting dormant accounts in South America and for all business in general, of which I have been profiting ever since I started using your air mail service.

Hoping that this information will be of service to you, I beg to remain,

Yours very truly,

C. PUYO DELGADO.

NEW YORK CITY, *January 30, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention Mr. Wm. M. North.)

DEAR SIR: At this late date I wish to thank you for the air mail schedule which you so kindly forwarded to me.

Just as soon as we learned of the air mail schedule for Brazil and the east coast of South America we dispatched a few letters to our people in Brazil by air mail, because we have found that the air mail service to South America via the west coast has been entirely satisfactory and has aided us in keeping in closer touch with our people in South America and yet not too expensive to use frequently.

As we have mail on practically every plane that leaves for South America, we would appreciate your advising us in the future regarding any changes in the schedule just as soon as they go into effect, as we have gotten into the habit of depending on our air mail letters reaching the hands of the people for whom they are intended on the very day which the air mail was scheduled to arrive.

Thanking you for past courtesies, we remain,

Very truly yours,

COLUMBIA PHONOGRAPH CO. (INC.).
EXPORT DEPARTMENT.
Per P. E. FRASER.

NEW YORK, *May 4, 1931.*

Mr. J. D. MACGREGOR,
Vice President Pan American-Grace Airways, Inc.,
New York City.

DEAR SIR: Replying to your letter of the 1st instant relative to airplane service between the United States, Central and South American ports, there is really nothing outstanding we can report that would be of material benefit to you. We are exceedingly pleased with the Pan American Airway Service, and in addition to selling transportation we avail of your airplane facilities most freely with satisfactory results.

Very truly yours,

THOS. COOK & SON.
Per GEO. W. WHITE.

CHICAGO, *May 18, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.

GENTLEMEN: Yours of the 15th instant at hand, and we wish to inform you that our various connections in Central and South America as well as ourselves have been making use of your splendid service, using air mail, and now we will take up your suggestion for a more extensive distribution of our products and will report the results later to you.

Very truly yours,

THE CUDAHY PACKING CO.
I. GALLARDS.

FIRST NATIONAL BANK,
Detroit, Mich., May 4, 1931.

Mr. J. D. MACGREGOR,
Vice President and General Manager,
Pan American-Grace Airways (Inc.), New York, N. Y.

DEAR SIR: In reply to your letter of the 1st instant, we have used air mail to South America several times where vessels carrying shipments of merchandise got away before the relative documents were in our hands. By using the air mail we were, however,

able to have the documents in the hands of the correspondents before the arrival of the vessel, thereby avoiding loss of time and expense to the consignees.

Yours very truly,

ROD. P. FRASER,
Vice President.

NEW YORK, *December 10, 1931.*

Mr. W. S. BROWN,
Postmaster General, Washington, D. C.

DEAR SIR: Our companies are regular users of the air post facilities between this country and Latin America and find this service extremely valuable in our business relations with those countries. In fact, we scarcely know how we have been able to get along without it in the past.

Out of our experience, however, we should like to make a suggestion for possible improvement. We find that on letters originating in the Latin American countries, and particularly those of Central America, there is considerable carelessness on the part of post-office employees in the handing out of information concerning the amount of postage required, so that letters are often short of air mail postage.

In such cases they are forwarded by the foreign post offices by ordinary mail instead of by air mail, and the sender is unaware of what has occurred. Evidently there is no provision for collection of "postage due" at the receiving end.

This may be a condition over which your department has no direct control, but we have taken the liberty of bringing this subject to your attention in the hope that there may be some way in which troubles of this nature can be overcome. We are not the only sufferers from this trouble, for other American concerns with whom we are acquainted have experienced the same difficulties.

The air mail is a wonderful help to American business, and we note with great interest every extension of the service which takes place and trust that these improvements will continue. We appreciate the important part that your department has taken in the promotion of this service and it has our hearty support.

Very truly yours,

VALSPAR CORPORATION,
Export Sales Director for Valentine & Co.,
Detroit Graphite Co.

ROCHESTER, N. Y., *June 11, 1931.*

Mr. R. H. PATCHIN,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIR: Mr. Delgado has asked me to acknowledge your letter of June 9.

We have taken advantage of the Pan American-Grace Airway service, but as yet to no great extent, and, therefore, are not in a position to offer any special suggestions or criticisms of your service.

Yours very truly,

EASTMAN KODAK CO.,
F. P. ROOT.

THE ECUADORIAN CORPORATION (LTD.),
New York, May 18, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention of Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We have your letter of May 15, and note you speak of a special feature by which air mail is being used to solicit dormant accounts in South America.

In this connection we would advise you that while we are interested to hear of this, our properties are situated in Ecuador, and although we are constant users of your service for our correspondence with our subsidiaries we have no special need for the type of service to which your letter refers.

Very truly yours,

G. O. HOUSTEIN, *Treasurer.*

NEW YORK, N. Y., *May 7, 1931.*

THE PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.
(Attention Mr. William M. North.)

GENTLEMEN: With reference to your inquiry concerning our use of the air-mail service afforded by your company to South and Central America, we wish to say that we have used this from the time of its inauguration, and with increasing frequency lately. We have found the service satisfactory, and so far as we know mail reached destination in scheduled time.

This air-mail service has been of great benefit at times, such as where we have not been able to send shipping documents by regular mail. In such cases we have availed ourselves of the opportunity of sending them by air mail, thus enabling consignee to have his documents prior to the arrival of the goods, and so avoiding fines.

We have also used it in cases where it was important to place sales and engineering data in the hands of our representatives in a short space of time, and have appreciated the service rendered.

Yours very truly,

FAIRBANKS, MORSE & CO. (INC.),
Foreign Division, New York.
By E. G. BILLITT.

SANTIAGO DE CHILE, *December 22, 1930.*

GRACE Y CIA. (CHILE) S. A.,
Santiago de Chile.

GENTLEMEN: We thank you for your letter dated December 19, and are glad to say that we are entirely satisfied with the service given by the Panagra Line.

Our important mail is always dispatched by air, and we are convinced that your service is a great improvement over the maritime route.

Yours very truly,

FORD MOTOR CO.

NEW YORK, *May 20, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

DEAR SIRS: As requested by your Mr. William M. North, we are writing you this letter to inform you that we frequently use the air mail service to South America to great advantage.

It is, of course, a well-known fact that many times it is very difficult to send shipping documents by the same steamer carrying the goods, and the use of the air mail in these particular instances is of course essential, as it avoids fines and other inconveniences at foreign customhouses, due to delay in receiving documents.

We also use this service on every urgent matter requiring an immediate reply, particularly on public bids, urgent instructions to our foreign representatives and branch offices, and, in short, whenever we find it necessary to communicate with any of our customers, representatives, or branch offices in Latin America with all possible speed.

Yours very truly,

FOX BROS. & CO. (INC.),
E. P. WELLS,
Asst. Export Manager.

GENERAL MOTORS EXPORT CO.,
Santiago, December 22, 1930.

MESSRS. GRACE & CIA. (CHILE), S. A.,
Santiago.

DEAR SIRS: In reply to your letter of December 19, requesting information as to the service given by the Panagra air mail.

Both this office and my New York office have been using this service regularly and find that it meets with our entire satisfaction. At first there were delays in one or two letters, but in the past four months the service has been coming through regularly.

Very truly yours,

A. W. ELLIS.

GUGGENHEIM BROS.,
December 22, 1930.

MESSRS. W. R. GRACE & CO.,
Santiago.

DEAR SIRS: Anent the above subject, we are pleased to refer to your three letters of December 19, 1930, one addressed to Messrs. Guggenheim Bros., one to Anglo-Chilean Consolidated Nitrate Corporation, and the other to Braden Copper Co.

Although we found that there seemed to be a lack of proper coordination between the local postal authorities and your service some months ago and shortly after you started the service, we are pleased to advise that recently we have had no reason to complain and, as far as we know, during the past month or six weeks our letters have gone forth by the airplane which we had expected would take them according to the schedule. Should we notice in the future any deficiencies, we shall be pleased to call them to your attention.

Very truly yours,

ALFRED HOUSTON (P. A. S.).

GUARANTY TRUST CO. OF NEW YORK,
New York, December 8, 1930.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.
(Attention Mr. William M. North.)

GENTLEMEN: At the request of your Mr. North, who called on us a short while ago, we are pleased to write you with regard to air mail service.

We use the air mail extensively in connection with our international business relationships in South and Central America and the West Indies, and our banking correspondents in Latin America likewise use the service extensively in their communications to us.

The time element is an important one in the business world to-day and we believe the facility of air mail communication between the Americas has contributed much toward bringing the

continents of the Western Hemisphere into closer contact and understanding.

In regard to specific phases of our dealings with Latin America in which the air mail service has impressed us as being of particular advantage, we would mention the following:

It frequently happens that shipments to various South American ports are made for which documents reach us only after the carrying steamers have sailed. If the consular documents are not in the hands of the proper parties at destination within a prescribed time after arrival of the steamer carrying the merchandise, the importer is often subject to a fine in order to obtain the merchandise. In such instances by sending the shipping documents by air mail we frequently have found it possible to place the papers in the hands of our correspondents before arrival of the carrying steamer at destination, and the expense of air mail is in such cases trivial compared to the loss which would otherwise have been suffered as a result of delay in dispatch of the documents.

We have also found the air mail service beneficial in handling the collection of exporters' drafts on Latin-American firms. Frequently, exporters desiring to amend their original instructions pertaining to their collection items find it convenient to have us despatch such instructions by air mail, where formerly because of the slowness of steamer-mail time it was considered necessary to send such instructions by cable, thereby incurring relatively higher expenses.

Another feature of air mail service that has impressed itself on us is in connection with obtaining credit reports on business houses in Latin America for the benefit of our exporting clients. Before the advent of air mail communication it was often necessary to rely upon brief information by cable which was followed by more detailed reports by the regular mail, which latter information was, of course, received only after considerable delay. The use of air mail in this connection has cut down the intervening period substantially.

We are pleased to give you the above information informally and with the understanding that it is not for publication.

Very truly yours,

S. E. LINNFRED, *Assistant Secretary.*

MOBILE, ALA., *May 5, 1931.*

PAN AMERICAN-GRACE AIRWAYS, INC.,
New York, N. Y.

GENTLEMEN: Answering your letter of the 1st, we have found your air mail very convenient between Mobile and Argentine. We have been able to cut down considerably on our cable bill, and get just as good results at considerably less cost.

Yours very truly,

H. M. HEMPSTEAD LUMBER CO.

MEJILLONES, CHILE.

Messrs. NITRATE AGENCIES (LTD.),
Antofagasta.

DEAR SIRS: With reference to our conversation of last Thursday regarding the "Panagra" air postal arrangements, I have pleasure in testifying to the very excellent service I have obtained from this line since I commenced posting letters to England via that route in July last and, for your information, append a statement giving the dates of leaving Antofagasta and arrival in England of each of the 44 letters that I have sent that way during the period July 17 to December 21, from which you will observe that in many cases letters have reached England 12 days after leaving your city, and the average for the whole period is less than 14½ days. The longest time that any letter has taken was 22 days, and that occurred during the Christmas season at home, when it is quite likely that letters were delayed in delivery.

I would mention that prior to adopting the "Panagra" route, I was in the habit of sending air mails to England via the south, but can assure you that, from my own experience of the two lines, I have no intention of changing from Panagra's excellent service.

Dates of air mail, Panagra service

Posted	Arrived	Time taken
		Days
July 17	July 30	13
July 20	Aug. 2	13
July 24	Aug. 7	14
July 27	Aug. 8	12
July 31	Aug. 13	13
Aug. 3	Aug. 15	12
Aug. 7	Aug. 19	12
Aug. 10	Aug. 23	13
Aug. 14	Aug. 27	13
Aug. 17	Sept. 4	18
Aug. 24	Sept. 5	12
Aug. 28	Sept. 10	13
Aug. 31	Sept. 12	12
Sept. 4	Sept. 18	14
Sept. 7	Sept. 22	15
Sept. 11	Sept. 24	13
Sept. 14	Sept. 30	16
Sept. 18	....do....	12
Sept. 25	Oct. 9	14
Sept. 28	Oct. 11	13
Oct. 2	Oct. 17	15

Dates of air mail, Panagra service—Continued

Posted	Arrived	Time taken
		Days
Oct. 5	Oct. 21	16
Oct. 9	....do....	12
Oct. 12	Oct. 24	12
Oct. 16	Oct. 31	15
Oct. 19	Nov. 3	15
Oct. 23	Nov. 8	16
Oct. 26	....do....	13
Oct. 30	Nov. 12	13
Nov. 2	Nov. 15	13
Nov. 6	Nov. 20	14
Nov. 9	Nov. 28	19
Nov. 13	....do....	15
Nov. 16	Dec. 3	17
Nov. 20	....do....	13
Nov. 23	Dec. 8	15
Nov. 27	Dec. 12	15
Nov. 30	Dec. 19	19
Dec. 4	....do....	15
Dec. 7	Dec. 29	22
Dec. 11	....do....	18
Dec. 14	Dec. 30	16
Dec. 18	Jan. 3	16
Dec. 21	....do....	13

Yours sincerely,

HILARY C. HOOD.

TROY, N. Y., *May 8, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

GENTLEMEN: In answer to your inquiry of the 5th instant, would state that we have taken advantage of your service for Colombia, Ecuador, and Panama, and occasionally for Chile. There are, of course, many advantages in the saving of time, and this is particularly noticeable when it is necessary to refer orders back to customers or representatives for confirmation of necessary changes. Handling by air mail usually saves time that can be reckoned in months and usually enables the customer to reorder much sooner than if shipment on the original order had been considerably delayed.

We also use air mail for Central America, the West Indies, Venezuela, and Brazil.

Our experience in using this service has been most satisfactory and we have no criticism to offer.

With best wishes for your continued success, we are

Very truly yours,

GEO. P. IDE, & CO. (INC.),
W. M. HUTTON,
Manager Foreign Department.

INTERNATIONAL BUSINESS MACHINES CORPORATION,
New York, April 25, 1931.

Mr. J. D. MACGREGOR,
Vice President and General Manager,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIR: The letter of April 21, addressed to Mr. J. E. Kaiser, our traffic manager, has been given to this division for reply.

We are frank to state that while numerous benefits have been derived by our organization in this country and in Central and South America, through the extensive use of the air mail, we do not recall any instance of sufficient importance to warrant its being featured.

We use the air mail extensively when communicating with our agencies and branch offices in the countries to the south. In numerous instances we have found that using the air mail service for shipments of parts and supplies meant considerable to us not only in actual dollars but also in customers' good will.

If at any time in the future we should have a case such as you are interested in, we will most certainly be glad to pass it along.

Very truly yours,

W. A. BENTON,
Foreign Division.

NEW YORK CITY, *April 22, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: Referring to your inquiry of the 21st instant, we are pleased to state that we are very well satisfied with the air mail service which you have rendered between the United States and Montevideo, Uruguay, for the past five months.

In our business it is essential that documents be mailed on the same steamer carrying the shipment, especially if it happens to be a mail vessel, otherwise the consignees are subjected to a fine assessed by the Uruguayan customs.

At times, due to last-minute deliveries to a steamer, it is a physical impossibility to have the documents go forward on the same steamer with the goods, as many shippers require their documents and drafts to be negotiated through certain banks in

this country, thus making it impossible to get the mail off in time.

Whenever such occasions arise we no longer anticipate any complaints from our clients abroad, inasmuch as the banks are authorized to dispatch the documents in connection with your air mail service and same are in the consignees' hands prior to the arrival of the vessel at the port of Montevideo.

In addition to the above, your service has also enabled us to eliminate cable expenses to a certain extent, especially when corrections are necessary on documents which have already been dispatched to destination. These corrections are sent via air mail and are in our client's hands prior to the receipt of the documents which are to be corrected.

Assuring you of our cooperation at all times, and trusting that you will be enabled to maintain your splendid service as heretofore, we are,

Yours very truly,

INTERNATIONAL FORWARDING CO. (INC.),
S. MCGEOWN.

INTERNATIONAL GENERAL ELECTRIC CO. (INC.),
New York, May 25, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City, N. Y.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

DEAR SIR: With reference to yours of April 21, addressed to our vice president, Mr. W. J. Edmonds, I am pleased to inform you that air mail between United States and South America has been of benefit to us and the use of it has steadily increased.

It has in a number of instances assisted us in making bids on large propositions where a limited time was allowed to file them.

Yours very truly,

M. TRUSTMAN.

NEW YORK, N. Y., *April 14, 1931.*

Mr. WILLIAM M. NORTH,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR MR. NORTH: We are and have been for the past two years using your air mail service to some considerable extent in our more urgent correspondence, chiefly to the countries of South America.

We find that if opportunely mailed the additional speed obtained through air mail is most valuable and forms an important link between the more expensive transmission of messages by cable and the considerably slower means of regular post.

The members of our New York staff are using air mail whenever they feel it justified and are following air mail letters with a copy through the regular mails for confirmation purposes.

It is probable that with ultimate reduction of air mail rates there will be an increase approximately corresponding to that reduction in so far as this organization is concerned.

You may feel free to use this letter as an expression of our feeling on the subject as you see fit.

Very truly yours,

THE INTERNATIONAL B. F. GOODRICH CORPORATION,
E. D. NATHAN, *Advertising Manager.*

INTERNATIONAL MINING CORPORATION,
New York, N. Y., September 2, 1930.

Mr. WILLIAM M. NORTH,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIR: It gives our firm, and myself personally, much pleasure to let you know that your air mail service is proving most satisfactory for both our outgoing and incoming mail between this office and our office at La Paz (Bolivia). It is in every way reliable and of much value to us by virtue of the saving of time over ordinary mail.

We have now become accustomed to use your air mail service for our regular weekly correspondence with La Paz, and our La Paz friends are doing similarly with their mail to us.

Very truly yours,

EASLEY & INSLEE,
By GEORGE A. EASLEY.

SAN FRANCISCO, CALIF., *May 5, 1931.*

Mr. J. D. MACGREGOR,
Vice President and General Manager Pan American-Grace Airways (Inc.), New York City, N. Y.

DEAR SIR: We acknowledge your letter of May 1 regarding the air mail service which was inaugurated on November 30, 1929, between the United States and Colombia, Ecuador, Peru, Bolivia, Chile, Argentina, Uruguay, and Paraguay.

We have not had occasion to use this service and therefore do not have any comments to offer, but if any noteworthy instances come to our attention we shall be pleased to inform you.

Yours very truly,

JOHNS-MANVILLE INTERNATIONAL CORPORATION,
W. C. THIEL, *Pacific Coast Representative.*

KANSAS CITY, MO., *May 6, 1931.*

PAN AMERICAN-GRACE AIRWAYS, INC.,
New York, N. Y.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We have your letter of the 1st instant, addressed to the attention of the writer.

In answer to your inquiry as to whether the air mail service from this country to South America has resulted in any saving of time and money, or in the securing of new business, we wish to advise that we have found it very satisfactory and a great saving of time and money in our communications with our agents in some of the countries mentioned by you with whom we are able to get in contact by air mail in matters which formerly required the sending of cablegrams.

Yours very truly,

THE KANSAS FLOUR MILLS CORPORATION.
NAMON LEON, Jr.
Export Manager.

KARDEX INTERNATIONAL, LTD., INC.,
New York City, April 17, 1931.

PAN AMERICAN-GRACE AIRWAYS, INC.,
New York City.

(Attention Mr. J. D. MacGregor.)

GENTLEMEN: We received your letter of April 13, and wish to advise you that we use air mail service to Chile and the Argentine to quite an extent. We are very much satisfied with the possibility of reaching our agents there within seven to eight days.

Yours very truly,

W. PEUCKER,
Assistant Foreign Sales Manager.

NEW YORK, N. Y., *April 21, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. J. D. MacGregor, vice president.)

GENTLEMEN: I have yours of the 13th instant, and am pleased to say that I myself had a very interesting experience in flying from the north coast of Colombia to Ecuador.

Our company and our various agents in Central and South America constantly use the air mail with great saving in time and the ability to carry through details of the business with much greater satisfaction than before this service was established.

We are still sending copies of air mail letters by regular mail. Do you consider your service sufficiently safe so that we can give up this practice?

Very truly yours,

KELVIN ENGINEERING CO. (INC.),
G. LOBO, *President.*

CHICAGO, *April 30, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: With reference to your letter dated April 21, we are pleased to advise you that we have received and sent air mail to most every country in South America, and have found your service to be a great convenience.

It is especially beneficial in that we now receive orders by air mail which were formerly sent by cable. Also, should any special circumstances arise, we learn of it sooner than heretofore.

Yours very truly,

KOTEX CO.,
W. A. FORSTER,
By Export Department.

NEW ORLEANS, *May 19, 1931.*

Mr. J. D. MACGREGOR,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR SIR: I have your letters of May 1 and May 15 addressed to Mr. C. S. Bridges, ex-export manager of this department. Inasmuch as Mr. C. S. Bridges has been transferred to another territory, I take pleasure in answering your letters.

For your information, ever since the Pan American Airways inaugurated the air mail service to Central and South America we have been using this service continuously for quotation of our prices and collections and have found this service to be not only of great assistance to us in speeding up the service with the territories under our jurisdiction but also an important medium to reduce our cable expenses.

I had the pleasure to make a trip all through Central America last year with the Pan American Airways, and inasmuch as I plan to make a trip in the very near future to Panama, Trinidad, Barbados, and the Guianas, would appreciate it very much if you would furnish me with an up-to-date sailing schedule, as well as quotations of fares from Panama to Trinidad, the Guianas, etc.

Anticipating your prompt reply, I am,

Very truly yours,

LIBBY, MCNEILL & LIBBY,
By A. O. VERBEHE,
Export Manager.

NEW YORK, *April 11, 1931.*

Mr. WILLIAM M. NORTH,
Care of Pan American-Grace Airways (Inc.),
New York City.

DEAR SIR: Referring to your recent call, we have pleasure in placing on record that we are finding the air mail to South and Central America of increasing service to us. We use it in various ways. Sometimes we write by air mail for a reply by the same route. On other occasions, where details have to be sent for a prompt confirmation, we write by air mail for a reply by cable. When the details are required from the other end subject to a prompt reply from us, we reverse the procedure. By this combined use of cable and air mail we are able to get the maximum amount of service in the minimum time at the smallest cost.

Yours very truly,

MINOT, HOOPER & CO.,
By C. TUTENBERG.

TRENTON, N. J., *May 18, 1931.*

Mr. J. D. MACGREGOR,
Pan American-Grace Airways (Inc.), New York City.

DEAR SIR: In answer to your letter of 15th instant, we wish to inform you that we have been making use right along of the air mail, to the great satisfaction of our customers and our own interests. We consider this service the filling of a gap needed for a long time in the commercial trade.

We remain, very truly yours,

J. L. MOTT COMPANY,
A. J. MIRANDA, *Export Department.*

BROOKLYN, N. Y., *April, 27, 1931.*

PAN AMERICAN-GRACE AIRWAYS (Inc.),
New York, N. Y.

GENTLEMEN: We have received your circular letter of April 21, asking us to give you any information regarding some interesting experiences of your service.

We are sorry that we have none so far but we would like to thank you for your good service and we have used it right along in our collections and sending documents when we have missed the steamers.

Very truly yours,

L. MUNDET & SONS (INC.),
———— ————, *Export Department.*

NEW YORK CITY, *May 20, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City
(Attention Mr. J. D. MacGregor.)

GENTLEMEN: We acknowledge your letter of the 15th instant and your suggestion is a good one. We are happy to say that we have already gotten accustomed to the air mail service and we find it is very effective. From time to time we will increase it as we believe it is going to help our business.

Wishing you success, we remain, yours very truly,

McKESSON & ROBBINS (INC.),
———— ————, *Vice President.*

NEW YORK, N. Y., *May 6, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York.

(Attention J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We have yours of April 29 and wish to state that the air mail has undoubtedly helped us in numerous ways. While we can not stress any one particular achievement and credit it to the air mail, we know that in every instance we have gotten payment of our drafts anywhere from 15 to 30 days quicker by the use of air mail than we did by ordinary mail, all of which means a saving in interest to us. Then again, in instances where we have missed the consignee mail, we have sent the documents by air mail and had them reach our trade in sufficient time to avoid a fine. Then, in instances where complaints of various natures in regard to our shipments have been handled through the air mail, it has been as rapid as the cable and we think more efficient, when you consider the more detailed information you can give in a letter sent by air mail as against the condensed information given in a cable.

We hope that eventually, when you have this air mail going to the height of perfection, that we may be able to eliminate our cable expense and depend upon the air mail entirely, and we believe this is the mark you should shoot at (the old saying is that if you shoot at the sky and miss, you will hit the roof, which is a pretty high mark at that) and that we may see the day not far distant when all these outlying sections of the world will be drawn very much closer or practically outside our own door by the use of air mail.

Very truly yours,

NATIONAL BISCUIT CO.,
J. C. TRACY, *Export Division.*

THE NATIONAL CITY BANK OF NEW YORK,
New York, November 20, 1930.

Hon. WALTER F. BROWN,
Postmaster General, Washington, D. C.

SIR: It has occurred to me that it may be of interest for you to learn our viewpoint on the air mail service to South America. The writer has charge of the South American district division of the bank and direct supervision of our branches in Brazil, Uruguay, Argentina, and Chile. Prior to this time I have made my headquarters in Buenos Aires in order to maintain as close contact with the branches as possible. This required more or less of a duplicate supervisory organization in both New York and Buenos Aires. Through the development of the air mail and the opening of wireless telephone service between North and South America, we have found it unnecessary to maintain headquarters in Buenos Aires, and are now directing all supervisory activities from New York, and find that same can be done from here as efficiently and expeditiously as they were formerly done from Buenos Aires before the days of air mail, and with a great many added advantages in the way of coordination with other fields of bank activity.

I personally have watched the development of aviation activities in South America with a great deal of interest. I have lived in the countries of the South American Continent for the past 12 years and have felt considerable chagrin over the fact that English and European interests have very generally gained control of both railroad and steamship holdings that were not owned by the nationals of those various countries, and in almost all cases where transportation activities were in the hands of the nationals they were government owned. There seems to be very little opportunity for American interests to obtain any foothold whatsoever in the transportation picture, and I have felt that aviation was the answer as far as American interests are concerned, and have been very happy to see the activity that American concerns have shown in that regard.

Personal observation of the operations of the American air transportation companies has instilled in me a great admiration for the manner in which they are doing their job. I have personally flown over many of the routes and I have found, on the part of the pilots and mechanics, an esprit de corps which reminds one of the stories of the "pony express" of the old days—everything being sacrificed to the rule that "the mail must go through."

The development of the mail lines, and particularly the multiple service per week instead of the once-a-week service, is fast bringing about a new form of foreign exchange bills and where, in the past, transactions have been done on a basis of cable, sight or 90-day exchange, we are now developing an air mail rate of exchange, and this is peculiarly a dollar exchange and will eventually help to establish the American dollar as the basis for international transactions in South America.

Asking your indulgence for this long letter and assuring you of our hearty support of this great development, of particular interest to American and foreign trade, which your department has done so much to foster, I remain,

Yours very truly,

BOIES C. HART, *Vice President.*

THE NATIONAL CITY BANK OF NEW YORK,
SANTIAGO DE CHILE BRANCH,
Santiago, Chile, December 31, 1930.

Re: Air mail to the United States.
GRACE Y CIA (*Chile*), S. A.,
Santiago.

GENTLEMEN: We refer to your letter of December 19, asking us for an expression of opinion on the service rendered by the Panagra in the dispatch of air mail to and from the United States.

We wish to advise you that we are making considerable use of this service and have it satisfactory.

Very truly yours,

———— ————, *Accountant.*

PITTSBURGH, PA., *April 29, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.
(Attention Mr. William M. North.)

GENTLEMEN: Referring to your letter of the 27th, we are very pleased to advise that we have found the use of air mail not only reducing the element of time in securing contact with our representation in the South American field, but also we have found that letters addressed to our various clients and forwarded by air mail receive more prompt consideration, and more careful consideration is given to their contents.

We have also suggested to our South American contacts that they help us in expediting our sales problems by replying promptly and forwarding their reply to us by air mail.

Very truly yours,

NATIONAL ELECTRIC PRODUCTS CORPORATION,
NATIONAL METAL MOLDING DIVISION,
J. D. HOIT, *Manager Export Department.*

NEW YORK, *May 5, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention Mr. J. D. MacGregor, vice president and general manager.)

DEAR SIR: Mr. Budd has referred to me your letter of April 30 relative to the air mail service the Pan American-Grace Airways operates.

The service has been very satisfactory, and we find it especially beneficial in the transmittal of shipping documents to South American countries, where the saving in time makes up for the delay in releasing them from New York.

Very truly yours,

PACKARD MOTORS EXPORT CORPORATION,
G. J. COWAN.

PARKER & CO.,
Philadelphia, Pa., July 11, 1930.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

DEAR SIRS: I have just received at 12.30, daylight-saving time, to-day, July 11, a letter which was written at Santiago, Chile, on July 4, and which, according to the postmark, was stamped at Santiago at 6 a. m. July 5.

I am amazed at the speed of your service and congratulate you most heartily.

Yours very truly,

BROOKE B. PARKER.

NEW YORK, *May 13, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. William M. North.)

DEAR SIRS: The Pan American-Grace Airways service has been of inestimable value to us since its inauguration throughout South America.

We have frequent use for this service—both mail and passenger—and at this time are glad to say that we have no complaints. If we find improvements can be made, we will take the liberty of calling same to your attention, as we believe constructive criticism will be of worth to your company in its earlier stages of progress.

Yours very truly,

RAYMOND CONCRETE PILE CO.,
C. E. BRINSLEY,
Traffic Manager.

RAYMOND & WHITCOMB CO.,
Boston, Mass., May 18, 1931.

MR. J. D. MACGREGOR,
Pan American-Grace Airways (Inc.),
New York, N. Y.

DEAR MR. MACGREGOR: Relative to your letter of May 15, it may interest you to know that practically all of our South American mail now goes forward by the Pan American-Grace Airways.

The result, as a consequence of the use of your Pan American-Grace Airways, has been excellent and has greatly speeded up our relations with our agents throughout South America.

You are assured of our every cooperation and we compliment you on the excellent service your lines are rendering.

With kind regards, we remain,

Yours very truly,

E. A. ARMSTRONG,
Foreign Individual Service.

MOBILE, ALA., *May 4, 1931.*

PAN AMERICAN-GRACE AIRWAYS, INC.,
New York, N. Y.

(Attention Mr. J. D. MacGregor, vice president and general manager.)

GENTLEMEN: We have your letter of May 1. This company does very little business with the west coast of South America. However, we believe that your service will materially increase our chances of securing business in that part of the world, and we hope that your good work will continue.

We use the Pan American Airways service between this Continent, Cuba, Porto Rico, and the east coast of South America, and we find the service to be very good and reliable.

Yours very truly,

REPUBLIC CREOSOTING CO.
By A. B. CARMICHAEL.

NEW YORK, N. Y., *April 22, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention Mr. J. D. MacGregor.)

GENTLEMEN: Answering your letter of April 21, we may state that we have for some time past used your service to South America quite extensively, and this time-saving feature has proved to be of considerable advantage in our business.

We also find that the use of your air-mail service by our connections in South America is steadily gaining ground, especially for the purpose of submitting orders where formerly cablegrams were employed. This naturally has the advantage that in an air mail letter it is possible to incorporate more detailed specifications which the high cost of cabling ordinarily does not allow.

With very best regards, we remain,

Yours very truly,

ROYAL BAKING POWDER CO.,
R. L. POLK,
Assistant Manager Foreign Division.

ST. LOUIS CHAMBER OF COMMERCE,
St. Louis, Mo., May 27, 1931.

MR. A. J. MICHENER, *Postmaster,*
St. Louis, Mo.

DEAR MR. MICHENER: Thank you for your letter of May 26, inclosing another communication from the Pan American-Grace Airways, Inc. These people are certainly doing a fine piece of work, and we are doing everything possible to encourage our exporters to take advantage of their service.

I hope you will continue to send me suggestions of this kind, so I can bring them to the attention of our members.

Very truly yours,

E. S. WAHLEN,
Director Foreign Trade Bureau.

J. & W. SELIGMAN & CO.,
New York, May 12, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.

(Attention J. D. MacGregor, vice president and general manager.)

DEAR SIRS: We have been sending by air mail for over a year practically all of our letters destined for Latin American countries, and we have found the air mail service, which has been rendered by your company, to be of great assistance to us, and satisfactory in every way. It has enabled us to save considerable cable expense; in fact, we negotiated by air mail one long contract which, had it not been for air mail service, would have had to be negotiated in large part by cable.

Very truly yours,

PHILIP E. BRADLEY.

PHILADELPHIA, *November 14, 1930.*

MR. ROBERT H. PATCHIN,
W. R. Grace & Co., New York City.

DEAR MR. PATCHIN: I recently received your letter of November 11 and am pleased to submit additional data supplementary to my previous letter of November 10 relative to the valuable service we have been able to enjoy due to the facilities offered by the Pan American-Grace Airways.

Three weeks ago we were negotiating with a firm in Chile relative to their signing a contract which ran into many thousands of dollars. We were unable to send by cable to the directors of the Chilean house sufficient details to enable them to come to a decision and it was necessary for us to write a letter of considerable length. This letter was mailed in Philadelphia on Saturday, October 25, and within approximately two weeks' time we received from them their air mail reply. Had it been necessary to handle this exchange of correspondence in the ordinary course it would have taken at least six weeks, which would have probably resulted in our losing the opportunity of obtaining the business.

Some months ago various matters of great importance to our interests came up in the Argentine. It was urgent that immediate action be taken and to make this possible we had to forward various legal documents to our representative there. He cabled us the details he needed and we forwarded them by air mail on August 14. They were in his hands by August 21. If it had been necessary to forward these by boat the best we could have done was to send them on the steamer leaving New York, August 22, which arrived in Buenos Aires, September 9. By utilizing the Pan American-Grace Airways we saved 19 days.

The majority of our orders coming from Chile, Uruguay, and Argentina are coming forward by air mail. In most cases we are able to have the goods on the water on the way to the customers before the time that we would have received the order had it been sent by ordinary mail.

The Pan American-Grace Airways service is indeed speeding up the service we can give to customers, facilitating the transaction of business and through this medium of rapid communication is making it possible for us to better protect our interests.

Very truly yours,

SHARP & DOHME,
KERRO KNOX,
Director of Sales.

SANTIAGO, *December 22, 1930.*

GRACE & CIA.,
Casilla 14-D, Pte., Chile, South America.

DEAR SIRS: In reply to your letter of the 19th of December relative to your air mail services, we are pleased to state that we have to date no complaints to make.

With the desire of cooperating with you, we would be glad to advise you of any deficiency or difficulty noted by us.

Yours very truly,

SINGER SEWING MACHINE CO.

NEW YORK, N. Y., *January 12, 1931.*

MR. WALTER F. BROWN,
Postmaster General, Washington, D. C.

DEAR SIR: It gives us pleasure to report to you that during the past few months we have been using quite extensively the air mail service to Colombia, Peru, and Chile with very satisfactory results.

This service has permitted us to communicate with our agents, traveling representatives, and customers in the above-mentioned South American countries with unusual rapidity, which has been of positive value to us in the development of our foreign business in the territories in question.

Very truly yours,

E. R. SQUIBB & SONS,
E. L. SAENZ,
Export Sales Manager.

STANDARD FRUIT & STEAMSHIP CO.,
New Orleans, May 7, 1931.

Mr. J. D. MACGREGOR,
Vice President and General Manager
Pan American-Grace Airways (Inc.),
New York City.

DEAR SIR: Your letter of May 1, requesting that we advise you of any especially interesting experience we may have had by reason of the use of your air mail service between the United States and South America:

Nothing of particular interest comes to mind other than the saving in time, which we have found very valuable, and the regularity and dependability of your service.

Should anything particularly interesting in this connection develop in the near future we shall be pleased to advise you of same.

Very truly yours,

F. G. PEAT, *Traffic Manager.*

NEW YORK, N. Y., *May 7, 1931.*

PAN AMERICAN AIRWAYS (INC.),
New York, N. Y.
(Attention Mr. W. M. North.)

GENTLEMEN: Just a few words to advise you that our representatives in Argentina and Chile are using your service regularly, and naturally it saves considerable time.

In our lines we have a wide range of style numbers and specifications which are very difficult to send by cable and, therefore, they are using the air mail exclusively. The traffic department advise that they are using the air mail service regularly for sending of documents so that papers are in the hands of the customer by the time the steamer arrives.

Yours very truly,

THE STANDARD TEXTILE PRODUCTS CO.
E. MAHN, *Export Department.*

PHILADELPHIA, *April 24, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.

DEAR SIRS: Your letter of the 22d of April has been received, referring to the service maintained by your organization between the United States and Montevideo, Uruguay, since November 30, 1929.

We regret that we have had no experience of any especial interest, which might be of use to you in the strengthening of the service, but we can assure you that we feel there is a real benefit to the development of trade between the United States and the Latin American countries in the time saved through the use of the Pan American-Grace Airways (Inc.).

Yours very truly,

JOHN B. STETSON CO.,
W. DAYTON SHELLY,
Treasurer.

NEW YORK, *May 25, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York City.
(Attention of Mr. William M. North.)

GENTLEMEN: It is with great pleasure we take this opportunity of congratulating your entire organization on having inaugurated the air mail between this country and the west coast of South America. We find this service is becoming more valuable every week, as our men located in the various cities in Bolivia, Peru, and Chile are becoming accustomed to depending upon the rapid service which was impossible in the past, particularly due to the fact a complete story could not be economically conveyed by cable and consequently it was necessary to delay matters until the regular mail was received.

We feel your service is putting us in a better position to properly develop our business relations with our southern sister republics. There are numerous occasions when matters can be carefully and diplomatically conveyed by air mail which will greatly strengthen the friendship with our valuable clients in the various territories you so completely cover. It is, of course, impossible for us to definitely establish the actual value of this service in dollars and cents; but, on the other hand, there is no question but what this service is extremely valuable to all concerns doing business in South America, and we sincerely hope nothing will interfere with the continuation of the American air mail to and from the west coast of South America.

Thanking you very kindly for the close cooperation you have given us in the past, we remain,

Very truly yours,

TURNER HALSEY EXPORT CORPORATION,
N. S. W. VANDERHOEF, *Vice President.*

JANUARY 16, 1931.

Re: Pan American-Grace Airways.
Mr. WALTER F. BROWN,
Postmaster General, Washington, D. C.

DEAR SIR: We are pleased indeed to take this opportunity to advise you that we have been making use of the above service for quite some time now, particularly on the west coast of South America, both for incoming and outgoing mail.

We have found this service not only very convenient but also reliable, and we take this means of expressing to you our appreciation of the efforts which the United States Post Office is continuously making to improve the means of communication between the United States and Central and South American countries, thereby greatly assisting our American commerce.

Yours very truly,

ULTRAMARES CORPORATION,
_____,
Manager West Coast Department.

NEW YORK, *May 13, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
122 East Forty-second Street, New York City.

GENTLEMEN: We beg to acknowledge receipt of your esteemed favor of April 28, requesting an expression of opinion from us about the air mail service between the United States and South America.

It is very difficult for us to give you at the present time any particular case from which we have derived any special benefits through the use of your service. Generally speaking, however, we have found the service absolutely reliable. Undoubtedly the saving of time, if measured in dollars and cents, would show the advisability of continually using this service. In our line of business we find that it pays to send samples by air mail to certain countries like Argentina, Chile, Colombia, and Ecuador, where the competition is greater, so that the one who has the sample first to show to the customers is able to obtain larger orders.

We are every day using more and more your service for this purpose, as well as for important mail, and it has proven time and again its advantages in the saving of time when time is of prime importance.

Yours truly,

UNITED MERCHANTS & MANUFACTURERS,
EXPORT CORPORATION,
LUIS A. DOMINGUEZ.

THE UNITED STATES PLAYING CARD CO.,
Cincinnati, May 4, 1931.

Mr. J. D. MACGREGOR,
Vice President and General Manager
Pan American-Grace Airways (Inc.),
122 East Forty-second Street, New York, N. Y.

DEAR MR. MACGREGOR: Your letter of May 1 recalls the interesting days Mrs. Coffin and I traveled in your company in Bolivia and Peru some 10 months ago. I am sorry that I have no particular interesting experiences to report regarding the air mail, which we use freely.

Sincerely yours,

LOUIS COFFIN,
Manager Export Department.

UNITED STATES RUBBER EXPORT CO. (LTD.),
New York, January 2, 1931.

POSTMASTER GENERAL,
Washington, D. C.

SIR: We have been approached by a representative of the Pan American-Grace Airways (Inc.), who is anxious to have our opinion of the air mail service being rendered by them in both directions between the United States and countries on the west coast of South America. We were also requested by them to give you the benefit of our observations, and we are pleased to state that it quite frequently happens in the conduct of our business it is necessary to avail ourselves of this service.

We have always found same to be an invaluable aid to us in addressing our customers on matters relating to the collection and payment of accounts and also in obtaining remittances in these various countries covering export shipments from New York.

It also happens that at times we are unable to place our shipping documents aboard the cargo steamer before it sails from New York, and in such instances we forward same through the medium of the air mail, as it is necessary to have these shipping documents at destination of the merchandise within a certain time after the unloading of the goods. Otherwise, storage charges accrue and also fines in certain countries, and we are pleased to state that this service has always been found reliable and satisfactory, and we consider that our using this air mail service has resulted in a certain saving to us.

Very truly yours,

_____, *Treasurer.*

SAN FRANCISCO, CALIF., *March 4, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
122 East Forty-second Street, New York City.
(Attention Mr. William M. North.)

GENTLEMEN: Your valued communication of the 19th ultimo received, having come to hand to-day the copy of the air mail map issued by your associate company, Pan American Airways (Inc.).

I assure you that this map is of great value to me, and wish to thank you for your courtesy in the matter. The expeditious service being rendered by your company is indeed quite noticeable and appreciated by those in urgent need of fast and dependable air mail communication with the South American countries.

Thanking you again for your attention, I am,

Very truly yours,

M. RIVERA, *Consul of Uruguay.*

BIRMINGHAM, ALA., *May 4, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC),
122 East Forty-second Street, New York, N. Y.

MR. J. D. MACGREGOR,
Vice President and General Manager.

GENTLEMEN: We have your letter of May 1 calling attention to the air mail service provided by your line between the United States and Central and South American countries.

We have not had occasion to use this service, and are consequently not in a position to offer any criticism or suggestions.

Yours very truly,

VIRGINIA BRIDGE & IRON CO.,
H. A. DAVIES, *Manager.*

VALPARAISO, *December 27, 1930.*

MESSRS. W. R. GRACE & CO.,
Santiago.

DEAR SIRS: In reply to your letter of the 19th instant addressed to our Santiago house, we are pleased to inform you that so far this service has proved satisfactory, as the mail has been in every case duly received and consequently we are very well pleased with this service.

We remain, dear sirs, yours very truly,

WESSEL, DUVAL & CO.,
Depto. Ventas.

WEST INDIA OIL CO.,
New York, November 26, 1930.

PAN AMERICAN-GRACE AIRWAYS (INC),
122 East Forty-second Street, New York City.

DEAR SIRS: Since the inauguration of your air mail service to Central America, Chile, Argentina, and Uruguay, we have availed ourselves regularly of this new means of communication. The results obtained have been most beneficial to our many interests, due to the great saving in time in handling matters of importance which can not be accomplished so economically nor satisfactorily by cable communication or steamer mail, as heretofore.

While our air mail postage bills have been high, we believe that an economy has been realized in the saving of cable expenses which were very high formerly, due to the fact that many matters had to be treated by cable rather than steamer mail, where time was the important factor.

We have especially benefited by the semiweekly service on the west coast of South America, and take this opportunity to express our appreciation of the excellent service your company has maintained in these mail routes.

Very truly yours,

F. B. BIGELOW, *Vice President.*

WEST INDIA OIL CO.,
Santiago De Chile, Diciembre 27, de 1930.

Señores GRACE Y CIA.,
Santiago.

MUY SEÑORES NUESTROS: Mala a Estados Unidos por avión. Haciendo referencia a su atenta 19 de Diciembre, nos es grato infomar a Uds. que a nuestro juicio el servicio de aviacion que tienen Uds. establecido entre Chile y los Estados Unidos, es de lo más eficiente y debemos decir a Uds. que ha sobrepasado a las esperanzas que nosotros teníamos sobre un servicio de esta naturaleza. A nuestro juicio, el servicio se esta haciendo con toda regularidad por lo que les congratulamos muy sinceramente.

De Uds. muy attos. y SS. SS.

F. J. BUNIEL,
Sub-Gerente General.

NEW YORK, N. Y., *December 12, 1930.*

The Hon. WILLIAM F. BROWN,
Postmaster General of the United States,
Washington, D. C.

MY DEAR MR. POSTMASTER GENERAL: Reports from the members of our organization abroad, as well as from other sources, attach considerable importance and, indeed, increasing importance to the facilities for travel and communication by established air routes—particularly American owned and controlled air routes—in Central and South America. I am informed and convinced that the success and, to some extent, the survival of American business abroad is contingent upon the continuance and further development of air transport in the hands of American interests.

Having been advised that the development of air transport to and in Central and South America has been substantially fostered by the United States Government through the medium of postal contracts, and believing that you must be interested in the value of the services thus far fostered, I am offering you this voluntary testimony of its usefulness to us.

Very truly yours,

L. A. OSBORNE,
President Westinghouse Electric International Co.

WESTINGHOUSE ELECTRIC INTERNATIONAL CO.,
New York, N. Y., December 12, 1930.

Hon. HIRAM BINGHAM,
United States Senate, Washington, D. C.

MY DEAR SENATOR BINGHAM: Having been informed that you are interested in the question of American air service to and in Central and South America, I am taking the liberty of addressing you for the purpose of offering testimony to the usefulness and value of that service.

Foreign commerce is, of necessity, of a highly competitive nature. When those European nations, whom we meet in competition abroad, began establishing air routes for passenger and mail service in and to Latin America, many of the representatives of our company, as well as others, were filled with consternation. When, however, American-controlled lines were established to provide facilities for mail and passenger travel between the United States and various points in Central and South America, and when those lines developed and maintained excellence of service, which has since come to be regarded as indispensable, we were encouraged to continue and renew our efforts abroad.

It is my understanding that this air service is, in some degree, fostered by the United States Government through the medium of postal contracts. I feel that those instrumental in bringing this about should be appraised of the effectiveness and usefulness of the service thus far established.

Very truly yours,

L. A. OSBORNE,
President Westinghouse Electric International Co.

WHITNEY NATIONAL BANK,
New Orleans, La., May 5, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
122 East Forty-second Street, New York City, N. Y.
(Attention Mr. J. D. MacGregor.

DEAR SIRS: We have your letter of May 1, and in reply wish to advise that we have been making use of the air mail service between the United States, Colombia, Ecuador, Peru, Bolivia, Chile, Argentina, Uruguay, and Paraguay for some time, to the satisfaction of everyone at interest.

We take advantage of the opportunity to request, if you have published any recent schedules in regard to this particular service, that you be good enough to favor us with one or two copies for our information and guidance.

Thanking you, we remain

Yours very truly,

R. R. BASTIAN, *Manager.*

THE WHITE CO.,
Cleveland, Ohio, March 9, 1931.

PAN AMERICAN-GRACE AIRWAYS (INC.),
122 East Forty-second Street, New York City.
(Attention Mr. William M. North.)

DEAR SIR: With reference to your call upon our office, last week, I wish to confirm the conversation to the effect that we are using your service and so far have obtained absolute satisfaction.

We use special air mail envelopes as well as letterhead paper, so the recipient is automatically notified that the incoming letter has been transported by air mail.

Very truly yours,

G. BOGART BLAKELEY,
Manager New York Export Division.

CHICAGO, *May 26, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC.),
New York, N. Y.:
(Attention Mr. J. D. MacGregor, vice president and general manager.)

With reference to your letter of May 15, inviting our attention to the use that some mailers are making of the air mail to South America. This is a practice we have made use of ever since the inauguration of air mail service to Central and South America.

Our business in Central and South America is done through 28 agencies and large plants located at Sao Paulo, Brazil, and Buenos Aires, Argentina, and we are making consistent daily use of the air mail to these points. Especially do we use air mail to those points where there has been a very decided slowing up in business.

We are absolutely familiar with this air service operated by your company and are thoroughly satisfied with the results obtained, as it is bringing us in closer contact by from 5 to 15 days than occurs by the ordinary mail of similar service.

We hope to see additional service on the foreign route No. 10 road as soon as the Post Office Department can be induced to make the necessary provision.

We trust this outlines the proposition as requested in your letter.

Very truly yours,

WILSON & CO. (INC.),
A. W. GRUNWALD,
Mail Department.

NEW YORK, N. Y., *May 14, 1931.*

PAN AMERICAN-GRACE AIRWAYS (INC,),
New York, N. Y.
(Attention Mr. William M. North.)

GENTLEMEN: We take pleasure in advising that we are using the air mail services to all of the South and Central American territories with extremely good results.

We find it very valuable in following up collections and have recently used it in connection with sales follow up, inasmuch as we believe that it will, without question, command more attention than letters sent by ordinary mail.

Yours very truly,

WM. WRIGLEY, JR., CO.,
A. C. BUELLEN,
New York Export Department.

WOODROW WILSON—ADDRESS BY NEWTON D. BAKER

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD an address by former Secretary of War Newton D. Baker, delivered at the tomb of Woodrow Wilson, in Washington Cathedral on April 13, 1932, the birthday of Thomas Jefferson.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There are, in every country, places which have come to embody great traditions; their very names sum up epochs and to them succeeding generations repair to touch again, with their spirits, the emblems of great and triumphant faiths. Often such places are significant because they evoke noble personalities and we gather there knowing that we shall not see the face or hear the voice of the great dead, but sure that memory will reassociate our spirits with theirs and revive our flagging faith, as by an emanation from a faith that never failed. We rekindle our spirits with embers from the altars where their ashes lie and in the presence of the reminders of their mortality meditate upon their immortal services to their fellowmen.

An American approaches with reverence the tomb of any man who has held the historic office of President of the United States, for each in his turn recalls a period of struggle and growth, each marks some part of the rising hope with which our country saw its own liberty made more broad and secure, its philosophy of freedom, by subtle adaptations, made more serviceable to the happiness of men everywhere. But among these there are places of especial sanctity, and already St. Albans is moving to take its place with Mount Vernon, Monticello, Nashville, and Springfield, shrines which summon memories of the great ordeals of democracy, met—it seems to us providentially—by great spiritual forces.

It was only yesterday, eight years ago, that we laid all that was mortal of him here to rest. Only 11 years have passed since he laid down the Presidency. We are too near him to measure his place in the great background of history. We are yet too much under the spell of the inspiration he gave us to make detached estimates. His spirit is still mightily at work in the hearts and minds of men; years must show the harvest of his sowing.

But those of us who lived the brave years of Mr. Wilson's public career can not be mistaken in our belief that they were years of tremendous moment; we can not be mistaken in our belief that his spirit dominated our age; and we can set down some testimony as to his vision, his lofty singleness of purpose, and the intrepidity of his spirit which will help to explain, even if it can not undertake to measure, the work he did.

It ought, at the outset, to be noted that Mr. Wilson's political education differed from that of any other man who has come to the Presidency. Almost without any other exception, our Presidents have been men of affairs, taking the world as they found it and occupying themselves in its business according to rules and practices already established. An occasional military figure has slipped into the Presidency without previous political experience, but for the most part they have been men not only of strong political faith but of long-continued partisan allegiance, graduated into the highest position after service in other legislative or executive places, and so imbued with the traditions of their party and allied to the party's working captains. Mr. Wilson, on the other hand, had lived the life of the scholar, breathing the detached air of academic surroundings. He was a party man in the sense that he had a philosopher's appreciation of the fundamental faith upon which his party was founded, a faith only rarely set forth with any fullness in its platforms. His friends and intimates were college professors and college presidents. His career as a student began at the very time when the scientific spirit and the research method were first beginning to be applied in the study of sociology and politics, and throughout his career as a teacher he and his fellows were organized into great associations of scholars who were busy reexamining and often rejecting traditional beliefs and theories in economics and politics and substituting for wise saws and ancient maxims new doctrines and new rules based upon data compiled by observing the phenomena and experience of modern life. Most of his contemporaries in other fields accepted the ancient order without question and were busy gathering its fruits. He and his academic associates, however, occupied themselves assigning recent occurrences their true place in a great historic order, discovering tendencies and changes by comparisons over great periods of time and questioning whether ancient forms and procedures were elastic enough to contain and direct the boundless new energies which civilization was developing. This gave him the detached point of view of the scholar, prevented him from having any illusions about the mere accumulation of wealth as the measure of enduring success, and, as his own field of scholarship was politics, he was equipped with knowledge and freed from prejudice in that special department of human affairs which was to be the scene of his whole public activity. It is difficult to imagine better training for a man called to leadership at a moment when the old order was changing and when the thing we call modern civilization was at a parting of the ways.

It was noteworthy, too, that while Mr. Wilson's career as a teacher brought him often into contact with groups and organizations of men of affairs, the major part of his life was spent addressing young men not yet caught up in the trammels of convention and tradition, not yet disillusioned by experience, still having the courage to take the long look, the naïveté, if you care to call it that, to believe in the possibility of improving conditions by conscious personal effort. Now, the happy effect of constant association with the young is to prolong the best part of our own youth. Successful teachers succeed perhaps because they have preserved the curiosity, the candor, and the courage of children. From this field of labor, from these associations, with these intellectual habits, Mr. Wilson went forth for years to various parts of the country making political addresses in which the virtue always present was challenge and from which the vice always absent was complaisance. Up to the time of his election, these addresses, made with increasing frequency and becoming more daring in their directness, show that Mr. Wilson remained consistently loyal to a set of principles historically derived, but that he always remained elastic as to method, in deference to the immense delicacy of the complicated social order in which they were to be applied. In his own mind there was always present a standard by which he tested the soundness and probable success of any program—will it bring young men eagerly trooping about it? He had no faith in policies which merely sought to protect and perpetuate established interests, as he had no faith in a policy which merely sought to attack established interests. His own philosophy was that every question had to be viewed from a democratic standpoint—that is, how does it affect all the people?—and that in attempting to answer that question too much reliance could not be placed in the judgment, however sincere, of those whose own immediate interests were involved in the issue under discussion.

It is possible to pick out from addresses by Mr. Wilson statements upon practically every political and economic question then or now of importance, and in retrospect they seem to have a prescience and validity perhaps not fully appreciated at the time. He declared that the old order was changing; that the political mechanisms devised to maintain popular control had become so complicated that in effect they defeated the very object of their creation; that many of the economic policies which had been at the very base of national legislation for a period of years had exhausted their virtue; that the tariff, once a policy of protection, had become a practice of patronage; that the banking system devised immediately after the Civil War had become obsolete and inadequate; that at the close of the Spanish-American War the United States had entered the family of great nations with international responsibilities and interests, and that thenceforth our life as a people had to be lived in a world which would be ruled either by cooperation or conflict. Thus his mind constantly dwelt in the higher fields of political speculation.

The people seemed to have understood him perfectly, the politicians not at all, and his nomination was not a machine-made product resulting from the traditional mechanisms of party control but one of those reassuring instances, which sometimes happen, when a tide swelling up from the minds of inarticulate people drowns out the noisy gears of mere political machinery. The merely practical politicians, the morning after the Baltimore convention, were in much the same state of mind as their forerunners were after the Chicago convention which nominated Lincoln. They no doubt asked themselves in both cases, "Now that we have this strange and unaccountable person on our hands, what can we do with him," and in both cases the answer was the same. They did nothing with him whatever, but he did everything with them, for both men were leaders with fixed principles, with vision, and with inflexible wills.

The consequence of all this was the instant assertion of a new type of leadership. The newly inaugurated President met the Congress with a program which had the orderly precision of a synopsis for a course of college lectures. He proceeded, step by step, to proposed reconstruction of the economic life of the Nation, and it was a program which did not admit giving the tenth lecture before the fifth. In the accomplishment of these reforms the President invited the cooperation of the Congress. He was not unsympathetic with the difficulties which individual members of Congress experienced from sectional and local feeling and interest, but his own largeness of view and his own courage "comforted the failing." Here at last was a man who was not politically afraid and here also was a man whose capacity for clear speech was unlimited. The White House became the lecture desk and the Princeton class, in the theory of government, became the whole people of the United States. The same sort of clarity and the same sort of candor characterized the President's utterances to the people, and the response from the people was the same sort of comprehension and the same sort of courage. The net result of all this was the passage of a great series of constructive economic measures any one of which would have been impossible under any other kind of leadership, each of which was possible because of his leadership. This is no place to enumerate, much less to appraise, these economic measures. If we can but discern the qualities of character and education in the leadership which made them possible, the whole present purpose will be served.

In like fashion the quality of his leadership is made manifest by a consideration of his attitude toward international questions. There was the same freedom from traditional restraints in his thinking, the same realization of the newness of the age and of the necessity for new procedures and even new principles. Here as in domestic affairs he moved with courage as an attitude and faith as a foundation, but here, too, he brought the scholar's passionate search for truth and the scientist's love of order. In the early days of his first administration he took new and higher ground in the field of our international relations and declined to be dominated by the theories of national interest which, up to that time, were accepted as the basis of national action. In

those early days it is possible to find the seed which later flowered into the doctrine which was his outstanding gift to the future of mankind. This doctrine was a mere application to the actions of nations of the Christian ethic, long accepted as the ideal of individual action, that he who would be greatest among men must achieve that eminence by his service to his fellows.

From Machiavelli down to the most recent times the rules of individual morality were frankly discarded by political philosophers as having no application to the actions of states. The result was an obvious anarchy in the international relations of the world, with secret diplomacy, offensive and defensive alliances, forcible partitions of weak states, and a world armed to the teeth for aggression. The traditional answer to the perils of such a situation was more and more delicate balances of power, but the efficacy of that answer collapsed when a war involving the whole world destroyed not only the lives and fortunes of countless millions of men but destroyed also the frail materialistic philosophy upon which it had been attempted to build a permanent social order. The World War was not only the greatest catastrophe ever brought upon the race by its own folly, but it revealed the fundamental insecurity of any social order built entirely upon force; and if it be true, as it doubtless is true, that the greatest loss the world sustained was its loss of faith, there is at least this comfort to be extracted from it: That the thing we lost faith in was the thing which it had at last become dangerous to believe. This was the supreme challenge of the new era—could it find the basis of a new and better faith.

Fortunately, three years elapsed before the United States was caught up in the universal disaster. During that time we realized that the accident of geography as well as our democratic institutions had set us apart and in some way made us different from other nations, but it was Mr. Wilson who found and stated the fundamental truths involved, and in a great series of messages and addresses he pointed out that our highest mission as a people would be to serve those whose differences from us had brought them to such tragic suffering. For three years he prepared this greatest nation in the modern world for a healing mission. His great hope was that by keeping ourselves free from selfish purpose we might ultimately not only bind up the wounds of the world but teach it a higher and a better way. There is not in the political literature of any people a loftier conception or a nobler hope than he gave us in those years.

Then the war came to us and immense mobilizations of the man power and material and financial resources of the Nation took place. The general attention was diverted from missions of service to fields of battle; the paramount duty of that hour was to create and support our great army overseas, and there was no faltering in the performance by the President of this stern and tragic duty. But the tragedy of the war served only to lengthen the vision and elevate the hope of the man who had become the undisputed leader of the free peoples of the world. There can be no doubt that the added weight of the fresh and fearless army of American youth shifted the balance to the Allied side; there can be no doubt that the financial and industrial strength of America sustained the almost desperate cause of the nations now associated with us who had long borne the brunt of the struggle; but the victory which was won on Armistice Day was, in its more enduring sense, a victory of ideas and ideals. Readjustments will be made in territorial dispositions and men will forget the material gains which resulted from the mere triumph of arms, but the world will never forget the struggle of a nation moved by no selfish purpose and led by a statesman who dared to foresee as the result of the conflict a new world in which the principle of liberty would be safe, the principle of justice established, and conference, arbitration, conciliation, and adjudication substituted in international disputes for the arbitrament of war.

We must not allow ourselves to be dismayed or deceived by the difficulties which faced the peace conference in Paris nor by the solutions of those difficulties, which time is showing to have been inadequate or erroneous. I am one of those who ventures to believe that some day Mr. Wilson's phrase "peace without victory" will be accepted as one of the most profound and righteous wishes ever expressed by him or any other statesman. The conference at Paris demonstrated that the sense of victory does not create a favorable atmosphere for the construction of just and enduring peace. The portions of the treaty of Versailles that were dictated by the spirit of victory are largely the parts of that treaty which still obstruct peace. Nations, like men, have emotions, are sensitive to hurts to their pride, and in moments of passion submerge their better selves. The only sort of peace which can endure must come from a recognition of virtues as springs of national action as well as guides for individual behavior. The future peace of the world can not be secured by processes which attain diplomatic successes and inflict diplomatic defeats, which inflame nations with a sense of aggrandizement or humiliate them with a sense of wounded pride. Mr. Wilson's vision of the modern world made safe rests upon the establishment of peace-time agencies which, working in the open, summon the intelligence and conscience of disinterested peoples to conciliate controversies before they have been fanned into conflagrations. It has been said of Mr. Wilson that he was a dreamer, with this difference, that he made his dreams come true. To a remarkable degree this observation applies to the bold reforms he brought about in our domestic policies and in the start he gave to the kind of institutions necessary to rationalise international relations, but his long vision of a reordered world is too profound and ultimate to be speedily accomplished. It involves a change in the psychology of the race as well as in the technique of diplomacy, it rests upon a larger diffusion of knowledge and a deeper penetration of culture, it can be accomplished only by slow steps with hesitations and falterings as the nobler ideal encounters obstinate prejudices and arouses historic fears.

To a larger degree than we commonly realize, progress in these matters has been made since the World War; and if there was at one time a disposition to discount the thing called idealism, that disposition has been chastened by our experiences of very recent years, of which all the lessons are not yet clear but which surely seem to vindicate afresh the inadequacy of a purely materialistic foundation for a modern society. These lean and anxious years seem too to show again the completeness with which the life of any modern nation is integrated with that of the nations of the world, a fact which has followed from the growth of international trade and finance, and which, in effect, extends a nation's frontiers beyond its geographical limits until they coincide with its interests in far-flung parts of the world. Implications of the dangers and of the opportunities of this new situation were implicit in Mr. Wilson's vision of the new era and in his realization that the end of the old era had come.

This 13th day of April is the birthday of Thomas Jefferson. I am speaking in the shade of the monument to Woodrow Wilson. Between the lives of these two men, throughout our national history, flows the current of a democratic philosophy, universal in its scope, propounded by the sage of Monticello. From his day until now his philosophy has battled for the dominance of the world. The tide of its advance has sometimes been retarded; here and there it has met the obstacle of new conditions, and has had to readjust itself in periods of doubt and hesitation, but each obstacle has but served to raise the tide and render its ultimate advance the more irresistible. Certain triumphant applications of it have followed each of our temptations to discard it. In the life of Andrew Jackson, as in that of Abraham Lincoln, it received fresh vindications, and in the whole of its great history it has had no more superb statement than from Woodrow Wilson, no other prophet has with greater vision extended its reach.

Again we have fallen upon days of doubt and disillusionment. Again we need the scholar's detachment and the leader's voice. For the moment we can but say to this great soldier, "Sleep on. The army which you led is still advancing, the acceptance of the doctrines you preached is still growing, the ideals you cherished are still vital, and the happier world toward which all of our faces are turned will recognize you as one of the great architects of its hope."

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199), reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a sent as such.

The PRESIDENT pro tempore. The Senator from Alabama [Mr. BLACK] is entitled to the floor.

Mr. GEORGE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Johnson	Robinson, Ark.
Austin	Cutting	Jones	Robinson, Ind.
Bailey	Dale	Kean	Schall
Bankhead	Dickinson	Kendrick	Sheppard
Barbour	Dill	La Follette	Shipstead
Barkley	Fletcher	Lewis	Shortridge
Bingham	Frazier	Logan	Smith
Black	George	McGill	Smoot
Blaine	Glass	McKellar	Steiwer
Borah	Glenn	McNary	Stephens
Bratton	Gore	Metcalf	Thomas, Idaho
Brookhart	Hale	Moses	Thomas, Okla.
Broussard	Hastings	Neely	Townsend
Bulow	Hatfield	Norbeck	Trammell
Byrnes	Hayden	Norris	Vandenberg
Capper	Hebert	Nye	Walcott
Caraway	Howell	Oddie	Watson
Connally	Hull	Pittman	

Mr. SHEPPARD. I desire to announce that the Senator from Missouri [Mr. HAWES] and the Senator from Colorado [Mr. COSTIGAN] are unavoidably detained from the Senate. I also desire to announce that the junior Senator from Utah [Mr. KING] is absent by reason of illness.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is still detained from the Senate in attendance upon the disarmament conference at Geneva.

The PRESIDENT pro tempore. Seventy-one Senators having answered to their names, a quorum is present.

Mr. BLACK. Mr. President, it is my intention to discuss the two phases of the Bankhead-Heflin contest separately. First, I wish to address my remarks to the attack which has been made upon the Alabama primary and to the position taken by some of the Senators as to its effect upon the election of a Senator in Alabama. We come before the Senate with that proposition in a strange and peculiar way. The objection is made by the Senator from Delaware [Mr. HASTINGS] in his minority views, and yet the Senator from Delaware declines to take the position on the floor, in line with what would seem to be the recommendation which he places before the Senate, that it should affect the seating of the junior Senator from Alabama [Mr. Bankhead].

On yesterday, in response to my inquiries, the Senator from Delaware declined to comment at all upon what he thought should be the effect of the alleged illegality of the Alabama primary and as to whether or not it should result in the unseating of the junior Senator from Alabama. We, therefore, must be led to the conclusion that this part of the views of the minority was placed in the RECORD not because the Senator from Delaware believed that it should result in the unseating of the junior Senator from Alabama, but because the thought possibly occurred to him that there might be some in the Senate to whom this particular argument would appeal. In other words, it is the same proposition that we have heard sometimes with reference to tariff legislation. If the proponents of a certain measure can not obtain the votes by one method, they try another, even if it be necessary to advocate something which personally they do not favor.

Mr. President, the assertion is made that, by reason of the resolution adopted by the Democratic executive committee of Alabama, the primary in that State was void, and that, therefore, no legal right arose in any nominee of that primary to have his name placed upon the ticket. That being conceded by those who present the proposition, since such nominee could not have his name legally placed upon the ticket, it would naturally follow that he could not be legally elected.

In the outset I might state that both the junior Senator from Alabama [Mr. Bankhead] and myself took a position within the party in Alabama opposed to the particular resolution of the Democratic executive committee. The committee, however, adopted the resolution; every member of that committee who voted for that resolution and submitted himself to the Democrats of Alabama was renominated for his position, and every member of that committee who ran for any other office in Alabama who submitted himself to the Democratic voters of that State was nominated by the Democrats. We therefore start out with the natural assumption that the rule was approved by the Democrats of Alabama.

Mr. BORAH. Mr. President, will the Senator from Alabama yield to me?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BLACK. I yield.

Mr. BORAH. Do I understand the Senator to say that the junior Senator from Alabama [Mr. Bankhead] opposed the adoption of the resolution adopted by the Democratic State committee?

Mr. BLACK. He did so in an open statement in the press. That was before the resolution was adopted. After the resolution was adopted, the junior Senator from Alabama took the position that the committee had acted, and that he was bound by the resolution. I took the position that it should be tested in the courts. It went to the courts in two cases. The first was in the nature of an injunction against the holding of the primaries, which petition was filed by Judge Horace C. Wilkinson, who is the attorney for the contestant in this case. The Supreme Court of Alabama held in that case that an entire election or primary could not be enjoined by a voter. I assume that every lawyer will readily conclude that when the court took that action it necessarily implied on their part the belief, as was later demonstrated in the Lett case, that the primary was not wholly void. Of course, if the primary had been wholly void, as has been suggested, then the probability is that the court would have taken another position.

Later another case went to the court, the case of Lett against Dennis. Bear in mind that the question raised was that section 612 of the Alabama Code, as construed by me and as construed by others, meant that the qualifications for voters and the candidates should be the same. A different qualification was set up in the Democratic primary; a different qualification was set up in the Republican primary in Chilton County; there was a variation in the rules provided; but the underlying fundamental principle was in both, the rule in the Alabama Democratic primary being that no candidate could offer for office in that primary without stating that he had voted the Democratic ticket in the last general election or that he had not in the election openly opposed the nominees or candidates on that ticket. Such a qualification was not imposed upon the voters.

The rule as prescribed by the Republican committee of Chilton County provided that a candidate must file a certificate under oath stating whether or not he had supported the Republican Party ticket in the last general election. No such test was imposed upon the voter. So, in each instance, we find that both the Republican Party and the Democratic Party promulgated rules prescribing different tests and qualifications for the candidates of those parties than were imposed upon the voter; in other words, there was a restriction upon the candidates in both parties which was not imposed upon the voters.

The Republican resolution was taken to the Supreme Court of Alabama by a proper legal proceeding, which was mandamus. A man sought to be a candidate and he took the position that a different qualification had been required of him than on the voters, that a more stringent test had been imposed upon him in that he was compelled to swear to something that a voter would not have to swear to in order to enter the primaries. That case, as I recall, was presented by Mr. Arthur B. Chilton, who later appeared in the record here as one of the representatives of the contestant in this case. The supreme court held in that case, as was admitted by Judge Wilkinson, that the political party had an absolute right to fix reasonable qualifications for the voters. It did not go to the extent of determining what was reasonable and what was not reasonable, except to hold that in that case the resolution of the Republican committee was a reasonable regulation, and that it was the uniform rule that parties had the right to exact tests of party loyalty.

That being true, we have an opinion from the Supreme Court of Alabama, which the attorney for the contestant accepted and admitted to be binding in this case, that the Democratic committee acted within its legal right in requiring every candidate in that primary to file a certificate under oath that he had both supported the Democratic ticket and had not openly or publicly opposed the nominees of that party.

So we have advanced this far with the knowledge that in so far as concerned the action of the Democratic committee in excluding Senator Heflin, who could not make the oath, it acted within its legal rights.

That being true, let me also call attention to the fact that it has been all the time insisted upon in this case, in order to reach the conclusion that Senator Bankhead was not the nominee of a legal primary, that the resolution was wholly and completely void. But that can not be, because the Supreme Court of Alabama has held—and I insist that in so far as this case is concerned, the Supreme Court of Alabama is the supreme tribunal of this Nation—that the resolution was not completely void, and that, if it had any effect beyond that which the committee should have provided, it was merely to admit voters into the primary under the resolution who might be automatically barred by section 612.

That being true, let us see what is the result. Let us assume, as the attorney for the contestant insists, that the res-

olution, because it required a certain test for a candidate, automatically applied that test to a voter. What would be the result? If a voter had presented himself to the election managers and clerks and some one had asked, "Did you vote the Democratic ticket in 1928, or did you openly oppose the nominees of the Democratic Party?" and if he declared that he had opposed them, that voter would have been subject to challenge. Assuming, as I stated, that the contention is correct that the barring of the candidate automatically bars the voter, the remedy was by challenging the voters who had been improperly admitted into the primary.

Now, going a step farther, after the courts had acted, the record shows that the contestant in this case——

Mr. BRATTON. Mr. President, will the Senator yield before he leaves that point?

Mr. BLACK. I yield.

Mr. BRATTON. The effect of the action, if it was illegal, was not to vitiate the primary but to permit persons to vote who otherwise would not have been entitled to vote.

Mr. BLACK. It was to have a provision in the resolution which would permit them to vote; but if the law intervened, and made it illegal for that particular one to vote, then that voter would have been subjected to challenge.

Mr. BRATTON. Of course. The point I made, however, was that the effect of the resolution was to enlarge the right of suffrage beyond the scope permitted by the Alabama law.

Mr. BLACK. The Senator is absolutely correct.

Mr. BRATTON. In other words, it merely permitted persons to vote who, under a strict interpretation of the law, if that view is correct, were not entitled to vote.

Mr. BLACK. The Senator is absolutely correct. If the construction placed upon the statute by the attorney for the contestant was correct, it would have restricted the voters to those who filed affidavits and sent them to the chairman of the Democratic executive committee that they had not opposed the Democratic nominees in the last primary.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BLACK. I yield to the Senator.

Mr. BORAH. Did I understand the Senator from Alabama to indicate that the Supreme Court of the State of Alabama had really determined the legal proposition involved here?

Mr. BLACK. The Supreme Court of Alabama determined exactly this: I can not answer the Senator with a "yes" or "no," but I will state exactly what was judicially determined. They judicially announced that in so far as the resolution affecting the candidate was concerned, the committee was within its rights. They said that this candidate from Chilton County could not complain if they had gone farther than they should with reference to the voters. That was the holding of the court.

Mr. BORAH. Mr. President, I am one of those who entertain the view that the Senate has the right to inquire into the legality of the primary where that primary has to do with the qualifications of the candidate who is asking a seat in this body; and, frankly, the question which disturbs me most in this controversy is whether Senator Bankhead's name was legally upon the ticket by reason of the action which was taken with reference to the question of qualifications. As I see the matter, unless his name was legally upon the ticket, he could not be a candidate; and I hope the Senator will address himself particularly to that matter for the benefit of some of us who are interested in it.

Mr. BLACK. I have sent for the case of Lett against Dennis, which I shall read when it comes, which pointedly holds that section 612 gave to the Democratic committee or to the Republican committee the absolute right to fix the qualifications of the candidates; and it was under a rule of the committee, adopted in line with that, that Senator Bankhead's name was upon the ticket. When I receive the opinion, I shall read it for the benefit of the Senator and of the Senate. In the meantime, however, until it arrives I will advance one step farther.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question at that juncture?

Mr. BLACK. I yield to the Senator.

Mr. ROBINSON of Arkansas. Was it not conceded by counsel for the contestant that the committee had the power to fix any qualifications for a candidate that the committee desired to fix?

Mr. BLACK. It was conceded by the counsel for the contestant at about seven or eight different places in the record that the committee did act within its rights in fixing the qualifications for its candidates.

Mr. ROBINSON of Arkansas. Will the Senator yield further?

Mr. BLACK. I yield.

Mr. ROBINSON of Arkansas. May I point out to the Senator from Idaho, who made the inquiry, that on page 3 of the report submitted by Senators GEORGE and BRATTON from the Committee on Privileges and Elections I find this statement:

> On page 126 of hearings, Part I, counsel for contestant stated in oral argument:
> "I have conceded, gentlemen, that the committee may fix any qualifications for a candidate they want to."

May I add that that concession by counsel for Mr. Heflin follows the rule set up in the Lett case.

Mr. BLACK. The Senator is correct. I have the Lett case now, and I will call the Senator's attention first to this feature of the resolution:

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Indiana?

Mr. BLACK. I do.

Mr. ROBINSON of Indiana. Before the Senator starts reading from that case, will he permit a question from me as to his own view?

Mr. BLACK. I stated my views while the Senator was out, and I am stating my views now.

Mr. ROBINSON of Indiana. I had reference to what has been published a number of times, Mr. President.

Mr. BLACK. I understand what the Senator has reference to, and I have already stated my view.

Mr. ROBINSON of Indiana. What I am getting at is this: I should like to know from the Senator from Alabama—because I have not heard him say anything about it yet—whether or not the views attributed to him, published in the report submitted by the Senator from Delaware [Mr. HASTINGS], are true; whether he took the position that the committee in Alabama had acted beyond any authority that it had in this matter.

Mr. BLACK. If the Senator had been here when I began, he would have heard me make that exact statement.

Mr. ROBINSON of Indiana. I was absent. That is the reason why I was asking the Senator now if he would be good enough to reiterate what he said then.

Mr. BLACK. I do not care to reiterate what I said. The Senator can read it in the RECORD.

Mr. ROBINSON of Indiana. Does the Senator take a different position now than that which he took then?

Mr. BLACK. The Senator does not. The Senator has not. The Senator took the same position then that he takes now. He took the same position in the election in Alabama, all over the State, that he takes now.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. I heard what the Senator said this morning. Is not that contrary to the position he took when this resolution was adopted by the Democratic committee in Alabama?

Mr. BLACK. The Senator knows that it is not, if he heard what I said.

Now, Mr. President, going to the subject to which the Senator from Idaho [Mr. BORAH] referred, in the first place, if the part of the resolution with reference to the voter

failed to include sufficient qualifications, and if it be true that fixing the qualifications for the voter automatically fixed the qualifications for the candidate, then that part of the resolution would have been mere surplusage, because the law would govern. It would not have affected, or according to the decision of the court did not affect, the entire resolution, because the supreme court has held that the committee had an absolute right to fix the qualifications of the candidate, as I shall now read (129 Southern, p. 36:)

It is further suggested that under section 612 of the code, the qualification of the voter is automatically fixed the same as the candidate and that the resolution in question is violative thereof. But that section is not in any manner here involved and a consideration of this insistence as to its proper construction unnecessary. Petitioner seeks relief as a candidate and not otherwise. Any matter affecting those not candidates would in no wise alter petitioner's status.

We have concluded the standard of qualification for the candidate is properly and legally fixed by the resolution, and petitioner's argument would but result in an enlargement by operation of law of the qualifications of those not candidates. With this, he is not concerned, and is therefore in no position to question as it would not affect the requirements of the resolution as to himself. His rights are to be determined by the fixed standard as to candidates, and the only statutory provision applicable thereto is section 672 of the code.

In other words, the court held that the resolution prescribing a different qualification did not make the election void, because, if it had made it void, mandamus would not have been a remedy. There would have been no remedy to apply for a void election.

Mr. BORAH. Mr. President——

Mr. BLACK. I yield.

Mr. BORAH. Am I correct in assuming that it is admitted all through the record that this committee had the absolute power to fix the qualifications of the candidates?

Mr. BLACK. The Senator is correct. It was admitted by the attorney for the contestant.

Mr. BORAH. It is also true, is it, that the supreme court decided in this particular case that the committee had the power to fix the qualifications of candidates?

Mr. BLACK. The supreme court decided in the Chilton County case, which I have just read, under the resolution which I defined a few moments ago——

Mr. BORAH. That they had the power to fix the qualifications of candidates?

Mr. BLACK. They did.

Mr. BORAH. The supreme court did not decide what effect the balance of the resolution had upon the voter?

Mr. BLACK. The supreme court said that he was not the proper one to pass upon that.

Mr. BORAH. But it settled the question as to the candidate?

Mr. BLACK. It settled it finally and decisively and is so admitted by the attorney for contestant.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. ROBINSON of Arkansas. The supreme court in the Lett case held that the candidate could not raise the question as to the effect upon the voter.

Mr. BLACK. The Senator is correct.

Now, Mr. President, I desire to read from a part of the decision of the Senate in the contested case of Senator Mayfield, from Texas. The Senate unanimously, as I understand—I may be mistaken; it may not have been a unanimous vote—but I have understood that Mr. Mayfield was unanimously seated.

Mr. ASHURST. He was.

Mr. BLACK. There was a unanimous report of the committee on both sides. In that contest the question was raised that is raised here, and the committee of the Senate decided as follows:

The contestant complained of the law and practice in Texas which prevented any member of a party from voting at a primary election who had not voted, if he voted at all, for the regular party ticket at the last preceding general election.

It was claimed by the contestant that except for this rule Mayfield would not have been nominated at the primary. Similar regulations are in force in other States, and your committee has no doubt as to the power of a party or of a State to make such regulations if they see fit so to do.

Mr. President, in so far as the Senate is concerned, it will be noted that it has passed upon this exact proposition; but let us advance to the next step.

Considering, now, that the primary was held, is it the duty of the Senate now, even if the primary should have been wholly and thoroughly illegal, to unseat Senator Bankhead because his name was placed upon the ticket from what would be claimed to be an illegal primary?

Mr. LOGAN. Mr. President——

The PRESIDING OFFICER (Mr. NEELY in the chair). Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. BLACK. I yield.

Mr. LOGAN. Before the Senator goes into that, I want to get the matter clear in my mind. There is no doubt, as I gather from what the Senator says, that the party committee in Alabama had the power and the right to prescribe qualifications for a candidate in the Democratic primary. There is no doubt about that, is there?

Mr. BLACK. The statute so provided.

Mr. LOGAN. And the Alabama Supreme Court has so held?

Mr. BLACK. It has.

Mr. LOGAN. If that is true, does it not follow, as a matter of course, that Senator Bankhead's name was undoubtedly legally on the primary ballot? There can be no doubt of that, can there?

Mr. BLACK. I think the Senator is absolutely correct about that.

Mr. LOGAN. Then one step farther. The only difficulty that could arise would be that illegal votes were cast in the Alabama primary, under the resolution of the committee?

Mr. BLACK. The Senator is correct.

Mr. LOGAN. Who would have the right to raise the question about that except in a contest over the nomination, by some Democratic voter or some Democratic candidate? Could some one other than a member of the Democratic Party raise that question at all?

Mr. BLACK. It could be just as well raised by Mr. Street, the Republican national committeeman. The Senator is absolutely correct.

Mr. LOGAN. Let me ask the Senator this further. If some one who was not eligible as a Democrat under that primary could raise the question, would not a Democratic candidate, after an election, have a right to say that a Republican candidate who obtained his nomination in a Republican primary had illegally obtained his nomination because illegal votes were cast in the Republican primary?

Mr. BLACK. There are probably some voters down in Chilton County, Ala., who might like to raise that question.

Mr. LOGAN. If that be true, would not that leave Mr. Heflin, who was entirely on the outside after that resolution was passed, without any authority to raise any question about the primary, as long as there was a legal primary?

Mr. BLACK. The Senator is correct.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Idaho.

Mr. BORAH. I want to ask the Senator from Kentucky a question. Of course, if it is admitted that it is a legal primary to start with, everything else followed in accordance with the views expressed by the Senator. But is it the view of the Senator from Kentucky that under section 612 the committee had the power to fix the qualifications of a candidate for the Senate?

Mr. LOGAN. I have no doubt about it.

Mr. BORAH. If they failed to do what they ought to have done with reference to the voter, it is the Senator's contention that that would not affect the legality of the candidacy of the candidate?

Mr. LOGAN. That is exactly my contention. The Senator has correctly stated it.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. Before passing to the effect, and before leaving the proposition that this was a lawful resolution, I would like to ask the Senator again whether he made this statement; and if so, whether his present argument does not satisfy any reasonable person that he had changed his mind?

Mr. BLACK. I do not care to go into the question with the Senator, of whether or not I have changed my mind. The Senator can place that in the RECORD. The Supreme Court of Alabama is the supreme court of my State.

Mr. HASTINGS. Will the Senator permit me to ask the question——

Mr. BLACK. I will not permit the Senator to read my statement at this time. He will have plenty of time.

Mr. HASTINGS. I do not propose to do that.

Mr. BLACK. It has no effect upon the argument that I am making. It is wholly disconnected with it. I have stated my view, and it is in the RECORD, and I do not care to be diverted from the discussion which I am making by something which the Senator wants to put in which is wholly beside the issue.

Mr. HASTINGS. I should like to ask, if the Senator will permit to read one line of it——

Mr. BLACK. I do not yield to the Senator any further. The Senator can talk when I have finished, he and the Senator from Indiana [Mr. ROBINSON], to their hearts' content. Evidently, that must be nearly all the Senator from Indiana has read, because he stated yesterday on this floor that the report of the Senator from Delaware showed rottenness and corruption in every precinct in Alabama, and the Senator from Delaware would not back it up when I challenged him to do so on the floor.

Mr. BRATTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. BLACK. I yield.

Mr. BRATTON. Before the Senator leaves the phase of the question he was discussing when the Senator from Kentucky and the Senator from Idaho addressed certain questions to him, I desire to understand the view of the Senator—and I think his view and mine are in perfect accord. Let us assume that in 1928 there were 300,000 Democrats in Alabama, 200,000 of whom voted the Democratic ticket and 100,000 of whom did not. The effect of the resolution adopted by the committee in 1930 would be to prohibit anyone going on the ticket until he made an affidavit that he supported the nominees of the party in 1928, and if the interpretation of the statute argued by counsel for the contestant is correct, it automatically permitted the 200,000 Democrats who supported the ticket in 1928 to vote in the primary of 1930. It likewise automatically excluded the 100,000 voters who failed to vote the ticket in 1928. But the committee's action merely resulted in permitting the 100,000 voters to participate in the primary. That was the only effect of it. It did not affect the validity of the primary or the qualifications fixed for the candidate but merely resulted in letting persons vote who, under a strict interpretation of the law urged by counsel for contestant, would not have been entitled to vote.

Mr. BORAH. Mr. President, the Senator's contention is that permitting them to vote would not render the primary illegal?

Mr. BRATTON. That is correct. They could be excluded as any other illegal ballot is excluded. That is my view of it.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BLACK. I yield.

Mr. BORAH. It seems to me pretty well settled by the law and by the construction of the law placed upon it by the different parties that, so far as the candidate was concerned, the committee had control of his qualifications.

Mr. BRATTON. Undoubtedly.

Mr. BORAH. The contention is that the qualifications fixed for the candidate must necessarily be the qualifications of the voter.

Mr. BRATTON. Of the voter.

Mr. BORAH. But if the resolution failed to make the qualification of the candidate the same as that of the voter, or vice versa, the contention of the Senator from New Mexico is that that did not render the primary illegal?

Mr. BRATTON. That is my contention.

Mr. BORAH. And the candidate was still regularly on the ticket?

Mr. BRATTON. And the primary was legal.

Mr. BORAH. And the primary was legal?

Mr. BRATTON. That is my view, and if the committee made a mistake of law which resulted in enlarging the right of suffrage instead of restricting it, it resulted in permitting persons to vote who under a correct interpretation of the law were not entitled to vote.

Mr. BORAH. In other words, even though a man voted for Mr. Hoover in 1928, under this resolution he could have voted in this primary?

Mr. BRATTON. Yes. Under the hypothetical case I stated a while ago 100,000 persons would have been permitted to vote in the primary of 1930 who were not entitled to vote if the construction of the statute contended for by counsel for the contestant is correct.

Mr. BLACK. Mr. President, advancing to the next step, it is well to call attention to the fact that whatever was the result of the primary, whatever was its effect, after the action had been taken the contestant in this case organized an independent party. That party was organized in Alabama, and he and two State senators were nominated by it, as well as various county candidates.

There was no effort made to prevent placing Senator Bankhead's name upon the ticket in November, because the record shows that the contestant at that time concluded to take his case to the supreme court of the people of Alabama. The courts were open. Every court in Alabama that had jurisdiction was open to consider the case to prevent placing the name of Senator Bankhead upon the ballot. But it was concluded that the case should be taken to the people of Alabama. Senator Bankhead's name was placed upon the ticket without the slightest objection. There was no suit at law started in any court in that State, there was not a murmur heard in any court, but all over the State there reverberated eloquent appeals, not that the courts should declare the primary illegal, but that the people themselves should repudiate the action of the Democratic committee.

Mr. President, it would seem a strange thing, in a country where the people are supposed to rule for it to be held that it is not necessary to go into the courts and exhaust one's legal remedies, but that he can take his chances with the voters, placing a State to the tremendous expense of a statewide election and thereafter overturn the express will of the people as declared in this form of government under which we live.

It is no strange and novel doctrine that the people themselves shall control. It is the doctrine of democracy. It is the uniform law of every State in this American Union that if a man gets his name on a ballot, even though it may have gone to the ballot in an illegal method, and no effort is made to restrain it, and there is a proper legal remedy, that the voice of the people shall prevail.

That is not at all different from the ruling of this body in the two cases from Illinois and Pennsylvania. There is a distinction which is clear to everyone familiar with those cases. The Senate is the judge of the qualifications of its own Members. The adherents of the contestant have examined the State of Alabama from end to end and from center to circumference; they have summoned witnesses; threats have been made, but there has not come into this record any evidence of the unlawful expenditure of money. It is not shown that 25 men or women in Alabama were even offered money for supporting county tickets in 67 counties in that State.

We are presented here with the strange and anomalous situation of a candidate taking his battle to the people and losing before the people and then coming before the Senate of the United States and presenting the claim that after the people have ruled adversely to him he will then go back and retroactively attack a primary which was not attacked when the opportunity was there to mandamus to prevent the name of Senator Bankhead going on the ticket. There is no question but what mandamus was the proper remedy. That was held in the case of Lett against Dennis, and is backed by numerous authorities in every State in this Union.

Mr. President, it is interesting to know that the Senator from Delaware has heretofore taken the position in cases of this kind that the State should be permitted to select its own Senators. I desire to read from a part of a speech made by the Senator from Delaware on December 19, 1929. He said:

> But let us pass from this for the moment to a question that is still more dangerous, and that is whether a State shall be permitted to make its own choice of its representation in the Senate or whether it shall be compelled to adopt the ideas and the standards fixed by the Senate itself. I think every man and woman must admit that this ought to be the right of every State in the Union. I believe that everyone believes that the framers of the Constitution of the United States so intended.
>
> One has but to take a glance at the personnel of the Senate, the ideas they represent, and the States from which they come, to realize the necessity of this rule. As an illustration, it would be inconceivable that the people of the State of Pennsylvania would ever elect to the United States Senate a man holding the ideas and preaching the doctrines that are held and preached by the senior Senator from Nebraska. It would, on the other hand, be equally inconceivable to believe that the people of Nebraska would send to the United States Senate a man holding the ideas and preaching the doctrines of the senior Senator from Pennsylvania.
>
> In the Newberry case Mr. Justice McReynolds, in holding the statute [primary elections] void, stated: "We can not conclude that authority to control party primaries or conventions for designating candidates was bestowed on Congress by the grant of power to regulate the manner of holding elections. The fair intendment of the words does not extend so far. The framers of the Constitution did not ascribe to them any such meaning, nor is this control necessary in order to effectuate the power expressly granted. On the other hand, its exercise would interfere with purely domestic affairs of the State and infringe upon liberties reserved to the people.
>
> It will be observed from this statement of the court's opinion that the Congress in enacting such a law had exceeded its authority and therefore left the matter of nominations in the hands of the State.
>
> Are the States of this Union—

Said the Senator from Delaware—that is, he said it before these horrible irregularities of writing with a pencil instead of a pen projected themselves before his vision—

> Are the States of this Union to be put in the position of submitting a questionnaire to the Senate of the United States before it goes to the trouble and expense of electing one of its citizens as a representative in that body?
>
> The average schoolboy would say that when a man presents himself to the Senate with proper credentials, he takes the oath of office regardless of what may have been said about the irregularities of the election, and that having taken the oath of office it takes a two-thirds vote of the Senate to expel him.
>
> In exercising this power [as judge of the election] it becomes the duty of the House of Representatives and of the Senate to act solely in a judicial capacity, separate and distinct from their capacity as legislators. There is no legal appeal.

Mr. President, we have reached the point with reference to the primary. I should like for those who are interested to read in the brief some cases from almost every State in the Union holding the same thing, that if there is a legal remedy to prevent the placing of a name illegally upon the ballot, it must be taken advantage of before the matter is submitted as an issue to the votes of the people. The courts take the position that if one does not let it be decided in that way, then he is depriving the people of the right of franchise. There was one case which originally held to the contrary, but that State abandoned the theory. That was the State of Montana. I have a list here of the States which have so held, as follows: Massachusetts, Missouri, Nebraska, Idaho, Texas, Kansas, Ohio, Montana, Indiana, Michigan, Colorado, Mississippi, Kentucky, South Dakota, Rhode Island, Wisconsin, and even in far-off Honolulu—Ruling Case Law, and Corpus Juris. The rule is universal and it is natural that it should be. Let us picture the situation.

Here is a situation where a man determines or desires to run for a certain office. He sees where another man has been, as he conceives it, illegally placed upon the ticket. Perhaps he conceives that being placed upon the ticket in that way it will give himself an advantage. He knows that the court is open to him, that he can go into court and file a proceeding to enjoin the placing of this name upon the ballot. But instead of doing that he says, "I will take the case to the people and I will carry my message to the people all over my State. Then, after the State has been put to the expense of an election, if the voters decide against me I will go back behind their action and attack the manner in which the name was put upon the ticket."

Strange, indeed, is the committee report which can reach the conclusion that under circumstances like those, when there is nothing to reflect upon the man whose name was placed upon the ticket, that the committee must disregard the views of the people and overrule their wishes merely because of the fact the candidate was willing to submit it to them and take his chances.

Mr. President, let us advance now to the question upon which the Senator from Delaware [Mr. HASTINGS] evidently bases his objection. He does not base it upon the primary. He has declined to state on the floor of the Senate that he does base it upon the primary. He bases it upon "shocking violations of law." Let us for a few moments see what are those "shocking violations of law" which have so disturbed the sensibilities of the Senator from Delaware.

In the first place he makes the statement that there were 15.2 per cent of the votes cast in the primary that were illegal. I desire to present to the Senate very briefly the basis for that statement made by the Senator from Delaware that there were 15.2 per cent of the votes illegal. He bases it on this theory: In Alabama a list of qualified voters is made up by the probate judges. That list is published every two years. It is made up in May. The list of the voters on the poll list is furnished to the election managers and clerks at the polls. Frequently there will be a variation in transcribing the thousands of names. A voter's name may be on the poll list as "J. E. Jones." He may be known as "John Jones." They place his name on the poll list as "John Jones." It may be that it is the voter's wife and that her name appears upon the poll list as "Mary Jones." She may be known as "Mrs. J. E. Jones." They write her name as "Mrs. J. E. Jones." The Senator from Delaware and his supervisors have taken out every name where it does not correspond in that way, and they class such names as illegal voters. We have here in the record the lists of the voters from two counties classified by the Senator from Delaware as illegal. I have in my hand a report made by the probate judge of Colbert County. He shows that out of 44 names which have been classed as illegal by the Senator from Delaware, all but three are qualified voters in that county, and he did not take the time to go out and hunt up the particular three.

Let us go to a very striking illustration from Macon County. I desire particularly to invite the attention of the Senator from Indiana [Mr. WATSON] to this illustration. It might be interesting to him. The supervisors appointed by the committee have given us a list of the voters classed as illegal voters in Macon County in the general election in November, 1930. I hope the Senator from Indiana will listen to this illustration. The probate judge has supplied the list. I want to disclose the ridiculousness of the statement of the Senator from Delaware that there were 15.2 per cent of the voters illegal.

Here is a qualified list of Macon County, Ala., which is in the files of the committee. We find in that poll list, for instance, the name of R. R. Moton. He is the head of the Tuskegee Institute. He is well known. He is evidently called "Dr." R. R. Moton in Tuskeegee, and so when he voted the election clerk placed his name on the list as

"Dr." R. R. Moton. Here he is on the list and his name can be found here on the list, but the Senator from Delaware [Mr. HASTINGS] has listed R. R. Moton as one of the illegal voters in Alabama merely because his name was written as "Dr." R. R. Moton instead of being written merely as "R. R. Moton."

That is a sample of the 15.2 per cent of illegal votes which the Senator from Delaware has flaunted all over the Nation. The only difference between the name as it appeared on the poll list and on the list of qualified electors is the difference between R. R. Moton and Dr. R. R. Moton.

The record shows that he voted the Democratic ticket in the general election. We find these lists in the files of the committee and I have them here for anyone who desires to see them.

Mr. SHORTRIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from California?

Mr. BLACK. Certainly.

Mr. SHORTRIDGE. Did I understand the Senator to state that the voter just named voted in the general election?

Mr. BLACK. Here is his name on the poll list. Yes; he voted.

Mr. SHORTRIDGE. Did I understand the Senator to say that he voted the Democratic ticket?

Mr. BLACK. The Senator should so understand, according to the record.

Mr. SHORTRIDGE. But he was not permitted to participate in the Democratic primary?

Mr. BLACK. Is the Senator objecting to that?

Mr. SHORTRIDGE. I am merely asking if that be not so.

Mr. BLACK. I am asking if the Senator objects to it.

Mr. SHORTRIDGE. I do, if the Senator insists on knowing my position.

Mr. BLACK. Does not the Senator think the Democrats of Alabama ought to have the right to determine who shall vote in the Democratic primary?

Mr. SHORTRIDGE. Yes; but it ought to be understood that the Democrats of Alabama, represented by their committee, would not permit a colored man or woman, though native born, taxpayer, law-abiding, to participate in the Democratic primary, but when it comes to the election they invite and perhaps receive some of their votes. I merely wanted to have it clearly understood in respect to the primary and the general election.

Mr. BLACK. Here is the qualified poll list and here is the report made of these "startling and shocking" illegal voters who have been classed as illegal voters because, perchance, their initials do not conform to the initials on the list or because, perchance, they are put down on the list, as in the case to which I have just invited attention, where the name is written as "Dr. R. R. Moton" instead of "R. R. Moton."

It is interesting at this point to note that although the Senator from Delaware [Mr. HASTINGS] took the position yesterday afternoon that he was basing his charge of illegality largely upon these voters, that he did not attach any particular significance to it some time ago when Senator Bankhead asked if he wanted the evidence procured in Alabama to show that they were not illegal, because it will be found in the majority report on page 11 that the Senator from Delaware made this statement about the so-called illegal votes:

> Of course, speaking to the members of the committee, you can readily understand that if Judge Evans's view is adopted [that those temporarily rejected ballots should be counted unless shown to be illegal] by the committee, then in these 10 counties alone it means an investigation of 5,996 votes by outside evidence. Now, as I have observed the count, there has not been a particle of favoritism toward one side or the other with respect to that.

That is the list of voters whom the Senator from Delaware yesterday classified as being illegal.

> That is, one side has lost just about as much as the other has lost, and it occurs to me that there are very much more important things here to be determined than that. That alone will cost both sides a lot of money, and the proposition has been put up to me whether or not that is not a committee expenditure for them to get up that data. As a practical proposition—

Says Senator HASTINGS—

> it does not strike me that either side is hurt if they abandon it entirely.

So much for the so-called illegal voters.

Mr. President, let us go a step farther. There were three classes of votes upon which the Senator from Delaware has depended to invalidate this election. He does not claim that there was any fraud in casting those votes; he does not assert that there is a particle of proof of fraud as to those votes; but he is startled and shocked by the irregularities with reference to three things. First, he says the ballots were not properly numbered, and he quotes at length to show that they were not properly numbered. His theory that they were not properly numbered is based upon two propositions: First, that the numbers were written with a pencil instead of a pen, and, secondly, that they were not numbered at all. The ballots which he complains were numbered with a pencil instead of a pen, I think, aggregate 125,000. The others were not numbered at all, and for that reason the Senator from Delaware says that it is shocking and disturbing and nothing can be ascertained about the result.

However, Mr. President, they have had all this time to find out whether or not there was anything wrong with those votes; and they have not presented any evidence that there were any erasures of those pencil marks. No such evidence is cited in the minority views presented by the Senator from Delaware. He is simply found complaining that 125,000 votes had been marked with a pencil. He further says this:

> It further appears that out of a total of 2,043 boxes the ballots in only 125 of them were properly numbered. This leaves 1,918 boxes where the ballots were not properly numbered.
>
> There are three inspectors at each polling place. That means that only 375 inspectors in the Alabama election of 1930 complied with the law with respect to the numbering of the ballots. It also appears that 5,754 election inspectors in that election violated this law and subjected themselves to a punishment of a fine of $500 or 6 months in prison.

In those cases where 126,856 ballots were written with a pencil and 58,000 were not numbered at all, for the crime thus committed the Senator from Delaware is going to send all the election officers to the penitentiary, including the election officers of the contestant in this case.

Mr. HASTINGS. Mr. President, is there any dispute about the statement there made being true?

Mr. BLACK. There is a great dispute as to whether or not it is a criminal offense for a man to write down a ballot with a pencil instead of a pen, as the Senator has set forth. The law provides a penalty not where a man does something that is improper but where he willfully does it. Does the Senator think because men are not experts as clerks and are not trained in the law and have not previously served in an election that it would be proper to subject them to fines of millions of dollars merely because they wrote with a pencil instead of a pen?

Mr. HASTINGS. I have expressed no such opinion.

Mr. BLACK. But the Senator has stated here that they subjected themselves because of improper numbering to a $500 fine of 6 months in jail.

Mr. HASTINGS. Is not that true?

Mr. BLACK. It is not.

Mr. HASTINGS. Will the Senator point out why it is not true?

Mr. BLACK. It is not true because I do not construe the statute which the Senator has read as making it a criminal offense for a clerk at an election to use a pencil instead of a pen, unless he does it for fraudulent purposes; and the Senator from Delaware does not charge fraud in his minority views.

Mr. HASTINGS. I have merely stated the facts. I say when the law provides that a ballot shall be numbered in ink and it is numbered in pencil, that that is not complying with the law, and that the man who does it has subjected

himself to the punishment provided under the laws of the State of Alabama.

Mr. BLACK. The Senator has mentioned 128,000 cases in which 10,000 election officers have subjected themselves to a fine of $500 for 6 months in jail for writing with a pencil instead of a pen; and he lists that as one of the shocking things that have disturbed him about Alabama. The Senator knows that that provision of the law is directory and not mandatory. It has been so held by the courts; it is so expressly set out in the law itself.

Now let us see. The next crime to which the Senator refers is that the election officers folded up the ballots and did not roll them. He divides the crime in this instance into two particular classes. One of them is that they took the ballots and folded them like this [indicating], and he gives the number, mounting up into the thousands, which instead of being rolled, I presume like this [indicating], were folded, and he again calls attention in his report that in each instance where the election officers dared to fold the ballots they subjected themselves to a prison sentence in Alabama and to a fine.

The next thing he says is——

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Indiana?

Mr. BLACK. I yield.

Mr. ROBINSON of Indiana. The ballots are supposed to be rolled up and sealed, are they not, so that there can be no duplications?

Mr. BLACK. I have just started to explain there were two classes of alleged crimes. The first class was that the ballots were not rolled, but were folded.

Mr. ROBINSON of Indiana. If they are folded it is of course comparatively easy to duplicate the original ballots with dummies that are put in afterwards, or with those that have been prepared in favor of another candidate.

Regarding marking in pencil and in ink, it is so much easier, is it not, to duplicate ballots when the numbers are entered by pencil than with a pen and ink? Is not the whole purpose of the law to prevent any fraud in an election along that line?

Mr. BLACK. Does the Senator know how they are numbered in Indiana?

Mr. ROBINSON of Indiana. As I remember, they are numbered in ink.

Mr. BLACK. Does the Senator know that?

Mr. ROBINSON of Indiana. That is my recollection, but I may be wrong.

Mr. BLACK. The Senator never heard of anybody in Indiana using a pencil?

Mr. ROBINSON of Indiana. Without consulting the Indiana statute I can not make a positive statement on this point.

Mr. BLACK. I suggest that the Senator look up the law of his State and see which way it provides. I might also suggest that I was given this morning a statement that in the State of Delaware pencils are used instead of pens. That statement was made and is here on my desk in a hearing held by a Senate committee.

Mr. President, as I started to say, the Senator from Delaware divides this class of crime into two groups, one of which is that the ballots were folded instead of being rolled. It may be that in Indiana the election officers are so expert in performances of that kind that such a circumstance would be very suspicious, but I would say that even in Indiana, in so far as I am concerned, until some evidence was adduced that the act was fraudulent I would be willing to give the benefit of the doubt to the people of the State of Indiana, despite their political history.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BLACK. I yield.

Mr. HASTINGS. May I inquire whether the Senator from Alabama does not believe that the provision of the law of Alabama which requires that the ballots shall be rolled and sealed and placed in the boxes immediately after they are counted is not an important one that ought to be recognized and complied with?

Mr. BLACK. It is one of the numerous provisions of the law, and I think, so long as we have nonexperts administering the law, that we will find that some of them will roll ballots and some of them will fold them; some of them will seal the ballots and some of them will not seal them; some of them will write with a pencil and some of them will write with a pen.

I think it is petty and trivial to number up into the thousands and hundreds of thousands such insignificant details in order to mislead the people of the United States into believing that by their mere cumulative effect there is fraud in an election. One might as well go to Delaware and find out how many people are jaywalkers across the streets of the cities of that State, count them up into the thousands, and say, because they are jaywalkers and because they dare to cross streets in places otherwise than those provided by law, that the people of Delaware are a lawless, corrupt, and crooked people. I deny that any such inference could be justly drawn.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BLACK. I yield.

Mr. HASTINGS. I call the Senator's attention to the fact that it is not the Delaware law we are discussing but it is the Alabama law, passed by the Alabama Legislature, and this very provision was placed in the law for the protection of the people of Alabama, as I assume, and I assume that it is an important provision. I have asked that particular question, but I think the Senator has not answered it.

Mr. BLACK. I think I have answered it very satisfactorily. I believe it is so important that the code itself has provided that, in the absence of fraud, it amounts to nothing; that, in the absence of fraud, it is simply directory. The effort to convince the people of this Nation that there is fraud in an election merely because 128,000 ballots are written with a pencil, when every ballot is brought here under the eagle eye of the Senator's careful scrutiny and he can not present to the Senate a single, solitary, lonesome insteance in which there was fraud, is an outrageous affront to the people of this Nation. There is no evidence in this record that any ballots that were rolled and sealed were broken. The Senator has not reported to the Senate any one single instance where such is the case. I have examined the record and the report. No such contention is made in the report. Where the ballots were rolled and sealed, according to the report, negatively at least, they were all sealed. There is no evidence that they were broken.

There is evidence that the ballot boxes were open, but the Senator himself in his own statement before the committee has stated that he attaches no significance to that and yet, again on the floor of the Senate he repeats the statement as to how many ballot boxes were open. I submit that he does not know how many ballot boxes were open.

I have four different statements from his own report and the reports of his supervisors as to how many ballot boxes were open before they came here. I have, for instance, before me the report taken from the ledger of his committee, which shows that there were 738 sealed and 1,087 unsealed. No statement is made as to the other few hundred, whether they were sealed or not. I find also in the Senator's report, on page 7, the statement that there were 1,618 unsealed and 425 sealed. In the ledger report it is reported there were 1,087 unsealed and 738 sealed. The agents, however, collecting the boxes and who brought them here show that there were 902 sealed when they obtained them. Yet the Senator has listed as one of his striking exhibits the fact, as he says in his report, that only 425 boxes were sealed, when, according to his own ledger report, which we obtained from the sheets, 902 were sealed according to the agents' report.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BLACK. I yield.

Mr. HASTINGS. I think the Senator ought to be fair enough to state that in that report I explained the large discrepancy between the two by stating, when my attention was called to it, that one of the cases was when the boxes were examined here, and the seals appeared to be broken; and the explanation was that it must have been done during transit, because the original report showed a less number. I called the attention of the committee to that fact in the report.

Mr. BLACK. Mr. President, on page 10 of the report of the Senator we find the statement which I am about to read. The Senate heard the discussion yesterday about the boxes being opened and the seals being broken, and that is given as one of the startling and shocking evidences of disregard of law and of fraud. Let us see what the Senator said about it some months ago:

> If this was the practice in the elections of Alabama, and that is admitted, then the finding of the seals broken has no particular significance.

In other words, Mr. President, it was the practice to put the certificates in the box; and the law required that they should be opened, and the supreme court has so held, and they were opened, in those instances where the certificates were put in the box; and yet that is listed as one of the startling and shocking evidences of fraud, or the opportunity for fraud. I will say that it seems that to some people the opportunity for fraud is far more corrupt than the actual fraud itself, judging from the votes which have heretofore been cast.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Alabama farther yield to the Senator from Delaware?

Mr. BLACK. I yield.

Mr. HASTINGS. I will ask the Senator whether he thinks the provision of the law requiring that these ballots be placed in the box, and the box sealed and kept by the sheriff for a period of six months after the election, is an important provision that ought to be observed or not?

Mr. BLACK. That they should be sealed and kept? Why, certainly. In the case of the primary, it provides 30 days. The other law provides six months; and they were kept.

The Senator has called attention to the fact that in three counties the ballots were destroyed. They were destroyed after the 30 days had expired; and, in addition to that, the votes in those boxes, according to the returns, show within 1 per cent of the same percentages that are shown in every other county in the State.

The decision of the supreme court justifies the opening of the boxes. The Senator is familiar with that. He heard it read before the committee. There is no question about the right to open the boxes in order to take out the certificates.

Mr. HASTINGS. I think the Senator ought to explain what the situation is in that respect.

Mr. BLACK. I shall be glad to explain it.

Mr. HASTINGS. It is clearly shown in the report just what that situation is.

Mr. BLACK. It is held that where the certificate or the return is put in the box, so that the canvassing board do not have the certificate outside of the box, they can open the box. That is correct.

Mr. HASTINGS. That is not a fair statement of the facts.

Mr. BLACK. I shall be glad to have the Senator amend it.

Mr. HASTINGS. The law distinctly provides for two boxes. The Senator knows that, does he not? One is a returning box and the other is the box in which the votes shall be placed after they are counted. The law distinctly provides that the votes, after they are counted, shall be rolled and sealed and placed in that box, and that box shall be sealed, and placed in the hands of the sheriff, and kept for six months, and then destroyed without breaking the seal on the box.

The other box that is required is the returning box; and it is the returning box that the court says shall be permitted to be opened in order to ascertain what the result is. The reason why I stated that it becomes unimportant is Senator Bankhead's statement that they have not followed that practice in Alabama for 25 years. They have used one box for all purposes.

Mr. BLACK. The Senator is correct. They have not been using two boxes. The people of Alabama have seen fit to use one box. It is a custom which has been in force all these years.

Mr. HASTINGS. But it is not the law.

Mr. BLACK. The Senator has become a great stickler for law. He thinks everything that is written on the books with reference to the details assumes great magnitude, even though there is no fraud connected with it.

Mr. HASTINGS. There must have been some purpose in enacting the law.

Mr. BLACK. The mere fact that a pencil has been used instead of a pen, time and time again, shocks the tender sensibilities of the Senator from Delaware. I suggest that before the Senator goes all the way to Alabama to condemn the voters of that State for using a pencil instead of a pen, his services might be useful at home.

Now, Mr. President, I desire to read from the Mayfield case with reference to irregularities.

> The ballots were gathered in the State of Texas through the office of the Sergeant at Arms and were transmitted in sealed pouches by the Post Office Department under lock and key, with every safeguard against possible tampering.
>
> * * * * * * *
>
> There were many irregularities and discrepancies and clear violations of law in connection with the casting of the ballots.

The Senator knows, and everybody else knows, that there always will be irregularities or discrepancies, unless you are going to hire people with the meticulous gaze of the Senator from Delaware—

> As, for example, the laws of Texas provide that the ballots shall be signed by the judge of election.
>
> Thirty thousand two hundred and nine Mayfield ballots were not thus signed.
>
> Fourteen thousand six hundred and nine Peddy ballots were not thus signed.
>
> The law provides that the ballots shall be numbered.
>
> One thousand seven hundred and twenty-three Mayfield ballots were not numbered.
>
> One thousand and twenty-one Peddy ballots were not numbered.
>
> The law provides that the ballots that are cast shall be stamped "voted."
>
> One hundred eighty-seven thousand three hundred and eighty-seven Mayfield ballots were not thus marked.
>
> Ninety-two thousand one hundred and ninety-two Peddy ballots were not thus marked.

In other words, out of 221,000 votes cast for Mayfield, 187,387 were not marked, in violation of the law of the State of Texas; and I presume it would be fit and proper at this time to go back down to Texas and imprison the people who failed to mark and number 187,000 votes in the State of Texas. Ninety-two thousand Peddy ballots were not marked out of 117,000. In other words, when we find irregularities in that case, examined by the full committee, reported on to this body and voted on unanimously, they did not reach the stupendous proportions that have been asserted here in so far as effect is concerned, because the Senator from Delaware, fortunately for the State of Texas, evidently was not the chairman of the committee.

> These are illustrations of the irregularities, discrepancies, and violations of law, but no one of them, nor all of them together, in the judgment of your committee, either did or ought to change the result.

That was the law then. It was accepted as the law on both sides of this Chamber by unanimous vote. Why should it be departed from to-day?

Mr. President, the statement has been made that poll taxes were paid in violation of law. The law of Alabama provides, not exactly as stated by the Senator, but that

where the poll tax of one person is paid by another for the purpose of influencing his vote it is illegal.

In two counties of the State the evidence showed that it had been customary for the parties to pay poll taxes—De Kalb County and Franklin County. Both of them are closely contested counties. De Kalb County at the present time is under Republican administration. Franklin County is under Democratic administration. The evidence showed that in both those counties from time to time the parties themselves—at the beginning of the year and before the date expired for the payment of poll taxes—would take up a party collection and pay the poll tax for members of their party. That does not necessarily mean that they had violated the law with reference to influencing votes. The law was intended to prevent an individual from paying the poll tax of another in order to control his vote.

As a matter of fact, the right of suffrage is one which is sacred in this country. Not in all of the States do they have a poll tax at all; but in Alabama it is necessary to pay your poll tax in order to vote.

The Senator wants to condemn the group paying the poll tax by voluntary contributions, long before the election occurs, simply because they happen to assist in paying the poll tax of some who might otherwise be deprived of the right of casting their votes at the ballot box.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Alabama farther yield to the Senator from Delaware?

Mr. BLACK. I yield to the Senator.

Mr. HASTINGS. If the Senator will permit me, I should like to read into the RECORD, just at this point, the section that has been referred to.

Mr. BLACK. I shall be glad to have it read.

Mr. HASTINGS (reading):

SEC. 3464. Poll tax paid by another; penalty: Any person who shall pay the poll tax of another, or advance him money for that purpose in order to influence his vote, shall be guilty of bribery, and, upon conviction, shall be imprisoned in the penitentiary for not less than one nor more than five years.

Mr. BLACK. That is exactly what I said the law was—in order to influence his vote.

Mr. HASTINGS. Just a minute. Does the Senator say that it must be for the purpose of influencing his vote?

Mr. BLACK. Unquestionably it must be to influence his vote.

Mr. HASTINGS (reading):

Any person who shall pay the poll tax of another—

Followed by a comma; that is one thing—

or advance him money for that purpose in order to influence his vote—

That is an entirely different matter.

Mr. BLACK. The Senator may think that the court would so hold; but, somehow, I do not believe that in a question where the right of suffrage is involved the court is going to strain at a gnat and swallow a camel in order to send somebody to the penitentiary.

Mr. HASTINGS. May I make this inquiry: Can it be said that a political party pays the poll tax of a person except for the purpose of influencing his vote?

Mr. BLACK. I do not know. They might think they would get his vote; but I imagine they would not always get it. Of course, the practice was most common up in De Kalb County, where the probate judge is a Republican.

Mr. BRATTON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. BLACK. I yield to the Senator.

Mr. BRATTON. Does the Senator from Delaware think that if a husband paid the poll tax for his wife he would be subject to prosecution under that statute?

Mr. HASTINGS. I should not think he would be. He might be technically guilty, but I do not suppose he would be prosecuted.

Mr. BRATTON. Let me put it in this way: Does the Senator think that under that statute a husband would be guilty if he paid his wife's poll tax?

Mr. HASTINGS. I say I think under this statute he would be technically guilty, but I do not think anybody would prosecute him.

Mr. BRATTON. Why not?

Mr. HASTINGS. Because of the particular circumstances.

Mr. BRATTON. If we eliminate the element of intent, and the naked payment of a poll tax constitutes an offense, then, of course, a husband would violate the law if he paid his wife's poll tax.

Mr. HASTINGS. That is correct.

Mr. BRATTON. Is that the Senator's view of the law of Alabama?

Mr. HASTINGS. Yes; absolutely.

Mr. BLACK. Mr. President, that is in line with the view which would send a man to jail for writing with a pencil instead of a pen, or for folding a ballot instead of rolling it.

Now, let us get down to the facts in this case which show beyond the shadow of a doubt, even though the burden is not on the contestee, that there was no fraud which affected his election.

In the first place, I desire to call the attention of the Senate to the fact that it was announced in Alabama that there would be watchers of the independent ticket all over the State. It was also announced that these watchers would send in their reports to the county managers, and they in turn would send them to the independent headquarters. Senator Bankhead requested that the committee write to each one of the independent managers and ask if there had been any fraud reported in his county. That request did not come from Senator Heflin, it came from Senator Bankhead, with the request—and the request was made by the committee—that they report to the committee frauds committed in their counties, if there were any frauds, and whether or not the official vote was correct. That letter went to all of them, as I understand it. The list was furnished by the attorney for Senator Heflin. The letter went from the supervisor, Mr. Smith, asking that the managers report any frauds which came to their attention from their watchers. It was also requested that they send in their watchers' certificates to Washington, in order that we might find out whether immediately after the election Heflin and Locke watchers claimed there had been any fraud. The watchers were supposed to certify how many votes were cast.

Senators will find in the minority report in this case, as I recall it on pages 48 to 75, the reports of those watchers, and, strange to say, although the Senator from Delaware said there was ample opportunity for fraud all over Alabama, not a single watcher in a single report from a supporter of the Heflin-Locke ticket has communicated to this body that there was fraud in the election.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. ROBINSON of Arkansas. Are these watchers to whom the Senator is referring election officials; that is, are they recognized under the laws of Alabama?

Mr. BLACK. They are recognized under the laws of Alabama.

Mr. ROBINSON of Arkansas. Are they required to make reports to any authority?

Mr. BLACK. They are not required to make reports. They were instructed by Senator Heflin's party to make reports to their headquarters.

Mr. ROBINSON of Arkansas. The Privileges and Elections Committee of the Senate, at the instance of Senator Bankhead, called upon them to state whether they had reported any instance of fraud?

Mr. BLACK. That is correct.

Mr. ROBINSON of Arkansas. And there was no instance of fraud reported by them?

Mr. BLACK. We have here the reports from those watchers, in which they send the reports received from their watchers, and they correspond to the official count. Senators will find instance after instance where they have made reports, as appears from pages 48 to 75, where their reports correspond with the official count; they will find others where they said they did not keep their watchers'

reports because of the fact that they corresponded with the official count, the official count was correct, and they threw the reports into the waste-paper basket. Senators will find others who say that they did not keep the reports, that the managers took the reports over the phone, and finding that they corresponded with the official count, they made no notation of them. They will find others who say that they made a report to Judge Wilkinson, the attorney for the contestant. They will find that in the county of Barbour.

In other words, although ample opportunity had been given to the very people who were placed at the polls for the purpose of reporting frauds for the benefit of the independent ticket, although the request went to them all over Alabama, not a single one has supplied a scintilla of evidence on which it can be proven that there were 5 votes improperly counted in Alabama. Yet in the face of that, in the face of reports made, the failure to make reports, the Senator from Delaware wants to set aside the entire election and unseat a United States Senator because in 128,000 instances the election managers and watchers used a pencil instead of a pen and folded ballots instead of rolling them.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. That is not a true statement.

Mr. BLACK. I think it is.

Mr. HASTINGS. There is no such thing in the report as that. The Senator has just stated that, as far as I was concerned, I wanted the election declared null and void because of the marking of the ballots with a pencil instead of in ink and for failure to roll the ballots.

Mr. BLACK. I can read from the Senator's summary——

Mr. HASTINGS. That is not a fair statement of the report.

Mr. BLACK. I can read from the Senator's summary, in which the Senator gave that as one of the things that made the election bad.

Mr. HASTINGS. Yes; but that is not what the Senator has just said. If he had said that that was one of the reasons, he might have been correct; but that is not what he said.

Mr. BLACK. The Senator himself stated in the record that he attached no importance to opening the boxes, and that he attached no importance to the illegal votes, and it leaves nothing in the world upon which to base his report except the ballots as they were numbered, and as they were rolled or folded. There are only four different elements the Senator has submitted to the Senate, one the numbering of the ballots, which includes the pencil and pen matter; one the folding instead of rolling; one opening up of the ballot boxes; and the Senator himself has said he attached no significance to that, and the Senator has said he attached no significance to the illegal votes. That leaves as the sole base upon which he places his case the numbering of the ballots and folding instead of rolling.

What is the numbering of the ballots? He divides it into two parts, one where they wrote with a pencil, one where they did not number at all.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. In part 3 of the record, at page 395, and running over to page 398, there are 52 separate and distinct items in the brief filed by the contestant. In those the Senator will be able to find the charges made in this case.

Mr. BLACK. Mr. President, I am delighted that the Senator made that statement. I am glad he made that statement. It shows just exactly what I have been pointing out to the Senate—that the Senator is not basing his charges on what he found, but he is basing his charges upon the suspicions of the lawyer for the contestant.

Mr. HASTINGS. Will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. I call the Senator's attention to the fact that after that was filed there was no answer at all made by the counsel for Mr. Bankhead.

Mr. BLACK. When was it filed?

Mr. HASTINGS. Does not the Senator know?

Mr. BLACK. The day the case was closed, according to my information; and now the Senator comes here and, not basing his case upon his findings, not putting his feet squarely upon the facts in the record, he takes the vague and wild suspicions of the attorney for the contestant and attempts to unseat a Senator of the United States.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HASTINGS. There was a hearing in which these things were set forth, and several days afterwards the committee had another hearing and expected to continue the matter so that the counsel for Senator Bankhead could reply to this argument and to these charges which have been set up, and the reply was that he did not care to make any argument.

Mr. BLACK. The Senator is correct. Even though they had been surprised at many things that had been done, and even though they had been surprised at many statements that had been published, counsel for Mr. Bankhead and Mr. Bankhead himself never imagined, even in their wildest flights of imagination, that the Senator from Delaware, instead of basing his case upon the facts adduced in the record, instead of basing his case upon the facts which he found, instead of basing his case upon his own conclusions, would stand here and say, "I fall back now on a brief filed by the attorney for the contestant." But that is the situation. I doubt whether there is a parallel to that in all the history of contests in the Senate or in the Congress of the United States.

Mr. President, what do we find now? The Senator from Delaware, driven from his own report by the irresistible facts in this case, as his feet are insecurely placed upon the shifting sands of the charges that pencils were used instead of pens, and that the ballots were folded instead of rolled, we find standing on the insecure island of a brief prepared by the attorney for the contestant. No wonder, when the Senator is driven by the irresistible facts from the conclusions which he has reached, that he seeks to base an ouster of a United States Senator upon something a lawyer said in the record.

Mr. HASTINGS. Mr. President, will the Senator yield again?

Mr. BLACK. I yield.

Mr. HASTINGS. I call the Senator's attention to the fact that these statements in this brief are but very little different from those contained in the report adopted by the minority members of the committee.

Mr. BLACK. Mr. President, if they are different at all, why does the Senator have to jump from his own report to the lawyer's report?

Mr. HASTINGS. I only called attention to that fact because there was no reply made to it, and I assumed the charges were admitted as facts.

Mr. BLACK. Oh, that is a very adroit method; but, Mr. President, the facts remain the same—that when the Senator is driven from his report, when he knows he can not stand on it, when he knows that justice will not permit him to stand on it because there are no facts there except the petty and insignificant details of writing with a pencil instead of a pen, then he has to go somewhere, and he flies straightway into the arms of the attorney for the contestant for his facts.

Why, if these were the facts on which he relied, did he not put them into his report? If they are in the evidence, why did he not place them in his report, so that they could be answered? Was it assumed that Mr. Bankhead, the Senator who has the seat, would be required on this floor to reply to the vague and imaginary charges of a man who has proven himself capable of imagining all the charges on earth? No, Mr. President; the reason why the Senator flies for help is because there is no safety on the spot where he has planted his feet.

Mr. President, let us see another matter which shows the absurdity of attempting to unseat a United States Senator because of petty, trivial, and insignificant irregularities. When this question of the tightly folded ballots came up, and it was given as a very suspicious circumstance, Senator

Bankhead went to Mr. Smith, the supervisor, and said, "Mr. Smith, give to me the most suspicious of the folded ballots you have. Select those which in your judgment are suspicious, those which have been pointed out to you as positively not carrying out the intention of the voters. Let me have them, and I will get you affidavits. We will see just what the people themselves swear."

Mr. Smith picked him out three lists, from Cherokee County, Marshall County, and Madison County, and gave them to him as the most suspicious of the folded ballots. He gave him the names on those ballots.

There is in the record an affidavit from the voters whose names appeared in that list, and each one of them swears under oath that he voted exactly according to the ballot that is in the suspicious list.

Then Mr. Bankhead asked for some more, and they did not give him any more. He wrote a letter to the Senator from Delaware and said, "Now, if there are any more suspicious foldings, let me have them. Let us have all of them, and we will get affidavits, if we have to get an affidavit from every voter in Alabama."

The law did not put that burden on Mr. Bankhead, but he assumed it, and the Senator from Delaware did not present him a single other ballot, which he said was suspicious.

And yet, Mr. President, driven now from that point because he knows he can not stand on the "folded" instead of "rolled" point, he takes the position that the thing, after all, is whether they folded them or whether they rolled them, and nobody cares for whom they voted.

Mr. HASTINGS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BLACK. Certainly.

Mr. HASTINGS. I think the Senator is talking about something that is not included in the report, so far as I know. I think that it is not made clear in the report what the committee was driving at, or else the Senator is talking about something I do not know anything about.

Mr. BLACK. I am talking about the letter written to the Senator and the affidavits which appear in the report.

Mr. HASTINGS. I do not mean the letter, but what is the particular thing the Senator is emphasizing?

Mr. BLACK. I am emphasizing the affidavits that were secured and which appear on pages 41, 42, 43, 44, and 45, of the minority report, the affidavits of the men and women who swear that they voted exactly as their ballots appeared, as shown by what the Senator is pleased to call "suspiciously folded ballots."

Mr. HASTINGS. I have not referred anywhere so far as I know in the report to suspiciously folded ballots.

Mr. BLACK. If the Senator did not use the word "suspiciously," I accept the correction, but I assume that the Senator thought they were suspicious or he would not have listed them as one of the reasons for overturning the will of the people of Alabama.

Mr. HASTINGS. Will the Senator tell me where it is listed so I may get it straight? I do not know where it is listed.

Mr. BLACK. Where what is listed?

Mr. HASTINGS. The part about folding the ballots.

Mr. BLACK. On page 6 of the Senator's report, as I recall. I will read it for the Senator. On page 9 of his report, in the second paragraph, the Senator referred to the loosely folded and tightly folded ballots.

Mr. HASTINGS. Does the Senator mean this statement?

> Out of the total of 2,043 boxes, in 1,543 of them the ballots were found folded instead of rolled and sealed, and in 576 boxes they were found loose, both of these irregularities frequently occurring in the same box.

Mr. BLACK. That is correct.

Mr. HASTINGS. I do not understand what the Senator is talking about with respect to the affidavits.

Mr. BLACK. I will explain to the Senator exactly what it is. Always up to the time of this contest it has been supposed that one of the objects of an election was to find out for whom the people voted. We did not know until this contest that the only important thing is whether the ballots were rolled or folded. So that I assume when the Senator reported that so many of them were folded instead of rolled, he naturally threw some doubt as to the person for whom those people voted.

If that is not true, then, of course, there is no reason to put it in the report at all, because the object of the election is to find out for whom the people voted. Senator Bankhead secured from Mr. Smith a list of those that Mr. Smith thought were the most suspicious and sent that list of ballots down to the three counties I have named. An affidavit was obtained from each one of the voters showing for whom he voted. The affidavits disclosed that they had voted just exactly as was shown in the list. Of course, if the only object of an election is to determine whether the ballots were properly rolled and properly marked with a pen instead of a pencil, then that would not be material, but if the object is to find out for whom they voted, it is fully explained.

Mr. HASTINGS. What is referred to in the report is the failure to roll and seal them. The important thing is that they were not sealed.

Mr. BLACK. That is far more important than it is to show for whom they voted! It seems, according to the contention of the Senator from Delaware, that it is immaterial for whom they voted. Although we sent back there and secured the affidavits of every one of them, yet now the Senator from Delaware, having stepped lightly and fantastically from his own report to the brief of counsel for contestant, comes back now to his report and says the only thing of importance is whether the ballots were folded and sealed. In other words, it is immaterial to determine for whom they voted. I always had the idea up to this time that it was far more important to find out whom the people of the State wanted for their United States Senator than it was to find out whether the clerks and election managers used a pen or pencil or a roll instead of a fold.

Mr. FLETCHER. Mr. President, I can not get clear in my own mind who this man Smith was who is mentioned.

Mr. BLACK. Mr. Harrison W. Smith is the supervisor appointed by the subcommittee to investigate the ballots and conduct the recount.

Mr. President, let us see what is the next proposition. A great deal of talk has been made about the absentee ballots. I want Senators to note this fact. Senator Bankhead was perfectly willing to have a test made of absentee voters in the State. A request was sent out for those who voted absentee ballots to tell how they had voted. Reports were received from 1,005 in 61 counties. There was a total of 4,566 reported. Out of that 4,566 the returns showed that there were 13 who voted for Bankhead where their ballot was marked for Heflin; that there were 14 who voted for Heflin where the ticket was marked for Bankhead. There were 2 who reported they voted for neither, but the ballots were marked for Heflin. There were 4 who reported they voted for neither and the ballots were marked for Bankhead. In other words, a total of 15 votes were changed from Heflin to Bankhead and a total of 18 from Bankhead to Heflin out of 4,566 absentee votes. Yet the charge is made in this report that the perjury committed by those who voted by absentee ballot is shocking.

What is that so-called perjury? The law of Alabama provides that a man who is away from his home at election time—on business, as I recall the law—may be allowed to vote by absentee ballot. The inference is left in the report of the Senator from Delaware that it is necessary for the man to have been continuously abiding directly at the place where he cast the absentee ballot. If that is the law, then I would not be entitled to vote in Alabama, because I have been away from there six or seven months. The chief justice of the Supreme Court of Alabama, who has been in Montgomery, Ala., for a long period of years, has retained his citizenship back in his home county. The same thing

has occurred with reference to various others. People come to Washington, for instance, and secure positions here. Under the laws of our State they are permitted to vote by absentee ballot. But the charge is made here practically that every person of that kind is guilty of the crime of perjury. I deny it and I resent it. Why, Mr. President, it is not true that a man is not entitled to vote in Alabama if he leaves there for a year or two but keeps his citizenship there. That law is as old as any law of the country. Citizenship is determined largely as a matter of intent. That is what is shown by the absentee ballots.

Let us see what next shows absolutely that there was no fraud. Taking it upon the basis that there was no fraud, on the next day after the election the Associated Press report came out, as appears on pages 86 and 87 of the hearings. In the Associated Press reports Senator Bankhead's majority was given as 51,000. It would have been wholly and completely and physically impossible to have framed up 51,000 majority without there being a state-wide conspiracy. It would have been absolutely necessary and essential that the watchers for the independent ticket and the clerks and managers to have participated in it, a thing which is totally unbelievable.

The same thing happened with reference to Jefferson County. The report was made the very next day after the election by the Associated Press. The attorney for the contestant, who is a vigorous, aggressive attorney, lives in Jefferson County. It is the largest county in the State. The contestant's representatives sent to Birmingham, the center of the county, for evidence. They did not bring any witnesses to show that the Associated Press report was wrong. They did not present any witnesses to show that there was anything wrong in Jefferson County, the home of the attorney for the contestant, and yet the Associated Press report came out there the very next day after the election. It was reported there, box by box. There is in the record a list of the election managers and clerks showing those who were for one ticket and those for the other. There were aggressive watchers there in addition to the clerks and the managers who were there for the independent ticket. There were 35,000 votes cast in that county. Mr. Hampton had said something about it, and it will be found in the minority report at page 24. Let us see why that is important.

This is the way Mr. Hampton, the attorney for the contestant, stated it:

> Let us assume, as we think we shall be able to prove, that the returns posted did not represent the vote cast on that day. All ballots in the box at that moment would be right there, but the returns posted and given out did not tell the truth about them.

In other words, he charges that they were falsified all over Alabama by a general state-wide conspiracy at the very time they posted the returns on the doors.

> Senator GEORGE. Then your theory would be that the election managers just arbitrarily put up those figures and subsequently fixed the boxes so as to correspond with them?
> Mr. HAMPTON. Certainly—

That is the attorney for the contestant—

> Mr. HAMPTON. Certainly; that is the burden of our contention that the ballots in the boxes were made afterwards to fit the returns, and that this took place at some time during the weeks and months the boxes were in the hands of the Bankhead election officers, broken open in violation of the laws of Alabama.

Of course, the Associated Press and Senator Heflin's watchers could not send any report different from that made by the official returns.

Why could not Senator Heflin send out a different report? His watchers were there. We have the record that they were there. We have their replies and statements from many of them that they were there. Why were they bound to accept the Associated Press return if the returns were false?

Mr. President, it is as conclusive as anything ever could be in a court or before a judicial body. The Associated Press reports were put up there and they were correct. It has been shown they were right at every step in the case. But now the Senator from Delaware, in order to try to unseat a United States Senator, steps nimbly away from the proposition of the legality of the primary, escapes from the proposition of sealed ballot boxes, and plants himself on the brief filed by the attorney for the contestant.

Mr. President, let us see another thing which is conclusive, if there were not another thing in the case. Many Senators will recall the statement made that all that was needed was to get the ballot boxes. It was said that if we got the ballot boxes it would be shown that there was a difference of 100,000 votes. The ballot boxes came. The ballot boxes are here. Under the law the ballot is supposed to be secret, but this law to which my friend from Delaware looks up and before which he bows with such reverence and respect when it refers to writing with a pencil instead of a pen is not now so sacred. He is perfectly willing to have the secrecy of the ballot destroyed, and so there has been published—and I have it here before me now and can give it to Senators if they want it—a tabulated report of the voters in Alabama disclosing how each voted. That was done along about the last of September. The poll list is here; I have it. It is most interesting, and it is conclusive. There was one of these for each county. It takes up the voters beat by beat.

Why was this done? It was done because the attorneys for the contestant said that if they could have the record of how the voters had actually cast their votes they would then be able to investigate and show that there were ballots that had been improperly marked. In other words, he claimed that the ballots had been changed. I read to the Senate a moment ago one of his statements. Here is the picture. He comes before the committee after they have counted the votes. Of course, at first we were told that all it was necessary to do was to count the ballots, and that would show that the election was fraudulent; but when the counting of the ballots corroborated the Associated Press, when it corroborated the official reports, the attorneys for the contestant said, "Well, the ballots have been changed; now give us the list of how the voters voted." There was placed at their disposal last September a list of the voters in Alabama marked to show the ones who had voted for Bankhead and those who had voted for Heflin. They had that list during October, November, December, January, February, March, and April—seven months. That was ample time for discoveries to be made as to whether or not ballots had been changed.

The list was in their possession, and up to this good day the evidence has failed to show even a suspicion that there were more than 5 ballots changed in all the State of Alabama. I have those ballots here. There is considerable question about them. The two that were changed were absentee votes that were taken to the probate office and put on the probate desk and left there. With reference to the other three, there is overwhelming preponderance of evidence that the ballots had not been changed.

A ballot in Cleburne County also was that of an absentee voter. But, bear this in mind: The secrecy of the ballot has been done away with. Here is the list for anyone who desires to see it [exhibiting]. The contestant had it; he had diligent and vigorous counsel. They have had in their possession, for instance, a list showing how every man and woman in Jefferson County voted. It was easy enough for the attorney to go himself or send somebody to see how a voter voted. He could have gone straight to his friends and neighbors, and if this widespread fraud which has been talked about had existed, perhaps the first or second man he saw would have said, "Yes; I was marked for Bankhead, but I voted for Heflin"; but after seven months' time they present to the Senate the puny and insignificant number of five who claimed that their votes had been changed.

The attorneys for the contestant went to Birmingham and took evidence. They had in their possession at that time a list of the voters showing for whom each one voted. It would not have been difficult at all to have gone out and said, "Come in here and state how you voted." Why did they not do that? There is only one answer. You know, Mr. President, and every other person who is within the sound of my voice knows, that if these votes had been improperly marked, the diligent supporters of the inde-

pendents would have secured their names and there would have been affidavits flowing to the Senate investigating committee. They did not get them because the votes were correctly counted. That is the reason they did not get them.

I submit that it is an affront to the intelligence of the Senate to come in here and ask the Senate to set aside an election on the petty and insignificant trivialities that have been set up with reference to folding and rolling ballots and marking with a pencil under circumstances such as these.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. BLACK. I yield to the Senator.

Mr. NORRIS. I wanted to inquire of the Senator about the list to which he has referred. The list is made up, as I understand, from ballots taken out of the ballot boxes?

Mr. BLACK. It is.

Mr. NORRIS. Every ballot is numbered?

Mr. BLACK. It is.

Mr. NORRIS. And the voter's name has a corresponding number?

Mr. BLACK. That is correct.

Mr. NORRIS. So that in looking the ballots over and comparing them with poll lists one would be able to ascertain just who cast each ballot which was examined?

Mr. BLACK. That is correct.

Mr. NORRIS. And the entire State was covered in that way?

Mr. BLACK. The list of voters in the entire State was published with the exception of three counties, where the ballots were destroyed in 30 days, and with the exception of the ballots that were not numbered, which were about 58,000.

Mr. NORRIS. Is there a provision of the law of Alabama which permits that to be done? How did that come about?

Mr. BLACK. It was done because the Senate committee authorized it to be done.

Mr. GEORGE. Mr. President, will the Senator from Alabama yield to me?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. BLACK. I yield.

Mr. GEORGE. It was done on application of counsel for the parties in the case. I think Mr. Heflin's counsel asked that it be done. Then the full list was examined, the ballots compared, and the complete list of all the voters was published sometime late last summer. I would not be able to say exactly the date, but perhaps in August.

Mr. BRATTON. Mr. President, permit me to say, for the information of the Senator from Nebraska [Mr. NORRIS], that wherever a ballot was cast for Mr. Bankhead a slash was placed in front of the name of the voter, and if the ballot was cast for Mr. Heflin a cross was placed following the name of the voter. So that both sides knew how each ballot was marked, and knew the name of the voter who cast each ballot, thus giving them full information and enabling them to go to Alabama and say to John Jones, for instance, "Your ballot appears to be cast for Bankhead; is that correct?" And so on throughout the State.

Mr. BLACK. Mr. President, I might amplify the matter by reading just why this was done. On page 58, part 1, of the hearings appears this colloquy between Senator HASTINGS and Mr. Hampton, attorney for Senator Heflin:

Mr. HAMPTON. Our third request is:

"That each side be furnished with the numbers (where the ballots are numbered) of ballots marked for the contestant and the contestee."

Senator HASTINGS. The purpose of that, as I understand it, is to give each side an opportunity to check up in any particular district they want to check up in, with the person who cast the ballot—

Note that—

to check up in any particular district they want to check up in, with the person who cast the ballot, to ascertain, for instance, whether or not he actually cast his vote for Heflin, or whether he cast his vote for Bankhead. Is that correct?

Mr. HAMPTON. That is correct. Our view is that nothing in this contest is perhaps so important as that.

I agree with him in so far as obtaining the truth of the case is concerned there could be nothing more important——

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLACK. Let me finish this, and I will be glad to yield to the Senator.

We have affidavits which we will later present to the committee, when you come to hear the matter, where the voters swear, take their oath that they voted for Senator Heflin—

It will be noticed he said he expected to prove it—

voters whose votes are now in the boxes marked for Bankhead.

Senator WATSON. Do you mean in these 10 counties alone you are talking about?

Senator HASTINGS. Oh, no.

Senator WATSON. I just want to find that out. That involves, then, our going on and opening all the ballot boxes in all the State?

Senator HASTINGS. We are doing that, anyhow.

That is the reason the boxes were opened up.

I now yield to the Senator from Delaware.

Mr. HASTINGS. Mr. President, I should like to explain to the Senator from Nebraska that the list published does not show how the voter voted so that anyone getting hold of a list outside of the parties interested themselves could ascertain the fact. It does not disclose how persons voted. I thought the Senator from Nebraska would be interested in knowing that. However, we did have a supervisor check the vote and give to the interested parties the confidential information contained, but that was not given to the public. I thought the Senator from Nebraska might be concerned about that point.

Mr. NORRIS. I do not quite understand; perhaps I did not get the explanation which the Senator from Delaware has made.

Mr. HASTINGS. In the first place, there was given the number of the voter and his name. That is all that was published and that is all that appears in print. That does not show how the individual voted.

Mr. NORRIS. I understood the Senator from Alabama to say that——

Mr. BLACK. They were supplied the list; yes.

Mr. NORRIS. There was a slash before the name of one candidate and a cross before the name of the other.

Mr. BLACK. The Senator from Delaware is explaining that the information was not given out to the public, but that there was given to the contestant and the contestee the information with marks in front of the names to show how the individuals had voted.

Mr. HASTINGS. That is what I was interested in having the Senator from Nebraska understand.

Mr. BLACK. That is correct.

Mr. President, at an expense of perhaps more than $100,000 this contest has gone on up to this time. If there were anything in the world that would be conclusive as to who was elected it would be this list itself [exhibiting], with the names checked off, and with seven months to find out whether or not the voters so listed had been incorrectly counted. Of course we all know that Senator Heflin received practically 100,000 votes, as I recall the figures, in that election. We naturally know, therefore, that he had friends and followers all over the State, and it would have been easy for them to have found out if there had been any widespread fraud.

They have county organizations, and he had the list, so that he could let his supporters know the names of the voters and say, "Find out how these people voted." And here we have the Associated Press report, we have the list of voters marked, given them seven months ago; we have, in addition to that, the statements of their watchers themselves, who were put there charged with the duty, and who found no fraud; and yet it is said here is such a case that the Senate, which is supposed to be impartial and nonpartisan, should stand on the uncertain ground of overturning the will of the

electorate of Alabama merely because the election managers failed to observe the technicalities of the law.

I have in my possession a list of the election officers showing, county by county, how many Senator Heflin had and how many Senator Bankhead had. This list has been checked up according to the ballots here, and we find that of the election inspectors, there being three in each polling place, there were 2,365 for Senator Bankhead and 1,095 for Senator Heflin; not voting 346. As to the clerks, we find 1,217 for Senator Bankhead and 986 for Senator Heflin, and 233 not voting. We find a total of 3,808 inspectors and 2,416 clerks; 62.1 per cent of the inspectors voted for Senator Bankhead and 28.8 per cent for Senator Heflin; while of the clerks there were 50.4 per cent who voted for Senator Bankhead and 40 per cent who voted for Senator Heflin, 9 per cent not voting.

There are two other most significant facts, and then I am through with reference to the evidence.

In the first place, six different kinds of ballots have been referred to. There is the official count, the committee recount, the three counties where the ballots were burned, the boxes reported by the agents as sealed, the unnumbered ballots, and the temporarily rejected ballots. I want to read you the percentages showing how those votes went in each case.

On the official ballot Senator Bankhead received 59.9 per cent and Senator Heflin 40.1 per cent.

On the committee recount Senator Bankhead received 60.11 per cent and Senator Heflin 38.89 per cent.

In the three counties where the ballots were burned Senator Bankhead received 59.65 per cent and Senator Heflin 40.35 per cent.

In the case of the boxes where the agents reported they were sealed there were 59.54 per cent for Bankhead and 40.46 per cent for Heflin.

Of the unnumbered ballots there were 57.5 per cent for Senator Bankhead and 42.95 per cent for Senator Heflin.

Of the temporarily rejected ballots there were 56.44 per cent for Senator Bankhead, and 43.56 per cent for Senator Heflin.

Take any class of the ballots you choose—those that were in the boxes, sealed and locked, those that were in the boxes unlocked, those that were marked with a pencil, those that were marked with a pen, those that were folded and those that were rolled; take them all, and you will find the percentage runs practically uniformly the same through the State.

What is the reply to that? Some one has said, "A statewide conspiracy." What are you going to do with the more than a thousand election inspectors and practically 2,000 clerks who were out there representing Senator Heflin? Where do they come into the picture on the question of a State-wide conspiracy? With these people there at the polls, loyal to Senator Heflin, watching out for his interests, appointed to represent him, can it be true, can it be thought possible even by the Senator from Delaware [Mr. HASTINGS], because they folded instead of rolled, and wrote with a pencil instead of a pen, that they entered into a state-wide conspiracy to defraud Senator Heflin of his seat?

Why, Mr. President, the committee went down to Alabama and took the evidence of witnesses. Every man who took the stand who was a watcher or an election manager or clerk for Senator Heflin was asked the question whether he knew of any fraud. I challenge the record to find where they have given anything on which fraud can be hung. It is not there. We have exhausted every recourse. We have gone to their own election managers and their own clerks. We have gone to their watchers. We have gone to their county managers. It has been shown that some of the reports for the various counties have been sent to Senator Heflin's attorneys, and yet they have not presented to the Senate anything more significant or more important than trivial violations of directory provisions of a statute.

There is one other thing: We have here tally sheets. They were brought up here. They were checked off here by the supervisor. Not only were they checked with reference to the senatorial election, but they were checked all the way up and down the line for State, county, district, and circuit offices. That was done, as I understand, at the request of Senator Bankhead. These tally sheets were checked against the certificate of result. They tell their own story. If, by the wildest flight of the imagination, it could be conceived that they had taken votes away from Senator Heflin and deprived him of his seat, they took them away from every other officer in the State and every county officer.

Such a thing did not occur. They check just as anyone would know they would check. Everything in this case shows, beyond the peradventure of a doubt, that Senator Bankhead was elected in Alabama by a majority of practically 50,000 votes.

There appears in the hearings, part 2, page 396, the record of what happened in the Republican counties in Alabama. It shows the way they voted both in 1928 and in 1930.

It will be found that in Chilton County Smith received 1,402 votes, Hoover 3,186, Bankhead 1,280, and Heflin 1,768. In other words, it shows that the Republicans in that county, in the main, just did not vote at all.

In Cullman County and in De Kalb County and in St. Clair County and in Winston County the vote likewise is given on page 396 of the hearings, part 2.

In Cullman County Smith received 1,574 votes, Hoover 2,959, Bankhead 2,152, and Heflin 1,947.

In De Kalb County Smith received 3,957 votes, Hoover 5,761, Bankhead 3,958, and Heflin 4,411. Smith had received 3,957, and Bankhead received 3,958. In other words, in De Kalb County Mr. Bankhead received one more vote than Smith had received in 1928, while Senator Heflin received about 1,300 fewer voted than Mr. Hoover had in that county.

Hoover's majority in these five counties was 7,967. The Heflin majority in these five counties was 1,725. The difference in the Hoover and Heflin majorities was 6,242. These were Republican counties, showing that in the main the Republicans just did not vote in that particular case. The election officers were appointed by them.

Mr. President, in so far as I am concerned, I have now covered those features of the charges that have heretofore been made. I take the position that in so far as the law of this case is concerned, it is clear. There can be no shadow of doubt left in the mind of any fair individual who studies this record as to who was elected in Alabama.

Alabama has been charged from this floor, and by public statements made by a Member on this floor, with corruption; and yet the Senator from Delaware [Mr. HASTINGS], who is the chairman of the subcommittee making this unfavorable report, has admitted on the floor that he had no evidence on which to base it. The charge did not fall from his lips, but from the lips of the junior Senator from Indiana [Mr. ROBINSON], that fraud and corruption and rottenness were shown in every precinct in Alabama. I challenge his statement. He has not read the evidence. The evidence is contained in these several volumes; and he could not find any basis for the statement except in a few of the petty little trivialities that are found here.

For instance, the charge was made, and heralded all over the United States, that it had been found that one dead man had been voted; and even after the man had been produced and had testified on the witness stand, another interview was given out by the Senator from Delaware saying that if this man had told the truth he had violated the law. Either he had violated it or the other man had violated it, because, he said, if there were two, one of them was an election manager.

How did the Senator reach that conclusion? Some of the diligent activity which has been supplying him with information has found where a John W. Moore had served as election manager in a precinct in Jefferson County, and straightway the Senator gave to the press a statement that this John W. Moore had violated the law by serving as an election manager in Jefferson County and voting in Shelby. Straightway he received telegrams from the two John W. Moores demanding a public apology. So far as I have seen, that has never been printed; but he did admit before the

committee that he had wired down to the marshal and found out that he was incorrect.

This shows how wrong and how unjust it is to make charges against the people of a State and the election officers of a State when you have not the facts to back them up, but you jump at inferences from a similarity of names.

All through this record they have declared votes illegal. They even set aside the vote of a candidate for the Democratic nomination for governor in the last primary. He happened to be a probate judge of the State, and he had moved from one precinct to another; and in this list of 30,000 so-called illegal votes will be found the name of Judge J. A. Carney of Coffee County, the probate judge who had moved from Elba to Enterprise, and whose name had not been changed on the list. You will find also, in the list of votes that the Senator says are illegal, the probate judge of Shelby County, who had moved from one precinct to another; and when they failed to find his name in the precinct where he voted, they set it aside as an illegal vote. You will find, and I have the case in one record I have here, that the wife of the probate judge of Macon County, Ala., had her ballot set aside as illegal because forsooth they gave her name according to the initials of her husband, and it appeared on the record according to her given name.

That is the kind of "illegal" votes that make up the 30,000 that have been heralded throughout the country as casting reflections upon the election officers in the State of Alabama.

Mr. President, the time is here when the Senate can decide for itself whether it believes that people should sit in the Senate who have been elected or whether they should have their seats taken away from them because of technicalities and the piling up of thousands and thousands of irregularities.

It reminds me of a statement that I read many years ago in Mr. Wigmore's most excellent work on evidence, where he was commenting on the reversal of criminal cases on trivial and technical grounds. He said that the judges of America reminded him of a crowd of African fetish worshipers who were bowing down at the shrine of technicality instead of trying to get to the justice of the case and to try cases upon their merits. He pointed out instances where indictments on serious charges had been quashed in States for the failure to dot an "i," or for leaving out a single letter of a word, and where people have escaped just punishment on account of technicalities like that.

As I have heard presented the petty, trivial, small, trifling, airy charges, running up into the hundreds of thousands, as to whether a person voted with a pencil or with a pen, or whether somebody folded a ballot instead of rolling a ballot, I have thought that Mr. Wigmore, if he were to write another treatise, could refer again to the African fetish worshipers bowing at the shrine of form instead of substance.

There is only one thing for the Senate to decide, and there is only one thing it will decide: Who was elected in Alabama? As it did in the Mayfield case, the Senate will discard these trivialities, it will brush aside these technicalities. Whether the Senator from Delaware wants to do so or not, it will look behind the rolled ballot; it will say, "Who was the choice of the people whose ballots were rolled? Who was the choice of the people whose ballots were folded?" It will not determine finally and base its decision upon whether an Alabama farmer took a fountain pen to the polls to mark the ballots or whether he used the old-fashioned pencil, which the farmer of Alabama knows so well. It will ask, "When this ballot was cast, was it for Heflin or for Bankhead?"

That is the only issue, and I submit, as Senators view this record, measured by everything in the world lawyers can demand as to proof or taken according to the layman's viewpoint, simply upon the fairness and justice and equity of the case, there can be but one result, one irresistible conclusion, and that is that approximately 60 per cent of the voters of Alabama put their cross marks in front of Senator Bankhead's name, and approximately 40 per cent of the voters of that State put their cross marks in front of Senator Heflin's name, and Alabama claims its right, just as does Delaware, or Illinois, or Indiana, to send a Senator of its own choosing, selected by its own people, to the Senate of the United States.

I can not close my remarks without expressing my gratification that after a long, painstaking, and critical examination, which has been made of the election in Alabama, with all the charges that have been hurled all over the Nation, there has been no evidence of illegal expenditure of money. I am glad to say that with all that has been done, with all the microscopes which have been used, there has not yet been brought to the Senate any evidence which justifies even a reasonable inference that expenditures were corruptly made. Of all the terrible things which can be done the worst in a democracy, in my judgment, is corrupting the electorate of a nation by bribing them with money. There is nothing under the shining sun which, in my judgment, constitutes a more severe crime or can be a more severe indictment against the people than the fact that there is corruption through the unlawful expenditure of money.

Yet, Mr. President, after an examination of more than a year, with a committee that was certainly willing to get everything it could, we come before this body and the spokesman for the minority report does not present a single instance to show that money was corruptly used in the Alabama election.

Mr. President, I close my presentation of this case with the simple statement that Alabama is proud of her record as a State. She takes just pride in the achievements of her sons and of her daughters.

We are proud of the fact that after a thorough and complete examination they find that we have had an election which stands the scrutiny of its critics, and where the man who speaks for the minority must stand and charge our people with no more serious crime than that the nonexpert election managers dared to contravene the laws of this Nation and reach into their pockets and get pencils instead of pens with which to mark the ballots and that some of them folded the ballots when the law has said they must roll them.

I submit the case to the Senate with the sincere hope and with the belief that there can not be secured on the other side of this Chamber votes sufficient to give a partisan flavor to the unseating of a man when it is shown by every particle of proof that John H. Bankhead was elected by a majority of 50,000 of the sovereign voters of a sovereign State.

DEMAND TO WITHDRAW AMERICAN MARINES IN NICARAGUA—PROTEST THE KILLING BY NICARAGUAN SOLDIERS OF THE AMERICAN OFFICERS AND MEN

Mr. LEWIS. Mr. President, I do not rise to participate in the discussion of the Alabama election case, which I understand is to be resumed Monday. I want to congratulate all the Senators who have been discussing it upon what is very evident—a display of energy, industry, and great ability.

Mr. President, I want the privilege of the Senate for a couple of minutes that I might attract attention to what I feel is a great tragedy. In my home, in the village of Highland Park, at the city of Chicago, there are mothers, sisters, little ones, who must record their mourning in tears on the murder of their blood beloved, the United States marines in Nicaragua on yesterday. I beg to call to the attention of the Senate the fact that there can be no justification tendered from any source within the spirit of our Constitution nor the principles of our Government, within the theory for which this America is established, to excuse, far less to justify, the theory upon which this Government has launched these American soldiers and send down to distant foreign lands its young men—the heroic members of its marines, as pledges with their lives as additional security to private bankers, whose money, being lent upon an adventure in that country for excessive interest, under conditions of most exaggerated premiums—and this, our Nation, to lend the lives of its sons as this human pledge for the securing of this money. Thus we risk them where in the conflict they must die and be brought back in coffins to the bemoan-

ing house of misery and agony of their homes. And as to the reason why they were in Nicaragua, and where they were set upon, it must be answered that it was by those who felt they were justified in repelling an aggression from strangers, our people, sir, up to the present time all we get from our Government as explanation—with the expiration of nearly 24 hours—is the fact that these men were engaged in repelling what they claim was an invasion or assault by those of Nicaragua who are charged in Nicaragua with being "irregulars."

In other words—let us be to the point—we, of the United States, have assumed to establish a political administration in a distant foreign country, in Central America, particularly in Nicaragua, in order that one political administration shall be maintained there as against its rivals, because our favorite, chosen as such, is under some pledge that it will guarantee the payment of the debts which have been incurred in Nicaragua in behalf of American private banking interests of the United States. We pledge the lives of our young men and of our soldiers as collection agencies in behalf of these private interests until these American young men are murdered, and their mangled bodies brought back to their loved ones, to whom the only reply America can make—when her American citizens are thus disposed of in such ruthless, cruel, and inhuman manner—is that they have lent their children to sustain an administration of a distant country in power because the officials of that political power have promised to secure the return of money of private interests which has been lent within that land.

Mr. President, I protest against it. I protest in behalf of America. We have made an enemy of nearly every country of South and Central America, by our course. Our Nation has not a friend in any republic of Central or South America. La Prensa, the great publication of Buenos Aires, came out only shortly denouncing what we call our Monroe doctrine, because of these adventures of trespass on our part, which they claim are part of a movement by the United States to take possession by force of these States of Central America.

Mr. President, the distinguished ex-Secretary of State, now the Chief Justice of the United States, had to listen to himself hissed in Habana at a Pan American meet, and before the world, our country was held up as enduring that scorn and contumely because of conduct of the United States that had transpired in Haiti and Santo Domingo similar to this invasion which has been directed in Nicaragua.

We learn no lessons, we profit by no example, we multiply our conduct of trespass and invasion, we inherit the consequence upon America. We have now reached the point where, coolly and calmly, we endure the murder of children of America by foreign forces without even a protest.

Mr. President, if there be no other voice, I lift my own to register the protest of an American official against this affront to the American justice of our land. I ask, sir, that there shall be some course taken from official authority directing our Government and this administration to return to American principles; withdraw the marines, bring them home, let them be in America, let them be used to defend America, where America is assailed, but let our soldiers return to their country.

If these private bankers desire to lend their money to these countries, that is for them. Then let them take such steps to protect their securities as our American bankers are only permitted if they lend anywhere in the United States or Europe—to the courts of the country, or whatever source of help they may seek by private means. But let us end this using the children of America as extra pledges to the security of the private bankers, the forfeit of the pledge being the lives of these sons of our land. Mr. President, thereafter we may move once again toward reviving the friendship of South and Central America and thus justify the policy of the Monroe doctrine and reestablish that friendship which we sought to extend them in the hope that reciprocity might avail, which in trade or in kindliness would greatly profit us.

Mr. President, I thank the Senate for allowing me this moment, and particularly the assistant leader of the majority, the Senator from Oregon [Mr. McNARY], permitting displacing the program that I might assert my protest against longer continuing existing conditions such as I denounce. I express my hope and my plea for my country to return to American principles for the preservation of American lives under the just doctrines of an American constitutional government.

ADJOURNMENT

Mr. McNARY. Mr. President, I move that the Senate adjourn until Monday next at 12 o'clock noon.

The motion was agreed to; and the Senate (at 3 o'clock p. m.) adjourned until Monday, April 25, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

SATURDAY, APRIL 23, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, who art the guide of mankind, wilt Thou let Thy providence bring forth in our own beloved land the fruits of righteousness, contentment, and prosperity? Bless us with the wonderful graces of the Master—with His courage, with His forbearance, and with His sympathy for all men. May all nations be united in faith and hope. Take out of every conflict the sting of bitterness, of selfishness, that a true feeling of brotherhood and cooperation may be felt throughout the world. May prejudice flee away, may all suspicion disappear, and may all peoples come to the knowledge of the Lord God as their Heavenly Father upon earth. Amen.

The Journal of the proceedings of yesterday was read and approved.

APPOINTMENT OF GRADUATES OF NAVAL ACADEMY, 1932

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8083) providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference. I have consulted the ranking minority member on the committee, and this request is agreeable to him.

The SPEAKER. The gentleman from Georgia asks unanimous consent to take from the Speaker's table the bill H. R. 8083, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "in 1932."

Page 1, line 7, strike out "until after 1936."

Page 1, line 8, strike out "authorized."

Page 1, line 9, after "officers" where it appears the first time, insert "otherwise authorized by law."

Page 1, line 10, after "computation," insert "and shall be excluded from any computation made for the purpose of determining the authorized number of line officers in any grade on the active list above the grade of lieutenant, junior grade, until the total number of line officers shall have been reduced below the number otherwise authorized by law."

Page 1, after line 10, insert:

"SEC. 2. That all commissions hereafter issued as ensigns in the line of the Navy, second lieutenants in the Marine Corps, and in the lowest commissioned grades of the Staff Corps of the Navy with the rank of ensign, may be revoked by the Secretary of the Navy, under such regulations as he may prescribe, at any time during a period of two years from the dates of such commissions, and each officer whose commission is so revoked shall be discharged from the service with not more than one year's pay. The rank of such officers of the same date of commission among themselves at the end of said period shall be determined by boards of officers under such rules as may be prescribed by the Secretary of the Navy, and the recommendations of such boards shall be final when approved by him."

Page 1, after line 10, insert:

"SEC. 3. That after January 1, 1933, the number of midshipmen allowed at the United States Naval Academy for each Senator,

Representative, Delegate in Congress, Resident Commissioner from Porto Rico, and the District of Columbia, by the act of July 11, 1919 (41 Stat. 140; U. S. C., title 34, sec. 1032), shall be reduced to two: *Provided*, That nothing herein shall exclude from the United States Naval Academy any midshipman appointed thereto prior to January 1, 1933."

Amend the title so as to read: "An act providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy, and for other purposes."

Mr. BYRNS. Mr. Speaker, reserving the right to object, it is impossible for anyone to know just what those amendments mean, except the provision for the reduction of cadets from three to two, with which I am in accord.

Mr. VINSON of Georgia. Mr. Speaker, I shall explain exactly what the Senate amendments do. They propose to grant commissions to all midshipmen who graduate in future years, irrespective of whether or not we need them, and after they have put them in the fleet, leave discretion with the Secretary to weed them out. The amendments further propose to reduce the midshipmen from 2 to 3 years, to change the law as it is from 5 to 2, and make it permanently 2. The thought in my mind is this: This is a matter which should go to conference, because I am thoroughly of the opinion that there is no justification for Congress at this time going on record as saying that irrespective of whether we need the midshipmen they will get commissions. I think a conference report should be submitted permitting 50 per cent commissions to be granted, and 50 per cent in the years to come, until the number is brought down within the 4 per cent provided by law. That is the reason I am asking that it go to conference.

Mr. BYRNS. As the gentleman knows, I was very much opposed to the bill as it originally passed the House, because I have never believed that it is proper to commission 261 young men who have graduated when the department itself says that it has no need for them. I believe it is an unnecessary and unjustifiable expense and a charge upon the Treasury for the next 30 or 40 years. However, the House has acted upon that, as has the Senate. I do not think we should go any farther, however.

Mr. VINSON of Georgia. I agree with the gentleman. If we adopt the Senate amendments as they are, it means that next year and the year after and the year after every midshipman who graduates gets his commission. I am opposed to that. I want only enough midshipmen to be put into the service that the Navy requires, and that is the reason I asked to go to conference.

Mr. BYRNS. With that understanding, I have no objection.

Mr. VINSON of Georgia. The gentleman understands this, that the Senate amendments mean that the present graduating class, every one of them, will get their commissions; but there is discretionary power in the Secretary after probably two years at sea to weed out 50 per cent. The reason for commissioning the whole class now is because it may so happen that a boy who was at the foot of the class this year will develop and be a superior officer to the one who graduates with a higher rank.

Mr. BYRNS. That applies to the class which will graduate in June?

Mr. VINSON of Georgia. Yes.

Mr. BYRNS. The House and the Senate have already approved that.

Mr. VINSON of Georgia. No; the House has not. It approved the proposition to give everyone his commission and let him stay in the Navy, irrespective of any probationary period.

Mr. BYRNS. Whatever I may think about the fact that 261 ensigns are going to be put into the service when they are not needed, according to the statement of the Navy Department, does not now matter, for that is behind us. As I understand, the Senate amendment to which the gentleman refers will to a certain extent relieve that.

Mr. VINSON of Georgia. That is correct.

Mr. BYRNS. By giving the Secretary the right to weed them out.

Mr. VINSON of Georgia. Yes; and it goes one step farther and commissions future classes irrespective of whether we need them or not.

Mr. BYRNS. And the gentleman is opposed to that?

Mr. VINSON of Georgia. I am.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. McCLINTIC of Oklahoma. Has the gentleman ever worked out in his own mind some kind of a provision that when these graduates are commissioned, should they be retired within a period of one year, the Government will not be called upon to give them retirement pay for the balance of their lives?

Mr. VINSON of Georgia. If they go out under the Senate amendment they will go out with one year's pay and will not be placed upon the retired list.

Mr. McCLINTIC of Oklahoma. Reserving the right further to object, is it the gentleman's desire, if this bill should go to conference, to give each one of the conferees the opportunity of sitting in on all of the deliberations?

Mr. VINSON of Georgia. Of course, it would be no conference unless each Member had a right to participate. The gentleman from Oklahoma [Mr. McCLINTIC] will be a member of the conference committee, and I assure the gentleman he will have ample opportunity to express his views there and in the House also.

Mr. McCLINTIC of Oklahoma. It has been the policy in the past for two or three to get together and agree upon a report and then notify the other members afterwards.

Mr. VINSON of Georgia. That does not apply where I serve upon a conference committee.

Mr. BRITTEN. Will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. BRITTEN. Following the question by the distinguished chairman of the Committee on Appropriations, the gentleman from Tennessee [Mr. BYRNS], the gentleman, of course, knows that under the McClintic amendment to the House bill these boys graduating from the academy can not possibly go above the grade of ensign no matter how long they stay in the service.

Mr. VINSON of Georgia. Surely.

Mr. BROWNING. Will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. BROWNING. Did I understand the gentleman to say he was in accord with that part of the Senate amendment which permitted the Secretary of the Navy to weed out certain officers?

Mr. VINSON of Georgia. I am; and to prohibit other classes from graduating unless they are needed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON of Georgia, McCLINTIC of Oklahoma, DREWRY, BRITTEN, and DARROW.

PRINTING HEARINGS BEFORE THE SENATE FINANCE COMMITTEE

Mr. STEVENSON. Mr. Speaker, there is a concurrent resolution (S. Con. Res. 25) introduced by Senator SMOOT for certain printing that is needed very badly by the committee of the Senate, and I now call up that resolution and ask unanimous consent for its present consideration?

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Senate Concurrent Resolution 25

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Finance of the Senate be, and is hereby, empowered to have printed 1,500 additional copies of the consolidated hearings held before the committee during the current session on the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes.

The Senate concurrent resolution was agreed to.

PRINTING HEARINGS BEFORE COMMITTEE ON MANUFACTURES

Mr. STEVENSON. Mr. Speaker, I call up another concurrent resolution (S. Con. Res. 18) and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Senate Concurrent Resolution 18

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Manufactures of the Senate be, and is hereby, empowered to have printed 3,000 additional copies of the hearings held before the committee during the current session on the establishment of a national economic council.

Mr. STEVENSON. Mr. Speaker, I offer an amendment to the resolution.

The Clerk read as follows:

Amendment by Mr. STEVENSON: Page 1, line 5, strike out the word "three" and insert the word "one."

The amendment was agreed to.

The Senate concurrent resolution as amended was agreed to.

PENSIONS AND INCREASE OF PENSIONS TO CERTAIN SOLDIERS AND SAILORS OF THE CIVIL WAR, ETC.

Mr. UNDERWOOD. Mr. Speaker, I call up the bill (H. R. 11290) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Ohio calls up a bill, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill.

This bill is a substitute for the following House bills referred to this committee:

H. R. 517. Mary B. Pigg.
H. R. 555. Susie Leeson.
H. R. 580. Nancy A. Johnson.
H. R. 616. Mahala Walter.
H. R. 628. Sarah E. Huston.
H. R. 629. Rosalie Edwards.
H. R. 644. Fannie H. Burton.
H. R. 718. Grace V. Lawrence.
H. R. 723. Julia A. Griffith.
H. R. 726. Jane Bowser.
H. R. 733. Eliza J. Wilkinson.
H. R. 743. Mary E. Kistler.
H. R. 744. Lizzie Jones.
H. R. 748. Ruth Ryan.
H. R. 854. Effe T. McElhiney.
H. R. 894. Achsa Tyler.
H. R. 984. Sarah E. Bradley.
H. R. 986. Ellen D. Keck.
H. R. 991. Elizabeth A. Crum.
H. R. 993. Nora Dunlavy.
H. R. 1008. Mary E. Kelley.
H. R. 1012. Margretta Pelton.
H. R. 1063. Kate Couch.
H. R. 1067. Jane Burns.
H. R. 1126. Catherine King.
H. R. 1150. Jennie Payson.
H. R. 1209. Ella I. Parsons.
H. R. 1232. Abigail Stone.
H. R. 1242. Barbara Treuthart.
H. R. 1246. Ellen Lynch.
H. R. 1354. Mary E. Lemmon.
H. R. 1417. Eudora McDonough.
H. R. 1433. Helen F. Brady.
H. R. 1451. Mary C. Wilkerson.
H. R. 1487. Ida Adamson.
H. R. 1492. Jane S. Murphy.
H. R. 1504. Jane Salmons.
H. R. 1517. Eliza Hindman.
H. R. 1522. Maria Berghoff.
H. R. 1538. Doris Wehrs.
H. R. 1539. Jemima Woolery.
H. R. 1540. Sophia Brackmann.
H. R. 1541. Ruth C. Lindsey.
H. R. 1542. Bettie J. Williams.
H. R. 1574. Annie E. Santman.
H. R. 1591. Christina M. Rockwell.
H. R. 1592. Wildras Boothe.
H. R. 1601. Louesa A. Miller.
H. R. 1608. Sarah E. Fox.
H. R. 1609. Emily G. Van Luvender.
H. H. 1612. Alice J. Schrader.
H. R. 1613. Antoynett Brown.
H. R. 1614. Emma Corbin.
H. R. 1615. Elizabeth Miller.
H. R. 1624. Mary J. Mayhew.
H. R. 1633. Mattie Randolph.
H. R. 1676. Sarah E. Hermanstorfor.
H. R. 1687. Belle S. McGary.
H. R. 1689. Ida Madden.
H. R. 1691. Helen E. Cushman.
H. R. 1692. Margaret Tobin.
H. R. 1693. Emma Bassett.
H. R. 1708. Susan A. Pitts.
H. R. 1736. Julia C. Woodard.
H. R. 1737. Victoria Culver.
H. R. 1749. Rose J. Towner.
H. R. 1763. Minnie F. Rose.
H. R. 1838. H. Emma Streepy.
H. R. 1839. Melinda R. Probasco.
H. R. 1858. Agnes M. Jackman.
H. R. 1899. Eliza A. Callahan.
H. R. 1909. Martha E. Worth.
H. R. 1948. Sarah L. Calhoun.
H. R. 1990. Sylvia I. Whiteman.
H. R. 2005. Julia Lyon.
H. R. 2011. Martha Kasinger.
H. R. 2017. Gorda James.
H. R. 2022. Emma M. Webb.
H. R. 2061. Barbara Matthews.
H. R. 2112. Mary E. Burchett.
H. R. 2115. Margaret J. Allen.
H. R. 2175. Abbie E. Rhoades.
H. R. 2260. Amanda Riddell.
H. R. 2299. Sarah E. Casebeer.
H. R. 2333. Mary J. Swisher.
H. R. 2335. Ella F. Stewart.
H. R. 2395. Mary E. DeWitt.
H. R. 2433. Johanna C. Nightingale.
H. R. 2454. Hannah A. Brittain.
H. R. 2461. Mary J. Staples.
H. R. 2487. Abbie A. Rockwood.
H. R. 2489. Mary E. Stevenson.
H. R. 2520. Mary C. Hoyt.
H. R. 2552. Lelia C. W. Lee.
H. R. 2554. Kittie G. Bozard.
H. R. 2556. Evelyn C. Devereaux.
H. R. 2557. Candis M. Frank.
H. R. 2558. Alice Hultberg.
H. R. 2559. Lizzie S. Reed.
H. R. 2561. Addie J. Wheeler.
H. R. 2562. Hannah M. Widdifield.
H. R. 2563. Mary L. Wilson.
H. R. 2579. Anna L. Harman.
H. R. 2590. Mary E. Grange.
H. R. 2612. Margaret T. Work.
H. R. 2615. Mary E. McIntosh.
H. R. 2616. Mary M. McDowell.
H. R. 2619. Sarah J. King.
H. R. 2620. Malinda Kane.
H. R. 2657. Jessie Taylor.
H. R. 2658. Ellen Wornom.
H. R. 2659. Sarah E. Priestley.
H. R. 2660. Alice Bellville.
H. R. 2663. Delia Parmentier.
H. R. 2664. Ruth A. Parker.
H. R. 2678. Amanda Douglass.
H. R. 2718. Lucretia M. Young.
H. R. 2737. Mary L. Kelter.
H. R. 2738. Mary A. Brown.
H. R. 2740. Rachel D. Day.
H. R. 2742. Elizabeth Fadeley.
H. R. 2743. Carrie A. Eagin.
H. R. 2745. Martha Weiser.
H. R. 2748. Margaret C. Lee.
H. R. 2759. Martha Weisher.
H. R. 2806. Gertrude Storck.
H. R. 2845. Mary A. Healy.
H. R. 2851. Julia Dolan.
H. R. 2852. Kate Snow.
H. R. 2853. Mary E. Parker.
H. R. 2855. Anna King.
H. R. 2858. Nancy J. Smith.
H. R. 2859. Susan J. Waldo.
H. R. 2860. Margaret Smith.
H. R. 2861. Elizabeth M. Schoonover.
H. R. 2862. Annie A. Moneypenney.
H. R. 2865. Sarah A. Nutter.
H. R. 2867. Mary E. Hart.
H. R. 2869. Julia A. Duncan.
H. R. 2870. Sarah A. Bush.
H. R. 2955. Lucinda Bratcher.
H. R. 2972. Anna E. Thompson.
H. R. 2974. Louisa Reynolds.
H. R. 2977. Lillian M. Hendrickson.
H. R. 2979. Clarisse E. Faris.
H. R. 2983. Sarah J. Austin.
H. R. 2986. Patience Witherow.
H. R. 2989. Harriet B. Slater.
H. R. 2991. Hettie A. Reed.
H. R. 2995. Sarah Lynn.
H. R. 2996. Matilda Hensel.
H. R. 2997. Margaret J. Duncan.
H. R. 3004. Carrie S. Kenney.
H. R. 3043. Jennie E. Key.
H. R. 3128. Mary Ebersol.
H. R. 3406. Etta Noe.
H. R. 3408. Annie J. Henderson.
H. R. 3430. Bella J. Roberts.
H. R. 3437. Roxana M. Woodcock.
H. R. 3441. Clara A. DeKay.
H. R. 3476. Emma R. Gibford.
H. R. 3477. Eunice E. Walt.
H. R. 3478. Margaret C. Louthan.
H. R. 3481. Peninnah Boose.
H. R. 3483. Emma J. Kinsel.
H. R. 3484. Mary M. Keefer.
H. R. 3488. Alice Paul.
H. R. 3490. Mary C. Spanogle.
H. R. 3491. Barbara Weber.
H. R. 3503. Mary E. Blymyer.
H. R. 3541. Elizabeth J. Patrick.
H. R. 3546. Lettie M. Fleming.
H. R. 3576. Ella S. T. Witbeck.
H. R. 3585. Mary Binney.
H. R. 3587. Arvilla Holmes.
H. R. 3588. Anna M. Hull.
H. R. 3590. Mary B. McDonald.
H. R. 3591. Margaret Palmer.
H. R. 3594. Mary A. Graham.
H. R. 3598. Amanda Williams.
H. R. 3600. Jennie R. Devoe.
H. R. 3650. Alice McCoy.
H. R. 3677. Mary Sage.
H. R. 3684. Annie L. Tucker.
H. R. 3743. Agness B. Smith.
H. R. 3749. Clara S. Hopple.
H. R. 3763. Mary E. Riley.
H. R. 3823. Cordelia Stiles.
H. R. 3827. Mary A. Lindy.
H. R. 3829. Emma Sturdevant.
H. R. 3831. Elizabeth W. Barringer.
H. R. 3858. Cora Dawson.
H. R. 3870. Laura Joles.
H. R. 3887. Katie Ingersoll.
H. R. 3897. Barbara Burnett.
H. R. 3902. Sarah M. Curry.
H. R. 3914. Augusta E. Cutler.
H. R. 3915. Eliza W. Parkhurst.
H. R. 3917. Lucy A. Beckwith.
H. R. 3946. Bettie A. Reese.
H. R. 3983. Emma Zane.
H. R. 4004. Clara C. Rogers.
H. R. 4007. Malissa M. Bower.
H. R. 4010. Hester Zegenfus.
H. R. 4016. Annie M. Montgomery.
H. R. 4029. Anzina L. Harper.
H. R. 4077. Mary Miller.
H. R. 4083. Charles M. Phillips.
H. R. 4138. Sarah E. Weekley.
H. R. 4175. Iantha Bohall.
H. R. 4179. Flora Bailey.
H. R. 4185. Eulise M. Hubbard.
H. R. 4190. Sarah E. Jackson.
H. R. 4202. Jane Mitchell.
H. R. 4203. Julia Christison.
H. R. 4214. Clara L. Waggoner.
H. R. 4251. George Brewer.
H. R. 4336. Cynthia E. Ball.
H. R. 4374. Mary E. Wray.
H. R. 4381. Addie E. Ray.
H. R. 4382. Margaret E. Cowan.
H. R. 4383. Jane Blakely.
H. R. 4413. Mary A. Widel.
H. R. 4414. Thomas N. Burris.
H. R. 4437. Carrie Stidham.
H. R. 4442. Rebecca J. Gard.
H. R. 4466. Katherine Shaffer.
H. R. 4470. Jane Davis.
H. R. 4473. Mary Shipps.
H. R. 4477. Rachel J. Carson.
H. R. 4758. Anna M. Reddelien.
H. R. 4759. Mary J. Trailor.
H. R. 4761. Nan A. Benson.
H. R. 4762. Frances E. Newton.
H. R. 4770. Sherman King.
H. R. 4808. Barbara Price.
H. R. 4853. Emma Lillis.
H. R. 4879. Mary M. Ball.
H. R. 4880. Marietta V. Fox.
H. R. 4882. Matilda A. Huerth.
H. R. 4889. Ella F. Bartlett.
H. R. 4951. Hannah Sims.
H. R. 4979. Hannah D. Warren.
H. R. 4998. Elizabeth Frasher.
H. R. 5010. Agnes F. B. Overlander.
H. R. 5056. Mary E. Ward.
H. R. 5155. Drusilla J. Tremain.
H. R. 5164. Mary E. Murphy.
H. R. 5194. Hattie E. Chappell.
H. R. 5228. Agnes Robertson.
H. R. 5229. Victoria B. Temple.
H. R. 5237. Sarah S. Lawall.
H. R. 5243. Silas S. Shepperd.
H. R. 5376. Nettie Roberts.
H. R. 5394. Nancy E. Allen.
H. R. 5395. Sarah L. Smith.
H. R. 5396. Margaret J. Barnes.
H. R. 5404. Sarah H. Porter.
H. R. 5406. Alice Pulley.
H. R. 5410. Rosa J. Connolly.
H. R. 5412. Adaline Greer.
H. R. 5415. Mary Danley.
H. R. 5426. Malinda Howard.
H. R. 5532. Susanah S. Dellinger.
H. R. 5570. Julia E. Wilkinson.
H. R. 5573. Kate Small.
H. R. 5574. Louise L. Pettengill.
H. R. 5579. Emma L. Reinhart.
H. R. 5580. Martha Morphy.
H. R. 5581. Elmira M. Webb.
H. R. 5582. Caroline J. Comfort.
H. R. 5583. Sallie S. Tyler.
H. R. 5585. Laura A. Raymond.
H. R. 5586. Melvina E. Johnson.
H. R. 5683. Mattie Bumgardner.
H. R. 5685. Sallie Miller.
H. R. 5686. Mary Miller.

H. R. 5687. Mariah Buchanan.
H. R. 5729. Margaret A. Secrist.
H. R. 5735. Myrtle B. Oldfield.
H. R. 5736. Elizabeth Koonts.
H. R. 5750. Mary T. Wilmot.
H. R. 5757. Maggie L. Adams.
H. R. 5758. Sarah A. Lofton.
H. R. 5760. Delilah Taylor.
H. R. 5772. Alice Ward.
H. R. 5776. Amanda Hoppock.
H. R. 5800. Hattie V. Wilson.
H. R. 5803. Harriet Andres.
H. R. 5808. Jane Ault.
H. R. 5812. Mary Spear.
H. R. 5911. Martha J. Jones.
H. R. 5927. Sarah E. Boler.
H. R. 5954. Sylvia Abner.
H. R. 5956. Lee Rigsby.
H. R. 6066. Hester A. Young.
H. R. 6067. Elizabeth Dugan.
H. R. 6068. Susan A. Taylor.
H. R. 6069. Mary A. Lane.
H. R. 6072. Addie Blunt.
H. R. 6108. Ida Bloss.
H. R. 6118. Anna De Nio.
H. R. 6119. Emma F. Young.
H. R. 6122. Mary E. Pritchard.
H. R. 6139. Mary J. Easley.
H. R. 6198. Ross C. Ramsay.
H. R. 6221. Amanda M. Bastian.
H. R. 6269. Mary J. Jacobus.
H. R. 6279. Sarah J. Pittman.
H. R. 6314. Adaline Shuman.
H. R. 6316. Jennie M. Jenness.
H. R. 6325. Anna S. Younts.
H. R. 6331. Sarah A. Wright.
H. R. 6346. Annie E. Livingston.
H. R. 6353. Mary E. Adams.
H. R. 6354. Fanny Branham.
H. R. 6355. Amanda E. Wilson.
H. R. 6366. Lucinda E. Hollopeter.
H. R. 6414. Frederika Bushong.
H. R. 6423. Minnie M. Davis.
H. R. 6431. Mary Coombs.
H. R. 6432. Emogene Allen.
H. R. 6447. Malinda J. Jacobs.
H. R. 6452. Mary J. Welch.
H. R. 6465. Dora Nosler.
H. R. 6472. Emma Grannis.
H. R. 6473. Fannie H. Hadley.
H. R. 6513. Eunice A. Collins.
H. R. 6514. Nancy Fish.
H. R. 6533. Sarah C. Kirkpatrick.
H. R. 6534. Annie A. Riggs.
H. R. 6535. Elizabeth E. West.
H. R. 6571. Sylvia A. Dunn.
H. R. 6603. Annie E. Shannon.
H. R. 6611. Rhoda A. Ellis.
H. R. 6615. Margaret E. Stephens.
H. R. 6620. Mary Lewis.
H. R. 6621. Amanda Gregg.
H. R. 6622. Agnes Ireland.
H. R. 6624. Sarah J. Shepard.
H. R. 6630. Roxalina Davis.
H. R. 6638. Athelia P. Land.
H. R. 6641. Delia M. Allen.
H. R. 6642. Sarah A. Bulluck.
H. R. 6645. Katherine Garrison.
H. R. 6751. Mary Greentree.
H. R. 6752. Florence I. Earnhart.
H. R. 6753. Kate Wallace.
H. R. 6755. Susan I. Queen.
H. R. 6761. Addie L. Shugars.
H. R. 6763. Permelia C. Jefferys.
H. R. 6764. Sarah A. Feather.
H. R. 6771. Sarah E. Miller.
H. R. 6772. Mary Reed.
H. R. 6806. Sarah E. Westlake.
H. R. 6807. Amy Barns.
H. R. 6824. Mary J. Martin.
H. R. 6849. Antha A. King.
H. R. 6856. Priscilla Hurt.
H. R. 6857. Dorinda Phillips.
H. R. 6858. Rachel Smith.
H. R. 6882. Bettie L. Lomax.
H. R. 6894. Marcella J. Hutchins.
H. R. 6898. Melissa A. Haskell.
H. R. 6904. Kate M. Farrell.
H. R. 6907. Hannah R. Byrne.
H. R. 6908. Maria O. Fowler.
H. R. 6923. Margaret V. Besa.
H. R. 6927. Mary E. Peters.
H. R. 6929. Emma J. Morse.
H. R. 6972. Mima White.
H. R. 6977. Lena L. Evans.
H. R. 7016. Susan T. Ebbecke.
H. R. 7017. Amanda L. Dare.
H. R. 7022. Elvira M. Miller
H. R. 7023. Ermina M. McKinney.
H. R. 7027. Martha Benner.
H. R. 7037. Margaret Vandresar.
H. R. 7039. Mary E. Ferris.
H. R. 7051. Mary R. Currier.
H. R. 7058. Sarah A. Gilliland.
H. R. 7070. Cora A. Cluff.
H. R. 7100. Barbara Harley.
H. R. 7124. Maria Stackhouse.
H. R. 7169. Maggie Pickett.
H. R. 7171. Margaret Thurman.
H. R. 7172. Katharine M. DeWitt.
H. R. 7202. Amanda Estep.
H. R. 7206. Lydia Woody.
H. R. 7214. Armenia Magann.
H. R. 7261. Mary E. Mikesell.
H. R. 7282. Mary Wilder.
H. R. 7297. Lury E. Abramson.
H. R. 7299. Sarah A. Egolph.
H. R. 7302. Alice Drake.
H. R. 7311. Mary E. Derrick.
H. R. 7314. Laura N. Russell.
H. R. 7316. Mary G. Sherwood.
H. R. 7331. Martha Knight.
H. R. 7333. Anna McCormick.
H. R. 7334. Eliza A. Mercer.
H. R. 7335. Mary J. Shirk.
H. R. 7336. William H. Jones.
H. R. 7394. Eddie Bassett.
H. R. 7405. Emma Burdge.
H. R. 7416. Catherine Wyms.
H. R. 7418. Nancy Kinter.
H. R. 7480. Cornelia M. Perry.
H. R. 7482. Mary Krener.
H. R. 7485. Luticia C. Anderson.
H. R. 7496. Clara E. Herr.
H. R. 7579. Louise Hatch.
H. R. 7586. Amelia Carpenter.
H. R. 7591. Harriet Brownrigg.
H. R. 7596. Minnie A. Lacy.
H. R. 7597. Dora B. Mann.
H. R. 7640. Hulda J. Simpson.
H. R. 7653. Winnie Hazard.
H. R. 7665. Martha J. Carlton.
H. R. 7667. Alice W. Butts.
H. R. 7670. Martha J. Anderson.
H. R. 7677. Mary B. Morris.
H. R. 7697. Hattie E. Barnett.
H. R. 7702. Julia Ann Ford.
H. R. 7705. Eva P. Black.
H. R. 7736. Maggie A. Daringer.
H. R. 7749. Mary E. Cahoone.
H. R. 7753. Lizzie L. Hanchett.
H. R. 7754. Hannah Boyer.
H. R. 7765. Elizabeth O'Keefe.
H. R. 7782. Ann Bennett.
H. R. 7811. Maggie E. Offill.
H. R. 7821. Eunice T. Brown.
H. R. 7823. Eudora Kightly.
H. R. 7825. Susan A. Rice.
H. R. 7826. Nancy A. Clark.
H. R. 7828. Susan Light.
H. R. 7832. Sarah Platt.
H. R. 7833. Nellie R. Pearce.
H. R. 7835. Nancy J. Littell.
H. R. 7836. Rachel A. Coats.
H. R. 7849. Catherine E. DeBussey.
H. R. 7863. Mary M. Callen.
H. R. 7864. Emma Moore.
H. R. 7865. Viannie M. Walters.
H. R. 7957. Sarah S. Brown.
H. R. 7962. Lovina Reprogle.
H. R. 7970. Rachel C. Carrico.
H. R. 7971. Ellen Berry.
H. R. 7972. Adaline Calton.
H. R. 7991. Martha B. Ellis.
H. R. 7992. Anna M. Thompson.
H. R. 7997. Mary Jane Butler.
H. R. 8002. Louisa Weaver.
H. R. 8004. Mary E. Cole.
H. R. 8038. Florine F. Seaman.
H. R. 8039. Mary H. Ackley.
H. R. 8051. Bell D. Qualls.
H. R. 8053. Martha J. Wilcox.
H. R. 8060. Agnes G. Smith.
H. R. 8065. Sarah J. Green.
H. R. 8104. Amanda A. Sibrel.
H. R. 8110. Martha J. Blacketer.
H. R. 8111. Mattie L. Stults.
H. R. 8118. Matilda A. Barnes.
H. R. 8133. Louisa F. Corn.
H. R. 8213. Harriet Seasholtz.
H. R. 8222. Charlotte B. McWilliams.
H. R. 8227. Margaret A. Morse.
H. R. 8252. Eliza J. Hoisington.
H. R. 8254. Mary A. Spain.
H. R. 8262. Mary E. Roush.
H. R. 8266. Martha Kellerhals.
H. R. 8273. Clara E. Bryan.
H. R. 8298. Mary J. White.
H. R. 8299. Elizabeth J. Lister.
H. R. 8301. Carrie Abell.
H. R. 8303. Mary E. Harper.
H. R. 8309. Mary M. Davis.
H. R. 8312. Susanna Rainier.
H. R. 8313. Lizzie A. Whitten.
H. R. 8340. Margaret Spitznagle.
H. R. 8341. Elizabeth A. Landers.
H. R. 8354. Sarah E. Martin.
H. R. 8356. Jane Pelletier.
H. R. 8365. Lucy A. Farington.
H. R. 8400. Anna M. Gentgen.
H. R. 8423. Mary E. Wallace.
H. R. 8427. Maryette Sweet.
H. R. 8430. Ruth V. Foster.
H. R. 8432. Julia Baker.
H. R. 8439. Mary C. Abrams.
H. R. 8455. Julia Mehlman.
H. R. 8458. Martha A. Lunna.
H. R. 8461. Ellen Thompson.
H. R. 8462. Elizabeth Blades.
H. R. 8463. Eliza J. Hamilton.
H. R. 8473. Josephine Black.
H. R. 8484. Margaret Moody.
H. R. 8486. Jane Stewart.
H. R. 8491. Sarah A. Herring.
H. R. 8514. Mary Finn.
H. R. 8516. Elizabeth M. Blue.
H. R. 8532. Margaret E. Dubes.
H. R. 8534. Catharine C. Crippen.
H. R. 8535. Ida M. Lent.
H. R. 8536. Lydia Diehl.
H. R. 8586. Margaret Janes.
H. R. 8600. Viola V. Buckley.
H. R. 8646. Sarah Jane Bump.
H. R. 8657. Eliza Alby.
H. R. 8670. Antoinette Howland.
H. R. 8672. McLean W. Terry.
H. R. 8699. Margaret E. Laidig.
H. R. 8701. Matilda J. Irvin.
H. R. 8703. Mary Elliott.
H. R. 8709. Maime F. Presley.
H. R. 8713. Nancy A. Williamson.
H. R. 8721. Mary A. Hayes.
H. R. 8722. Mary A. Sullivan.
H. R. 8728. Sarah A. Ten Broeck.
H. R. 8730. Melissa J. Boggs.
H. R. 8732. Margret Douds.
H. R. 8740. Hannah L. Heaton.
H. R. 8743. Phoebe A. Jennings.
H. R. 8746. Margaret Adams.
H. R. 8747. Mary J. Cooper.
H. R. 8773. Mary E. Alverson.
H. R. 8774. Emma Frey.
H. R. 8792. Margaret L. Ross.
H. R. 8797. Margaret I. Maiden.
H. R. 8829. Mary Vance.
H. R. 8840. Mary E. Nichols.
H. R. 8841. Chloe M. Ranbarger.
H. R. 8865. Jane Richards.
H. R. 8886. Susie Henley.
H. R. 8894. Nancy McAllister.
H. R. 8948. Margaret Walrod.
H. R. 8956. Maria A. Houston.
H. R. 8959. Catherine Weltner.
H. R. 8963. Sevilla A. Boley.
H. R. 8965. Louisa Conklin.
H. R. 8966. Jane Smith.
H. R. 8968. Jenettie E. Evans.
H. R. 9010. Mary A. Swing.
H. R. 9028. Harriet B. Gilmore.
H. R. 9029. Mary J. Whistler.
H. R. 9036. Margret B. Kerr.
H. R. 9037. Mary A. Greer.
H. R. 9038. Margaret Hendershot.
H. R. 9043. Emeline J. McLane.
H. R. 9047. Salena Hendrickson.
H. R. 9048. Anna Trimbur.
H. R. 9074. Rachel P. Thomas.
H. R. 9080. Belle Robinson.
H. R. 9087. Issa Bledsoe.
H. R. 9102. Emma J. Jones.
H. R. 9110. Amanda J. Gilliam.
H. R. 9111. Lucinda E. Fleming.
H. R. 9112. Anna L. Cowen.
H. R. 9116. Delilah Banks.
H. R. 9121. May Tuffree.
H. R. 9123. Elizabeth W. Ravenburg.
H. R. 9124. Kathryn S. Fishel.
H. R. 9125. Alice Garland.
H. R. 9126. Hannah M. Shank.
H. R. 9153. West Virginia Hayward.
H. R. 9154. Louisa Turner.
H. R. 9156. Lydda K. Teats.
H. R. 9157. Mary Glover.
H. R. 9159. Margaret E. Cassada.
H. R. 9160. Sarah E. Harner.
H. R. 9161. Mary F. Smallwood.
H. R. 9168. Eliza Stanley.
H. R. 9191. Laura Chrysler.
H. R. 9194. Elizabeth Miller.
H. R. 9209. Susanna Guyer.
H. R. 9210. Sallie P. Adams.
H. R. 9224. Louisa Kendall.
H. R. 9226. Missouri F. Johnson.
H. R. 9228. Jane Cooper.
H. R. 9239. Esther Olds.
H. R. 9244. Almira Westover.
H. R. 9298. Maggie E. M. Wilcox.
H. R. 9299. Lillie E. R. Withey.
H. R. 9323. Mary M. Snyder.
H. R. 9340. Sarah M. McCullough.
H. R. 9358. Louisa F. Mansfield.
H. R. 9371. Mary J. Ferguson.
H. R. 9372. Mary McCoy.
H. R. 9399. Sallie Davis.
H. R. 9405. Lottie M. Haynes.
H. R. 9414. Julia A. Taylor.
H. R. 9422. Lena Niemann.
H. R. 9424. Emma C. Evans.
H. R. 9461. Margaret Haskin.
H. R. 9468. Frances A. Kuder.
H. R. 9469. Mary L. Pease.
H. R. 9482. Margaret Eicher.
H. R. 9484. Clara G. F. Kerr.
H. R. 9501. Mary E. Snyder.
H. R. 9502. Emma J. Rairden.
H. R. 9516. Nettie J. Brown.
H. R. 9517. Sarah A. Cooley.
H. R. 9524. Martha Sabins.
H. R. 9526. Georgia S. Bates.
H. R. 9530. Anna L. Rumsey.
H. R. 9531. Ida B. Cutright.
H. R. 9561. Mary Freeland.
H. R. 9623. Harriet Reynolds.
H. R. 9634. Julia A. Montgomery.
H. R. 9635. Antoinette E. Lupher.
H. R. 9670. Margaret A. Richardson.
H. R. 9675. Mary E. Anthony.
H. R. 9676. Susan F. Atwater.
H. R. 9682. Phebe M. Lamphier.
H. R. 9683. Sarah J. Ash.
H. R. 9690. Mary E. Harris.
H. R. 9722. Virginia Humphrey.
H. R. 9726. Ella McPhail.
H. R. 9734. Henrietta C. Schofield.
H. R. 9735. Mary C. Gilkison.
H. R. 9846. Ellen Brennan.
H. R. 9847. Clarinda Orahood.
H. R. 9848. Anna LeFevre.
H. R. 9855. Lizzie Penington.
H. R. 9865. Marie Denhard.
H. R. 9904. Mary M. Adsit.
H. R. 9906. Eliza Morse.
H. R. 9960. Mary A. Beers.
H. R. 9982. Mary Tompkins.
H. R. 9991. Annie M. Wierman.
H. R. 10007. Mary H. Thompson.
H. R. 10077. Lavina Watts.
H. R. 10117. Burley Van Fleet.
H. R. 10134. Martha S. Noel.
H. R. 10163. Jennie E. Little.
H. R. 10164. Mary E. Jones.
H. R. 10165. Mary E. Goshorn.
H. R. 10214. Ellen Bruce.
H. R. 10235. Ianthe S. Webber.
H. R. 10263. Sarah C. Burnett.
H. R. 10309. Margaret I. Reider.
H. R. 10310. Charlotte Perry.
H. R. 10311. Abbie Davison.
H. R. 10332. Eva Shaver.
H. R. 10344. Mary Singleton.
H. R. 10355. Mattie Talbot.
H. R. 10397. Andrew J. White.
H. R. 10399. Anna E. Frauli.
H. R. 10402. Sarah E. Carmichael.
H. R. 10513. Mary E. Schofield.
H. R. 10538. Mary Diker.
H. R. 10622. Margaret K. Malers.
H. R. 10659. Priscilla Swan.
H. R. 10665. Mary Tippie.
H. R. 10667. Nancy Consolver.
H. R. 10687. Margaret Cunneen.
H. R. 10788. Elizabeth J. Coburn.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion by Mr. UNDERWOOD, a motion to reconsider the vote by which the bill was passed was laid on the table.

NAVY DEPARTMENT APPROPRIATION BILL

Mr. AYRES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11452, the Navy Department appropriation bill, with Mr. FULLER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. There is an amendment pending which was offered by the gentleman from Oklahoma [Mr. McCLINTIC], which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. McCLINTIC of Oklahoma: Page 42, line 1, after the word "librarian," strike out the figures "$269,000" and insert "$200,000."

Mr. McCLINTIC of Oklahoma. Mr. Chairman, on yesterday I attempted to get some information relative to the number of civilians, the number of instructors, and other information with respect to the Naval Academy in comparison with the amount that is now being expended at the Military Academy. When the House adjourned on yesterday no one present was able to give that information.

Mr. AYRES. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. I yield.

Mr. AYRES. I will be glad to give the gentleman the information as best I can at this particular time.

Mr. McCLINTIC of Oklahoma. I have the information here now.

Mr. AYRES. I had the information here yesterday, but it was out of my possession when the question came up.

Mr. McCLINTIC of Oklahoma. I have some information that I respectfully wish to bring to the House.

At the present time there are 76 civilian teachers at the Naval Academy and 164 officers in comparison with 8 civilian teachers at West Point and 182 officers.

The appropriation last year for the Naval Aacdemy at Annapolis for teachers was $290,000 and for West Point $46,000. Anyone can clearly see that the ratio or proportion is entirely out of line. When we take into consideration the fact that there is strong probability that each Member of Congress will have his number of appointees reduced to two next year, really the amendment which I have offered should have provided for a greater reduction than it calls for.

Mr. AYRES. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. I yield.

Mr. AYRES. I should like to ask the gentleman if he is not aware of the fact that the amount he gave applied to but eight professors or civilian officers at West Point, while the figure he gave for Annapolis applies to 74 civilian instructors?

Mr. McCLINTIC of Oklahoma. The gentleman is absolutely correct as to the 74 civilian instructors. Page 752 of the House hearings gives the table.

Mr. AYRES. Let me ask another question: Does not that account for the discrepancy in the amounts appropriated for the two institutions?

Mr. McCLINTIC of Oklahoma. No; not in the proper ratio, because you have $46,000 against $290,000 without that ratio in the actual number of teachers employed. There are 240 instructors in the Naval Academy as against 185 instructors in the Military Academy.

Mr. GAMBRILL. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. In a minute.

The point I want to bring out is that the people of the country expect us to reduce expenditures. At the present rate we are appropriating for a sufficient number of teachers and employees to take care of five appointees for each Member of Congress. The number of appointees has been gradually reduced from five to three, and next year we will probably only have two. Surely the House should be willing to reduce this expenditure in the sum of $69,000, which would still leave $200,000 for this purpose.

Mr. AYRES. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Certainly.

Mr. AYRES. May I ask the gentleman, when he speaks of next year if he means the fiscal year 1933?

Mr. McCLINTIC of Oklahoma. I mean the year to which this conference report will be applicable, the one brought to the attention of the House this morning.

Mr. AYRES. The reduction to two appointments would not be applicable until the year 1934, so that question should not enter into the 1933 bill that we are considering at this time.

Mr. McCLINTIC of Oklahoma. The gentleman is correct.

Mr. AYRES. I wish to call the gentleman's attention to the further fact that 2 of the 76 civilian instructors the gentleman spoke of a moment ago will be eliminated by the department itself, and this bill calls for a further elimination of 5.

Mr. McCLINTIC of Oklahoma. I am glad to have the information, because I am sure that the chairman is trying to reach the same results I am; but I further want to call his attention to the fact that the present ratio of appropriations to take care of teachers in the two schools is about 6 to 1. In other words, it costs six times more money to maintain the teachers for the Naval Academy at Annapolis than it does to maintain the teachers for the Military Academy at West Point.

[Here the gavel fell.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I ask for an additional five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. AYRES. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Certainly.

Mr. AYRES. Does the gentleman realize that at West Point there are but 1,200 cadets?

Mr. McCLINTIC of Oklahoma. I was about to call attention to that.

Mr. AYRES. While at Annapolis we have 1,900 students.

Mr. McCLINTIC of Oklahoma. The gentleman is correct. That makes a difference of only 600 in the total, yet the ratio in expenses is vastly over one-third. In other words, we should not be called upon to appropriate for a greater number of teachers than is necessary to take care of the difference in the number of students at Annapolis. Instead of that we are asked to appropriate this year the sum of $269,000. My amendment proposes that that amount be reduced to $200,000. It is a slight reduction and not in keeping with the same ratio that applies to West Point.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Certainly.

Mr. OLIVER of Alabama. Since it appears from the statement the gentleman has made that instructors at both of the academies embrace civilian and officer instructors, the officer instructors at West Point exceeding those at Annapolis——

Mr. McCLINTIC of Oklahoma. Only by eight.

Mr. OLIVER of Alabama. I think by more than that; it would be about 28.

Mr. McCLINTIC of Oklahoma. I should have said 18.

Mr. OLIVER of Alabama. The officer instructors, I am informed, at West Point exceed the officer instructors at Annapolis by 28. However, since the number of boys at Annapolis are about 50 per cent more than at West Point, I think you will find that the costs are fairly well apportioned between the two schools.

Mr. McCLINTIC of Oklahoma. I regret exceedingly I can not agree with the gentleman, because the ratio between Annapolis and West Point does not justify an expenditure of six times more money to take care of teachers at Annapolis than it does to take care of teachers at West Point.

That being true, it does seem to me that this House should proceed along business lines and take into consideration the number of students that are at each one of these schools and supply for these students a sufficient number of teachers and no more. That is the reason that I have asked that this appropriation be reduced in the sum of $69,000, which is justifiable, according to the figures that I have given.

Mr. BRITTEN. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. I yield to the gentleman from Illinois.

Mr. BRITTEN. I heartily agree with the gentleman that the House should proceed along businesslike lines. With that in view, I should like to ask the gentleman which of the professors or instructors at the Naval Academy he would do away with under his $69,000 reduction?

Mr. McCLINTIC of Oklahoma. I shall be very glad to answer that. I am sure if this appropriation is reduced to $200,000, we have at the head of the Navy Department sufficient brains to equalize matters in such a way as to maintain present efficiency.

Mr. BRITTEN. What does the gentleman mean by equalizing brains at the Naval Academy?

Mr. McCLINTIC of Oklahoma. I did not say at the Naval Academy. I said the head of the Navy.

Mr. BRITTEN. How is the gentleman going to determine which professors or which instructors shall be eliminated from the service by this arbitrary deduction of $69,000?

Mr. McCLINTIC of Oklahoma. The gentleman knows full well that whenever you reduce expenditures applicable to any bureau or department of the Government that those in charge of it immediately make the necessary readjustments so as to maintain efficiency and at the same time leave the situation in accord with the amount appropriated.

Mr. BRITTEN. I understood the gentleman to say he desired to have a businesslike procedure, but the gentleman does not know which of the instructors or professors he would do away with at the academy, but he would leave that to the discretion of the department.

Mr. McCLINTIC of Oklahoma. Certainly; and that is the only sensible way it can be brought about.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Certainly.

Mr. OLIVER of Alabama. My information is that at West Point we have 1,236 students and at Annapolis 2,003.

Mr. McCLINTIC of Oklahoma. We only have about 1,800 at Annapolis.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. We have at West Point 192 officers as instructors; at Annapolis 164, making a difference of 28. Officer and civilian instructors at West Point number 198 for 1,236 boys, while the number of officers and civilian instructors at Annapolis is 240 for 2,003 boys.

Mr. McCLINTIC of Oklahoma. The gentleman's figures are slightly different from those given to me by the department this morning. But regardless of that fact, the gentleman can not justify an appropriation amounting to six or seven times more to take care of the teachers at Annapolis than is being appropriated for West Point.

Mr. OLIVER of Alabama. The error which the gentleman falls into is this: That there are 28 more officers at West Point than at Annapolis engaged in teaching.

Mr. McCLINTIC of Oklahoma. Eighteen.

Mr. OLIVER of Alabama. There are 28, according to the statement furnished me by the department.

Mr. McCLINTIC of Oklahoma. According to my figures the number is 18.

Mr. OLIVER of Alabama. It would be well to see what the pay of officers at West Point is and what the pay of officers at Annapolis is, and then you should take into account the large increase in the number of students at Annapolis over the number at West Point.

Mr. McCLINTIC of Oklahoma. The gentleman's figures are not exactly accurate, because the chairman of the subcommittee has made the statement that there are only about 1,800 students at Annapolis.

I want to say further to the committee that my only purpose in bringing this to your attention is to see whether or not the House wants to put into effect some economy. If the committee does wish to put some economy into effect, it will vote for this amendment; otherwise, it will vote it down.

Mr. GAMBRILL. Mr. Chairman, I rise in opposition to the amendment. The purpose of the amendment offered by the gentleman from Oklahoma is to reduce the appropriation for the civilian professors at the Naval Academy at Annapolis from $269,000 to $200,000, an arbitrary reduction which does not take into consideration the fact that the Budget reduced the amount allowed to the Naval Academy by $114,000 and following that the Subcommittee on Appropriations reduced the amount by $28,000, a total reduction of about $142,000.

The subject brought up by the gentleman from Oklahoma must have been one which was familiar to him because I have before me the hearings of the Committee on Naval Affairs of February 1, 1932, when the gentleman from Oklahoma made this statement, when Admiral Upham, Chief of the Bureau of Navigation, was on the stand.

Mr. McCLINTIC of Oklahoma. What page?

Mr. GAMBRILL. Page 751.

Mr. McCLINTIC. I notice the Naval Academy has an appropriation of $290,000 to take care of professors, and when you compare that with the Military Academy, which uses only $46,561 to pay instructors, why should the ratio be so much higher at the Naval Academy than at the Military Academy when the number of students is not sufficiently greater to warrant this difference in cost?

At the invitation of the gentleman from Oklahoma, Admiral Upham, the Chief of the Bureau of Navigation, put in those hearings a statement showing that there were 76 civilian professors at the Naval Academy who receive an aggregate salary of $290,000, or an average pay of $3,810. The hearings disclose that at West Point there are six civilian employees, their total pay being $17,320. Now, manifestly, gentlemen, when you have 76 professors at the Naval Academy as compared with 6 civilian professors at West Point it accounts for the difference between the appropriation made for the Naval Academy of $269,000 for the pay of civilian professors as against $46,561, as stated by the gentleman from Oklahoma, allowed for civilian professors at West Point.

Mr. McCLINTIC of Oklahoma. Will the gentleman yield?

Mr. GAMBRILL. Yes.

Mr. McCLINTIC of Oklahoma. The gentleman's statement is correct with respect to the hearings; but when the information was given, it was not known to the members of the committee until after the hearings were printed. Furthermore, it is shown that West Point is utilizing officers that are in the pay of the Government to take care of the students, which is a great saving, while Annapolis employs civilians to perform a service which could be performed by naval officers, if they are properly qualified.

Mr. GAMBRILL. I think a complete answer to the statement made by the gentleman from Oklahoma is to be found in the fact that the ratio of instructors to students at West Point is 16 per cent and at Annapolis 12 per cent.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. GAMBRILL. Certainly.

Mr. OLIVER of Alabama. It is well that new Members of Congress understand that the civilian instructors at Annapolis are there because Congress placed them there, and some six or eight years ago there was an annual controversy in the Senate and the House as to how we could retain the civilian instructors at Annapolis. It was thought to be so important that a proviso was carried in every appropriation bill to the effect that the pay of certain administrative

officers should be denied them if the number of civilian instructors were reduced.

Mr. GAMBRILL. I am glad to have the gentleman's contribution. That is in accordance with my recollection of the appropriation bill.

Mr. Chairman, I hope the amendment of the gentleman from Oklahoma [Mr. McCLINTIC] does not prevail.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, the amount carried in the bill as reported by the committee is $269,000 for the pay of the civilian instructors and professors at Annapolis.

The amendment offered by the gentleman from Oklahoma proposes to strike out $69,000 and thus reduce the amount to $200,000. The gentleman rests the argument for his amendment upon the fact that we are appropriating six or seven times as much as we appropriate for the same purpose at West Point.

The whole question turns upon two factors.

In the first place, at West Point the enrollment is about 1,236 and at Annapolis at this time it is about 1,750. This fact, however, as important as it is, is a small factor.

The other factor is this: We are employing at Annapolis a larger number of civilian instructors because we detail there a less number of officer instructors.

Mr. McCLINTIC of Oklahoma. Will the gentleman yield?

Mr. FRENCH. Not at just this moment.

At West Point we have six instructors who are civilians. We have eight officer instructors who have permanent detail as I understand, by act of Congress, to instructional work at the academy. We have 192 officers detailed to West Point for tour duty, or a grand total of 206 members of the faculty. At Annapolis we have 164 officer and 76 civilian instructors, or a total of 240. It will be noted that the ratio of total instructors is less at Annapolis rather than greater than the ratio of enrollment bears to West Point.

The reason we have a larger number of civilian instructors at Annapolis is because of certain types of instructional work that long experience in the Navy has indicated can be handled better by civilian instructors than by officers of the Navy. These instructors are trained educators who are making it their career to follow the profession they are following at Annapolis.

It is because of this, gentlemen, that a mistake would be made if we attempted in this arbitrary manner to lop off about one-third or one-fourth of the instructors at Annapolis and increase—because it would mean this—the number of officers of the Navy detailed for instruction work.

Mr. McCLINTIC of Oklahoma. Will the gentleman now yield?

Mr. FRENCH. I yield.

Mr. McCLINTIC of Oklahoma. Following the gentleman's line of argument that these men have been placed there to perform a life work, let us suppose that we are going to reduce the number of appointees to two——

Mr. FRENCH. Then we can take care of it next year.

Mr. McCLINTIC of Oklahoma. But the same argument would apply to what the gentleman has just stated. We would then have to maintain the appropriation and keep the same number we have there now or make some other arrangement to reduce the number.

Mr. FRENCH. I am not sure I understood all the gentleman said, because there is so much confusion in the Chamber——

Mr. McCLINTIC of Oklahoma. I carried out the gentleman's argument to apply to a situation where each Member of Congress would only have two appointees. When that situation arises, what would the gentleman do with these civilian instructors, which the gentleman has brought to our attention, and has stated have been trained for a long time and that we can not reduce their number.

Mr. FRENCH. Of course, when that condition arises, if it should arise, we could reduce the number; but not now, and not until the condition shall arise.

Mr. McCLINTIC of Oklahoma. I am sure the gentleman and myself are trying to reach the same result.

Mr. AYRES. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in two minutes.

The motion was agreed to.

Mr. BRITTEN. Mr. Chairman, I think this matter has been very clearly and quite fully explained to the committee. The amendment of the gentleman from Oklahoma provides for an arbitrary deduction of $69,000, irrespective of its effect upon the academy. Apparently this is unimportant.

Answering the gentleman's argument that we have a greater number of civilian instructors at the Naval Academy than at West Point, all we have to do is to realize that West Point has 33⅓ per cent more officers than the Naval Academy, based upon the total number of students in the institutions.

The gentleman's argument about reducing the number of civilian instructors in the event our appointments to the academy are reduced from three to two, is as illogical as for some one to say that for a 4-room school building but two teachers would be necessary, if the pupils in those four rooms were materially reduced.

Mr. Chairman, pursuant to a request for information with regard to the number of officers, enlisted men, instructors, and civil employees at Annapolis and West Point, I hold in my hand a tabulation which has been made up in the Bureau of Navigation and which represents the most accurate comparison to be had.

The information with regard to West Point was obtained from data furnished to Congressman AYRES under date of March 31, 1932, by the Secretary of War, supplemented by information obtained by telephone from the Adjutant General's Department. The data for Annapolis was obtained in part from the data submitted by the superintendent, and which is contained in the hearings on the appropriation bill, in part from the quarterly reports of civilian personnel, and in part from the list of officers who are on duty at the academy. The tabulation includes all civilian personnel who are paid for by the Federal Government, but excludes a small number of civilians who are employed by the Midshipmen's Athletic Association, the midshipmen's store, and the midshipmen's laundry, and so forth. It will be noted that there are a considerably greater number of civilian employees at Annapolis than at West Point, and a considerably larger number of enlisted men at West Point than at Annapolis. This is probably due to the fact that the course at Annapolis is far more concerned with machinery, both steam and electrical, as well as the internal combustion engine, than is the course at West Point. The comparison is given in the table below:

	West Point	Annapolis
(1) Cadets or midshipmen	1,236	2,003
(2) Enlisted personnel	1,155	640
(3) Civilian employees	447	1,029
(4) Total enlisted personnel and civilian employees	1,602	1,669
(5) Officers	227	246
(6) Officers as instructors or professors	192	164
(7) Civilians as instructors or professors	6	76
(8) Officers and civilian instructors and professors	198	240
(9) Ratio of instructors to students per cent	16	12

The gentleman is entirely in error, and I hope his amendment will not prevail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For pay of employees at rates to be fixed by the Secretary of of the Navy, $577,387.

Mr. COYLE. Mr. Chairman, I move to strike out the last word in order to ask a question of the chairman of the subcommittee. In lines 4 and 5 on page 42, should not there be included the same amendment to apply to the comptroller's decision regarding the limitation in class 4 (b), I think it is, that appears elsewhere in the bill?

Mr. AYRES. We were not so informed by the Navy Department.

Mr. COYLE. It was my impression from a memorandum from the department that such an amendment should go in, but I got it at a late date.

Now, may I at this time address a further inquiry to the chairman of the subcommittee with reference to the item on page 23, which was amended yesterday in connection with page 25. If the chairman remembers, in the item on page 23 the total amount was increased by about $7,000, to provide for the increase in the reserve pay that was necessary to take care of the removal of the flight-pay limitation. In addition, the total amount of flight pay was limited to $1,014,000. It was rather my understanding—I may have been under a misapprehension—that the increase in flight pay was going to be taken out of the total appropriation for pay of the Navy, rather than put in as entirely a limitation of flight pay.

Mr. AYRES. No; I think the gentleman is wrong.

Mr. COYLE. Is the gentleman under the impression that with the omission of the limitation of $1,100 you can have the same number of active aviators on the list without cutting out a considerable number of them, due to the total limit on page 23 of $1,014,000?

Mr. AYRES. That is a question for the department.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Chairman and gentlemen, I somewhat doubt the propriety of bringing up the matter I am about to present to the members of the committee. It is not directly involved in the pending appropriation bill, yet indirectly it is a matter that involves the Naval Academy as well as the West Point Academy.

You all know that the Government, through the appropriations out of the House, and through private subscription in the city, has expended a large sum of money for the bicentennial celebration. It so happens that I have a personal acquaintanceship with the director of the athletic events that are being prepared to entertain the visitors during the progress of the bicentennial celebration.

It has been suggested to me that inasmuch as there has never been an athletic contest between the football teams of the Navy and Military Academy, and inasmuch as in this Capital City of the Nation we are all interested in the personnel of both branches of the service, especially the boys at the two academies, if it could be arranged, it would be an admirable thing to have a football game between the Naval Academy and West Point in the Capital City of this Nation this year.

The director of athletics has advised me that it will be entirely possible, if he can be assured of the funds or part of the funds at least that would be derived from this game, to construct a stadium in Washington, or rather an addition to the baseball stadium, that would seat at least 40,000 people, and he further assures me that arrangements could be made, if agreeable to the directors of those teams, for a fair division of the receipts. He informs me that his committee is very much in need of funds to carry out the program and that no further demands will be made upon the Congress for appropriations. He also has in mind, if this scheme can be carried out, to arrange to bring to Washington, after their contests in the West, all of the contestants of the Olympic games to be conducted in the West. It seems to me, if it meets with any favorable reaction on the part of the Members of Congress, it would be a fine thing in some way for individual Members to suggest to those in authority that this arrangement might be made, and I have taken the liberty of speaking out of order to bring the suggestion to your minds for your consideration and, I trust, your cooperation.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. FISH. Does the gentleman know anything about the proposed memorial to Theodore Roosevelt? Is not that to be in the form of a stadium?

Mr. BANKHEAD. I can not give any information about that.

Mr. BRITTEN. It is being suggested.

Mr. FISH. I am in hearty sympathy with the suggestion made by the gentleman. I think Washington is the proper and logical place to hold the football game between Annapolis and the Army. Of course, it should be done in a stadium of twice the capacity suggested by the gentleman. You could fill a stadium with a capacity of 80,000 people.

Mr. BANKHEAD. Yes; but it costs a tremendous sum of money to construct a stadium of that size. This is a practical suggestion that I think could be carried into effect. The gentleman from Illinois [Mr. BRITTEN] is interested in these matters, as are the chairmen of the Committees on Military and Naval Affairs. I am making this suggestion in an entirely informal way, because I thought that possibly if it captured the attention of the House the personal influence of the Members might be used with those who will have the final say in arranging the matter.

Mr. BRITTEN. Mr. Chairman, I ask unanimous consent to speak out of order for five minutes.

The CHAIRMAN. Is there objection?

Mr. AYRES. Mr. Chairman, we have read only two lines of the bill so far this afternoon. Many Members of the House are very anxious to get through with the bill this afternoon; and I want it distinctly understood that we are going to complete the bill to-day if it takes until midnight.

Mr. BRITTEN. I hope the gentleman will permit me to speak for five minutes.

Mr. AYRES. Then some other gentleman will want five minutes.

The CHAIRMAN. Is there objection?

Mr. AYRES. Mr. Chairman, I am compelled to object.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. McCLINTIC of Oklahoma: Page 42, line 5, strike out the figures "$577,387" and insert "$500,000."

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I am earnestly interested in effecting economies wherever they can be accomplished without destroying efficiency. The amendment I offered a few moments ago was voted down because those in charge of the legislation stated to the House that that sum was needed based upon the figures that then existed with respect to teachers. I find in making a comparison between the two academies that there are 518 civilians at the Military Academy and 1,029 at Annapolis. In other words, there are practically twice as many at one school as at the other. The Navy last year appropriated $629,000 and in this bill this has been reduced to $577,000. Taking into consideration the fact that there are 40 per cent more students at the Military Academy than are at Annapolis, if you use that same ratio to take care of the civilians, we would be called upon to appropriate something like $400,000 to take care of the number; so, if there is anything in ratios and figures based on the actual number employed, it does seem to me that my position can be justified in asking for a reduction of $77,387 in this particular item.

Mr, AYRES. Mr. Chairman, will the gentleman yield?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. AYRES. Has the gentleman taken into consideration the fact that there are 1,155 enlisted men at West Point and only 640 at Annapolis?

Mr. McCLINTIC of Oklahoma. That may be true.

Mr. AYRES. It is true.

Mr. McCLINTIC of Oklahoma. I admit it. It certainly ought not to require civilians to look after these enlisted men. Whenever we come to the point where we have to be a wet nurse for the men enlisted in the Army or the Navy it seems to me that something ought to be remedied.

Mr. AYRES. The gentleman knows that 1,185 enlisted men must be doing some work that is being performed by civilians at Annapolis.

Mr. McCLINTIC of Oklahoma. I assure the gentleman that I am interested in economy, and I can not understand why it requires $577,387 to take care of 1,029 civilian employees at Annapolis, in comparison with $276,139 to pay 518 civilians at West Point. There is something wrong somewhere.

Mr. AYRES. I am inclined to feel that if all the factors were analized there would not be a wide discrepancy.

Mr. McCLINTIC of Oklahoma. We appropriate nearly three times as much to take care of one school as another when there are only twice as many employed. It seems to me this House is justified in reducing expenditures. Therefore I feel it my duty to present it to the House, and the House can do as it pleases.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. McCLINTIC].

The amendment was rejected.

The Clerk read as follows:

Maintenance and repairs, Naval Academy: For necessary repairs of public buildings, wharves, and walls inclosing the grounds of the Naval Academy, accident prevention, improvements, repairs, and fixtures; for books, periodicals, maps, models, and drawings; purchase and repair of fire engines; fire apparatus and plants, machinery; purchase and maintenance of all horses and horse-drawn vehicles for use at the academy, including the maintenance, operation, and repair of three horse-drawn, passenger-carrying vehicles to be used only for official purposes; seeds and plants; tools and repairs of the same; stationery; furniture for Government buildings and offices at the academy, including furniture for midshipmen's rooms; coal and other fuels; candles, oil, and gas; attendance on light and power plants; cleaning and clearing up station and care of buildings; attendance on fires, lights, fire engines, fire apparatus, and plants, and telephone, telegraph, and clock systems; incidental labor; advertising, water tax, postage, telephones, telegrams, tolls, and ferriage; flags and awnings; packing boxes; fuel for heating and lighting bandsmen's quarters; pay of inspectors and draftsmen; music and astronomical instruments; and for pay of employees on leave, $940,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $23,000.

Mr. BRITTEN. Mr. Chairman, I move to strike out the last word.

This paragraph dealing with the Naval Academy provides certain expenditures that naturally include athletics. I desire to follow as nearly as possible what has been said to the House by the distinguished gentleman from Alabama [Mr. BANKHEAD].

Let me present the ridiculous situation with regard to athletics between the two academies. No corporation on earth dominated by a set of men sitting together occasionally would permit the present condition to exist for five minutes. I am thinking not only of football, but there are no track events, no contests on the track or in the field or in the gymnasium that have taken place for a number of years between the two branches of the service, the Army and the Navy, because a former superintendent at the Naval Academy got rambunctious one day and put on a high, stiff, white collar and could not see himself or anybody else around him and offended the sensibilities of the West Point men. Since then it has been impossible to bring them together. Congress can bring those two academies together. I think they ought to row against each other; they ought to box against each other; they ought to sprint and run against each other; they ought to wrestle against each other; they ought to play baseball against each other; they ought to play football against each other; and because one superintendent says, "No; not by a long shot; let them come to us," and the other superintendent says, "No; we are not going over there; let them come to us," the attitude of the two institutions is the laughingstock of the country.

We have the greatest athletes in the world at Annapolis and West Point, and I agree with what the gentleman from Alabama [Mr. BANKHEAD] said. They ought to play a game of football every year. They ought reasonably to play it in Washington during the bicentennial celebration.

Mr. AYRES. Will the gentleman yield?

Mr. BRITTEN. I yield.

Mr. AYRES. I suggest that the Committee on Naval Affairs take that up. [Laughter.]

Mr. BRITTEN. That is the first time in 10 years that the Committee on Appropriations has granted anything to the Committee on Naval Affairs of the House, and it is a thankless job.

Mr. AYRES. We think they are fully capable of doing that.

Mr. BRITTEN. The gentleman does not know our weakness. We have been trying for four years to do the very thing the gentleman suggests.

Mr. OLIVER of Alabama. This is one time the gentleman will find the hearty cooperation of the Committee on Appropriations.

Mr. BRITTEN. But they will not appropriate a dollar for it, I know. Now, I believe the Members of Congress, by persuasion, by calling upon the Secretary of War and the Secretary of the Navy, can bring about a resumption of athletic contests between those two academies. I think it ought to be done in the interest of the morale of the two academies. There is nothing that will promote esprit de corps more than having those youngsters meet in boxing, wrestling, rowing, and swimming contests. It makes them the finest kind of friends. There is nothing I would like to see more than to see a young Navy middleweight knock the spots out of an Army middleweight from West Point. It would be a pleasure. It would make good friends of those two boys.

Mr. GOSS. Will the gentleman yield?

Mr. BRITTEN. Yes; I yield.

Mr. GOSS. And nothing gave me greater pleasure than last fall see the Army mule kick the Navy goat.

Mr. BRITTEN. I knew somebody would say that. But I am certain if the chairman of the Committee on Appropriations and the chairman of the Subcommittee on Appropriations will speak to the Secretary of War and the Secretary of the Navy and aim to show them the unwisdom of the obstinacy of both of those academies at this time we can bring about a football game between the two academies in Washington this year. Why not? We dominate everything that is done at both of the academies. It is silly for us to say that the athletic events of the academies are out of our jurisdiction and we will not interfere and let the academies take care of the matter themselves. They are taking care of the matter in a most foolish way, and the Congress or somebody, the Secretary of War or the Secretary of the Navy, can bring them together.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BRITTEN. Mr. Chairman, I ask permission to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BRITTEN. Let the President of the United States do what Calvin Coolidge did in 1926, when it was suggested that Soldiers' Field in Chicago be dedicated by the Army and Navy football game. We could not get those teams together. They would not play elsewhere than on the Atlantic coast. President Coolidge publicly announced that he thought it would be a good thing for the Army and for the Navy if they would play in the mid-West, and they played. Those teams will play in Washington if President Hoover will say he thinks it will be a good thing for them and for the country for them to play here this year.

Mr. BOYLAN. Will the gentleman yield?

Mr. BRITTEN. I yield.

Mr. BOYLAN. May I ask the gentleman if he would use his good influence with the athletic managers so that Members of Congress might get a seat occasionally at these games instead of getting letters saying, "We regret to say that the demands of the athletic association are such as will preclude the possibility of our selling you any tickets this year"? [Laughter.]

Mr. BRITTEN. I agree with the gentleman. At the last Army and Navy game I had a seat in the fifty-seventh row.

Mr. FISH. Does the gentleman know anything about the purpose of the Roosevelt stadium?

Mr. BRITTEN. In a general way I do. Tentative plans are under way.

Mr. FISH. What is it?

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

PAY, MARINE CORPS

Pay of officers, active list: For pay and allowances prescribed by law for all officers on the active list—pay and allowances, $3,602,277; subsistence allowance, $493,116; rental allowance, $648,063; in all, $4,743,456; and no part of such sum shall be available to pay active-duty pay and allowances to officers on the retired list: *Provided*, That no person shall be commissioned as an officer in the Marine Corps prior to June 1, 1933: *Provided further*, That hereafter additional pay for making aerial flights shall in no case be at a rate in excess of $1,100 per annum.

Mr. AYRES. Mr. Chairman, I offer a committee amendment.

Mr. GOSS and Mr. BRITTEN reserved a point of order on the proviso.

The CHAIRMAN. The gentleman from Kansas offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. AYRES: Page 44, line 5, after "$3,602,277," insert "including not to exceed $122,018 for increased pay for making aerial flights."

Mr. AYRES. Mr. Chairman, this amendment limits the amount of flying pay to that estimated by the department, $138,148, less the amount taken off by the committee of $16,130, and is offered in conformity with the policy announced yesterday.

Mr. VINSON of Georgia. Will the gentleman from Kansas yield for a question?

Mr. AYRES. Certainly.

Mr. VINSON of Georgia. Will the gentleman be good enough to inform the committee whether or not the enlisted strength of the corps has been reduced?

Mr. AYRES. We provide for the Budget number.

Mr. VINSON of Georgia. But does not the gentleman necessitate a reduction by reducing the amount of money?

Mr. AYRES. No; I do not agree to that.

Mr. VINSON of Georgia. The gentleman's committee in its report states that there is no reduction in the Marine Corps, there being approximately 15,343 men; but when you reduce the appropriation that supports that organization by the amount suggested, do you not fail to make provisions for some 500 or 600 men? Is not that correct?

Mr. AYRES. I believe there will be enough slack in the appropriation for pay of the Marine Corps to maintain the present enlisted strength.

Mr. VINSON of Georgia. But is not my statement correct that while you have not reduced the strength of the Marine Corps you reduce the money necessary to maintain it, and what the committee has done is indirectly to reduce the Marine Corps by about 500 or 600 men?

Mr. AYRES. As I said before, I think within the total sum proposed for pay of the Marine Corps, which is all one fund, sufficient funds will be found to avoid a reduction in enlisted strength.

Mr. COYLE. Mr. Chairman, I offer a substitute for the committee amendment.

Mr. GOSS. Mr. Chairman, I have reserved a point of order. I will yield to the gentleman, however.

Mr. COYLE. Does the gentleman raise the point of order now?

Mr. GOSS. Yes; I will raise it now.

The CHAIRMAN. The gentleman will state his point of order.

Mr. GOSS. That the proviso in lines 8 to 10 is legislation on an appropriation bill.

Mr. COYLE. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. COYLE. The substitute to the committee amendment, which I have introduced, provides for the striking out of those two lines among other things. Unless the gentleman wishes to argue the point of order, I am willing to go to a vote on the amendment.

Mr. BRITTEN. Mr. Chairman will the gentleman yield?

Mr. GOSS. I yield.

Mr. BRITTEN. I do not think there is any question, or that there should be any question, but that the language—

Provided, That no person shall be commissioned as an officer in the Marine Corps prior to June 1, 1933—

is subject to a point of order.

The CHAIRMAN. What page is the gentleman reading from?

Mr. BRITTEN. I am reading from page 44, lines 9 and 10.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. COYLE] reserve a point of order?

Mr. COYLE. I am not making the point of order, but the gentleman from Connecticut is.

The CHAIRMAN. Does the gentleman from Kansas desire to be heard on the point of order?

Mr. AYRES. No; I think not. All I can say is that it is in order under the Holman rule. I do not think there is any question about that.

Mr. GOSS. Will the gentleman from Kansas point out under what portion of the Holman rule it comes?

Mr. AYRES. No; I can not.

Mr. BRITTEN. Neither can anybody else.

Mr. BYRNS. It simply reduces expenses.

Mr. TABER. It reduces the number of persons that can be placed upon the Government pay roll.

Mr. BRITTEN. What number does it reduce?

Mr. TABER. It prevents them from being put on.

Mr. BRITTEN. No; it does not prevent that at all.

Mr. Chairman, it has been suggested that this comes within the Holman rule. It has also been suggested that it reduces the number of men in the corps. It has also been suggested that it reduces the appropriations. It does not do any of those things. The language is very clear.

It says:

Provided, That no person shall be commissioned as an officer in the Marine Corps prior to June 1, 1933.

That no person shall be commissioned prior to June 1, 1933. That is certainly subject to a point of order. It is brand-new legislation on an appropriation bill.

Mr. BYRNS. The very language as read by the gentleman shows that it will result in a saving of money to the Treasury of the United States.

Mr. BRITTEN. How much money?

Mr. BYRNS. Because it is perfectly clear that if even one man is commissioned between now and the date named, it will involve an additional charge upon the Treasury of the United States, and it does not matter whether it is one or a dozen; if it saves one copper cent to the Treasury, it comes within the Holman rule.

Mr. GOSS. Mr. Chairman, in connection with this matter, it is very uncertain, and, further, the law provides a specific number of officers to be on the list, and no one can be added to it without retiring some one whose place is to be taken. Therefore I can not see where there would be any actual saving.

Mr. BYRNS. Will the gentleman permit a question?

Mr. GOSS. Yes.

Mr. BYRNS. Does the gentleman anticipate there will be some officer commissioned, if this language is carried, between now and the date named?

Mr. GOSS. You can not tell.

Mr. BYRNS. But does the gentleman believe it is possible for some officer to be commissioned between now and the date named?

Mr. GOSS. Only if some one is retired or resigned.

Mr. BYRNS. Absolutely, and when that is done, Mr. Chairman, you have increased the charge upon the Treasury of the United States to that extent.

Mr. GOSS. How?

Mr. BYRNS. By granting him a commission. That means an additional officer in the service whose salary will have to be paid.

Mr. GOSS. He is not an additional officer.

Mr. TABER. If the gentleman will permit, in the Marine Corps we are at the present time 60 short of the number of officers that the law permits. Therefore it is very natural and reasonable to expect that unless this provision is in the bill the number of officers will be increased prior to June 1, 1933.

Mr. GOSS. That is not at all reasonable.

The CHAIRMAN (Mr. FULLER). The Chair is ready to rule. The Chair concedes this is a very close question, but in view of the Holman rule, and considering the circumstances and the policy being pursued to reduce expenditures, the Chair believes the Holman rule would apply. The Chair is supported in his opinion by a decision made by Chairman Towner on April 18, 1922, which may be found in Cannon's Precedents, section 8581. The Chair overrules the point of order.

Mr. BRITTEN. Mr. Chairman, a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. BRITTEN. Does the Chair desire to have the committee understand that if the present depression did not prevail, this language in the bill would be subject to a point of order?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. GOSS. Mr. Chairman, I did not hear the ruling of the Chair.

The CHAIRMAN. The Chair overruled the point of order.

Mr. COYLE. Mr. Chairman, I ask that my substitute be reported.

The CHAIRMAN. The Clerk will report the substitute offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment offered by Mr. COYLE as a substitute for the committee amendment:

On page 44, beginning in line 5, strike out "$3,602,277" and insert in lieu thereof "$3,766,211."

In line 6, strike out "$493,116" and insert in lieu thereof "$516,731"; strike out "$648,063" and insert in lieu thereof "$678,319"; and strike out "$4,743,456" and insert in lieu thereof "$4,961,261."

Strike out the proviso beginning with line 8 and ending in line 10.

The CHAIRMAN. The Parliamentarian calls the Chair's attention to the fact that this is not a substitute because it contains a great deal of matter that is too broad to be a substitute for the amendment offered by the gentleman from Kansas. The gentleman has too much in his substitute.

Mr. COYLE. It is all one subject matter and in one paragraph. It relates to the paragraph affected by the committee amendment. The thing I do not desire to do is to lose my parliamentary rights.

The CHAIRMAN. The Chair will state to the gentleman that he can offer his amendment later, but the gentleman's amendment is not proper as a substitute amendment for the committee amendment offered by the gentleman from Kansas.

The question is on the amendment offered by the gentleman from Kansas.

Mr. KELLER. Mr. Chairman, may we have the committee amendment again read?

The Clerk again reported the committee amendment.

The committee amendment was agreed to.

Mr. COYLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COYLE: Page 45, line 5, strike out "$3,602,277" and insert in lieu thereof "$3,766,211"; in line 6, strike out "$493,116" and insert in lieu thereof "$516,731"; strike out "$648,063" and insert in lieu thereof "$678,319"; strike out "$4,743,456" and insert in lieu thereof "$4,961,261"; and strike out the proviso in lines 8, 9, and 10.

Mr. COYLE. Mr. Chairman, this amendment, if adopted, will put $217,000, in round figures, back into this paragraph "Pay, Marine Corps."

The bill at the present time provides, theoretically, for a certain maximum number of officers and men in the Marine Corps but does not provide the money necessary to pay the number of men which the bill states, or the hearings state, will be provided for under the bill as reported. As a consequence, since it is not possible to shoot existing officers, since it is not possible to put them on the shelf, the entire reduction in this item plus an item on the next page of $100,000 for the enlisted force is bound to come out of the enlisted pay of the Marine Corps, which means that the total number of marines will be reduced at least 600 below the number stated in the bill.

This bill does appropriate, not for 17,400—the original enlisted strength of 1931—but, theoretically, for 2,057 less than 17,400. It also reduces the present number of commissioned officers by 53 by not providing sufficient funds to pay them.

In order to take 53 officers off of the active list of the Marine Corps it is necessary to expend them in some way or other; and since the law provides that pay of enlisted men and pay of officers be administered as one fund, the only way in which they can possibly cut their cloth to make it go around is by cutting off entirely on enlistments. They can not cut off on reenlistments because that is a part of a man's right.

This leaves the Marine Corps underofficered and undermanned. I very sincerely hope that the Committee of the Whole House will go along with me on this increase of $217,000, and one which I shall introduce subsequently on the next page calling for $100,000 for the enlisted men.

Mr. AYRES. Will the gentleman yield?

Mr. COYLE. Yes.

Mr. AYRES. Will the gentleman state why the Marine Corps is underofficered? In the first place, I call the gentleman's attention to the fact that the authorized number of officers of the Marine Corps is 1,096, based upon an authorized enlisted strength of 27,400. The enlisted strength, as a matter of fact, has been under 20,000 for a number of years, and the Budget figure was upon the basis of 15,340 men, which is what we have for 1932. The committee is committed to the idea that a reasonable surplus of officers is justifiable but questions the wisdom of further expanding the officer strength of the Marine Corps in the face of the reduction, actual and prospective, in the enlisted strength of that organization. The bill is drawn for the sole purpose of preventing any expansion prior to June, 1933, and the funds proposed are based upon an average of 977 commissioned officers, instead of 1,030.

Mr. COYLE. Mr. Chairman, I ask unanimous consent at this time for five additional minutes in order to answer the gentleman from Kansas.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COYLE. Mr. Chairman, in answer to the gentleman from Kansas, my thought about the Marine Corps being underofficered and undermanned is pretty well demonstrated by a little news item in the paper this morning. I think perhaps most of you got it. It is typical of the Marine Corps. In the jungles in Nicaragua one young marine officer, a noncommissioned officer, and a warrant officer of the Navy lost their lives in the protection of American rights and American property, and lost their lives because they were ordered there by the United States Government.

Mr. AYRES. Will the gentleman yield?

Mr. COYLE. Yes.

Mr. AYRES. I suppose the gentleman knows that it is the plan of the department completely to withdraw from Nicaragua by the 1st of next January. It does not seem to me that Nicaragua should be brought into this matter.

Mr. COYLE. The gentleman did not get my point. The number of officers in proportion to the number of men needed abroad on active service is very much larger than is necessary in barracks in the United States.

Mr. AYRES. We have practically the same officer personnel for a Marine Corps of 15,333 enlisted men as we had when there were 27,000.

Mr. COYLE. That is perfectly true; and if we were to provide in this bill only for no increase until 1933, I could go along with him. But the trouble is that this bill requires a reduction in the personnel of the Marine Corps by about 53 officers and 600 men, because there is not money

enough to provide the pay for the present number and you are providing a money limitation against any increase. The service that this corps performs is vital to America. Once before, under some pressure, we took the marines out of Nicaragua, and it cost nearly $20,000,000 to make up for that mistake.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. COYLE. I yield.

Mr. MARTIN of Oregon. Does the gentleman think there is any common sense in taking the marines out of Nicaragua?

Mr. COYLE. The gentleman knows the necessity for having trained officers there.

Mr. MARTIN of Oregon. Yes; I have been down there, and we saw the disaster that occurred by bringing them out of Nicaragua before.

Mr. COYLE. It cost us a lot of money and immeasurable loss of lives.

Mr. MARTIN of Oregon. And it will cost us immeasurable loss again if we take them out of there, for they will have to go back again in a few months.

Mr. KELLER. Will the gentleman from Pennsylvania yield to me to ask a question of the gentleman from Oregon?

Mr. COYLE. I will.

Mr. KELLER. Does the gentleman from Oregon think these extra officers are necessary?

Mr. MARTIN of Oregon. I do.

Mr. KELLER. Then I am for it.

Mr. FISH. Can the gentleman from Pennsylvania give us any information how long we are to keep the marines in Nicaragua?

Mr. COYLE. I am sorry, but I can not.

[Here the gavel fell.]

Mr. HARE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I appreciate very much the efforts of the subcommittee to reduce these appropriations. But, in a study of the report, as issued by the committee, I am convinced the committee has made a statistical error.

I want, first, to call attention to what is said in the report on page 25. It says:

> Pay and allowances of 53 fewer commissioned officers on the active list, $217,805.

Now, I gather from that statement the committee contemplates reducing the number of officers in the Marine Corps next year to the extent of 53. I conclude, further, that there is no way of reducing the number of men and officers except by failing to appoint additional ones. There is no way whereby you can retire the men by operation of law in this bill. The only way a reduction can follow, the only way you can get a fewer number of officers in the Marine Corps next year, is by refusal or failure to appoint additional ones.

Mr. AYRES. The gentleman overlooks attrition. Assuming that the attrition will be about the same next year as it was in the fiscal year 1931, vacancies will occur to the number possibly of 46, and we provide that such vacancies shall not be filled.

Mr. HARE. Thereby there will be a reduction in the total number. The only persons that could be appointed would be appointed at the lowest salaries. They will be appointed as lieutenants. Their salary is $1,500. The committee acted upon the assumption that a reduction of $217,805 would be at the average rate of pay for officers in the Marine Corps, which is approximately $4,109.53. If the committee is going to reduce the appropriation equivalent to the reduction that would follow from the failure to appoint 53 additional officers, and there is no objection to that provision, it should have taken into consideration the fact that the lowest salary should be applied to the 53 men and not the average salary of all officers.

If every one of these appointments were to be filled, what would it take? Not $217,805 but 53 multiplied by 1,500, which would be $79,500. If the committee had been statistically correct in its operations, in place of $217,805 it would have said $79,500, leaving in the balance of $138,305.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HARE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. HARE. Yes.

Mr. TILSON. In case there should be a vacancy, for instance, in the higher grades, will the vacancy be automatically filled by promotion from a lower grade or will the place be left vacant as it may occur, whether in the higher or the lower grades?

Mr. HARE. My impression is, from the report of the chairman of the committee, that there would be no change. If I should retire, for instance, as an officer, at a salary of $5,000, the appropriation would be reduced to that extent, because it is included here and there would be no chance for promotion.

Mr. TILSON. If the vacancies occur among the higher officers and the places are not filled by promotion, then I presume the statistics of the committee may be correct; but if the grades are to be immediately filled by automatic promotion, then the gentleman from South Carolina is correct in making his figures based on the lowest grade only.

Mr. HARE. The committee takes into consideration the average salary for all officers and assumes all vacancies will appear on July 1, 1932, whereas these 53 men who are going to die or retire will not all retire the 1st of July. Some of them will be in August, some in September, some in November, some in December, some in February, and March, and June, but the committee has gone ahead and reduced the appropriation as if they were all to be retired the 1st of July. The point I am making is that if no officers are appointed in the Marine Corps, and this purported reduction is made in the total appropriation, the Marine Corps will of necessity be compelled to reduce its number of enlisted men to offset the $138,000, and there is no way around it. If the committee does not want to reduce the number of enlisted men of the Marine Corps, I think it should agree to the amendment offered by the gentleman from Pennsylvania or else amend the amendment so as to make the difference, $138,305.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. HARE. Yes.

Mr. FIESINGER. As I understand it, there has been provision for all of the graduates at Annapolis this year in the Navy.

Mr. HARE. Yes.

Mr. FIESINGER. Some of those graduates desire to go into the Marine Corps.

Mr. HARE. Yes.

Mr. FIESINGER. If we do not adopt this amendment, then those boys who want to go into the Marine Corps can not get into it, but must go into the Navy.

Mr. HARE. Yes; and you simply shift the appropriation from the Marine Corps to the Navy Department, and there will be no saving in that.

Mr. AYRES. The gentleman is in error about that. As the bill is drawn, no appointments may be made to the Navy either in excess of possibly 26.

Mr. HARE. But you provided in another bill that went to conference this morning that all graduates from the Naval Academy in June will be commissioned, but you simply say here that they shall not be appointed in the Marine Corps.

Mr. AYRES. That is true; and we did so deliberately.

Mr. HARE. And these men who are to be graduated from the Naval Academy in June will all have to go into the Navy Department and will all have to draw their pay from this appropriation; and instead of reducing the appropriation as you would have us believe, you are simply eliminating from the Marine Corps and reinstating it in the Navy. Simply taking it out of one pocket and putting it in another. Consequently, there will be no real reduction in the final

appropriation, but an added reduction in the number of enlisted men in the Marine Corps, with an increased number of officers in the Navy after July 1, or just as soon as the 400 young men graduate from the Naval Academy.

Mr. KELLER. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon [Mr. MARTIN] may proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MARTIN of Oregon. Mr. Chairman, with the present disturbed conditions on the American Continent, I believe this is no time to cheesepare on the Marine Corps, because I think that serious business is ahead of them during the year 1933, in view of the present unsettled conditions in Central America. In August, 1926, a great patriot from Nicaragua came down to Panama on a transport which brought out those hundred marines who had brought great peace and prosperity to that country for 14 years. This great patriot said:

> This is the happiest day of my life. Now the foreigner is off our soil. Now Nicaragua is free. Watch us grow. Watch us prosper. Now I have control of my fortune.

My friend went back to Nicaragua. A year later he was in Panama, stripped of everything he had, and he was fortunate to escape with his life. He said—

> My God, we must have the marines back there, because our people are killing each other off. Unless we get American protection I do not know what is going to happen to my country.

I do not care what is said about drawing the marines out of Nicaragua, when we see conditions which prevail there to-day, civilization demands of us that we keep the marines down there. The same thing is true of Haiti. I have been in Haiti and I know the conditions there. It is unthinkable what would happen to that country in the present unsettled and distressed condition of the world if the marines were taken out of Haiti. It will not be done and, therefore, if this work for the marines in Nicaragua and Haiti is necessary, we must make liberal appropriations for them and keep up their present high state of morale.

Mr. FISH. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. FISH. I have been in sympathy with sending the marines to Nicaragua in the past. They were not there to exploit Nicaragua, but to preserve law and order, generally at the request of the Government.

Mr. MARTIN of Oregon. Yes; to save Nicaragua.

Mr. FISH. About how long will it be necessary to keep the marines there? Are they to be there indefinitely?

Mr. MARTIN of Oregon. No.

Mr. FISH. Can the gentleman give us some information on that point?

Mr. MARTIN of Oregon. They certainly should be kept there as long as the present disturbed conditions prevail. The gentleman must realize that all of the Latin American countries—all of South America now is in a most deplorable state.

Mr. FISH. Does the gentleman want us to police all of South America and Central America?

Mr. MARTIN of Oregon. No; but we do not want to pull out at this time.

Mr. COYLE. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. COYLE. The gentleman would agree with my idea that if we take most of the marines out we should take them all out? Our danger has been in leaving a few unprotected in hostile countries?

Mr. MARTIN of Oregon. Yes. At this time I would not disturb them at all.

Mr. AYRES. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. AYRES. I should like to remind the gentleman that the question before the committee is not a question of enlisted personnel. It is a question of officers.

Mr. MARTIN of Oregon. Well, we must have officers if we have the men.

Mr. AYRES. We provide—and I think adequately—for all of the enlisted personnel that is being asked for—that is, some 15,500 men. Now, as to the reduction of officers, when the enlisted strength was 27,000 marines we did not have more than 1,096 officers, as I remember. The enlisted strength has now been reduced from 27,000—not by this committee—down to a little over 15,000 men, and yet they are asking for substantially the same officer personnel. We now have at this time practically the same number of officers as we had when the enlisted strength of the corps was 27,000.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. AYRES. Now, I will say to the gentleman from Oregon, attrition among these officers should take out at least 46 officers during the next fiscal year. That was the number in 1931; so we are simply reducing the appropriation in anticipation of a similar ratio of attrition and are providing for 977 officers to officer a force of a little over 15,000 men, whereas the legal maximum number is 1,096 on the basis of 27,400 marines. The question of details in Haiti and Nicaragua is not involved here. It is a question as to whether or not we are going to maintain the same officer personnel in a more nearly reasonable proportion to the enlisted strength.

Mr. MARTIN of Oregon. I will not have time to go into the refinements of the gentleman's argument; but the amendment offered by the gentleman calls for the amount recommended by the Budget, which the committee has cut down; and I do not think that should be done. That Budget was cut to the bone with reference to the marines to preserve them in their present state of efficiency. With the work ahead of them, I would not disturb that one penny.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. LAGUARDIA. The gentleman referred to the marines in Haiti. Are they not practically all out of there?

Mr. VINSON of Georgia. There are marines in China, in Haiti, and Nicaragua.

Mr. LAGUARDIA. But we have no considerable force in Haiti, have we?

Mr. AYRES. I have forgotten the exact number; about 800, I should say.

Mr. MARTIN of Oregon. I will say to the gentleman that if they are all out, they will be back.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS. Mr. Chairman, I do not think we ought to confuse this proposition with the question of whether or not the marines should be kept in Nicaragua or whether they are needed in Haiti or in any other country in South America or in any of the islands. This is plainly a proposition of whether or not we are going to add, in the last analysis, the sum of $318,000 to this bill, and make an additional charge upon the Treasury at this time. That is all there is to it.

As the gentleman from Kansas has told you, the proposal of this amendment is to allow the same number of officers for the Marine Corps consisting to-day of something like 15,000 men that there were when its enlisted strength was 27,000 men.

Gentlemen, next week some of you are going to vote to cut the salary of every employee of this Government receiving over $1,000 a year; and in view of that fact and the effort to cut expenses in other directions, I appeal to you that we should not vote it upon the people of the United States merely because some one proposes an amendment carrying $318,000.

I want to tell you, gentlemen, and I say it from the bottom of my heart, if something is not done to reduce the expenditures of the Federal Government, of State govern-

ments, of municipal governments, I am very apprehensive of what may happen. We have just passed a tax bill which is now under consideration in the Senate, in which we are loading additional burdens upon the people of this country. You are now asked to vote $318,000 additional upon this bill. You voted an additional $1,000,000 upon this bill yesterday for a hospital that is not needed.

The marines are not going to be hurt. Let me say to the gentleman from Oregon [Mr. MARTIN] that were a million dollars voted upon this bill, it would not keep the marines in Nicaragua, because we have here the statement of Admiral Pratt in which he states that the marines will be withdrawn after their next election. Why vote this money when there is no necessity of maintaining marines in Central America, and when the taxpayers of this country are suffering?

I plead with you in the name, and in the interest, of the people of this country not to adopt an amendment to provide additional officers when you are cutting down everybody else, and when we are told that the action of the body at the other end of the Capitol, if it is persevered in, is going to mean the elimination from the Federal pay roll of thousands of civilian employees. Yet it is proposed by this amendment to place additional officers in the Marine Corps!

Gentlemen, I am opposed to it. I am opposed to it in the first place because the subcommittee of the Appropriations Committee after the fullest investigation decided that it is not necessary. I am opposed to it in the second place because I do not wish to place additional charges upon the people of this country. If you are going to reduce, then in the name of high Heaven reduce! [Applause.]

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, the statement of the gentleman from Tennessee, the chairman of the committee, ought to receive the hearty accord of every Member of the House. [Applause.] The attitude of the subcommittee was not the attitude merely of the majority members or the Democratic members, it was the attitude of the entire subcommittee, and the attitude that we recommended to the full committee, and the position that was approved by the full Committee on Appropriations.

The gentleman is quite right when he again calls the attention of the House to the importance of reducing the Budget. If every time an item is reached wherein some Member of the House feels that some friend is involved, or some institution is involved that he admires more than any other, we are not going to reduce the Budget at all, because we are all pulled and torn by personal admiration toward individuals and toward groups, and no gentleman has higher regard for the Marine Corps than I. I realize and applaud the fine service of this institution, but that is not the problem here. The problem here is whether or not we have carried enough money to care for the number of officers that we are planning to have next year. We have not reduced, or taken steps to reduce, in proportion, the number of officers to the number of enlisted men who will be withdrawn during the next year under estimates from the Budget. This number is 53. The reductions to which we have had reference to-day are the reductions based upon the normal way of figuring money reductions from the standpoint of allowances for subsistence, pay, and rent computed upon the number of officers.

Again, it must be remembered that the entire amount we are carrying in this bill for the Marine Corps will be handled as one lump sum, and if it should be deficient as to one particular factor there are many other factors that make up the sum total and needed money can be found within that sum total to meet the situation. Therefore, I urge the Members of the House to sustain the recommendation of the committee. [Applause.]

Mr. MAAS. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. MAAS. It is proposed to reduce by 53 officers. How are you going to reduce those officers? There is no basis in law for discharging those officers.

Mr. FRENCH. There will be normal attrition, and I should say to the gentleman that the estimate that we made was based upon normal attrition which will, we believe, take care of this situation.

[Here the gavel fell.]

Mr. SCHAFER rose.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. AYRES. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Kansas that debate on this section, and all amendments thereto, close in 10 minutes.

The motion was agreed to.

Mr. SCHAFER. Mr. Chairman, I may not use my entire five minutes. We have just listened to eloquent speeches in the name of economy delivered on the floor of the House by two distinguished colleagues, one a Republican member and one a Democratic member of the Committee on Appropriations.

When they talked about the Budget tears rolled down their faces and rolled down the faces of other Members who heard their eloquent pleas in favor of reducing the appropriations for the Navy Department and balancing the Budget. But, my friends, they are not always consistent. They are not always looking out for the interest of the taxpayers and the Budget which is so dear to their hearts to-day. It is not always their holy of holies. I recollect that they were not here pleading for the taxpayers and the Budget when one of the appropriation bills was pending in the House and several of us attempted to help balance that Budget by paring a measly $1,000,000 from the appropriation for the enforcement of the unenforceable prohibition law. Where was the gentleman from Idaho [Mr. FRENCH] and where was the gentleman from Tennessee [Mr. BYRNS], who made these eloquent pleas to-day, when that attempt was made? They were on the opposite side of the fence, aligned with those Members of the House who bitterly condemned us as being un-American for having the temerity to offer and support an amendment to reduce the Prohibition Bureau appropriation. Now, my friends, if you are really interested in the taxpayers and balancing the Budget, particularly my friend from Idaho [Mr. FRENCH] and my friend from Tennessee, the chairman of the great Appropriations Committee [Mr. BYRNS], I ask you to step up to the Clerk's desk and sign the petition to discharge the committee from the further consideration of the 2.75 per cent beer bill, which will bring about $500,000,000 into the Federal Treasury each year. These gentlemen should stop making these demagogic pleas in the name of economy and get down to bedrock and practice some real economy and render some real service to the taxpayers' Treasury.

The testimony before the Ways and Means Committee on the tax bill, page 26, indicates that the Secretary of the Treasury testified that in 1919 we had an income to our Federal Treasury of $483,000,000 by reason of excise taxes on beverages containing more than one-half of 1 per cent of alcohol. That stupendous figure does not even take into consideration the great amount, running into the millions of dollars, in income taxes paid by reason of the legal manufacture of these beverages.

To-day in these days of prohibition prosperity we do not have this stupendous annual revenue but, on the other hand, are spending $40,043,313.50 annually from the badly battered Federal taxpayers' Treasury to enforce the unenforceable prohibition law. This is the actual cost of prohibition enforcement by the Prohibition Department, Bureau of Industrial Alcohol, and the Coast Guard. I ask that you stop talking about economy—which you do not practice—and sign the petition on the beer bill, which if enacted will bring about $500,000,000 into the Federal Treasury each year and also result in a reduction in the cost of beer to the consumers. Of course, the enactment of this bill will also reduce the incomes of bootleggers, rum runners, and racketeers.

If you really believe in economy and have a sincere desire to serve the taxpayers, sign the petition and practice it; but if you are not sincere, then for goodness sake do not try to fool the American people by making them believe you are for economy and for relieving the American people of burdensome taxes when you really are not.

Mr. McKEOWN. Will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. McKEOWN. How many gallons of this beer would we have to consume to raise $500,000,000?

Mr. SCHAFER. We would not have to consume many more gallons than will be consumed under the wort and malt tax provision in the revenue bill, which was merged in the amendment with the oil-tariff tax for Oklahoma. If you are going to tax wort, which is prohibited by the Volstead Act, that means that you are going to approve the use of wort in the manufacture of 0 per cent beer, which is made by the racketeers and sold to the public at outrageous prices. If we are going to get the revenue from that source in the amount claimed by the Ways and Means Committee, we will have to tax 8,000,000,000 pints of wort beer. I think that will answer the gentleman's question. [Applause.]

Mr. PARKS. Mr. Chairman, I move to strike out the last word.

Mr. BRITTEN. Mr. Chairman, before the gentleman proceeds, will he yield to me for a question? I am wondering if the gentleman will yield me two minutes of his time so that I may talk on the amendment, or does the gentleman contemplate using the five minutes that are left?

Mr. AYRES. The gentleman from Arkansas [Mr. PARKS] is a member of the committee, and I suggest the gentleman be permitted to proceed for five minutes.

Mr. PARKS. Mr. Chairman, at the time I made my pro forma motion it had slipped my mind that debate had been limited. I am willing to yield to the gentleman from Illinois [Mr. BRITTEN].

Mr. BRITTEN. Mr. Chairman, the distinguished chairman of the Committee on Appropriations [Mr. BYRNS], I think, rather confused the House when he suggested that the amendment now pending intended to add additional officers to the Marine Corps as well as additional men. The amendment does not do anything of the sort.

The gentleman also said that we had added $1,000,000 to this bill on yesterday, which would come out of the Treasury of the United States. We have done nothing of the sort. We added $1,000,000 for a hospital, which amount will come out of a special fund called the hospital fund of the Navy.

Mr. BYRNS. It comes out of the Treasury.

Mr. BRITTEN. It comes out of the Treasury, but the money is in a special fund and can not be used for any other purpose.

Mr. BYRNS. But the money comes out of the Treasury; and may I ask the gentleman if this amendment does not specifically undertake to cut out the language prohibiting the appointment of commissioned officers? So I was absolutely correct.

Mr. BRITTEN. I will answer the gentleman very frankly.

In 1931–32, the present fiscal year, there were 17,400 enlisted men in the Marine Corps. The Bureau of the Budget and the Secretary of the Navy and the Major General Commandant of the Marine Corps, all trying to practice economy, as suggested by the chairman of the committee itself, reduced their appropriation so as to provide for 15,343 men in the Marine Corps. This is what they desired. This is what the Navy desired. This is what the Navy expected Congress to appropriate for.

Mr. BYRNS. If the gentleman will allow me to correct him now, because I know the gentleman wants to be accurate, the gentleman made the remark a while ago that the $1,000,000 added to the bill comes out of the hospital fund. I am reminded that the provision with respect to the hospital fund was stricken out on a point of order and that the money comes directly out of the Treasury of the United States.

Mr. BRITTEN. I apologize to the gentleman. Evidently I was not in the room when that language was stricken from the amendment that was adopted. I believe that was done on a point of order made by a member of the committee. The money could have come from the hospital fund, but I agree it was subject to a point of order.

As I said a moment ago, the Marine Corps and the Navy Department expected Congress to appropriate for the minimum of men and officers required to successfully and properly run the corps. This minimum number was 15,343.

The chairman of this distinguished subcommittee said to the gentleman from Oklahoma [Mr. McCLINTIC] a little while ago that he was arbitrarily attempting to slice $69,000 from an appropriation with no apparent grounds for it. This same committee, gentlemen, has arbitrarily sliced $100,000 from the estimates sent up here by the Director of the Budget so that while the number does not appear any different on its face, the 15,343 men required by the Marine Corps will be reduced by 600 men through an arbitrary slice in the appropriation of $100,000. The provision goes farther than that and provides not for economy, but provides for waste, and I hope that the amendment of the gentleman from Pennsylvania [Mr. COYLE] will prevail.

Mr. Chairman, the Marine Corps had an enlisted strength of 17,400 men in 1931, which was appropriated for in the fiscal year of 1932. The Bureau of the Budget reduced the funds in its estimates for 1933 to an amount sufficient for 15,343 enlisted—a reduction of 2,057. The present bill, by reducing the number of officers by 53, and an arbitrary cut of $100,000 in "Pay, enlisted," will require a further reduction of 600 enlisted, although the bill states that appropriation is being made for 15,343.

The bill does not point out how a reduction of 53 officers is to be made, but it appears that an erroneous assumption has been made that by preventing any officers being commissioned during the fiscal year 1933, the attrition during the year will take care of this reduction in strength. However, this is not the case. In order to arrive at the amounts shown in the bill, it will be necessary for this reduction to be made immediately at the beginning of the fiscal year, and whereas the saving will be on the pay of second lieutenants who are not appointed to fill vacancies, the deductions have been made on higher rates of pay. It is obvious then that the deficiency created in the pay of officers will have to be made by a reduction in the enlisted ranks.

The restriction imposed by lines 9 and 10, page 44, preventing the commissioning of any officers in the Marine Corps in the fiscal year 1933 will cause irremediable damage, as it will prevent the normal flow of young officers into the corps, such as the 30 graduates from the Naval Academy, which it was planned to commission, and a small class of meritorious noncommissioned officers, who it is expected to promote from the ranks.

The cost of the 30 graduates from the Naval Academy is not additional cost to the Government, as these officers will be commissioned as ensigns in the Navy with the remainder of the graduates of the class of 1932, and will be in excess of the number of ensigns which the Navy expected to receive from this source. The small number of meritorious noncommissioned officers have earned the right to promotion and it is one of the rewards which is held out to young men in the ranks, which has been a great factor to morale. To close the door to these young men would be a great blow to the enlisted personnel and would militate against the spirit which actuates the enlisted personnel.

Mr. Chairman, the Marine Corps performs various and arduous duties, such as guarding naval stations, furnishing detachments for duty on vessels of the Navy, and expeditionary forces in Haiti, Nicaragua, and China, and being ready at all times to meet such emergency calls as may arise for the protection of lives and property of American citizens in disturbed countries.

The strength of 17,400 was barely adequate to perform these duties. The reduction which has already taken place has been keenly felt, and the efficiency of the Marine Corps has been correspondingly reduced. It is now below the limit of safety. A prospective reduction of 600 more enlisted personnel, which is inevitable if this bill is enacted

in its present form, will be a blow to the efficiency of the corps, and it will be unable to carry out the present demands that are made on it, and will, moreover, be unable to meet any emergencies which may occur in the future. To correct this condition the following amendment is proposed.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. COYLE].

The question was taken; and on a division (demanded by Mr. COYLE) there were—ayes 34, noes 100.

So the amendment was rejected.

Mr. AYRES. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. AYRES: Page 44, lines 10, 11, and 12, strike out the following: "*Provided further*, That hereafter additional pay for making aerial flights shall in no case be at a rate in excess of $1,100 per annum."

The committee amendment was agreed to.

The Clerk read as follows:

For pay and allowances of the Marine Corps Reserve (a) excluding transferred and assigned men, $237,620; (b) transferred men, $281,696; (c) assigned men, $65,750; in all, $585,066: *Provided*, That hereafter no enlisted man of the Marine Corps shall be assigned to the Fleet Marine Corps Reserve as provided for in section 22 of the act of February 28, 1925 (U. S. C., title 34, sec. 783).

Mr. COYLE. Mr. Chairman, I have an amendment at the Clerk's desk to the paragraph at the top of page 45 that has been cut out of a previous amendment and marked as a separate amendment to lines 7 and 8. I ask unanimous consent, in view of the vote on the last amendment, to go back to lines 7 and 8.

The CHAIRMAN. Is there objection?

Mr. AYRES. I would like to accommodate the gentleman, but under the circumstances I can not do it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In all, $15,151,089, and the money herein specifically appropriated for pay of the Marine Corps shall be disbursed and accounted for in accordance with existing law and shall constitute one fund.

Mr. WHITE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 46, line 2, after the word "constitute," strike out the words "one fund" and insert "separate funds for the regular reserve division of the marine service as appropriated herein."

Mr. WHITE. Mr. Chairman, this amendment is offered for the purpose of preserving the Marine Reserves. It has been stated on the floor that the reduction in the number of officers can not be made; that is, it has been made clear that it can not be made unless a law is passed removing from the corps officers besides those removed by usual attrition.

It has been stated that the money could be gotten only from the enlisted men's pay. That is not true; it could be taken from the allowances for the Reserve Corps.

Mr. OLIVER of Alabama. Is the gentleman aware that this appropriation has been carried in this way for the last 10 years?

Mr. WHITE. I am.

Mr. OLIVER of Alabama. There has been no abuse of it?

Mr. WHITE. I do not know whether there has been an abuse of it or not. I hope the gentleman is correct.

Mr. OLIVER of Alabama. These are matters that must be left to the administrative head.

Mr. WHITE. If I was assured that there would be no abuse of it I would not press the amendment.

Mr. OLIVER of Alabama. This appropriation has been carried in this language for the last 10 years, and this method is very helpful in the economical administration of the fund.

Mr. WHITE. I would like to call attention to what happened here yesterday when the Naval Reserve was voted out. A man on the Great Lakes, Capt. Anthony Nicklett, who served from 1899 to 1917 without pay, was shorn of his position without consideration. There was no good reason for it. He brought 343 officers and men into the service in 1917, including an air unit. That man is still at work. I do not want the same thing to happen to the Marine Reserves. That is the reason for offering this amendment. If the fund is not to be absorbed for other purposes, I see no reason for not putting the provision in the law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

Mr. McGUGIN. Mr. Chairman, I move to strike out the last word.

The President, the Congress, the press, and the legitimate banking institutions of the United States are all in a fine spirit of patriotism free from partisanship or other prejudice, doing everything in their power to restore confidence and faith in this country. We can not succeed in our present difficulties except that in the minds and hearts of the American people there is confidence and faith in our common country and its institutions. Yet in the face of this fine cooperation on the part of patriotic leadership in this country, we find a class of people who are doing everything within their power to wreck the confidence and faith of the American people in America, and are endeavoring to capitalize upon the distress of the people. This class of people, who are at this moment practicing little less than treason to this country, are composed of a band of conspirators of some citizens of this country and of foreign countries.

Unfortunately, the people of America have become so stock-market minded that they look too greatly to the stock market for the information as to the condition of the United States rather than to legitimate business. These American and foreign conspirators are taking advantage of this situation, doing everything they can to destroy security values and thereby to destroy public confidence. They are endeavoring to reap their profits which are to be measured by the extent they can destroy the faith and confidence of the people of this country.

The hearings now going on before the Banking and Currency Committee of the Senate disclose clearly that certain American citizens in league with certain foreign institutions are carrying on a concerted and organized effort to destroy the security values of American institutions and thereby further impoverish the American people, who have their life earnings invested in American institutions.

There can be no question but that the conduct of these people is shameful, dishonorable, and disloyal. The hearings before this committee have disclosed that American brokerage houses are carrying upon their books customers under assumed names who are selling short American institutions. One brokerage house in selling short for a customer under the assumed name of Sadie Silk, another under the assumed name of Stella Stitch, another under the assumed name of Watt & Watt, another under the assumed names of Mr., Mrs., or Miss G. Oka, another under the assumed name of Lilly Schiff, and another under the assumed name of Rose Sheer. There are literally scores of these fictitious names who are selling short the securities of the United States. Any brokerage house which would permit a customer to operate under an assumed name and any customer who sells under an assumed name is obviously carrying on a program which is shameful, dishonest, and disloyal. The people who are operating under these assumed names and thereby endeavoring to destroy the confidence of the people of this country are confessedly doing a shameful thing and are endeavoring to hide their identity as highwaymen try to hide their identity with masks.

Not only are American citizens engaged in this program which is so shameful that they seek to disguise their identity but foreign interests are likewise engaged in this raid against American securities. The hearings before the Senate committee disclose that the Travellers Bank of Paris and the Bank of France are either lending the name of their institutions or are directly engaged in this conspiracy to destroy

American values. Three different banks of Holland were uncovered as being in this raid against American finance. One of these Holland banks is the government institution which corresponds to the Federal reserve in the United States.

Aside from this shameful effort to destroy American values, the Senate committee has uncovered something else which is nothing less than disloyalty to country and treachery to the American people. This committee has brought to light that in June, 1930, J. P. Morgan & Co. bought $9,200,000 of German reparation bonds on the stock market. Mr. Whitney, president of the stock exchange, and a member of the brokerage firm which bought these bonds for the Morgan Co., testified that the buying of these bonds by the Morgan Co. contributed to the sustaining of the market of that issue of German bonds at $90 per unit, while international bankers were palming $98,000,000 worth of these German bonds on to the American people at this sustained and fictitious price of $90. Mr. Whitney was compelled to admit and testify that after $98,000,000 worth of these bonds had been sold to the American people at the rate of $90 a unit and after this Morgan syndicate stopped buying these bonds on the market, these bonds went down to as low as $23 and are now selling for $35.50. Here we find an American citizen buying $9,200,000 worth of bonds on the open market and keeping up a fictitious value on them in order that American citizens could be tricked into buying $98,000,000 worth of them. Here was an American institution deceiving the citizens of the United States in order to milk them of their money to be given over to a foreign country. It is always reprehensible for one to deceive and rob his neighbor, but when it is done on a commission basis for the benefit of foreign countries, this is reprehensible and low beyond belief.

International bankers in conspiracy and in league with foreign interests have floated billions of dollars of these bonds upon the American people. How many were floated in the manner here described no one knows. As these private bonds were floated, foreign government bonds due to the United States Government became less valuable. Now we find that the people who were tricked into buying these bonds are the victims and the Government of the United States has likewise been victimized.

When the moratorium was under consideration these international bankers testified without an exception that they no longer owned the foreign bonds, but that they were out in the hands of the American people. They admitted that they took their commissions and that it was a closed incident so far as they were concerned.

In the hearings before the Coinage, Weights, and Measures Committee of the House, of which I am a member, we have found that foreign countries indebted to the United States have willfully and deliberately debased and debauched their silver money. In doing this they accomplished what was inevitable from the experience of the centuries, and that is with the destroying of the value of silver commodity prices are likewise destroyed.

From the hearings before this committee, I am firm in the conviction and I believe every member of the committee is firm in the conviction that these foreign countries debauched their silver with the designed purpose of completely destroying the American manufacturing industry and American agriculture for the purpose of forcing the United States to cancel the war debts which are justly due this Nation from these foreign countries. I am firm in the conviction that it has been their designed purpose to force the people of the United States to pay for a war which they never started.

Foreign countries that owe this Nation, with their budgets balanced, are making up their budgets for the coming year totally ignoring their debts to this country. The time has come for the Congress and the people of this country to realize that Europe is waging an economic war upon the United States and that there are traitors within our own citizenship, in the form of international bankers and speculators, who are destroying security values with the designed purpose of forcing this country to cancel the war debts and to heap upon the shoulders of the American people the expenses of a war in which they had no interest except to serve the true interests of humanity and to save some of the nations that are to-day carrying on this conspiracy against this country. Realizing these facts, I believe that it is time for the Congress and the people of the United States to serve notice on Europe that we expect these countries owing the United States these debts to pay their interest this year.

I am ready for a joint resolution by the House and the Senate declaring that we will not cancel the war debt, that we will not consent to an extension of the interest this year and call upon these countries to pay us the interest which they owe us for the coming year. Further realizing these facts, I think it is time for the Congress of the United States and the people of the United States to take the stock exchange and the international bankers in hand and just as nearly as possible accord to them the same consideration that is always accorded to one who is a traitor to his country. So far as I am concerned, let it be said that any institution or any American citizen, who practices the program of that which the J. P. Morgan & Co. practiced in selling these bonds to the American people, stands in the same light before the American people of this and future generations as does any common traitor to the American people.

The Clerk read as follows:

Office of the Quartermaster, $126,560; in all, $305,030: *Provided*, That the total number of enlisted men on duty at Marine Corps headquarters on May 7, 1930, shall not be increased, and in lieu of enlisted men whose services at such headquarters shall be terminated for any cause prior to July 1, 1933, their places may be filled by civilians, for the pay of whom, in accordance with the classification act of 1923, as amended, either or both the appropriations "Pay, Marine Corps," and "General expenses, Marine Corps," shall be available: *Provided further*, That neither this nor any other Marine Corps appropriation shall be available for the employment in a civil capacity of any transferred member of the Marine Corps Reserve at a rate of compensation which, in conjunction with his reserve pay, would exceed the sum of his pay and allowances as a transferred member of the Marine Corps Reserve on active duty.

Mr. SUTPHIN. Mr. Chairman, I offer the following amendment which I send to the desk.

Mr. AYRES. Mr. Chairman, I have a committee amendment which I offer.

The CHAIRMAN. The committee amendment will take precedence. The Clerk will report the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. AYRES for the committee: Page 46, line 18, after the word "available," strike out the colon and all of the proviso down through the word "duty" in line 25.

Mr. AYRES. Mr. Chairman, in explanation of that amendment, it has come to the notice of the committee in the last day or two, that this would be a discrimination against the Marine Corps, and not wishing to do that in favor of any other activity, we ask that this amendment be adopted and that the proviso be stricken out.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SUTPHIN. Mr. Chairman, that is the amendment that I intended to offer, and I withdraw my amendment.

The Clerk read as follows:

ALTERATIONS TO NAVAL VESSELS

Toward the alterations and repairs required for the purpose of modernizing the U. S. S. *New Mexico*, *Mississippi*, and *Idaho*, authorized by the act entitled "An act to authorize alterations and repairs to certain naval vessels," approved February 28, 1931 (to be completely accomplished within a total cost of $27,000,000), $14,000,000, this sum, together with the unexpended balance of the appropriation of $10,000,000 for the same purpose contained in the second deficiency act, fiscal year 1931, to be apportioned, in the discretion of the Secretary of the Navy, among the aforesaid ships and to remain available until expended: *Provided*, That the sum to be paid out of the amount available for expenditure under this head for the fiscal year 1933 for employees in the field service assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $30,000.

Mr. GOSS. Mr. Chairman, I make the point of order to the language on page 50, line 7, after the comma, "in the

discretion of the Secretary of the Navy, among the aforesaid ships." It is legislation on an appropriation bill.

Mr. AYRES. Mr. Chairman, will the gentleman reserve the point of order?

Mr. GOSS. Yes.

Mr. AYRES. I would be glad to know why the gentleman wants to strike that out. I admit that it is subject to a point of order.

Mr. GOSS. It is subject to a point of order. The authorization act which passed August 17, 1923, Public Act No. 746, and also in the second deficiency appropriation bill provided that approximately an equal amount should be expended on each ship. That was the legislation passed by the Committee on Naval Affairs. This language does away with that authority and provides that under the direction of the Secretary of the Navy the money may be apportioned out in any way at all. Inasmuch as it is legislation on an appropriation bill, if it is desirable, no doubt the Committee on Naval Affairs can bring in a bill to do this very thing.

Mr. AYRES. I admit it is subject to a point of order, but I think that taking it out will cripple the Navy to a very great extent.

Mr. VINSON of Georgia. I disagree with the gentleman from Kansas. I think the gentleman from Connecticut is correct, because this expenditure was allocated for certain purposes.

Mr. AYRES. I have nothing further to say, if the gentleman wants to insist upon his point of order. I admit the point of order.

The CHAIRMAN. The Chair sustains the point of order.

Mr. BRITTEN. Mr. Chairman, I move to strike out the last word for the purpose of asking a few questions of the chairman of the committee. By what authority does the Committee on Appropriations reduce the original authorization of $30,000,000 for modernizing three battleships to $27,000,000?

Mr. AYRES. Because we felt in view of the fact that material and everything else has gone down in price that we could easily reduce the amount to $27,000,000.

Mr. BRITTEN. Did any individual representing the Navy Department come before the committee and request this reduction?

Mr. AYRES. Not at all.

Mr. BRITTEN. Mr. Chairman, to show the further inconsistency of the Committee on Appropriations, they have arbitrarily, because they say the depression is on and that living is cheaper, reduced this amount from $30,000,000 to $27,000,000, without any expert advice, without any authority in the Navy Department requesting it. They have just taken 10 per cent off this on the theory that probably they may be right. The truth of the matter is that this reduction of $3,000,000 in the authorized cost, which has been approved by the Congress and appropriated for at various times by the Committee on Appropriations in the House and in the Senate, was an irreducible minimum. In fact, it will cost a little more than $30,000,000 to modernize those ships. Now, by stringing the construction out they will increase the overhead and increase the cost and incidentally waste in that way several hundred thousand dollars.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BRITTEN. In a moment. If the committee of which the distinguished gentleman from New York is a member had taken the slightest expert advice, the slightest expert testimony, had asked for the slightest information from the department itself as to whether this reduction could be reasonably made in the interest of economy, they would not have brought in such a provision. These $3,000,000 will eventually come in a deficiency appropriation bill later on after we have wasted $100,000 or $200,000 in extended time and delays in an endeavor to meet the $27,000,000. I pledge my judgment against the gentleman's judgment that that is what will happen. I yield now to the gentleman from New York [Mr. TABER].

Mr. TABER. The gentleman does not believe that prices have gone down and that the Government of the United States should pay any attention to that sort of thing?

Mr. BRITTEN. Of course, I believe that prices have gone down. Everyone with an ounce of brains in his head knows that, but nobody from the Navy Department has said a word about the cost of these ships going down.

I am sure the gentleman from Kansas would not place his judgment against the judgment of the Navy Department as to how much was necessary to complete the modernization of a battleship. No one can foresee the various costs that are met in modernizing a great battleship. The gentleman's committee had no expert advice. It arbitrarily cut $3,000,000 on the idea of the gentleman from New York, who thinks that bananas and coconuts and cabbages are going into this construction rather than steel and highly specialized labor.

Mr. Chairman, on page 50 of the bill, explained on page 26 of the report, the authorized limit of cost for modernizing the *New Mexico*, *Mississippi*, and *Idaho* is reduced from $30,000,000 to $27,000,000, and $1,000,000 has been deducted from the Budget estimates for 1933, changing that item from $15,000,000 to $14,000,000.

The modernization of these three ships can not be completed for less than the present authorized limit of cost of $30,000,000 without deferring items of work which are considered necessary for satisfactory completion. The original authorization of $30,000,000 was based upon careful estimates of the cost of individual items which were considered necessary in the modernization of these vessels. This amount was authorized after extended hearings by the Naval Committee; plans were prepared for modernization along these lines; the ships have been stripped and much of the work has already been begun.

The original estimates aggregating approximately $30,000,000 were made with the expectation of completing the work within 21 months. Owing to the economic conditions the modernization of all of these vessels has already been extended from 5 to 15 months, notwithstanding the fact that it was realized that this extension of time limit would, by increasing the overhead, increase the total cost of the project. Due to this cause the total cost of the originally contemplated project has already gone beyond the limit and in order to absorb this within the original limitation, arrangements have already been made for deferring work which was originally contemplated to the extent of $913,000. At the time of the compilation of the estimates for 1933 this entire matter was very thoroughly considered. It was desired to reduce the estimate for 1933 to a minimum, but a careful survey showed that $15,000,000 was the absolute minimum for that year which could be appropriated and still permit the vessels to be completed within the $30,000,000 limitation without abandoning projects which were considered essential and which could not be deferred.

It is, therefore, considered very necessary that the original limitation of $30,000,000 imposed by Congress be restored and that the appropriation for this item for 1933 be increased to the Budget estimate of $15,000,000.

Mr. Chairman, unless this limit is restored the ships can not be put back in a satisfactory condition for service since they have been stripped and the work has been laid out and is being prosecuted for eventual completion in accordance with the limit originally stated in the authorizing act.

In case it is impossible to restore this $1,000,000 without a similar reduction in some other appropriation, though it is undesirable further to reduce the appropriation, "Increase of the Navy, construction and machinery," it now appears that delay in the progress of the work on the cruisers under construction in the Navy yards will make it possible for a further reduction in this appropriation to be made without serious interference with the work as it will progress during 1933. For that reason, if this $1,000,000 must be taken from some other appropriation, it is recommended that it be taken from "Increase of the Navy, construction and machinery," as shown on page 41, column 6, of the report, making

the total reduction under that item $3,637,000 instead of $2,637,000 therein contemplated.

The CHAIRMAN. The time of the gentleman has expired.

The pro forma amendment was withdrawn.

Mr. LANKFORD of Virginia. Mr. Chairman, I offer an amendment, which is on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LANKFORD of Virginia: Page 50, line 4, strike out the figures "$14,000,000" and insert the figures "$15,000,000."

Mr. LANKFORD of Virginia. Mr. Chairman, this is not an increase of a dollar, because when we come to the next section, if this amendment is adopted, I shall ask that the next section be reduced by the same amount.

The reason I am doing that is that the Navy Department says they can save that million dollars on these new vessels, or not use that this year, without crippling the efficiency of the work, as the work on these is just beginning, but these battleships are now in dry dock. They have been there several months longer than is necessary. Every day they are there it costs between fifty and a hundred dollars additional. The Navy is asking that simply as a matter of economy and efficiency. They can save the loss on one, and they can not on the other.

Mr. AYRES. Will the gentleman yield?

Mr. LANKFORD of Virginia. I yield.

Mr. AYRES. Will the gentleman explain why his amendment does not increase the appropriation $1,000,000?

Mr. LANKFORD of Virginia. Yes. Ten million of this has already been appropriated. This provides $14,000,000, which only makes $24,000,000. There are $3,000,000 more to be appropriated before reaching the reduced appropriation of $27,000,000.

Mr. AYRES. But $14,000,000 is the appropriation we are proposing for 1933.

Mr. LANKFORD of Virginia. That is true. But that does not take up all of the authorization of $27,000,000. Ten million dollars was appropriated last year.

Mr. AYRES. But there is no other way of figuring it than that it adds just $1,000,000 to the bill.

Mr. VINSON of Georgia. It will enable them to complete the ships that much sooner.

Mr. LANKFORD of Virginia. It will enable them to complete the ships that much sooner and on time.

Mr. VINSON of Georgia. The total amount of the appropriation for the modernization of the vessels is $27,000,000.

Mr. LANKFORD of Virginia. Yes.

Mr. VINSON of Georgia. And $10,000,000 has already been appropriated.

Mr. LANKFORD of Virginia. That is right.

Mr. VINSON of Georgia. So there is the difference between $10,000,000 and $27,000,000 to be spent?

Mr. LANKFORD of Virginia. That is right.

Mr. VINSON of Georgia. And the gentleman is asking to increase it $1,000,000 now to enable them to finish the ships that much sooner?

Mr. LANKFORD of Virginia. That is true.

Mr. AYRES. Is the gentleman from Georgia in favor of increasing this appropriation $1,000,000?

Mr. VINSON of Georgia. I am in favor of every retrenchment possible, but I would not have the nerve or temerity, in the modernizing of a ship, to sit around a board and say, "We will arbitrarily reduce it," without the advice of experts who have to do the construction of it.

Mr. LANKFORD of Virginia. Mr. Chairman, I think I must not have made myself clear.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. BRITTEN. Mr. Chairman, what amendment does the gentleman oppose?

Mr. TABER. The one that is before the House.

Mr. BRITTEN. Well, what is it?

Mr. TABER. I know what it is. Does the gentleman from Illinois not know what it is?

Mr. BARTON. Mr. Chairman, regular order.

Mr. TABER. Other Members of the House have been here and they know what is going on, and the gentleman from Illinois apparently does not. I observed the gentleman was here, but he does not know, apparently, what is going on. Everyone else in the House knows what is going on.

The proposition is just this, whether the membership of this House has enough common sense and enough knowledge of current conditions to know that most of the things connected with the modernization of a battleship are materials that are bought by the Navy Department to put into them. They know that the price of steel has gone down. They know that the price of labor in private plants has gone down, and they know that almost everything that is needed can be bought from factories for one-half to two-thirds what it would cost when this authorization bill was passed.

Now, in sitting around the board and agreeing to a cut in this authorization and in this appropriation, your committee did not have in mind that the work should be slowed down but that the department should take advantage of the savings which can be made as a result of that drop in prices, and that we should promote efficiency in the department. You know and I know that if they are compelled to do it they can adopt efficient methods, and they can save 10 per cent on the cost of these items, and they can get the job done just as quickly as they planned to do it at the start.

I know that a department always, when it has an authorization and when prices go down, wants to use it all by adding additional things to be done. That is the way they get by. That is the way those things work. With the present condition of the Treasury, it is up to the Congress to stick by those things which we originally had in mind when we reported this bill and stick to what the committee has done. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. AYRES. Mr. Chairman, I move that all debate on this section and all amendments thereto shall close in five minutes.

The motion was agreed to.

Mr. LaGUARDIA. Mr. Chairman, were it not for the overstatement of my colleague from New York, I would not take any time of the committee. His justification for the decrease in the modernization item, I suppose, is based on efficiency methods of workmanship, and perhaps from past experience in modernizing other battleships. But when the gentleman from New York takes the floor and states that the price of material, the price of living, the price of labor has gone down from 50 per cent to two-thirds since the time this act was passed, I must take exception to that and clear the record of any such wild statement.

The act was approved February 28, 1931, and surely there has not been a decrease of 50 per cent or 75 per cent in the cost of material. There has not been a decrease of that extent in the wages of labor. We are not going to permit any such decrease in the cost of labor to be brought about in this country. So I say to my colleague from New York that I am with him in voting against this amendment, but I am sorry that he made such a rash statement not based upon any facts.

Mr. LANKFORD of Virginia. Will the gentleman yield for a question?

Mr. LaGUARDIA. Yes.

Mr. LANKFORD of Virginia. Is it not true that since this act was passed there has been a reduction in the price of basic materials entering into the modernization of these vessels?

Mr. LaGUARDIA. Yes; and let me say just a word to my colleagues, which I hope they will bear in mind between now and next Wednesday or Thursday: They can not think

of cutting wages and think of inflating currency and increasing commodity prices at the same time.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was rejected.

Mr. LANKFORD of Virginia. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. LANKFORD of Virginia: Page 50, line 2, after the figures "1931," strike out the parenthesis and the remainder of line 2, all of line 3 and line 4 to the figures $14,000,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was rejected.

The Clerk read as follows:

INCREASE OF THE NAVY

Construction and machinery: On account of hulls and outfits of vessels and machinery of vessels heretofore authorized, $23,063,000, and, in addition, the Secretary of the Treasury is authorized and directed, upon the request of the Secretary of the Navy, to make transfers during the fiscal year 1933 from the naval supply account fund to this appropriation of sums aggregating not to exceed $6,000,000, and the total sums hereby made available shall remain available until expended: *Provided*, That the sum to be paid out of the amount available for expenditure under the head of "Construction and Machinery" for the fiscal year 1933 for employees in the field service assigned to Group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $790,000: *Provided*, That of the appropriations contained in this act under the head of "Increase of the Navy," there shall be available such sums as the Secretary of the Navy may from time to time determine to be necessary for the engagement of technical services, including the purchase of plans, and the employment of personnel in the Navy Department and in the field, in addition to those otherwise provided for, owing to the construction of vessels heretofore authorized and herein or heretofore appropriated for in part.

Mr. FISH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 51, at the end of line 15, add the following: "*Provided further*, That the President of the United States be requested to instruct the American delegates to the Disarmament Conference at Geneva to propose, on the basis of the 5–5–3 existing treaty ratio, a further reduction in the number of battleships and battle cruisers of over 10,000 tons."

Mr. AYRES. Mr. Chairman, I reserve a point of order.

Mr. TABER. Mr. Chairman, I make the point of order.

The CHAIRMAN. The Chair sustains the point of order.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Yesterday Admiral Kittelle, of the Navy Department, spoke before the Daughters of the American Revolution and said that the United States Navy was now second in strength and was rapidly becoming the third in point of view of strength in comparison with the navies of Great Britain and Japan. Some years ago a very distinguished Member of this House, Mr. Bourke Cockran, of New York, informed the House that a second-best navy was like a second-best hand at poker, that it was not worth a darn. We are now informed that we have a second-best navy by an admiral of our Navy, and that it is rapidly becoming the third-best Navy.

I suggest, and suggest in all seriousness, that if the Members of the House want to economize and save a hundred million dollars annually without reducing the efficiency of our national defense, or of our Navy in any respect, the number of battleships and battle cruisers over 10,000 tons could be reduced just as was done in 1921 at the Washington conference. I ask any member of the committee if it is not a fact that should we reduce our battleships and battle cruisers from 18 to 10, and if Great Britian and Japan should reduce theirs proportionately, we would not have the same identical naval defense? I submit that we would have a better national defense, because at the present time we are not living up to the 5–5–3 ratio.

I am willing to vote appropriations now to live up to the big Navy on the 5–5–3 ratio, both for battleships over 10,000 tons and light cruisers under 10,000 tons; but see no sound reasons why we should not offer through our delegates at Geneva to further reduce the number of battleships and battle cruisers over 10,000 tons. If we really mean what we say about economy and balancing the Budget, I know of no better, easier, or more equitable way of reducing Federal expenditures without loss of efficiency or security.

We would have a better national defense if we agreed to reduce our battleships to 10 and the same number for Great Britain and 6 for Japan, because then the Appropriations Committee would probably be willing to recommend appropriations to maintain that ratio, at least, to maintain 10 battleships in the most modern and highest degree of efficiency. At the present moment the leaders of the House are sitting up at night and spending sleepless nights in trying to find ways and means to economize and to reduce appropriations. If my proposal were put into effect, we could reduce appropriations over $100,000,000 annually and still have exactly the same efficiency in the Navy, the same national defense, and the same proportional naval protection for the United States. I do not refer to the 10,000-ton cruisers and below. They are used for the protection of commerce, and we have far more than most nations, but the big battleships in war time are generally held in the ports, kept there by fear of submarines.

I say to you that Great Britain and Japan ought to welcome a proposal to further reduce the number of their battleships and battle cruisers over 10,000 tons on the 5–5–3 basis because they are more debt-ridden and more burdened with taxes than we are, and the Lord knows our taxpayers are burdened enough. So it seems to me to be simply sound common sense to at least have our delegates at Geneva make such an offer or proposal at the present time. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment. I made the point of order against this amendment because it instructed our representatives at the disarmament conference at Geneva to follow a course without having in mind the military aspects or the military properties or values to the United States of the different classes of ships of the fleet.

The representatives of our admiralty have told us time and again that it is absolutely necessary that we have battleships because we have not fuel stations and all that sort of thing all over the world. I personally am not an expert on fighting battleships and I can not testify along that line; but I believe that when we go into a conference to pass on what our Navy needs and what we should have to defend America our best fighting men should be the judges of the types of ships that we keep and the types that we permit others to keep and build by treaty.

We have at that conference representatives of the Navy Department and of the State Department. I believe it is for them to judge what we should do.

Now, with reference to our battleships, we are keeping our battleships right up to the mark. They are up to the 5–5–3 ratio, and that is the best judgment of our naval experts.

With reference to cruisers and the other supplementary ships, we are bringing in this bill appropriations to carry our Navy along as fast as it can be carried within the limitations of the treaty and just as fast as our department says they expect to be able to go.

We have not any authority to begin the building of the smaller grade of cruisers.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. TABER. Yes.

Mr. VINSON of Georgia. There is authority, is there not, to provide for the construction of destroyers, as provided for in 1916?

Mr. TABER. There were some provided for last year and there is a provision for carrying along the construction of

those on which work has commenced. More could be provided; but it is better, in my opinion, to go ahead and establish a policy of building some and letting our designers get into shape so they can do a good job on building a destroyer and not go ahead with mass construction and perhaps make a mistake and have a lot of poor tonnage. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Office of the Secretary of the Navy, $200,520.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 54, line 24, strike out "$200,520" and insert in lieu thereof the following: "$191,500; and section 4 of the act entitled 'An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps and to adjust and define the status of the operating personnel in connection therewith,' approved June 24, 1926 (44 Stat. L. 767, 768), be and the same is hereby repealed as of June 30, 1932."

Mr. VINSON of Georgia. Mr. Chairman, I may state to the committee that the object and purpose of the amendment is to abolish the position in the Navy of Assistant Secretary for Aeronautics, a similar provision having been unanimously reported by the Naval Affairs Committee.

When we created the office of Assistant Secretary of the Navy for Aeronautics we all felt that aviation was in its infancy and needed the strong arm of some civilian to support that branch of the service, but to-day aviation is an integral part of the Navy and there is absolutely no need or necessity of having an assistant secretary for aviation any more than you would have an assistant secretary for battleships or for cruisers or submarines.

The matter was heard in the Naval Affairs Committee a few days ago, and met with the approval of the Secretary of the Navy.

Understand, there is no reflection intended upon the person who has occupied this office in the past or now. We have been fortunate in having two very able Assistant Secretaries of the Navy for Aeronautics, Professor Warner and the present Assistant Secretary, Mr. Ingalls. They are very distinguished aviators, but the Navy Department does not need them and they do not need a similar office in the War Department, and a similar bill has already been introduced with respect to the War Department dealing with that office.

Mr. GOSS. Will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. GOSS. By what authority does the gentleman say the position is not needed in the War Department? Is the gentleman acquainted with military affairs?

Mr. VINSON of Georgia. I was a member of the Morrow Board that authorized this office. He thought then it was necessary to harmonize the friction that was existing in the two branches of the service and to dovetail aviation into them. That need no longer exists. You can not run an army without aviation, and you can not run a navy without aviation. Every officer now knows the necessity of aviation, and there is no need of a separate establishment or a separate chief at the head of such service.

Mr. GOSS. I think the gentleman has answered the question——

Mr. VINSON of Georgia. I thank the gentleman.

Mr. GOSS (continuing). When the gentleman says there is need for aviation and that you could not run a navy or an army without it. Therefore I think we must have a head to this department.

Mr. VINSON of Georgia. Of course, you could not run an army without the infantry or the artillery, but you would not, therefore, think for one moment of having an Assistant Secretary of War for artillery or for infantry.

I was a member of the board that recommended this to the Congress, and the very reason we did this in 1926 was to stimulate aviation and to make the older officers see that Congress was going to legislate to take care of aviation. Since they have put aviation officers on the general staff in the Army, there is no need of having a separate civilian secretary just for aviation alone, and that has been his sole jurisdiction in the Army and in the Navy.

So the Committee on Naval Affairs has unanimously reported this bill, and, of course, what I am now seeking to do refers entirely to the Navy Department. We will cross the bridge with respect to the Army when we come to it.

Mr. GOSS. I thought the gentleman was referring to the Army.

Mr. FRENCH. Will the gentleman yield?

Mr. VINSON of Georgia. With pleasure.

Mr. FRENCH. Ordinarily, it would seem that legislation of this kind should not be considered on an appropriation bill——

Mr. VINSON of Georgia. Let me say to the gentleman that this is in order under the Holman rule.

Mr. FRENCH. I think it is in order, but, on the other hand, it does involve a very large principle. May I ask whether or not the gentleman's committee had hearings upon the subject?

Mr. VINSON of Georgia. The committee last Monday had the distinguished Secretary of the Navy before it, and, after some inquiry of him, the Secretary said he had no objection to the favorable consideration of this bill, and upon a roll call the committee voted unanimously to abolish the office of Assistant Secretary of the Navy for Aeronautics. It is a useless office.

Mr. LaGUARDIA. Mr. Chairman, I ask for recognition in opposition to the amendment.

Mr. Chairman, I think all I need do to point out the danger of this amendment is to recall to the older Members the condition in the Air Service of the Navy prior to the enactment of the law which created the office of Assistant Secretary of the Navy for Aeronautics.

Aviation is still in its infancy, and every Member of the House will recall the scandal that took place in the Army and the condition in the Navy, the conflict between the line officers and fliers. If the gentleman of the House will stop to consider that we are spending millions of dollars for new flying equipment, and now that we have the Air Service of the Navy in good condition, with good morale, by reason of having established a separate bureau, at the head of which is now an able executive and a distinguished flier that men have confidence in, the procurement of material has been under proper supervision, economies have been made, the equipment is better, the personnel is better, and I say that we should not at this time, on the spur of the moment, with only a few Members present, abolish this office.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. LaGUARDIA. I yield.

Mr. VINSON of Georgia. This proposition was investigated by the Naval Affairs Committee, and the committee had the Secretary of the Navy before it, and the Secretary of the Navy said that there was absolutely no need or necessity for this office.

Mr. LaGUARDIA. And the gentleman knows that before the Morrow investigating committee the then Secretary of the Navy made the same argument, and next year or 10 years from now whoever is Secretary of the Navy will repeat the same argument.

Mr. VINSON of Georgia. We established this office for doing what has been accomplished; that is, to stimulate and give aviation its right place in the Navy.

Mr. LaGUARDIA. If the gentleman wants to destroy all the good that has been accomplished, if he wants to put aviation back under the control of persons who are not in sympathy with it, who do not understand it, then abolish this office.

It is a fact that the Secretary of the Navy appeared before the committee, and did indorse it, and what he says is nothing new. We know that the great Committee on Naval Affairs is susceptible to the influence of the department—it always has been; it is a tradition of the committee, and I have no fault to find with it. But let me say to the gentleman from Georgia, and he is a student of the history of the

Navy, that every new invention has been resisted and fought by the admirals of the Navy—the ironclad, the Ericsson propeller, the Whitehead torpedo, and the Lewis machine gun—every new invention or weapon has been resisted and fought by the admirals of the Navy. I would like to have Members read the life of Ericsson, published a few years ago, which will disclose the stand-pat attitude of the officials of the Navy Department to anything that is new.

The position of Assistant Secretary of Aviation is something that Congress has established, and I submit, gentlemen, that having gone through with two investigations, and having written the law, and having created the separate office for that branch of the service, we ought not to dispense with it in this summary manner. [Applause.]

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, I am one of those hard-boiled members of the Appropriations Committee who hates to spend a cent, and I guess the gentleman from New York will tell you that I am probably the worst one. Am I right?

Mr. LaGUARDIA. The gentleman is right. [Laughter.]

Mr. TABER. I believe in keeping appropriations down, without impairing the national defense. I do not believe in spending anything that we do not absolutely have to spend.

As the gentleman from New York [Mr. LaGUARDIA] told you, this office was created for the purpose of seeing that aviation got a chance to develop in the Navy.

Now, I think we all must realize that aviation, properly developed and properly looked after, is perhaps the most important military branch of our Government. I believe that if we are going to keep it to the mark, if we are going to keep up the work in the development of aviation, we should see that it goes along to the very best advantage, and we ought to have a civilian over our military men who will give us the best development in aviation that any nation can have. For that reason I am going to vote against this proposition. The salary is a minor item compared with what one who gives his time, with considerable business experience back of him, can save to the country in the manner in which contracts are let and in the manner in which the appropriation is administered. I believe we really save many times the salary that the aviation secretary gets if we keep him there and he continues to follow the thing through like a good civilian business man would follow them all along the line.

Mr. ARENTZ. Mr. Chairman, I notice the amendment offered by the gentleman from Georgia is to change the sum in line 24, page 54, in the office of the Secretary of the Navy, and that on page 55 there is a provision for the Bureau of Aeronautics to the amount of $290,400. Does the gentleman mean to say that the Bureau of Aeronautics is not tied up in any way with the Secretary of Aviation?

Mr. TABER. The Bureau of Aeronautics expenditures are different than those of the Secretary.

Mr. ARENTZ. Does the gentleman not think that is duplication?

Mr. TABER. I think it is a proper classification to have the Assistant Secretary directly under the Secretary's office rather than under the Bureau of Aeronautics.

Mr. OLIVER of Alabama. Mr. Chairman, I am in sympathy with every effort to effect wise economies, but since this amendment is not in order on this bill, and since all Members of the House are in agreement that if this action is taken in respect to the Navy similar action should be taken in the Army, and since the committee has been told that legislation looking to this end will be submitted to the House in a regular and orderly way, I hope the House will not adopt this amendment. It would be improper to seek by an amendment, which is not in order on this bill, to eliminate a position that has served in a most helpful way the Air Service of the Navy, and likewise in a helpful way the Air Service of the Army. Whether the House should later decide that these two places could be dispensed with it is not now necessary to discuss. The gentleman from Georgia states that a bill from his committee, which has authority to legislate on such matters, will be presented seeking to accomplish what is proposed in the pending amendment. The House will then have full opportunity to discuss the matter in an orderly way, and I hope the gentleman from Georgia, evidencing his accustomed spirit of fairness, will withdraw his amendment.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

CONTINGENT EXPENSES

For professional and technical books and periodicals, law books, and necessary reference books, including city directories, railway guides, freight, passenger, and express tariff books and photostating, for department library; for purchase of photographs, maps, documents, and pictorial records of the Navy, photostating and other necessary incidental expenses in connection with the preparation for publication of the naval records of the war with the Central Powers of Europe; for stationery, furniture, newspapers, plans, drawings, and drawing materials; purchase and exchange of motor trucks or motor delivery wagons, maintenance, repair, and operation of motor trucks or motor delivery wagons; garage rent; street-car fares not exceeding $500; freight, expressage, postage, typewriters, and computing machines, and other absolutely necessary expenses of the Navy Department and its various bureaus and offices, $80,000; it shall not be lawful to expend, unless otherwise specifically provided herein, for any of the offices or bureaus of the Navy Department in the District of Columbia, any sum out of appropriations made for the naval service for any of the purposes mentioned or authorized in this paragraph: *Provided*, That any unexpended or unobligated balances under appropriations for salaries in the Navy Department for the fiscal year 1932 may, with the approval of the Secretary of the Navy, be expended for the purchase, exchange, or rental of labor-saving devices during the fiscal year 1933.

Mr. LaGUARDIA. Mr. Chairman, I make the point of order to the proviso on page 57, line 23, down to the end of the paragraph.

Mr. AYRES. Mr. Chairman, in order to save time I admit the point of order.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

PRINTING AND BINDING

For printing and binding for the Navy Department and the Naval Establishment executed at the Government Printing Office, $550,000, including not exceeding $103,000 for the Hydrographic Office and $2,800 for the Naval Reserve Officers' Training Corps.

Mr. VINSON of Georgia. Mr. Chairman, I move to strike out the last word in order to briefly state to the committee that I have read the bill and the report most carefully and wish to go on record expressing my general approval of the work of the subcommittee in bringing the House the bill in its present shape. In my judgment the committee has rendered great service to the country in making reductions, and at the same time doing no great injustice to this arm of our national defense. Of course there are a great many items in the bill which if I were a member of the subcommittee I would not have inserted the language contained in the bill, but in the main the committee has done a great service and deserves the thanks of the House for making these reductions and at the same time not impairing the general efficiency of the Navy.

I call the attention of the committee and that of the country to the fact that the country has an idea that the Army and the Navy are two extravagant branches of our Government and that many millions of dollars are wasted in that way. I want to place in the RECORD some facts to show how the money we appropriate from year to year is allocated and what per cent goes to the Navy and what per cent to the Army. The legislative appropriation bill for the last six years has been increased by 59 per cent. The Veterans' Bureau appropriation has been increased in that time by 114 per cent, the independent offices in the same years by 242 per cent, the Agricultural Department in the same years has been increased by 115 per cent, the Commerce Department by 77 per cent, the Justice Department by 101 per cent, the Labor Department has been increased 61 per cent, the Post Office Department in the last six years has been increased 14 per cent, and the Treasury Department increased 62 per cent. The District of Colum-

bia has been increased in its appropriations 34 per cent in the same time and the War Department in that time has been increased by 29 per cent.

The Navy Department, the arm of national defense which must be ready at all times to meet any and all national emergencies, has only been increased 11 per cent. This bill has reduced the Budget estimate about $14,000,000, and yet, with the distribution of the $326,000,000 carried in the bill, the committee has so distributed it as not to seriously impair the efficiency of the national defense. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 2. No appropriation under the Navy Department available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act (1) to increase the compensation of any position within the grade to which such position has been allocated under the classification act of 1923, as amended, (2) to increase the compensation of any position in the field service the pay of which is adjustable to correspond so far as may be practicable to the rates established by such act as amended for the departmental service in the District of Columbia, (3) to increase the compensation of any position under such act through reallocation, (4) to increase the compensation of any person in any grade under such act through advancement to another position in the same grade or to a position in a higher grade at a rate in excess of the minimum rate of such higher grade unless such minimum rate would require an actual reduction in compensation, or (5) to increase the compensation of any other civil position under the Navy Department: *Provided*, That from the date of this act to and including June 30, 1933, payment for personal services made in accordance herewith shall constitute payment in full for such services. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes, but shall be impounded and returned to the Treasury, and a report of the amounts so impounded for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Beginning on line 1, page 61, strike out all of section 2.

Mr. OLIVER of Alabama. Mr. Chairman, this amendment was called to the attention of the subcommittee in advance, and we have discussed it with the chairman of the Committee on Appropriations. Since this provision was omitted from the Interior Department appropriation bill as it passed the House, and since we are informed it will be later offered under a rule making it applicable to all of the departments, we have felt it could be omitted from this particular bill. The House was assured, when this provision was inserted in the first bill, that if passed it would be made to apply to every other appropriation bill. For that reason, and knowing that it will be presented so as to give the House an opportunity to determine whether it shall affect all departments and other Government agencies alike, the committee will not oppose the amendment offered by the gentleman from New York.

Mr. LAGUARDIA. The gentleman will also recall that the House did express itself once on a record vote on the Post Office Department-Treasury bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York to strike out section 2.

The amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the Clerk may change the section numbers.

The CHAIRMAN. Without objection, the section numbers will be changed by the Clerk.

There was no objection.

The Clerk read as follows:

SEC. 3. No part of any money appropriated by this act shall be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment except in cases of medical officers on out-patient medical service and except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary, and then only as to such latter cases when the same is approved by the head of the department. This section shall not apply to any motor vehicle for official use of the Secretary of the Navy, and no other persons connected with the Navy Department or the naval service, except the commander in chief of the United States Asiatic Fleet, Marine Corps officers serving with expeditionary forces in foreign countries, and medical officers on out-patient medical service, shall have a Government-owned motor vehicle assigned for their exclusive use.

Mr. GOSS. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. GOSS: Page 62, in line 18, after the word "Navy," insert "and the Assistant Secretaries of the Navy."

Mr. GOSS. Mr. Chairman, the purpose of the amendment is to allow official automobiles for the assistant Cabinet members, the Assistant Secretary of the Navy, and the Assistant Secretary of the Navy in charge of air. They are allowed automobiles to-day to go to their official work in Washington, and it seems to me, in view of the many calls upon them, they should be allowed motor transportation the same as the Secretary of the Navy. They take the place of the Secretary of the Navy when he is not able to go on official business, and I trust the committee will adopt that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. AYRES. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. FULLER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. AYRES. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

Mr. AYRES. Mr. Speaker, I ask unanimous consent that the vote on the amendments and the final passage of the bill be deferred until a later date.

Mr. SCHAFER. Reserving the right to object, what is the future date? I intend to offer a motion to recommit, and I want to be present when the vote is taken.

Mr. AYRES. I will say to the gentleman for his benefit that we have not yet decided on that later date, but that I will notify the gentleman when that date will be.

Mr. SCHAFER. With that assurance, so that I can offer the 10 per cent reduction in a motion to recommit, if I can obtain recognition for that purpose, I shall not object.

Mr. AYRES. I will notify the gentleman.

Mr. FRENCH. Mr. Speaker, reserving the right to object, there are quite a number of Members who would like to have the time limit indicated, within which it will not be voted upon.

Mr. AYRES. I will state to the gentleman that it will not be before Thursday of next week.

The SPEAKER. The Chair desires to understand the situation. When the previous question is ordered on a bill and the vote is not taken on that day, under the rules of the House it would come up on the next legislative day. That would be on next Monday. The understanding of the Chair is that there was a virtual agreement among the gentlemen in control of the bill, the gentleman from Kansas [Mr. AYRES] and the gentleman from Tennessee [Mr.

BYRNS], that the consideration of this bill would be postponed until next Wednesday. The Chair would like to know whether or not that agreement has been changed to Thursday?

Mr. AYRES. I will state that it has been changed, Mr. Speaker. My understanding was that next Wednesday would be Calendar Wednesday.

The SPEAKER. Calendar Wednesday business under the special order heretofore agreed to will be considered next Tuesday instead of on next Wednesday. Ordinarily the time to take up this bill would be on next Wednesday. That was the understanding which the Chair had.

Mr. FRENCH. Mr. Speaker, after the conference with the Speaker, there were further conferences held, and it was found wholly impracticable for Members of the Pennsylvania delegation to return by next Wednesday. These Members had come to Washington to-day upon a wire request from the gentleman from Pennsylvania [Mr. DARROW] expecting to vote to-day upon the Darrow amendment, only to find that the vote will not be had to-day.

These Members find that it will be impracticable, on account of the fact that Tuesday is primary election day in Pennsylvania, to be here by Wednesday. Therefore it will be necessary for them to have the vote deferred until Thursday if they are to be accommodated. It is my understanding that this arrangement is agreeable to the chairman of the subcommittee [Mr. AYRES].

Mr. AYRES. It is perfectly agreeable.

The SPEAKER. The Chair will interpret the unanimous-consent agreement to be that the gentleman from Kansas [Mr. AYRES] shall control the time as to when he will call up the bill for consideration.

Is there objection?

There was no objection.

VOCATIONAL EDUCATION

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the subject of vocational education, and to include some excerpts from a statement made by President Hoover.

The SPEAKER. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Speaker, vocational education is one of the important activities in which our public-school system is engaged. Now, it is sought by the Economy Committee to eliminate the appropriation for this work and thus throw 1,250,000 boys and girls out of our public schools. This it is proposed to do under the guise of economy. The mere intimation has surprised and stunned the parents of this vast army of boys and girls who are now in the midst of their vocational courses. The mere suggestion that this important phase of public-school work be suspended even for one year has alarmed the people throughout the country and aroused their bitter opposition to it. This is not strange, for if there is any one institution in this country that has the confidence and the whole-hearted support of the American people it is our public-school system.

Those who are at present urging and insisting that the pupils now enrolled in vocational education be set adrift ought to know that such a move is not economy but national calamity.

How great will be the economic loss to the Nation if these boys and girls are deprived of the opportunity to complete their courses? Let us keep in mind that there are 1,250,000 now enrolled in vocational courses. The most exhaustive survey made by heads of industry and by educators has shown that, based upon the future earning capacity, the return to each child for each day spent in school is from $9 to $10 a day. The time spent by each student in a vocational school each year is about 200 days. It is obvious that, based upon $9 a day for each child that attends school for 200 days, the return will amount to $1,800. On the same basis it follows that 1,250,000 vocational students will earn a future return for each school year the sum of $2,250,000,000. To destroy this potential earning capacity of a generation of boys and girls is too great an economic loss to the Nation to justify the suspension of public-school work even for one year. Aside from this, the injustice to the children and the parents would be deplorable.

The result achieved in industrial and agricultural education under Federal legislation has been characterized "an impressive tribute to the wisdom of Congress."

Even during the time the students are in school, the money appropriated by the Federal Government for vocational agricultural education is a paying investment. A survey covering a period of five years shows this. For example, a boy who elects to take vocational agriculture is required to devote six months in some practical work on the farm under the supervision of his teacher. Accurate cost accounts have been kept for the 5-year period to ascertain the labor income from this practical work. The total labor income from this source during a period of five years amounted to $23,637,924.25. The total amount appropriated by the Federal Government and utilized for this worth-while activity during this 5-year period was $10,418,460.

With the assurance that the Federal Government would perform its legislative commitments, the States have set up vocational programs. In many communities new buildings have been erected at local expense, and in many instances at considerable local sacrifice in order to provide the necessary facilities to properly teach vocational agriculture. This has been done because the local people have felt that the Federal Government would keep faith with them.

Legislatures in many States have now adjourned. They had no warning of this proposal of the Economy Committee to disrupt the educational program of the States; therefore, the States are powerless to come to the rescue.

Now that the opposition to the suspension of Federal aid for vocational education in the States has developed into a veritable storm of protest, I understand from press reports, that the Economy Committee is considering an alternative proposal equally objectionable. The plan now contemplated by the Economy Committee is to continue the allotment for vocational education for one year and then suspend or curtail it. This is an attempt to quietly and gradually strangle vocational education rather than destroy it at this time by direct action. It is an effort to accomplish indirectly that which it dare not do directly. The motive is now clear and unmistakable.

The chief objective is not Federal retrenchment to meet a present emergency. It is an effort to destroy vocational education in the public schools. Even under the latest proposal, the children in those States where the legislature meets only once in four years, would suffer through the closing of the vocational schools at the end of one year. The schools in other States would be placed under a cloud of uncertainty. This new proposal is more reprehensible than the first, because its purpose is not economy but rather an attempt to commit Congress to a policy of hostility to a phase of public education that has proved most beneficial to the masses. It is sought to achieve this reversal of our national educational policy under a gag rule that will afford no opportunity whatever for the friends of education to protect the rights of the public schools. I feel that the issue is too vital to the country to warrant such hasty and ill-advised procedure.

Should the Economy Committee succeed in its proposal, it is not the children of the rich who will suffer. The blow will fall upon the children whose parents are of modest means. It will hit hardest those parents who are without work. The chief comfort and the only hope that now comes to such parents is the assurance that their children are able to continue in school. This comfort and this hope should not be ruthlessly destroyed.

In 1922, President Hoover, when a member of the Cabinet, made this statement:

> Clearly, if economic waste is reprehensible, waste of child life, whether viewed economically or in terms of common and universal betterment, is a blight that in its measure is more deplorable than war.
>
> It may be worth recounting that our system of individualism can only stand if we can make effective the supreme ideal of America. This ideal is that there shall be an equality of opportunity for every citizen to reach that position in the community

to which his intelligence, abilities, character, and ambition entitle him. I am a strong believer in this progressive individualism as the only road to economic, social, and spiritual safety and to human progress. Without this tempering ideal that America has evolved, individualism will not stand.

There is no equality of opportunity where children are allowed by law and compelled by parents to labor during the years they should receive instruction; there is no equality of opportunity unless this instruction is made compulsory by the State.

There is no equality of opportunity for children whose parents are not restrained by law from exploiting them, and compelled to give them participation in the beneficial privileges that the State provides for them.

Progress will marsh if we hold an abiding faith in the intelligence, the initiative, the character, the courage, and the divine touch in the individual. We can safeguard these ends if we give to each individual that opportunity for which the spirit of America stands. We can make a social system as perfect as our generation merits and one that will be received in gratitude by our children.

Again in 1923, while a member of the Cabinet, President Hoover expressed his attitude with reference to vocational education in these words:

My attention has been called to comments in the press on the increasing cost of education, and more particularly of vocational education in our public schools * * * This cost can not be regarded as constituting a serious financial burden upon the community. It is approximately the cost of a medium-sized battleship. Certain indirect costs of this form of education can not be accurately estimated, but in the aggregate they are relatively to our wealth and population insignificant. If vocational education is worth while, certainly as a nation we can afford the price of such education. Our only concern is to know that it is worth while. If it is, expenditure on account of such education is in the nature of an investment which will yield large dividends from year to year through the progressive increase of labor skill and industrial efficiency.

As a member of the Federal Board for Vocational Education, I have for the past two years been brought into close contact with those who are administering the Federal vocational education act, providing for cooperation of the Federal Government with the States in the promotion of vocational education in our public schools.

The essential purpose of this act is to extend public-school education to provide for the needs of our youth who do not enter our higher technical and professional educational institutions. We are accustomed to large expenditures for the maintenance of these higher educational institutions. In some of our State universities the cost of providing education for the professions runs well into the thousands of dollars per student graduated. Vocational training for the commoner wage earning pursuits and skilled trades is equally as essential as is training for the professions. The humblest worker equally with the youth who proposes to enter the professions has a right to the sort of training he needs for the occupation by which he proposes to earn his livelihood and support his family, and through which he will render his service to the community in getting the community's work done. For him the cost of vocational training is relatively small, and is in fact a cost in appearance only, since the result of his training will be increase in efficiency and economy in production during the life period of his economic productivity.

We in this country believe that education in general pays for itself and is worth while; and if this is true of any sort of education, it is certainly true of vocational education. * * *

Men of affairs the country over are being impressed with the fact that the cost of training labor on the job is one of the great industrial costs, but they know that the cost of inefficiency and lack of training is very much greater, and that labor must be trained whatever the cost. If they or the community do not provide such training, they can not compete with the foreign producer whose labor is vocationally trained at public expense, nor can we as a nation adequately supply our own needs for the product of labor if we neglect to provide for the training of labor.

The cost of providing this training is just as properly a charge upon the public revenue as any other form of education. In the interests of labor itself such training can not be devolved upon the employer. Organized labor is perfectly right in insisting that vocational education shall be under public supervision and control, so that the interests and welfare of the worker as well as of the employer will be taken fairly into account. The cost of such training certainly should not be put upon the individual worker unless we are prepared to abandon our traditional policy of providing free education and equality of opportunity for our youth. We can not in fairness continue to provide specialized education free to the few who propose to enter the professions, while denying education to the many for the commoner vocations.

A community must pay either for the cost of training labor or for the much greater cost of inefficiency of labor, and inefficiency of labor means inevitably general industrial and commercial inefficiency.

Further, it may be noted that in so far as the products of American labor come into competition with the products of foreign labor, either in our own domestic market or in foreign markets, unemployment for American labor is bound to develop in proportion as foreign labor is better trained and more efficient. No American employer can hold his markets and continue to employ labor, if his labor is relatively unskilled or if his costs for training labor greatly exceed those of his foreign competitors.

Every important foreign country, European and American, is providing for the vocational training of its citizens. Some of these countries are developing programs which contemplate very large expenditures of public money. They are relying in a large measure upon vocational training in their effort to master the commerce of the world in competition with the United States. Several of these countries have, during the past two years, sent delegations to this country to investigate and report upon our system of vocational education. Such delegations have come also from Japan, China, India, and Australia.

Can we expect to maintain our commercial standing in the world's markets if we neglect to train our labor, and if we permit other countries to take over the competitive advantages that superior vocational training will give them?

* * * There is, in fact, no better economy than the economy of adequate training for the pursuits of agriculture, commerce, industry, and the home. Our youth must enter into these pursuits and it is in the public interest that they be well trained for them.

To provide such training is clearly a public responsibility. Education in general, including vocational education for the youth, is democracy's most important business. Democracy in education means that in the field of education opportunity shall be extended equally to all—to give all a fair start. This is the educational ideal inspiring those who are administering the Federal vocational education act; it is the ideal which inspired Congress in passing the act; and it is traditionally the ideal of education in our democracy.

I want to urge each Member of the House of Representatives to register his disapproval of this attempt to destroy the effective and constructive work that is now being carried on by the vocational schools throughout the United States.

Let us remember the words of Webster:

If we work upon marble, it will perish; if we work upon brass, time will efface it; if we rear temples, they will crumble to the dust; but if we work on men's immortal minds, if we imbue them with high principles, with the just fear of God and love for their fellow men, we engrave on these tablets something which no time can efface and which will brighten to all eternity.

CONGRESS SHOULD NOT ADJOURN

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the present economic condition of the country.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, in the summer of 1929 I was in several countries in Europe. I found that if the tariff bill then pending before the Senate should become law, American trade would be almost destroyed. What I found has come true. In 1929 our total exports were about $5,000,000,000, and in 1930 less than $4,000,000,000, and in 1931 only about two and one-half billion dollars. In two or three more years our exports will vanish, if the present conditions are allowed to prevail. Unless the Democratic Party comes into power, led by a man with brain and nerve to attack and destroy the strangle hold that the selfish and monopolistic interests have now got upon the throats of the producers of America, and unless the Congress elected at the same time will follow the leadership of such a President, the future of America is indeed dark.

It is idle to hope for any relief if Herbert Hoover is reelected President. The first thing that he did after being inaugurated in 1929 was to call Congress into extra session to revise upward the Republican tariff law of 1922, and with his leadership and approval they built a Chinese wall around America.

Even to-day the farmers of the South could buy sulphate of ammonia at $20 a ton to fertilize their cotton crops, except for this iniquitous tariff law, which is holding cargoes at Charleston and New York, loaded with sulphate of ammonia, until the importers shall give bond to pay $10 a ton additional as duty. Thus the $10 a ton will be passed to the farmer, if he is able to buy, and will be taken out of his pocket and put into the pocket of the United States Steel Corporation, and other smelters and producers of pig iron and steel, who produce sulphate of ammonia as a by-product of their coke ovens. This sulphate of ammonia probably cost them as a by-product 10 or 12 dollars a ton, and yet, due to the tariff, they will make the farmers who buy it pay them nearly $30 a ton.

While Herbert Hoover was in a hurry to revise, upward, the Republican tariff of 1922, and called the special session of Congress for that purpose, yet in the early fall of 1931, when Members of Congress of both parties importuned him with tears and prayers to call an extra session of Congress in order to provide against the catastrophes and calamities that seemed to be crowding upon our people as winter approached, he turned a deaf ear to such application. He took into his own hands the unconstitutional authority to postpone the payment by foreign countries of their installments due on December 1, 1931, and then induced Congress to ratify his unconstitutional and illegal act, by claiming that he had saved the world from chaos, and had rescued America, along with the rest of the world, from common and universal ruin. If Congress had met in special session in the fall of 1931, and had passed the Glass-Steagall banking law, for loosening the frozen assets of banks, and to pass a law guaranteeing bank depositors against losses, and to authorize and require the Federal Reserve Board to use its vast powers to raise commodity prices, then there would have been no need for the Reconstruction Finance Corporation. But due to his hesitating, faltering, shilly-shallying policy, the structure of American business has grown weaker day by day.

Now we are frankly told by the German Government that it will never pay another cent of war reparations and indemnities to our allies and associates, and England, one of our chief allies, has left out of her budget any item for the payment of her annual installment on her debt to America. Doubtless France and Italy and Belgium and the other nations will follow the same course. In December, 1931, there were $252,000,000 in gold in New York banks, deposited by those European nations to pay their December installment. But they would not pay because of Herbert Hoover's unconstitutional and illegal promise that they need not pay. He and his big-business associates bastinadoed a timid Congress into ratifying his illegal action. We let slip the $252,000,000 in gold, which was our last chance at a single cent of European repayment. It seemed to Herbert Hoover fine policy to play favors with international bankers who wanted our Government to forego collection of money due her, in order that these international bankers might collect that same $252,000,000 on debts due them.

It seemed statesmanship to Herbert Hoover for the American Congress to authorize $2,000,000,000 for the Reconstruction Finance Corporation to save big business, and especially to put cash into the hands of the big investment international bankers. The records will show that practically all the money lent to insurance companies, railroads, and mortgage investment companies has found its way into the hands of these investment bankers. But when a proposition is advanced that will help and relieve 95 per cent of the 123,000,000 people who do the labor and fight the battles for America, Herbert Hoover and his allies, including the chairman of the Reconstruction Finance Corporation, use their "damns" and other forms of profanity to stigmatize it as uneconomic and dangerous.

God in His mercy and goodness has sent us two winters of mild weather. The suffering of the people was greatly minimized by that mildness. Dare we approach another winter with confidence and belief that such third winter will also be mild? If we dare not, then this Congress dare not adjourn until the first Monday in December, 1932. Herbert Hoover would not call Congress into session, whatever the public disaster might be and however many millions of people might be starving and freezing and dying, as has been demonstrated by his conduct in the fall of 1931.

This Congress should recess about the 1st of June, to be reconvened the middle of September, and if conditions are favorable, it can recess for 30-day periods until the 1st of December, but it dare not adjourn. If it does, Herbert Hoover will repeat his unconstitutional and illegal conduct in the management of international and national affairs, and the people will stagger on into a terrible winter of unemployment, with no prospect of improvement nor betterment.

Just a word of warning. And I deliberately use conservative language. I dare not express fully, in words to be printed, what is in my mind. If Herbert Hoover and his advisers, consisting of selfish and narrow investment bankers, continue to stand in the way of every proposition to increase commodity prices and to make it possible for the farmer and the small business man and the small banker to save his home and his business, and support his family, then upon their heads will be the consequences of such conduct.

If this coming winter should be severe, and if unemployment is not materially reduced, the people whose reserves have been exhausted and whose patience is well nigh exhausted will not endure what they have endured. Let those who have garnered to their selfish souls the greater part of the fruits of the labor of the people of this Nation for the last generation take warning from the lessons of history. Let them read the history of France from the year 1775 to the year 1800. It was that 25 years of French history that brought about a change that in turn changed the face of the civilized world. Let them read English history. Let them read Italian history. Yea, let them read German history. If they do not learn history, they will thereby unwittingly help to make some unfortunate history for this beloved America, that has given them their countless wealth and has given them their exalted stations.

THE PHILIPPINES AND THE CRISIS OF FAITH

Mr. OSIAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. OSIAS. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address by myself at the annual banquet of the Organized Bible Class Association, Washington, D. C., April 22, 1932:

My presence here this evening as your guest of honor and speaker is largely due to Congressman ALLEN, of Illinois, whose kind words of presentation I greatly appreciate and whom I shall remember as the first man to congratulate me and extend the glad hand of fellowship after my speech on the floor of Congress closing the debate on the Philippine independence bill. In that memorable session my good friend and colleague and 305 other Members voted in favor of the passage of that bill. My people are earnestly praying that the bill, H. R. 7233, will be favorably acted upon soon by the Senate and approved by the President. That act will strengthen the faith of 13,000,000 people in themselves and in the people of the United States.

It is refreshing to be in the company of representative men and women who are interested in the higher and nobler things of life and in all that contribute to a revival of confidence in a world suffering from the present crisis of faith. I selected "The Philippines and the Crisis of Faith" as my theme for my brief speech.

The history of the Filipino people demonstrates the persistence of their faith in a sublime ideal. It likewise shows their faith in culture and religion as necessary and essential in the realization of that ideal.

The Filipinos have had an experience that is unusual and unique. They inhabit a country that lies at the crossroads of the great streams of cultures and religions. They have received the influences of the main currents of the civilizations of both the East and the West.

The Philippine question being one of the pressing contemporary problems before the Government of the United States, it is well that the people of this country should acquaint themselves with the nature of the people with whom they have to deal to solve this question.

My people have a rich inheritance of culture. They had early relations with the peoples of Malaysia, of China, of Arabia, and of India. Through such contacts there naturally arose an interplay and interaction of customs, practices, cultures, and beliefs.

Besides the influences of the cultures of the Orient, ours has been the unique experience of having received in a very direct manner the impacts of two main streams of occidental civilizations, the Latin and the Anglo-Saxon; the Latin because of our association with Europeans, especially after the opening of the Suez Canal and with Mexico and other countries influenced by Spain in the Western Hemisphere, and the Anglo-Saxons because of our contacts with the British and during the last three decades with the Americans. From these bare statements you can appreciate the significance of my statement when I say that we not only have had an unusual experience as a people but a unique opportunity, if permitted to lead a life unhampered and untrammeled, to evolve a civilization which shall represent a happy blending of the best in the Orient and the Occident.

As a group of Christians banded for this organized Bible movement, you must be interested in the religious beliefs of the Filipinos. As I have stated, we as a people are devoted to education

and religion. We have a deep and abiding faith in the necessity and value of spirituality.

Our primitive religion was what I have often called "Anitism." It was a simple religion analogous to the Animism of other primitive peoples. It consisted of a belief in and worship of "anitos," or spirits of various sorts. From our dealings with other oriental peoples, that early religion was influenced and modified by Brahmanism, Buddhism, and Islamism. Later, through the implantation of Spanish rule and the coming of missionaries from Europe, Christianity was introduced. It found ready acceptance among the islanders. For centuries we have had the benefit of the Christian religion as exemplified by the Roman Catholic Church. With the establishment of American rule, the door was opened to the evangelical faiths. Various communions took advantage of the new field of opportunity for service.

There also developed in the Philippines a Filipino Independent Church, with liberal tendencies. At present, of the 13,000,000 inhabitants of the Philippines, about 4 per cent are pagans, 4 per cent Mohammedans, and 92 per cent Christians. This fact should be a challenge to the Christians in America. Citizens like those who are here gathered should have a very deep interest in the future of my country, for when we shall have been made a republic, independent and free, that Philippine republic will be the first Christian republic in the Far East.

If I may be permitted to make a little personal reference, let me state that I was born and reared in youth a Catholic. My parents and relatives were Catholics. I have since become a Protestant. I have been actively identified with the Y. M. C. A. and with the evangelical churches. I am not very strong for denominationalism. I am strong for the united Christian church movement. I believe that above all denominations is Christianity.

Of course, we can hardly speak of the Christian religion without reference to the Bible, which is the textbook of Christianity. One of the greatest achievements in the field of religion during the last few decades has been the popularization of the Bible in the Philippines and its translation into the vernaculars. This was a necessary sequel to the historic triumph achieved by the Filipinos when they approved the principle of the separation of the church and the state and freedom of religious worship in the constitution which their representatives approved for the short-lived Philippine Republic established in Malolos. Needless to say, this principle was carried out and strengthened during the 30 years of American-Filipino relationship.

It would be presumptuous, in a company of people like you, to discuss the importance of the Bible. I shall merely say that the Filipinos appreciate the Bible as the Book of Books, abounding in wealth, historical, biographical, literary, and religious.

May I not, however, express to you the conviction that the peoples of the world, in these trying and difficult times of distress and depression, are suffering not so much from an economic crisis as from a crisis of faith? Now, of all times, the world has sore need of a restudy and reinterpretation of the Bible to crystallize new life values and to reemphasize life fundamentals; it has great need of a revival of faith.

I have been privileged in my own life experience to witness several movements and events that give cause for belief rather than disbelief. I shall cite just two or three instances. It was my rare fortune to participate at a world gathering held not long since in Toronto, Canada, attended by men and women from all over the world interested in Sunday school and religious education. Then it fell to my lot to head the Philippine delegation to the World Y. M. C. A. convention recently held in Cleveland. When I see gatherings of this sort, when I rub elbows with men and women in various religious conferences, when I meet laymen interested in advancing the frontiers of spirituality, I can not help but admire the heroism, the courage, and, above all, the faith of Christian men and women, Christian leaders, and Christian statesmen.

In the midst of a world crisis men and nations need to be steeped in the crystallized wisdom and idealism of the Bible, for out of such wisdom and idealism must come a chastening of the spirit and a renewal of faith. In a world of constant flux we must be on our guard against those who put the "I" in god and seek to substitute the rule of gold for the reign of God, who alone is unchanging and unalterable, elemental and eternal.

I find joy in associating myself with movements calculated to deepen spirituality and strengthen faith in a world surcharged with the spirit of doubt, suspicion, and intolerance. It is inspiring to know that not only professional religionists but laymen are taking a firm stand for Christianity, seeking to arrest the tidal wave of materialism. It is inspiriting to know that there are movements throughout Christendom, that there are Christian men and women everywhere who are concerning themselves with revitalizing faith.

What a glorious thing it would be if men and nations would subscribe to the platform that there be no moratorium in character preparation, no holiday in moral reparation! The world can ill afford to entertain the possibility of spiritual bankruptcy. But in order to make these ideals and principles living and dynamic forces we must have faith in the validity of ideas, in the primacy of ideals, and in the all-pervading, ever-victorious power of Christ and of God.

In my own particular mission in the United States, that of laboring to secure the independence of my beloved Philippines, there are those who oppose me or discourage me by pointing out the possible risks and dangers. My invariable answer has been and is this: We are aware of the consequences and the difficulties; but we are undaunted, for we have faith. We have faith in ourselves. We have faith in our potentialities. We have faith in the essential goodness of the human race. We have faith in the all-conquering power of the principles enunciated in the Bible, especially the Golden Rule, which has been tested upon the anvil of human experience under all sorts of conditions, in all climes, and for centuries.

The world must be saved from this crisis of faith. Christianity is the way out. There must be a renewal of faith—that faith that can move heaven and earth. Without faith, people stagnate.

SOLDIERS' ADJUSTED-SERVICE CERTIFICATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, John Doe was a private soldier during the war. He holds an adjusted-service certificate for $1,000, which is the average; it is dated January 1, 1925, and the $1,000 is payable at death or January 1, 1945. Doe claims the Government owes him $1,000 for adjusted pay at this time and he should therefore not be required to die or wait until 1945 before it is collected. Congress passed a law in 1924 acknowledging that all veterans of the World War were entitled to $1 a day extra pay for home service and $1.25 a day extra pay for service overseas. Doe was entitled to the following:

210 days' home service, at $1 a day extra	$210
200 days' service overseas, at $1.25 a day	250
Total	460

The question is, When was the money due? If it is paid as of 1925, that would be equal to a payment of about 60 or 70 cents as of the time the services were rendered in 1917 and 1918. If the money is paid as of the time the services were rendered and a reasonable interest is calculated from a date representing halfway between the beginning and ending of the emergency period during the war, or June 1, 1918, Doe was entitled to the full $1,000 on October 1, 1931. How much interest should Doe be allowed? For many years the Government caused Doe to pay 6, 7, and 8 per cent interest, compounded annually, for his own money. Therefore, the Government should invoke the same principle for Doe that it has always invoked for others under similar circumstances and pay him at least 6 per cent, compounded annually. The following table represents what he is entitled to:

Table to show the amount of $460 at 6 per cent compounded annually from June 1, 1918, to June 1, 1932, and also the amount as of October 1, 1931

	Interest	Total amount
June 1—		
1918		$460.00
1919	$27.60	487.60
1920	29.25	516.85
1921	31.01	547.86
1922	32.87	580.73
1923	34.84	615.57
1924	36.93	652.50
1925	39.15	691.65
1926	41.49	733.14
1927	43.98	777.12
1928	46.62	823.74
1929	49.42	873.16
1930	52.38	925.54
1931	55.53	981.07
1932	58.86	1,039.93
Total	579.93	

NOTE.—The amount at October 1, 1931, would be $1,000.69.

Instead of Doe receiving the $460 as of the time the services were rendered he was given an adjusted-service certificate for $1,000. When Doe was discharged he was given $60 for the purpose of purchasing a civilian suit of clothes, he having given his civilian suit to the Red Cross to be sent to Belgium and France to relieve distress there at the time of his entry into the service. This left $400. Congress declared that he should have 25 per cent added to his credit for waiting until January 1, 1945, for his money. This increased his credit by $100, or to $500. Five hundred dollars was a sufficient amount to pay a single premium on

$1,000 insurance policy similar to his adjusted-service certificate, and instead of the cash settlement he was given the $1,000 certificate.

WHAT CHANGES ARE TO BE MADE FOR DOE'S BENEFIT

Doe in asking for full payment is merely asking that his certificate be dated back to the time the services were rendered, the interest rated computed as above mentioned, the $60 not to be deducted and the $100 credit for waiting be eliminated.

WHY THE $60 SHOULD NOT HAVE BEEN DEDUCTED

The $60 payment at discharge was given to the soldier who had served only one day and to the general who was drawing $8,000 a year. Neither the 1-day soldier nor the $8,000-a-year general has been required to pay the $60 back to the Government, so why make those who served longer than 60 days pay it back?

SHOULD THE $100 OR 25 PER CENT FOR WAITING BE COLLECTED?

Although the veterans have waited 14 years for their money and the Congress has declared that 25 per cent extra should be added for waiting 20 years, the extra amount is not being asked but is eliminated in arriving at the amount due.

THE CERTIFICATE SHOULD BE DATED JUNE 1, 1918

If the certificate is dated June 1, 1918, which is a date half way between the beginning and ending of the emergency period or November 11, 1918, the date of the armistice, Doe is entitled to the full $1,000 at this time. It is not right to commence the computation of interest seven and one-half years after the services were rendered, or January 1, 1925.

THE WAR PROFITEERS RECEIVED INTEREST FROM 1918

The corporations that profited so much by reason of this country's misery and misfortune during the war received huge settlements for their war services many years after the war was over, and in the form of adjusted pay. Hundreds of millions and billions of dollars were returned to them by the Government. A large part of this money was refunded or given back to them on the theory that the taxpayers did not charge off a sufficient amount for depreciation of their war facilities from 1917–1919.

The United States Steel Corporation, the concern that made a profit of $1,500,000 a day during the war, received a refund of $15,736,595.72 for the year 1918. The refund was made about 11 years after the war and interest at 6 per cent was paid by the Government on this refund. The interest amounted to $10,099,765. The Government allowed the 6 per cent interest on the theory that the taxpayer would have been charged 6 per cent interest on any amount assessed and collected that should have been paid but was not paid in 1918. That is the same principle we are invoking for the veterans. They were charged 6, 7, and 8 per cent interest, compounded annually, for their own money; therefore the Government should not object to paying them the minimum rate of 6 per cent, compounded annually. The Aluminum Co. of America submitted a claim for amortization of war facilities in 1919 for $6,852,697.36. December 1, 1921, or a few months after Mr. Andrew W. Mellon, the principal owner of this company, became Secretary of the Treasury, a supplemental claim was filed for $18,124,339.28. The amount finally granted was $15,589,614.39. Interest on the amount refunded was allowed at the rate of 6 per cent from the year 1918—not from January 1, 1925. We are asking that the same principle be invoked for John Doe.

THE AMOUNT OF MONEY VETERANS IN EACH COUNTY WILL RECEIVE

February 18, 1932, I inserted in the CONGRESSIONAL RECORD a statement showing how much money the veterans in each county in the United States will receive if the bill to pay the adjusted-service certificates becomes law. It will be found on pages 4289 to 4299 of the CONGRESSIONAL RECORD of the above date.

AMENDMENT OF RULES XIII AND XXIV

Mr. GREENWOOD. Mr. Speaker, there has been pending a report from the Rules Committee on House Resolution 150, to change the rules for the consideration of bills on the Consent Calendar and the Private Calendar. I think, in view of the fact that it has been pending so long, I shall ask the Speaker to call up the rule at this time.

The SPEAKER. The gentleman from Indiana calls up a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 150

Resolved, That clause 2 of Rule XIII be amended to read as follows:

"After a bill has been favorably reported and shall be upon either the House or Union Calendar, any Member may file with the Clerk a notice that he desires such bill placed upon a special calendar to be known as the 'Consent Calendar.' On the first and third Mondays of each month, immediately after the reading of the Journal, the Speaker shall direct the Clerk to call the bills in numerical order which have been for three legislative days upon the 'Consent Calendar.' Should objection be made to the consideration of any bill so called, it shall be carried over on the calendar without prejudice to the next day when the 'Consent Calendar' is again called, and if again objected to by three or more Members, it shall immediately be stricken from the calendar, and shall not thereafter during the same session of that Congress be placed again thereon: *Provided*, That no bill shall be called twice on the same legislative day."

That clause 6 of Rule XXIV be amended to read as follows:

"On Saturday of each week, after the disposal of such business on the Speaker's table as requires reference only, it shall be in order to move that the House resolve itself into the Committee of the Whole House to consider business on the Private Calendar. In the Committee of the Whole House the Chairman shall direct the Clerk to call the bills in numerical order that have been upon the Private Calendar for three legislative days. When the Clerk shall have read the bill the same shall be considered unless objection or reservation of objection is made to immediate consideration. Should objection or reservation of objection be made there shall be 10 minutes' general debate to be divided, 5 minutes controlled by the Member offering the objection or reservation and 5 minutes controlled by the chairman of the committee reporting the bill, or, in his absence, by any Member supporting the bill. If, after such debate, three objections are not forthcoming, the bill shall be considered under the 5-minute rule: *Provided, however*, That the total debate under the 5-minute rule shall not exceed 20 minutes. After the debate hereinbefore referred to, or when the bill is first called, if objection is made by three Members to the consideration of the bill, then the same shall be passed over and carried to a list designated as 'deferred.' It shall be in order for the bills on the 'deferred list' to have the first call in their numerical order when the Private Calendar is called on the last Saturday of each month. At this time the bills on the 'deferred list' shall be considered under the general rules of the Committee of the Whole House with 10 minutes' general debate to be divided equally, with 5 minutes controlled by the chairman of the committee reporting the bill or other Member supporting the bill and 5 minutes controlled by any Member objecting or opposing the bill. After the debate the bill shall be read for amendment under the 5-minute rule: *Provided, however*, That the total debate under the 5-minute rule shall not exceed 20 minutes. If, however, after such consideration the Committee of the Whole House acts on the bill adversely, it shall be laid aside until the committee arises, whereupon it shall be reported back to the House with the adverse recommendation. Any bill under this rule reported back to the House with an adverse recommendation shall automatically be recommitted to the committee reporting it, and said bill shall not again be reported during the same Congress."

Mr. GREENWOOD. Mr. Speaker, I would like to reach some agreement limiting the time for debate.

Mr. MICHENER. I do not know just what time we will require, but we would like the usual 30 minutes, although it may not be necessary.

Mr. GREENWOOD. Does the gentleman mean 30 minutes on the side?

Mr. MICHENER. Yes; if it should be necessary. I do not think it will be necessary.

Mr. GREENWOOD. I do not think we need that much debate. I will ask unanimous consent that debate be limited to 40 minutes, 20 minutes on the side.

Mr. MICHENER. It is not a question of unanimous consent. The gentleman has one hour. He can yield it as he sees fit. I am asking for the privilege of using 30 minutes of that hour in case we so desire.

The SPEAKER. The gentleman from Indiana has control of the time and is recognized for one hour.

Mr. GREENWOOD. Mr. Speaker, I yield the gentleman from Michigan 30 minutes, which he may use as he desires.

Mr. Speaker, there has been demand for a change in the consideration of the Consent Calendar and the Private Calendar. For two years I have been one of those selected by the floor leader to appear here to consider the bills and offer

objection to such bills as should be objected to. With many other Members of the House I have been impressed by the fact that in the consideration of bills on these calendars there has not been proper decorum, proper debate, or proper consideration of the bills on their merits.

The amendment of the rules that is being presented at this time is the result of consideration of several of these propositions and deciding upon rules that would lead to decorum and speedy consideration of bills on these two calendars.

The first part of the resolution deals with the Consent Calendar. It does not change the former rule in any fundamental way. On line 9 of the first amendment to clause 3 of Rule XIII we have inserted the word "numerical," making that clause read "the bills shall be called in numerical order."

This has been the procedure in the past.

That has been the procedure in the past, but the word "numerical" does not appear in the old rule. In the next line, line 10, we have inserted the word "legislative," bills "which have been for three legislative days upon the Consent Calendar." That conforms to the ruling of the Chair that the three days which have heretofore been considered should be legislative days.

Mr. BRIGGS. Will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. BRIGGS. The gentleman has referred to the bills being called in numerical order. Suppose we should get half way down the calendar or two-thirds down the calendar? Would the next call begin where the call left off on that particular day, or would the call start at the beginning of the calendar? If the call should start at the beginning of the calendar each time that would result in certain bills being repeatedly called while those at the end of the calendar would not have that privilege.

Mr. GREENWOOD. That has always been the rule. The rule has been to start at the beginning of the Unanimous Consent Calendar, while on the Private Calendar they have always started at the star. So we are simply following the old rule in that respect.

Mr. BRIGGS. Does the gentleman think it is fair, when there is a long calendar, to permit certain bills to repeatedly have the call while the bills at the end of the calendar will not have any opportunity of call?

Mr. GREENWOOD. Usually the Consent Calendar is not a very long calendar. It is not a long calendar like the Private Calendar. It rarely happens that the Consent Calendar is not called in its entirety.

Mr. JONES. If I may be permitted, as I understand it, under the rule they can only be called twice anyway, and then they go off the calendar?

Mr. BRIGGS. Certain bills can be repeatedly called while other bills at the end of the calendar will not be reached. Usually when an objection is reserved a bill is passed over without prejudice, and it retains its place on the calendar, but under the rule, as proposed, as I understand, certain bills will be repeatedly called.

Mr. JONES. They usually go to the foot of the calendar.

Mr. GREENWOOD. Under the rule as now written, there is no such thing as a bill going over without prejudice, because we provide that when a bill is objected to, it does go over without prejudice. It is different from the old rule in that respect. In line 11 it is provided that—

> Should objection be made to the consideration of any bill so called, it shall be carried over on the calendar without prejudice to the next day when the Consent Calendar is again called, and if again objected to by three or more Members, it shall immediately be stricken from the calendar.

Under the old rule a Member asked that it go over without prejudice. Under this rule, if objection is made, it automatically goes over without prejudice, and it goes off the calendar if three or more objections are made to it. Those are the only changes with reference to the Consent Calendar. The rule provides that if three or more objections are made to a bill it shall be stricken from the calendar and shall not thereafter during the same session of that Congress be placed again thereon, and the rule provides that no bill shall be called twice on the same legislative day.

The second part of the rule changes entirely the rule as formerly written for the Private Calendar. Friday was the day which was provided under the old rule. We are asking now that Saturday be made the day because Saturday is not a general legislative day. We make it in order on every Saturday to call the Private Calendar. This is in order to expedite the business of this calendar, which is constantly growing.

Mr. BOYLAN. Will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. BOYLAN. Does not the gentleman think that Saturday is a very bad day, because usually we adjourn from Friday until Monday? By providing that Saturday shall be the day, you are treating the Private Calendar like an orphan. You are going to make the Private Calendar in order when there may be no possibility of going into it at all.

Mr. GREENWOOD. Very often Friday has been taken for general legislation and the Private Calendar is not called at all, so it was deemed better to make it Saturday, so as to give the Private Calendar a better opportunity to be called. When the Private Calendar is called, ordinarily the only Members present are those who have bills on the calendar or those who have been appointed to look after the consideration of bills. So Saturday is utilized. Every Saturday can be utilized for the Private Calendar, and that will give the Private Calendar a better opportunity to be called than under the old rule.

Mr. BOYLAN. What will be the status if the House adjourns from Friday until Monday? What will happen to Saturday?

Mr. GREENWOOD. That is up to the House. If the House does not want to consider the Private Calendar the procedure will go on as it has in the past. You can not prevent the House from adjourning or recessing if it wants to.

Mr. BOYLAN. I think that is a bad feature. You ought to make it Friday instead of Saturday.

Mr. MEAD. Will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. MEAD. Will this prevent the House, by unanimous consent, from setting aside any evening or any other day for the consideration of the Private Calendar?

Mr. GREENWOOD. I do not think so, and I do not so understand it. In changing the rule for the consideration of the Private Calendar we have substituted Saturday of each week, but we do not make it compulsory.

We provide that it is in order to move that the House resolve itself into the Committee of the Whole House to consider business on the Private Calendar. I think this will give bills on the Private Calendar a better opportunity to be heard. The present rule is vague about this. It sets aside Friday, but Friday is never used. Then the old rule gives certain priority to bills from the Claims Committee and private pension bills, but private pension bills are now included in an omnibus bill, and there is absolutely no attention paid to the wording of the rule in that respect.

Mr. BLANTON. Will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. BLANTON. When the gentleman gets through will he yield me 10 minutes on the resolution?

Mr. GREENWOOD. If the gentleman is in opposition to the resolution, I shall grant him 10 minutes or ask the gentleman from Michigan to yield time to the gentleman.

Mr. MICHENER. We are not opposing the resolution.

Mr. GREENWOOD. We will see that the gentleman from Texas has time.

Mr. GOSS. Will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. GOSS. Is there any change in the rule in reference to bills on either the Private Calendar or Union Calendar that may or may not have been objected to, that may come up under the call of a committee?

Mr. GREENWOOD. Bills can always be called up on Calendar Wednesday by the committee that reports them. This simply provides another opportunity.

Mr. GOSS. Referring to the language at the bottom of page 3, when you go into Committee of the Whole House

and the bill is reported back adversely, that bill can not again be reported to the Congress. That is not the practice to-day, is it?

Mr. GREENWOOD. It is not intended that this rule shall take the place of the regular Calendar Wednesday. This is to give this particular calendar preference on this day, so that the bills may be called in regular order regardless of the committee from which they come.

Mr. GOSS. And regardless of the calendar they are on?

Mr. GREENWOOD. They will have to be on the Private Calendar in order to be called. No bill on the Union Calendar goes on the Private Calendar.

Mr. PATTERSON. Will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. PATTERSON. As I interpret the rules that have been offered here, there is very little change in the rule governing consideration of the Consent Calendar.

Mr. GREENWOOD. Practically no change.

Mr. PATTERSON. Except inclusion of the word "numerical," which is practically a technical change.

Mr. GREENWOOD. I have already explained that there is practically no change in the rule with reference to the Consent Calendar.

There have been those who believe that when a committee considers a bill, like the Claims Committee or the Military Affairs Committee to correct a military record, there ought to be an opportunity for such bills to be heard on their merits at some time and that no one man or group of three men ought to have the power to dislodge that bill, strike it from the calendar, and send it to a place where it can never again receive a hearing or be considered on its merits.

As I have said, this rule with respect to consideration of the Private Calendar has this in mind. It will obviate the objection I have stated and permit bills to be considered on their merits, even though they are objected to, when the bills are called under this rule. Therefore we have provided that if a person objects to a bill he shall have five minutes in which to explain his objection, and then the chairman of the committee reporting the bill has five minutes in order to discuss the bill upon its merits and show the reason the committee reported the bill favorably. After 10 minutes of orderly debate, 5 minutes for and 5 minutes against, then if the single objector has been able to persuade two other Members to sustain him in his objection the bill is taken off that calendar and goes to the deferred list provided in the rule, and on the last Saturday of the month bills that have been objected to by three objectors and have been placed on the deferred list are brought up in numerical order and considered upon their merits. The House then has the opportunity of disposing of the bill finally upon its merits.

This is fair to the committee reporting the bill. The committees, like the Committee on Claims and the Committee on Military Affairs, appoint subcommittees, and they go into the evidence before reporting the bill, and it seems to me it is not treating the committee fairly and it is not proper deliberation by a legislative body to allow one man to lodge an objection and send a bill off the calendar, where it will never again, perhaps, receive a hearing.

The Federal Government is constantly going into new activities. There are a thousand agencies of the Federal Government in our land to-day with Government trucks and airplanes, and so forth, that are maiming people by carelessness and negligence, and even destroying life, and there is no opportunity in the Federal courts to present a tort case. There may be actions brought on contracts in the Court of Claims, but the only place claimants have to seek redress or to secure justice in matters of tort is the Claims Committee of this House. To have the Claims Committee report a bill favorably and then have it dislodged by one objector seems to me entirely unjust.

This rule is written with the idea of allowing the person who has a private bill to have his day in court and have it disposed of on its merits. [Applause.]

Mr. ALLGOOD. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. ALLGOOD. Is this a unanimous report of the committee, or was there a minority report?

Mr. GREENWOOD. It is a unanimous report. There was not a single objection in the Rules Committee. Furthermore, we know that when bills have come up in the past a Member has reserved an objection, and he rises and discusses that objection, then some one else interposes, and then a group begins an argument, and the general membership of the House does not know anything about the discussion that is going on. This rule provides for orderly debate of five minutes for the one who reserves the objection and five minutes for the one in support of the bill. Then, after the one who has objected, if he secures two or three other objectors to vote with him, the bill goes off to the deferred list. That is the way these bills are to be handled. Now, if there are any questions, I will be glad to answer.

Mr. COOPER of Tennessee. I take it that this change in the rule, this provision, is somewhat equivalent to what we have on Calendar Wednesday.

Mr. GREENWOOD. Only certain bills can go upon this list. Bills on the Union Calendar or on the House Calendar can not go on the Private Calendar. It must be a private bill, whether from the Committee on Military Affairs, or the Claims Committee, or any other committee; they go on regardless of the committee, and are taken up in numerical order.

Mr. MARTIN of Oregon. This is to shear the professional objectors of some of their power?

Mr. GREENWOOD. Not altogether.

Mr. MARTIN of Oregon. With one man tying the whole thing up?

Mr. GREENWOOD. Well, they are entirely within their rights.

Mr. MARTIN of Oregon. They have too much rights. [Laughter.]

Mr. GREENWOOD. In giving them their rights, the House ought to be the tribunal to determine the questions on the merits of the bill.

Mr. MARTIN of Oregon. It is to prevent one man controlling 435.

Mr. GREENWOOD. Mr. Speaker, I reserve the balance of my time.

Mr. MICHENER. Mr. Speaker, during the last few years there has grown up a demand for the liberalization of the so-called unanimous-consent and Private Calendar rules. This demand was so insistent that before the Congress convened the Republicans held a conference at which consideration was given to the proposed changes. The Republican conference directed the Republican members of the Rules Committee to submit to the House the proposed changes as suggested by the conference.

That was done. The suggestions were referred to the regular Rules Committee, and the so-called Crisp amendments were also submitted to the Rules Committee.

After consideration and study the rule that is now before the House has been reported by the Rules Committee. While it is not exactly in harmony with the proposed Republican rule, neither is it in exact harmony with the proposed Democratic rule; but it is a liberalization of the existing rule, and on the whole I think complies in a general way with what the House wanted. Personally, I happen to be one of those who did not favor much liberalization in these particular rules; but, yielding to the majority of the membership of the House, I shall not oppose but shall support the rule.

I yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, eight years ago I shared with a few other Members of the House in discussing before the Committee on Rules the matter of the Consent Calendar. Our argument led to the requirement that there should be three objectors upon the second day the calendar is called. My recollection is that at that time I suggested five objectors upon the second day; and had that been looked upon with favor by the Committee on Rules, I am inclined to think it might have been a gain; but I accept the situation and am

pleased to see that the procedure is to be improved after the fashion presented by the gentleman from Indiana [Mr. GREENWOOD].

I would speak particularly, however, of the change in the matter of the Private Calendar. Eight years ago I gave some thought to the possibility of rearranging the program of the House so that we might be sure of a Saturday off in every week of the session, but since then the growth of business has continued, and year after year we find more burdens upon our shoulders, so that it is altogether probable we shall be unable to have a full Saturday to ourselves regularly unless we open our eyes to the situation in the matter of little measures. For the time being anyhow, I see no way of escape from obligation for almost continuous week-day attendance save that now suggested by the Committee on Rules, which permits Saturdays to be used for business that interests and concerns only a small part of the membership. Of course, in theory there ought to be no business here which does not demand a full attendance; but, as a matter of fact, the Private Calendar can be just as well handled by a small part of the Members as by the full membership. This jury of 40 or 50 is likely to reach just as accurate and wise conclusions as if the 435 were present. Therefore, if we devote Saturdays to this class of business that calls for but a few of us to be on hand, it seems to me that there can be no injury to the public welfare.

I take this opportunity to call to the attention of the House the fact that in the calendar at this moment there are 30 pages of private bills, almost 600 cases where a committee has believed that the justice or the equity of the Nation ought to be dispensed, involving nearly 600 citizens of the United States who believe they have been wronged. In so far as partnerships or corporations are concerned, of course the total of the individuals' interest is larger. Here are at least 600 instances where our committees have said that justice or equity ought not to be denied. This thing is growing in most astonishing degree. So far as my observation goes, never before has there been a calendar with 30 pages devoted to these neglected claims. My colleague, Mr. UNDERHILL, of Massachusetts, serving on the Committee on Claims, feeling the gross wrong of the present situation, secured by the exercise of many hours and days of labor the passage of a bill through the House and through the Senate that would to some degree have lessened what I can not help calling this disgrace to the Congress of the United States. When his bill reached the Executive chamber, unfortunately something in the way of constitutional or technical objection appeared, and the President felt constrained not to sign the bill. Therefore, no progress was made.

Mr. Speaker, new brooms sweep clean. Now that the control of the House has gone to the party which through a dozen years did not have the power to remedy this situation, I wish it might awake to its opportunity and see if it can not secure the reform so greatly needed under which the decision on small claims shall be left to the departments and the decision on larger claims shall be turned over to the Court of Claims, in order that we may be relieved of a duty burdensome in itself, a duty that no legislative body is fitted to perform, because of all instrumentalities that mankind has yet devised none is worse for the dispensing of either justice or equity than a legislative assembly.

Mr. HARLAN. Mr. Speaker, will the gentleman yield?

Mr. LUCE. Yes.

Mr. HARLAN. Is the gentleman aware that there has been passed by a subcommittee, and is now pending before the Committee on Claims in the House and also in the Senate, a bill to carry out the very provisions the gentleman just referred to, to allow the departments to settle minor claims and to refer larger claims to the Court of Claims?

Mr. LUCE. I am thankful to be informed of that. I did not know it. I wish Godspeed to that bill, and I hope he can avoid the pitfalls which previous attempts have met with, and I assure the gentleman I shall be delighted to contribute what little I can to its passage.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. LUCE. Yes.

Mr. SCHAFER. I believe that when considering a bill of that nature in the past, the other body which talks about economy did not want these private claims tried in another tribunal, because for political purposes they desired to be the jury and the judge themselves. They do not practice their 10 per cent general economy reductions when it comes to spending the taxpayers' money with reference to such meritorious legislation.

Mr. LUCE. Once, nevertheless, we were able to get such a bill to the White House, and I recall the copy book maxim, "If at first you don't succeed, try, try again."

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. MICHENER. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. MORTON D. HULL].

Mr. MORTON D. HULL. Mr. Speaker, I wanted to say what was said by the gentleman from Massachusetts—that if the difficulty arises out of a tort case, and there is inability to give proper consideration to tort cases, and there is no right on the part of any other tribunal to settle those cases, it seems to me the imperative thing is to pass some act of general character that will permit of the proper trial of these cases before a proper tribunal and not before a legislative body. This proposition of having 10 minutes for a private claim, whether it involves a large amount or a small amount, does not seem to me to be the proper thing.

Mr. KVALE. Will the gentleman yield?

Mr. MORTON D. HULL. I yield.

Mr. KVALE. Can not that time be extended by unanimous consent in the event more time is necessary?

Mr. MORTON D. HULL. Does the gentleman mean under this rule?

Mr. KVALE. Yes.

Mr. MORTON D. HULL. I do not know whether it could or not. I would not undertake to answer that question.

Mr. GREENWOOD. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I would not have the approval of my conscience if I allowed a rule like this to pass at this time without a word of protest.

I realize that with just 60 Members present there is not a chance in the world to stop it. If I had one hour to speak against it, I could not stop it, as our colleagues have determined that they are going to have a rule making it easy to pass their private bills; but I want to register this protest.

For 15 years back I have fought a bill that is over a hundred years old, and helped to kill it thus far. It is the old Sevier heirs' claim against the Government. It was for over $100,000,000, counting the claim for interest.

I once saw a Committee on Claims when I first came here take up that bill one morning, and after 15 minutes' consideration, with 21 members of the committee present, pass that bill; and I was the only Member who voted against it. It was thus favorably reported out practically unanimously. By digging up the records down in the department and showing that old Governor Sevier had received everything that was due him from the Government and that they had his signed receipts down there, we finally stopped that bill. But it is still in expectancy. They are still hoping some day to get it through the committee. If a few of us who have been fighting it should happen to die off, they will get it introduced again; and that 100-year old, $100,000,000, unmeritorious bill will come up under this new rule and there will be 10 minutes' debate—five minutes on each side. How can a Member convince his colleagues in five minutes that that $100,000,000 claim is unjust? It can not be done. The bill will pass. And another hundred million dollars of the people's money will be unjustly taken out of the Treasury.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. In just a moment. I only have 10 minutes.

Mr. SCHAFER. This bill was not considered by the present Committee on Claims.

Mr. BLANTON. No; it was not. They are not going to bring it up any more as long as a few of us are here who know all about it and who under the present rules could stop it, but they will bring it up again some day after we pass this proposed rule that will make its passage easy.

I would like to remind my friend the gentleman from Massachusetts [Mr. LUCE] of what one of his distinguished colleagues once said at that table. I refer to our former colleague from Massachusetts, Hon. Joe Walsh, who now adorns the Superior Court of Massachusetts. The gentleman will remember one night, when such private bills were being passed in bunches, almost faster than you could say "without objection, this bill is considered to have been read a third time, and is passed, and a motion to reconsider is laid on the table," the gentleman heard Joe Walsh get up at that table and say, "You might as well take the hinges off the doors of the Treasury and throw the doors away, because you have passed so many bills to-night that we can not stop the public money from being taken out and given away."

Under such a rule as this we can not stop any bad bills. You will find that Members who have been working to save the money of the people will give up in disgust and quit doing the hard, grinding work that is necessary to stop them, and they will say, "Just let them all pass."

On this private bill day Saturday, who will be here? A few Members who have claims? Who else will be here? Who else is here this afternoon when this important rule is being passed and is about to be passed? Our friends who have bills on the Private Calendar are all interested in this rule. How will you get them to object to a bill?

Policy will keep them from it. Naturally they know that if they are one of the three who object to a bill that when one of their bills is called Members whose bills have been objected to will be resentful and will object to their bills.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. SCHAFER. The gentleman indicated that the House could not consider some of these small claims bills in 10 minutes. Is it not a fact that within the last few days the House considered and passed the $45,000,000 Interior appropriation bill with 20 minutes allotted to those in favor of the bill and 20 minutes to those in opposition?

Mr. BLANTON. I want the gentleman to get that out of his system. I have seen him sit here and have crammed down his throat by his Republican organization bill after bill of importance. I have seen him stand up to the lick log and vote on important measures with only 20 minutes' debate.

The gentleman sits over here and he is getting some of his own medicine. When it is important to pass a measure, and pass it now, the Democrats know how to function. Those amendments reduced appropriations, and were approved by practically the entire membership, hence we acted under a suspension of rules.

But, Mr. Speaker, I am about through. I wanted to register my protest against this rule. I want to predict that under this rule it will be absolutely impossible to stop many bad bills. The Consent Calendar part of the rule is good. I have no objection to the provision of the bill with regard to the Consent Calendar; it is all right; but with respect to the Private Calendar there could be collusion, and you see that here once in a while. You saw the gentleman from Minnesota claim the time in opposition to such an important measure as the Philippine independence bill, and then you saw him vote for it. After he had controlled the time against the bill, he voted for it. You could have such collusion under this rule when the real opposition to a bill could not get recognition and could not get any time to give their views on it.

But I will not require a quorum. I will sit here and watch you pass a rule that will take the money out of the Treasury, because you would pass it anyway on Monday when a quorum is present, so I will not delay matters. I will watch for more deficits in the Treasury. If you keep it up, you never will balance the Budget. This is a very unwise rule you are passing. That is all I have to say.

Mr. MICHENER. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. STRONG.]

Mr. STRONG of Kansas. Mr. Speaker, I have served for eight years on the War Claims Committee of this House. I have seen the several subcommittees of our committee hold hearings and spend a great amount of time carefully preparing a report favoring a bill, only to have the bill objected to when called on the calendar. I have gone to the objector and asked if he would withhold his objection, but the reply was, "No; I am against that." The result is a lot of hard work thrown away because some Member's supper has not agreed, or because some other Member had objected to his bill.

I looked into this practice at one time. I found that it originated about this way: A man now passed from us, who spent a great deal of time going into this Private Calendar, used to rise, reserve the right to object, and then cross-examine the man who had the bill in charge. If after that cross-examination he thought the bill was good, he withdrew his objection; but if he thought the bill was bad, he insisted upon his objection. This man passed on. During the time he was in this House, he trained a good woman to go over the bills on these calendars and make a synopsis of the reports on the bills and paste it upon the bill. Then there came on a lot of objectors appointed by the management of both sides of the House. They got these bills with a synopsis prepared by this good woman telling what the bill contained.

I found that if the report was carefully prepared she only gave the facts; but if somebody made a mistake, or if somebody failed to elaborate upon the report, she said it was objected to by the War Department, and down the bill went. These men gathered the approbation of the House under the idea that they had gone into these bills, that they had studied them; but not at all. All they had was this memorandum taken from the report and pasted on the bill.

Talk about collusion. I have seen bills that required three objections. One Member would go to another and say, "Will you object?" "Yes." "Will you object?" "Yes." Then they would turn down a bill without a particle of consideration by this House, a bill that had been passed upon by a committee which had studied the facts.

I do not want you to believe that I desire to pass all the bills that come to the committee. I have a pretty good record. During the last few years in every session of Congress bills calling for over $200,000,000 have come to my committee, but never in any session of Congress did that committee report but a little over 2 per cent of the bills that came to it. We beat the Volstead Act. We reported out less than one-half of 1 per cent, and yet these objectors have tried to lead the House to believe that we were trying to pass unjust bills.

I think the people of the United States who have claims against the Government have the right to have them considered somewhere and have the right to have somebody consider the facts. After a committee has done so and made a favorable report, certainly the Members of this body should give the report of their committees proper consideration.

I hope this resolution will be adopted.

Mr. MICHENER. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Speaker, one listening to the talk of the distinguished gentleman from Texas [Mr. BLANTON] would reach a conclusion that the standing committees of this House report out bills on the Private Calendar without any consideration whatever. I have been a member of the Claims Committee for a number of years, and I assure the Members who are going to vote on this resolution that when a bill is referred to the Claims Committee the first thing that happens is to have the department make a report upon the bill, and evidence is required to be submitted by the author of said bill. The bill is then referred to a subcommittee, which carefully considers the entire facts, the equi-

ties and legal principles involved. Then the subcommittee makes a report to the full committee on the regular committee meeting day. The individual members of the full committee carefully consider the report of the subcommittee; and if any of you believe, after hearing the gentleman from Texas talk, that these private bills are not considered in the Claims Committee, I would suggest that you come into the Claims Committee meeting some Friday. If you do that, you will find the gentleman from Texas has given you some unreliable argument.

Although the gentleman from Texas tries to picture himself as the only man in this House who stands between the ruining of the taxpayers' Treasury, let me say that a private claims bill is fully considered by a subcommittee, then considered by the full committee, and if a favorable report is made on a bill by the unanimous vote of the full committee the entire membership of the House should have an opportunity to consider it on the floor of the House as provided in the pending measures. Such a bill should not fail to be considered because one Member, even though he be from the great State of Texas and is the self-styled Member who stands alone as guardian over the taxpayers' Treasury, objects to its consideration.

Is that justice? Is that liberalization of the rules that the Democrats have talked about and the Republicans have talked about? I guess it is not.

You do not vote for any unwarranted raids on the Treasury if you pass this resolution, as suggested by the gentleman from Texas, who voted to suspend the rules on the $45,000,000 Interior Department appropriation bill, with 186 Senate amendments in it, where the opposition had only 20 minutes to oppose it and where those in favor of the motion had only 20 minutes in which to present their case. And yet the gentleman from Texas comes before us and says you should not consider a bill on the Private Calendar which involves $2,000 or $43, as some of them do, in 10 minutes, after the Claims Committee has reported it by a unanimous vote.

I hope this resolution will be passed, the objections of the conscientious objector from the State of Texas to the contrary notwithstanding. [Applause.]

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. SABATH].

Mr. BLANTON. Will the gentleman yield to me to ask a question of the gentleman from Wisconsin?

Mr. SABATH. I yield.

Mr. BLANTON. I want to ask the gentleman from Wisconsin, if his logic is correct, why he does not suggest that as soon as the Claims Committee reports a bill it be ordered to be engrossed and read a third time and passed, and a motion to reconsider laid on the table? If the action of the committee is so perfect and reliable, why have Congress look it over at all? Why not let the committee pass all bills?

Mr. SCHAFER. That is an indefensible argument by a man who is confronted with the fact that his speech was wrong, because when a bill has been favorably reported by a committee after careful consideration, under the proposed rule the Members will have a committee report and have an opportunity to vote intelligently after 10 minutes' discussion, which can be extended by unanimous consent.

Mr. SABATH. Mr. Speaker, notwithstanding the fact that I do not agree with the gentleman from Texas [Mr. BLANTON] on some of the matters, there is no one here who can deny that he has been of great service in many instances to the people of his State and to the people of the Nation. [Applause.] That he is absolutely wrong, however, on the question of prohibition is generally known and recognized, but we are still hopeful that we may be able to have him realize that he has been mistaken, and that he will, in the near future, come and vote with us for the modification of the Volstead Act, for which the country has long been clamoring.

As to this resolution, I think it is legislation in the right direction, and I am mighty glad to see some gentlemen on the other side rise and say that they have been in favor of and have advocated the liberalization of the rules.

Of course the Republicans have been in control for many years. They have had a number of opportunities to bring in such a rule but have failed, yes, have refused, to do anything to liberalize the rules; and it remained for us Democrats to do so.

This rule is in the interest of procedure that will be helpful and beneficial; but, Mr. Speaker, I hope that the bill, which provided that these small private bills be handled by a bureau instead of by Congress, that has been passed by Congress and vetoed by the President will be passed again in such an amended form that it will be embarrassing for President Hoover to veto it. But, Mr. Speaker, if the President should again veto it, I am satisfied that in the near future, yes, in the next Congress, we shall have a Democratic President, who will not veto any such meritorious measure that tends; yes; will help the House to legislate more efficiently. [Applause.]

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the resolution.

Mr. LUCE. Will the gentleman withhold that a moment so that I may submit a unanimous-consent request?

Mr. GREENWOOD. I withhold it, Mr. Speaker.

Mr. LUCE. Mr. Speaker, on page 2, line 2, the second word "again" being superfluous and confusing the meaning, I think the gentleman from Indiana will not object to my asking unanimous consent that the second "again" in line 2 of page 2 be stricken out.

Mr. GREENWOOD. Mr. Speaker, I have discussed that matter with the gentleman from Massachusetts, and I agree with him.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KNIFFIN, from April 25 to April 28, on account of official business.

To Mr. FERNANDEZ, for April 25 and 26, on account of official business.

FEDERAL ESTATE TAX

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of the Federal estate tax.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, I read a copy of a letter to an Indiana gentleman who was misled by misrepresentations appearing in a front-page editorial of the Chicago Journal of Commerce, dated April 9, 1932, and entitled "Soak-the-Rich Taxes and Your Job." This article urged the defeat of 98 Middle-West Congressmen, mentioned by name, who recently voted for the pending revenue bill, which included the estate-tax increase under the Ramseyer amendment. These 98, by the way, included the entire Indiana delegation of both parties.

The letter follows:

APRIL 19, 1932.

Mr. C. W. MARTIN,
American Zinc Products Co., Greencastle, Ind.

DEAR MR. MARTIN: I appreciate your letter inclosing editorial clipping from the Chicago Journal of Commerce of April 9, with reference to the Federal estate tax. Nevertheless I disagree with your letter and the views expressed by Mr. Hanna. One of the chief difficulties in this country to-day has been the tremendous concentration of wealth in a few hands, which has taken purchasing power out of the consumer classes, which in turn is affecting your business and every other business in the country. If mass production in modern civilization is to go on, it can do so only by the wider diffusion of wealth and not from its concentra-

tion. Mass production means mass consumption. There must be wealth in the hands of the consumers to exchange for wealth in the hands of producers. Otherwise there is no exchange. There is stagnation. And producers suffer along with consumers. Think this over.

Mr. Hanna's editorial is misleading in at least the following respects:

First, that estate taxes were raised from 20 per cent to 45 per cent, and that in case of death it is "necessary immediately for the estate of that owner to raise 45 per cent of the value of the estate for the Federal inheritance tax."

This is as false as it can be. The 45 per cent applies only to the higher brackets. The total tax to the total estate would be a much smaller percentage in any case. In no case would it be necessary for the owner to raise 45 per cent of the value of the estate to pay the tax. The 45 per cent rate applies only on the excess over $10,000,000. This is always on the "net" estate, after first deducting $50,000 which is not taxed at all, and also after deducting all debts. The creditors whom Mr. Hanna worries about are all paid before the Government gets a penny.

He also states that unless a million-dollar estate can raise $450,000 "in a hurry" the property must go under the hammer. This contains two false statements. First: There is no $450,000. A million-dollar estate would pay a Federal tax of only $126,000. As against $450,000, Mr. Hanna is wrong by $324,000. This is a poor batting average for a gentleman who criticizes, and by his misstatement leads you to criticize, 98 Middle-West Congressmen who did know what they were voting for. The highest per cent that a million-dollar estate runs into is only 17 per cent, and this applies only on the bracket between $800,000 and $1,000,000; second, there is no hurry about it. Ample time is given under the law and the regulations for an orderly liquidation of the tax. Any executor can make a showing and ask for additional time, and it will be granted to him. If sufficient time is not granted, I certainly would be in favor of giving whatever time is necessary, so that the property need not be sacrificed "under the hammer" for the purpose of providing money to pay the tax. Further, as you know, the owners of large properties which might be affected by estate taxation are protecting themselves by life insurance, so that a fund will be available to pay the tax without either selling or mortgaging the property.

Furthermore, Mr. Hanna's article is misleading in that it implies that in the average case one single individual owns a factory or office building or business, and that the factory or office building would have to be sold to pay the tax. The truth of the matter is, as you know, that with few exceptions, all large business enterprises are corporately owned. There are few of the larger businesses of this country which would run into the 45 per cent rate in which one individual owns as much as 10 per cent of its stock. It is the stock that is sold, if anything is sold, to provide funds to pay the tax, and not the factory or railroad. There is no way in which the Government could levy against the factory when it is corporately owned. We have stock exchanges for selling the stock, and it would very rarely happen that the Federal Government could levy upon a physical property for the purpose of enforcing payment of Federal estate taxes in an estate that would run into the 45 per cent bracket.

I am sending copy of this letter to Mr. Hanna. In justice to 98 Congressmen whom he has misrepresented, he ought to publish it with the same prominence as his editorial.

Sincerely yours,

SAMUEL B. PETTENGILL, M. C.

In addition to replying to the editorial, I wish to briefly mention three additional points with reference to taxing inheritances.

ALLEGED CONFISCATION

It is for the sound discretion of the legislative body to determine the rate of inheritances taxation. As a matter of sound policy rates should not be so high as to discourage thrift and the saving of sums sufficient for one's old age or for the support of children or to dissipate capital invested in socially useful enterprise. Confiscation, however, does not exist in any legal sense, regardless of the rate. It has been repeatedly decided by the courts that the right to inherit, on the part of heirs, or the right to bequeath, on the part of the testator, are not natural rights, but are rights or privileges conferred by the State, as against its right or power to take to itself the entire estate of a deceased person. As I understand the law, there are no legal reasons to prevent the State from taxing inheritances up to 100 per cent, however unwise and harmful such legislation would be. I mention these decisions of the courts to defend them in part, at least, from the charge that they are often too tender to "vested interests."

SOCIAL INJUSTICE OF INHERITANCE TAXATION

I would not say that there are not exceptions, but generally the accumulation of an estate which runs into the 45 per cent bracket depends upon other factors than the foresight, invention, thrift, enterprise, or ability of the owner. These factors are often some privilege conferred by the State upon the accumulator, such as patents and copyrights, tariffs, subsidies, monopolies, or the unearned increment of land values. Other factors may go to means and methods which can not stand before the bar of conscience or square with the golden rule. Krueger, the European match king, who acumulated a colossal fortune, seems to illustrate all three factors, undoubted business ability, a privilege conferrred upon him by the State by way of patent protection, and finally, according to press reports, unscrupulous business methods. As far back as 1892, Andrew Carnegie, in speeches, as well as in his books, the Gospel of Wealth and My Partners the People, preached the social justice of inheritance taxation and the trusteeship of wealth. He said at that time:

> We must let the worker alone during his life, but after his death the State should step in and demand its share of his hoard, through a graduated system of taxation. Every fortune left by a hoarder should contribute to the State in proportion to its size, small amounts left to those dependent upon the decedent being exempt, but the scale rising by steps until with enormous fortunes reaching into many millions it should be decreed that "one-half goes to the privy coffers of the State."

I might add that the rates of the present bill do not reach the figure advocated by Andrew Carnegie 40 years ago, nor the rates that prevail in England to-day.

THAT IT IS ALIEN TO AMERICAN TRADITIONS

Inheritance taxation may be imposed for either one or both of the following motives—to obtain revenue, or to redistribute wealth. Even when imposed for the first reason, the result of the second follows in every case to a greater or less degree, depending upon the rate of tax. As an application of this latter motive, inheritance taxation, far from being alien to our traditions, is in strict conformance therewith. Anglo-Saxon civilization has felt for centuries that the accumulation of enormous wealth in a few hands is opposed to the "general welfare" and the common weal of society. Again and again for hundreds of years laws have been passed or court decisions rendered to break up great estates and to free the living generations from the "dead hand" of the past. For example, there are the various statutes against mortmain (Statute of Monopolies, 21 James I, ch. 3; Statute de Religiosis, 7 Edward I, A. D. 1279; the Act of 13 Edward I, ch. 32, A. D. 1285; the Act of 15 Richard II, ch. 5, A. D. 1391; the Act of 9 George II, ch. 36, A. D. 1736, all designed chiefly to "prevent undue accumulation of wealth in the hands of corporations"); the abolition of primogeniture, under which the eldest son took the entire landed estate, the repeal of entail, under which land could not be sold but descended indefinitely to the blood heirs of the original ancestor, the rule against perpetuities (Duke of Norfolk's case, A. D. 1685), under which trust funds might accumulate indefinitely, and so forth.

These were all designed to prevent the concentration of great fortunes, and to redistribute them after they were accumulated. They did not even have the motive of obtaining public revenue. They were passed under the broad police powers of the State, to promote the "general welfare" of a great people. If they had not been passed, who will be so bold as to say that we would have had, either in England or America, the greatest social advancement, with more happiness to the greatest number of people, of any civilization that the centuries have produced? Inheritance taxation, within fair and reasonable limits, whether for revenue, or to redistribute great fortunes, is not alien to our civilization. It is indigenous to it. It is as truly a part of our tradition as Magna Charta or Concord Bridge.

AGRICULTURE'S TAX BURDEN

Mr. BUCKBEE. Mr. Speaker, I ask unanimous consent to extend my remarks and to incorporate therein a statement by former Gov. Frank O. Lowden on the economic and agricultural situation.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BUCKBEE. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD I print an address entitled "Agriculture's Tax Problem," an address by former Governor of Illinois, Hon. Frank O. Lowden. The address which follows was delivered by Governor Lowden at the thirteenth annual meeting of the American Farm Bureau Federation, Chicago, Ill., Wednesday, December 9, 1931:

Mr. President, ladies, and gentlemen, it is a pleasure and a privilege to appear before you again. Taxation, the subject which you are considering to-day, is engaging the attention of all classes more than ever before in our history, I think. Two years ago I discussed at length before you some methods of taxation, which I thought then, and think now, must be substituted for the general property tax. That method of taxation has become so burdensome, particularly upon farm lands, that it has reached the point of confiscation. In many portions of the United States, lands, to an alarming extent, are being forfeited to the State for nonpayment of taxes.

A few years ago the Bureau of Agricultural Economics in the Department of Agriculture at Washington stated that on the average "taxes take about 30 per cent of the net income of farmers." The percentage must be considerably larger now. We then have this situation: The farming population is, in round numbers, about 25 per cent of our entire population. It receives but about 10 per cent of our national income. It pays 30 per cent of this income in taxes. The other 75 per cent of our population receives about 90 per cent of the total income and pays on an average about 10 per cent of its income in taxes. How long can this glaring inequality go on without ruin to agriculture?

I shall not now, however, repeat what I then said upon that phase of the question. I wish at this time to take occasion to point out how, in my opinion, taxes can be greatly reduced by a simplification and reorganization of local government, particularly in the rural regions. For, after all, by far the largest portion of our tax bill is for local taxes. Indeed, the expenditures of local government for the country as a whole exceed the total expenditures of both the Federal and State Governments.

We are all interested in the Federal Government. We give a good deal of thought to our State government. Our cities are more and more engaging the attention of the citizen. In the realm of county government and town government, however, it is only in recent years that students of political science or the people generally have felt any concern. And yet it is precisely these governments which affect the lives of the country population most frequently and most intimately. It is to support these governments that the larger part of our taxes go. It is to these governments that we look largely for our protection. It is upon these governments that we depend for the maintenance of our poor, for the custody of our petty evildoers and those awaiting trial charged with more serious crimes. It is these governments which administer our schools. It is they, too, which in a large measure build and maintain our roads and construct other local public works. Other important functions also rest upon the county and town governments. No student of the situation contends, I think, that these bodies, under present conditions, are either economic or efficient.

For the protection of our lives and property we have within the same jurisdiction a number of courts, each absolutely independent of the others, with questions of jurisdiction constantly arising. We have justices of the peace. We have probate courts. We have county courts. We have courts of general jurisdiction. Courts in these days have much to do with even purely administrative affairs. It is not conceivable that they can function simply, inexpensively, and effectively as they are now constituted. Isn't it possible to substitute for these divers courts a single unified court for the county? We should, many think, merge all the powers which these different courts now have into a single court. Such court could be in continuous session. The citizen of the county who had occasion to resort to a court would not have to consult a lawyer before he could know to which court to apply. Instead of being obliged to employ a set of subordinate officials for each of the courts, one set of these officials would answer all the needs of the consolidated court, these minor officials to be appointed by the court and not elected at the polls.

Our county jails have been a disgrace to our country for more than a hundred years. One eminent writer says that to find a parallel it is necessary to go back to Turkey and the thirteenth century. Our county almshouses have been a reproach to our civilization since they were first established. This is not the fault of the officials, who, in the main, are humane and considerate men. It is the system which is to blame. The inmates of the county jails and the inmates of the almshouses are too few in number for modern or humane or economical administration of either. They should be abolished altogether, and in their place should come either regional or State institutions.

In some parts of New England, we are told, where the State has partially relieved the counties of the care of the poor, they are more comfortably housed and better cared for at less than half the cost than where the counties perform this function. Virginia recently has substituted for the county almshouse 10 for the entire State. We are told that the inmates are better cared for than ever before, with an average cost per capita of but little above one-half of the original cost.

With reference to the schools, the State has been compelled to exercise an ever-widening supervision over the local authorities.

As to roads also, the State has found it essential to extend its authority in a measure over the local governments. In Illinois, for instance, the county board is required to certify to the State authorities a list of applicants for the position of superintendent of roads. The State conducts an examination and certifies to the county board those who have successfully passed the examination, with their ratings, and the board must appoint one of these.

The State, too, has gradually come to exercise some sort of authority over the public-health administration.

It is evident, then, I think, that the county no longer functions as a successful government.

How, then, you ask, did this form of government come about? Were our fathers so much less wise than we that they devised wholly inadequate units of government? By no means. When counties were first established they met the needs of the times. The functions performed by the county were simple and few. They were chiefly concerned with the administration of justice and an official record of title deeds. In the early stages of the counties even education was a private matter, and there were no public schools. Road construction was simple and largely a township matter. Transportation was slow and difficult. Hence the county must not be so large that all the residents could not reach the county seat with reasonable convenience. The county, therefore, as thus established, while admirably suited to those earlier conditions, is wholly unsuited to those of the present day. For now the county seat, for all practical purposes, is as accessible to the remotest resident as the nearest district school was a century ago. It is significant that the counties in the far West which were last laid out are the largest in the United States.

Not only was the county small geographically to meet the needs of its time, but a genuine organized government seemed unnecessary because of the few and simple functions which it then performed. There must be some authority to levy taxes. Therefore county boards of supervisors or commissioners were formed. These boards exercised the only general administrative powers which the county possessed. For the few definite functions of the county, officers were selected generally by popular election. It was necessary to preserve the records of the courts. Since the courts of general jurisdiction usually covered several counties, a clerk of court was elected in each county within the district or circuit.

The judgments of the court within the county were of no avail unless there was some one to execute them. To accomplish this and to preserve order sheriffs were elected. It was important to preserve the registration of land titles. A separate officer was usually elected to perform this task. A custodian of the public funds was required for the safe-keeping of the county's moneys. A treasurer was elected to perform this duty. In the early days of the county, generally speaking, this is all there was to the county government. It worked fairly well. The county was, in fact, but little more than a political subdivision of the State.

How different the present picture! Within the space of a hundred years the county government has undergone a complete transformation. As the county gradually took on new functions and its accounts became larger and more complicated it seemed desirable to have an auditor of accounts. To fill this place another citizen of the county was elected by popular vote. Public schools have taken the place of private schools. The county has been compelled to undertake the administration of these schools. To this end an elective county superintendent has been added to the list of county officers. The public health, with an advancing civilization, has become an important concern of government. The county, therefore, has been obliged to undertake the administration of a county public health service. How inefficiently this duty has been performed is shown by the fact that the mortality of the country districts is greater than in metropolitan areas, though the reverse should be the fact.

Public highways have become one of the most important of all public functions, involving a much larger expenditure than any other except schools. The county has had to grapple with this problem, too. In most cases it has chosen a superintendent of highways.

In the average county of Illinois—and this is true of most of the States—the salaries of county officials absorb a very large percentage of the total revenues of the county, running as high as 50 per cent. That these officials could serve a much larger territory in most instances no one who is familiar with the situation can for a moment doubt. The county judge is but one instance of this. Even in the smallest county of this State he receives a salary of $1,800 a year, while as a matter of fact his actual official duties can be performed in an insignificant portion of his time. And the constitution of Illinois expressly authorizes the formation of two or more counties into districts for the discharge of this function of government.

I realize the practical difficulty in effecting the consolidation of counties. Without such consolidation, however, contiguous counties to a large extent can be united to administer revenue, schools, highways, health, charities, and other subjects of State concern.

It is a matter of common observation that we have too many public officials. We hear of unemployment everywhere except among public officials. Their number goes on increasing in good and evil times alike.

It is readily seen how greatly the functions of the county government have been enlarged. And yet the machinery for handling these larger functions has in principle remained unchanged. In the realm of State government revolutionary changes have been effected in recent years. There, too, until recently, the larger and more complex duties of the State were performed through scattered, uncoordinated, and independent boards, commissions, and officials. In the most progressive States there has been substituted a unified, cohesive, and responsible government with the governor actually at its head. This has resulted in economy and, above all, in increased efficiency. In the cities likewise there have been noteworthy reforms in recent years. There, too, the trend has been toward a more unified and therefore better coordinated government.

Rural government, however, has been largely untouched by this modernizing movement. It seems appropriate, therefore, to inquire into the principles upon which State and city governments have been organized and to see if these principles can not be made to apply to county government.

No organization of any kind is possible without an actual head. We recognize this fact in every other human institution except in rural government. No business or civic or charitable organization would long survive without a chief executive. In the realm of National and State and Municipal Government we recognized this principle in the beginning. At the head of our Federal Government we placed a President. For the head of our State governments we provided for a governor. In our municipalities a mayor was elected. For our county government, however, we never have had a head. As I have pointed out, this practice was unnecessary in the simpler days when the county was hardly more than a political unit of the State. With the new duties, however, assumed by the county there is the same need for an executive head here that there is elsewhere. Efficiency and economy are idle dreams without a strong directing hand at the head of any enterprise, whether private or public.

The executive budget has come to be regarded as indispensable to an economical government. An executive budget, however, is an impossibility unless there be a chief executive to make it.

If experience has proven anything, it has disclosed that an individual and not a board or commission can alone administer affairs successfully. It is true too that only by conferring power upon the individual official and not upon a board can responsibility be fixed for the nonperformance of duty. The county board, therefore, which is the only authority with anything like a semblance of control over the county government, is wholly inadequate to the task. The situation is made worse, however, for the reason that the control of the county board is only nominal. As we have seen, there is a very considerable list of elected officials with definite administrative duties assigned to them. These officials are independent of one another and in a large measure even of the county board.

Since at least the middle of the last century until quite recently the tendency has been toward elective rather than appointive officers. This was thought to be in pursuance of the democratic ideal of government. It was supposed that the way to cure the ills of democracy was more democracy. Instead, however, of this being the fact this disposition to elect more and more public officials tended to defeat the very underlying purposes of democracy. For democracy means control by the people of its own governmental affairs. The people can control their own affairs only if they can definitely locate responsibility. This is impossible where the powers of government are distributed among many officials, all engaged in a common administrative work. The best evidence that the people themselves realized this fundamental weakness in our county governments is the fact that in recent years when the county has taken over new functions it has appointed and not elected the man to exercise these functions. County public-road work and county welfare work are illustrations of this.

The evils of the long ballot have in recent years been clearly shown by our foremost students of government. Nowhere are these evils more manifest than in county government. And yet we have done less to correct them there than in any other field.

Self-government, locally, has been regarded from the earliest days as the cornerstone of our political structure. Unless the people of the several communities are able in the main to take care of their own affairs, too great a strain is placed upon the central government and a highly developed bureaucracy is inevitable. We have already gone too far in this direction. The present tendency will continue unless local government becomes more efficient. It is sometimes urged that to consolidate counties is a move away from local self-government. Quite the reverse, I think, is true. If counties are so small that their revenues will not support an adequate county government, the State will be more and more inclined to take over duties that can be better performed by the county. If we would check the encroachment of the State upon the functions now exercised by the county we must make the county government so efficient that there will be no reason for such a change. Many years ago Elihu Root pointed out in a noteworthy address that if the States did not successfully exercise their functions the Federal Government would gradually draw those functions to itself. The statement provoked much criticism, and yet he was but stating the simple truth. And so if we would preserve local government in the country, we must bring that government down to date, so that it will be able to cope with the new conditions which environ it.

In any ideal reconstruction of county government, the boundaries would be so changed as to make of the county a natural economic and social unit, regard being paid to the principal cities and towns and the territory naturally tributary to such. The aim would be to create a county in which community activities and community consciousness were possible. That it is possible to reconstitute the local subdivisions of government so as to enhance community cooperation and community consciousness no one can doubt. And, therefore, instead of local self-rule suffering, it would in reality be advanced.

The town or township, as it is sometimes called, is a still smaller unit of government which has largely survived its needs. No one but the town assessor knows what its boundaries are. In the earlier days of slow and difficult transportation to the county seat the township had real significance. It was small in extent, because otherwise its citizens could not assemble even once a year. It was supposed to resemble the New England towns which, from the beginning, have been the real unit of government in that portion of the United States. Never, however, in its best days did town government in the United States generally approach in efficiency the towns of New England. Now, with the coming of swift and easy transportation, the reason for town government, outside of New England, seems largely to have disappeared. Gradually its functions have been taken over by the county.

The roads are being constructed and maintained more and more by the county and State. Even where the township road commissioner survives he is under the supervision of the county authorities. In this State we formerly had town collectors of taxes. These officials did little or nothing and were rewarded with 2 per cent upon the taxes paid. During my service as governor of the State we abolished these township collectors. The result has been a direct saving to the State of more than $2,000,000 annually, with the taxes collected more efficiently than before by the county officials. Competent authority estimates that the indirect saving has been in excess of this $2,000,000. Even the township assessor, the last of the town officials who is really active, seems on the way to extinction, as county assessment of all property is now regarded a more equitable method than township assessment.

It may be that the township can be reconstructed so as to become a self-conscious community. The closely knit community, wherever it has been established in rural America, has contributed greatly to the well-being of the members of the community. These communities, however, no longer follow township lines. If, then, something can be created to take the place of the present township, which shall be in fact a rural community, it will be of immense benefit not only to the community itself but to the country at large.

It is often said that we have too much government. Whether this be true or not, it certainly is a fact that we have too many governments. An extreme illustration is the county of Cook, in this State. Chicago, as you know, is situated in this county. All the activities of the county, social, economic, and political, revolve around that city. In fact, Cook County comprises only a part of the metropolitan district of which Chicago is the heart. Portions of other counties are as directly related to Chicago as Cook County is. And yet Cook County alone contains within its borders 392 independent local governments. Is it any wonder that Chicago, with all its vast resources, should be in financial distress?

We are admonished by the current of events that the great problem confronting all civilized countries is to keep public expenditures within public revenues. We have recently seen the great Republic of Germany on the verge of collapse because she could not balance her budget. We have seen the greatest empire of modern times, which has boasted for more than a century that the sun never sets upon her flag, in financial distress threatening the credit structure of the world because she could not keep her expenditures within her income. Are we in America sure that the same danger does not threaten us? With the deficit of our National Government for the last year almost a billion dollars, our deficit for the current fiscal year probably one and a half billion dollars, many of our States and cities and minor political subdivisions in distress, isn't it time for us to take warning from what is happening all round the world?

So much upon the subject of taxation, your special subject for the day. I can not let this occasion pass, however, without briefly discussing some of the other handicaps under which agriculture is laboring at the present time. For the past decade prices of farm products have been lower than the prices of other commodities and services. In a simpler society we were accustomed to see prices move upward or downward together. With the deflation of 1920 a new phenomenon appeared. The prices of farm products declined rapidly, while other prices to a great extent successfully resisted such decline. The explanation by the economists of this disparity was that since earlier depressions other classes of society had succeeded in effecting organizations powerful enough to resist, or at least to moderate, the decline of prices.

The farmers were told that they, too, must organize if they were to acquire the same influence over the price of their products which others enjoy. Cooperative marketing, therefore, seemed to be the remedy for this unbalanced condition.

Organization of the farmers for the purpose of marketing their crops collectively has progressed. Denmark had shown how, under the most adverse circumstances, it could transform the agriculture of a people. Wherever cooperative marketing is farthest advanced,

either in the United States or abroad, there you find agriculture in its best estate; violent fluctuations in the markets lessened; better prices to the producers without an increase in cost, and sometimes with an actual decrease to the consumer; an approach to standardization of product; a more intelligent effort to adjust production to probable demand; a finer and more satisfying community life.

It is doubtful, however, if the cooperatives of the staple farm products will ever be sufficiently organized to give them the power in the making of prices which others now enjoy unless some way be found by which the cost to the cooperatives is borne equally by all producers of the particular commodity. If the producers of any staple farm product are only organized, even though a substantial majority of the producers have united in the cooperative, the producers of that commodity who are not members of the cooperative receive the full benefit of the improved price which the increased bargaining power of the cooperative may secure, without bearing any burden incident to the operations of the cooperative.

It is impossible to maintain the morale of an organization when outsiders receive its benefits in a larger measure than do the members themselves. For this reason the tobacco cooperatives and some others were driven out of business.

I have pointed out how the deflation of 1920 bore more heavily upon the farmers than any other class. Again, when in 1929 the debauch in Wall Street was over and prices generally started downward, farm prices outdistanced all others in the downward march. And for exactly the same reason. As Professor Rogers, of Yale, has recently said, with some prices "entirely rigid, others only partly flexible, and still others, like those of many of our basic raw materials, such as cotton and wheat, completely and immediately responsive to conditions of supply and demand," not only was it inevitable that farm prices should decline more rapidly than other prices, but also that "all sorts of maladjustments would make their appearance." Thus, not only have the farmers suffered as a result of these maladjustments, but all classes of society as well. I have been trying to tell the country for 10 years that we could not maintain general prosperity unless some way were found to correct these maladjustments of which Professor Rogers speaks.

By legislative policies we have created a domestic level of prices higher for those commodities which the farmer must buy in order to carry on his business than obtain in other parts of the world. If it is impossible to make that higher level of prices apply to farm products, how long will the American farmer endure these Government policies which put him at this ruinous disadvantage?

We have erected our tariff barriers ever higher and higher, beyond anything that Hamilton or Clay or Blaine, or even McKinley, ever dreamed. "Tariffs in imitation of or in retaliation for our own" have been adopted by most of the world, with an ever-narrowing market for the products of the farm. The great manufacturing industries of our country are increasingly transferring their operations to foreign lands. It can hardly be claimed that these factories, erected abroad by American capital and employing foreign labor, add to our home market for the farmer's wheat and cotton and corn and livestock. And yet this has always been the basis of the appeal to farmers for their support of a protective tariff.

In September of the present year farm commodity prices were 20 per cent below the 5-year average of 1909–1914. And yet the prices of the supplies the farmer buys, not including taxes and freight, were 27 per cent above the pre-war level.

Now, I submit that there can be no permanent recovery from this depression until this gross inequality has been removed. Let it be remembered that 40 per cent of the purchasing power of our country commonly abides in the farming population and those directly dependent upon it. In other words, in normal times it is worth about four times our entire foreign market.

If, then, farm prices are not to move upward, other prices must come down. If this means a revision of the tariff downward, let that revision be made. If it means lower wages in certain industries where the high labor cost is an important part of the price of the commodity, whatever we may wish, such wages must be lowered. The philosophy of high wages is sound enough if some sort of balance is maintained as between the different large groups of our population. We can not keep this complex economic machine moving, however, if certain millions of our people receive for their labor $1.50 or $2 an hour and certain other millions receive 10 cents an hour for work requiring equal of superior skill. For the millions upon the lower level of income can not buy the products of the other millions. We have the tragic problem of at least 7,000,000 of our fellow citizens out of work. How can they return to useful and productive labor unless something approaching an equilibrium between the prices of other commodities and the prices of farm products be restored?

Even, however, if prices had moved down in unison, though farmers out of debt would find themselves in a much improved condition, debtors would be weighted down by an intolerable burden. The dollar of to-day is worth about as much as a dollar and a half was worth five years ago. And so it follows that those farmers who incurred indebtedness a few years ago to improve their farms or to purchase better equipment or better livestock, in response to the urge of the agricultural colleges and other leaders in agriculture, are now in a position where for every dollar they borrowed they must now pay a much larger sum. That injustice is breaking the backs of many of our best and most progressive farmers.

This is the question which is uppermost in the minds not only of the farming population but of our people generally. There has been an immense amount of discussion upon this subject in recent months. There are a great many economists who believe that it is possible to undo some of the deflation which has occurred in recent years. Only the other day, as reported in the Wall Street Journal, two eminent professors of economics, James H. Rogers, of Yale, and Lionel D. Edie, formerly of Chicago University, expressed themselves unequivocally of the opinion that it was possible, even under existing circumstances, for the Federal reserve banking system, by the exercise of powers which it already possessed, to improve greatly the general price level. Many of our most eminent economists believe that it had it within its power before the debacle of Wall Street two years ago to check the inflation of credit which resulted in that debacle, and afterwards, before deflation had gone so far as to inflict the gravest injury upon our entire economic life, to arrest further deflation.

All classes now agree that unless there is an improvement in the general price level there can be no substantial relief from the unprecedented depression in which we find ourselves. The question, therefore, is a vital one. We have boasted in the past of our ability to meet new situations as they arose. To say that nothing can be done in this matter is the counsel of despair. Why not give heed to the opinions of the long line of eminent economists who believe that, without any disturbance to our gold standard, we have it within our power to erase some of the drastic deflation from which we are now suffering. And that deflation is the greatest in our history and it seems to be gathering momentum all the time. The decline in bank credit has been more rapid in recent months than at any time since deflation set in. Unless some way can be found to check this contraction of credit, thoughtful students fear that we have by no means yet seen the worst.

There is another phase of the banking situation upon which I wish to touch briefly. We have gone insane in this country in our banking operations upon the subject of liquid assets. Liquidity and mobility are the two chief characteristics of the present day. The bank examiners insist upon banks throughout the country having nothing but what they call liquid assets.

I remember very well that when the Federal reserve system was devised, the fundamental principle upon which that system was founded was that commercial paper representing goods in the intermediate stages between production and consumption were liquid assets, because they liquidated themselves. That was the theory of the Federal reserve system, and the issue of currency was based upon this paper. To-day, however, the banking authorities regard bonds, which are the very opposite of quick assets as understood when the Federal reserve system was adopted, more liquid than paper representing cattle or hogs or crops, or almost anything else—and so the banks have been driven to withdraw their investments from the farmers and the small tradespeople to invest in bonds. These bonds, by the way, were largely floated by the great banking houses of New York.

Our bankers down the State—and I suppose this is true elsewhere throughout the country—tell me that they have lost more money on bonds which they have been compelled to buy than they have on all the loans they have made to farmers. Bonds of many foreign countries are quoted at only a small portion of the purchase price. They are selling now for something more, I believe, than the commissions which these banking houses received. And yet those bonds have been approved by our bank examiners in preference to loans to farmers for legitimate purposes.

One of the most prominent bankers in Illinois told me the other day that the prejudice against farm loans is so great that one national bank examiner insisted on his having a chattel mortgage if he made a loan to a farmer to buy cows or other livestock or he would not count the loan as an asset of the bank; and then when my friend went to the Federal reserve bank they would not discount the paper secured by the chattel mortgage because that was against the law.

One arm of the Government insisted on the chattel mortgage before permitting the bank to make the loan, and another branch of the same Government refused to discount the paper because it was accompanied by a chattel mortgage!

Now, all the authorities agree that the business of this modern world is carried on, not by cash, as it was in more primitive times, but largely by credit; and whenever you curtail the basis of credit you injure the whole business structure and help to bring upon us such a crisis as we are facing now.

Then there is land. Why, it is no longer respectable to own land, and you can't talk to a banker about making a loan on land. Is it because of the fact that in this hurried age we have gotten into a frame of mind in which we want nothing that can not be converted into cash instantly or that we can't leave overnight?

In all the past good land has been one of the objects most keenly sought. Not only have individuals so thought of land, but nations as well have regarded themselves happy when they could add to their domain some area somewhere of fertile soil. Two years ago last winter I visited Egypt. The historic valley of the Nile contains only about 10,000 square miles of delta land, and yet every empire of ancient times hazarded war to gain possession of these 10,000 square miles. Rome's possession of this area probably prolonged the life of the Roman Empire for a century or more by furnishing food to the Roman populace when it was no longer able to feed itself.

In the Mississippi Valley alone we have about four times as much delta land as Egypt contains. This single resource ought to distinguish us among nations. And these lands are but a small part of our agricultural heritage. All at once, however, we seem to have abandoned our idea as to their importance and value. Perhaps in earlier times we attached too much importance to land. If so, we have now gone to the other extreme.

Now, if these lands, or mortgages upon these lands, are held in a bank they are called "frozen" assets. Well, no one likes "frozen" assets, but the banks at the urge of the authorities have been buying bonds, foreign and others, because, as we are told, they can be sold upon the New York Stock Exchange. These bonds never "freeze," it is true, but many of them have evaporated into thin air, and I predict that if we ever return to sanity those "frozen" assets of to-day will be the basis of our financial recovery and not these so-called liquid assets.

We have got to restore our faith in these fundamental things before we shall emerge from this depression.

The farmer has been going through the hardest year he has experienced in all his career. According to the Department of Agriculture, in a statement recently issued, his income for the year ending July 1 last was about $350,000,000 less than the average wage of farm labor, which itself was ridiculously low, as the department tells us. In other words, he received no income upon his investment; he received no compensation for his management, and received $350,000,000 less than he would have received if he had been at work for some one else.

If a year ago last spring the farmers of the United States had found some benevolent person to whom they could have given all their property, their lands, and their livestock and other equipment and everything else that they owned and then could have gone to work for this benevolent person, they would have been $350,000,000 better off at the end of the year than they are now. And yet they are going on even in these difficult times. Drive across the country or go by train between distant points, and everywhere you see the farmer in his field gathering his crops or preparing for another year. Drought may come and wither his fields until they look like desert wastes, or flood may come and ruin in its wake; yet he goes on planning and working for the future.

Now, some of our friends in the city say he ought not to do this; that he ought to let his lands lie idle until consumption overtakes production. And yet I am wondering if the farmer's instinct to produce something of value when he sees millions all round the world hungry and but half clothed who need these products of his toil—I wonder if this instinct is not sounder than the teachings of some of our city friends. I wonder if he is not sensing the fact that the trouble comes from the world's maldistribution of goods and services rather than from overproduction by himself. I am sure that whether I am right about this or not, the farmers of America are setting an example to all of us which we might well imitate. If our people in the cities would but cooperate with agriculture in removing the handicaps of which I have spoken and then catch the spirit of these farmers who are carrying on in spite of all their difficulties the dark clouds that fill the sky would pass swiftly by.

ADJOURNMENT

Mr. AYRES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 20 minutes p. m.) the House adjourned until Monday, April 25, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Monday, April 25, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

DISTRICT OF COLUMBIA

(10.30 a. m.)

S. J. Res. 50, to authorize District Commissioners to close Water Street between Twenty-second and Twenty-third Streets.

H. R. 7305, to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products.

RIVERS AND HARBORS

(11 a. m.)

Hearing on Ogdensburg (N. Y.) Harbor project.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

536. A letter from the vice chairman of the American Legion National Legislative Committee, transmitting the proceedings of the Thirteenth Annual National Convention of the American Legion, held at Detroit, Mich., September 21–24, 1931 (H. Doc. No. 48); to the Committee on World War Veterans' Legislation and ordered to be printed, with illustrations.

537. A letter from the Secretary of War, transmitting a report dated April 21, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey on, and review of reports on, Elizabeth River, N. J.; to the Committee on Rivers and Harbors.

538. A letter from the Secretary of War, transmitting a report dated April 20, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Snake River, Idaho, from Pittsburg Landing to Johnsons Bar; to the Committee on Rivers and Harbors.

539. A letter from the Secretary of War, transmitting a report dated April 21, 1932, from the Chief of Engineers, United States Army, on Walnut Harbor, Talbot County, Md.; to the committee on Rivers and Harbors.

540. A letter from the Secretary of War, transmitting a report dated April 22, 1932, from the Chief of Engineers, United States Army, on Potomac River and its tributaries, including Occoquan Creek; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. NOLAN: Committee on the Public Lands. H. R. 10302. A bill to provide for the transfer of certain school lands in North Dakota to the International Peace Garden (Inc.); without amendment (Rept. No. 1113). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 11363. A bill relating to the immigration and naturalization of certain natives of Virgin Islands; without amendment (Rept. No. 1114). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEHLBACH: Committee on Merchant Marine, Radio, and Fisheries. H. J. Res. 328. A joint resolution authorizing the United States Shipping Board to extend, rearrange, or hold in abeyance payments due the construction-loan fund under certain conditions; with amendment (Rept. No. 1115). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. H. R. 11155. A bill to amend the radio act of February 23, 1927, as amended (U. S. C., Supp. V, title 47, sec. 85), and for other purposes; without amendment (Rept. No. 1116). Referred to the House Calendar.

Mr. DAVIS: Committee on Merchant Marine, Radio, and Fisheries. S. 3908. An act to amend title 33, chapter 4, section 252, paragraph (a), of the Navigation Rules for the Great Lakes and Their Connecting and Tributary Waters; with amendment (Rept. No. 1117). Referred to the House Calendar.

Mr. FULLER: Committee on World War Veterans' Legislation. H. R. 7440. A bill to amend the World War veterans' act, 1924, as amended; without amendment (Rept. No. 1118). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SCHAFER: Committee on Claims. S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.); without amendment (Rept. No. 1106). Referred to the Committee of the Whole House.

Mr. GUYER: Committee on Claims. S. 249. An act authorizing adjustment of the claim of William T. Stiles; without amendment (Rept. No. 1107). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. S. 1421. An act for the relief of Little Rock College, Little Rock, Ark.; with-

out amendment (Rept. No. 1108). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. S. 1858. An act for the relief of Harriette Olsen; without amendment (Rept. No. 1109). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. S. 3504. An act for the relief of Lyman L. Miller; without amendment (Rept. No. 1110). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. S. 4166. An act for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes; without amendment (Rept. No. 1111). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. J. Res. 104. Joint resolution for the relief of Tampico Marine Iron Works; without amendment (Rept. No. 1112). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WICKERSHAM: A bill (H. R. 11567) to encourage the mining of coal under competitive conditions in the Territory of Alaska, and for other purposes; to the Committee on the Territories.

By Mr. HOWARD: A bill (H. R. 11568) repealing certain sections of the Revised Code of Laws of the United States relating to the Indians; to the Committee on Indian Affairs.

By Mr. MEAD: A bill (H. R. 11569) to amend the act entitled "An act to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. CABLE: A bill (H. R. 11570) to reduce the rate of interest on adjusted-service certificate loans; to the Committee on Ways and Means.

By Mr. RAGON: Resolution (H. Res. 202) that there shall be paid out of the contingent fund of the House not to exceed $25,000 for the expenses of the select committee appointed under House Resolution 201, to investigate campaign expenditures of the various candidates for the House of Representatives; to the Committee on Accounts.

Also, resolution (H. Res. 201) that a special committee be appointed by the Speaker to investigate expenditures of candidates for President, Vice President, and House of Representatives, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 11571) granting an increase of pension to Marcha Ann Corkill; to the Committee on Invalid Pensions.

By Mr. BARTON: A bill (H. R. 11572) granting an increase of pension to Eliza J. Postlewait; to the Committee on Invalid Pensions.

By Mr. COLTON: A bill (H. R. 11573) for the relief of Ruth L. Shepard; to the Committee on Claims.

By Mr. DALLINGER: A bill (H. R. 11574) for the relief of Richard Munster; to the Committee on Naval Affairs.

By Mr. DICKINSON: A bill (H. R. 11575) granting an increase of pension to Mary E. Hoel; to the Committee on Invalid Pensions.

By Mr. GAMBRILL: A bill (H. R. 11576) granting a pension to Mary V. Gesner; to the Committee on Pensions.

By Mr. GOLDER: A bill (H. R. 11577) granting a pension to Hannah Pressler; to the Committee on Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 11578) granting a pension to Claud Hickman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11579) for the relief of Graham-Baumgarner Co., of Parkersburg, W. Va.; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 11580) for the relief of Shafer Schwartz; to the Committee on Military Affairs.

By Mr. LEWIS: A bill (H. R. 11581) for the relief of Virginia Houghton; to the Committee on Claims.

Also, a bill (H. R. 11582) for the relief of Mary V. Spear; to the Committee on Claims.

Also, a bill (H. R. 11583) for the relief of Alice E. Broas; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 11584) granting an increase of pension to Eliza A. Washington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11585) granting an increase of pension to Sarah E. Spangler; to the Committee on Invalid Pensions.

By Mr. MAY: A bill (H. R. 11586) granting a pension to Sarah Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11587) granting a pension to George W. Brown; to the Committee on Pensions.

Also, a bill (H. R. 11588) granting a pension to Green Morris; to the Committee on Pensions.

By Mr. STEWART: A bill (H. R. 11589) for the relief of Alfred Jacob Kettner; to the Committee on Naval Affairs.

By Mr. WICKERSHAM: A bill (H. R. 11590) to authorize the waiver or remission of certain coal-lease rentals, and for other purposes; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6922. By Mr. ARNOLD: Petition of citizens of Hutsonville, Ill., favoring legislation to regulate the use of public highways by motor trucks and busses engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

6923. By Mr. BACON: Memorial of the New York Board of Trade, first, favoring the balancing of the Budget and increasing taxes; second, favoring governmental economies; and, third, opposing the payment of the bonus at this time; to the Committee on Ways and Means.

6924. Also, resolution of the Merchant Tailors Society of the City of New York, opposing immediate payment of the bonus; to the Committee on Ways and Means.

6925. Also, resolution of the Merchant Tailors Society of the City of New York, opposing stock-transfer tax; to the Committee on Ways and Means.

6926. Also, resolution of the Merchant Tailors Society of the City of New York, favoring repeal of the eighteenth amendment and Volstead Act; to the Committee on the Judiciary.

6927. Also, petition of the New York Department of the Reserve Officers' Association of the United States, favoring the inclusion in the Budget of funds to provide for the training of group 1, combat pilots of the air reserve, during the fiscal year of 1933; to the Committee on Appropriations.

6928. Also, petition of the Nassau Wild-Life Association, protesting against the enactment of House bill 10604; to the Committee on Agriculture.

6929. By Mr. BOEHNE: Petition of citizens of Johnson, Ind., urging favorable action on all bills which have to do with the interstate trucks and busses; to the Committee on Interstate and Foreign Commerce.

6930. Also petition of citizens of Cynthiana, Ind., urging favorable action on all bills which have to do with the interstate trucks and busses; to the Committee on Interstate and Foreign Commerce.

6931. By Mr. BRIGGS: Communication from S. B. Graham, director of vocational education, Galveston public schools, urging continuance of aid through the Federal Board for Vocational Education; to the Committee on Economy.

6932 Also, communication from F. H. Pitts, of Montgomery, Tex., urging continuance of aid through the Federal Board for Vocational Education; to the Committee on Economy.

6933. By Mr. BURDICK: Petition of about 20,000 citizens of Rhode Island, protesting against reduction in pay of Federal employees; to the Committee on Economy.

6934. By Mr. CAMPBELL of Iowa: Petition of 72 business firms and business men of Sioux City, Iowa, opposing the proposed reduction in salaries of Government employees; to the Committee on Economy.

6935. By Mr. CULLEN: Petition of the State convention of the Reserve Officers Association, Department of New York, urging the Congress not to reduce military appropriations which will necessitate the reduction in personnel of the Army, Reserve Officers' Training Corps, citizens' military training camps, National Guard, or rifle practice, and asking Congress to include in the second deficiency bill an appropriation sufficient to provide inactive duty and flying training for the air reserve combat pilots during the remainder of the fiscal year 1932, and that there be included in the Budget funds sufficient to permit training of the Group 1, combat pilots of the air reserve during the fiscal year 1932; to the Committee on Appropriations.

6936. By Mr. HART: Petition of residents of St. Charles, Swan Creek, and Chesaning, Mich., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

6937. By Mr. HOGG of West Virginia: Petition of Huntington Manufacturers Club, opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6938. Also, petition of Madison Rotary Club of Madison, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

6939. By Mr. JOHNSON of Washington: Resolution of the board of directors of the seven savings and loan associations of Grays Harbor County, Wash., praying for early passage of the home loan bank bill; to the Committee on Banking and Currency.

6940. Also, resolution of the Raymond (Wash.) American Legion Post, No. 150, urging payment of the remainder of the adjusted-service certificates; to the Committee on Ways and Means.

6941. Also, resolution of the council of the city of Tacoma, Wash., urging the enactment of pending legislation appropriating $5,500,000,000 for public-works program; to the Committee on Ways and Means.

6942. By Mr. KVALE: Petition of Zuhrah Temple, A. A. O. N. M. S., Minneapolis, Minn., requesting adoption of John Philip Sousa's march, The Stars and Stripes Forever, as the official national march of the United States of America; to the Committee on the Judiciary.

6943. Also, petition of Minneapolis Central Labor Union, urging immediate payment of adjusted compensation for ex-service men; to the Committee on Ways and Means.

6944. Also, petition of Lodge No. 30 of the Switchmen's Union of America, Minneapolis, Minn., opposing any cut in Federal salaries; to the Committee on Economy.

6945. Also, petition of Post No. 352, American Legion, St. Paul, Minn., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6946. Also, petition of Minnesota Commandery of the Military Order of Foreign Wars of the United States, opposing reduction in the strength of the Regular Army, the National Guard, and any reduction of appropriations for the organized reserves, Reserve Officers' Training Corps, and the citizens' military training camps; to the Committee on Appropriations.

6947. Also, petition of Local No. 209 of the Farmers Union, Beardsley, Minn., urging enactment of Senate bill 2487 and House bill 7797; to the Committee on Agriculture.

6948. Also, petition of Women's Auxiliary, Local No. 65, National Federation of Post Office Clerks, St. Paul, Minn., protesting against pay cuts in salaries of postal employees; to the Committee on Economy.

6949. Also, petition of Local No. 209, of the Farmers Union, Beardsley, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

6950. Also, petition of Minnesota Scandinavian Grand Lodge, Minneapolis, Minn., urging that the wet and dry question not enter into and obscure every other issue that may arise; to the Committee on the Judiciary.

6951. Also, petition of legislative department of American Legion Auxiliary, Minneapolis, Minn., protesting against repeal of provisions for benefits to veterans without proper hearings; to the Committee on World War Veterans' Legislation.

6952. Also, petition of Post No. 16, United Veterans of Spanish War, Minneapolis, Minn., urging enactment of House bill 1; to the Committee on Banking and Currency.

6953. Also, petition of Minnesota Chapter, No. 25, National Sojourners, requesting support of the national defense act in its present form; to the Committee on Appropriations.

6954. By Mr. LAMBERTSON: Petition of 482 citizens and business men of Topeka, Kans., urging favorable action on the Patman bill (H. R. 1); to the Committee on Ways and Means.

6955. By Mr. LINDSAY: Petition of Reserve Officers' Association of the United States, Department of New York, H. S. Wilgus, president, favoring the inclusion in the Budget of funds sufficient to permit training of Group 1, combat pilots of the Air Reserve, during the fiscal year 1933; to the Committee on Appropriations.

6956. Also, petition of Veterans of Foreign Wars, Post No. 930, Earl R. Sawyer, commander, Brooklyn, N. Y., favoring the Patman bill (H. R. 1); to the Committee on Ways and Means.

6957. By Mr. LUDLOW: Petition of Federal Post, No. 62, the American Legion, Department of Indiana, protesting against reduction of salaries of Federal employees; to the Committee on Economy.

6958. Also, petition from the patients of the Indianapolis Veterans' Hospital, showing their ideas concerning the bonus and other veterans' legislation; to the Committee on Ways and Means.

6959. By Mr. MEAD: Petition of the Merchant Tailors Society of the City of New York, opposing stock-transfer tax; to the Committee on Ways and Means.

6960. Also, petition of the Merchant Tailors Society of the City of New York, opposing the bonus bill; to the Committee on Ways and Means.

6961. Also, petition of New York Board of Trade (Inc.), suggesting means of raising revenue, etc.; to the Committee on Ways and Means.

6962. Also, petition of the Merchant Tailors Society of the City of New York, opposing prohibition; to the Committee on the Judiciary.

6963. Also, petition of Military Order of Foreign Wars of the United States, opposing payment of the adjusted-service-compensation certificates; to the Committee on Ways and Means.

6964. Also, petition of board of directors of Dairymen's League Cooperative Association (Inc.), opposing drastic cuts in the appropriation for vocational training; to the Committee on Appropriations.

6965. Also, petition of New York State shippers, favoring Federal regulation of motor trucks; to the Committee on Interstate and Foreign Commerce.

6966. By Mr. MILLARD: Resolution of the State convention of the Reserve Officers' Association, Department of New York, opposing any reduction in military appropriations, personnel, and defensive plan, and favoring appropriation for training air reserve combat pilots, 1932, and air reserve combat pilots, 1933; to the Committee on Appropriations.

6967. Also, petition signed by citizens of Larchmont, Mamaroneck, and White Plains, N. Y., protesting against proposed soldiers' bonus bill; to the Committee on Ways and Means.

6968. By Mr. PARKER of Georgia: Petition of F. F. Sieg, of Savannah, Ga., and six other citizens, urging the passage of House bill 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

6969. Also, petition of J. D. Kirkland, of Metter, Ga., and five other citizens, urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

6970. By Mr. PARTRIDGE: Petition of W. A. Redmun and 19 other railway employees residing at Livermore Falls, Me., urging the passage of House bill 9891, and voicing opposition to Senate bill 3892 and House bill 10023; to the Committee on Interstate and Foreign Commerce.

6971. By Mr. PATMAN: Petition of W. L. Murray and 107 other veterans of the United States naval hospital, Pensacola, Fla., urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6972. Also, petition of Lawrence M. Tuttle and other citizens and veterans of Waltham, Mass., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6973. Also, petition of American Legion Auxiliary Unit, No. 275, Dallas, Tex., submitted by Mrs. C. E. Wolfe, fifth district committeewoman, Department of Texas, American Legion Auxiliary, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6974. Also, petition of American Legion Post, No. 59, Earle, Ark., submitted by W. O. Buck, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6975. Also, petition of American Legion Post, No. 1, Florence, S. C., submitted by Jack D. Grimes, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6976. Also, petition of Appleton Grange, No. 127, Jerome, Idaho, submitted by Mrs. M. S. Perkins, secretary of said grange, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6977. Also, petition of William H. Nellist and 444 other citizens of Buffalo, N. Y., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6978. Also, petition of the Working, Business, and Professional Men's Forum, Birmingham, Ala., submitted by H. M. McGhee, secretary of said organization, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6979. Also, petition of American Legion Post, No. 52, Jersey City, N. J., submitted by John J. Flynn, adjutant of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6980. Also, petition of American Legion Post, No. 37, Hooksett, N. H., submitted by George A. Cook, adjutant of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6981. Also, petition of American Legion Post, No. 19, Bayonne, N. J., submitted by commander and adjutant of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6982. Also, petition of American Legion Post, No. 281, Cuyahoga, Ohio, submitted by E. C. Clifford, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6983. Also, petition of American Legion Post, No. 70, Lenoir City, Tenn., submitted by W. C. Lee, commander, and J. A. Coble, adjutant, of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

6984. By Mr. PEAVEY: Petition of numerous citizens of Spooner, Wis., protesting against the enactment of Senate bill 1202, providing for the closing of barber shops in the District of Columbia on Sunday; to the Committee on the District of Columbia.

6985. Also, petition of numerous citizens of Polk County, Wis., protesting against the enactment of Senate bill 1202, providing for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

6986. Also, petition of numerous citizens of Gleason, Wis., protesting against Senate bill 1202, providing for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

6987. By Mr. RUDD: Petition of Brooklyn Technical High School, Albert L. Colston, principal, Brooklyn, N. Y., protesting against suspension of Federal aid for vocational education; to the Committee on Economy.

6988. Also, petition of Reserve Officers' Association of the United States, Department of New York, favoring the necessary appropriation sufficient to permit training of the Group 1 combat pilots of the air reserve during the fiscal year 1933; to the Committee on Appropriations.

6989. Also, petition of Brooklyn industrial high schools for girls, Margaret A. Jones, principal, Brooklyn, N. Y., protesting against the suspension of Federal aid for vocational education; to the Committee on Economy.

6990. Also, petition of Williamsburg Continuation School, George F. Pigott, jr., principal, Brooklyn, N. Y., protesting against the suspension of Federal aid for vocational education; to the Committee on Ways and Means.

6991. Also, petition of Earl R. Sawyer, commander Post No. 930, Veterans of Foreign Wars, Brooklyn, N. Y., favoring the passage of the Patman bill, H. R. 1; to the Committee on Ways and Means.

6992. Also, petition of department of vocational education, Syracuse, N. Y., favoring continuation of Federal aid for vocational education; to the Committee on Economy.

6993. Also, petition of 35,000 New York City teachers, opposing reduction of the Federal employees salaries; to the Committee on Economy.

6994. Also, petition of John T. Burrows, 61 Broadway, New York City, referring to Muscle Shoals legislation; to the Committee on Military Affairs.

6995. Also, petition of I. G. Ammen, Yonkers, N. Y., opposing Muscle Shoals legislation; to the Committee on Military Affairs.

6996. Also, petition of Isabel A. Ennis, New York City, opposing any curtailment of funds of the Federal Board for Vocational Training; to the Committee on Economy.

6997. By Mr. SHOTT: Resolution of the twelfth Pythian district of the Knights of Pythias, located in southern coal fields of West Virginia, protesting against passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6998. Also, letter signed by Joe S. Gentry of the Gentry Bros. Printing Co., Huntington, W. Va., opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

6999. Also, resolution adopted by the Kanawha Valley Coal Mining Institute, Cannelton, W. Va., opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7000. Also, resolution of the Madison Rotary Club, of Madison, Boone County, W. Va., opposing as detrimental to the best interests of the bituminous coal industry and the State of West Virginia as a whole the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7001. Also, resolution passed at a meeting of the directors of the Huntington Manufacturers Club, Huntington, W. Va., opposing as detrimental to the best interests of the coal industry and therefore the entire business field of the bituminous-coal section the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7002. Also, letter signed by A. R. McIntosh, machinists' representative; J. W. Hill, boilermakers' representative; D. L. Holtz, sheet metal workers' representative; R. C. Wright, carmen's representative; H. P. Ward, electrical workers' representative; and J. T. Williams, blacksmiths' representative, representing 741 shop employees of the Norfolk & Western Railway, protesting against the passage of the Davis-Kelly

coal control bill; to the Committee on Interstate and Foreign Commerce.

7003. Also, letter signed by Carl Grace, O. C. Wyrick, E. H. Vaughn, Henry Craig, Carl Keyser, and James M. Nunnally, representing 486 shop employees of the Norfolk & Western Railway, opposing as detrimental to the bituminous-coal industry and therefore to the coal-carrying railroads the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7004. Also, letter signed by T. L. Lumpkins, F. M. Leslie, B. H. Hill, R. F. Wilkins, T. C. Farmer, Albert Testerman, representing 84 shop employees of the Norfolk & Western Railway, opposing as ruinous to the bituminous-coal industry and therefore dangerous to the coal-carrying railroads the passage of the Davis-Kelly coal bill designed to regulate and control the bituminous-coal industry; to the Committee on Interstate and Foreign Commerce.

7005. Also, resolution of the Fayetteville (W. Va.) Rotary Club, signed by J. K. McGrath, president, and W. C. Neel, secretary, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7006. Also, letter signed by Arthur L. Wooten, J. J. Bishop, Luther Sanford, Ralph J. Breman, B. F. Looney, W. L. Grubb, F. T. Craig, all of West Virginia, representing 8,000 shop employees of the Norfolk & Western Railway Co., opposing as detrimental to the bituminous-coal industry and therefore to the coal-carrying railroads the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7007. Also, letters from Emery Tilley and M. G. Weaver, of Mullens, protesting against the passage of the Davis-Kelly control bill; to the Committee on Interstate and Foreign Commerce.

7008. Also, letter signed by J. H. Goosby, J. T. Carey, and G. G. Griffin, of Bluestone, W. Va., representing 196 shop employees of the Norfolk & Western Railway, protesting against the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7009. Also, letter and resolution from the Railroad Employees and Taxpayers Association of Bluefield, W. Va., J. W. Cahill, president, protesting against and opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7010. Also, letter from the Princeton Foundry & Supply Co., Princeton, W. Va., signed by George E. Farmer, secretary-treasurer, vigorously opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7011. Also, resolution of the Rotary Club of Charleston, W. Va., opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7012. By Mr. STEWART: Petition of the guild of the First Presbyterian Church of Plainfield, N. J., protesting against the unjust treatment of Eskimos in Alaska, etc.; to the Committee on the Territories.

7013. By Mr. STRONG of Pennsylvania: Petition of Johnstown Post, No. 294, American Legion, favoring the immediate payment of the balance due on adjusted-service certificates; to the Committee on Ways and Means.

7014. By Mr. SWING: Petition signed by 1,512 citizens of San Diego, Calif., protesting against compulsory Sunday-observance legislation; to the Committee on the District of Columbia.

7015. Also, petition signed by 1,014 citizens of San Diego, Calif., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

7016. By Mr. TEMPLE: Petition of Guy A. Shick, of Bentleyville, and 27 other residents of Washington County, Pa., supporting the proposed legislation providing for full payment of the adjusted-service certificates; to the Committee on Ways and Means.

7017. By Mr. THOMASON: Petition of bar of Alpine, Brewster County, Tex., protesting against the passage of Senate bills 937 and 939, in reference to depriving individuals and corporations of right to removing suits from State to Federal courts; to the Committee on the Judiciary.

7018. Also, petition of Big Bend Post, No. 79, American Legion, Alpine, Tex., urging payment of balance due on adjusted-service certificates; to the Committee on Ways and Means.

7019. By Mr. WEST: Petition of 25 business men of West Lafayette, Ohio, protesting against suspending Federal aid for vocational education for one year; to the Committee on Agriculture.

SENATE

MONDAY, APRIL 25, 1932

Rev. Anson Phelps Stokes, D. D., LL. D., canon of the Washington Cathedral, city of Washington, offered the following prayer:

Almighty God, who hast given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion, from pride and arrogancy, and from every evil way. Defend our liberties and fashion into one united people the multitudes brought hither out of many kindreds and tongues. Endue with the spirit of wisdom those to whom we intrust the authority of government, especially the Members of this Senate, that there may be justice and peace at home, and that through obedience to Thy law we may show forth Thy praise among the nations of the earth. Especially in this day of anxiety and distress suffer not our trust in Thee to fail. All of which we ask through Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Friday last, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8083) providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON of Georgia, Mr. MCCLINTIC of Oklahoma, Mr. DREWRY, Mr. BRITTEN, and Mr. DARROW were appointed as managers on the part of the House at the conference.

The message also announced that the House had concurred in the concurrent resolution (S. Con. Res. 25) providing for printing additional copies of the hearings before the Senate Committee on Finance on the bill (H. R. 10236) to provide revenue, equalize taxation, and for other purposes.

The message further announced that the House had concurred in the current resolution (S. Con. Res. 18) authorizing the printing of 3,000 additional copies of hearings held before the Committee on Manufactures on the establishment of a national economic council, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 11290) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Robinson, Ark.
Austin	Cutting	Johnson	Robinson, Ind.
Bailey	Dale	Jones	Schall
Bankhead	Dickinson	Kean	Sheppard
Barbour	Dill	Kendrick	Shipstead
Barkley	Fess	Keyes	Shortridge
Bingham	Fletcher	La Follette	Smoot
Black	Frazier	Lewis	Steiwer
Blaine	George	Logan	Stephens
Borah	Glass	McGill	Thomas, Idaho
Bratton	Glenn	McKellar	Thomas, Okla.
Brookhart	Goldsborough	McNary	Townsend
Broussard	Gore	Metcalf	Trammell
Bulkley	Hale	Moses	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Walcott
Caraway	Hatfield	Norris	Walsh, Mass.
Carey	Hawes	Nye	Waterman
Connally	Hayden	Oddie	Watson
Copeland	Hebert	Patterson	White
Costigan	Howell	Reed	

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is absent owing to illness.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is still detained from the Senate in attendance upon the disarmament conference at Geneva.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

TRANSACTIONS OF SHIPPING BOARD MERCHANT FLEET CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the United States Shipping Board, transmitting An Analysis of a Special Report of the Comptroller General of the United States of the Financial Transactions of the United States Shipping Board Merchant Fleet Corporation Dealing with Matters Arising in the Audit of the Accounts, which report was printed as House Document No. 217, Seventy-second Congress, first session, which, with the accompanying document, was referred to the Committee on Commerce.

CHANGE IN DATE OF INAUGURATION

The VICE PRESIDENT laid before the Senate a letter from the Governor of Rhode Island with an accompanying resolution of the Legislature of the State of Rhode Island, which were ordered to lie on the table and to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
EXECUTIVE CHAMBER,
Providence, April 23, 1932.

The PRESIDING OFFICER OF THE UNITED STATES SENATE,
Washington, D. C.

SIR: In accordance with the request of the General Assembly of Rhode Island I am inclosing herewith a certified copy of a resolution passed at its recent session.

Respectfully,

NORMAN S. CASE, *Governor.*

STATE OF RHODE ISLAND, ETC.,
IN GENERAL ASSEMBLY.
January Session, A. D. 1932.

Resolution relative to the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

Whereas at the first session of the Seventy-second Congress of the United States of America it was resolved by the Senate and House of Representatives of the United States in Congress assembled (two-thirds of each House concurring therein) that the following article be proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as part of the Constitution, viz:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission":

Therefore be it

Resolved, That the Legislature of the State of Rhode Island does hereby ratify the above-proposed amendment to the Constitution of the United States; and be it further

Resolved, That the governor be requested to transmit a copy of these resolutions and preamble to the Secretary of State of the United States, to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

STATE OF RHODE ISLAND,
OFFICE OF THE SECRETARY OF STATE,
Providence, April 20, 1932.

I hereby certify the foregoing to be a true copy of a resolution entitled "Resolution relative to the proposed amendment to the Constitution of the United States, fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress," passed by the General Assembly of the State of Rhode Island and Providence Plantations on the 14th day of April, A. D. 1932, and approved by his excellency the governor on the 18th day of April, A. D. 1932.

In testimony whereof, I have hereunto set my hand and affixed the seal of the State of Rhode Island, this 20th day of April, in the year 1932.

[SEAL.] ERNEST L. SPRAGUE,
Secretary of State.

The VICE PRESIDENT also laid before the Senate a letter of the secretary of state of Maine, with an accompanying resolution of the Legislature of the State of Maine, which were ordered to lie on the table and to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
STATE OF MAINE,
Augusta, April 19, 1932.

To the honorable the PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: In accordance with the provisions of the attached resolution of the Legislature of the State of Maine, I have the honor to forward you herewith a certified and fully authenticated copy of a resolution titled as follows:

"A resolve ratifying proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress."

The same was adopted by the Legislature of the State of Maine on April 1, A. D. 1932.

Respectfully,

EDGAR C. SMITH, *Secretary of State.*

STATE OF MAINE.

I, William Tudor Gardiner, Governor of the State of Maine, hereby certify that Edgar C. Smith is the secretary of the State of Maine, duly elected and qualified; that he is the legal custodian of the great seal of the State of Maine; and he is the legal custodian of the laws, resolves, and resolutions enacted by the Legislature of the State of Maine. I further certify that his attestation to the document hereunto annexed is in due form; that I am well acquainted with his handwriting, and that I verily believe his signature subscribed to said attestation is genuine.

In testimony whereof I have caused the great seal of the State to be hereunto affixed.

Given under my hand at Augusta this 1st day of April, A. D. 1932, and in the one hundred and fifty-sixth year of the independence of the United States of America.

[SEAL.] WM. TUDOR GARDINER, *Governor.*

STATE OF MAINE,
DEPARTMENT OF STATE.

I, Edgar C. Smith, secretary of state of the State of Maine, certify that by the constitution and laws of this State I am custodian of the seal of said State and of the laws, resolves, and resolutions enacted by the Legislature of the State of Maine. I further certify that the paper to which this certificate is annexed is a true copy of a resolve entitled "A resolve ratifying proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and

Members of Congress, and fixing the time of the assembling of Congress."

In testimony whereof I have caused the great seal of the State to be hereunto affixed. Given under my hand at Augusta this 1st day of April, A. D. 1932, and in the one hundred and fifty-sixth year of the independence of the United States of America.

[SEAL.] EDGAR C. SMITH, *Secretary of State.*

STATE OF MAINE, 1932.

A resolve ratifying proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress

Whereas the Seventy-second Congress of the United States of America, at the first session begun and held at the city of Washington on Monday, the 7th day of December, 1931, by a Constitutional two-thirds vote in both Houses, adopted a joint resolve proposing an amendment to the Constitution of the United States, to wit:

Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission":

Therefore be it

Resolved, That the Legislature of the State of Maine hereby ratifies and adopts this proposed amendment to the Constitution of the United States: And be it further

Resolved, That the secretary of state of the State of Maine notify the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States of this action of the legislature by forwarding to each of them a certified copy of this resolve.

IN SENATE CHAMBER,
April 1, 1932.

Read and adopted. Sent down for concurrence.

ROYDEN V. BROWN, *Secretary.*
HOUSE OF REPRESENTATIVES,
April 1, 1932.

Read and adopted.

CLYDE R. CHAPMAN, *Clerk.*

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by members of the College of the City of New York Post, No. 717, American Legion, of New York City, opposing the passage of legislation providing for the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the American Veterans' Association of Los Angeles, Calif., favoring the passage of legislation providing for the immediate cash payment at full face value of veterans' adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Ninth Ward Republican Organization, of Jersey City, N. J., protesting against proposed reductions in the compensation of postal employees, which were referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the Society of American Florists and Ornamental Horticulturists, at Hartford, Conn., favoring retrenchment in governmental expenditures, and opposing further taxation of industry, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter from C. Guthrie, dated at Saginaw, Mich., April 16, 1932, favoring the balancing of the Budget, retrenchment in governmental expenditures, the imposition of a general sales tax of 2½ per cent, and other measures looking to the relief of the economic condition of the Nation, which was referred to the Committee on Appropriations.

He also laid before the Senate a petition of sundry citizens, being substitute employees of the Schenectady (N. Y.) post office, praying for the passage of pending legislation for the relief of substitute employees in the Postal Service, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a resolution adopted by members of Farmers Union, Local No. 405, of Williston, N. Dak., favoring the passage of legislation known as the Frazier farm relief bill, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution adopted by members of the Young People's Religious Union of the Unitarian Church of Salina, Kans., signed by Lorin Brown, its president, and other officers and members, indorsing the stand taken by the American delegation to the Geneva Disarmament Conference for a policy of universal reduction of armaments, coupled with the abolition of the more frightful methods of warfare, etc., which were referred to the Committee on Foreign Relations.

He also laid before the Senate a letter from M. H. Reymond of Binghamton, N. Y., inclosing a photostat copy of patent application No. 599246 (including drawing, petition, and specification), together with a photostat copy of conditional assignment thereof, being in relation to an automatic balancing mechanism between national output in goods and purchasing power in money, which, with the accompanying copies of papers, was referred to the Committee on Patents.

He also presented a resolution adopted by New York Typographical Union, No. 6, of New York City, N. Y., indorsing the unemployment relief measures sponsored by the junior Senator from New York [Mr. WAGNER], which was ordered to lie on the table.

He also laid before the Senate resolutions of the Kansas Pharmaceutical Association, in convention assembled at Wichita, Kans., indorsing the so-called Capper-Kelly bill, being the bill (S. 97) to protect trade-mark owners, distributors, and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguishing trade-mark, brand, or name, which were ordered to lie on the table.

Mr. KENDRICK. Mr. President, I present a telegram in the nature of a petition signed by 198 ex-service men of Carbon County, Wyo., praying for the immediate payment in full of adjusted-compensation certificates of World War veterans, which I ask may be appropriately referred.

The VICE PRESIDENT. The telegram will be received and referred to the Committee on Finance.

Mr. METCALF presented a memorial of sundry manufacturers of the States of Rhode Island and Massachusetts, remonstrating against the imposition of a duty of 66 per cent on imports of crude petroleum, which was referred to the Committee on Finance.

Mr. ASHURST presented a telegram from the Arizona Newspaper Association (signed by C. A. Mitten, its president), assembled in meeting at Phoenix, Ariz., on the question of a countervailing duty, indorsing the prompt passage

of legislation to permit of quick adjustment of depreciated currencies abroad to our money standards that can be administered by administrative action to fit shifting conditions, which was referred to the Committee on Finance.

Mr. DILL presented the petition of Mabel B. Du Bois and sundry other citizens of Spokane, Wash., praying for the passage of House bill No. 5659, authorizing the Department of Justice to investigate revolutionary activities and propaganda of communists in the United States, etc., which was referred to the Committee on the Judiciary.

Mr. TYDINGS presented a resolution adopted by the Hagerstown (Md.) Civic League (Inc.), favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented the petition of James C. Harlan and sundry other citizens of Havre de Grace, Md., praying for the passage of legislation providing for payment in full of adjusted-service compensation certificates (bonus), which was referred to the Committee on Finance.

He also presented memorials of sundry citizens and motor firms of the State of Maryland, remonstrating against the imposition of taxes on automobiles and the motor industry in the pending tax bill, which were referred to the Committee on Finance.

Mr. WALCOTT presented a letter from the Young Republican Club, of Ridgefield, Conn., opposing the maintenance of the eighteenth amendment of the Constitution and the Volstead Act, which was referred to the Committee on the Judiciary.

He also presented a letter from the board of directors of the Connecticut Association of Credit Men, favoring a program of national economy, and opposing an increase in the rate on first-class mail matter, which was referred to the Committee on Finance.

He also presented a letter from officers of the Connecticut Association of Public School Superintendents, signed by E. W. Ireland, its president, Stratford, Conn., favoring the balancing of the Budget, retrenchment in Federal expenditures, abandonment of the policy of "soaking the rich," and a taxing program with a wider basis, and opposing a cut of 34 per cent in the appropriations for the office of education, etc., which was referred to the Committee on Finance.

He also presented petitions and letters and telegrams, in the nature of memorials, from the Manufacturers Association of Meriden (Inc.), of Meriden; the American Legion, Department of Connecticut, of Hartford; the real-estate board of Westport, and sundry citizens of New Haven, Suffield, Hartford, East Hartford, and Wethersfield, all in the State of Connecticut, remonstrating against the passage of legislation providing for the payment of adjusted-compensation certificates (bonus) of World War veterans at this time, which were referred to the Committee on Finance.

He also presented petitions and letters and telegrams, in the nature of petitions, from Chateau-Thierry Post, No. 1344, Veterans of Foreign Wars, of Derby; Tomalonis-Hall Post, No. 84, American Legion, of Simsbury; the Y. D. Association, of Seymour; and the Murphy-Rathbun Post, No. 189 (Inc.), Veterans of Foreign Wars, of New London, all in the State of Connecticut, praying for the immediate payment in cash of World War adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented papers, in the nature of petitions, of sundry citizens of New Haven, Bridgeport, Hartford, West Hartford, Waterbury, Greenwich, Cromwell, Southport, Middletown, Milford, Mystic, Stratford, New Canaan, Kent, Norwalk, Norton Heights, South Glastonbury, Woodbury, Torrington, Vernon, Noank, Riverside, Manchester, Fairfield, Middlebury, Norwich, Canaan, Glenbrook, Willimantic, Buckland, Wilton, South Manchester, Devon, Brookfield Center, Ridgefield, Darien, Wallingford, South Norwalk, New London, Stafford Springs, and Stamford, all in the State of Connecticut, favoring the modification of the Volstead Act and the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented papers, in the nature of memorials, from sundry citizens of Waterbury, Bridgeport, West Hartford, New Haven, Ansonia, Cheshire, Saybrook, and Washington Depot, all in the State of Connecticut, remonstrating against the modification of the Volstead Act or the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented papers, in the nature of petitions, of sundry citizens of Hamden, Bridgeport, New Haven, West Haven, North Haven, East Haven, Stamford, Milford, New Britain, Old Greenwich, Greenwich, Guilford, Waterbury, Stratford, South Norwalk, Saybrook, Devon, Fairfield, Orange, Mount Carmel, Norwalk, Centerville, East River, Branford, Shelton, Hartford, Seymour, East Hartford, West Hartford, Meriden, Madison, Danbury, Groton, Millidale, Middlebury, Manchester, Westport, Wallingford, Thompsonville, Southport, Kensington, and Ansonia, all in the State of Connecticut, praying for the passage of the bill (H. R. 9891) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

Mr. SHORTRIDGE presented resolutions adopted at the spring meeting of the Presbytery, representing 108 organized Presbyterian churches in Southern California, favoring the so-called Stimson policy of refusing to recognize territorial or financial gains made by use of illegal means on the part of any nation, and also the ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented letters and telegrams, in the nature of memorials, from the International Union of Steam and Operating Engineers, Local No. 336, of Fresno; Upholsterers, Carpet and Linoleum Mechanics' International Union of North America, Local No. 5, of Oakland; the Building Trades Council of Monterey County, by Paul D. Smith, recording secretary; Bookbinders and Bindery Women's Union, Local No. 31.125, by William J. Osterloh, secretary, of San Francisco; Oakland Printing Pressmen and Assistants' Union, No. 125, of Oakland, by George A. Gray, recording secretary; Coalinga Post No. 2, American Legion, of Coalinga, by Claude L. Kemp, commander; United Association of Journeymen Plumbers and Steam Fitters, Local No. 484, of Ventura, by Francis Leach, recording secretary; M. H. Hellmann, of Los Angeles, and sundry other citizens, all in the State of California, remonstrating against proposed reductions in the compensation of Federal employees, which were referred to the Committee on Appropriations.

He also presented numerous letters and telegrams from sundry citizens and organizations, all in the State of California, remonstrating against proposed reductions in the compensation of Federal employees, especially those in the Postal Service, which were referred to the Committee on Appropriations.

He also presented letters, in the nature of memorials, from sundry citizens and organizations in the State of California, remonstrating against the passage of legislation providing for payment of adjusted-compensation certificates (bonus) of World War veterans at this time, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from sundry citizens and organizations in the State of California, remonstrating against an increase in the first-class postage rate in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters, in the nature of memorials, from sundry citizens and organizations in the State of California, remonstrating against the imposition of a 10 per cent excise tax on jewelry in the pending tax bill, which were referred to the Committee on Finance.

He also presented petitions and letters, in the nature of petitions, numerously signed, of sundry citizens and organizations in the State of California, praying for the prompt

passage of legislation providing for payment of adjusted-compensation certificates of World War veterans (bonus), which were referred to the Committee on Finance.

Mr. WALSH of Massachusetts presented a letter signed by Emily M. Hussey and other members of the Unitarian Women's Alliance, of New Bedford, Mass., indorsing the stand taken by the American delegation to the Geneva disarmament conference for a policy of universal reduction of armaments, coupled with abolition of the more frightful methods of warfare, etc., which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry manufacturers of the States of Massachusetts and Rhode Island, remonstrating against the imposition of a duty of 66 per cent on imports of crude petroleum, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens, being employees of the Weymouth branches of the Boston (Mass.) postal district, remonstrating against proposed reductions in the compensation of postal employees, which was referred to the Committee on Appropriations.

PROPOSED GENERAL LAFAYETTE COMMEMORATIVE STAMP

Mr. WALSH of Massachusetts. Mr. President, I present a letter from Mr. P. J. Connelly, president of the Dorchester (Mass.) Board of Trade, indorsing the movement sponsored by the Suburban Stamp and Curio Club of Boston, to secure a General Lafayette commemorative stamp, which I ask may be printed in the RECORD, with the accompanying paper, and appropriately referred.

There being no objection, the letter and accompanying paper were referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

DORCHESTER BOARD OF TRADE,
Boston, Mass., April 14, 1932.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: We heartily indorse the movement sponsored by the Suburban Stamp and Curio Club of Boston to secure a General Lafayette commemorative stamp.

This honor would be especially appropriate in this year of Washington commemoratives, as Lafayette was Washington's loyal and true friend.

The attached circular will outline Lafayette's many services for our country.

We would appreciate any support and cooperation you may be in a position to extend in this worthy undertaking.

With kind personal regards, I remain, very truly yours,

P. J. CONNELLY,
President.

A commemorative stamp to the memory of General Lafayette would be especially appropriate in this year of Washington commemoratives.

He was the friend of Washington and of all the men whom the fortunes of war brought across Washington's path, there was none who became dearer to him than Lafayette, for the generous, high-spirited young Frenchman, full of fresh enthusiasm and brave as a lion, appealed at once to Washington's heart.

The excellent service of Lafayette in the field, together with his invaluable help in securing the French alliance, deepened and strengthened the sympathy and affection, which were entirely reciprocal.

Lafayette served in the Army without pay and gave his money, his talents, his influence, and his blood for the cause of American freedom. He was the most-loved person who has ever come from a foreign country.

In response to the invitation of President Monroe in 1824, he visited the United States and was everywhere received with tokens of enthusiastic reverence and affection.

He laid the corner stone of Bunker Hill Monument and afterwards refused to take the seat which had been reserved for him among the officials and invited guests. He said he belonged among the survivors of the Revolution and there he would sit. So he took a seat among the veterans with no shelter from the rays of a June sun.

The one hundred and seventy-fifth anniversary of the birth of General Lafayette will be September 6, 1932.

Would you not favor a commemorative stamp to the friend of Washington?

The Surburban Stamp and Curio Club of Boston is the sponsor of this movement and asks both your indorsement and your assistance.

PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, in the course of the debate on the Philippine bill we probably shall hear again the argument that Congress may not constitutionally grant independence to the Philippine Islands. Some of those who use this argument are undoubtedly convinced of its validity. Others, however, are urging objection not because they would prevent a breach or a disregard of the Constitution but because for quite different reasons they hope to make it an obstacle to Philippine independence. They well know that our policy from the beginning of our sovereignty over the islands, the traditions upon which that policy was founded, our solemn promises to the Filipino people, our obligation to ourselves—all demand that we give the Filipino people separate, independent nationhood.

These objectors are aware they can not successfully make pure selfishness a ground for keeping the islands and not keeping our word. Their dream of empire in the Far East, their hope of a military satrapy according to European models, their wish to exploit the resources of a country which we have long since dedicated to freedom—none of these, they foresee, can be offered to the American people as a sufficient excuse for breaking faith with the Filipinos and the whole world. They are compelled, then, to invent an argument that will seem at least somewhat worthy of the great question under discussion. They can not afford to call this proposal "unbusinesslike" or "unprofitable" or "unimperial"—as they really would like to characterize it—so they term it "unconstitutional."

One of the authors of this argument is the late Daniel Williams, formerly judge of a court of land registration in the Philippine Islands. I do not pretend to say how much weight lawyers attach to Judge Williams's contention, but it is repeated by some of the laymen who are opposing independence. The answer to the argument has been given by some of the greatest constitutional lawyers in our history, Republicans as well as Democrats. The answer has been given also by an Attorney General of the United States, not informally or by way of personal opinion, but officially, as counselor of the Federal Government.

President McKinley was a sound lawyer as well as a legislator of long and wide experience. It is safe to assume, moreover, that in his recommendations to Congress with respect to the disposition of the Philippine Islands he consulted his Attorney General, one of the leading jurists of his time.

The whole subject [of the Philippines] is now with Congress—

Said President McKinley—

and Congress is the voice, the conscience, and the judgment of the American people. Upon this judgment and conscience can not we rely?

This statement of President McKinley's must be remembered in connection with another he made.

We shall continue as we have begun—

He said to Congress in December, 1899—

* * * to make these people * * * feel that it is their liberty and not our power * * * we are seeking to enhance.

William Howard Taft had been a judge of the Federal circuit court before he became Secretary of War in President McKinley's Cabinet. Seventeen years after we acquired the Philippines, and in the light of all the congressional and political discussions of the status and destiny of the islands, and with a large knowledge of the Constitution, Mr. Taft said:

Should the Philippine people, when fit for self-government, demand independence, I should be strongly in favor of giving it to them * * *.

Mr. Taft reiterated that statement in one form or another and on one occasion or another in the years that followed, and even after he had served his term as President.

I think we may agree that the great constitutional lawyers in the House and the Senate, when the Jones law was in process of enactment, would have perceived and proclaimed the unconstitutionality of a congressional grant of Philippine independence if it in any way traversed the Constitution.

As recently as 1924 the Attorney General of the United States, responding to a request from the chairman of the

House Committee on Insular Affairs, and after examination of the facts, the law, and the authorities, submitted the following opinion:

The Philippine Islands have never been incorporated into the United States as an integral part thereof. They are held as an insular possession appurtenant to the United States but not incorporated into the United States.

The Constitution of the United States has never been extended to the Philippine Islands. It has been so extended to the Territory of Alaska by congressional enactment.

Under the Constitution of the United States Congress has complete control over Territories. It likewise has such control over insular possessions and may do with such possessions as it may see fit. If Congress deems it expedient to grant complete independence to the people of the Philippine Islands or a limited independence, it may, in my judgment, do so.

Within the last 27 months the legislative counsel of the Senate, Mr. Charles F. Boots, prepared an opinion on this subject, and in it held that the severance of the Philippines from the sovereignty of the United States by an act of Congress would not be contrary to any provision of the Constitution. The opinion formulated by Mr. Boots may be found in the CONGRESSIONAL RECORD of January 29, 1930.

Justice Malcolm, of the Supreme Court of the Philippines, in his treatise on Philippine constitutional law, upholds a similar view.

Eminent lawyers of the House, like HATTON W. SUMNERS, chairman of the Judiciary Committee, and JAMES M. BECK, formerly Solicitor General, and Senator BARKLEY, Senator SWANSON, and other Members of the Senate, concur in the opinion of the Attorney General. In fact, I am not aware that any lawyer in either branch of Congress contends that a constitutional amendment is required to empower Congress to grant the independence of the Philippines.

To the learning and research of Judge F. C. Fisher, formerly a justice of the Philippine Supreme Court, we owe a very scholarly and exhaustive discussion of Judge Williams's thesis. Judge Fisher's treatise, conclusively demonstrating the constitutional power of Congress to give independence to the Philippines, deserves a place in the chronicle of the Senate's debate on the bill granting independence to the Philippines. Accordingly, I ask that his brief on this subject be inserted in the body of the RECORD and referred to the Committee on Territories and Insular Affairs, so that it shall be available for study by any Senator or other person who harbors honest doubts about the constitutionality of the legislation by which we design to keep the faith we have plighted to the Filipino nation.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

THE CONSTITUTIONAL POWER OF CONGRESS TO WITHDRAW THE SOVEREIGNTY OF THE UNITED STATES OVER THE PHILIPPINE ISLANDS

(By F. C. Fisher, former associate justice, Philippine Supreme Court)

The essentially temporary nature of the control of the United States over the Philippine Islands has repeatedly been affirmed by our Presidents and by the national legislative bodies. The Senate, when advising the ratification of the treaty of Paris, expressly declared that it was not intended by approval of the cession of the Philippines by Spain to—

"incorporate the inhabitants of the Philippine Islands into citizenship of the United States, nor * * * to permanently annex said islands as an integral part of the United States; but * * * in due time to make such disposition of said islands as will best promote the interests of the citizens of the United States and the inhabitants of said islands."

In 1916 Congress, in the preamble to the Jones law (39 Stat. L. 545), declared that—

"* * * it is * * * the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and recognize their independence as soon as a stable government can be established therein * * *."

Presidents have differed as to the time when the ultimate purpose should be accomplished, but not one of them has advocated its abandonment. Our policy in dealing with the Philippines has consistently pursued a course leading to independence.

All the official utterances on the subject assume that Congress has the power, under the Constitution, to relinquish our sovereignty over the Philippines and to authorize the establishment and recognition of an independent government of the islands. The existence of this authority is likewise assumed in all the various bills for the granting of independence to the Philippines which from time to time have been introduced into Congress. That such power exists is, however, denied by a few opponents of Philippine independence. The argument in support of this view was presented by the late Judge D. R. Williams, first in an article published in the Virginia Law Review (vol. 12, p. 1) and later in pamphlets published by him. Judge Williams's opinion has occasionally been cited in debates in Congress on the Philippine question; and as the insistence by the Farm Bureau and allied agricultural interests and by the American Federation of Labor upon an early grant of independence, for economic reasons, is practically certain to bring the subject to the fore in the present session of Congress, an examination of Judge Williams's argument in support of the contention that Congress has no power to take such action may be interesting and timely.

His argument may be summarized briefly as follows: Congress being an agent of the Nation, operating under enumerated delegated powers, is without authority to relinquish sovereignty over any American territory unless power to do so has been conferred by the Constitution, expressly or by necessary implication, and that none of the powers expressly conferred, or of the implied powers flowing from them, can be construed properly as involving authority in Congress to cede or relinquish sovereignty over territory. The only provision of the Constitution in any direct manner dealing with the disposal of territory occurs in paragraph 2, section 3, of Article IV, which provides that Congress shall have power "* * * to dispose of and make all needful rules and regulations respecting the territory and other property belonging to the United States * * *."

But the Supreme Court of the United States has held (United States v. Gratiot, 14 Peters 526, 536) that the term "territory" as here used is merely descriptive of one kind of property, and is equivalent to the word "lands." This provision, therefore, relates to the disposal of proprietary rights, but does not authorize the transfer or relinquishment of sovereignty.

The fact that the Philippines are unincorporated territory, belonging to but not forming an integral part of the United States, Judge Williams considered to be irrelevant to the inquiry, and that our national sovereignty is a unit and is as complete with respect to the Philippines as it is with respect to Long Island. So, if Congress by vountary legislative action can divest our sovereignty over the Philippines, it could do so with respect to any other part of our national domain, and with equal right could dispose of an entire State; that if as the result of a calamitous war part of our territory were wrested from us by conquest or its cession demanded by a successful foreign enemy, this de facto situation might be recognized in the treaty of peace; but the fact that territory may be alienated in the exercise of the treaty-making power under the stress of force majeure does not authorize the conclusion that a voluntary cession of territory is within the jurisdiction of Congress. He admitted that the power to cede territory, like the power to acquire it, is an inherent attribute of sovereignty, possessed by all completely independent nations; but the power of the United States to cede territory, unless it be under duress, is asserted to be one which has not been delegated by the Constitution, but is one of those which are reserved to the people and still lie dormant in the body politic.

The conclusion is stated that if the American people are desirous of conferring upon Congress the power to alienate their sovereignty over the Philippines, or any other territory of the United States, the result can be accomplished only by specific delegation of the power through an amendment of the Constitution.

The premise is unsound, and in the light of available precedents and of a proper construction of the Constitution, the power to take the contemplated action will be found to reside in Congress.

Acquisition of territory: The frequent exercise by the United States of the power to acquire territory by treaty and by joint resolution of Congress and the recognition of that power by the courts leaves no room for doubt that the authority to expand the national domain is by the Constitution conferred upon the appropriate organs of the National Government. Louisiana, Texas, California, and the adjacent areas, Alaska, the Philippines, and Porto Rico, the Hawaiian Islands, Samoa, and the Guano Islands have been acquired, and no doubt exists as to the validity of the extension of our authority and jurisdiction over them. The theories as to the particular provision of the Constitution which authorized this action are important because of the light they shed upon the question of the power to cede territory, but before taking up this point attention will be drawn to action taken in the past in cases which seem to be analogous to the contemplated action with respect to the Philippines.

Cession of territory and relinquishment of sovereignty by the United States: In Judge Williams's brief on this subject he asserts that "no territory, once admittedly brought under the American flag, has ever been alienated."

This statement is too broad, and cases can be pointed out in which there have been cessions of territory subject to our sovereignty.

The Florida treaty: An instance of the exercise by the President and the Senate of the power to cede territory of the United States is to be found in the treaty with Spain by which the Floridas were acquired in 1819. The United States, after the acquisition of the Louisiana territory from France, asserted that the ceded area included the vast domain lying between the Sabine River and the Rio Grande, a contention vigorously disputed by Spain. In the correspondence between John Quincy Adams, then Secretary of State, and the Spanish Ambassador (Am. Stat. Papers, vol. 4, pp. 422 et seq.), which led up to the treaty of 1819, the American claim to this area was again asserted, and its renunciation was part of the consideration for the cession of the Floridas. The

treaty, by article 1, transferred to the United States sovereignty over the Floridas and by article 2 fixed the boundary between the Spanish and American domains west of the Mississippi. The treaty adopted the Sabine as the western boundary of Louisiana to the 32° of latitude, thence following a course which excluded the Texas territory claimed by the United States. By the terms of the treaty "* * * The United States hereby cede to his Catholic Majesty, and renounce forever, all their rights, claims, and pretentions to the territories lying west and south of the above line * * *," and Spain reciprocally "cedes to the United States" all its rights to territories north and east of the line. It is to be noted that the language of the treaty precludes the idea that the line so fixed was true, pre-existing boundary.

The treaty, which was signed February 22, 1819, was promptly submitted by the President to the Senate for its approval, which was granted two days later. By its terms the treaty was to be ratified by both countries within six months, but that period expired without action by the Spanish Government. President Monroe, in his annual message to Congress of December 7, 1819, said:

"On the part of the United States this treaty was acceded to in a spirit of conciliation and concession. * * * For territory ceded by Spain other territory of great value, to which our claim was believed to be well founded, was ceded by the United States * * *."

This clearly demonstrates that the President and his Secretary of State must have been of the opinion that the treaty-making power includes the power to cede territory of the United States. It is true that the title to Texas asserted by the United States at that time was extremely debatable and had always been denied by Spain, but the quoted language indicates that the cession was not justified upon that ground. On the contrary, the President's statement clearly affirms that territory of the United States had been "ceded" to Spain in exchange for other territory.

It was maintained by many that the relinquishment of our claim to Texas was too high a price to pay for the Floridas. The failure of Spain to ratify the treaty within the agreed period was believed to relieve the United States of its obligations, and to leave matters as they were before its negotiation. One of the opponents of the treaty was Henry Clay, at that time a Member of the House. On April 3, 1820, he called up for debate in the House as a Committee of the Whole, the following resolutions sponsored by him:

"1. *Resolved*, That the Constitution of the United States vests in Congress the power to dispose of territory belonging to them, and that no treaty purporting to alienate any part thereof is valid without the concurrence of Congress.

"2. *Resolved*, That the equivalent proposed to be given by Spain to the United States in the treaty concluded between them on the 22d day of February, 1819, for that part of Louisiana lying west of the Sabine was inadequate, and that it would be inexpedient to make a transfer thereof to any foreign power or renew the aforesaid treaty."

In the debate which followed (Annals of Congress, 16th Cong., 1st sess., pp. 1719 et seq.) Clay pointed out that—

"In the Florida treaty it was not pretended the object was simply a declaration of where the western limit of Louisiana was; it was, on the contrary, the case of an avowed cession of territory from the United States to Spain. The whole of the correspondence manifested that the respective parties to the negotiation were not engaged so much in an inquiry where the limit of Louisiana was as that they were exchanging overtures as to where it should be."

Clay maintained with vigor that the United States had a valid title to Texas under the Louisiana Purchase, and that Texas was worth more than Florida; that no such cession of territory could be made without the consent of Congress, because by section 3 of Article IV of the Constitution the power to "dispose of" territory is given to that body.

The debate on Clay's resolutions continued for two days, but the record does not show that any vote was taken. In October, 1820, the Spanish Cortes and the King of Spain ratified the treaty. February 14, 1821, President Monroe transmitted the treaty to the Senate with a message in which he drew attention to the fact that the Spanish ratification had occurred after the 6-month period, and requested a reaffirmance of the Senate's consent and approval. This was given five days later. The original vote of approval had been unanimous; the second approval was carried by 40 ayes and 4 nays (Executive Journal of the Senate, Vol. III, pp. 178 and 244).

The history of this treaty has an important bearing upon the question under consideration. It shows that President Monroe, Mr. Adams, and almost all the Members of the Senate were of the opinion that the Government created by the Constitution was vested by that instrument with power to cede territory of the United States, not alone under the duress of war, but in peace. The second vote in the Senate was taken after the debate upon Clay's resolutions in the House had drawn attention to the question of constitutional law involved. It is further significant that Clay and his supporters in the House did not dispute, but affirmed, the existence under the Constitution of the power to cede territory, their contention being that its exercise pertained to Congress rather than to the President and the Senate; or rather that the consent of Congress was essential to the valid exercise of this particular manifestation of the treaty-making power.

The northeastern boundary treaty: The Webster-Ashburton treaty of 1842, by which the northeastern boundary between the United States and British territory was fixed, did not result in the determination of the location of a preexisting correct line, but in the establishment of a conventional line, in consequence of which territory which unquestionably lay within the United States was ceded to Great Britain. The language of the treaty clearly shows that neither party contended that the line agreed upon was the true one. On the contrary, the preamble, after stating that repeated attempts to ascertain the location of the line described in the treaty of 1783 had resulted in failure, declares it to be the purpose of the parties to avoid "further discussion of their respective rights" and to "agree on a conventional line * * * with such compensations and equivalents as are deemed just and reasonable."

The cession involved was made with the express assent of Maine, within which State the ceded area lay, with the concurrence of Massachusetts. The treaty recites that the United States agrees to pay Maine and Massachusetts the sum of $300,000 in equal moities "on account of their assent to the line of boundary described in this treaty, in consideration of the conditions and equivalents received therefor from the Government of Her Britannic Majesty."

It has been expressly recognized by Congress that the effect of this treaty was to divest the sovereignty of the United States over territory in the possession and control of the State of Maine.

The execution of the treaty resulted in claims against the United States by her citizens who were owners of land ceded to Great Britain, a summary of which is to be found in Senate Report No. 2132, Fifty-eighth Congress, second session. The act of March 8, 1877 (19 Stat. at L. 343), provided for compensation to the owners of some of these lands. The preamble to the act recites that by the treaty of August 9, 1842, through the adoption of a "conventional line" instead of the "true line," the United States "did cede to the British Crown a strip of land" of which 10,718 acres had been granted to citizens of the United States by Maine and Massachusetts "while the same were in the lines of the United States and for which the United States received compensation in equivalents and concessions from the British Crown * * * whereby said citizens became entitled to compensation for said lands so appropriated to public use," and provides for the payment by the Treasury to the owners thereof of the value of the "land taken from the State of Maine by said conventional line and included in the Province of New Brunswick."

The "conditions and equivalents" received from Great Britain for the cession of the area within the State of Maine are clearly stated in President Tyler's message of August 11, 1842, with which he transmitted the Webster-Ashburton treaty to the Senate of the United States (Letters and Papers of the Presidents, Vol. V, p. 2015). The President said:

"By the treaty of 1783 the line is to proceed down the Connecticut River to the forty-fifth degree of latitude, and thence west by that parallel until it strikes the St. Lawrence. Recent examinations have ascertained that the line hitherto received as the true line of latitude between these points was erroneous, and that the correction of this error would not only leave on the British side a considerable tract of territory hitherto supposed to belong to the States of Vermont and New York but also Rouses Point, the site of a military work of the United States. It has been regarded as an object of importance not only to extend the rights and jurisdiction of these States up to the line to which they have been considered to extend but also to comprehend Rouses Point within the territory of the United States. The relinquishment by the British Government of all the territory south of the line hitherto considered to be the true line has been obtained, and the consideration for this relinquishment is to inure by the provisions of the treaty to the States of Maine and Massachusetts."

This clearly shows that the treaty of 1842 was understood by the President, as it must have been by the Senate, to be one by which a part of Maine was ceded to Great Britain in order that we might obtain more valuable territory elsewhere, notwithstanding the fact, stated elsewhere in the message, that the United States and Maine "have entertained no doubt of the validity of the American title" to the territory so ceded. As the territory to be ceded was within a State, and therefore subject to State as well as National sovereignty, the consent of the State was deemed essential; but it is interesting to note that no doubt seems to have been entertained at the time as to the existence of power in the National Government to relinquish the sovereignty of the United States over territory to which our title was declared to be perfectly valid.

Samoa: By the treaty of December 2, 1899, between the United States, Germany, and Great Britain (Foreign Affairs, 1899, p. 667), Germany and Great Britain renounced in favor of the United States all their rights over the island of Tutuila and others of the Samoan group, and the United States and Great Britain made a similar renunciation in favor of Germany of their rights and claims over the islands of Upolu and Savaii and others.

In 1902, Mr. P. C. Knox, Attorney General of the United States (XXIII Ops. Atty. Gen. 629), in an opinion rendered at the request of the Secretary of the Treasury held that as by the treaty of December 2, 1899 "the exclusive sovereignty over [Tutuila] appears to be asserted by us and recognized by Great Britain and Germany, which nations formerly shared with us a protectorate," Tutuila must be regarded as domestic territory within the meaning of the tariff laws. The joint resolution of March 4, 1925 (43 Stat. 1357), definitely asserts our sovereignty over Samoa.

The history of our relations with Samoa (Moore, International Law Digest, Vol. I, p. 536 et seq.) shows that for some time prior to the negotiation of the treaty of 1899 the Samoan Islands, while

nominally under a native king, were practically held in a condominium by the United States, Germany and Great Britain under the terms of the act of Berlin of June 14, 1889 (Foreign Relations, 1889, p. 352). It is important to note that while the assent of the native government of Samoa was contemplated with respect to the provisions of the act of Berlin, Samoa was not a party to the treaty by which, in the opinion of Mr. Knox, confirmed by the joint resolution of March 4, 1925, supra, Tutuila became subject to the sovereignty of the United States. If, therefore, exclusive sovereignty over Tutuila now exists, as asserted by Congress, as a result of the renunciation of their rights by Germany and Great Britain in favor of the United States (Hyde, International Law, Vol. I, p. 131), the conclusion is inevitable that at the time of the negotiation of that treaty sovereignty over the entire group was held in condominium by the three treaty powers and that the renunciation by the United States and Great Britain of their rights over the other Samoan Islands in favor of Germany constituted a cession of their sovereignty over that part of the Samoan Islands thereafter subject to the exclusive sovereignty of Germany.

Cuba: Congress, by the resolution of April 20, 1898, disclaimed any intention to exercise sovereignty over Cuba "except for the pacification thereof," and asserted its purpose to leave the government and control of the island to its people (30 Stat. 738). At that time, of course, the sovereignty of Spain over Cuba was complete, notwithstanding the existence of the insurrection. As the result of the war which followed, Spain, by the treaty of Paris, relinquished her sovereignty over Cuba, without in terms ceding it to the United States or to the Cuban insurgent government (treaty of Paris, Art. I). Between that time, however, and May 20, 1902, when the American military government in Cuba, pursuant to the Platt amendment, transferred the government to the President of the Cuban Republic, it seems clear that sovereignty over Cuba, from the standpoint of international law, was vested in the United States, although as a matter of domestic law Cuba was regarded as foreign territory during that period (Neely v. Hankel, 180 U. S. 109). It is to be noted, however, that in the Neely case the court said:

"It can not be doubted that when the United States enforced the relinquishment by Spain of her sovereignty in Cuba and determined to occupy and control that island * * * it succeeded to the authority of the displaced government so far at least that it became its duty under international law * * * to protect * * * the lives, the liberty, and the property * * * of the inhabitants," thus clearly recognizing the distinction between the situation from the standpoint of international law and that created, for domestic purposes, by the action of the National Government. During the occupation of Cuba the military authorities of the United States created and maintained a civil government, exercised legislative power, and established a judiciary (Neely v. Hankel, supra, p. 778). Indeed, it is difficult to imagine what greater authority could have been exercised had the occupation been under a formal assertion of sovereignty preliminary to annexation.

In this connection, the language of the Platt amendment (31 Stat. 897) is significant. By its terms the President was authorized to leave the "government and control" of Cuba to its people "as soon as" the contemplated Cuban Government had been established under a constitution embodying the conditions imposed. Obviously, the amendment recognized that at that time the "government and control" of Cuba was being exercised by the United States and would continue to be so exercised until the fulfillment of the prescribed conditions. Had the people of Cuba failed or been unwilling to accept the limitations upon the contemplated insular government imposed by the Platt amendment, the control of the United States and its exercise of sovereign powers in Cuba might have continued indefinitely.

Butler, writing in 1901, said:

"Whatever the status of Cuba may be as to the United States * * * its status as to other powers is that, so long as the occupation of the military forces of the United States continues, it must necessarily be considered as much under the jurisdiction of the United States Government as though it were an integral part of the territory thereof." (Treaty-Making Power of the United States, vol. 1, p. 189.)

The view that the effect of the treaty of Paris was to transfer the sovereignty of Spain over Cuba to the United States is expressed by Justices White, Shiras, and McKenna in their concurring opinion in Downes v. Bidwell (182 U. S. 244, 342), in which it is said:

"* * * Quite recently one of the stipulations contained in the treaty with Spain which is now under consideration came under review by this court. By the provision in question Spain relinquished 'all claim of sovereignty over and title to Cuba.' It was further provided in the treaty as follows:

"'And as the island is upon the evacuation by Spain to be occupied by the United States, the United States will, so long as such occupation shall last, assume and discharge the obligations that may under international law result from the fact of its occupation and for the protection of life and property.'

"It can not, it is submitted, be questioned that, under this provision of the treaty, as long as the occupation of the United States lasts, the benign sovereignty of the United States extends over and dominates the island of Cuba. Likewise it is not, it seems to me, questionable that the period when that sovereignty is to cease is to be determined by the legislative department of the Government of the United States in the exercise of the great duties imposed upon it and with the sense of the responsibility which it owes to the people of the United States and the high respect which it, of course, feels for all the moral obligations by which the Government of the United States may, either expressly or impliedly, be bound. Considering the provisions of this treaty and reviewing the pledges of this Government extraneous to that instrument, by which the sovereignty of Cuba is to be held by the United States for the benefit of the people of Cuba and for their account, to be relinquished to them when the conditions justify its accomplishment, this court unanimously held, in Neely v. Henkel (180 U. S. 109) that Cuba was not incorporated into the United States and was a foreign country. It follows from this decision that it is lawful for the United States to take possession of and hold in the exercise of its sovereign power a particular territory, without incorporating it into the United States, if there be obligations of honor and good faith which, although not expressed in the treaty, nevertheless sacredly bind the United States to terminate the dominion and control, when, in its political discretion, the situation is ripe to enable it to do so. Conceding, then, for the purpose of the argument, it to be true that it would be a violation of duty under the Constitution for the legislative department, in the exercise of its discretion, to accept a cession of and permanently hold territory which is not intended to be incorporated, the presumption necessarily must be that that department, which within its lawful sphere is but the expression of the political conscience of the people of the United States, will be faithful to its duty under the Constitution, and therefore when the unfitness of particular territory for incorporation is demonstrated the occupation will terminate" (pp. 342–344).

The Cuban Government, to which authority over the island was ultimately transferred, was clearly a creation of the United States. Its present status, from the standpoint of international law, is that of a dependent rather than an independent State. (Hyde, International Law, Vol. I, p. 26.) In consenting to its creation the United States reserved to itself powers of intervention incompatible with complete sovereignty on the part of Cuba (act of March 2, 1901). The Republic of Cuba was required to refrain, and so agreed, from entering into any treaty or compact with any foreign power.

"* * * which will impair or tend to impair the independence of Cuba, nor in any manner authorize or permit any foreign power or powers to obtain by colonization * * * or otherwise, lodgment in or control over any portion of said island."

Suppose that on account of a change in the conditions of international relations or for any other reason deemed sufficient to make it inadvisable, as a matter of national policy, the United States, in 1901, had determined not to carry out the purpose expressed in the joint resolution of April 20, 1898, but to retain Cuba and give it the same status as Porto Rico. Would any further cession from Spain have been necessary? Obviously not. Spain's sovereignty had ceased with its relinquishment by the treaty of Paris, and the status of Cuba was simply that of conquered territory in the possession of the United States and subject to its complete sovereignty and control. There was no government in Cuba other than that established by the United States. That control might have been continued indefinitely, and Cuba, as unincorporated territory or otherwise, brought under the sovereignty of the United States for all domestic purposes, as it was already from the standpoint of international law. When the United States permitted the establishment of the Cuban Republic and relinquished its control over Cuba, with the limitations noted, it accomplished the same result as that now contemplated with respect to the Philippines—a relinquishment of sovereignty. The power to accomplish this object can not, it is submitted, be traced to the original declaration of purpose as its source, for necessarily Congress can not create or augment its own powers, all of which are delegated and must rest upon the Constitution; but even though such declaration of purpose could be given any effect whatever with respect to the power to accomplish the relinquishment of sovereign control over Cuba, it is interesting to note that the Senate, when advising ratification of the treaty of Paris expressly declared (Magoon, Civil Government, p. 47):

"That by the ratification of the treaty of peace with Spain it is not intended to incorporate the inhabitants of the Philippine Islands into citizenship of the United States, nor is it intended to permanently annex said islands as an integral part of the territory of the United States; but it is the intention of the United States * * * in due time to make such disposition of said islands as will best promote the interests of the citizens of the United States and the inhabitants of said islands."

While this proposed joint resolution was not concurred in by the House at the time, a similar declaration of purpose and intention, as of the time of the acquisition of the Philippines, was made by Congress in the preamble to the Jones law.

Authoritative expressions of opinion regarding the power of the National Government of the United States to cede territory: The action taken by the Senate in authorizing ratification of the Florida treaty, the Webster-Ashburton treaty, and the Samoa treaty of necessity implied the belief on the part of the Members who voted in support of those measures that the President and the Senate, under the Constitution, are empowered to cede territory of the United States and relinquish sovereignty when it is deemed advantageous to do so.

The same opinion was expressed by necessary implication in section 4 of the Guano Islands act (11 Stat. 119), by which the right to abandon islands brought under the sovereign control of the United States pursuant to that statute is asserted. It must have been entertained by the Senators who voted in support of

the proposed joint resolution (ante, p. 19) by which the temporary character of the retention of the Philippines was asserted, and by all Members of both Houses who voted in support of the Jones law.

If the question of the constitutionality of the proposed relinquishment of sovereignty over the Philippines could be presented for judicial review, the exercise of the power in the cited instances, and the adoption by the Senate and Congress of measures which of necessity imply the opinion that the power exists, would properly be taken into consideration and given great weight.

Henry Clay was evidently of the opinion (ante, p. 5) that Congress is vested with power to cede territory. Calhoun appears to have entertained the same view. In his Discourses on the Constitution and Government of the United States (vol. 1, p. 233) he said:

"There still remains another and more important limitation, but of a more general and indefinite character * * * among which it seems to be settled that it can not change or alter the boundary of a State or cede any portion of its territory without its consent. Within these limits all questions which may arise between us and other powers, be the subject matter what it may be, fall within the limits of the treaty-making power and may be adjusted by it."

In Moore's International Law Digest (Vol. V, p. 171 et seq.) citations show that such eminent authorities as Hamilton, Marshall, and Story were of the opinion that the power to cede territory had been delegated to the National Government. Mr. Justice Story is quoted as saying that in a conversation with Chief Justice Marshall that great authority said that:

"He was unequivocally of opinion that the treaty-making power did extend to cases of cession of territory, though he would not undertake to say it could extend to all cases; yet he did not doubt it must be construed to extend to some." (Moore, op. cit. Vol. V, p. 173.)

In Crandall's work on Treaties, Their Making and Enforcement, the author, after a review of the precedents, expresses the opinion that even as to territory within a State the power of cession is vested in the treaty-making power of our Government, and may be exercised whenever the vital necessity for such action arises. As to other cessions he says:

"In respect of territory not within the boundaries of a State, the Central Government exercises, subject to the express prohibitions of the Constitution applicable thereto, all the powers of government enjoyed by both the central and State Governments over territory within the limits of a State. * * * The power to cede outlying territory is no less essential to the full exercise of the treaty-making power of the United States * * * than is the power to acquire."

The same conclusion is expressed by Butler, after a full consideration of the applicable precedents with respect to the constitutional limitations upon the treaty-making power (Treaty Making Power of the United States, vol. 2, p. 393).

In Kent's Commentaries (Vol. I, p. 167, note 3) the learned author, after adverting to the fact that by the Webster-Ashburton treaty of 1842 territory claimed by Maine had been "ceded to Great Britain," says that as regards the power to cede territory within a State "the better opinion would seem to be that such a power of cession does reside exclusively in the treaty making power, under the Constitution of the United States * * *."

The opinion that the National Government is possessed of power to dispose of territory, not only through the treaty-making power but by act of Congress, is also expressed by Doctor Willoughby (Constitutional Law, vol. 1 (2d ed.), p. 424). He rests his opinion upon the theory of "resulting powers," to which reference is made (post, p. 36) hereafter.

In the case of Fort Leavenworth Railroad Co. v. Lowe (114 U. S. 525, 541) the court, referring to the Webster-Ashburton treaty, said, obiter:

"The jurisdiction of the United States extends over all the territory within the States, and, therefore, their authority must be obtained, as well as that of the State within which the territory is situated, before any cession of sovereignty or political jurisdiction can be made to a foreign country."

In the case of Gregory v. Riggs (133 U. S. 258, 267) it was said, citing the Fort Leavenworth Railroad Co. decision:

"The treaty power, as expressed in the Constitution, is in terms unlimited, except by those restraints which are found in that instrument against the action of the Government or its departments, and those arising from the nature of the Government itself and that of the States. It would not be contended that it extends so far as to authorize that which the Constitution forbids, or a change in the character of the Government, or in that of one of the States, or a cession of any portion of the territory of the latter, without its consent. * * * But with these exceptions it is not perceived that there is any limit to the questions which can be adjusted touching any matter which is properly the subject of negotiation with a foreign country."

In Jones v. United States (137 U. S. 202) the court upheld the authority of Congress to regulate, by legislation, the exercise of the power of the United States, granted by the law of nations, to acquire territory by discovery and occupation and to exercise jurisdiction over territory so acquired—

"* * * for such period as it sees fit * * *."

This may be regarded as concurrence in the opinion of Congress, as expressed in the guano islands act, supra, that under the Constitution sovereignty over unincorporated territory may not only be acquired by legislative action but by like action may be relinquished.

In this connection the remarks of Mr. Justice White and the other concurring Justices in the case of Downes v. Bidwell (182 U. S. 244, 343) are interesting. There can be no doubt that the distinguished jurists who subscribed to that opinion held the view that Cuba at that time was unincorporated territory subject to the sovereignty of the United States, and that the obligation to withdraw it was moral, not legal. The joint resolution of April 20, 1898, was a statement of intention, no more binding in law than is the declaration of purpose in the preamble to the Jones law. Nevertheless the opinion was expressed by Justice White and his concurring associates that the "legislative department," in its own discretion as to time and conditions, might divest that sovereignty by relinquishment.

The power of Congress to establish an independent government in the Philippines is also assumed by Mr. Justice White in his "practical illustration" (p. 313) of an "autonomous government" for the islands, which might be created should Congress determine that their inhabitants should no longer "continue appurtenant to the United States." The same opinion is indicated equally forcibly in the opinion of the court in the cited case, written by Mr. Justice Brown. He said (p. 283):

"Whatever may be finally decided by the American people as to the status of these islands and their inhabitants—whether they shall be introduced into the sisterhood of States or be permitted to form independent governments—it does not follow that in the meantime * * * the people are * * * unprotected by * * * our Constitution * * * *."

It can not reasonably be understood that the reference in this citation to "the American people" indicates the view that their action by an amendment to the Constitution would be required to permit the grant of independence. The quoted remark relates equally to the admission of the new territory to statehood, which, if desired, the American people could exercise through the agency of Congress.

Again, in Justice White's concurring opinion in the cited case, he said (p. 317) that although as a result of a "calamitous war or the necessity of a settlement of boundaries" citizens of the United States might be expatriated "by action of the treaty-making power, expressly or impliedly ratified by Congress," this could not justify the general proposition that "territory which is an integral part of the United States may as a mere act of sale be disposed of."

The use of the word "integral" in this connection is significant, in view of the fact that the crux of the decision, with which the concurring Justices were in accord, is that—

"Porto Rico is a Territory appurtenant and belonging to the United States but not a part of the United States."

Another significant remark to be found in the opinion of the court (p. 285), written by Mr. Justice Brown, is that—

"If it be once conceded that we are at liberty to acquire foreign territory, a presumption arises that our power with respect to such territory is the same power which other nations have been accustomed to exercise with respect to territories acquired by them."

It will not be questioned that the general power to which reference is made includes not only the power of acquisition but the power of cession.

The status of the Philippines as unincorporated territory: It is apparent from what has been said that sharply differing opinions have always existed as to the power to dispose by cession of territory which pertains to a State; and the same doubt may exist, although in less degree, as regards the power, save under duress, to withdraw sovereignty over incorporated territory, such as Hawaii and Alaska, which is part of the United States. But the Philippines are not part of the United States but are territory belonging thereto; and it is believed that by reason of this fact the solution of the problem as to the power of Congress to release them from our sovereignty does not present the same questions as those which would arise were such action contemplated with respect to Alaska or Hawaii.

That the Philippine Islands and Porto Rico are unincorporated territories belonging to but not forming an integral part of the United States is now firmly established by a series of decisions, the most important of which are Downes v. Bidwell (182 U. S. 244), Door v. United States (195 U. S. 138), Rassmussen v. United States (197 U. S. 516), and Balzac v. Porto Rico (258 U. S. 298), decided in 1921. In the Balzac case the earlier decisions were summarized and approved in the statement that by them it had been "settled * * * and confirmed that neither the Philippines nor Porto Rico was territory which had been incorporated in the Union, or become a part of the United States as distinguished from merely belonging to it."

The practical result of this conclusion was the holding that "* * * the power to govern territory, implied in the right to acquire it, and given to Congress in the Constitution in Article IV, section 3, to whatever other limitation it may be subject, the extent of which must be decided as questions arise, does not require that body to enact for ceded territory, not made a part of the United States by congressional action, a system of laws which shall include the right of trial by jury, and that the Constitution does not, of its own force, carry such right to territory so situated."

The source of the power of Congress to cede or relinquish sovereignty over unincorporated territory: The fact that the

Philippine Islands have not been incorporated into and do not form an integral part of the United States is one of great significance with respect to the power of the Congress to withdraw, by voluntary legislative action, the sovereignty of the United States over that part of the national domain. From the standpoint of international law there is no difference, as regards our relations with other States, between the sovereignty we exercise over Guam and that which we exercise over Long Island; but in view of the fact that it is with us settled domestic law that the Philippine Islands are not "a part of the United States," but territory "merely belonging to it" (Balzac v. Porto Rico, 258 U. S. 298), one's natural inclination, on approaching the subject, is to assume that there must in the nature of things be a fundamental difference between the relations of the United States, as an entity, to its constituent incorporated units, and the relations of that entity to unincorporated territory "merely belonging to it."

The United States unquestionably constitute a sovereign state, vested with all the powers which such states enjoy under the law of nations, which include the capacity to acquire and to cede territory (Hall, International Law, 4th Edition, pp. 47–48). It can not be disputed that the United States possesses these powers. The only question which has arisen concerning the matter is whether the authority to exercise the powers of the Nation has been delegated to the National Government by the Constitution, or whether it is a power inherent in the Nation but which still lies dormant in the body politic. With respect to the power to acquire territory, through the treaty-making power and congressional legislation, it is definitely settled that necessary authority has been vested by the Constitution in the National Government, and its repeated exercise has been acquired by treaty and by the action of Congress.

As summarized by Doctor Willoughby (op. cit., p. 408), the constitutional power to annex foreign territory has been held to arise from the power to admit new States into the Union (Constitution, Art. IV, sec. 3, cl. 1); the power to declare and carry on war (Constitution, Art. I, sec. 8, cl. 11); the power to make treaties (Constitution, Art. II, sec. 2, cl. 2); and the power, as a sovereign State, to acquire territory by discovery or occupation, or by any other methods recognised as proper by international usage.

After a review of the decisions which have sustained the power to acquire territory, Doctor Willoughby (op. cit., p. 419) says:

"It is to be observed that in none of these cases is there any argument to show just why, and in what manner, the acquiring of foreign territory is a necessary or proper means by which war may be carried on or treaties entered into. This leads to the consideration of the doctrine which constitutionally speaking, appeals to the author as the soundest mode of sustaining the power of the United States to acquire territory, as well as one which, in application, affords the freest scope for its exercise. According to this doctrine the right to acquire territory is to be searched for not as implied in the power to admit new States into the Union, or as dependent specifically upon the war and treaty powers, but as derived from the fact that in all relations governed by the principles of international law the General Government may properly be construed to have, in the absence of express prohibition, all the powers possessed generally by the sovereign states of the world. The doctrine thus is that the control of foreign relations being exclusively vested in the United States, that Government has in the exercise of this jurisdiction the same power to annex foreign territory that is possessed by other sovereign states."

An example of acquisition of territory, by authority of Congress, which can be justified only upon the theory advocated by Doctor Willoughby, is afforded by the guano islands act of 1856 (Revised Stats., secs. 5570 et seq.; U. S. C. A., secs. 1411 et seq.). By this act Congress provided that unoccupied guano islands, not subject to the jurisdiction of any other power when discovered and occupied by a citizen of the United States, might, at the discretion of the President, "be considered as appertaining to the United States."

It was provided that "all acts done and offenses or crimes committed" on such appurtenant islands should be subject to the laws of the United States applicable to national ships on the high seas. One of the islands brought under the operation of this act was Navassa. A homicide subsequently occurred on the island, and the prosecution of the offense involved a determination of the validity of the guano islands act. No express authority for the act can be found in the Constitution. The United States Supreme Court, nevertheless, decided that the legislation was valid (Jones v. United States, 137 U. S. 202), without direct reference to any specific provision of the Constitution or to the doctrine of implied powers, upon the ground that the United States as a sovereign state enjoys "by the law of nations" the power to acquire dominion of new territory by—

"* * * discovery and occupation as well as by cession and conquest * * *"—

And further held that this principle afforded—

"* * * ample warrant for the legislation of Congress concerning guano islands."

The opinion thus expressed was repeated many years after by Chief Justice Fuller in his dissent in Downes v. Bidwell (182 U. S. 244, 369), in which he said:

"The power of the United States to acquire territory by conquest, by treaty, or by discovery and occupation is not disputed, nor is the proposition that in all international relations, interests, and responsibilities the United States is a separate, independent, and sovereign nation."

The decision in the Guano Islands case clearly and of necessity implies that the court was of the opinion that the Constitution has conferred upon the organs of the National Government authority to exercise certain powers possessed by the United States by reason of its status as a sovereign nation, although such authority has not been included in words in the Constitution by express delegation or by necessary implication from any one of the expressly delegated powers. It is only upon this theory that such congressional legislation as the guano islands act and the resolution for the annexation of Hawaii can be satisfactorily explained and justified.

The Constitution (Art. I, sec. 8) delegates to Congress authority to make all laws "necessary and proper" for the exercise of the powers enumerated in the section, and also such laws as are needful to carry into execution "all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

The effect of the adoption of the Constitution was to create a nation. It was and is vested, to the exclusion of the individual States, with all power appertaining to its status under the law of nations as a State (Pang Yue Tung v. United States, 149 U. S. 698). As Doctor Willoughby states (op. cit. Vol. I, p. 64):

"* * * The supreme purpose of our Constitution is the establishment and maintenance of a State which shall be nationally and internationally a sovereign body."

The same writer says (Vol. I, p. 66) that the doctrine of implied powers is sufficiently broad to justify the exercise by the Federal Government of powers not deduced from specific grants of authority, but from the fact that the United States, as to its own citizens, is "* * * a fully sovereign national state, and, with reference to other states, a political power equipped with all the authority possessed by other independent states."

This view was stated with great force by Senator Foraker in the Senate debate upon the annexation of Hawaii. He stated (Willoughby, Vol. I, p. 342) that prior to the organization of the Union each of the thirteen original States was vested with all the powers inherent in sovereignty, including the power to acquire new territory. By the creation of the Union under the Constitution the individual States surrendered this power. The necessary conclusion, he argued, is that the effect of the denial to the individual States of any power which they formerly possessed as an attribute of sovereignty was to confer it by implication upon the Federal Government. The Senator's contention is just as applicable to the power to cede unincorporated territory or to relinquish or abandon sovereignty over it as it is to the power to acquire it.

The wording of the last paragraph of section 8 of Article I of the Constitution clearly shows that its authors believed that other powers than those expressly or by implication conferred by the preceding specific enumeration had been vested in "the Government of the United States." It was recognized at an early period that there are powers of government delegated by the Constitution, which need not be traced directly, to warrant their exercise to one or more of the specifically enumerated grants. It was said by Chief Justice Marshall in Cohens against Virginia that "* * * it is not indispensable to the existence of every power claimed for the Federal Government that it can be found specified in the words of the Constitution or clearly and directly traceable to some one of the specified powers. * * * It is allowable to group together any number of them and to infer from them all that the power claimed has been conferred."

Justice Story, in his work on the Constitution (par. 1256), first published in 1833, says, after discussing the doctrine of implied powers:

"It may be well in this connection to mention another sort of implied power, which has been called with great propriety a resulting power arising from the aggregate powers of the National Government. It will not be doubted, for instance, that if the United States should make a conquest of any of the territory of its neighbors the National Government would possess sovereign jurisdiction over the conquered territory. This would, perhaps, rather be a result from the whole mass of the powers of the National Government and from the nature of political society than a consequence or incident of the powers specially enumerated. It may, however, if an incident to any, be an incident to the power to make war."

Justice Story states (par. 1285) that the only theory upon which the acquisition of Louisiana can be justified is that "the right to acquire territory was incident to national sovereignty; that it was a resulting power growing, necessarily, out of the aggregate powers confided to the Federal Constitution * * *." The subsequent acquisition of Florida, he points out (par. 1288), which was acquiesced in by all the States, "can be maintained only on the same principles," and illustrates the truth that "constitutes of government require a liberal construction to effect their objects * * *."

The germ of the theory of resulting powers arising from the Constitution, distinct from and in addition to the powers expressly granted, and those incidental to them, as expounded by Story, may, perhaps, be found in Hamilton's statement (The Federalist, Ford's edition, p. 657) that "it is not denied that there are implied as well as express powers, * * * and for the sake of accuracy it shall be mentioned that there is another class of powers which may be properly denominated resulting powers. * * * This would be rather a result from the whole mass of the powers of the Government and from the nature of political society than a consequence of either of the powers specially enumerated."

The theory of resulting powers arising from the Constitution as a whole, construed in the light of the purpose to create a sovereign nation, has been expressly recognized by the Supreme Court. In the legal tender cases (12 Wallace, 457, 533) the court, after asserting that the express powers should be construed in the

light of the paramount purpose of the framers of the Constitution to create a "government sovereign within its sphere," said:

"The same may be asserted also of all the nonenumerated powers included in the authority expressly given 'to make all laws which shall be necessary and proper for carrying into execution the specified powers vested in Congress, and all other powers vested by the Constitution in the Government of the United States or in any department or officer thereof.' It is impossible to know what those nonenumerated powers are, and what is their nature and extent, without considering the purposes they were intended to subserve. Those purposes, it must be noted, reach beyond the mere execution of all powers definitely intrusted to Congress and mentioned in detail. They embrace the execution of all other powers vested by the Constitution in the Government of the United States or in any department or officer thereof * * *.

"And here it is to be observed it is not indispensable to the existence of any power claimed for the Federal Government that it can be found specified in the words of the Constitution, or clearly and directly traceable to some one of the specified powers. Its existence may be deduced fairly from more than one of the substantive powers expressly defined, or from them all combined. It is allowable to group together any number of them and infer from them all that the power claimed has been conferred. Such a treatment of the Constitution is recognized by its own provisions. This is well illustrated in its language respecting the writ of habeas corpus. The power to suspend the privilege of that writ is not expressly given, nor can it be deduced from any one of the particularized grants of power. Yet it is provided that the privileges of the writ shall not be suspended except in certain defined contingencies. This is no express grant of power. It is a restriction. But it shows irresistibly that somewhere in the Constitution power to suspend the privilege of the writ was granted, either by some one or more of the specifications of power, or by them all combined. And that important powers were understood by the people who adopted the Constitution to have been created by it, powers not enumerated, and not included incidentally in any one of those enumerated, is shown by the amendments. The first 10 of these were suggested in the conventions of the States, and proposed at the first session of the First Congress, before any complaint was made of a disposition to assume doubtful powers. The preamble to the resolution submitting them for adoption recited that the 'conventions of a number of the States had, at the time of their adopting the Constitution, expressed a desire, in order to prevent misconstruction or abuse of its powers, that further declaratory and restrictive clauses should be added.' This was the origin of the amendments, and they are significant. They tend plainly to show that, in the judgment of those who adopted the Constitution, there were powers created by it, neither expressly specified nor deducible from any one specified power, or ancillary to it alone, but which grew out of the aggregate of powers conferred upon the Government, or out of the sovereignty instituted. Most of these amendments are denials of power which had not been expressly granted, and which can not be said to have been necessary and proper for carrying into execution any other powers. Such, for example, is the prohibition of any laws respecting the establishment of religion, prohibiting the free exercise thereof, or abridging the freedom of speech or of the press.

"And it is of importance to observe that Congress has often exercised, without question, powers that are not expressly given nor ancillary to any single enumerated power. Powers thus exercised are what are called by Judge Story in his Commentaries on the Constitution, resulting powers, arising from the aggregate powers of the Government * * *."

It is believed that the theory of resulting powers advanced by Story and expounded by Senator Foraker (ante, p. 35) is logical and convincing. That theory does not, of course, involve the assertion that there are vested in the National Government or in any department of it inherent sovereign powers—that is, powers which may be exercised independently of the Constitution, or which do not flow from the grants of power considered singly or collectively. While it may be admitted that it is difficult to define sharply the line which separates the resulting powers from those which, if asserted, could be maintained only upon the inadmissible theory of inherent sovereign powers, it is clear that the power to acquire territory, either by treaty or by congressional action, is one which is possessed by the National Government under the Constitution and not independently of it.

If the power to acquire territory is one which results from the creation of the United States as a sovereign nation by the Constitution, it seems equally clear that the power to cede territory is one which must be possessed by the National Government. If it is not essential to the exercise of the power to acquire territory to be able to point to some express grant of such power in the Constitution, or to find that it is implied as necessary or proper to the effective exercise of an express power, why should it be essential that the power to cede should be derived from the express or implied as distinguished from the resulting powers conferred by the Constitution? It is believed that on principle it is not and that the same reasoning which supports the power to acquire territory by discovery and occupation, as in the case of the guano islands (supra, p. 33) or the annexation of Hawaii by the action of Congress must lead to the conclusion that the power to cede territory is one which likewise results, growing (to use Justice Story's words) "necessarily out of the aggregate powers confided to the Federal Constitution." Unless it be conceded that they had in mind the power to "dispose of * * * territory * * * belonging to the United States * * * " conferred by section 3 of Article IV of the Constitution—a possibility considered elsewhere herein—upon what other theory than that of resulting powers can the authority to cede territory be made to rest by the members of the executive, legislative, and judicial branches of our Government who have from time to time asserted it? If, as President Monroe and Henry Clay believed and asserted, the ratification of the Florida treaty involved a cession of valid rights over Texas, upon what other possible theory of the Constitution could that treaty have been ratified? Mr. Justice White, for himself and Justices Shiras and McKenna, in his concurring opinion in the case of Downes *v.* Bidwell (supra), very definitely expressed the belief (p. 314) that the theory that the disposing clause of section 3 of Article IV of the Constitution "relates as well to a relinquishment or cession of sovereignty as to a mere transfer of rights of property, is altogether erroneous." Nevertheless, in the same concurring opinion it was said that if territory brought under the sovereignty of the United States is found by the "legislative department" to be unfit for incorporation, "the presumption necessarily must be that that department * * * will be faithful to its duty under the Constitution and, therefore, when the unfitness of particular territory for incorporation is demonstrated the occupation will terminate." If, as Justice White believed, the authority to relinquish or cede sovereignty can not be grounded upon the disposing clause of section 3 of Article IV of the Constitution, upon what theory, other than that of resulting powers, can it be assumed that the "legislative department" may withdraw sovereignty over territory believed unfit for incorporation?

The same theory must have been implied in the obiter statement (ante, p. 24) in the opinion in Gregory *v.* Riggs (133 U. S. 258, 267) that the treaty-making power, with the consent of a State of the Union, may cede territory within its boundaries. Such a cession would involve the relinquishment not only of State sovereignty but of the sovereignty of the United States. It could not be justified under section 3 of Article IV, for no area within a State can be regarded as "territory * * * belonging to the United States" within the meaning of that provision. The authority to make a cession of territory within a State, such as was contemplated in the cited decision and was exemplified by the Webster-Ashburton treaty (ante, pp. 9–11), can be referred only to the resulting powers of the National Government "growing out of the aggregate powers confided to the Federal Constitution" (Story, ante, p. 37).

If it be assumed, as it is believed it should, that the power to cede territory, subject to the limitations to be considered, is one of the resulting powers vested in the National Government by the Constitution, it is obvious that whether it is to be exercised by the treaty-making authority or by congressional legislation depends upon the character of the purpose to be accomplished. A cession of territory to a foreign state or its acquisition from such state would ordinarily be effected by treaty. The regulation of the acquisition of territory by discovery, or its relinquishment to permit the creation of a new state in the ceded territory, must be accomplished, if at all, by congressional action. Whichever may be the method adopted, the nature and source of the power exercised must be the same and subject to the same restrictions and limitations, if any there be.

If it be assumed that it was the purpose of the framers of the Constitution to vest in the National Government not only the power to acquire territory which it has so frequently exercised but also the power to dispose of territory, it would have been illogical to limit the exercise of these faculties exclusively to the treaty-making organ. The making of treaties of necessity implies the preexistence of two or more sovereign entities, capable of entering into such relations with each other. If, however, as the result of a successful war we were to conquer and occupy the whole of the territory of an enemy power and completely destroy its government, the annexation of such territory, if desired, would of necessity have to be accomplished by legislative action.

The creation of new sovereign entities by peaceful disintegration of greater political units is not an unusual phenomenon. The five existing Republics of Central America arose from the dissolution, by the Federal Congress, of the federated state of which they were formerly members.

The states which form the British Commonwealth of Nations, which are to-day autonomous communities, in no way subordinate one to another in any respect of their domestic or external affairs, have been recognized as such by the legislative organ of the Empire of which they were formerly mere colonial dependencies. The limitation of the power of relinquishment of sovereignty over unincorporated territory to the treaty-making organ of our Government would be a restriction based upon no logical distinction and would prevent its exercise, through the creation of new states, in the manner most compatible with the genius of our institutions.

The treaty-making power was said by the Supreme Court in Geofroy *v.* Riggs (133 U. S. 258, 267) to be unlimited "* * * except by those restraints which are found in that instrument against the action of the Government or any of its departments and those arising from the nature of the Government itself or of that of the States. It would not be contended that it extends so far as to authorize what the Constitution forbids, or a change in the character of the Government or in that of one of the States, or a cession of any portion of the territory of the latter, without its consent * * *. But with these exceptions it is not perceived that there is any limit to the questions which can be adjusted touching any matter which is properly the subject of negotiation with a foreign country."

Doctor Willoughby (Constitutional Law, 1st Ed., vol. 1, p. 512) is of the opinion that the United States, through its treaty-making organ possesses "the constitutional power, in cases of necessity, to alienate a portion of or the entire territory of a State or States." The same reasoning, he says "* * *" which supports the power of the United States as a sovereign power in international relations, to annex territories, is sufficient to sustain its power to part with them, even should the area parted with be a part of one of the States or include one or more of them."

If by this it is meant that such cessions may be made when required by pressure of superior hostile force, the correctness of the statement could not be disputed; but the author does not so limit the conclusion expressed. If such power does exist upon familiar principles the organ empowered to act would be the sole judge of the sufficiency of the necessity (Martin *v.* Mott, 12 Wheaton, 19). Obviously, if the power to cede territory within the States whenever deemed "necessary" by the treaty-making organ be conceded, its power to cede unincorporated territory could not be questioned; and the same reasoning would support the relinquishment of sovereignty by congressional action. This extreme doctrine, however, is not likely to command general assent.

The contrary view seems more persuasive, for as the paramount purpose of the Constitution is to create and maintain a "more perfect Union" than that which had existed under the Confederation, it is difficult to believe that it was ever intended to authorize the voluntary alienation of the territory of any State without its consent.

Whether the power of voluntary alienation extends in general to incorporated territory of the United States not within a State is open to much doubt. It could not have extended to the Northwest Territory, for the ordinance of 1787 had established that such Territory "should forever remain a part" of the Confederacy, and that it should ultimately be erected into States; and this existing engagement was one assumed by the United States under the Constitution (Art. VI).

As to territory subsequently acquired and incorporated but not admitted to statehood, it might perhaps be contended that the power to cede exists (Crandall, Treaties, ante, p. 23). The Supreme Court has used very sweeping language at times in its description of the scope of the power of Congress over the Territories. The fact, however, that the incorporated territory forms an integral part of the United States, the entity to which the unincorporated territory belongs, might well justify the contention that voluntary alienation of such incorporated territory, either by treaty or congressional legislative action, would constitute a partial dismemberment of the Nation, composed of all the people of the United States, contrary to the paramount purpose of the Constitution. The Government created by the Constitution is, in the exercise of the powers delegated to it, the agent of the entity, the United States, created by that instrument. The United States, as an entity, includes not only the States but all the territory which has been incorporated into it. In the Rassmussen case (197 U. S. 516, 520) the court, after pointing out that the insular cases turned upon the point that the Philippine Islands were under "* * * the sovereignty of the United States and were subject to its control as a dependency or possession, had not been incorporated into the United States as a part thereof, * * *" held that Congress, by appropriate legislation subsequent to the treaty of acquisition, had accomplished (p. 523) the "* * * incorporation of Alaska into the United States as a part thereof * * *."

Territory which by incorporation has become a part of the United States, although not admitted to statehood, is therefore an integral constituent of the Nation as a whole—of the entity to which the unincorporated territory belongs and for which the organs of the National Government act in the exercise of their delegated authority. In dealing with the unincorporated territory Congress acts not on behalf of the States which have been admitted to the Union but of the United States, the national entity, which includes all territory incorporated into it.

While from the standpoint of international law the United States as a national entity possesses the inherent power of cession of any part of its territory, whether incorporated or not, it may well be that from the standpoint of national constitutional law the organs of the National Government, save under the duress of exterior force, are without the power of voluntary alienation of territory within that part of the national domain which, in the domestic sense, constitutes the United States as distinguished from those unincorporated areas which belong to it. It may reasonably be contended that the grant of delegated powers, express or implied, and the powers resulting from the creation of a sovereignty, whether construed singly or by grouping, could not have been intended to permit the agent, by voluntary legislative action, or through the exercise of the treaty-making power—free from all elements of compulsion—to deprive the grantors of the delegated powers of the benefits of the political union which it was their purpose to create and maintain. That political union, as originally constituted, was not limited to the States. It certainly included the Northwest Territory, for the ordinance of 1787 declared and ordained that "* * * the said territory and the States which may be formed thereout * * *" should forever remain a part of the Confederacy of the United States of America. That territory, ceded to the Confederation by the States by which it was formerly claimed, became incorporated territory and an integral part of the United States, if not by the force of Article VI of the Constitution, then certainly by the reenactment by Congress in 1789 (1 Stat. 50) of the ordinance of 1787. As additional territory was thereafter acquired from time to time and incorporated into the United States, such territory after incorporation bore the same relation to the rest of the United States as had the Northwest Territory before the admission of the States formed from it. In all such territory the limitations upon the legislative power of Congress became operative ex propio vigore "as far as applicable" from the fact of incorporation (Alaska *v.* Troy, 258 U. S. 101). Such territories, whether "organized" or not, were regarded as embryo States (Shively *v.* Bowlby, 152 U. S. 1; Willoughby, Constitutional Law, 1st ed., Vol. I, p. 332).

These facts militate strongly in favor of the view that the paramount purpose of the Constitution to create a nation, composed of the people of all parts of the territory forming an integral part of the United States, constitutes a limitation upon the general power of cession resulting from the status of sovereignty. The existence of such a limitation is implied in the statement by Mr. Justice White in his concurring opinion in Downes *v.* Bidwell (182 U. S. 244, 317) that while the exigencies of unsuccessful war might require the expatriation of citizens of the United States, this could not "* * * justify the general proposition that territory which is an integral part of the United States may, as a mere act of sale, be disposed of."

These considerations, however, can not apply with respect to the Philippine Islands, which clearly are not an "integral part" of the United States but are merely territory belonging to it. The organs of the National Government are the agents of the United States, and the powers vested in them may reasonably be deemed to be subject to the "* * * restraints * * * arising from the nature of the Government itself * * *" (Geofroy *v.* Riggs, 133 U. S. 258, 267); that is, that it was created by the Constitution to preserve the national entity, the United States, which that instrument brought into being; but as regards the unincorporated territory "merely belonging" to the United States, no such limitation can be said to exist. The people of the unincorporated territories, to which the Constitution does not geographically apply, are in no sense the source of any of the powers of Congress. In legislating for them Congress obviously does not act in any respect as their agent but as the agent of the people of the entity, the United States, to which the unincorporated territory belongs. With respect to such territory the Government of the United States, in the exercise of the resulting power of cession derived from the Constitution by reason of the status of the Nation as a sovereign State, is subject to none of the "restraints * * * arising from the nature of the Government itself," which might be urged against the contemplated cession or relinquishment of sovereignty over incorporated territory.

Expatriation: One objection frequently urged against the power of voluntary cession or relinquishment of territorial sovereignty over territory, incorporated or not, whose inhabitants are citizens of the United States, is that the effect of such cession would be the expatriation of such citizens. While it is believed that the power to cede or relinquish sovereignty over unincorporated territory includes the power to expatriate its inhabitants, the question does not arise with respect to the Philippine Islands, for their inhabitants are not citizens of the United States.

The power to dispose of territory as implied in the express powers to regulate commerce and promote the national defense: The power to dispose of territory, an attribute of sovereignty, is analogous and naturally correlative to the power to acquire it. It is not contended that the grant to Congress of the power to acquire territory necessarily implies, from the standpoint of our constitutional law, the possession by the National Government of the power to relinquish it; but at least with respect to unincorporated territory, belonging to but not forming an integral part of the United States, the possession by Congress of the power to acquire territory naturally inclines the mind to assume that the intention to withhold a power so important and necessary can not readily be imputed to the framers of the Constitution.

That Congress does possess the power to acquire territory by legislative act can no longer be open to doubt. It was by this method that the Hawaiian Islands were acquired. Doctor Willoughby (op. cit., Vol. I, sec. ed., p. 429) expresses the opinion that this action was constitutionally warranted by the same reasoning by which the guano islands act was upheld. He says it may also be justified upon the theory that the annexation of the Hawaiian Islands by joint resolution of Congress was "a necessary and proper measure for the military defense of the Nation and for the protection and increase of our foreign commerce. * * *"

This thought seems to have been in the minds of the Senators who approved the committee report favoring the annexation of Hawaii. (Willoughby, op. cit., sec. ed. note, pp. 429–430.) It has long been recognized that there are powers which can not be ascribed to any one of the express powers delegated to the National Government by the Constitution, but which may be taken as implied by a construction of two or more of the express powers, considered in the aggregate. In the legal tender cases (12 Wallace 457, 533) the court said that certain powers of the Federal Government not specified in the words of the Constitution or clearly traceable to any one of the express powers "may be deduced fairly from more than one of the substantive powers expressly defined or from them all combined. It is allowable to group together any number of them and infer from them all that the power claimed has been conferred."

Although the enumerated powers of Congress do not include the power to acquire territory by annexation or to withdraw the sovereignty of the United States by voluntary legislative action over unincorporated territory, they do include the power to regulate commerce and to raise and support armies and navies; and regarding these powers together it may well be, as suggested by

Doctor Willoughby, that they may be taken as authorizing the exercise by Congress of the implied power to annex territory when, in its judgment, the result will be to strengthen the national defense and extend and protect our national commerce. Congress possesses a wide discretion in the adoption of measures deemed by it to be appropriate to the accomplishment of the objects of government committed to its care. It has been held, for example, that United States *v.* Gettysburg Electric Railway (160 U. S. 668, 681) that a grouping of the express powers to create and equip armies and navies and to levy taxes for the general welfare justify the exercise of an implied power of eminent domain to acquire by condemnation land upon which to erect monuments commemorative of heroic deeds of the national military forces. Such action, the court said, tends to enhance the respect and love of the citizen for the institutions of his country, and therefore is valid because "germane to and intimately connected with and appropriate to the exercise of some one or all of the powers granted. * * *"

The selection of the particular means by which a constitutional power, express or implied, may be exercised by the National Government pertains to the discretion of the department in which it is lodged. The multiple activities of the Federal Government, carried on as manifestations of the power to regulate commerce and to maintain armies and navies, are familiar to all students of our legislative and judicial history. If, as Doctor Willoughby suggests, the power to acquire territory by congressional legislative action may be referred to these powers, as constituting a means by which commerce may be promoted and our armed forces made more effective, it would seem that by a parity of reasoning Congress would have power to release the sovereignty of the United States over unincorporated territory if it should find that, due to changed conditions, the retention of such territory would retard the development of commerce and militate against the effectiveness of our armed forces.

The disposal clause of section 3 of Article IV of the Constitution: It is vigorously asserted by Judge Williams (12 Va. Law Rev. 1, 8–10) that the power of Congress to cede or relinquish sovereignty over the Philippines can not be predicated upon the disposal clause in section 3 of Article IV of the Constitution. By this provision Congress is given "* * * power to dispose of and make all needful rules respecting the territory or other property belonging to the United States. * * *"

Justice Malcolm (Philippine Constitutional Law, p. 179) and Doctor Willoughby agree that the proper construction of the word "territory" in the cited provision would make it a synonym of the word "lands" and limit the application of the disposal clause to rights enjoyed by the Nation as the owner of property in the Territories subject to the jurisdiction of the United States, as well as in the States of the Union.

At the time the Constitution was adopted the only Territory—using the word in its political sense—subject to the jurisdiction of the United States was the Northwest Territory. As this territory was permanently incorporated into the United States, it must be admitted that the cited clause was not intended to confer authority upon Congress to alienate sovereignty over it; and if the opinion of the majority in the Dred Scott Case (19 Howard 1393) were to prevail, this section of Article IV would have to be regarded as functus officio for all purposes, for the Chief Justice and his associates held that it was intended to apply only to the Northwest Territory and could not be regarded as a source of power to govern after-acquired territory.

This view was contrary to that entertained by Chief Justice Marshall, who, in the early case of Sere *v.* Pitot (6 Cranch 332), with the concurrence of his associates, expressed the opinion, with reference to the Territory of Orleans, that even were it to be doubted that the power to govern is implied in the right to acquire territory, it could be predicated upon the grant to Congress of the power to dispose of and make all needful rules and regulations respecting the territory belonging to the United States. This opinion he repeated in 1828 (American Insurance Co. *v.* Canter, 1 Peters 511) with reference to the government of Florida, which, until admission to statehood, was, he said, to continue to be "* * * a Territory of the United States, governed by virtue of that clause which empowers Congress to make all needful rules and regulations respecting the territory or other property of the United States * * *"; although he suggested that independently of this provision the power to govern might be derived from the power to acquire territory.

It is true that in 1840 the Supreme Court, upholding the power of Congress to authorize the President to lease mines in the Indiana Territory, said (United States *v.* Gratiot, 14 Peters, 526, 537) that the term "territory," as used in the cited section of Article IV, is "merely descriptive of one kind of property; and is equivalent to the word lands." But in 1853, in a case concerning territory acquired from Mexico (Cross *v.* Harrison, 16 Howard, 164), the court invoked this provision of the Constitution as a source of the power of Congress to govern acquired territories.

Decisions subsequent to the Dred Scott case show that the court did not consider that the question had been settled definitely. In Church of Jesus Christ *v.* United States (136 U. S. 1) the court held that the power to govern "Territories of the United States is * * * general and plenary, arising from and incident to the right to acquire the territory itself and from the power given" by section 3 of Article IV. In Downes *v.* Bidwell (supra) Mr. Justice White, concurring, said (p. 290):

"* * * In some adjudged cases the power to govern locally at discretion has been declared to arise as an incident to the power to acquire territory. In others it has been rested upon the clause of section 3, Article IV, of the Constitution, which vests Congress with the power to dispose of and make all needful rules and regulations respecting the territory or other property of the United States."

It is obvious, therefore, that there is authority for the opinion that even were the theory of implied powers of Congress to govern territory as the result of its acquisition to be rejected, that power could be granted upon section 3 of Article IV of the Constitution.

If the word "territory" means only land as property, it could hardly be assumed that the power to make all needful "rules and regulations" respecting it would imply the authority to set up the complicated governmental machinery which Congress has from time to time provided for our Territories. The manner in which the power has been exercised implies that it was assumed, if the cited provision of the Constitution was looked to as its source, that the word "territory" was to be construed in its political sense. Suppose that there had not been a square foot of public land in Porto Rico or the Philippines—no "territory" whatever in the limited sense of land of public ownership—would that have been an obstacle to the erection of such governments as those which exist there to-day? Obviously not. The powers of government have been exercised as though the word "territory" in section 3 of Article IV had precisely the same meaning as it has in the eighteenth amendment in the phrase "in the United States and all territory subject to the jurisdiction thereof." As there used it has been construed (Cunard Steamship Company *v.* Mellon, 262 U. S. 101, 122) to denote "the regional areas—of land and adjacent waters—over which the United States claims and exercises dominion and control as a sovereign power." At the time of the adoption of the eighteenth amendment the term "United States" had been defined judicially to mean the States and the incorporated Territories. The insular possessions had been declared to be unincorporated areas subject to the sovereignty of the United States, belonging to but not an integral part of it. The phrase "the United States and all territory subject to the jurisdiction thereof" was obviously worded in such a manner as to include the whole domain of the United States. Certainly it was not intended that the word "territory" should be construed to mean only places over which the United States has a mere proprietary interest. Nor is such meaning the only one of which the word "territory" in section 3 of Article IV is susceptible. On the contrary, the word "territory" is more properly used in the sense of domain subject to political sovereignty than it is as a synonym for land. The principal argument against understanding and applying it in this sense, in connection with the power of disposal contained in the cited provision of the Constitution, is that at the time of its adoption there was no territory of the United States from which Congress could have withdrawn sovereignty, because of the limitations due to the nature of the States and the permanency of the incorporation of the Northwest Territory. But if language used in the Constitution—in this particular instance the words "power to dispose of * * * territory * * *"—is broad enough to meet the requirements of an existing situation, must it be rejected because it must be assumed that the particular situation could not have been contemplated when the Constitution was adopted? In the Dartmouth College case (4 Wheat. 518) it was argued that the preservation of rights created by the grant of a charter could not have been in contemplation when the prohibition of the impairment of contracts by State legislation was written into the Constitution. To this contention the court, in the opinion written by Chief Justice Marshall, replied:

"* * * It is not enough to say that this particular case was not in the mind of the convention when the article was framed, nor of the American people when it was adopted. It is necessary to go further and to say that had this particular case been suggested the language would have been so varied as to exclude it, or it would have been made a special exception. The case being within the words of the rule must be within its operation likewise unless there is something within its literal construction so obviously absurd or mischievous or repugnant to the general spirit of the instrument as to justify those who expound the Constitution in making it an exception."

Can it be assumed that if the framers of the Constitution had been told that "the power to dispose of * * * the territory belonging to the United States" might in the future be construed as authorizing the relinquishment of United States sovereignty over an unincorporated territory on the other side of the Pacific, to enable its people to create a government of their own, upon the suggestion of this particular case the language would have been so varied as to exclude it? Is the contemplated construction one which is "obviously absurd or mischievous or repugnant to the general spirit" of the Constitution?

Henry Clay was obviously of the opinion that the power to cede territory was possessed by Congress under section 3 of Article IV of the Constitution—that opinion was the foundation of his opposition, and that of his supporters in the House (ante, pp. 6–8) in 1820, to the then pending Florida treaty; and this opinion is also expressed by Doctor Willoughby (Constitutional Law, 2d ed., Vol. I, p. 423), who says on this subject:

"* * * But the fact is that the Supreme Court, as will be later shown (Ch. XXV), has repeatedly and definitely committed itself to the proposition that this grant relates to political or jurisdictional rights of the National Government as well as to proprietary rights. It would seem, then, that, giving to the provision this political as distinguished from merely proprietary signification, it would follow that the power granted to Congress to 'dispose' of territory belonging to the United States implies not merely a right to sell the lands or other property of the United

States but to release the political sovereignty of the United States over such territories by sale or cession to another power, or simply by withdrawing its own sovereignty and thus recognizing the independence and self-sovereignty of such territory."

Therefore, either upon the theory of resulting powers or upon that of the power of disposal under section 3 of Article IV, Congress is vested with constitutional authority to relinquish the sovereignty of the United States over the Philippine Islands and to permit its people to organize and establish an independent government.

F. C. FISHER,
Former Associate Justice, Philippine Supreme Court.
WASHINGTON, D. C., *March 1, 1932.*

CUSTOMS SERVICE

Mr. ODDIE. Mr. President, I ask permission to place in the RECORD a letter that I have requested from the Commissioner of Customs showing the effect of the proposed 10 per cent cut in the Treasury bill on the Customs Service.

The VICE PRESIDENT. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

TREASURY DEPARTMENT,
BUREAU OF CUSTOMS,
Washington, April 25, 1932.

MY DEAR SENATOR: In response to the telephonic request of your secretary, I am pleased to submit herewith a statement which supplements the testimony given by Secretary Mills before the Senate Appropriations Committee with respect to the general cut of 10 per cent in the Treasury Department appropriations as contemplated by the McKellar resolution. In doing so, I wish to call your attention to the serious effect upon the Customs Service of any reduction in its appropriation for the fiscal year 1933 such as is contemplated by the recent Senate resolution which calls for a general cut of 10 per cent in Treasury Department appropriations.

As you well know, the Customs Service is and has been since its inception 143 years ago a revenue-producing agency of the Federal Government. Consequently, any reduction in personnel must of necessity, due to the nature of the service, be reflected in the revenue produced.

While business would cut its advertising costs, heat, rents, and other overhead expenses, it would not make inroads into its organization which would seriously cripple production.

The original estimates submitted by the Bureau of Customs for the fiscal year 1933 amounted to $25,518,400. Upon review by the Secretary of the Treasury, this estimate was reduced to $23,550,000—a reduction of $1,968,400. The Bureau of the Budget reduced this estimate an additional $500,000, and the House Appropriations Committee made a further reduction of $350,000, thereby bringing the customs appropriation for the fiscal year 1933 down to $22,700,000, or, in other words, a total reduction of $1,534,800 below the appropriation for the current fiscal year. Now, if a further cut of 10 per cent is added, as proposed in the Treasury Department-Post Office appropriation bill, it will mean an additional reduction of $2,270,000—thus reducing the appropriation for the next fiscal year approximately 15 per cent below that of the current fiscal year, which, in my opinion, would create a very dangerous situation.

There are at the present time 9,272 employees in the Customs Service, many of whom occupy technical positions requiring not only expert knowledge in their respective activities but years of training and experience as well.

This service has already been forced to reduce its personnel to the lowest number consistent with efficient administration as a result of the retrenchment order issued by the Secretary of the Treasury on May 6, 1931. Since that time vacancies have been filled only in key positions and other positions which were considered necessary for the absolute functioning of the service.

If a further reduction of 10 per cent is made, it will be necessary to dismiss approximately 1,100 employees from the Customs Service. Such action, however, will necessitate the closing of practically all interior ports and districts throughout the United States. Such action, as you know, would compel all importers of merchandise to clear their shipments at the first port of arrival in the United States and would practically eliminate the shipment of foreign merchandise in bond.

While I am in complete accord with the furlough proposal offered by the President, many difficulties will be encountered by the Customs Service even with this plan. For instance, there are 173 ports of entry throughout the United States where only one man is stationed; 53 ports at which 2 men are stationed; thirty-four 3-man ports, and nineteen 4-man ports; in other words, there are 278 ports of entry out of a total of 379 ports where less than 4 men are stationed at each port. Obviously the furlough plan can not be adopted at these ports, with the consequent result that the larger ports must carry the entire burden or many of the smaller ports of entry closed entirely.

To meet the proposed 10 per cent reduction it will be necessary to dismiss no less than 1,088 employees, thereby bringing the force down to 8,184 for the fiscal year 1933. At this point it is significant to note that in 1911, a time when the Customs Service did not function in connection with the enforcement of the prohibition laws, aircraft laws, narcotic importing and exporting act, and various other laws since written into the statutes, the Customs Service comprised 8,324 individuals.

The prevention of the smuggling of liquor, narcotics, and other contraband has added tremendously to the work of the organization, with the consequent necessity of assigning almost one-fifth of its entire force to this work alone. Notwithstanding this fact, the proposed reduction will compel us to reduce our organization to the extent of 140 employees below that of 1911.

I wish to point out further that due to the inflexibility of the Customs Service, it will be necessary to distribute this cut throughout the entire organization. For instance, the entire liquidating force, including liquidators in comptrollers' offices, entry clerks, examiners, verifiers-openers-packers, and other classes of employees would have to be reduced.

While there are approximately 270 employees in the seven comptrollers' offices whose annual salaries aggregate one-half million dollars, these employees have year after year changed or increased liquidations to the extent of several million dollars, thereby resulting in a direct addition to the revenue. Any reduction in this force must necessarily reflect in the ultimate production or revenue to the Government.

After urgent and earnest appeals by American manufacturers and dealers several years ago, a dumping unit was created for the express purpose of preventing the dumping of foreign-made goods in the domestic markets at prices ruinous to industry and trade in this country.

This unit will likewise suffer a reduction in personnel which can not fail to have a serious effect upon American trade and industry.

During the past fiscal year, examiners of merchandise as a direct result of their activities were responsible for an increase in the revenue to the extent of $5,370,226. This item covers additions to invoice value made as a result of the various examinations of merchandise and advance in rates.

There are 248 examiners in the Customs Service at an average salary of $3,335 per annum.

On the basis of the amount recovered to the revenue through these employees' activities ($5,370,226), it is proper to say that each individual examiner was responsible for increasing the revenue to the extent of $21,654. Deducting the average salary per examiner from this amount, the net profit to the Government upon its investment amounts to $18,319 for each man.

If a 10 per cent reduction is made in this force, it will be necessary to dismiss 25 examiners. While this reduction will save in salaries $83,375, the Government will at the same time lose in recoveries $541,350. Consequently the net loss to the Government would amount to $457,975.

The human destruction wrought by the illicit drug traffic is universally known, as is the fact that this traffic is supplied by smuggling.

As a direct result of the organization into searching squads of additional personnel authorized during recent years, more thorough examination of vessels has been made and definite progress in stamping out narcotic smuggling accomplished.

In the fiscal year 1928, 160 seizures of narcotics valued at $363,549 were made by customs officers; in 1929 there were 136 seizures valued at $482,781; in 1930 there were 142 seizures valued at $126,417; and in 1931 there were 196 seizures valued at $253,340, and aggregating the staggering amount of 66,674 ounces of drugs.

On April 6, 1932, customs searchers at New York examined an apparently legitimate shipment of toys which arrived that day from Europe on the French liner *Ile de France*, and, in addition to toys, found in this case 1,865 ounces of narcotic drugs. This seizure was made solely through the initiative of customs searchers.

A cut in personnel through reduced appropriations will necessarily fall upon the searching squads and the avenue for narcotic smuggling will again be opened.

For some time past it was realized by administrative heads in the Bureau of Customs that the force of customs agents was inadequate to efficiently cope with the increasing smuggling operations carried on by organized rings—particularly with respect to watch movements, narcotics, and liquor—in addition to the regular routine investigations relating to undervaluations, dumping, drawback, port examinations, etc. Representations were made therefore to the Secretary of the Treasury when the customs estimates for 1931 were being prepared for submission to Congress that with an increased personnel of 50 agents the expense involved would be offset many times over by accompanying additional recoveries. Provision was made, in fact, in 1931 estimate for an additional force of 50 customs agents, but to date only 30 of the authorized number have been appointed.

With this additional force of agents it was possible for the investigative unit to concentrate more on major investigations—that is, to keep agents employed continuously on particular investigations for weeks and months, whereas in the past it was necessary to handle such cases in routine fashion. The results that accompanied this increase in force during 1931 more than justified the representations made by the bureau heads, as shown by the fact that the $4,687,701 recovered as the result of the agents' activities in 1931 exceeded by $2,054,544 the amount recovered by them in 1929, and exceeded by $2,301,292 the recoveries from such source during the fiscal year 1930.

Under the contemplated cut of 10 per cent in the customs agency allotment for 1933 it will be necessary to reduce its personnel by 16 to 20 agents—so that the benefit derived from increasing the force to its present strength will be entirely dissipated—and will materially affect the efficient functioning of this branch of the customs work during the ensuing fiscal year.

It is also significant to note that the proposed tax bill which is now pending before the Congress carries various tariff items involving rates on oil, lumber, and coal, and also contains a provision for compensatory duty on commodities purchased on a depreciated currency basis. A tax is also contemplated on copper, with an intricate compensatory duty rate on manufactures of copper.

If this bill becomes law, additional work will necessarily be imposed upon customs officers, not merely one class of employees but inspectors, weighers and gaugers, samplers, entry clerks, liquidating clerks, examiners, and others. The depreciated currency provision alone will add a considerable burden to appraising officers and liquidators, as this new law will undoubtedly give rise to many highly technical questions.

I also wish to call your attention to an item contained in the proposed economy bill which eliminates the payment of overtime to customs employees.

Under the act of February 13, 1911, as amended by the act approved February 7, 1920, the master, owner, or agent of a vessel or vehicle for whom the services are rendered is required to pay this overtime. Therefore the continued payment of this overtime will in no way affect Federal funds, the only result of this provision being to deprive employees of overtime pay.

I also wish to point out that if this general cut of 10 per cent is made, it will most certainly give relief to bootleggers, rumrunners, racketeers, and every other class of lawbreakers, as the doors will be opened wide for all sorts of illicit traffic.

In closing I wish to add that the Customs Service has functioned during the past 143 years, and notwithstanding the fact that precarious times have been met in the past and several panics endured, this will be the first time in its history, if this 10 per cent reduction is made, that the service has been called upon to drastically reduce its force to meet a financial situation.

Very truly yours,

F. X. A. EBLE,
Commissioner of Customs.

Hon. TASKER L. ODDIE,
Chairman Subcommittee in Charge of
Treasury Department Appropriation Bill,
United States Senate, Washington, D. C.

REPORT OF THE MILITARY AFFAIRS COMMITTEE

Mr. CAREY, from the Committee on Military Affairs, to which was referred the bill (S. 2434) for the relief of Edgar H. Taber, reported it with an amendment and submitted a report (No. 594) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters.

Mr. HEBERT, from the Committee on the Judiciary, reported favorably the nomination of E. Coke Hill, of Alaska, to be district judge, district of Alaska, division No. 4, to succeed Cecil H. Clegg, whose term expired May 18, 1930.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLETCHER:

A bill (S. 4474) granting a pension to Frank T. Douglas alias Lewis Calhoun; to the Committee on Pensions.

By Mr. GOLDSBOROUGH:

A bill (S. 4475) for the relief of the Sanford & Brooks Co.; to the Committee on Claims.

By Mr. TOWNSEND:

A bill (S. 4476) for the relief of the Hamburg-American Line; to the Committee on Claims.

By Mr. HATFIELD:

A bill (S. 4477) to encourage the utilization of farming opportunities by certain destitute or unemployed persons; to the Committee on Education and Labor.

By Mr. WALSH of Massachusetts:

A bill (S. 4478) authorizing the appointment and retirement of Francis Joseph Thomas as an ensign in the United States Navy; to the Committee on Naval Affairs.

By Mr. FRAZIER:

A bill (S. 4479) repealing certain sections of the Revised Code of Laws of the United States relating to the Indians; to the Committee on Indian Affairs.

By Mr. BARKLEY:

A bill (S. 4480) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Woman's Club, of the city of Paducah, Ky., the silver service in use on the U. S. S. *Paducah;* to the Committee on Naval Affairs.

A bill (S. 4481) granting a pension to Alexander Steele; and

A bill (S. 4482) granting a pension to Daniel Wilson; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4483) to amend an act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, and amendments thereto; to the Committee on the District of Columbia.

By Mr. WATSON:

A bill (S. 4484) granting a pension to Anna Saunders (with accompanying papers); to the Committee on Pensions.

By Mr. HOWELL:

A bill (S. 4485) to amend the agricultural marketing act, approved June 15, 1929, as amended; to the Committee on Agriculture and Forestry.

HOUSE BILL REFERRED

The bill (H. R. 11290) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, was read twice by its title and referred to the Committee on Pensions.

REVENUE AND TAXATION—AMENDMENTS

Mr. HOWELL submitted an amendment intended to be proposed by him to House bill 10236, the revenue and taxation bill, which was referred to the Committee on Finance and ordered to be printed, as follows:

On page 243, between lines 5 and 6, insert the following new section:

"SEC. —. There is hereby imposed upon energy sold by privately owned, operating electrical power companies a tax equivalent to 3 per cent of the price for which so sold, payable from net income but not otherwise."

On page 243, line 25, after "article," insert "(other than electrical energy)."

Mr. ODDIE submitted an amendment intended to be proposed by him to House bill 10236, the revenue and taxation bill, which was referred to the Committee on Finance and ordered to be printed, as follows:

On page 233, between lines 2 and 3, insert the following:

"(d) In addition to any other tax or duty imposed by law, there shall be levied, collected, and paid upon all goods, wares, articles, and merchandise mined, produced, manufactured, or produced or manufactured, wholly or in part, from materials any of which have been mined, produced, or manufactured in the Union of Soviet Socialist Republics, or in any territory subject to its jurisdiction or control, imported into the United States, a tax of 50 per cent ad valorem based on the American selling price of such or similar domestic articles as defined in section 402 of the tariff act of 1930."

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3580) for the relief of Clara E. Wight.

RETURN OF SENATE ENROLLED BILL NO. 3584

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying enrolled bill, ordered to lie on the table:

To the Senate:

In compliance with the request contained in the resolution of the Senate of April 22, 1932 (the House of Representatives concurring), I return herewith the bill (S. 3584) entitled "An act to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of

the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes."

HERBERT HOOVER.

THE WHITE HOUSE, *April 25, 1932.*

THE WORLD COURT

Mr. BROUSSARD. Mr. President, I ask leave to have printed in the RECORD an editorial which appeared in the Louisiana Times-Picayune of March 19, 1932, entitled "World Court and Senate."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

WORLD COURT AND SENATE

That hardy perennial issue, American adherence to the World Court, was taken out of storage last Wednesday and briefly examined by the Senate Foreign Relations Committee. The merest preliminary investigation uncovered "new complications" whose untangling may keep the committee busy for the rest of the session. The resolution of adherence, embodying the Root protocol, is still exposed to diverse interpretations. One of the committeemen insists that further reservations must be attached to safeguard "American rights."

This particular Senator, we believe, opposes adherence on any terms. But his argument impresses a proadherence confrère, who proposes that all doubts regarding the meaning and effect of the resolution be cleared away before the committee reports it. The method of clarification, as he outlines it, involves diplomatic correspondence with the other Governments holding World Court membership, to ascertain if they "agree that the protocol does not impair or affect the fifth reservation, and that the court can not, without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest."

This diplomatic correspondence, if the anxious Senator's motion therefore is seconded by the committee and the Senate and undertaken by the State Department, should consume a good many weeks or months. Pending its completion, the Senate course would hold the matter of American adherence in abeyance—thus automatically shelving it for duration of the present session.

Another method of attaining the same objective—further delay—is proposed by a third committeeman. He suggests that consideration of the whole matter be postponed until the Geneva conference on disarmament completes its work and the American delegates thereto return and report on the prospect of international cooperation and the European state of mind. The Senate has a representative of its own on the Geneva delegation; the motion to await his counsel on the subject of adherence might set the further indefinite delay in the gracious light of a "senatorial courtesy."

Neither of these suggestions was adopted by the committee at Wednesday's sitting. Its members did not consider it advisable, perhaps, to shelve the question too abruptly. So they invited Secretary of State Stimson to give them his views on the protocol at a later sitting. This gesture toward further consideration probably is intended to pacify those adherence advocates outside Congress who are demanding action. But few or none of these will be so easily deceived in the face of the abundant indications that the Senate—whether or not a majority favors adherence—is as reluctant now as ever it has been in the past to meet the issue and settle it.

LOCAL SELF-GOVERNMENT

Mr. LOGAN. Mr. President, I ask permission to have printed in the RECORD a speech of Hon. R. C. P. Thomas, judge of the Warren County (Ky.) Court, delivered before the Association of County Judges held in Louisville, Ky., on April 8, 1932, on the subject of Local Self-Government.

The VICE PRESIDENT. Without objection, it is so ordered.

The speech is as follows:

I was requested to discuss some phase of county government. The printed program, owing to a typographical error, gives my subject as "The function and treads of county government," when the subject selected is "The function and trends of county government," and while it is my purpose to call your attention especially to the county as a governmental unit, you may conclude before I have finished that the "Treads of county government" may not have been a misnomer after all. For in this motor age, the treads of county governmental tires have been worn quite smooth, blowouts are constantly occurring and county governments are parked on the highway of centralization. The odor of gasoline and the hum of the motor has increased the cost of local rural government to such an extent that the county as a governmental unit in many States of this Union is gasping for breath and local self-government is making its last stand before it may be numbered with departed glories. Unless heroic remedies are applied and our people see the light, the greatest aspiration of the human heart in government will be annihilated, the county and the minor governmental units sink into oblivion and local self-government, the shibboleth of our colonial ancestors, lost to us forever. Mr. Jefferson said, "It is not by the consolidation of powers but by their distribution that good government is effected. Were not this great country already divided into States, that division must be made, that each might do for itself what concerns itself directly, and what it can so much better do than a distant authority. Every State again is divided into counties, each to take care of what lies within its local bounds; each county again into townships or wards, to manage minuter details; and again every ward into farms, each to be governed by individual proprietors. It is by this partition of cares, descending in gradation from general to particular, that the mass of human affairs may be best managed, for the good and prosperity of all."

Stated in another way, each individual should be left to work out his destiny and be unhampered only where it is for public good and to perform all the duties of citizenship within his power of fulfillment, and like again those beyond his power and within the power and province of the family should be left to the arbitrament of the family, and those things in government beyond the power of the family should be left to a governmental unit—the town, ward, or township—and likewise powers beyond fulfillment of the aforesaid units should be left to the county, and governmental necessities beyond the fulfillment of counties should be passed on to the State, and those powers beyond the fulfillment of the State should be left to the National Government as delegated. The National Government should not encroach on any governmental functions which could be performed by the State, and likewise the State should not undertake to perform governmental duties which could successfully be performed by the county or other local governmental units.

In the early days of this country when the population was scarce, the boundaries of the counties were large, and counties few. As the population increased and settlements were established, the counties became more numerous so that the people by horseback or oxcart or foot could more easily reach their county seat of government. At the time the first constitution in Kentucky was formed in 1792 there were 9 counties in Kentucky; in 1799, when the second constitution was formed, there were 25 counties; in 1850, when the so-called new constitution was formed, there were 100 counties; and at the present time there are 120. The experience in Kentucky has been duplicated in most of the States of the Union.

During the past two decades and during the development of the motor vehicle distances have been wiped out, and increased costs of hard-surfaced roads have not only added increased burdens of taxation but many county governmental functions, including road building, have been taken over by the State, and the larger counties have been required to pay taxes and licenses to assist counties that have been unable to help themselves.

And when you scrutinize conditions not only in Kentucky but in other States, the evolution in motor transportation, with its attendant governmental expenses, has not only alarmingly increased county indebtedness but has left but little for the ordinary and customary county expenses. In New York there are 13,544 units of local government and approximately 10,000 school districts, one for every 20 farms. Taxes in many instances exceed the farmer's income, and the area of farm land in New York has shrunk 4,500,000 acres since 1880. In Michigan there are 83 counties, 1,269 townships, and 6,873 school districts. And these units elected 43,902 officers. In 1928 taxes were delinquent on more than 9,000,000 acres of Michigan land and on nearly a million village lots. Many States are similarly affected, notably Indiana, Illinois, Missouri, North Carolina, Georgia, Tennessee, and Kentucky.

It has been asserted that $10,000,000 of assessed valuation is necessary to maintain the simplest county government, and according to the report of the Kentucky State Tax Commission for 1930 there are 45 counties in Kentucky with a less assessment for State purposes than $10,000,000. Ninety-nine counties of the State have less than $20,000,000 of property subject to taxation. Twenty-nine counties have less than 10,000 population and three with less than 5,000 inhabitants. Eighty-eight counties have less than 20,000 population. Twenty-five, or more than a fifth, of the counties cost the State approximately one-half million dollars more than the revenue they pay in, and are called pauper counties. Good business does not justify a county as a governmental unit of the State if it cost the State in excess of the revenue it pays in. These pauper counties are necessarily unable to provide a frugal local government, but become an annual liability on the income of the State to the extent of half a million dollars out of the revenues raised by taxes, to say nothing of road-building expenses to the State.

The areas of the various counties of Kentucky are very dissimilar and run from 69,760 acres to 498,560 acres, yet the difference in area does not affect the county governmental units as much as lack of taxable assessed valuation and lack of population. The evolution of the gasoline motor vehicle with its attendant speedier travel has obviated the necessity of smaller areas for county government, while the cost of hard-surfaced roads has placed it beyond the capacity of smaller areas to pay unless, perchance, the smaller unit has the assessed value of property to take care of the burdens imposed.

Many of the counties, including the large as well as the small, are now facing deficits or have increased their bonded indebtedness in many instances greater than their capacities to pay. It can be asserted truthfully the changes in transportation have so

vitally affected the expenses of county governments that it seems that major governmental surgical operations in boundaries will have to be performed, and even drastic reductions in officers and employees of the county governments in the aggregate will have to be made to meet the changes which have grown up around them during the course of the past 20 years. The horse and buggy have been driven from the highway. The car and the paved highway have changed the old order, and it is expedient to make governmental machinery and methods responsive to the necessities of such change.

The remedy which has been frequently discussed by political writers in America, and has received the approbation of many prominent men, is to enlarge the area of the counties. I am, therefore, calling this association's attention to it so that its members may give it serious reflective consideration.

Rural life is demanding governmental service, health service, graded and high schools, and other governmental agencies which were common to cities. This increased service can not be obtained by small counties or counties where the taxes from assessed valuation of property will not justify it. Motor-vehicle transportation makes larger counties or units possible. In any event the so-called pauper counties should be attached to adjacent areas sufficient in boundaries and wealth which could support the governmental agencies and adequate school facilities.

In consequence of the increased burdens upon local governmental units, the State has been compelled to absorb many functions within the power and province of county government, and in turn, without the consent of local governments, but through legislative enactment the State placed expenses and burdens upon counties which for a long time were considered peculiarly the province and function of State government. The National Government has so assumed functions within the scope and province of the States that in nearly every field of governmental endeavor there has been such a trend of governmental absorption of power by the larger governments, State and National, that the arm of local governmental endeavor has been palsied and the average citizen looks more to his State government, and still more to his National Government for relief in government, whether it be from the ravages of storm, of drought, of floods, or of whatever calamity comunities may be suffering from.

This seeming lack of responsibility of local government and the demand of the people for larger appropriations for everything, as long as they were under the anesthesia of indirect taxation by the National Government, have caused governmental employees to be increased alarmingly and governmental expenses to mount higher and higher until at last we find a whole Nation prostrate, and additional sources of taxes demanded for the purpose of balancing the budgets of Nation, State, county, cities, and local taxing units.

Ex-President Coolidge, in a recent article, states that in 1903 National, State, and local expenditures were $1,570,000,000, of which the State local costs were $913,000,000; while in 1929, total governmental expenses, National, State, and local, were $13,048,000,000. The expenses of State and local governments jumped from $913,000,000 in 1903 to $9,116,000,000 in 1929. In 1930 the ordinary family of five persons, directly or indirectly, was called upon to contribute to the Nation, State, and local units on the average of $416.05 yearly.

It staggers the imagination. The trouble is that local government was lost sight of and it did not matter if the money seemingly came from afar. The people did not realize that at last they were paying it. The farmers constitute about one-fifth of our population in the Nation and if we had dreamed that out of every dollar the farmer was receiving in income he was paying one-fourth of it to his governments and all classes were paying one-fifth of every dollar, I do not believe this drunkenness in government expenditures would have continued so long.

We are suffering from the decadence of local self-government. And the centralization of power has removed the government too far from the scrutiny of the individual citizen. The absorption of functions of the county by State and Nation, whatever have been the impelling causes, have brought havoc and ruin.

The present boundaries of counties in the State do not fit the changed conditions. If local self-government is reestablished, the county boundaries must be changed and enlarged to meet modern conditions and instead of having 120 counties in Kentucky 50 counties would suffice. Overhead expenses would be materially diminished, and under proper constitutional changes, duplications in government could be eliminated and efficiency in local government perfected.

These can not be accomplished without the people reaching the conclusion that great benefits would follow such a drastic change. The counties as at present constituted have been in existence a long time. Much sentiment has been built around them. The changes might have to come slowly. Efficiency in the county units as now established must first be brought about. Many things could be suggested, but officeholders and candidates for office where they might be affected usually fight changes, and they are usually organized. In consequence, duplicated agencies and activities of county government can not be eliminated because of opposition by the officeholders or candidates for office.

It is difficult to secure remedial legislation for county governments on account of the idea that offices exist for the officeholders and that an accounting for their emoluments is a matter in which the public has no concern. Duplicated agencies and activities in county government can not be brought about until the public mind is aroused over the benefits which will accrue to the taxpayer.

It is a hopeful sign that in many counties in this and other States taxpayers' organizations are being effected, conditions studied and programs promulgated for the benefit of the impoverished taxpayers. If the taxpayers, who have long been silent, will give serious study to the situation confronting counties and local taxing units, relief is in sight, but if not, local self-government will be annihilated and State and Nation will control all the activities heretofore carried out by local communities. As it is now, the county governmental agencies are without discretion, and with the multiplicity of legislative enactments are simply carrying out the mandates of State legislatures.

We must not accept centralization as the cure for the deficiences and nonefficiency of local governmental units. To trust all governmental functions to the National and State Governments would crumble the foundation on which our democracy is built.

Mr. Jefferson said, "We should thus marshal our Government into, 1, the general Federal Republic, for all concerns foreign and federal; 2, that of the State for what relates to our own citizens exclusively; 3, the county republics for all the duties and concern of the county; and 4, the ward republics, for the small, and yet numerous and interesting concerns of the neighborhood; and in government as well as in every other business of life, it is by division and subdivision of duties alone, that all matters great and small can be managed to perfection. And the whole is cemented by giving to every citizen, personally, a part in the administration of public affairs." And yet he was well aware that these subdivisions would be subject to change with changing conditions for he said:

"Let us as our sister States have done, avail ourselves of our reason and experience, to correct the crude essays of our first and unexperienced, although wise, virtuous, and well-meaning councils. And lastly, let us provide in our Constitution for revision at stated periods. What those periods should be nature herself indicates. By the European tables of mortality of the adults living at any one moment of time, a majority will be dead in about 19 years. Each generation is as independent of the one preceding, as that was all of which had gone before. It has then, like them, a right to choose for itself the form of government it believes most promotive of its own happiness."

CONSERVATION OF WILD LIFE

Mr. WALCOTT. Mr. President, I ask permission to insert in the RECORD a speech by Senator HARRY B. HAWES, delivered before the Tenth Annual Convention of the Izaak Walton League of America in Chicago on April 22d.

This speech deals with the investigations recently made by the Committee on Wild-Life Resources on the 4th, 5th, and 6th of April, presents some of the points developed in this hearing, and contains a suggestion for financing.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

Mr. President, surveying the field of endeavor of those who have given generously of their time and money in the interesting effort to conserve and replenish the wild life of America, we find many splendid organizations, some of them purely local, others devoted to sectional and state-wide activities, and a few of national scope.

A volume might be written of the special efforts of the men and women who have given their very best to these associations. Besides these are those fortunate sportsmen who own their private preserves and clubs, but who, nevertheless, have taken a deep and unselfish interest in the subject and have spent liberal sums in investigation and experimentation and generously given to the public the benefit of improvements made by them.

Standing out conspicuously is that group which inaugurated the migratory-bird treaty with Canada and which since has attempted to extend its usefulness by a treaty of the same character with Mexico.

But of all these organizations and groups the one which seems nearest to me and more a part of myself is the Izaak Walton League of America, largely because I consider it what might be called a "grass-roots" organization; for it reaches into the smaller subdivisions of each State while at the same time it concerns itself with the larger problems of conservation in the individual Commonwealths and in the country as a whole.

My attachment to the league is also explained by the fact that I have to the best of my ability handled its problems of national legislation in Washington for a period of nearly 12 years.

And this has been for me an agreeable occupation. My early efforts were the occasion at times of some amusement, at others of some opposition because of a feeling that the vital affairs of the Nation were more important than its wild life, and that the time of the Senate and the House should not be devoted to what some of the Members thought in the early days were smaller and more trivial matters.

Fortunately, however, a conservation conscience has been slowly but surely developing. It was at first thought to be merely a matter of sentiment; but the thoughtful legislator has outgrown that opinion. He now realizes that conservation is part of the national program, involving as it does not only popular recreation but also problems of health and food, and the preservation for national purposes of the fine old frontier spirit of our ancestors.

The best efforts of the Izaak Walton League have been State efforts, but wherever it has concentrated upon some great na-

tional project, such as the upper Mississippi wild-life, fish, and game refuge, it has been signally successful; and it has generously and without jealousy supported movements of a national character initiated by other groups and other organizations. It has had the courage, on occasion, to disagree and condemn. Its democratic form of organization, its numerous chapters, and its large membership have given to it a political power greater than that of any other similar national organization.

It has been suggested that my remarks this evening be confined to a half hour's discussion of Federal authority and the Federal field in its relation to the broader field of activity. To understand the present situation a short statement of its causes seems necessary.

In our time of game plenty we made no preparation for its continuance. We permitted indulgence to blind us to the necessity of both the conservation and the restoration of wild-life resources. To-day we have reached the point of exhaustion and must balance our National Budget in this field as in the field of Government finances.

In the early days there were early practices, even necessities, which accounted for the waste of that period. The pioneers used game for food. They had little time for sport. Their immediate descendants replaced the herds of wild animals with their domesticated flocks and herds. Wild fowl were replaced with domestic ducks and geese, upland game birds with domestic chickens and turkeys. The skins of wild animals were replaced by leather made from bovines and sheep.

The wide open places were fenced; game cover was destroyed; swamps were drained; the rain water formerly absorbed into the land, thus forming a reservoir to prevent or minimize droughts, is now carried quickly away by artificial drainage to larger streams, causing floods, erosion, and the washing away of the fertile topsoil.

Into our streams and lakes and on the coasts of seas and gulfs we dumped the refuse of the Nation, and pollution of their waters followed. Dams and dykes stayed the migration of fish. Foreign species, like the carp, were imported. These destroyed our native game fishes.

The great demand for fish food by an increasing population always straining the supply stimulated the inventive genius of our people. The canoe, the rowboat, and the sailboat were replaced first by craft propelled by steam and afterwards by speedy boats driven by gasoline or electric power. All the hidden habitats of fish and game have been found; nets of great length and depth have taken the place of the shallow seine. Dynamite has been used, and whole rivers have been crossed by nets, destroying almost all species of water life. The banks of streams were denuded of trees and shrubs; erosion filled the bottom with a silt that generated poison gases. Drainage forced the waters into driving floods, destroying the spawn of fishes upon the shore and carrying breeding stock from their natural habitat to strange and unprotected places; aquatic plant life, food for the fishes, was washed away. The shade upon the banks is nearly gone. Everywhere the swift motor boat carries its party of energetic fishermen and hunters.

Our great forests are almost gone. The prairies are fenced and plowed; the mountains are burrowed with mines; the streams are polluted and dammed; the sky now has its observing airplane, and the telephone notifies the sportsman of the presence of both fish and game.

We are spending annually $650,000,000 in pursuit of fish and game and outdoor recreation, and it is costing more each year because additional thousands of our people are seeking health and pleasure in the open. This outdoor recreation is now a source of great revenue in many States and is increasing in importance in a large number of them.

Outdoor recreation saves health and restores it; it is a prime factor in promoting a healthy nation and giving to our children greater brawn, muscle, and longevity.

The outdoors has its spiritual side, with its communion with nature, its better understanding of God's wisdom, care, and beneficence, its teaching about plants, trees, animal, and fish life. All this adds to the experience of man, and for the child this instruction is vital.

The outdoors is less expensive than the hotel. It can be made as costly or as cheap as desired. It can be made to accommodate the pockets of all.

But outdoor life without the game birds, animals, and fishes loses its charm and attraction. It is like playing baseball without a ball, or like attending church without a sermon; like a dance without music, like an egg without salt, like a joke without laughter, or love without a kiss.

There are those who ride and ride and ride, who find in speed and movement in an automobile a satisfying diversion. There are those who are satisfied to do their shooting and their fishing with a camera, but their number is relatively small.

For those who do not use rod or gun we have saved the song bird and the bird of plumage, and for the farmer the insectivorous birds. Americans are turning their attention also to the gardens and the flowers so as to delight the eyes and the nostrils of these outdoor people.

But those who have inherited the instincts of the forebears (of the pioneer men and women) to enjoy the outdoors—and they are the vast majority—must have the chase, the conflict, the coordination of brain, eye, nerve, and muscle that gives the thrill, the real enthusiasm that comes with the strategy and skill required in fishing and hunting. In the absence of fish and game these incentives are gone, the desire disappears. Mechanics and an overcivilization put their death hand upon even mild outdoor adventure.

We have done so much and so well in many fields of science, comfort, sanitation, and education that it is strange we should have been guilty of such neglect of the wonderful natural resources which a wise and generous Providence has given.

To permit these to fail simply because we can not agree upon some practical, continuous, constructive plan or plans will be criminal.

It is true that to the extent of 80 or 85 per cent the problem is one for each individual State. Only the 15 or 20 per cent of it is of a Federal character. But this 15 or 20 per cent of it is vital part of the whole problem. It must be solved first, understood, coordinated. After that, it will be the easier of solution, the less expensive. Rightly directed, the program of solution will have the enthusiastic support of the sportsmen and women of the States. Accomplishment by Federal agencies will in turn stimulate State activity, furnish incentive, give advice and encouragement.

THE FEDERAL FIELD

We find in all the great nations of the earth that local custom, written into local laws, prevails. The response to local sentiment and opinion is seen in every form of government. Our Nation is a union of States which we have called the United States. The power of the national Government is limited and defined by our Constitution. It can not be extended farther without constitutional amendment.

During recent years, by various subterfuges and schemes for promoting projects, sometimes meritorious, there have been created bureaus, and commissions, through what might be called clerk-made laws. This bureaucracy has resulted in a great extension of Federal authority and activity. This is largely responsible for our billion-dollar deficit of to-day.

There is quite an obvious overlapping of national and State agencies, a duplication of effort followed by a duplication of costs. Business has become irritated; farmers are dissatisfied, and all thoughtful citizens (irrespective of the State or section from which they come) are opposing further increase of Federal activity with its lessening of State pride, State initiative, and local control. The old expression "States' rights" is more or less abandoned, but the resolve to preserve the State and the control of the State is now just as vigorously asserted in New England as it is in the States of the South.

I make this observation because, in asking for Federal aid or Federal control in the matter of saving and replacing our wild life, enthusiasts who are not fundamentalists or familiar with the psychology of the Congress sponsor proposals which are doomed to defeat in advance because these run counter to this opposition to further extension of Federal jurisdiction.

For illustration: The proponents of the recently introduced shell tax bill (H. R. 10604) proposed in their measure to give to the Secretary of Agriculture control not alone of migratory birds but of the administration and expenditure of money on upland game birds and fur-bearing animals. This was to be done by regulations, inhibitions, and plans issued by the Secretary of Agriculture. There were objections to the bill also because it sought for the first time to divest the Secretary of State of the treaty-making power and give it to the Secretary of Agriculture.

But the outstanding opposition, clearly and forcefully expressed by at least 95 per cent of the sportsmen's organizations and magazines of sport heard by the Senate committee in Washington on April 4, 5, and 6, was to the extension of power over the game departments of the States by a Federal bureau.

I call attention to this national psychology which will, in my opinion, prevent the domination of State departments by a single national department, and I recommend that all future proposals shall not only keep in mind the national feeling on this subject, but also the limitation of power possessed by the National Government in the field of conservation.

Federal activity, therefore, is confined exclusively, first, to its jurisdiction over the game and fish in its national parks and reservations; secondly, to its authority and direction over migratory birds, which for the purpose of this discussion is limited to ducks and geese; and, third, to its jurisdiction over navigable waters in the matter of fishes, limited even in this field by the shore-line rights of the States. While apparently this is a limited field, upon examination it broadens considerably and the utility and practical assistance of Federal control becomes at once a vital element, a necessary element, and an assisting force in State endeavors.

Before discussing what the Federal Government may properly do, a few figures as to the immensity of the subject may be illuminating. In 1931 approximately 5,300,000 fishing licenses were issued, including the combination licenses which number 4,500,000. Approximately 7,000,000 persons took out hunting licenses. Many States do not require licenses for individuals who shoot or fish on their own premises. The total who hunt and fish and pay a license for the privilege has been estimated at 13,000,000, approximately 30 per cent of our adult population.

According to figures of 1929, sporting firearms of a value of approximately $22,000,000, ammunition to the amount of nearly $43,000,000, and fishing tackle of various kinds approximating $25,000,000 were sold. Including in the sportsmen's equipment clothing, tents, boats, and various articles, it is estimated that the sports man and woman spends approximately $50 per capita a year. This, for those who take out hunting and fishing licenses alone, equals $650,000,000 annual expenditure. This excludes, of

course, the cost of transportation and other items of expense, which, if added, would probably increase the outdoor bill to $750,000,000.

It is estimated that the Federal Government has an investment in national parks of nearly $55,000,000; in fish hatcheries of $3,500,000; in game sanctuaries between $2,000,000 and $4,000,000.

The States own approximately 44,500,000 acres of land and water which have been set aside as bird and game sanctuaries or reserves. Even at an average value of only $7 an acre, State reservations and sanctuaries are worth approximately $300,000,000. The aggregate, therefore, of investments which the Federal and the various State governments have made for the purpose of preserving or increasing wild life is about $507,000,000.

Our Committe on Conservation of Wild-Life Resources made the following recommendation in its report of January 21, 1931:

"(a) The Federal Government's part in connection with game crops grown on State land is to assist the States to work out better game-cropping methods. The Federal function is research and demonstration.

"(b) On Federal lands the Federal Government should conduct its own game-cropping operations."

We have classified game as follows:

Class 1: Farm game.
Class 2: Forest and range game.
Class 3: Wilderness game.
Class 4: Migratory game.

Time will not permit a detailed discussion of these various classifications, but they are interesting and will be found in the report.

FOR FEDERAL ACTIVITIES

"Pending specific recommendations for changes in existing laws, or a coordination of activities, our committee recommends concentration on the following subjects by the proper departments.

"1. Lend trained men to State commissions for aid in investigation.

"2. Lend aid to the States to organize demonstration areas.

"3. In cooperation with the States, place more of the national forests under game management. Work out cooperative plans for limiting and allocating the annual kill.

"4. Game management on the public domain.

"5. More wilderness areas—congressional recognition of areas for wilderness recreation.

"6. Fact finding in wilderness game species.

"7. Game surveys: Lend game experts to States wishing to reorganize their game program.

"8. Furnish game experts to agricultural colleges presenting satisfactory programs for game fact finding and extension work.

"9. Assist in perfecting an animal game census and to secure standardized reports from license holders of the annual kill of all varieties of game animals for the benefit of more efficient administration of both State and Federal conservation agencies.

GAME EXTENSION

"It is the custom of the Department of Agriculture to station at appropriate agricultural colleges experts in various biological subjects relating to domesticated plant and animal crops.

"Many agricultural colleges now desire to assume their natural function as technical advisers to State game departments and to landowners. The Department of Agriculture should cooperate with such colleges by furnishing men to assist them, both in game-research and game-extension activities.

"The National Government, through its Departments of Agriculture and Commerce, and through its bulletins, should advocate—

"1. A complete understanding between the farmer, the landowner, and the sportsman, in relation to game and fish.

"2. An increase in the number of State experimental farms.

"3. An increase in the number of State fish hatcheries.

"4. The systematic practice of game management on all publicly owned lands.

"5. They should conduct a scientific research and investigation into the causes of disappearance of wild life, the regional control of predators, the causes and prevention of stream pollution, bird, fish, and animal diseases and noxious parasites, and the subject of proper food and lack of cover.

"6. A national game survey by States.

"7. Cultivate a close cooperation between national and State efforts in the exchange of information and statistics.

"8. A report from the Bureau of Biological Survey on the best methods of breeding our native game birds.

"9. A report from the Bureau of Fisheries on the best methods of breeding our fresh-water fishes."

The committee found that—

"The necessity for coordination and cooperation between State enforcement and national enforcement is self-evident.

"Industrial developments and the rapid expansion of the American population in its manifold activities and occupations have made serious inroads upon the forests and other natural environments of wild life. The marsh and other areas so necessary to the maintenance of wild fowl suffered especially by this development. Tremendous acreages were drained, and in many cases the soil exposed by the drainage operations proved to be worthless for agriculture."

And that there should be a closer coordination of the activities of the Federal Government in administering wild life, reforestation, parks, and reclamation projects, it recommended a codification of Federal laws.

It is considering one great department of conservation, under which shall come a consolidation of Federal efforts for the preservation and replacement of both fish and game under the direction of either a new secretary or a permanent under secretary. Because of the many other duties imposed upon the members of this committee, it has not completed its investigation and determination on this particular subject, which seems to be most interesting to sportsmen's organizations.

Realizing that the present Congress, faced by a tremendous and extraordinary deficit, and the necessity of increasing our tax burdens by approximately $1,000,000,000 annually, and eager to reduce the cost of government some $250,000,000, it would be inappropriate and futile to expect the National Legislature under the circumstances to make enlarged appropriations for Federal enterprises in this field.

SENATE BILL 263

The committee finally prepared and introduced Senate bill 263, which is called the coordination bill, intending, without additional cost, to bring into cooperation every department of the Government which has either a direct or an indirect interest in this matter; and, strange to say, we discovered that not only the Departments of Agriculture, Commerce, and Interior, but the Departments of Justice, State, Treasury, Post Office, Labor, War, and Navy all could do their part without additional cost, with some saving, and greater efficiency, through united effort.

With the passage of this bill millions can be saved in wild-life resources. The careless diversion of waters in one case on the North Carolina coast, the flooding of fresh waters with salt water, entailed a loss of millions of dollars. On the upper reaches of the Mississippi, by building nine dams instead of one huge dam, wild life and fish life will be conserved. When the Government in its solution of the flood problem of the lower Mississippi Valley begins its work of building great spillways, one approximately 100, and others 125 miles in length, and from 5 to 25 miles in width, attention should, and under the provisions of this bill must, be given to wild life.

The diversion of waters at one point in southeast Missouri involving 118,000 acres of land can in its way be utilized. This is true of all the great Government works, and especially is it interesting in connection with reforestation and the problem of erosion.

The enactment of the bill will be a valuable contribution to the popular welfare and impose no cost on the Government. It is now before the House committee, having passed the Senate by practically a unanimous vote.

THE MIGRATORY-WILD-FOWL NATIONAL HEARING

Three seasons of drouth and other causes inspired the Secretary of Agriculture to request an order from the President to limit the season to 30 days, cutting off two-thirds of the shooting season.

Many disputes arose as to the proper month to be employed. It provoked controversies, disagreements, and some bad blood. This reduction to one-third of the time allowed for shooting migratory birds had been preceded by a cut in the bag limit from 25 to 15 birds. There have been several proposals for raising money for the purchase of sanctuaries and the preservation intact of marsh lands and breeding places. The committee, therefore, deemed it advisable, in conjunction with its own investigation, to call to its assistance for its advice leading sportsmen, magazine writers, scientists, and game organizations.

Early in March it notified the public through the press that a hearing would be held on the 4th, 5th, and 6th of April, and that all were invited. A written request containing the following five inquiries was addressed to leading sportsmen and others:

1. To what extent is there a shortage in migratory waterfowl, particularly ducks and geese?
2. What are the underlying causes for this shortage?
3. What remedies can the Federal Government apply which will assist in restoring the migratory waterfowl population?
4. To what extent can the States assist in such a restoration?
5. How may the sportsmen themselves contribute to an increased migratory waterfowl population?

Seventy-two witnesses appeared in person. Twenty-eight others were unable to appear but filed written statements. The oral testimony alone covered 724 pages of typewritten matter. The briefs and exhibits, it is believed, will add another additional 600 pages, and the work when printed, it is estimated, will occupy over 600 pages of printed matter.

To digest this testimony, arrange it systematically, and draw conclusions of a probative character will require considerable time and is not yet even half done.

Some of the witnesses did not confine themselves to the five questions and were permitted to enlarge on matters that seemed to be their specialty.

Practically all of the witnesses disagreed with the designation of 30 days and the distribution of months in their allocation to different States.

But the discussion was singularly free from criticisms of the United States officials in the Bureau of Biological Survey. Formerly, when a sportsman had an idle pen, he very often without careful thought, attacked these officials. Now, it is generally understood that they are doing the best possible under difficult circumstances in an experimental field, and with a very limited amount of money. Twenty-four effective game wardens to police 48 States is upon its face an absurdity, although this small number has produced fine results, principally in restricting spring shooting and the sale of guns. With excellent pamphlets ready for distribution and no funds with which to publish them, studies for

colleges and universities ready for distribution and no representatives to deliver the lectures, lacking a great experimental farm, it is beginning to be generally understood that the Biological Survey and its competent executives need assistance rather than criticism.

Relying upon my recollection, and without having had opportunity to examine the transcript or digest it (so that any statement made by me now is subject to change of revision), may I be permitted to say that the evidence disclosed—

Question 1. That there is a shortage of wild fowl in certain sections of the country and that there are other sections in which this shortage is not apparent. There seem to be in some sections the usual supply of different breeds, but it was generally agreed that there is a shortage of the redhead, canvasback, bluebill, and gadwall—the choicest of birds. Apparently the black duck, pintail, and some other nondiving varieties are nearly as abundant as in 1930. The shortage is quite apparent in some sections and not observed in others. The coast-line flights seem to have suffered less than the valley flights, and because of the delayed winter the flights were later, sometimes coming after the season had closed.

Question 2. There was generally agreement that the draining of marsh land and swamps, the drying up through drought, the lack of rainfall, and the disturbances caused by these things in Canada, the big breeding ground, were responsible for the shortage.

Question 3. The universal consensus was that the purchase of sanctuaries and feeding grounds, stricter regulations, and better enforcement, accompanied by closer cooperation between States and Federal agencies, were the remedies to be applied.

Question 4. The State's part was to assist in purchasing these sanctuaries; to assist in policing them; to keep more accurate record of the kill; to gather more data as to the different species; to insure a more ethical education for the sportsman. Opposition was expressed by nearly all witnesses to any extension of authority by the Federal Government over upland game. There was practical unanimity that its activities should be limited by the authority it possessed under the migratory-bird treaty, exclusively to migratory birds.

Question 5. How shall Federal money be raised with which to purchase sanctuaries, breeding grounds, and rest places, and provide for an extended personnel for Federal enforcement? The old plan of a dollar Federal license fee was generally advocated. The almost unanimous indorsement of this plan was remarkable. "More Game Birds" presented in an effective way, with charts and illustrations, its plan for the cent-a-shell tax, but it seemed to stand alone. The cent-a-shell tax plan was opposed by the American Game Association, the officials of the Izaak Walton League, National Trapshooters Association, National Skeetshooters Association, National Riflemen's Association, editors of sporting magazines, and State officials.

The plan for the cent-a-shell tax was an entirely unselfish, sincere, and earnest proposal to procure an additional Federal revenue, but objections to it seemed to mount as each new witness appeared. These objections may be summarized briefly, as follows:

1. It would give the Secretary of Agriculture indirect control over 48 State commissions.

2. It would place a burden upon the trap and skeet shooter whose shells are not used in killing game.

3. It would create unnecessary boards and bureaus and would not be confined to the specific subject of migratory birds.

There were other general objections to putting the Secretary of Agriculture in the business of making treaties with a foreign nation (a function which belongs to the Secretary of State), for the purchase of lands for sanctuaries in Canada, where we should have no legal right to make purchases. The awkwardness of the machinery and the uncertainty of the revenue which might be diverted by an act of any Congress found general expression.

In addition to the dollar-a-year license plan and the cent-a-shell tax plan there was suggested the issuance of Government stamps to be purchased by the migratory-wild-fowl shooter and attached to the State license, providing in this way a revenue dependent upon the sale of the stamps but without involving an extension of Federal authority or Federal regulation over upland game birds or over State administrations.

In addition to the sportsmen who appeared, the manufacturers of guns and shells gave their testimony. The manufacturers stated that the adoption of the tax would curtail their business from 25 to 33⅓ per cent; that they employed 12,000 persons in 1929; at the present time this employment was reduced to 8,950 persons. Estimating that four persons are dependent upon the employment of one workman, in a normal year 60,000 persons would be affected, and in the present year 44,750 persons; that in normal years their sales of arms and ammunition were about $40,000,000, and during 1931 approximately only $25,000,000; that the imposition of this tax (in addition to the 10 per cent tax proposed by the House) would reduce the volume of their industry down to $17,000,000 or $19,000,000 annually. They estimated that the tax would increase the cost to the jobber by approximately $10 per thousand. It was their opinion that the sportsman would not willingly pay an increase of $15 per thousand for his ammunition.

These manufacturers of guns and munitions are proud of their business and its practical contribution to one of the needs of war. They stated that in the last three years they had spent $300,000 in assisting conservation and replacement of wild life and had prior to that time expended for the same purpose from their own revenues approximately $1,000,000; that they were anxious to solve the problem and do their part, as they had not only a sporting interest and a conservation interest, but a very practical business concern in the saving and replacement of game.

So we found the subject approached from nearly every angle, and I believe the hearing will be profitable to the Nation, profitable to the sportsmen, and instructive to the States.

Until the testimony is read and digested, our committee of five Senators can not decide upon any definite recommendation.

What I have had to say here is personal, my own impression; but throughout the discussion there seemed to be practical unanimity regarding two things:

1. Restoration of the old spread of 90 days from October 1 to January 15, with a curtailment of either 45 or 60 days in between these two dates; the exact allotment of time to be determined by the game officials of each State in cooperation with the Biological Survey. The broad spread and the narrower spread to be determined on the basis of recommendations made to the Biological Survey by State officials.

2. It seemed to be also generally agreed that in any national financing project the burden should be borne exclusively by those who enjoy the privilege and the pleasure of shooting migratory birds; that it would be unjust to extend the cost of a license or a tax upon shells to the sportsmen who find their relaxation and pleasure in hunting the smaller animals and what has come to be known as upland game.

The point is illustrated by the game situation in Pennsylvania. Pennsylvania is a restocked State which annually issues over 800,000 fishing and hunting licenses. During the last year for which there is a report there were killed in that State 96,000 deer, 447 bears, 3,500,000 rabbits, 455,000 squirrels, 28,000 raccoons, 4,000 wild turkeys, 212,000 pheasants, 222,000 quail, 72,000 shore birds, and only about 45,000 ducks and geese.

Putting it this way: About 4,600,000 birds and animals were killed by hunters, and only 45,000 migratory birds.

So the united sportsmen of Pennsylvania, through their various organizations, protested most vigorously against the cent-a-shell tax.

A most interesting sidelight on the Pennsylvania situation is the appointment of 800 deputy game wardens who worked last year without pay. If paid, their compensation would have exceeded $400,000. I believe that men are readily available in all of the States of the Union for this voluntary work under direction of the State, and even in the matter of migratory wild fowl volunteers could be induced to enforce Federal regulations if they were supplied with a Federal badge and enrolled under the direction of Federal authority.

The matter of live decoys was discussed. There was an apparent difference between the use of the live decoy on the seacoast or the Gulf coast where ducks rafted a long distance from the shore during the day, come in only at night for rest or food, and the use of live decoys in inland waters of more limited areas.

Baiting with grain was condemned by some, approved by others. The planting of wild celery and other duck food was discussed.

In the course of the hearing there was an appeal by a lady that sportsmen should be more sportsmanlike, an amusing and interesting address. The Norbeck-Andresen bill, the upper Mississippi wild-life, fish, and game refuge bill, and other related activities of sport which divert money from the National Treasury were considered.

These investigations and Senate hearings have been instructive and cause me to make the following suggestions, merely for discussion, change, and revision:

OPEN SEASON

1. Limit the open season to either 45 or 60 days, between October 1 and January 15; bag limit 15; spring shooting prohibited.

2. Time to be uniform for all States. The exact date for each State to be determined by the Biological Survey after consultation with and upon the advice of the State game officials of each State.

3. The period to be agreed upon to be divided into hours (between sunrise and sunset); the hours of shooting, each day, or rest days, to be determined by the Biological Survey after consultation with and upon the advice of the State game officials of each State.

FINANCE

4. (a) Issue adhesive stamps of a denomination to be determined later ($1 or $2) to be attached to each State license if the holder wants to hunt migratory birds; provide penalties for shooting migratory birds without possession of such stamped license.

(b) The waterfowl preservation stamps to be sold at all post offices, or one post office in each county, and the proceeds to be administered by the Biological Survey, the cost of the Post Office administration to be deducted from the special administration fund of the Biological Survey.

(c) Approximately $1,000,000 annually to be applied to the purchase of sanctuaries, rest places, and breeding grounds for migratory birds.

(d) Approximately $250,000 for Federal enforcement, including the use of volunteer agents.

(e) Approximately $250,000 for administration, including experimentation, extermination of predators, study of disease, record of kill, changes of flight, publication, and experimental game farm.

IN GENERAL

Enlarge cooperation with Canada, renew negotiations for treaty with Mexico, divide administration into regional groups of States, organize volunteer Federal game wardens.

SOME ADVANTAGES

The suggested plan places the cost burden where it belongs—upon the man who shoots migratory birds. It preserves State control, it permits State advice as to time and conditions, sale at post office easily accessible, convenient with collection at minimum cost.

Game departments should be supported and are supported exclusively by sportsmen. They pay the cost of game administration. The nonsportsman, who does not contribute, is sometimes severe in his criticism.

The best friend of wild life is the man or the woman who carries a gun or a fishing rod. The game hog is fast becoming a sportsman outlaw. The professional pothunter is universally condemned and is now being punished.

When we put the gun upon the shelf for a number of years or the rod in the closet, they may not be taken up again, and thus many good and practical friends of conservation may be permanently lost.

There are well-meaning men and women who sentimentally discuss at breakfast the brutality of the hunters and the cruelty of the fishermen and urge that their recreation and sport be prohibited by law. They have for their breakfast, bacon or ham, which means that a pig's throat was cut for their benefit, possibly the throats of two pigs, one for the bacon, another for the ham.

At luncheon they have a chicken whose head was wrung for their benefit, or a duck whose head was chopped off to meet their desire.

Their dinner required a real slaughter, plenty of bloodshed, and the use of knives, hammers, and saws, so that they might enjoy themselves. A lamb chop signified that a little lamb has been killed for them, or a mutton chop that a grown sheep has been slaughtered. Or maybe they have veal, for which a calf died, or beef, for which a mighty steer was struck down. Or perhaps they prefer fish; so for their benefit a fish is strangled in a net, or suffocated, or frozen in ice to please their palates as they sentimentally discuss the horrors of hunting and fishing. Or perhaps they start the meal with oysters, crabs, or shrimp which for their entertainment are thrown alive into boiling water or frozen in a refrigerator.

Having attended to their appetites which called for the slaughter of chickens, ducks, lambs, sheep, pigs, calves, cattle, oysters, and fish, these critics of the sportsman's cruelty perhaps have honey for which the hives of bees have been despoiled; and continuing their discussion of the awful slaughter of wild things, they stretch themselves upon a chair or couch covered with a hide which came from an animal killed for them; and drawing a shawl of wool over their shoulders for which a sheep was sheared; or using a lighter garment of silk for which a thousand silkworms died, they rest their eyes and delight their nostrils with a vase of flowers which took from plant life its crowning glory—its bloom. The plant itself may have died for their delight.

But if a boy shoots a rabbit, or a man kills a deer for sport and food, these misguided people call them brutal, and they declare the killing of ducks or game to be a reversal to barbarism, and the catching of fish upon a hook they brand as cruelty.

These advocates are thoughtless in their criticism. They are unfair. They have no objection to the slaughter of birds and animals and fishes that are domesticated, but seem to draw a distinction between those that have been tamed and those that are wild. There is just as much brutality in killing the one as there is in the other.

There is, however, something virile, something strong, that has been transmitted to us in the blood of the forefathers, and I do not believe the ultra-sentimentalist will be permitted to prevail. Hunting and fishing will always be the favorite recreation of red-blooded Americans.

AGRICULTURAL RELIEF LEGISLATION—ADDRESS BY SENATOR CAREY

Mr. HATFIELD. Mr. President, the junior Senator from Wyoming [Mr. CAREY] over a nation-wide radio hook-up delivered an address on Saturday, April 16, during the National Grange program, which I ask unanimous consent may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is being charged constantly that the legislation enacted by the present Congress has been for the benefit of big business rather than for agriculture. Some go so far as to assert that nothing has been done for the farmer. In answer to such allegations, it might be well to consider not only the legislation which has been passed in the few months that the Seventy-second Congress has been in session but also other legislation which is now pending.

One of the first measures enacted at this session of Congress was a bill to increase the capital stock of the Federal farm-loan banks. It provided for an additional capital of $100,000,000 to be subscribed by the Treasury, together with an appropriation of $25,000,000 to enable these banks to grant extensions on loans. The Federal farm-loan banks are largely dependent upon the sale of bonds to the public for funds to loan to farmers. The price of these bonds had depreciated on the market so that it was not possible for the banks to obtain additional capital except by selling bonds at a discount, which in turn would increase the rate to the borrowers to a degree greater than was contemplated or permitted by law. This measure, which was promptly enacted, should not only help the market for farm-bank bonds but has provided additional money to be loaned and also made possible numerous extensions of loans where farmers were unable to meet their installments.

Senate bill No. 1, although it was not the first to be enacted into law, provided for the creation of the Reconstruction Finance Corporation. The act creating this corporation provided for an appropriation of $500,000,000 as initial capital, with a further provision that bonds to the amount of $1,500,000,000 could be issued, bringing the total capital of the corporation to $2,000,000,000. The act further provided that 10 per cent of the capital so subscribed should be loaned to farmers for feed for livestock and for crop production, including the purchase of fertilizer. Fearing that the Reconstruction Finance Corporation might not increase its capital to the full amount authorized by law, and in order to make certain that a sufficient amount would be provided for loans to farmers, a resolution was afterwards adopted by Congress which made available immediately $200,000,000 for loans to farmers.

The act creating the Reconstruction Finance Corporation provided that loans could be made to railroads, insurance companies, banks, building and loan companies, and agricultural-credit associations. The making of loans to banks and insurance companies should be of indirect benefit to agriculture. A number of insurance companies have made a practice of loaning on farm mortgages in many of the States, many of which loans are in arrears. By granting credit to the insurance companies, it will permit them to carry many of these agricultural loans which would otherwise have to be foreclosed.

As to the banks, there has been a steady withdrawal of deposits. I do not believe that this is due so much to hoarding as some people claim, but rather through the fact that the income of everyone has been reduced, and consequently many have had to withdraw their savings in order to pay living expenses or to carry on their business. Further, in many sections the low prices which both agricultural products and livestock have been bringing has seriously reduced the amount of deposits which the banks would normally receive. This shrinkage in deposits has compelled banks to endeavor to make all possible collections from their borrowers. With the reduction of deposits, both in order to maintain their cash reserves and to render such service as possible to their customers, banks have been obliged to resort to rediscounting paper in constantly increasing amounts. The class of paper which is rediscountable under the Federal reserve act is very limited, and the Reconstruction Finance Corporation furnishes an agency to rediscount paper which would not otherwise be eligible. On account of the great number of banks which are not members of the Federal reserve system, particularly in agricultural communities, these banks have made a practice of rediscounting with member banks, and in some instances the member banks had reached a point where they were unwilling to continue to handle paper for the smaller or nonmember banks. The Reconstruction Finance Corporation provides a means for the direct rediscounting of paper for banks that are not members of the Federal reserve system as well as the banks which are. This new line of rediscount facilities furnishes a source of credit designed not only to protect bank depositors but should make it possible for banks to carry their present loans and also to make additional loans.

While the law provides that loans should be made only on good security, the Reconstruction Finance Corporation is permitting higher loan values than either the Federal reserve or Federal intermediate-credit banks. In connection with the livestock industry, I feel that these loan values will be the means of saving many a livestock producer from bankruptcy.

The Glass-Steagall bill, which was recently enacted by Congress, opens another great reservoir for the banks which are members of the Federal reserve system in that it temporarily permits the rediscounting of paper previously ineligible, and establishes for them another means of protecting their cash reserves. It is to be regretted that since the passage of the act creating the Reconstruction Finance Corporation, as well as the Glass-Steagall bill, there has not been the loosening up of credits that was hoped for previous to the enactment of these laws. While it is possible that some banks should not increase their loans, we have in this country many bankers who are priding themselves on the huge cash reserves they are maintaining, which in some instances may be justified. However, while I admit that the first duty of any banker is to protect his depositors, I feel that the banker has a positive obligation to go as far as possible in assisting his community in times of distress. While Congress has provided ample credit facilities for the banks, neither Congress nor any other agency of the Government can compel banks to make use of these facilities.

The intermediate-credit banks were created for the benefit of agriculture, loans being made by them to agricultural-credit corporations on livestock and on agricultural commodities. Money for loans by these banks is provided through the sale of debentures, which has been most difficult recently except at a price which would compel a high rate of interest being charged to the borrower; in fact, for a time it appeared that the interest rate to the borrower would have to be increased to 9 per cent. Under ordinary conditions the commercial banks have supplied a market

for these debentures, but more recently these banks have hesitated to buy debentures for the reason that they were not rediscountable with the Federal reserve banks. A bill is now pending in Congress permitting these debentures to be rediscounted, which it is believed will reduce the interest rate to the borrower from 1 to 2 per cent.

Feeling that there has always been a lack of agricultural-credit corporations of sufficient size to take advantage of the facilities of the intermediate-credit banks and to make possible this source of credit to the farmer, Senator STEIWER, of Oregon, and I have introduced a bill providing for the establishment of 12 agricultural-credit corporations or banks. This bill provides for the establishment of one bank in each of the 12 Federal farm-bank districts, with at least one branch agency in each State. The capital of the proposed banks is to be not less than $3,000,000 each, with a 25 per cent surplus, which will make it possible to loan from four to five hundred million dollars on livestock and on agricultural products. While I realize that there will be opposition to this bill from some bankers, I can not help feeling that by furnishing credit facilities of this kind it will not only help agriculture, which is the primary purpose of the bill, but it will also be of benefit to the banks by furnishing additional capital in agricultural communities, especially in times like these.

While no legislation has been definitely decided upon, I have every reason to hope that before Congress adjourns some means will be found to remove from the American market a large part of the wheat and cotton which the Farm Board is now holding. It is generally agreed that unless these holdings can be taken off the American market they will continue to depress the prices of these commodities.

A bill was recently passed which relieved the settlers on reclamation projects from the payment of any construction charges which are due this year, and also allows a 50 per cent reduction of the charges for the coming two years.

Speaking of reclamation, I am well aware that an intensive campaign is being waged against reclamation, and I regret that much of it has been inspired by the head of one of the departments of the Federal Government. This official and his subordinates are constantly preaching to the farmers of the country that a further development of reclamation will add to the surplus of agricultural products and is a serious menace to the farmers of the Nation. But it should be borne in mind that if the Western States are to be developed, they must be permitted to make use of the waters of their streams, which waters are their most valuable asset. The crops produced by irrigation are as a rule not those which compete with agriculture in other sections of the country. In the Southwest the irrigation projects are supplying early vegetables in a market which would not otherwise be supplied. They are also producing a grade of cotton which is not competitive with the South.

On the northwestern projects the principal crops are sugar beets, alfalfa, and small grain. While we produce some cane sugar in the United States, most of our sugar is imported from Cuba and the West Indies; therefore it can not be charged with fairness that the production of beet sugar in the West is competing with the product of the American farmer.

As to grain and forage crops, these are used largely for feeding breeding herds, both cattle and sheep, during the winter months, which livestock in turn is marketed and sent to the feed lots of the East and Middle West, where the corn produced in those sections is converted into beef and mutton.

Representatives of this same department have stated on several occasions that the solution of the agricultural problem is the doing away of the so-called marginal farmer. Unfortunately I do not know just what constitutes the marginal farmer. He is certainly not the farmer of the West, where the land is productive and where it has not been exhausted by unwise farming methods. By what right can it be contended that the farm problem is to be solved by the destruction of farms and farmers. There is reason in preaching to the farmer the necessity of a diversity of crops and in prevailing upon him not to plant crops for which there is an overproduction but rather to produce those for which there is a demand. But I can not conceive how any farmer can increase his income by permitting his land to remain idle. There is never a moratorium on taxes and interest charges.

No one realizes better than I do that the measures which have been passed by Congress and those which are contemplated are not cure-alls for the ills of agriculture. The real trouble with agriculture is the price of agricultural products, and we will never solve the problem until we can devise ways so the farmers can receive a fair price for what they produce.

The reason that agriculture has never been on a parity with other industries since the World War is that we have devised no suitable way for handling the surplus. The attempt at stabilization by the Federal Farm Board has failed for the reason that the surpluses were greater than the board could handle. A constantly declining market has made stabilization impossible, and the results might have been different had it been attempted in prosperous times rather than when we were headed into a depression.

As to cooperative marketing there is no question but that it would be the solution of the farmer's difficulties in some lines of production, but there are other lines of agriculture to which it is not adapted. Further, cooperative marketing can not succeed unless the entire product of any commodity is controlled and sold through one cooperative. While it is possible that eventually the farmers of this country might be induced to pool their products, that time is so far in the future that it can not be considered as a solution of our present difficulties.

While every industry in the United States is suffering on account of the depression, agriculture is hit the hardest, and there is more reason than ever for hoping that some plan will be found which will put agriculture on a sound economic basis. I can say without fear of contradiction that there are few, if any, men in Congress who would not support legislation for the benefit of agriculture which they believed to be economically sound.

The present Congress has enacted legislation with the hope and thought that agriculture would be benefited. While this legislation will not solve the agricultural problem, there is no doubt in my mind, if these laws can be properly administered and that there is a proper cooperation in carrying out their purpose, that agriculture will receive its share of assistance with the other industries of the country.

DEPRECIATED FOREIGN CURRENCIES—LETTER BY MATTHEW WOLL

Mr. HATFIELD. Mr. President, on April 1 I discussed the present tariff law and the question of imports and exports, and I referred specifically to the effect of depreciated currencies upon our commerce and trade.

On February 1 the distinguished senior Senator from Pennsylvania [Mr. REED] submitted a resolution which had for its purpose requiring the Tariff Commission to investigate and report the effects of depreciated European currencies upon our commerce. This resolution was amended by the able senior Senator from Mississippi [Mr. HARRISON], so as to authorize a committee of the Senate, in addition to the authority given by the resolution to the Tariff Commission, to investigate this important question dealing with the individual welfare of the American people.

The greatest group which America possesses—the group, Mr. President, which reflects the welfare and prosperity of our land—labor—has become interested in this subject.

I send to the desk a letter written by the Hon. Matthew Woll upon the subject of depreciated currencies which is most interesting and impressive. I am quite sure it will be read with a great deal of interest by the public. To assure greater distribution of the letter, I ask that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICA'S WAGE EARNERS' PROTECTIVE CONFERENCE,
New York City, April 25, 1932.

Hon. HENRY D. HATFIELD,
United States Senate, Washington, D. C.

MY DEAR SENATOR: It is conservatively estimated that there are some 8,000,000 of America's industrial workers unable to secure any work. In addition there are upward of 2,000,000 additional who are working only part time.

We realize that we can not prevail upon employers to give these workers employment while conditions continue wherein employers know that they can not sell the product of American labor in competition in America with the products of foreign workers owing to price conditions, due to the depreciation of foreign currencies.

Further, we realize that employers will not produce articles which compete in the American market with the products of foreign workers when they know that similar or comparable articles can be purchased, the product of foreign workers, for less than the American costs of production.

We are not asking any change in tariff rates.

We contend that a national emergency exists; that the intent of Congress is being nullified through the importation of articles valued on the basis of the present depreciated foreign currencies; that the time for Congress to act is now.

We maintain that hundreds of thousands of additional American workers will be forced into idleness unless Congress sees fit to take prompt action.

We believe, and we respectfully request, that the Finance Committee or the Senate, incorporate in the pending revenue bill language which will make possible and mandatory the collection of customs duties by the Treasury Department as was intended by the Congress when the present tariff act became the law.

The depreciation of foreign currencies has made it possible for importers to secure the landing of the products of foreign workers in America at total landed costs far less than the American costs of production, something which was not intended by any Member of Congress when the present tariff act was enacted.

We believe that the Treasury Department should be directed to add to the declared import value the percentage of depreciation in foreign currencies prevailing and that customs duties should be collected on the basis of such value.

Action similar to that which we have suggested has already been taken by several foreign countries, notably Canada, France, Germany, and Spain.

Trusting that we may be favored with your support and that you may be able to prevail upon the Finance Committee, or the Senate, to comply with this request of labor and thus help American workers retain or secure additional employment.

Sincerely yours,

MATTHEW WOLL, *President.*

INVESTIGATION OF NEW YORK STOCK EXCHANGE

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an able and instructive address made over the radio on the evening of April 22 by the distinguished senior Senator from South Dakota [Mr. NORBECK], chairman of the Banking and Currency Committee. This address deals with the investigation of selling of stocks on the New York Stock Exchange.

The Senator, as chairman of this committee, has rendered valuable service, as usual, and I believe this address merits the attention of the Members of Congress.

The manipulation of stock and bond deals on the exchange and the underwriting and sale by banks of seventy billions of new stocks and bonds to gullible investors from 1920 to 1930 marks an epoch of abuse of trust that ought to be investigated by the Department of Justice and the postal inspectors for violations of the criminal statutes. These institutions created by law, by these practices, threaten the life of the Government that created them by undermining the confidence of their victims in the Government.

There being no objection, the speech was ordered to be printed in the RECORD, and it is as follows:

It will take the American people a generation at least to pay the cost of the Great War—$20,000,000,000 and interest—but the loss to the American public in the shrinkage of stocks and bonds on the exchange is two, three, or four times as large. I believe the market was sent entirely too high by manipulation. The innocents were caught. I believe the bear raiders are now depressing the market to their own gain. The Senate of the United States has decided that the Committee on Banking and Currency shall investigate the stock market to determine the evil practices with a view to correcting same.

A generation ago only a few stocks were listed on the market. Property was owned by individuals, not by corporations. To-day the reverse is true. The average man or woman in the eastern section of the United States now owns very little property except as shares in some big corporation, or bonds on same, and these shares and bonds are being manipulated up and down to the great loss of those who actually own same. I believe that owners of shares should be protected by law, the same as the owners of a home, a farm, or a town lot; they are not so protected now. If your property is in the form of stocks or bonds, a manipulation of the market may make you poor in a day, even though you are not a speculator. If the market practices had been more fair and the investor had been protected, there would not have been such a severe depression; there would not have been so much unemployment. Now, don't cheer, for the Exchange is powerful and they don't intend that anybody shall interfere with their game.

Every day I see men from New York who know the market, who know the ins and outs, and the ups and downs. They know the methods used to rob the public. They are perfectly willing to talk about it, but insist their names must not be made known. They say the "system" will get them. They will be ostracized; their credit will be curtailed. They will be driven out of business. They will be made bankrupt, and some actually go as far as to express fear of their lives. They tell me the "system" has so many ramifications. It is even claimed the Chicago gangsters are interested in certain manipulations. It has a string on so many people that it has friends in every place, high or low. The number of manipulators is small. The lambs are many. In this game, the ninety-nine have no chance against the one—the wolf.

SENATE COMMITTEE DIVIDED

Even the Senate committee is divided. One Senator took the side of the bear raiders; he claims "thar ain't no sich animal"—as the man said when he first say a giraffe at the circus. Another Senator is quoted in the newspapers as saying he does not favor regulating the stock exchange by law. He does not think Congress should interfere with this institution or its practices. He shares the views of the exchange—that all the regulating they need is to regulate themselves.

I am happy to say, however, that I believe a majority of the committee are for a real investigation, both of the bulls and bears—no matter who gets hurt by it, for they believe in the end it will help to restore a better condition throughout the country. I believe a majority of the Senators consider it just as wrong to misrepresent the value of a stock or bond as to sell rotten eggs for fresh eggs.

This depression, resulting largely from manipulations, has made millions of men idle. Families are destitute. Suicides are common. Widows and orphans are the harvest. Should we stand idly by? It is admitted that more than 20,000,000 people—most of them heads of families—lost their savings when the boom bursted in 1929. Just think of it—20,000,000 families in the United States were affected by these losses—that is, only one-third of the population of this country escaped the direct effect, and they suffered indirectly.

In the spring of 1928, a year and a half before the boom bursted in Wall Street, the Senate Banking Committee recommended remedial measures, but it was impossible to get the approval of Congress. Even at that time stocks sold at fictitious values, but the public enjoyed the situation. Stocks were going up from day to day, they said. Why disturb such prosperity as that? Technical lawyers argued then, as now, that Congress had no control over the stock exchanges.

We got no support. All we could do was to make a report predicting disaster, and nobody wanted to read that. Bad news was not wanted. Our committee implored members of the Federal Reserve Board to prevent the use of that banking system for speculation. Such a wild orgy might have been prevented, but the board sat with their hands folded and drew their salaries.

The American people had forgotten that what goes up must come down. Stocks selling at $100 a share were paying 1 or 2 per cent dividends and still going up. Pools were formed on the Street for the purpose of boosting certain stocks. Supposedly reputable banking houses recommended stocks to the public; brokers sent out market letters emphasizing and overemphasizing these recommendations. The mail was filled with carloads of literature telling that this or that stock was going higher.

When the market had been driven sky-high by the bull element, operating through pools, and it was found it could not be easily sent higher, they promptly withdrew their support and down went the stocks again and again. The public did not know why; they had no way of knowing.

The operators on the market have information that the public does not have. They take advantage of that information, both in a bull market and a bear market. They fleece the public when the market goes up and they fleece the public when the market goes down.

One of the large bankers of Chicago truly said that this was the worst crap game in the country.

A return to prosperity is built upon the return of confidence. The confidence is lacking. The Street sold it out for cash. The lambs have been sheared and it takes time to grow more wool.

Ask me again what is the major cause of this business depression in the eastern section, and I repeat it is the manipulation of the stock market. It is not the only cause, but it is the main one.

THE FARM AND THE FACTORY

The West had a longer depression, due to the handicap placed against agriculture, being interference with the law of supply and demand. When the farmer's purchasing power was reduced, he bought less. The factory stopped and the laboring man found himself out of a job, though not knowing just how it happened.

You ask me, When will this depression end? It can only end when the average family has an average earning power, because then they will have a normal spending power. They will buy the products of the farmer and the products of the factory. Then there will be profits in business. Then the wage earner will save and he will put his money in the banks and strengthen the banks. The business man will have a profit and good times will again return—but when? Not until confidence is restored. This confidence can not be restored until the American people can be assured of a fair dealing in every American market—even the stock and bond market—yes; even on the New York Exchange.

It is not only the stocks that have been manipulated, the bond market has also been manipulated; not only the bonds of our factories, but the bonds of our railroads and our other public utilities. The bonds of our Government have felt the same pressure, and many have gone below par. The bonds of foreign Governments have suffered the most. The pools that sold them did not support them; they just loaded them on the public and on the banks for the profit there was in it for them. Bonds that have been sold at $100 each have since come down to less than $10. Profits were made in selling them to the public; profits are made in gathering them back in.

RECOMMENDED BY BANKS

A year ago we had one of the largest bankers in the country before the Committee on Banking and Currency. He admitted in his testimony that he had recommended the purchase of Anaconda Copper mining stock to the general public at $140 per share. It is now down to $5 or $10 per share, and this man wonders now why there isn't confidence—confidence in him, confidence in his bank, confidence in Wall Street, confidence in New York.

Can the public be blamed for the lack of confidence in our markets, lack of confidence in our institutions, lack of confidence in our Government, and lack of confidence in themselves?

A method must be found to prevent a repetition of this. Congress does not want to interfere with private business, but Congress may have to do that very thing.

The New York market boasts of its reform rules, and there are some that can fairly be called so, but often they are traceable to laws enacted by the State of New York to make certain practices criminal. The stock-market-reform rules come late, and are observed poorly after they have been adopted.

I maintain, however, that the New York Stock Exchange does not and can not reflect the true values of the securities which are traded thereon. As long as the natural and normal laws of supply and demand are denied and while a select group of powerful individuals can influence values to their own advantage, an honest and equitable exchange for the purchase and sale of securities can not exist.

For a generation at least a big cloud has hung over the land—the threat of centralized wealth. The bulk of the national income falls in very few hands. Their income is so enormous that it gains additional velocity every year, but no force has been so potent in the concentration of wealth as the extreme fluctuations

in the stock and bond market—the boom and the bursting of the boom.

It is not only the stock market and the bond market, but similar bad practices exist in the commodity market. Wheat and cotton often go up or down without much regard to supply or demand. They fluctuate according to the will of the powerful operators. Traders prefer this kind of a market; they call it an active market, but it is sometimes so active that the farmer goes without pay for his labor and the workingman pays "what the traffic will bear." The middleman gets the bulk of it. But the present investigation is of the stock exchange. If better market conditions can be brought about, it will point the way to certain changes in the farmer's market also.

I feel the need of drastic revision of the stock-exchange practices. The buying public are entitled to full information; they do not have it now.

RIGGING THE MARKET

A pool is formed and a stock issue is taken on. Various methods are used in boosting such stock. It is misrepresented in many ways. You are advised that it has large earnings. You read the recommendation of well-known investment firms. You are even told by your bankers that it is good stock to buy. You receive market letters from New York brokers recommending it highly. It rises steadily and the manipulators profit greatly, but when they have sold it to the public, they have no more interest in it. Their support is withdrawn, the publicity ceases, the buying end of the slump starts.

BORROWING STOCKS

It is a common practice for the buyer to leave his stock with the broker. The broker is called upon by a bear raider who wants to break the market. For a consideration he lends your stock to the raider, who sells short; that is, he sells what he has not got, but he has borrowed some of it. He has options on more of it. He is fairly well protected. He starts out to destroy public confidence and to break its value. He succeeds and he profits immensely by that.

LACK OF INFORMATION

You will recall the recent Swedish Match Co. debacle. The firm name was Kreuger & Toll. It was after Kreuger committed suicide that the irregularities of the firm were discovered, among which were forged bonds on which they had secured credit.

Is it conceivable that all the selling that took place just before Kreuger's suicide was done by those who knew a great deal more about the situation than the buyers did?

Did they know what was coming?

Did they take advantage of the unsuspecting public and sell them that which they knew to be worthless?

The bear raiders are especially active now. They depress a weak market and ruin the value of other people's property. One witness before our committee admitted frankly that it was "pathetic" the way the public put their money into the stock market—and pathetic is the right word.

RADIO SPEECH OF HON. JOUETT SHOUSE

Mr. TYDINGS. Mr. President, I ask leave to have published in the RECORD a radio speech of Hon. Jouett Shouse, chairman of the Democratic national executive committee, delivered over a nation-wide hook-up of the National Broadcasting Co. on Saturday evening, March 26, 1932.

There being no objection, the speech was ordered to be printed in the RECORD, and it is as follows:

In to-day's papers President Hoover has issued to the American people a plea that Congress shall balance the Budget. With his argument in this regard all citizens, regardless of party, must be in hearty accord. It is not only desirable but patently necessary that the executive branch of the Government exert its full influence to see that the present chaotic condition of the fiscal affairs of the Treasury shall be righted and provision made whereby the credit of the Government shall be fully maintained, safeguarded, and strengthened in every proper way.

It must be a matter of regret to Mr. Hoover's friends, as it is a matter of deep moment to the American people, that he should have delayed so long in voicing his concern and in uttering his plea. If his statement had come two weeks ago, before action had been taken by the House of Representatives upon the bill introduced as a nonpartisan measure by the Ways and Means Committee, it would have helped those who were trying to fight the battle for a balanced Budget. Now it is issued after the House has wrecked the committee bill and after the legislative situation has been thrown into a state of such confusion and even chaos that the outcome is difficult to predict.

The appeal of the President calls for bipartisan support. Such support is obviously necessary to the passage of any revenue bill. Such support has been accorded important legislation attempting to deal with all phases of the threatening situation that confronts the country. The President's statement to-day is in marked contrast to the expression given out just after the House had defeated the sales-tax provision which was the most important section of the revenue act presented for consideration.

Following a call at the White House Thursday afternoon, Silas Strawn, president of the United States Chamber of Commerce, told newspaper men of the President's comment on the action of the House that day. According to the Associated Press and other responsible news-gathering agencies, "Mr. Strawn said President Hoover was 'quite disappointed' at the defeat of the sales tax in the House. Strawn said Mr. Hoover had pointed out that many of the Republicans in the House had 'gone along' on the sales-tax plan despite its being a Democratic measure."

Regardless of the fact that the United States Chamber of Commerce is presumed to be a nonpolitical and nonpartisan body, it has been frequently accused within recent years of acting as the mouthpiece for Republican administrations. In the present instance, as in many other instances, Mr. Hoover chose to speak through the head of that body.

During the 48 hours that have ensued since the Strawn statement was issued no question has been raised as to its authenticity. There has been no White House denial in whole or in part. Therefore, that statement must be considered authoritative. It demands some clarification of the situation which now confronts the American people.

We have heard much these past several weeks from members of Mr. Hoover's Cabinet and from other Republican sources as to the effectiveness and the value of the so-called administration reconstruction program. We have witnessed repeated efforts by the administration and by Republican leaders to convey the impression that every measure passed by the present Congress to deal with the critical situation is an administration measure.

The bill which appropriated $125,000,000 to reestablish the impaired capital of Federal land banks, the bill creating the Reconstruction Finance Corporation, the Glass-Steagall bill which made eligible to rediscount in the Federal reserve banks a vast amount of additional paper held by member banks, thus freeing bank assets to an extent that will provide the large additional currency needed—all of these have been heralded far and wide as administration bills. Each of them was handled by the appropriate committee of the House of Representatives in which the Democratic Party holds a majority. Committee indorsement of none of them could have been had save for the action of the Democrats of those committees. Passage through the House of Representatives and through the Senate alike could and would have been prevented except for Democratic votes. And yet all of them have been blithely listed as administration measures for which, according to Republican leaders and administration spokesmen, all credit must go to President Hoover.

But now we are confronted with the inescapable task of meeting a huge deficit created by this same Republican administration. We are faced with the necessity of passing a revenue bill which will provide the money with which to make up this Republican deficit and to balance the Budget in order to save the credit of the Government, and the measure designed for that purpose, unpopular as any tax bill is bound to be, is designated by President Hoover, speaking through the mouth of Silas Strawn, as a "Democratic measure."

Why the necessity for this legislation? First, the Hoover deficit; second, the failure of the Hoover administration when it had unquestioned control of both Houses of Congress to make any provision by way of additional revenues to cope with the situation which was already apparent.

There is no statutory provision compelling the Government to spend all the money appropriated. There is nothing in the Constitution forbidding economy until Congress shall have enacted an order to that effect. Actually every dollar now being cut so painfully from the Budget presented by the President could have been saved had the President directed his department chiefs so to do.

For the fiscal year ending June 30, 1931, there was a deficit of approximately $1,000,000,000. For the current fiscal year the deficit will probably exceed two and a half billions, an unheard of sum in peace time in the history of any nation. We are now struggling to meet a threatened deficit of a billion and a half or more for the fiscal year ending June 30, 1933. The Seventy-first Congress with a large Republican majority was in session from December 1, 1930, until March 4, 1931. It passed the appropriation bills which created the present deficit. It did not make even the slightest attempt to take steps necessary to balance the Budget. That was left for the incoming Congress in which the Democratic Party had a majority in the House and a practical majority in the Senate.

During the spring, the summer, and the early autumn of 1931 Mr. Hoover was besought on every hand to call the Seventy-second Congress into extraordinary session. Daily the deficit was mounting. Daily the revenues of the Government were falling off. Daily the need of legislation to care for the situation was evident. But Mr. Hoover was adamant to the pleas and the demands that he should assemble Congress to deal with the crisis. The agencies of his administration went on spending the money which the Congress of his party had appropriated. Finally when under the provisions of the Constitution the new Congress convened last December it was faced with a fiscal situation staggering in its realities and even more staggering in its potentialities.

The Democrats organized the House as they had been instructed to do by the electors of the country. A Ways and Means Committee with a Democratic majority, without partizanship and imbued solely with the desire to meet as best it could the crisis in governmental affairs, set out to write a tax bill. The minority party was not excluded, as has been Republican custom, from consideration of the bill in its initial stages. The recommendations made by Mr. Hoover's Treasury Department were reviewed. The figures of that department, as in almost every instance where it has presented estimates to Congress, proved wholly fallacious. It was found necessary to enter upon new fields of taxation. The

bill reported had the approval of both Republican and Democratic members of the committee. The national necessity was confronted without flinching. Now, unfortunately, Mr. Hoover, through his chosen spokesman, has seen fit to designate this tax bill required to meet the situation as a "Democratic measure," although the other reconstruction enactments which preceded it have been loudly acclaimed as Republican achievements. That is the spirit of nonpartisanship which the administration shows in a crisis for which it must and will be held responsible.

Speaking for myself, I regret deeply that the House of Representatives refused to agree to the sales-tax proposal of the bill. There is no form of taxation to the theory of which I am so much opposed as the sales tax. But the essential thing facing our people, of whatever class and wherever situate, is that the Budget must be balanced and the credit of the Government preserved. We must not permit a condition that will compel the Treasury to pay a high rate of interest on the extensive financing to be completed before the 1st of July. If we should, every outstanding bond of whatever class—industrial, State, county, or municipal—will suffer a terrific slump, and the effect of such a contingency upon savings banks and insurance companies is too obvious to require comment.

I voiced approval of the sales-tax section of the revenue bill only as a matter of dire necessity. I have been unable to see where the required revenues could be secured from other sources. Certainly the recommendations made by the Treasury Department would not adequately meet the deficit. Even the present bill as originally presented could hope to do this only if Congress cuts governmental expenses to the bone. And that undoubtedly is just as necessary as any other part of the program. But a revenue bill must be written. It must provide at least a billion dollars additional to the present revenues of the Government.

There is serious doubt whether the increases made by the House in income and inheritance taxes above those recommended by the Ways and Means Committee will yield anything like the sums which their proponents have suggested. Income taxes can not be levied unless there is income on which to pay, and with dividends suspended, with industry stagnant, with factories closed, with railroads on the verge of bankruptcy, with unemployment so widespread that 8,000,000 men or more are out of work, the sources of income are dried up. Furthermore, it may be easily possible that those still fortunate enough to enjoy large incomes will conclude that their investments must be transferred in major part to tax-exempt securities in order to avoid a rate of tax almost confiscatory in its nature.

I have deep sympathy with Members of Congress and others who feel bitterly upon the subject of a sales tax. Mistaken though I consider them in opposing this provision from which there seems to be no escape at the present time, yet I can understand their desire to explore thoroughly every other field of taxation in order to ascertain whether the required revenue can not be provided by some other method. Moreover, I have faith to believe that if convinced that the need can not be supplied from other sources, they may be willing to return to the plan of the sales tax as a last resort. A revenue bill must and will be written. The Hoover deficit must be met. The Budget must be balanced. The present session of Congress must face the situation. It must make the necessary provisions.

The country may censure some Democrats for not following Democratic leaders in such a crisis, but the country will not forget that Mr. Hoover's administration created the present deficit, that Mr. Hoover's administration and the Congress of his party when in power were unwilling or unable to attempt to cope with the situation, and that now Mr. Hoover, when Democrats are trying to do what his own administration should have done long ago, has sought, at a most threatening juncture in the fiscal affairs of the Government, to inject partisan bias into the public consideration of a measure which has been treated by Democratic congressional leaders in a spirit of broad-minded, patriotic service.

An adequate tax bill is more necessary to the preservation of the credit of the Government, more basic to the return of prosperity, than any of the so-called reconstruction legislation which has been passed. The gravity of the crisis can not be exaggerated. The seriousness of the situation can not be too fully emphasized. The consideration of a common country transcends any other factor. In that knowledge Members of Congress must agree to take the steps required, however drastic, however unpopular. The people as a whole must be willing to make any sacrifice, however severe, to sustain the credit of our Government. Partisanship must be forgotten. The deficit must be met. The Budget must be balanced.

PROPOSED TARIFF ON COPPER

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by the junior Senator from Nevada [Mr. ODDIE] with respect to a tariff on copper.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. TASKER L. ODDIE, OF NEVADA, BEFORE THE SENATE COMMITTEE ON FINANCE IN SUPPORT OF A TAX ON COPPER IMPORTS, APRIL 19, 1932

Until recent years there has been an exportable surplus of copper produced in the United States, and the argument has been advanced that protection would result in little or no benefit to the industry. The marketing conditions in the copper industry, however, have undergone serious changes, with the price of copper the lowest in history, and much, if not all, of the copper production of this country is resulting in operating losses. These losses have increased and will continue to increase as the volume of production is lessened, and the copper-mining industry under these adverse conditions can not longer be expected to sustain production, even on the present reduced scale.

With the low cost of copper production in Africa and in South America and the low cost and protected copper production of Canada the American producers can no longer compete. Foreign-produced copper to-day is monopolizing to a large extent the domestic market at the expense of American copper producers.

For instance, Canada enjoys the benefit of the American market, especially as the costs of copper production are borne largely by the other metals recovered from copper ores. Furthermore, with a 10 per cent depreciation in Canadian exchange, Canada is in a still stronger position to take advantage of the American market. Depreciation in currency in other countries is and will continue to be a major factor in enabling foreign copper producers to continue to monopolize the American market, to the detriment of the American industry.

The copper industry in the United States is suffering not alone from the low price of copper. It should be remembered that nearly 35 per cent of all the silver produced in this country is derived from copper ores, and the fact that the price of silver has also been the lowest in history has contributed in no small degree to the reduced revenues of the copper-mining industry.

From a purely national standpoint the copper industry occupies a prominent economic position, and copper-ore resources are among this country's principal assets. To permit this industry to be destroyed and copper-ore resources to be wasted or lost entirely would constitute a national liability. To assist the copper industry over this crisis will not only conserve the Nation's copper-ore resources and the large investments which have been made in mines and plants but also will be beneficial in increasing the possibilities of employment.

The nonferrous metals, lead and zinc, are afforded protection in the Hawley-Smoot Tariff Act of 1930, but copper stands alone on the free list. I come before your committee to support the amendment to H. R. 10236, which provides for a tax on copper imports of 5 cents per pound. Under the present conditions of low-cost production in foreign countries and depreciating foreign currencies, I do not believe that a 5-cent tax will result in prohibiting imports of foreign copper. A complete embargo would be necessary to afford the fullest protection to the domestic copper industry.

However, a 5-cent tax should afford producers of copper in the United States an opportunity to compete for at least 50 per cent of the domestic market requirements. On this basis, the amendment which has been introduced should properly be construed half protection and half revenue; and estimated on the basis of the imports of 1931, the revenue on 50 per cent of this amount would yield approximately $15,000,000.

This amount of revenue should be welcomed by those who are seeking ways and means to increase the income of the United States and to balance the Budget.

Unless this amount of protection is afforded to the American copper-mining industry, operations will still farther be reduced, adding more thousands to the present army of the unemployed. Copper ore resources of the Nation will also be greatly diminished and the American consumers of copper will be largely at the mercy of foreign producers, who after monopolizing the American market will be in a position to dictate the price. I therefore urge upon the committee the importance of giving this matter most careful consideration, with a view of including the 5-cent copper tax proposal in the bill to be reported.

THE CALENDAR

The VICE PRESIDENT (at 12 o'clock and 12 minutes p. m.). Morning business is closed. The calendar under Rule VIII is in order.

The bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof was announced as the first order of business.

Mr. JONES. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 268) to amend subdivision (c) of section 4 of the immigration act of 1924, as amended, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1663) to prohibit the sending of unsolicited merchandise through the mails was announced as next in order.

Mr. ROBINSON of Arkansas. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2642) to establish a commission to be known as a commission on a national museum of the engineering industry was announced as next in order.

Mr. COPELAND. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 76) authorizing the President to reorganize the executive agencies of the Government was announced as next in order.

Mr. BRATTON. Over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

CHANGE OF NAME OF PORTO RICO TO PUERTO RICO

The joint resolution (S. J. Res. 36) to change the name of the island of Porto Rico to Puerto Rico was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas in accordance with all historical data relative to the discovery and colonization of the island known as "Porto Rico," the original name given thereto by its discoverer, and consecrated in the royal orders of the colonizing nation, was Isla de San Juan; and

Whereas the first city founded on Porto Rican soil, and denominated "Villa de Caparra," was given the name of "Ciudad de Puertorrico";

Whereas subsequently, and by virtue of the transfer of the old Ciudad de Puertorrico to the site now occupied by the capital city, the aforesaid names of "San Juan" and "Puertorrico" became the exclusive patrimony of such city and island, respectively; and

Whereas the history and traditions of the people have since then sustained and consecrated the name of "Puerto Rico," given to such island, as its sole name; and

Whereas immediately following the change of sovereignty which took place in the island, the Congress, without justifying reasons, officially give the island the name of "Porto Rico"; and

Whereas the aforesaid name of "Porto Rico" is an impure idiomatic compound partly formed of the word "porto," which, although of Latin origin, has not yet been adopted into the language of the island, but is here used illegitimately, as a substitute for the word "puerto," genuinely Spanish, although no license, reasons of diction, or advantages of euphony exist to warrant such substitution; and

Whereas there are no reasons either in the history, the language, or the traditions of the people of the island which support the use of the term "porto" as a part of the name of the island: Therefore be it

Resolved, etc., That from and after the passage of this resolution the island designated "Porto Rico" in the act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917, as amended, shall be known and designated as "Puerto Rico." All laws, regulations, and public documents and records of the United States in which such island is designated or referred to under the name of "Porto Rico" shall be held to refer to such island under and by the name of "Puerto Rico."

The preamble was agreed to.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 2375) for the relief of Roscoe Meadows was announced as next in order.

Mr. REED. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2914) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and for other purposes, was announced as next in order.

Mr. McGILL. Over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 106) to print the pamphlets entitled "Draft of Mooney-Billings Report" and "Appendix Containing Official Documents" was announced as next in order.

Mr. JONES. Mr. President, there is a minority report on that resolution and, as its author is not present, I ask that it go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2494) to amend section 4 of the legislative, executive, and judiciary appropriation act, passed and approved March 4, 1925, relating to the compensation of Members of and Delegates to Congress, was announced as next in order.

Mr. JOHNSON. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2495) to repeal section 17 of the act passed and approved July 28, 1866, relating to the mileage of Members of Congress, was announced as next in order.

Mr. JOHNSON. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3051) to reinstate Lawrence L. Myatt and Miller S. Burgin as midshipmen in the United States Naval Academy was announced as next in order.

Mr. REED. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 276) for the construction and equipment of a hospital on Crow Indian Reservation was announced as next in order.

Mr. REED. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2987) providing for the construction and equipment of a hospital upon the Blackfeet Indian Reservation in the State of Montana was announced as next in order.

Mr. REED. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties was announced as next in order.

Mr. McKELLAR. Let that bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1835) granting disability allowance to Harvey Wilson was announced as next in order.

Mr. REED. Let that bill be passed over. I make that request with the consent of the author of the bill.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3323) to provide funds for cooperation with the school district at Nespelem, Wash., in the construction of a public-school building to be available to Indian children of the Colville Indian Reservation was announced as next in order.

Mr. REED. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1836) for the relief of William D. Barbee was announced as next in order.

Mr. REED. Let that bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1879) granting compensation to Willard Henry Amlaw was announced as next in order.

Mr. REED. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. REED. I also ask that Orders of Business 358, 359, and 360 may be passed over.

The VICE PRESIDENT. Under objection, those bills will be passed over.

The bills referred to are as follows:

The bill (S. 1881) authorizing the payment of war-risk insurance to Laura E. De Armoun;

The bill (S. 1884) granting disability allowance to Dan V. Smith; and

The bill (S. 1886) granting an increase of compensation to Addie Weeks.

The bill (S. 3696) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, was announced as next in order.

Mr. FESS. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3377) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of

the same, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction with a view to increasing employment, was announced as next in order.

Mr. REED. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2190) to amend section 300 of the World War veterans' act, 1924, as amended, was announced as next in order.

Mr. REED. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 15) to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals, in the State of Alabama, to authorize the letting of the Muscle Shoals properties under certain conditions, and for other purposes, was announced as next in order.

Mr. FESS. I ask that that joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

PROMOTION OF HEALTH OF RURAL POPULATION

The bill (S. 572) to provide that the United States shall cooperate with the States in promoting the general health of the rural population of the United States and the welfare and hygiene of mothers and children, was announced as next in order.

Mr. BINGHAM and Mr. MOSES asked that the bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

Mr. JONES. I do not know whether there has been a unanimous-consent agreement entered or not with reference to the consideration of bills on the calendar.

The VICE PRESIDENT. There was no unanimous-consent order made, and bills are going over on objection.

Mr. JONES. We have reached this order on the calendar, and it has been objected to. When there is again a call of the calendar, on Monday next or earlier, I give notice that I shall then move, notwithstanding the objection, to take up the bill the title of which has just been stated. I shall not, however, do so this morning.

The VICE PRESIDENT. The bill will go over on objection.

BENEFITS OF HOSPITALIZATION AND PRIVILEGES OF SOLDIERS' HOMES

The Senate proceeded to consider the bill (H. R. 4724) to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' bonus, which was read, as follows:

Be it enacted, etc., That all persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition on vessels owned by the United States and engaged in the transportation of troops, supplies, ammunition, or materials of war, and who were discharged for disability incurred in such governmental service in line of duty, shall—

(1) Be entitled to the benefits provided for by paragraph 10 of section 202 of the World War veterans' act, 1924, as amended; and

(2) For the purpose of receiving the benefits of the Soldiers' Home, the National Home for Disabled Volunteer Soldiers, and the Naval Home, be held to have been honorably discharged from the military or naval forces of the United States.

Mr. BINGHAM. Mr. President, I should like to ask the Senator from Pennsylvania to whom the provisions of this bill apply.

Mr. REED. The bill applies to persons employed by the Quartermaster's Department on transports or supply ships in the Spanish-American War or the Philippine campaign or the China expedition and would give them the privilege of hospitalization under the World War veterans' act and the right to admittance to soldiers' homes.

Mr. BINGHAM. Was the passage of the bill recommended by the Committee on Military Affairs?

Mr. REED. No; the bill was not referred to the Committee on Military Affairs. It was for some reason referred to the Committee on Pensions. This is a bill similar to one which passed Congress at the last session and was vetoed by the President, as I recall. It does not provide for any pensions whatsoever.

Mr. BINGHAM. Why was the bill referred to the Committee on Pensions?

Mr. REED. I presume because it was so ordered. I asked to have the bill referred to the Committee on Military Affairs when it first came on the calendar, but the Senator from California [Mr. JOHNSON], who has the measure at heart, did not seem to want the bill to be referred to that committee. I imagine the bill will be vetoed if it shall pass.

The bill was ordered to a third reading, read the third time, and passed.

PLAYA DE FLOR LAND & IMPROVEMENT CO.

The bill (S. 3477) for the relief of the Playa de Flor Land & Improvement Co., was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted etc., That jurisdiction is hereby conferred upon the District Court of the Canal Zone to hear and determine, without the intervention of a jury, but subject to the provisions for appeal as in other cases provided by the Panama Canal act, as amended, the claim of the Playa de Flor Land & Improvement Co. against the United States on account of property taken by the United States in the Canal Zone.

ACTS OF INTERFERENCE WITH FOREIGN RELATIONS

The bill (S. 1058) repealing various provisions of the act of June 15, 1917, entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes" (40 Stat. L. 217), was announced as next in order.

Mr. REED. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. BINGHAM subsequently said: Mr. President, earlier in the day there was passed over Senate bill 1058. I ask unanimous consent that there may be inserted in the RECORD at that point a letter received by me from Mr. Alexander Lincoln, president of the Sentinels of the Republic, and also a petition to the United States Senate from the board of directors of the Woman Patriot Corporation in connection with that bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

SENTINELS OF THE REPUBLIC,
Washington, D. C., April 21, 1932.

Senator HIRAM BINGHAM,
Senate Office Building, Washington, D. C.

DEAR SENATOR BINGHAM: Senate bill No. 1058, introduced by Senator WALSH of Montana, has been favorably reported by the Committee on the Judiciary without hearings.

The text conceals the far-reaching subversive provisions of the bill.

The Sentinels of the Republic ask that the bill be recommitted in order that its opponents be heard and that those officials responsible for the enforcement of the laws affected may be questioned as to the consequences should this bill be enacted.

Sincerely yours,

ALEXANDER LINCOLN, *President.*

A PETITION TO THE UNITED STATES SENATE TO RECOMMIT S. 1058 FOR PUBLIC HEARINGS

To the Honorable Members of the United States Senate.

GENTLEMEN: The United States Senate is hereby respectfully petitioned by the board of directors of the Woman Patriot Corporation:

1. That S. 1058, by Senator WALSH of Montana, a bill to repeal three sections of the United States Criminal Code (secs. 343, 344, and 345, title 18, U. S. C.) and one section of the National Defense Code (sec. 23, title 50, U. S. C.) and to amend the conspiracy section of the National Defense Code (sec. 34, U. S. C.), be recommitted for public hearings.

BILL MISLEADING—HEARINGS REFUSED—REPORT WORTHLESS

The text of S. 1058 in its misleading brevity deliberately conceals the vast scope of its subversive provisions.

Hearings on this bill were formally requested by opponents, December 16, 1931. But the bill has been reported out without

hearings, with a report that gives the text of only one section out of the four it proposes to repeal—the one applicable "when the United States is at war"—whereas the other three sections it repeals "by the numbers" and without the text, are applicable in times of peace, part of the permanent Criminal Code, and are now available to punish violations of no less than 68 different laws of the United States, including treason, sedition, inciting insurrection in insular territories, privateering on the high seas, destruction or injury of vessels, interferences with judicial processes, foreign relations, and conspiracies against national defense.

This necessary effect of the bill is not mentioned in the report. And the refusal of hearings further proves the intention to hide the purposes of the bill. But the report contains a long, ex parte, and anonymous memorandum by advocates of the bill, which also refrains from giving the text of the three sections of the Criminal Code the bill repeals.

The three sections of the Criminal Code the text of which is not furnished the Senate in the report prohibit the used of the United States mails to violate 68 Federal laws, 36 sections of the Criminal Code, 16 sections of the Foreign Relations Code, and 16 sections of the National Defense Code, namely:

Criminal Code: Sections 25, 27, 31 to 38, 288, 381, 502, 611 to 633, title 18, United States Code.

Foreign relations: Sections 213, 221 to 223, 231 to 235, 238 to 245, title 22.

National defense: Sections 31 to 42 and 191 to 194, title 50, United States Code.

Of the 68 laws affected, 51 either carry no penalty, as administrative provisions, or a lesser penalty than the three sections of the Criminal Code which punish the use of the mails for their violation by fine of $5,000 or five years' imprisonment, or both. The text of these three sections is set forth hereafter (Exhibit 1). A list of the 68 sections of the code affected by S. 1058 is also set forth hereafter (Exhibit 2).

2. That in view of the fact that the 68 sections of law automatically affected by repeal of sections 343, 344, and 345 of the Criminal Code are of concern to the War and Navy Departments, the State Department, the Department of Justice, the Department of Commerce, and the Post Office Department, that the following officials may be called upon to testify as to how S. 1058 would affect the enforcement of the 68 sections of law relating to matters of national defense, foreign relations, judicial processes, shipping laws, etc., for enforcement of which those departments are severally responsible:

The Judge Advocate General of the War Department.

The Judge Advocate General of the Navy Department.

The Director of the Bureau of Investigation, Department of Justice.

The Solicitor of the State Department.

The Solicitor of the Department of Commerce.

The Solicitor of the Post Office Department.

3. That loyal citizens and organizations outside of the Government departments may also have an opportunity to be heard in opposition to this bill of 26 lines to cripple the enforcement of 68 laws, designated only "by the numbers" with one exception, in the report.

FALLACY OF "WAR MEASURE" AND "CENSORSHIP" CLAIMS

This bill S. 1058, although it affects 68 of the permanent laws of the United States included in the code under the act approved June 30, 1926, by repealing one "war law" and three laws prohibiting at all times the use of the mails for treason, seditious conspiracy, privateering plots, and many other crimes, is advocated merely as "repealing certain provisions of the espionage act" and as abolishing what the report calls "to all intents and purposes a censorship law"—without giving the text!

That is, matter in violation of 68 sections of the United States Code now being unmailable under the three sections of the Criminal Code that S. 1058 proposes to repeal, Congress is asked to make all this criminal matter hereafter mailable under pretense that otherwise there is a "censorship" by the Post Office.

There is, in fact, no more "censorship" in this case than in laws prohibiting use of the mails to sell lottery tickets, to transmit poisons, explosives, dangerous liquids, chemicals, and articles for immoral use.

These laws are all mandatory. There is no question of discretion whatever on the part of the Post Office Department. The matter is declared unmailable under severe penalty. It is simply a question of whether the law shall be enforced or nullified.

One might as well call other mandatory criminal laws a "police censorship" or the customs laws (prohibiting the entry of many articles) a "censorship" by customs officers or say that every prosecuting attorney exercises "censorship" in bringing charges before a grand jury.

This is not "censorship" in any case. If the law is violated, it is the mandatory duty of the postmaster, the policeman, the customs officer, or the prosecuting attorney, as the case may be, to proceed promptly against the offender.

"Censorship" gives some official or board discretion to approve or disapprove, to allow or disallow, certain things or acts in accordance with the opinion of the official or board. Here, on the contrary, there is only the issue of law enforcement.

Proof that "censorship" is not involved at all, but that S. 1058 is designed to do away with the mandatory statutes that prohibit the use of the mails for treasonable, insurrectionary, conspirative, and other subversive criminal plots—that may best be promoted on a large scale, of course, through the mails—is furnished by the failure of the report to cite the provisions of law alluded to as virtually a "censorship law."

Proof that repeal of these laws not only but their nullification while in force is urged by the so-called American Civil Liberties Union in the interests of revolutionary communist groups is contained in the letter sent out by the American Civil Liberties Union, February, 1931, in part as follows:

"Urge repeal of the espionage act: The House of Representatives still has before it bill S. 3416, which calls for repeal of the war-time espionage act. This bill was passed in the Senate last session. Write your Representative urging him to vote for it.

"Write also to Postmaster General Walter F. Brown, Washington, D. C., asking that he stop the drive on the radical press now being made under a section of the espionage act. Four radical papers have been barred from the mails for 'seditious language' and 'revolutionary advocacies'—the Revolutionary Age, the Young Worker, the Young Pioneer, and a Spanish weekly, Vida Obrera. The first is a weekly organ of the expelled 'majority (Lovestone) group' of communists and the others are official communist party papers."

There is proof not only that this bill (S. 1058), which is the same as S. 3416 of the last Congress, is urged on behalf of communists, but also that the American Civil Liberties Union is urging its members to ask the postmaster to nullify the law, pending its repeal, in the interests of revolutionary communists.

The three sections of the Criminal Code involved follow in full text:

CRIMINAL CODE SECTIONS REPEALED BY S. 1058—TEXT OF SECTIONS 343, 344, AND 345, UNITED STATES CODE, TITLE 18; 40 STAT. L. 230

"343. Certain letters or writings nonmailable; opening letters.—Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book or other publication, matter or thing of any kind, in violation of any of the provisions of sections 25, 27, 31 to 38, inclusive, 288, 381, 502, 611 to 633, inclusive, of this title, sections 213, 221 to 223, inclusive, and 231 to 235, inclusive, and 238 to 245, inclusive, of title 22, and sections 31 to 42 and 191 to 194 of title 50 is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier; but no person other than an employee of the Dead Letter Office, duly authorized, or other person upon a search warrant authorized by law, shall be authorized to open any letter not addressed to himself. (June 15, 1917, c. 30, Title XII, sec. 1, 40 Stat. 230.)"

"344. Letters and writings advocating treason declared nonmailable.—Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book or other publication, matter or thing, of any kind, containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States is hereby declared to be nonmailable. (June 15, 1917, c. 30, Title XII, sec. 2, 40 Stat. 230.)"

"345. Using or attempting to use mails for transmission of matter declared nonmailable by title; jurisdiction of offense.—Whoever shall use or attempt to use the mails or Postal Service of the United States for the transmission of any matter declared by sections 343 and 344 of this title to be nonmailable shall be fined not more than $5,000 or imprisoned not more than five years, or both. Any person violating any provision of said sections may be tried and punished either in the district in which the unlawful matter or publication was mailed, or to which it was carried by mail for delivery according to the direction thereon, or in which it was carried to be delivered by mail to the person to whom it was addressed. (June 15, 1917, c. 30, Title XII, sec. 3, 40 Stat. 230.)"

CONSPIRACY SECTION AMENDED BY S. 1058—TEXT OF SECTION 34, UNITED STATES CODE, TITLE 50; 40 STAT. 219

"34. Conspiracy to violate preceding sections.—If two or more persons conspire to violate the provisions of sections 32 or 33 of this title, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as in said sections provided in the case of doing of the act the accomplishment of which is the object of such conspiracy. Except as above provided conspiracies to commit offenses under this chapter shall be punished as provided by section 88 of title 18. (June 15, 1917, c. 30, Title I, sec. 4, 40 Stat. 219.)"

The Walsh bill (S. 1058) repeals the three sections of title 18 above set forth—and thereby permits the use of the mails for violation of 58 other laws covered by section 343 and section 344—but this fact is not mentioned in the report. These are not "war measures" at all. They apply equally in times of peace—as does section 34 of title 50 set forth above.

Section 33, title 50, is also repealed by S. 1058—but the text of that law, which applies only "when the United States is at war" is set forth on the first page of the report on S. 1058, as it was in the report on the same bill, in the same way, when S. 3416 of the Seventy-first Congress, identical with S. 1058, was reported June 5, 1930. (See Rept. No. 831, Calendar No. 845, 71st Cong., and S. 3416, 71st Cong.)

HOW BILL PASSED SENATE IN 1930

S. 3416, identical with the present S. 1058, was passed by the Senate June 11, 1930 (permanent RECORD, p. 10484), without debate, and with 17 lines of explanation about "war measures" and the power of the postmaster to "throw out" unmailable matter. This was during a debate on the tariff, when many other measures on the calendar were being passed or passed over.

One Senator, Senator GEORGE, when the bill was read, said:

"Mr. President, I would like to have an explanation of this bill. I am not familiar with it. It seems to be an important measure."

Senator WALSH of Montana thereupon made the brief "war measures" and "censorship" explanation of 17 lines, and the bill was passed without a roll call, or any other discussion. (CONGRESSIONAL RECORD, June 11, 1930, p. 10484.) No action was taken on the bill in the House of Representatives. Hence the present "drive" to pass an identical bill (S. 1058) with an identical report, at the present session.

PART OF AMERICAN CIVIL LIBERTIES UNION SUBVERSIVE PROGRAM

This bill is part of the program which the so-called American Civil Liberties Union is interested "in putting through Congress" to "help lessen the weapons of repression in the hands of courts and Government officials."

The American Civil Liberties Union letter of March, 1932, lists it as a companion measure to several other radical measures it is backing, such as S. 3275 and H. R. 298, to admit aliens who refuse to bear arms to American citizenship and to "overcome" three decisions of the Supreme Court of the United States to the contrary; to S. 3907, "to abolish 1-man censorship by the Post Office Department" in regard to obscene matter, and to S. J. Res. 43 and H. J. Res. 179, "calling on the President to restore the rights of citizenship to persons convicted under the espionage act during the war for their pacifist utterances."

LAWS ADMITTEDLY NOW IN FORCE

While neither the report nor the anonymous ex parte memorandum accompanying it set forth the text of sections 343, 344, and 345 of the Criminal Code (title 18, U. S. C.), which S. 1058 proposes to repeal, nor the text of section 34, title 50, United States Code, which S. 1058 proposes to amend, the following significant admissions are to be found in the anonymous memorandum at page 3 of the report:

"This title in its original form not only remains in the body of our law but is not even suspended until the next war. It is now operative and ready for use at any time."

"By a series of decisions the United States Supreme Court upheld the constitutionality of section 3 of title 1. Illustrative authorities are:

"Pierce *v.* United States (252 U. S. 239), 1920.
"Schenck *v.* United States (249 U. S. 47), 1919.
"Frohwerk *v.* United States (249 U. S. 204), 1919.
"In the famous Milwaukee Leader case (U. S. *v.* Burleson, 255 U. S. 407, 1921) the Supreme Court upheld Section XII."

Here is an inadvertent confession that all the propaganda to the effect that this bill is intended "merely to repeal" certain "war measures," applicable only "when the United States is at war"—as the report would otherwise indicate, by quoting only one out of the four laws it repeals, on the front page of the report, and the bill, by its recited purpose and arrangement—is for the purpose of "putting through Congress" a radical measure that could not easily be passed with full discussion of its ramifications, and consideration of the 69 different laws which the repeal of sections 343, 344, and 345 of the Criminal Code, (title 18, U. S. C.) would allow criminals to violate through use of the mails without punishment for such abuse of the mails.

In considering S. 1058 the Senate should also have before it the 68 sections of law it affects, which may be listed as follows:

LAWS AFFECTED BY S. 1058

Section of U. S. Code	Prohibitive or administrative purpose	Penalty in statute
	TITLE 18, CRIMINAL CODE	
25	Organizing military expedition against friendly power	$3,000 or 3 years.
27	Compelling foreign vessels to depart (Executive)	No penalty.
31	Enforcement of neutrality; withholding clearances	Do.
32	Detention of armed vessels (Executive)	Do.
33	Sending out armed vessel to belligerent nation	Do.
34	Statements required of masters of vessels (Commerce Department).	Do.
35	Forbidding departure of vessels (Executive)	Do.
36	Unlawful taking of vessel out of port	$10,000 or 5 years.
37	Internment of belligerents and allowing escape	$1,000 or 1 year.
38	Enforcement by land and naval forces (War and Navy Departments).	No penalty.
268	"Foreign government" defined, including unrecognized faction.	Do.
281	Violent interference with foreign commerce	$10,000 or 10 years.
562	Injuring vessel engaged in foreign commerce	$10,000 or 20 years.
611-633	Search warrant laws	$1,000 or 1 year.
	TITLE 22, FOREIGN RELATIONS	
213	Requiring application for passport	No penalty.
221	Unlawful use of passport	$2,000 or 5 years.
222	Forging, altering, etc., of passport	Do.
223	Passport control act	No penalty.
231	False statements to injure United States in foreign relations	$5,000 or 5 years.

LAWS AFFECTED BY S. 1058—continued

Section of United States Code	Prohibitive or administrative purpose	Penalty in statute
	TITLE 22, FOREIGN RELATIONS—continued	
232	False assumption of diplomatic or consular office	$5,000 or 5 years.
233	Acting as foreign government agent without notice (State Department).	Do.
235	"Foreign government" defined, including unrecognized faction.	No penalty.
236	Seizure of munitions of war for export	Do.
239	Warrant for detention of property	Do.
240	Petition for restoration of property seized	Do.
241	Libel and sale of seized property	Do.
242	Method of trial	Do.
243	General extent of interference with foreign trade	Do.
244	Discretion of President to release seized property	Do.
245	Use of land and naval forces to prevent exportation	Do.
	TITLE 50, NATIONAL DEFENSE	
31	Unlawfully obtaining information affecting national defense	$10,000 or 2 years.
32	Unlawfully disclosing information affecting national defense in time of peace.	20 years.
	Unlawfully disclosing information affecting national defense in time of war.	30 years or death.
33	Seditious or disloyal acts in time of war	$10,000 or 20 years.
34	Conspiracy to violate preceding sections	As in said sections.
35	Harboring or concealing violators of law	$10,000 or 2 years.
36	Designation of prohibited places (by President)	No penalty.
37	Places subject to provisions of chapter	Do.
38	Jurisdiction of courts-martial (War and Navy Departments).	Do.
39	Jurisdiction of courts of Canal Zone and Philippines	Do.
40	"United States" defined	Do.
41	"Foreign government" defined, including unrecognized factions.	Do.
191	Regulation of vessels in national emergency	Do.
192	Seizure of vessels failing to observe regulations	$10,000 or 2 years.
193	Destruction or injury of vessels	Do.
194	Use of land and naval forces to enforce provisions	No penalty.

It is to be observed that the majority of these 68 sections, including all those conferring powers on the President and the several departments as to neutrality, foreign trade, regulations of vessels, relations with foreign governments, and passports, search warrants, etc., and provisions for the national defense, either carry no penalty or a lesser penalty than the statutes S. 1058 proposes to repeal.

Only nine of these laws carry a greater penalty in the statute than that prescribed by section 345, title 18, United States Code, for using the mails to violate them.

Only three of these laws carry a similar penalty in the statute to that provided for using the mails to violate them.

All the others, if S. 1058 is passed, may be violated hereafter with much less risk or penalty if there is no penalty for using the mails to violate them.

The Federal Government for many years has accomplished various good purposes in promoting national defense and protecting its citizens from fraud, obscenity, and various other evils by denying the use of the mails or prohibiting the shipment in interstate commerce of various fraudulent or immoral goods.

It is well known that lotteries have been practically abolished merely by denying the mails to persons promoting such gambling schemes.

If such use of the postal power and the interstate commerce power is proper and constitutional—as the Supreme Court has uniformly held—to protect the American people against petty frauds and gambling devices sent to them through the mails, it is self-evident that for a greater reason the present statutes prohibiting the use of the mails for treasonable, seditious, and revolutionary schemes to overthrow the United States Government itself, and to arouse its citizens to rebellion and insurrection, should be continued in full force and effect.

Respectfully submitted.

BOARD OF DIRECTORS, THE WOMAN PATRIOT CORPORATION
MARY G. KILBRETH, *Chairman.*

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 97) to protect trade-mark owners, distributors, and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguishing trade-mark, brand, or name was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. ROBINSON of Arkansas. Mr. President, if the bill is to be taken up, it is certainly of sufficient importance to command an explanation for the benefit of the Senate.

Mr. CAPPER. Mr. President, I will not ask that the bill be taken up at this time. I shall, though, in the near future ask that time may be given for a proper consideration of the measure. It is one of very great importance and I am very anxious that it should be presented to the Senate in the regular way.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 80) authorizing the Secretary of War to furnish equipment, goods, and supplies to governors for use in aid of distressed citizens was announced as next in order.

Mr. REED. Over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 1155) to establish a board of indeterminate sentence and parole for the District of Columbia and to determine its functions, and for other purposes, was announced as next in order.

Mr. BRATTON. In behalf of the senior Senator from Montana [Mr. WALSH], who is absent, I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

SUIT BY TLINGIT AND HAIDA INDIANS OF ALASKA

The bill (S. 1196) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have, or claim to have, against the United States, and for other purposes, was announced as next in order.

The VICE PRESIDENT. The Chair is informed that this bill was passed on April 11, and the action in passing the bill was subsequently reconsidered. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS FOR COLORADO SCHOOL OF MINES

The bill (H. R. 231) to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to the State of Colorado patent conveying title to the south half southeast quarter section 22; the north half northeast quarter, and the southwest quarter northwest quarter section 27, township 18 south, range 66 west, sixth principal meridian, Colorado, for the use and benefit of the Colorado School of Mines located at Golden, upon payment to the United States of $1.25 per acre therefor: *Provided*, That there is found to be no conflicting valid claim to the lands so described: *And provided further*, That there shall be reserved to the United States all coal, oil, gas, or other mineral deposits found at any time in the land, together with the right of the United States, its grantees or permittees, to prospect for, mine, and remove such deposits, under such rules, regulations, and conditions as the Secretary of the Interior may prescribe.

BILL PASSED OVER

The bill (H. R. 1039) establishing additional land offices in the States of Montana, Oregon, South Dakota, Idaho, New Mexico, Colorado, and Nevada was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

WATERTON-GLACIER INTERNATIONAL PEACE PARK

The bill (H. R. 4752) for establishment of the Waterton-Glacier International Peace Park was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of permanently commemorating the long-existing relationship of peace and good will existing between the people and Governments of Canada and the United States and upon the enactment by the proper authority of the Canadian Government of a similar provision respecting the Waterton Lakes National Park in the Province of Alberta and upon the proclamation of the President of the United States, who is hereby authorized to issue such a proclamation, the Glacier National Park in the State of Montana shall become a part of an international park to be known as the Waterton-Glacier International Peace Park.

SEC. 2. For purposes of administration, promotion, development, and support by appropriations that part of the said Waterton-Glacier International Peace Park within the territory of the United States shall be designated as the Glacier National Park.

MERGER OF DISTRICT STREET-RAILWAY CORPORATIONS

The joint resolution (S. J. Res. 13) to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes, was announced as next in order.

Mr. LA FOLLETTE. I ask that the joint resolution go over.

Mr. AUSTIN. I move that the Senate proceed to the consideration of the joint resolution notwithstanding the objection.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Robinson, Ark.
Austin	Cutting	Johnson	Robinson, Ind.
Bailey	Dale	Jones	Schall
Bankhead	Dickinson	Kean	Sheppard
Barbour	Dill	Kendrick	Shipstead
Barkley	Fess	Keyes	Shortridge
Bingham	Fletcher	La Follette	Smoot
Black	Frazier	Lewis	Steiwer
Blaine	George	Logan	Stephens
Borah	Glass	McGill	Thomas, Idaho
Bratton	Glenn	McKellar	Thomas, Okla.
Brookhart	Goldsborough	McNary	Townsend
Broussard	Gore	Metcalf	Trammell
Bulkley	Hale	Moses	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Walcott
Caraway	Hatfield	Norris	Walsh, Mass.
Carey	Hawes	Nye	Waterman
Connally	Hayden	Oddie	Watson
Copeland	Hebert	Patterson	White
Costigan	Howell	Reed	

The VICE PRESIDENT. Eighty-three Senators have answered to their names; a quorum is present. The question is on the motion of the Senator from Vermont to proceed to the consideration of the joint resolution, which will be reported by title.

The CHIEF CLERK. The joint resolution (S. J. Res. 13) to authorize the merger of street-railway corporations in the District of Columbia, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Vermont. [Putting the question.] The Chair is in doubt.

Mr. LA FOLLETTE. I ask for a division.

On a division, the motion was rejected.

SAMSON DAVIS

The Senate proceeded to consider the bill (S. 332) to correct the military record of Samson Davis, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 5, after the words "member of," to strike out "Company A, Ninth Regiment United States Infantry," and insert "the Hospital Corps, United States Army"; and, on line 10, after the date "1902," to insert "*Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act," so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Samson Davis, who was a member of the Hospital Corps, United States Army, shall be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 29th day of August, 1902: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Samson Davis."

CHESTER J. DICK

The Senate proceeded to consider the bill (S. 669) for the relief of Chester J. Dick, which had been reported from the Committee on Claims with amendments, on page 1, line 5,

after the word "in," to strike out "the amount of $245.24" and insert "an amount not to exceed $662.77"; and on page 2, line 5, after the words "obligation of," to strike out "$245.24" and insert "$662.77," so as to make the bill read:

Be it enacted, etc., That the Comptroller General is authorized and directed to credit the accounts of Chester J. Dick, captain, Finance Department, United States Army, in an amount not to exceed $662.77, representing the amount of stoppage against the pay of the said Chester J. Dick ordered by The Adjutant General because of the embezzlement by Otto Melton, former civilian cashier, Fort Leavenworth, Kansas, of funds for which the said Chester J. Dick was accountable.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Chester J. Dick an amount equal to the amounts paid by him to the United States in partial settlement of the said obligation of $662.77.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2458) for the relief of Ralph E. Williams for loss suffered on account of the Lawton, Okla., fire, 1917, was announced as next in order.

Mr. REED. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1251) relating to the making of loans to veterans upon their adjusted-service certificates was announced as next in order.

Mr. BINGHAM. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

INTERNATIONAL GEOLOGICAL CONGRESS

The joint resolution (S. J. Res. 82) authorizing an appropriation for the expenses of the sixteenth session of the International Geological Congress to be held in the United States in 1933 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the sum of $85,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of the sixteenth session of the International Geological Congress to be held in the United States in 1933, including salaries in the District of Columbia and elsewhere, without reference to the classification act of 1923, as amended, communication service, travel expenses, including local transportation and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), printing and binding, rent in the District of Columbia and elsewhere, official cards, entertainment, hire, operation, and maintenance of motor-propelled passenger-carrying vehicles, and such other expenses as the Secretary of State shall deem proper.

AMENDMENT OF MERCHANT MARINE ACT AS APPLIED TO VIRGIN ISLANDS

The bill (S. 3950) to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," as applied to the Virgin Islands of the United States was announced as next in order.

Mr. JOHNSON. Mr. President, the Senator from Tennessee [Mr. MCKELLAR] has offered an amendment which can not be accepted to this bill. Inasmuch as he is absent, I will have to ask that the bill be passed over. If he comes in, I will ask to have it taken up again.

The VICE PRESIDENT. The bill will be passed over.

SENDING THROUGH THE MAILS OF THREATENING COMMUNICATIONS

The Senate proceeded to consider the bill (H. R. 96) to punish the sending through the mails of certain threatening communications, which was read, as follows:

Be it enacted, etc., That whoever, with intent to extort or without justification to demand from any person money or other thing of value, shall deposit or cause to be deposited in any post office, or station thereof, or street or other letter box of the United States, or authorized depository for mail matter, to be sent or delivered by the Post Office establishment of the United States, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat (1) to injure the person, property, or reputation of the addressee or of another or the reputation of a deceased person, or (2) to kidnap any person, or (3) to accuse the addressee or any other person of a crime punishable by law, or (4) to expose any infirmities or failings of any person or to charge any person with infirmities or failings shall be fined not more than $5,000 or imprisoned not more than 20 years: *Provided*, That the accused may be indicted and tried either in the district in which the unlawful matter is deposited as aforesaid or in the district to which it is carried by mail for delivery, according to the directions thereon or in the district to which it is directed to be delivered by mail by the person to whom it is addressed.

Mr. PATTERSON. Mr. President, I offer an amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 5, after the word "law," it is proposed to insert:

Or whoever shall deposit, or cause to be deposited in any post office or station thereof, or street or other letter box of the United States, or authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, any printed or written letter, or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person and containing any demand or request for ransom or reward for the release of any kidnaped person.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Missouri.

Mr. REED. Mr. President, that is not the place to put the amendment.

Mr. JOHNSON. Mr. President, may I call to the attention of the Senator the fact that his amendment, I think, is placed in a particular conjunction of words which were stricken out when the bill last was before us. Am I correct in saying that the amendment is after line 5, page 2?

The CHIEF CLERK. On April 18 the Senate, on page 2, lines 5 and 6, struck out the following words: "punishable by law, or (4) to expose any infirmities or failings of any person or to charge any person with infirmities or failings."

Mr. JOHNSON. The amendment is stated to occur where, please?

The CHIEF CLERK. After the word "law" in line 5, which was heretofore stricken out. The last word of the line is "crime."

Mr. JOHNSON. It would be after the word "crime," then.

Mr. ROBINSON of Arkansas. Mr. President, I do not rise to address myself to the amendment of the Senator from Missouri, but to call to the attention of Senators who have studied this bill the language employed in line 3, page 1:

That whoever, with intent to extort or without justification to demand—

I pointed out the other day that the use of certain language on page 2 of the bill—namely, "punishable by law"—was surplusage and added nothing to the meaning of the bill. I do not know what the legal effect of the language "without justification" would be. Would it mean that if one made a demand of another, and was unable in a court of law to sustain his demand, he would be guilty of a penal offense for making a demand? Plainly under those circumstances a demand would be without justification. Of course, that is not the intention of the bill; but the language ought to be modified so as to state "or without good faith to make a demand," my thought being that the statute should not penalize a demand which might be determined to be without justification if the demand was made in good faith. Frequently it requires court proceedings to determine whether a demand is with or without justification.

Mr. PATTERSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Missouri?

Mr. ROBINSON of Arkansas. Yes.

Mr. PATTERSON. I desire to suggest that depositing a letter in the mail with intent to extort, or without justification, would not of itself be any offense at all unless it was coupled with a threat to injure the property, person, or reputation of another, or to kidnap a person, or to accuse the addressee or any other person of a crime punishable by law. The two things would have to concur in order to constitute any offense. So it does not seem to me that there is any real reason why the words "without justification" should be

stricken out when we take them in connection with the language used farther on in the bill.

Mr. BINGHAM. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Connecticut?

Mr. ROBINSON of Arkansas. Yes; I yield to the Senator from Connecticut.

Mr. BINGHAM. May I ask the Senator from Missouri what objection there would be to striking out the words "without justification"? They merely weaken the bill, and make possible a loophole of escape to some one who has sent a letter demanding money with a threat to kidnap. He might claim that he had justification because some person in the other one's family had done him some harm, and that that was justification. Why not strike out the words "without justification"?

Mr. PATTERSON. There is not any real reason why the words should be there. They do not add to or detract from the bill, the way I view it, when it is all read together.

Mr. REED. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Pennsylvania?

Mr. ROBINSON of Arkansas. I yield to the Senator.

Mr. REED. It seems to me it is just as desirable to punish a threat, which is blackmailing, even if it is made in order to force the payment of a debt which is admittedly due. If the Senator from Missouri were indebted on a promissory note, I am sure he would think it should be made a crime for the payee of that note to threaten to kidnap his child if he did not pay it. It seems to me it introduces an opportunity for legal quibbling to leave the words there, and that the bill would be improved by striking them out.

Mr. BORAH. Mr. President, what could be justification? How could there be justification?

Mr. REED. There could not be justification for a threat; but it is not to the threat that the words apply.

Mr. ROBINSON of Arkansas. The point I am making is that if it were a legal demand, the sending of a threat would be violative of this statute.

Mr. REED. Exactly.

Mr. ROBINSON of Arkansas. If it were not a legal demand, the demand would be without justification and it would be illegal. Why complicate the matter by raising an issue of that character? As stated by the Senator from Pennsylvania, if one undertakes to collect a just debt by the employment of the processes contemplated in this bill, by threats of violence or harm, it ought to be prohibited, even though the demand is with justification; that is to say, even though there may be a valid debt.

I have no pride of opinion about the matter, but I think the words "or without justification to demand" should go out; and I think the word "extort" would carry all the meaning, expressed and implied, that is in the mind of the author of the bill.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Missouri [Mr. PATTERSON].

Mr. BINGHAM. Mr. President, may we have an explanation of the amendment? It is a little long, and we have not it before us.

Mr. PATTERSON. Mr. President, the amendment, stripped of its legal verbiage, simply makes it an offense to deposit in the mails a demand for ransom for a kidnapped person. That is the sum and the substance of the amendment. It forbids a demand for ransom for the return of a kidnapped person.

Mr. BINGHAM. May we have it read again?

The VICE PRESIDENT. The amendment will be restated.

The CHIEF CLERK. The Senator from Missouri offers the following amendment:

On page 2, line 5, after the word "crime," insert:

Or whoever shall deposit, or cause to be deposited in any post office or station thereof, or street or other letter box of the United States, or authorized depository for mail matter, to be sent or delivered by the post-office establishment of the United States, any printed or written letter, or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person and containing any demand or request for ransom or reward for the release of any kidnapped person.

Mr. ROBINSON of Arkansas. Mr. President, I do not see any objection to the amendment proposed by the Senator from Missouri. Upon hearing it read, it impresses me as in harmony with the general purposes and provisions of the bill. It specifies an act which is obnoxious to the minds of all law-abiding persons; and I believe the amendment of the Senator from Missouri should be agreed to.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. Certainly.

Mr. BINGHAM. Is there any way in which provision could be made for the protection of an innocent person who is handed a letter of this kind by a guilty person, and requested to deposit it in a mail box?

Mr. ROBINSON of Arkansas. Yes; I think it should read "knowingly" to do it. I think the suggestion is a very good one, if the language employed by the Senator from Missouri does not comprehend the guilty knowledge of the person actually transmitting the message.

Mr. BINGHAM. Should not that word also be inserted on page 1, line 10? It applies also to a letter threatening to kidnap, and would apply to an innocent person depositing such a letter in a mail box without knowing what he was doing, subjecting him to a fine of $5,000 and 20 years in jail. Should not the word "knowingly" be placed in there at the proper point?

Mr. ROBINSON of Arkansas. Mr. President, under the conditions that surround us while we are considering this bill, it is very difficult to answer the question of the Senator from Connecticut conclusively. I am rather impressed that his suggestion is a good one. It does seem to me that this bill ought to be considered by the Judiciary Committee. It would require only a very brief period, and it would be helpful to have the committee pass on the bill. I wonder whether the author of the bill would object to that?

Mr. McKELLAR. Mr. President, I reported the bill from the Committee on Post Offices and Post Roads, and I would have no objection to it taking the course suggested. I want to say that the proposal submitted in the amendment of the Senator from Missouri was not before our committee at all, and it was not considered by the committee. I have read the proposed amendment of the Senator from Missouri as he has submitted it to me, and I think it is a very wise suggestion, and that the amendment should be incorporated in the bill under any circumstances.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator will yield, I suggest that the bill, with all amendments, be referred to the Committee on the Judiciary, and I suggest to the Senator from Connecticut that he propose the amendment of which he spoke a moment ago.

The PRESIDENT pro tempore. The Chair understands the Senator from Arkansas to ask unanimous consent that the bill and all amendments proposed in the Senate be referred to the Committee on the Judiciary.

Mr. McKELLAR. Mr. President, would that include the amendment of the Senator from Missouri?

The PRESIDENT pro tempore. It would.

Mr. McKELLAR. Has it been offered?

Mr. PATTERSON. The amendment has been offered.

Mr. BINGHAM. Mr. President, I dislike to see anything done with the bill which would delay it, because I understand it is needed. At the same time, it would create a very serious crime, punishable by 20 years in jail, and it seems to me that so many points have been raised regarding the absence of necessary words or the inclusion of unnecessary words that it would be wise to have the bill referred to the Judiciary Committee, with the request that it be reported back immediately in such form as may meet the views of that committee.

Mr. REED. Mr. President, if the bill is to be referred to the Committee on the Judiciary, I want to suggest one further amendment.

I believe it has been understood that the words "or without justification to demand" shall come out. That would

leave the bill reading in this way, "with intent to extort from any person money or other thing of value." A law in those words could never in the world be used to convict anybody, because legally "to extort" means to compel the payment of money under color of office. The words "extort" and "extortion" have a definite meaning in law, except in a few places where I suppose they have been broadened by statute. Ordinarily "to extort" means to compel the payment of money under assertion of some right of public office, and if that word were left in the measure, the first criminal lawyer who saw it would get his client acquitted, because what we mean is "to compel the payment of money," not "to extort" it.

Mr. ASHURST. The Senator is right about that.

Mr. REED. That is one of the things the Judiciary Committee ought to consider.

The PRESIDENT pro tempore. Is there objection to the unanimous consent request preferred by the Senator from Arkansas? The Chair hears none, and that order will be entered.

Mr. McKELLAR subsequently said: Mr. President, in the case of Order of Business No. 520, House bill 96, which was considered this morning, the bill being rereferred to the Committee on the Judiciary after having been reported from the Post Office Committee, I offer an amendment to the bill.

I ask unanimous consent at this point that the amendment I offer, together with the amendment of the Senator from Missouri [Mr. PATTERSON] be printed in a new print for the benefit of the committee.

The VICE PRESIDENT. Without objection, it is so ordered.

IMMIGRATION VISAS

The bill (S. 34) to provide for a review of the action of consular officers in refusing immigration visas was announced as next in order.

Mr. REED. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

ADDITIONAL DISTRICT JUDGES, NEW JERSEY

The Senate proceeded to consider the bill (S. 1335) to provide for the appointment of two additional district judges for the district of New Jersey, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 4, to strike out the word "two" and to insert in lieu thereof the word "one"; on line 5 to strike out the word "judges" and to insert in lieu thereof the word "judge"; and on page 2, line 2, to strike out the word "judges" and to insert the word "judge," so as to make the bill read:

Be it enacted, etc., That the President is authorized to appoint, by and with the advice and consent of the Senate, one additional district judge for the District Court of the United States for the District of New Jersey, who shall reside in such district, and whose compensation, duties, and powers shall be the same as now provided by law for other district judges. A vacancy occurring at any time in the office of the district judge herein provided for is authorized to be filled.

The amendments were agreed to.

Mr. JOHNSON. Mr. President, I am compelled to ask that this bill go over. I may want to present an amendment to it.

Mr. HEBERT. Mr. President, will not the Senator withhold his objection temporarily until I may make a brief statement with regard to the urgent need of this legislation?

Mr. JOHNSON. I know about that. I am perfectly willing to withhold the objection, but there is similar urgent need in at least one jurisdiction of the West.

Mr. HEBERT. I may say to the Senator that we have a number of bills under consideration in the Committee on the Judiciary providing for various districts, among others the one to which the Senator refers.

Mr. JOHNSON. I am sure of that.

Mr. HEBERT. This is but one of many we have under consideration.

Mr. JOHNSON. I would like to add one from the West.

Mr. HEBERT. Do I understand the Senator wants to add one in this bill?

Mr. JOHNSON. I think it would be a very appropriate thing. Does not the Senator think so?

Mr. HEBERT. Mr. President, I do not know that I have any serious objection to that being done, except that I think the committee ought to consider each one of those cases on its own merits.

Mr. JOHNSON. Inasmuch as the Senator is considering a necessity that is even greater than that of New Jersey at the present time, I will make no further objection to the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the appointment of an additional district judge for the district of New Jersey."

REGULATION OF PLUMBING AND GAS FITTING

The Senate proceeded to consider the bill (S. 3400) to amend an act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia, which had been reported from the Committee on the District of Columbia with an amendment, on page 1, line 8, to strike out the words "bona fide residents of the District of Columbia," and to insert the words "citizens of the United States," so as to make the bill read:

Be it enacted, etc., That sections 3 and 4 of the act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia," be, and the same are hereby, amended to read as follows:

"SEC. 3. That applicants for licenses as master plumbers and gas fitters or master gas fitters, who are citizens of the United States, must be 21 years of age, must make application in their own handwriting, and must accompany such application with a certificate as to good character signed by at least three reputable residents of the District of Columbia, two of whom shall certify that the applicants have had at least four years' experience in the plumbing and gas-fitting business. Nonresident applicants for licenses as master plumbers and gas fitters or master gas fitters may present to the Commissioners of the District of Columbia a certificate from the examining board of plumbers or gas fitters in the State or Territory, or city in which the principal place of business of each applicant is located, showing qualifications equal to those prescribed by this section for resident applicants, and, upon presenting such certificate, shall be exempted from examination but shall be required to pay the fee for license provided in section 4 for resident applicants. Such exemption from examination shall, however, be granted only when the State, Territory, or city of the principal place of business of the applicant extends reciprocal privileges to applicants from the District of Columbia holding licenses therein as master plumbers and/or master gas fitters.

"SEC. 4. That all renewals of existing licenses and all new licenses as a master plumber and gas fitter or master gas fitter shall be for a period of not more than one year and that the fee for such license shall be not less than $25 nor more than $50 per annum, to be fixed by the Commissioners of the District of Columbia, for a license year beginning January 1 and ending December 31. Such special license fee shall be separate from, or in addition to any contractors' or business license tax, hereafter fixed for this and similar occupations by the Commissioners of the District of Columbia according to law. Licenses issued at any time after the beginning of the year shall date from the first day of the month in which the license is issued and end on the last day of the license year, and payment shall be made of a proportional amount of the annual license fee. Any licensee may apply for and receive a license for or on behalf of any firm, copartnership, or corporation that he is a bona fide member of, or a substantial stockholder in, but all plumbing or gas fitting done pursuant to such license shall be done under the immediate personal supervision of the licensed man.

"The Commissioners of the District of Columbia or their duly authorized agent shall have the power to suspend or revoke any plumber's or gas fitter's license for a violation of the plumbing or gas-fitting regulations after a public hearing granted the licensee or after conviction in court for such violation or for conduct involving moral turpitude. This act shall become effective on the 1st day of January following its enactment."

The amendment was agreed to.

Mr. TRAMMELL. I ask that this bill may go over.

The PRESIDENT pro tempore. The bill will be passed over.

CONTRACTS FOR PUBLIC WORKS IN THE DISTRICT OF COLUMBIA

The bill (S. 3472) to amend the act of Congress approved June 26, 1912, entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress approved June 26, 1912 (37 Stat. 168), be, and the same is hereby, amended to provide that formal written contracts with bond for construction and repair work of any character shall not be required where the labor cost of such work does not exceed the sum of $5,000, and hereafter it shall not be necessary to give notice in out-of-town newspapers of the intention to perform construction or repair work of any character, unless the estimated labor cost shall exceed the sum of $10,000; nor shall it be necessary to give notice in any newspaper of the intention to perform any such work unless the estimated labor cost exceeds the sum of $5,000.

NATIONAL ECONOMIC COUNCIL—PRINTING OF HEARINGS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 16) authorizing the printing of 3,000 additional copies of hearings held before the Committee on Manufactures on the Establishment of a National Economic Council, which was, on page 1, line 5, before the word "thousand," to strike out "three" and insert "one."

Mr. LA FOLLETTE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

APPOINTMENTS OF MIDSHIPMEN

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 8083) providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HALE. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed the senior Senator from Maine [Mr. HALE], the junior Senator from Nevada [Mr. ODDIE], and the junior Senator from Florida [Mr. TRAMMELL] conferees on the part of the Senate.

FIRST STATE BANK & TRUST CO. OF MISSION, TEX.

The bill (H. R. 3953) for the relief of the First State Bank & Trust Co. of Mission, Tex., was announced as next in order.

Mr. HOWELL. Mr. President, I ask unanimous consent that this bill be recommitted for further consideration of the bill by the committee. This request is made at the suggestion of the Treasury Department.

The PRESIDENT pro tempore. Is there objection to the unanimous consent request preferred by the Senator from Nebraska?

The Chair hears none, and the bill will be recommitted to the Committee on Claims.

SENELMA WIRKKULA AND OTHERS

The Senate proceeded to consider the bill (H. R. 1770) for the relief of Senelma Wirkkula, also known as Selma Wirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula, which had been reported from the Committee on Claims with an amendment, on page 2, line 5, after the word "Minnesota," to insert the words "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000," so as to read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $5,000 to Senelma Wirkkula, also known as Selma Wirkkula, wife of Gust Henry Wirkkula, also known as Henry Wirkkula, on account of the death of the said Gust Henry Wirkkula, also known as Henry Wirkkula, who was killed by one Emmett J. White (a Federal officer, known as a Federal border patrolman, in Government service, while on duty), on June 8, 1929, while driving an automobile on a public highway near International Falls, in Koochiching County, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GRINA BROS.

The bill (H. R. 1231) for the relief of Grina Bros. was considered, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem in favor of Grina Bros., of Ambrose, N. Dak., United States coupon note No. D-4419811 in the denomination of $100 of the Victory 4¾ per cent notes of 1922–23, called for redemption December 15, 1922, without interest and without presentation of the said note, which is alleged to have been lost or stolen: *Provided*, That the said note shall not have been previously presented for payment and that no payment shall be made hereunder for any coupons which may have been attached to the note: *Provided further*, That the said Grina Bros. shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal of said note in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the note hereinbefore described.

ALVINA HOLLIS

The bill (H. R. 1768) for the relief of Alvina Hollis was considered, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alvina Hollis, the sum of $1,500 in full settlement of all claims against the United States because of personal injuries sustained by the said Alvina Hollis when struck and injured on or about October 4, 1928, by a motor truck owned and operated by the Post Office Department of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RELIEF OF INDIANS IN WASHINGTON, IDAHO, AND MONTANA

The bill (S. 1523) for the relief of certain tribes or bands of Indians in the States of Washington, Idaho, and Montana was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

CLAIMS OF CHIPPEWA INDIANS OF MINNESOTA

The bill (S. 3879) to amend an act approved May 14, 1926 (44 Stat. 555), entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims," was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

JURISDICTION OF DISTRICT COURTS OF THE UNITED STATES

The bill (S. 939) to limit the jurisdiction of district courts of the United States was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

JOHN J. CORCORAN

The bill (S. 903) for the relief of John J. Corcoran was announced as next in order.

Mr. HOWELL. Let that go over.

Mr. WALSH of Massachusetts. Mr. President, if the Senator who made the objection will withhold his objection for a moment, I would like to say that this is a very small claim, amounting to some $600, which has been pending for 10 years. The bill was reported unanimously by the Committee on Claims.

Mr. HOWELL. Mr. President, I will be glad to confer with the Senator from Massachusetts regarding the bill.

The PRESIDENT pro tempore. The Senator from Nebraska maintains his objection. The bill will go over.

Mr. WALSH of Massachusetts subsequently said: Mr. President, the junior Senator from Nebraska [Mr. HOWELL] recently objected to the consideration of Senate bill 903, for the relief of John J. Corcoran. I have conferred with the Senator, and it is my judgment, after conferring with him, that the bill should be recommitted to the Committee on Claims, of which he is chairman. Therefore I move that the bill be recommitted.

The PRESIDENT pro tempore. Without objection, the bill will be recommitted to the Committee on Claims.

COLORADO RIVER TRIBAL FUNDS

The Senate proceeded to consider the bill (S. 3864) authorizing expenditures from Colorado River tribal funds for reimbursable loans, which had been reported from the Committee on Indian Affairs with amendments, on page 2, line 2, after the word "support," to insert the words "and Indians having irrigable allotments to assist them in the development and cultivation thereof," and on line 10 to insert the words "loans on irrigable lands for permanent improvement of said lands in which the period for repayment may run for not exceeding 20 years, in the discretion of the Secretary of the Interior, and," so as to read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to use not to exceed $25,000 from tribal funds on deposit to the Indians of the Colorado River Indian Reservation, Ariz., for the construction of homes for individual members of the tribe, the purchase for sale to them of seed, animals, machinery, tools, implements, building material, and other equipment and supplies, and for advances to old, disabled, or indigent Indians for their support, and Indians having irrigable allotments to assist them in the development and cultivation thereof: *Provided*, That expenditures for the purposes above set forth shall be limited to the fiscal years 1932 and 1933 and such expenditures shall be made under conditions to be prescribed by the Secretary of the Interior for repayment to the United States for deposit to the credit of the Colorado River Indian tribal fund on or before June 30, 1938, except in the case of loans on irrigable lands for permanent improvement of said lands in which the period for repayment may run for not exceeding 20 years, in the discretion of the Secretary of the Interior, and advances to old, disabled, or indigent Indians for their support, such advances to remain a charge and lien against their lands until paid.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CASPER-ALCOVA DIVISION, NORTH PLATTE PROJECT

The bill (S. 2842) to authorize construction of the Casper-Alcova division, North Platte project, Nebraska-Wyoming, was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

NORTHERN PACIFIC HALIBUT FISHERY

The Senate proceeded to consider the bill (H. R. 8084) for the protection of the northern Pacific halibut fishery, which was ordered to a third reading, read the third time, and passed.

APPROPRIATIONS FOR THE DEPARTMENT OF STATE AND OTHER DEPARTMENTS

The bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, that is the unfinished business, and I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

MANUFACTURE AND SALE OF STAMPED ENVELOPES

The bill (S. 4080) to regulate the manufacture and sale of stamped envelopes was announced as next in order.

The PRESIDENT pro tempore. The bill will be passed over.

QUALIFICATIONS OF PRACTITIONERS OF LAW

The bill (S. 3223) relating to the qualifications of practitioners of law in the District of Columbia was announced as next in order.

Mr. McNARY. Mr. President, at the request of a number of Senators I ask that this go over.

The PRESIDENT pro tempore. The bill will be passed over.

SALE OF DESERT LANDS

The bill (H. R. 5484) extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation, was considered, ordered to a third hearing, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, are made applicable to the ceded lands on the former Fort Hall Indian Reservation opened to entry by the act of June 6, 1900 (31 Stat. 672): *Provided*, That no land shall be disposed of at less than the price fixed by that act.

BLACKFEET HIGHWAY RIGHTS OF WAY

The bill (H. R. 8914) to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation, in the State of Montana, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the act of the Legislature of the State of Montana, approved February 27, 1929, granting to the United States concurrent police jurisdiction over and within all the territory which is now or may hereafter be included in the rights of way of the Blackfeet Highway, including the highway itself throughout its length between Glacier Park Station and the Canadian boundary line, and including also the rights of way of the highways on the Blackfeet Indian Reservation connecting the Blackfeet Highway with the Glacier National Park road system, including the highways themselves, are hereby accepted, and the laws and regulations of the United States relating to and while in force within the Glacier National Park, so far as applicable, are hereby extended over and within the territory of said rights of way and highways.

SEC. 2. The Secretary of the Interior shall notify, in writing, the Governor of the State of Montana of the passage and approval of this act, and so far as the interests of the United States shall require, the said Secretary shall exercise administrative control and jurisdiction over said rights of way and highways through the National Park Service.

SEC. 3. The United States commissioner for the Glacier National Park shall have jurisdiction under the provisions of the act of August 22, 1914 (38 Stat. 699), of violations of law or the rules and regulations of the Secretary of the Interior in force within said rights of way and highways.

AMENDMENT OF RADIO ACT

The bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, was announced as next in order.

Mr. DILL. Mr. President, some very important amendments will be offered to this bill, and a number of Senators are anxious to have the bill passed at an early date. I do not want to delay the consideration of other bills which will not take much time, and the Senator from Maine [Mr. WHITE] is anxious to have the bill go over, therefore I ask that it go over. But I give notice that I will seek to have the bill taken up in the near future.

The PRESIDENT pro tempore. The bill will go over.

SHANNON COUNTY, S. DAK., SCHOOL BOARD

The bill (S. 2340) to provide funds for cooperation with the school board of Shannon County, S. Dak., in the construction of a consolidated high school building to be available to both white and Indian children was announced as next in order.

Mr. SMOOT. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF FARM LOAN ACT

The bill (S. 2409) to amend Title II of the Federal Farm loan act in regard to Federal intermediate credit banks, and for other purposes, was anounced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, this is an important bill and the Senate should know what it is doing while considering the bill. I do not know of any objection to it, but there has been no explanation of it.

The PRESIDENT pro tempore. Neither the author of the bill nor the Senator reporting it is present at the moment.

Mr. ROBINSON of Arkansas. I presume it should go over, then.

The PRESIDENT pro tempore. The bill will be passed over.

ENFORCEMENT OF CONTRACT-LABOR PROVISIONS OF IMMIGRATION LAW

The bill (H. R. 9598) to authorize increased expenditures for the enforcement of the contract-labor provisions of the immigation law, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 24 of the immigration act of February 5, 1917 (39 Stat. 874), is amended by striking out the figures "$100,000" where they appear in said section and inserting in lieu thereof the figures "$200,000."

BILLS AND RESOLUTION PASSED OVER

The bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 60) to hear and determine the contest of George M. Pritchard *v.* Josiah W. Bailey for a seat in the Senate from the State of North Carolina, was announced as next in order.

Mr. ROBINSON of Arkansas. Let the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 3145) providing for the appointment of commissioners to hear cases arising under contracts of war-risk insurance in the District Courts for the Eastern and Western Districts of South Carolina was announced as next in order.

Mr. SMOOT. Over.

The PRESIDENT pro tempore. The bill will be passed over.

MAKING THE UNITED STATES PARTY DEFENDANT

The bill (S. 4148) to permit the United States to be made a party defendant in certain cases was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of the United States is given to be named a party in any suit which is now pending, or which may hereafter be brought in the courts of the State of Michigan having jurisdiction of the subject matter, for the purpose of clearing the title to, and removing liens from, all those pieces or parcels of land situate and being in the county of Lenawee and State of Michigan, described as follows, to wit:

The west half northwest quarter section 35, township 5 south, range 4 east, containing 80 acres of land, be the same more or less. Also that tract beginning at the northwest corner of Maumee and Boughton Streets in the village of Tecumseh, thence along the west line of said Maumee Street north to the corner of Lave Baxter, jr.'s, land, thence west along said Baxter's land to the mill pond, thence southwardly along the east side of said mill pond to said Boughton Street, thence along the north line of said Boughton Street to the place of beginning, containing about 30 acres of land, be the same more or less. Also village lot 130; and also that tract of land beginning at the southwest corner of said village lot 130 and on the east line of Mill Street; thence along the east line of said last-mentioned street southwardly to the line between village lots 126 and 127, thence along the said line last mentioned eastwardly to the east line of said lots; thence eastwardly to the line between village lots 139 and 140; thence along said lots to Maumee Street; thence north along the west line of said street to the line between village lots 133 and 134; thence along the south line of said lot 133 and of lots 132, 131, and 130 to the place of beginning, containing about 10 acres of land, be the same more or less.

SEC. 2. Service upon the United States shall be made by serving the process of the court, with a copy of the bill of complaint, upon the United States attorney for the eastern district of Michigan, and by sending copies of the process and bill, by registered mail, to the Attorney General of the United States, at Washington, D. C. The United States shall have 30 days after service as above provided, or such further time as the court may allow, within which to appear and answer, disclaim, plead, or demur.

SEC. 3. The final judgment or decree of the court in any suit brought under this act shall have the same effect respecting the discharge of a purported mortgage given by Joseph W. Brown and Cornelia T. Brown, his wife, of the first part, to the United States of America, of the second part, dated November 21, 1835, and recorded on December 30, 1835, in the register of deeds' office of Lenawee County, Mich., in Liber B of Mortgages, at page 447, as may be provided with respect to such matters by the law of the State of Michigan.

SEC. 4. No judgment for costs or other money judgment shall be rendered against the United States in any suit or proceeding which may be brought under the provisions of this act. Nor shall the United States be or become liable for the payment of the costs of any such suit or proceeding or any part thereof.

BILL PASSED OVER

The bill (H. R. 8754) to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes, was announced as next in order.

Mr. REED. Over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF DISTRICT OF COLUMBIA TRAFFIC ACTS

The bill (S. 4123) to amend the District of Columbia traffic acts, as amended, was considered.

Mr. COPELAND. Mr. President, this bill was introduced by the Senator from Indiana [Mr. WATSON] and provides that the Sergeant at Arms and other elective officers of the Senate shall be supplied with congressional automobile tags. I move to amend the bill on page 1, line 10, after the word "Representatives," by inserting the words "the attending physician of the House of Representatives."

The PRESIDENT pro tempore. Let the amendment be stated for the information of the Senate.

The amendment was, on page 1, line 10, after the word "Representatives," to insert "the attending physician," so as to make the bill read:

Be it enacted, etc., That the proviso of paragraph (c), section 6, of the District of Columbia traffic acts, as amended by the act approved February 27, 1931, be, and the same is hereby, amended to read as follows: *Provided*, That hereafter congressional tags shall be issued by the commissioners under consecutive numbers, one to each Senator and Representative in Congress, to the elective officers and disbursing clerks of the Senate and House of Representatives, the attending physician, and the assistant secretaries (one for the majority and one for the minority of the Senate), for their official use, which, when used by them individually while on official business, shall authorize them to park their automobiles in any available curb space in the District of Columbia, except within fire plug, fire house, loading station, and loading platform limitations, and such congressional tags shall not be assigned to or used by others."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUINTANA PLACE, DISTRICT OF COLUMBIA

The bill (S. 3911) to authorize the Commissioners of the District of Columbia to close Quintana Place, between Seventh Street and Seventh Place NW., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to close Quintana Place, between Seventh Street and Seventh Place NW., running

through square 3160 in the District of Columbia, dedicated as a public highway by plat recorded December 23, 1925, and recorded in book No. 80, page 173, of the records of the surveyor of the District of Columbia: *Provided*, That the title to the land lying within the area hereby closed shall revert to the proprietor of the adjoining blocks, the land in the said dedication never having been improved or used as a highway.

CLOSING STREETS AND ALLEYS IN DISTRICT OF COLUMBIA

The bill (S. 4106) to provide for the closing of certain streets and alleys in the District of Columbia, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to close R Street for its full width from the east boundary of parcel 224/27 to the west building line of Sixteenth Street; to close Fifteenth Street for its full width from the north line of R Street to the southeasterly building line of Fairlawn Avenue; to close part of Q Street abutting lot 23 in square 5598; to close all public alleys in square 5598, and to close the public alley 16 feet wide in square 5694 extending south from R Street to the south line of lots 101 and 802 in said square 5604, all in the southeast section of the District of Columbia, the ground within the lines of the parts of streets and alleys so closed to revert to the District of Columbia for use for school purposes: *Provided*, That the owners of all property abutting on the parts of streets and alleys so closed shall consent to such closing.

SEC. 2. That Q Street, located within the boundaries of parcel 224/7 and extending from the west line of Sixteenth Street to the southeasterly line of Fairlawn Avenue, and R Street, located within the boundaries of parcel 224/27, extending from the east building line of Fourteenth Street to the east boundary of said parcel 224/27, are hereby removed from the plan of the permanent system of highways for the District of Columbia.

RESTORATION OF HOMESTEAD RIGHTS

The bill (S. 4029) to restore homestead rights in certain cases was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter any person who has heretofore made entry under the homestead laws on any lands embraced within any reservation ceded to the United States by the Indian tribes, and has paid for his land the sum of at least $1.25 per acre, shall, upon proof of such facts, if otherwise qualified, be entitled to the benefit of the homestead law as though such former entry had not been made; but the provisions of this act shall not apply to any person who has failed to pay the full price for his former entry or whose former entry was canceled for fraud.

REMOVAL OF DISCRIMINATION IN LAND GRANTS

The bill (S. 4165) to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the land-grant railroad heretofore operated and now being operated between the stations of Hastings and Ortonville, in the State of Minnesota, the land-grant railroad heretofore operated and now being operated between the stations of Houston and Airlie, in the State of Minnesota, the land-grant railroad heretofore operated and now being operated between the stations of Humboldt and Junction City, in the State of Kansas, and the land-grant railroad heretofore operated and now being operated between the stations of Jonesville and Mackinaw City, in the State of Michigan, shall hereafter receive compensation for transportation of property and troops of the United States at the same rate as is paid to land-grant railroads organized under the land grant act of March 3, 1863, and the act of July 2, 1866 (ch. 278): *Provided*, That the Congress hereby reserves the right at any time by law to prescribe such charges as it deems advisable for such Government transportation.

TRANSFER OF SCHOOL LANDS IN NORTH DAKOTA

The bill (S. 4416) to provide for the transfer of certain school lands in North Dakota to the International Peace Garden (Inc.), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding any provision of any law of the United States to the contrary, the State of North Dakota is hereby authorized to provide by law for the transfer without cost of all of section 36, township 164 north, range 73 west, fifth principal meridian, containing 640 acres, more or less, according to the United States Government survey thereof, to the International Peace Garden (Inc.), a corporation organized and existing under the laws of the State of New York, to be used and maintained by the said International Peace Garden (Inc.), and in connection with other lands in the State of North Dakota and in the Province of Manitoba, Dominion of Canada, as a memorial to commemorate the long existing relationship of peace and good will between the people and Governments of Canada and the United States.

The conveyance from the State of North Dakota to said International Peace Garden (Inc.) shall contain a provision that if said land shall at any time thereafter cease to be used and maintained as an international peace garden the land shall revert to the State of North Dakota, and upon reversion to the State of North Dakota said land shall become subject to the laws of the United States applying thereto to the same extent as if this act had not been enacted.

CONVEYANCE OF LANDS TO MINNESOTA

The bill (H. R. 5603) to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to convey to the State of Minnesota all right, title, and interest of the United States in and to lot 4, section 18, township 131 north, range 29 west, fifth principal meridian, in the county of Morrison, State of Minnesota, formerly a part of Fort Ripley Military Reservation and restored to homestead entry by act of April 1, 1880 (21 Stat. L. 69), for military purposes and specifically as part of Camp Ripley Military Reservation. Such conveyance shall contain the express condition that if said State of Minnesota shall at any time cease to use such lot for such purpose or shall alienate or attempt to alienate such lot title thereto shall revert to the United States.

GRANT OF LANDS TO SAN DIEGO

The bill (H. R. 10495) amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of an act of Congress approved February 28, 1919, granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water and other purposes, be amended to read as follows:

"That the south half northeast quarter northwest quarter and the north half southwest quarter section 8; the west half southwest quarter southwest quarter and the west half northeast quarter northwest quarter section 9, all in township 15 south, range 2 east, San Bernardino base and meridian, within the Cleveland National Forest; and the southwest quarter southwest quarter, the east half southwest quarter, the northwest quarter southeast quarter, and the west half northeast quarter southeast quarter section 11; the north half northwest quarter and the southwest quarter northwest quarter section 14; the southeast quarter southwest quarter, the southwest quarter southeast quarter, the east half southwest quarter southwest quarter, the northeast quarter southwest quarter, the east half northeast quarter northwest quarter, the east half southeast quarter northwest quarter, the northeast quarter, the north half southeast quarter, and the southeast quarter southeast quarter section 15; the northeast quarter southeast quarter section 21; the northwest quarter northeast quarter, the northwest quarter, the north half southwest quarter, the southwest quarter southwest quarter, the west half northeast quarter northeast quarter, and the south half northeast quarter section 22; the west half northwest quarter section 27; the east half northeast quarter, the southwest quarter northeast quarter, the southeast quarter, the east half northeast quarter southwest quarter, the east half southeast quarter southwest quarter, and the east half northwest quarter northeast quarter section 28; and the northeast quarter, the west half southeast quarter, the east half southwest quarter, the southeast quarter northwest quarter, and the east half northeast quarter northwest quarter section 33, all in township 14 south, range 2 east, San Bernardino base and meridian; also the north half southwest quarter, the southwest quarter southwest quarter, the west half northwest quarter southeast quarter, the west half southwest quarter southeast quarter, and the north half southeast quarter southwest quarter section 3; and lots 2, 3, 6, 7, 8, 9, 10, 11, and the south half section 4, all in township 15 south, range 2 east, San Bernardino base and meridian, within the Capitan Grande Indian Reservation, all within the county of San Diego and State of California, are hereby granted to the city of San Diego, a municipal corporation in said county and State, for dam and reservoir purposes for the conservation and storage of water, whenever said city shall have provided compensation as hereinafter specified for all property rights and interests and damages done to Mission Indians located upon the Capitan Grande Indian Reservation: *Provided*, That the lands herein granted shall not be sold, assigned, transferred, or conveyed to any private person, corporation, or association; and in case of any attempt to sell, assign, transfer, or convey, or upon a failure to use and apply said lands exclusively to the purposes herein specified, this grant shall revert to the United

States: *Provided, however,* That proceedings to acquire the 920 acres of additional land granted by this act, as herein amended, by eminent domain of the State of California as authorized by the provisions of this act herein contained, may at the option of the city of San Diego be dispensed with; and if the said city so elects and upon payment by said city as compensation for such lands, rights, interests, and damages of the additional sum of $35,567.20, the Secretary of the Interior of the United States is hereby authorized and directed to issue to said city a patent in fee simple conveying all the rights, titles, and interests of the said Indians and of the United States in and to all of the lands herein above described: *Provided further,* That no provisions of this act and nothing done in carrying out its provisions, as between the United States, said Mission Indians and their grantees, shall in any wise limit or terminate any rights within the Capitan Grande Indian Reservation of any person, persons, or corporations heretofore granted or conveyed under or by authority of the laws of the United States.

"No provisions of this act and nothing done in carrying out its provisions shall have the effect of terminating or limiting the rights of said Capitan Grande Indians or of the United States in or to the lands or in the waters flowing in or along the lands remaining in and forming a part of the Capitan Grande Reservation after the city of San Diego has acquired title to the lands herein granted: *Provided,* That in the event the Indians of the Capitan Grande Reservation, or any of them, are located on additional land or lands purchased by the United States for them and situate within the watershed of the San Diego River, the said Indians or any of them or the United States in their behalf shall have the right to transfer to such additional land or lands, in whole or in part, such water rights as they or the United States possess on the Capitan Grande Indian Reservation, and subject to the conditions hereinafter provided shall have the same right to develop and use a like quantity of water on such additional land or lands as they have heretofore had the right to develop and use within said reservation: *Provided further,* That the total quantity of water developed and used by the said Indians or by the United States in their behalf, including the use continued on the diminished reservation, shall not exceed in the aggregate the total quantity of water which said Indians or the United States in their behalf have heretofore had the right to develop and use within the Capitan Grande Indian Reservation.

"The grant herein to the said city of San Diego is hereby expressly made subject to such rights, which rights shall not be subject to loss by nonuse or abandonment thereof so long as the title to said lands remains in the Indians or in the United States.

"The funds paid and those to be paid by the said city of San Diego as compensation to the Capitan Grande Indians for their lands shall, in addition to the uses in the act of February 28, 1919 (40 Stat. L. 1206–1209), for the removal of said Indians as a tribe, be available also for reestablishing individually or as a group or groups the Capitan Grande Band of Indians, including those residing within the Conejos Valley of the retained reservation, on tract or tracts of land to be acquired by purchase or otherwise for them, and for the acquiring of water rights including cost of transferring in whole or in part their present water rights to such other lands, construction of necessary water works, including the development of a water supply, for domestic and irrigation purposes, purchasing or building homes, purchasing of household furnishings, farm equipment, livestock, and other improvements for the benefit of these Indians under such rules and regulations to be prescribed by the Secretary of the Interior: *Provided,* That those Indians desiring to remain on that part of the Capitan Grande Reservation not disposed of under this act may remain thereon and receive such benefits there."

SEC. 2. Nothing contained in section 1 hereof shall be held, deemed, or construed as affecting, altering, or in any wise changing the rights of the riparian owners under the provisions in the act approved February 28, 1919.

CHANGE OF NAME OF COMMITTEE ON PENSIONS

The resolution (S. Res. 26) changing the name of the Committee on Pensions to the Committee on Veterans' Affairs and defining its jurisdiction was announced as next in order.

Mr. REED. Over.

Mr. BROOKHART. Mr. President, I would like to ask the Senator if he will withhold his objection for a moment. I want to offer an amendment to the resolution.

Mr. REED. I withhold the objection.

Mr. BROOKHART. I offer the amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, line 9, strike out the word "in" and insert in lieu thereof the words "discharged from," so as to make the resolution read:

Resolved, That so much of paragraph 1 of Rule XXV of the Standing Rules of the Senate as reads "Committee on Pensions, to consist of 11 Senators" is amended to read as follows:

"Committee on Veterans' Affairs, to consist of 13 Senators, to which shall be referred all legislation and other matters relating to pensions, Government life insurance, and death or disability compensation, hospitalization, and allowances of persons discharged from the military or naval service of the United States and their beneficiaries, and all legislation and other matters relating to the National Home for Disabled Volunteer Soldiers, and its branches."

Mr. McNARY. Mr. President, the Senator from Connecticut [Mr. BINGHAM] was called from the Chamber on account of some public matters and asked me to object to the consideration of the resolution. I think that should apply to the consideration of the amendment at this time.

The PRESIDENT pro tempore. On objection, the resolution will go over with the amendment proposed by the Senator from Iowa pending.

Mr. BROOKHART. Mr. President, I desire to move that the Senate proceed to the consideration of the resolution.

Mr. McNARY. In that event I shall have to suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Reed
Austin	Cutting	Johnson	Robinson, Ark.
Bailey	Dale	Jones	Robinson, Ind.
Bankhead	Dickinson	Kean	Schall
Barbour	Dill	Kendrick	Sheppard
Barkley	Fess	Keyes	Shipstead
Bingham	Fletcher	La Follette	Shortridge
Black	Frazier	Lewis	Smoot
Blaine	George	Logan	Steiwer
Borah	Glass	McGill	Stephens
Bratton	Glenn	McKellar	Thomas, Idaho
Brookhart	Goldsborough	McNary	Thomas, Okla.
Broussard	Gore	Metcalf	Townsend
Bulkley	Hale	Moses	Trammell
Byrnes	Harrison	Neely	Tydings
Capper	Hastings	Norbeck	Vandenberg
Caraway	Hatfield	Norris	Walcott
Carey	Hawes	Nye	Walsh, Mass.
Connally	Hayden	Oddie	Waterman
Copeland	Hebert	Patterson	Watson
Costigan	Howell	Pittman	White

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present. The question is on agreeing to the motion proposed by the Senator from Iowa. That motion is not debatable.

Mr. BROOKHART. Mr. President, may the resolution on which we are about to vote be reported so that the Senate may understand what it is voting on?

The PRESIDENT pro tempore. The resolution will be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 26) as proposed to be amended.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Iowa to proceed to the consideration of the resolution.

The motion was rejected.

MINING OF POTASH ON PUBLIC DOMAIN

The bill (S. 3953) to amend the act approved February 7, 1927, entitled "An act to promote the mining of potash on the public domain," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved February 7, 1927, entitled "An act to promote the mining of potash on the public domain," is hereby amended by adding thereto a section, to be numbered 7, reading as follows:

"SEC. 7. Any prospecting permit issued under this act may be extended by the Secretary of the Interior for a period not exceeding two years, upon a showing of satisfactory cause."

CLOSING OF ALLEYS IN DISTRICT OF COLUMBIA

The bill (S. 3929) to authorize the Commissioners of the District of Columbia to close certain alleys and to set aside land owned by the District of Columbia for alley purposes, was considered. The bill had been reported from the Committee on the District of Columbia, with amendments on page 3, after line 3, to insert a new section, as follows:

SEC. 3. The Commissioners of the District of Columbia shall cause public notice to be given, by advertisement in a newspaper of general circulation in the District of Columbia, of any order to be made by the said commissioners under the authority granted them by the provisions of this act: *Provided,* That such public notice shall be given not less than 30 days prior to the effective

date of such order: *And provided further*, That if any interested property owner affected adversely by such order shall request a public hearing by the said commissioners, within 30 days prior to the effective date of the order, the said commissioners shall grant such hearing.

And on page 3, line 16, to renumber the section, so as to make the bill read:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to close the alley in square 2740, abutting lots 9 to 14, both inclusive, and extending east from the 16-foot alley in said square; to close the alleys in square 3268 extending south from Sheridan Street to the 20-foot alley running east and west through said square, and to close all that portion of the alley 10 feet wide in square 4541 abutting lots 803 and 804, and extending northerly from Rosedale Street to the 10-foot alley running east and west in said square, the District of Columbia being the owner of all the property abutting on said alleys herein authorized to be closed in said squares 2740, 3268, and 4541; and the said commissioners are further authorized to close any alleys or parts of alleys in the District of Columbia when, in their judgment, such alleys, or parts of alleys, are rendered useless and unnecessary by reason of the acquisition of abutting land for municipal purposes: *Provided*, That the District of Columbia, prior to the closing of any such alley or part of alley, has acquired title to all the land abutting on the alley or part of alley proposed to be closed: *Provided further*, That the title to the land comprised in the alleys or parts of alleys so closed shall revert to the District of Columbia: *And provided further*, That no property owner within the block where such alleys or parts of alleys are closed shall be deprived of the right of access to his property by alleys or parts of alleys, unless adequate access to such property be substituted therefor.

SEC. 2. The Commissioners of the District of Columbia are hereby further authorized to set aside for alley purposes any land owned by the District of Columbia whenever it becomes necessary to provide additional area for alleys by reason of the closing of any alley or part of any alley: *Provided*, That in each case the area set aside for alley purposes shall not exceed the area of the alley or part of alley closed.

SEC. 3. The Commissioners of the District of Columbia shall cause public notice to be given, by advertisement in a newspaper of general circulation in the District of Columbia, of any order to be made by the said commissioners under the authority granted them by the provisions of this act: *Provided*, That such public notice shall be given not less than 30 days prior to the effective date of such order: *And provided further*, That if any interested property owner affected adversely by such order shall request a public hearing by the said commissioners, within 30 days prior to the effective date of the order, the said commissioners shall grant such hearing.

SEC. 4. That any and all necessary maps showing the action taken by the Commissioners of the District of Columbia under the provisions of this act shall be prepared by the surveyor of the District of Columbia, approved by the Commissioners of the District of Columbia, and ordered by said commissioners to be recorded in the office of the surveyor of the District of Columbia.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM S. COOK

The bill (S. 1562) for the relief of William S. Cook was considered. The bill had been reported from the Committee on Military Affairs with an amendment, on page 1, line 8, after "November," to strike out the numeral "2" and insert "9," so as to read:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, their widows, and dependent relatives, William S. Cook shall be held and considered to have been honorably discharged as a private, Company G, Fifth Regiment United States Infantry, on November 9, 1900: *Provided*, That no pension, pay, bounty, or other allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2687) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes, was announced as next in order.

Mr. REED and Mr. BINGHAM. Over.

The PRESIDENT pro tempore. The bill will be passed over.

HOMESTEAD ENTRIES

The bill (S. 2654) to allow credit in connection with homestead entries to widows of persons who served in certain Indian wars was considered. The bill had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 7, after the word "entitled," to strike out "under the provisions of such act to receive credit for military service in connection with a homestead entry or settlement," and to insert in lieu thereof "to make homestead entry or settlement and receive credit in connection therewith for military service under the provisions of such act," so as to make the bill read:

Be it enacted, etc., That the provisions and limitations of the act entitled "An act to allow credit to homestead settlers and entrymen for military service in certain Indian wars," approved April 7, 1930, are hereby extended to the widow of any person who would be entitled to make homestead entry or settlement and receive credit in connection therewith for military service under the provisions of such act, if such widow is unmarried and otherwise qualified to make entry of public lands under the provisions of the homestead laws of the United States and has heretofore made or shall hereafter make such entry: *Provided*, That in the event of the death of any such widow prior to perfection of title, leaving only a minor child or children, patent shall issue to the said minor child or children upon proof of death, and of the minority of the child or children, without further showing or compliance with law.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TAKING OF LANDS FOR HIGHWAY PURPOSES

The bill (S. 3852) to amend section 2288 of the Revised Statutes, as amended, with respect to the taking for highway purposes of lands entered upon under the homestead laws was considered. The bill had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 5, after the word "following," to strike out "new sentence: 'Any portion of the claim of any such settler may be condemned for highway purposes under the laws of the State or Territory where such land is located, in the same manner as land owned in fee in such State or Territory may be condemned for such purposes, and the amount of compensation awarded pursuant to the condemnation proceedings shall be paid to the Commissioner of the General Land Office to be held by him for payment to the settler to whom patent is issued upon final action being taken on such claim, or to the United States in the event that final proof is not made on the claim and no patent is issued; and the United States shall be a necessary party to any such condemnation proceedings.'"

And to insert in lieu thereof "Any portion of the claim or entry of such settler may be condemned for highway purposes under the laws of the State or Territory where such land is located: *Provided*, That such condemnation proceedings shall not affect the rights or property of the United States in any manner whatsoever, but shall be effective against the settler to the extent of his interest in the land condemned: *Provided further*, That the amount of compensation awarded pursuant to such condemnation proceedings shall be paid to the Commissioner of the General Land Office to be held by him for payment to the settler or entryman to whom patent is issued on such claim or entry, after final action has been taken under the public land laws: *And provided further*, That if final proof is not made by the claimant, or in case the entry is canceled, the said commissioner shall cause the money received by him for such compensation to be covered into the Treasury of the United States."

So as to make the bill read:

Be it enacted, etc., That section 2288 of the Revised Statutes, as amended, is amended (a) by inserting after the word "railroads" a comma and the word "highways"; and (b) by adding at the end thereof the following: "Any portion of the claim or entry of such settler may be condemned for highway purposes under the laws of the State or Territory where such land is located: *Provided*—

And so forth.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 2288 of the Revised Statutes, as amended, with

respect to the taking for highway purposes of lands entered upon under the homestead or preemption laws."

NATIONAL SOCIETY, COLONIAL DAMES OF AMERICA

The bill (S. 570) to exempt from taxation certain property of the National Society of Colonial Dames of America in the District of Columbia, was considered. The bill had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That certain property in the District of Columbia described as lot 801, in square 1285, together with the improvements thereon, known as premises No. 2715 Q Street NW., and the furnishings therein, owned by the National Society of the Colonial Dames of America Corporation, a corporation organized and existing under the laws of the District of Columbia, be exempt from taxation, national and municipal, so long as the same is used for nonprofit purposes by the National Society of the Colonial Dames of America, an unincorporated society.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to exempt from taxation certain property used by the National Society of the Colonial Dames of America, in the District of Columbia."

ISSUANCE OF BONDS BY ST. THOMAS HARBOR BOARD, VIRGIN ISLANDS

The bill (S. 4193) to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of acquiring and installing or building a dry dock or graving dock in the harbor of St. Thomas, Krum Bay, Virgin Islands, or in Gregerie Channel adjacent to such harbor, the St. Thomas Harbor Board, a municipal institution, is authorized, subject to the approval of the Secretary of the Interior, to issue registered or coupon bonds in any sum not to exceed $150,000. Such bonds shall be sold at not less than their par value with accrued interest, shall bear interest at a rate not to exceed 6 per cent per annum, and shall be payable in gold coin of the United States at such place or places as shall be designated by such board in the bonds. Such bonds shall be issued in serial form maturing in substantially equal annual installments, the first installment to mature not later than 5 years from the date of the issue of such series, and the last installment not later than 30 years from the date of such issue, except that said board may reserve the right to pay off such bonds in their numerical order at the rate of $20,000 or less per annum from and after the expiration of four years from their date of issue.

ROLANDO B. MOFFETT

The bill (S. 3577) for the relief of Rolando B. Moffett was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Rolando B. Moffett, who was a member of Company H, Eleventh Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 30th day of September, 1880: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

THOMAS E. REED

The Senate proceeded to consider the bill (S. 4190) for the relief of Thomas E. Reed, which had been reported from the Committee on Military Affairs with an amendment on page 2, line 1, after the word "the," to strike out "13th day of November, 1899" and insert "12th day of February, 1900," so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Thomas E. Reed, otherwise known as Thomas Griffiths, who was a member of Company I, Twenty-sixth Regiment United States Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 12th day of February, 1900: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BASIL N. HENRY

The Senate proceeded to consider the bill (H. R. 1029) for the relief of Basil N. Henry, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 10, after the word "no," to strike out "pension, bounty, back pay, or allowances" and to insert "compensation, retirement pay, back pay, pension, or other benefit," so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged members of the military and naval forces of the United States and their dependents Basil N. Henry, late of Company A, Three hundred and forty-eighth Machine Gun Battalion, American Expeditionary Forces, World War, shall hereafter be held and considered to have been honorably discharged on the 17th day of February, 1919: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADDITIONAL FACILITIES FOR INTERMEDIATE CREDIT BANKS

Mr. STEIWER. Mr. President, earlier in the day on objection the Senate passed over Order of Business 602, being the bill (S. 2409) to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes. I ask unanimous consent at this time that the Senate may recur to that bill and that it may be now considered.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON of Arkansas. Mr. President, before proceeding with the consideration of the bill may we have an explanation of the changes it proposes to make in the existing law?

Mr. STEIWER. I shall be very glad to make an explanation.

This bill was introduced by the chairman of the Committee on Banking and Currency [Mr. NORBECK] at the request of the Federal Farm Loan Board. Hearings were held upon the bill by a subcommittee, of which I had the honor to be chairman. Those hearings disclosed that intermediate credit banks at this time have considerable difficulty in placing their debentures upon a favorable basis; indeed, in recent times it has been necessary to resort to the Reconstruction Finance Corporation in order to find ample and abundant funds for the use of farmers borrowing from the intermediate credit banks. The bill is supported by the Federal Farm Loan Board, by the Treasury Department, and also by the Federal Reserve Board. It is likewise supported by the National Grange, the American Farm Bureau Federation, the Farmers' Union, and various other groups.

The chief purpose of the bill is to give to the intermediate credit banks the additional facility of acquiring funds through the Federal reserve system. It permits the debentures of the intermediate credit banks to be discounted with the Federal reserve system. The bill will result, if enacted, in a lowering of rates of interest—I can not tell the Senator the exact amount of saving in interest rates—but it will lower the cost of obtaining money; that is, the rate upon the debentures which is paid intermediate credit banks will be lowered in an amount which is estimated as being from 1 to 1½ per cent. That saving in interest ought to be, and I think will be, translated back to the borrowers from the system.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Oregon yield to me?

Mr. STEIWER. Of course.

Mr. ROBINSON of Arkansas. Is the report of the committee unanimous on the bill?

Mr. STEIWER. Yes.

Mr. ROBINSON of Arkansas. Mr. President, I am impressed that the Senator in his statement has justified the

respect to the taking for highway purposes of lands entered upon under the homestead or preemption laws."

NATIONAL SOCIETY, COLONIAL DAMES OF AMERICA

The bill (S. 570) to exempt from taxation certain property of the National Society of Colonial Dames of America in the District of Columbia, was considered. The bill had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That certain property in the District of Columbia described as lot 801, in square 1285, together with the improvements thereon, known as premises No. 2715 Q Street NW., and the furnishings therein, owned by the National Society of the Colonial Dames of America Corporation, a corporation organized and existing under the laws of the District of Columbia, be exempt from taxation, national and municipal, so long as the same is used for nonprofit purposes by the National Society of the Colonial Dames of America, an unincorporated society.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to exempt from taxation certain property used by the National Society of the Colonial Dames of America, in the District of Columbia."

ISSUANCE OF BONDS BY ST. THOMAS HARBOR BOARD, VIRGIN ISLANDS

The bill (S. 4193) to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of acquiring and installing or building a dry dock or graving dock in the harbor of St. Thomas, Krum Bay, Virgin Islands, or in Gregerie Channel adjacent to such harbor, the St. Thomas Harbor Board, a municipal institution, is authorized, subject to the approval of the Secretary of the Interior, to issue registered or coupon bonds in any sum not to exceed $150,000. Such bonds shall be sold at not less than their par value with accrued interest, shall bear interest at a rate not to exceed 6 per cent per annum, and shall be payable in gold coin of the United States at such place or places as shall be designated by such board in the bonds. Such bonds shall be issued in serial form maturing in substantially equal annual installments, the first installment to mature not later than 5 years from the date of the issue of such series, and the last installment not later than 30 years from the date of such issue, except that said board may reserve the right to pay off such bonds in their numerical order at the rate of $20,000 or less per annum from and after the expiration of four years from their date of issue.

ROLANDO B. MOFFETT

The bill (S. 3577) for the relief of Rolando B. Moffett was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Rolando B. Moffett, who was a member of Company H, Eleventh Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 30th day of September, 1880: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

THOMAS E. REED

The Senate proceeded to consider the bill (S. 4190) for the relief of Thomas E. Reed, which had been reported from the Committee on Military Affairs with an amendment on page 2, line 1, after the word "the," to strike out "13th day of November, 1899" and insert "12th day of February, 1900," so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Thomas E. Reed, otherwise known as Thomas Griffiths, who was a member of Company I, Twenty-sixth Regiment United States Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 12th day of February, 1900: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BASIL N. HENRY

The Senate proceeded to consider the bill (H. R. 1029) for the relief of Basil N. Henry, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 10, after the word "no," to strike out "pension, bounty, back pay, or allowances" and to insert "compensation, retirement pay, back pay, pension, or other benefit," so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged members of the military and naval forces of the United States and their dependents Basil N. Henry, late of Company A, Three hundred and forty-eighth Machine Gun Battalion, American Expeditionary Forces, World War, shall hereafter be held and considered to have been honorably discharged on the 17th day of February, 1919: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADDITIONAL FACILITIES FOR INTERMEDIATE CREDIT BANKS

Mr. STEIWER. Mr. President, earlier in the day on objection the Senate passed over Order of Business 602, being the bill (S. 2409) to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes. I ask unanimous consent at this time that the Senate may recur to that bill and that it may be now considered.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON of Arkansas. Mr. President, before proceeding with the consideration of the bill may we have an explanation of the changes it proposes to make in the existing law?

Mr. STEIWER. I shall be very glad to make an explanation.

This bill was introduced by the chairman of the Committee on Banking and Currency [Mr. NORBECK] at the request of the Federal Farm Loan Board. Hearings were held upon the bill by a subcommittee, of which I had the honor to be chairman. Those hearings disclosed that intermediate credit banks at this time have considerable difficulty in placing their debentures upon a favorable basis; indeed, in recent times it has been necessary to resort to the Reconstruction Finance Corporation in order to find ample and abundant funds for the use of farmers borrowing from the intermediate credit banks. The bill is supported by the Federal Farm Loan Board, by the Treasury Department, and also by the Federal Reserve Board. It is likewise supported by the National Grange, the American Farm Bureau Federation, the Farmers' Union, and various other groups.

The chief purpose of the bill is to give to the intermediate credit banks the additional facility of acquiring funds through the Federal reserve system. It permits the debentures of the intermediate credit banks to be discounted with the Federal reserve system. The bill will result, if enacted, in a lowering of rates of interest—I can not tell the Senator the exact amount of saving in interest rates—but it will lower the cost of obtaining money; that is, the rate upon the debentures which is paid intermediate credit banks will be lowered in an amount which is estimated as being from 1 to 1½ per cent. That saving in interest ought to be, and I think will be, translated back to the borrowers from the system.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Oregon yield to me?

Mr. STEIWER. Of course.

Mr. ROBINSON of Arkansas. Is the report of the committee unanimous on the bill?

Mr. STEIWER. Yes.

Mr. ROBINSON of Arkansas. Mr. President, I am impressed that the Senator in his statement has justified the

provisions of the bill. I have no objection to its consideration.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 202 (a) of Title II of the Federal farm loan act, as amended (U. S. C., title 12, ch. 8, sec. 1031), is hereby amended by substituting a semicolon for the period at the end of clause (3) and adding thereto the following new matter: "and to accept drafts or bills of exchange issued or drawn by any such association when secured by warehouse receipts and/or shipping documents covering staple agricultural products as herein provided."

SEC. 2. Section 205 of Title II of the Federal farm loan act, as amended (U. S. C., title 12, ch. 8, sec. 1061), is hereby amended by adding at the end thereof the following new matter: "In the event that there shall be an impairment of the paid-in capital of any Federal intermediate credit bank, the Farm Loan Board, at such time or times as it deems advisable, may determine and assess the amount thereof against the other Federal intermediate credit banks on such equitable basis of apportionment as it shall prescribe. Each bank against which such an assessment is made shall, out of its surplus and/or to an extent up to 50 per cent of its net earnings, in accordance with the terms of such assessment, pay the amount thereof as soon as possible to the bank having the impairment. In such event payments into the surplus fund and payments of the franchise tax prescribed by this chapter shall be determined on the basis of the net earnings remaining after providing for the payment of any such assessment."

SEC. 3. Section 206 (b) of Title II of the Federal farm loan act, as amended (U. S. C., title 12, ch. 8, sec. 1072), is hereby amended (effective January 1, 1932) by striking out the first two sentences of said section and substituting therefor the following new matter: "After all necessary expenses of a Federal intermediate credit bank have been paid or provided for, the net earnings shall be paid into a surplus fund until it shall amount to 100 per cent of the subscribed capital stock of such bank, and thereafter 50 per cent of such earnings shall be paid into the surplus. Whenever the surplus thus paid in shall have been impaired it shall be fully restored before payment of the franchise tax herein prescribed. After the aforesaid requirements of this section have been fully met and, except as otherwise provided in this act, 50 per cent of the net earnings shall be paid to the United States as a franchise tax."

SEC. 4. Section 207 of Title II of the Federal farm loan act, as amended (U. S. C., title 12, ch. 8, sec. 1081), is hereby amended by striking out the period at the end thereof and substituting a colon together with a proviso as follows: "*Provided*, That in view of the liability of all Federal intermediate credit banks for the debentures and other such obligations of each bank under this act, the banks shall, in accordance with rules, regulations, and orders of the Federal Farm Loan Board, enter into adequate agreements and arrangements among themselves by which funds shall be transferred and/or made available from time to time for the payment of all such debentures and other such obligations and the interest thereon when due in accordance with the terms thereof."

SEC. 5. The second paragraph of section 13 (a) of the Federal reserve act, as amended (U. S. C., title 12, ch. 3, sec. 349), is hereby amended by adding thereto a new sentence as follows: "Any Federal reserve bank may also, subject to regulations and limitations to be prescribed by the Federal Reserve Board, discount notes payable to and bearing the indorsement of any Federal intermediate credit bank, covering loans or advances made by such bank pursuant to the provisions of section 202 (a) of Title II of the Federal farm loan act, as amended (U. S. C., title 12, ch. 8, sec. 1031), which have maturities at the time of discount of not more than nine months, exclusive of days of grace, and which are secured by notes, drafts, or bills of exchange eligible for rediscount by Federal reserve banks."

SEC. 6. The seventh paragraph of section 13 of the Federal reserve act, as amended (U. S. C., title 12, ch. 3, sec. 347), is hereby amended by changing the period at the end thereof to a comma and adding thereto the words "or by the deposit or pledge of debentures or other such obligations of Federal intermediate credit banks which are eligible for purchase by Federal reserve banks under section 13 (a) of this act."

The PRESIDENT pro tempore. That completes the calendar.

LOANS ON ADJUSTED-SERVICE CERTIFICATES

Mr. BARKLEY. Mr. President, I ask unanimous consent to recur to Order of Business 510, being the bill (S. 1251) relating to the making of loans to veterans upon their adjusted-service certificates. I understand the Senator from Connecticut [Mr. BINGHAM] objected to the consideration of the bill when it was called.

The PRESIDENT pro tempore. Is there objection?

Mr. BINGHAM. Mr. President, may I say that the bill if enacted would cost some $70,000,000, and it seems to me that it can not be passed in just a few moments during the morning hour.

The PRESIDENT pro tempore. Objection is made.

FALSE ADVERTISING—ADDRESS BY JAMES A. HORTON

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent that an address on the False Advertising Problem and the Powers of the Federal Trade Commission with Respect Thereto, delivered before the Advertising Club of New York on April 14, by James A. Horton, assistant chief examiner of the Federal Trade Commission, may be inserted in the RECORD.

There being no objection the address was ordered to be printed in the RECORD, as follows:

It is a pleasing experience to meet with the members of the Advertising Club of New York, and in coming before you I am impressed by the realization that we have much in common. While we may approach our respective problems from distinctly different angles, I feel, however, that our ultimate goal in many respects is the same.

May I depart from the accepted order and, like the minister who bases his sermon on a text from the Scriptures, take as my text a quotation from an article appearing in a publication devoted to the interests of the fourth estate. However, in so doing, I assure you that I am not going to deliver a sermon. The text to which I refer is as follows:

"Advertising is by far too valuable an instrument in modern commerce to permit of the vandal practices of the exceptional merchant or distributor who suppresses his conscience to make temporary gains at the expense of the public."

With this thought in mind I would first like to discuss the work of the Federal Trade Commission, particularly in relation to advertising matters in which you are vitally interested, as its regulatory activities and the conditions and circumstances under which its corrective powers are applied may have and often do have a positive and determinative influence on the manner in which you conduct your respective businesses.

The commission is an independent establishment of the Government, the control of which is lodged in five commissioners appointed by the President. The act creating the commission declares in section 5 "that unfair methods of competition in commerce are hereby declared unlawful," the commission being "empowered and directed to prevent persons, partnerships, or corporations * * * from using unfair methods of competition in commerce." The act authorizes the commission, whenever it has reason to believe that any person, partnership, or corporation has been or is using unfair methods of competition in commerce, provided it appears that a proceeding in respect thereof would be in the public interest, to institute a proceeding by complaint against such party. The commission, after a hearing and on proper showing, may issue its order requiring the party to cease and desist from the unlawful methods. The function of the commission is remedial, no authority being vested in it to impose penalties. The commission is given discretion in determining in the first instance what constitutes an unfair method of competition, and its findings as to the facts, if supported by testimony, are conclusive.

I wish to assure you at this juncture that the commission in its activities is not in any sense attempting to exercise the power of censorship, and that it emphatically does not desire any such power. Neither is the commission attempting to arbitrarily impose its views or desires on the advertiser, as this would constitute a bureaucratic interference with business, repugnant indeed to salutary and free competition, and wholly undesirable alike to the public and to business.

There is, however, as I view it, the need for impartial governmental regulation, and in this impartial spirit the commission does assert its proper jurisdictional powers in every case, and to require in those cases involving the use of advertisements that such advertisements be true in substance. Therefore, whenever the necessity arises, the commission should and will exercise its remedial powers to the fullest extent, in order to protect the public, as well as the honest competitor, and thus through the proper and wise, but forceful application of its remedial powers, enable business to function toward its highest development.

The commission proceeds in cases of false and misleading advertising on the theory that such practices constitute unfair methods of competition, and as this term is not defined in the statute it is perhaps desirable to ascertain the meaning of this term as defined by the courts.

The Supreme Court as early as 1920 in a leading case stated that—

"The words 'unfair methods of competition' are not defined by the statute, and their exact meaning is in dispute. It is for the courts, not the commission, ultimately to determine as matter of law what they include. They are clearly inapplicable to practices never heretofore regarded as opposed to good morals because characterized by deception, bad faith, fraud, or oppression, or as against public policy because of their dangerous tendency to unduly hinder competition or create monopoly." * * *

The court, speaking in another case, stated:

"In the nature of things it was impossible to describe and define in advance just what constituted unfair competition, and in the final analysis it became a question of law, after the facts

were ascertained, whether such facts constitute unfair competition in business, for the test of fairness, as of fraud, is the application by the law of moral standard to the actions of men."

It became apparent, then, after consideration of the language of the court in these cases that business practices opposed to good morals, because characterized by deception, bad faith, or fraud, amount to unfair methods of competition over which the commission clearly has jurisdiction in any case of false, fraudulent, deceptive, or misleading advertisements used to exploit in interstate commerce a business founded on such deception, bad faith, or fraud.

It is well, perhaps, to illustrate this by reference to a few selected cases defining the powers and jurisdiction of the commission. You will recall that section 5 of the act does not define any standard of conduct for the guidance of the commission, so we must look to the decisions of the various courts.

In the Winsted Hosiery case the Supreme Court, in reversing the circuit court of appeals, held it to be an unfair method of competition for the Winsted company to use the word "wool" in connection with the sale of knit goods composed of wool and cotton, and the circuit court of appeals, in affirming the commission's cease and desist order in the Royal Baking Powder case, stated:

"The reversal of the case (Federal Trade Commission v. Winsted Hosiery Co.) by the Supreme Court has established the principle that advertisements which are false in fact constitute an unfair method of competition, although it was one commonly practiced and not intended to mislead the trade. The labeling of commodities in such a way as to deceive the public is an unfair method of competition."

The commission in this case found that the respondent was using false and misleading labeling and advertising, which was calculated and designed to deceive the purchasing public and that the method of branding and advertising also tended unfairly to hinder and obstruct the business of respondent's competitors. The concluding sentence of the court's opinion is forceful and expressive:

"The purpose of the Congress in creating the Federal Trade Commission was aimed at just such dishonest practices, and business concerns that resort to dishonest devices of this nature must understand that they can not add to their revenues or maintain their business standing by methods of competition which the law brands as 'unfair' and therefore unlawful."

In the Guarantee Veterinary Co. case the testimony showed that the respondent had published advertising matter containing false and misleading statements, and analysis of respondent's product showed it lacked 10 of the 16 ingredients stated in its advertisements. The court, in affirming the commission's order, stated:

"The testimony shows conclusively that the petitioners had been publishing advertising matter containing false and misleading statements and had used an unfair method of commerce, and we think the commission was quite within its right in issuing the order in the form it did. In such cases the commission must exercise its discretion in view of all the circumstances."

The purpose of the law in this respect is well defined in the language of the court in a leading case when it stated that—

"The law is not made for the protection of experts but for the public—that vast multitude which includes the ignorant, the unthinking, and the credulous who, in making purposes, do not stop to analyse but are governed by appearances and general impressions."

The query propounded by the court in a recent unfair competition case is distinctly pertinent to and emphasizes the proposition of law just announced and in my opinion carries it to a logical conclusion.

"Why should a vendor be able to collect from a purchaser, as a part of the purchase price, money which has been spent in an effort to mislead that very purchaser in making that very purchase?"

The order of the commission was challenged by the respondent in a recent case in which the use of false and misleading advertising was alleged; and the Circuit Court of Appeals for the Seventh Circuit, in affirming the order to cease and desist, held that the following propositions of law fully supported the ruling of the commission:

"False and misleading representations resulting in deception of the public are matter of public interest which the commission has power to prevent.

"The commission's jurisdiction is not limited to practices which tend to create a monopoly but embrace false and fraudulent advertising, misbranding, and other practices which result in deceiving the public. Such practices injure competitors who do not use them."

"Practices opposed to good morals because characterized by deception, bad faith, fraud, and oppression are unfair methods of competition."

The courts, practically without exception, have placed the seal of their condemnation on all businesses based upon deception or fraud of the public, and the commission, in the exercise of its discretionary powers, is guided by established principles of law and equity as defined by the courts, and the powers of the commission with respect to this class of cases have been generally upheld.

The recent decision of the Supreme Court in the so-called Raladam case appears to have created some misunderstanding with respect to the jurisdiction and power of the commission, and I wish to make brief reference to that decision in order to present to you its salient points.

The commission, in substance, ordered the respondent "to cease and desist from representing that its preparation is a scientific method for treating obesity, is the result of scientific research, or that the formula is a scientific formula; and from representing its preparation as a remedy for obesity, unless accompanied by the statement that it can not be taken safely except under medical advice and direction." The court in its consideration of the case stated that:

"Findings, supported by evidence, warrant the conclusion that the preparation is one which can not be used generally with safety to physical health except under medical direction and advice. If the necessity of protecting the public against dangerously misleading advertisements of a remedy sold in interstate commerce were all that is necessary to give the commission jurisdiction, the order could not successfully be assailed. But that is not all."

The court then expressed the view that—

"The power of the commission to take steps looking to the issue of an order to desist depends upon the existence of three distinct prerequisites: (1) That the methods complained of are unfair; (2) that they are methods of competition in commerce; and (3) that a proceeding by the commission to prevent the use of the methods appears to be in the interest of the public"—

and having assumed the existence of the first and third requisites, held that:

"It is obvious that the word 'competition' imports the existence of present or potential competitors, and the unfair methods must be such as injuriously affect or tend thus to affect the business of these competitors—that is to say, the trader whose methods are assailed as unfair must have present or potential rivals in trade whose business will be, or is likely to be, lessened or otherwise injured."

Its effect is simply to place on the commission the burden of proving competition and that the practices of respondent substantially injure or tend to injure the business of competitors. You may, therefore, be assured that the commission is proceeding vigorously in that "impartial spirit" to enforce the law in relation to false, misleading, and fraudulent advertising, thus affording protection to competitors as well as the public.

The commission, acting in the public interest, has adopted several methods for the prevention and elimination of unfair practices which are injurious to the public and to competitors, the principal method being that of procedure by formal complaint, charging a named respondent with violation of the law.

The commission had pending as of June 30, 1931, 225 formal complaints, of which number, 110 involved false, misleading, and fraudulent advertising, misbranding, and misrepresentation in the advertisement and sale of various products.

The commission, in addition to its statutory procedure by formal complaint, has adopted the policy of settling cases by stipulation between the commission and proposed respondent. This practice expedites the settlement of cases and is followed in those cases where the respondent expresses a desire to cooperate with the commission and voluntarily cease and desist from the alleged unfair practices. This procedure avoids the time and expense of litigation and accomplishes within a comparatively short time the cessation of unfair practices. It is in the nature of a privilege extended a respondent and is entirely within the discretion of the commission. These stipulations are drawn to conform to the decisions of the courts, and, in the absence of such decisions, to conform to precedents and rulings established by the commission.

The privilege of settling a case by stipulation, however, is not extended to those respondents whose businesses or practices are fraudulent, it being the opinion of the commission that the protection of the public and competitors demands the statutory procedure by formal complaint and public order to cease and desist. The commission, after deleting the name of a respondent, issues a statement of the facts and a description of the acts deemed to be unfair, this publicity being in the nature of a guide to the business world and to the public. At the close of the last fiscal year some 837 stipulations had been approved and accepted by the commission, of which number more than 600 involved false and misleading advertising, misbranding, or misrepresentation.

The commission has recently created a body known as the special board of investigation to handle certain types of cases based on alleged false and misleading advertising appearing in newspapers, magazines, and periodicals. In this class of cases the commission usually directs that the publisher and advertising agency be joined as parties respondent in the complaint against the advertiser, but affords the agency or publisher opportunity to avoid being thus joined by stipulating to abide the result of the proceedings against the advertiser.

The advertiser is granted a hearing and is offered an opportunity to stipulate that it will cease the unfair practices. The board, as of June 30, 1931, had effected 119 such stipulations and had pending 408 cases.

I have been requested to cite you some typical examples of false and misleading advertising and show wherein the advertisement offends, but before doing this I would like to make some brief observations with respect thereto.

The rule of construction applied to a false and misleading advertisement considers the advertisement in its entirety, the question of whether any particular statement is true or otherwise not being the pertinent question; the really pertinent question is whether the advertisement as a whole is calculated to deceive.

The impression seems to exist among many advertisers that even where the contact advertisement is false and misleading, if full disclosure is made before the sale is consummated, the

illegality of the original advertisement is cured. The purpose of advertising I may state is simply to enable the vendor to form contact with the prospective purchaser and open up negotiations. When that has been done, advertising has served its purpose and that which remains constitutes salesmanship.

As stated by the Supreme Court, "Advertising is merely identification and description, apprising of quality and place. It has no other object than to draw attention to the article to be sold, and the acquisition of the article to be sold constitutes the only inducement to its purchase." Therefore, if the vendor by means of false and misleading advertising forms contact with a prospective purchaser, he may be guilty of unfair competition even though he discloses the truth to the purchaser before the sale is consummated. Disclosure of the truth at such time is no defense. The reason for this is quite simple. The mere fact that the advertiser has formed this contact gives to the advertiser an unfair competitive advantage over his competitor when the contact has been established by statements or representations false and misleading in character.

I deem it important to call to your attention that as stated by the court:

"A method of competition, inherently unfair, does not cease to be unfair because the falsity of the manufacturer's representation has become so well known to the trade that dealers, as distinguished from consumers, are no longer deceived. The honest manufacturer's business may suffer, not merely through a competitor's deceiving his direct customer, the retailer, but also through the competitor's putting into the hands of the retailer an unlawful instrument, which enables the retailer to increase his own sales of the dishonest goods, thereby lessening the market for the honest product."

From which it logically follows that a person who furnishes another with the means of consummating a fraud is a wrongdoer and may be held liable under the law of unfair competition.

DISCUSSION OF SPECIFIC CASES

It may be stated that with very few exceptions there is no known cure for disease and that, generally speaking, nature, assisted by proper medication, diet, etc., is the effective agent in restoring normal health. Advertising matter, therefore, dealing with drug products must not contain any false statement of curative or therapeutic effect.

The commission, in this phase of its activities, necessarily works in close cooperation with the Food and Drug Administration of the Department of Agriculture. The food and drugs act, however, applies only to false and fraudulent statements dealing with the curative or therapeutic effect of drugs when these statements appear on or are contained in the package or label. It does not concern itself with the collateral advertisement of such products in newspapers, magazines, and periodicals. It is necessary to prove, in cases of misbranding arising under the food and drugs act, first, "that the label, carton, or circular carries some statement, design, or device regarding the contents of the package or the ingredients in the mixture which is false and misleading in some particular; and, second, that the statement made or the design or device carried on the label or carton or in the circular regarding the curative or therapeutic effects of the same are false and fraudulent." It therefore becomes apparent that even though the labeling of a drug product conforms to the requirements of the food and drugs act it may yet be represented in a false, misleading, or fraudulent manner with respect to its curative or therapeutic effects in collateral advertising matter.

There is developing a rule of law to the effect that a manufacturer of a proprietary remedy, drug, or food product advertised and sold in interstate commerce whose labeling comes within the jurisdiction of the Food and Drug Administration may not in his collateral advertising extend his claims beyond those to which he is legally entitled under the food and drugs act. This simply means that where a proprietary remedy, for instance, is misrepresented in the advertising literature of the manufacturer or vendor apart from the package or label, the commission is clearly warranted in taking corrective action against such false, misleading, or fraudulent advertising matter. No one can dispute the assertion that the health and well-being of the public is of fundamental importance; and as this class of merchandise is sold primarily through the medium of advertising, it becomes the duty of the commission to prevent the dissemination of false, misleading, and fraudulent statements in collateral advertisements when these statements and representations directly affect the health of the public.

Within the past few years we have witnessed the development of paid-testimonial advertising and its use in fields hitherto undreamed of, producing a situation in the field of advertising that is fraught with grave possibilities. This type of advertising has received the condemnation of the commission, and in cases involving its use it has been held that the advertisement must disclose on its face that a consideration has been given for its use.

The commission has issued a number of complaints, charging the use of unfair methods of competition based on the publication by respondents of advertisements featuring testimonials or indorsements from various persons, allegedly obtained and consent for their use secured by the payment of money or other valuable consideration. I will set out for your information the basis for this action in a typical complaint issued by the commission.

"The methods of advertising used by respondent have had, and do have, the capacity and tendency to confuse, mislead, and deceive members of the public into the belief that such indorsements or testimonials are freely and voluntarily given without inducement and without any consideration whatsoever, and that they express the unbiased and disinterested opinions of such indorsers. Said methods have the tendency and capacity to confuse, mislead, and deceive members of the public by producing an unwarranted and exaggerated idea of the merits of such indorsements, which they would not have if it were stated in conjunction therewith that such indorsers received money or other valuable considerations for giving the same and for permitting their use commercially. Said act, practices, representations, and methods used by respondent have the capacity and tendency to induce members of the public to purchase and use said * * *, because of the erroneous beliefs engendered as above set forth, and to divert trade to respondent from competitors engaged in the sale of * * * in interstate commerce."

An order of the commission to cease and desist from this practice has been challenged; and as the case is now pending in the United States circuit court of appeals, I must necessarily refrain from further discussion of this subject, at least in its legal aspect.

It impresses me, however, purely from the attitude of good business that if advertisements are based on the portrayal of the intrinsic worth of the article as a quality product, and the advertiser refrains from capitalizing the prestige of movie actresses and other celebrities, and trading on their reputations, he will create for his business more tangible value and lasting good will that will exist for generations after the fame of these celebrities has been forgotten.

I realize possibly there is some news value in this method of advertising, but it is my strong belief that the public will seriously question not only the ethics of this method but the merits of the product thus advertised. It is perhaps unnecessary for me to remind you that once you destroy the faith of the American people in the honesty and truthfulness of advertising, you destroy at the same time your most valuable asset. I want to impress on you in all sincerity not only the desirability but the absolute necessity of adopting and rigidly adhering to the policy of honesty in advertising—a policy that you may be assured will create for you that most valuable of all business assets—good will. The truth of this statement may be further impressed on you when I remind you that the courts have explicitly stated that "the money invested in advertising is as much a part of the business as if invested in buildings or machinery," and the courts will protect the good will of a business that is created not only because of the worth of the product but also by reason of the "ingenious, attractive, and persistent manner in which they have been advertised."

A former president of your organization, Mr. Gilbert T. Hodges, with keen foresight has stated that "the biggest job * * * is to build greater respect and confidence in advertising. We must educate the consumer to believe that advertising is a guaranty of quality." Apropos of this same thought and projecting it still further I had occasion to state in a recent address that "As it was found necessary to enact the food and drugs act in order to secure the purity of foods and drugs and thus protect the health of the public, so will, in my opinion, the continuation of false, deceptive, and fraudulent practices in the advertisement and sale of these products result in the enactment of additional regulatory legislation which will make your problems increasingly difficult, but will give to the public adequate protection."

I do not, of course, claim any power of prophecy in this respect; but for your information and consideration, permit me to read some excerpts from a bill introduced in the Senate last January by Senator DAVID I. WALSH, of Massachusetts, dealing in part with the subject we have been discussing. In referring to "unfair methods of competition" and "unfair trade practices," the bill provides, in part, that—

"These terms also specifically include all acts of every kind and nature which might tend to mislead or deceive competitors, the public, or the ultimate consumer, such as misstatements, express or implied, oral or written, whether contained in letters, circulars, advertisements, or on labels, containers, or otherwise, as to the quality, purity, or condition of the goods offered for sale; * * * or as to the nature, character or identity or relative or effective quantity of the raw materials or ingredients or the process or conditions entering into the manufacture or production thereof; * * * or as to the purpose for which the same may be used; or as to the use to which the same may be applied; or as to the effect produced by the use thereof; or as to the tests, indorsements, or certification thereof by others; or as to the voluntary nature of paid testimonials not clearly designated as having been paid for; * * *."

I refrain from commenting on these provisions except to state that they reflect an aroused, enlightened public opinion that will ultimately prevail; that will insist on the creation of an effective method of regulation or control of advertising, engendered in part by the belief that, as advertising affects the health, well-being, and economic prosperity of our Nation, the public is entitled to protection against false, misleading, and fraudulent representations or inducements in the appeal of the advertiser. This will be accomplished, in my opinion, either through legislation or by voluntary action on the part of those primarily interested.

In this connection I have been impressed by the movement, current in your ranks, seeking a national conference on advertising and selling, for the purpose of formulating a code of standards and practices, and to devise a method of enforcement. I believe it to be a highly commendable project. Properly organized and effectively controlled, it may be the agency that will, with sincere cooperation, compel the cessation of those "vandal practices" which are bringing advertising into general disrepute. Likewise,

the necessity for strict governmental regulation may be avoided to a great extent when business takes the initiative in establishing self-government, formulating its own rules of business conduct and, in cooperation with the Government, achieve the voluntary elimination of those practices deemed illegal, unfair, or unethical. This principle of self-regulation in business has met with general approval and because of the benefits to be derived therefrom merits your most serious consideration. I am inclined to believe that a plan of this kind wisely directed by those who possess a sympathetic understanding of your problems, working in cooperation with your Government, will maintain high ethical standards in the advertising profession and assist materially in the reestablishment of the confidence of the public in the honesty, sincerity, and integrity of advertising—properly termed the great motive force in our commercial life.

ALABAMA SENATORIAL CONTEST

Mr. McNARY. I ask unanimous consent that the Senate resume the consideration of Senate Resolution 199.

The VICE PRESIDENT. Is there objection?

There being no objection the Senate resumed the consideration of the resolution (S. Res. 199), reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. BLAINE obtained the floor.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Wisconsin yield to me to suggest the absence of a quorum?

Mr. BLAINE. I yield.

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Johnson	Robinson, Ind.
Austin	Dale	Jones	Schall
Bailey	Dickinson	Kean	Sheppard
Bankhead	Dill	Kendrick	Shipstead
Barkley	Fess	Keyes	Shortridge
Bingham	Fletcher	La Follette	Smoot
Black	Frazier	Lewis	Steiwer
Blaine	George	Logan	Stephens
Borah	Glass	McGill	Thomas, Idaho
Bratton	Glenn	McKellar	Thomas, Okla.
Brookhart	Goldsborough	McNary	Townsend
Broussard	Gore	Metcalf	Trammell
Bulkley	Hale	Moses	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Walcott
Carraway	Hatfield	Norris	Walsh, Mass.
Carey	Hawes	Nye	Waterman
Connally	Hayden	Oddie	Watson
Copeland	Hebert	Patterson	White
Costigan	Howell	Reed	
Cousens	Hull	Robinson, Ark.	

Mr. AUSTIN. I desire to state that the junior Senator from New Jersey [Mr. BARBOUR] is absent on the business of the Senate, and will be absent all day.

The VICE PRESIDENT. Eighty-two Senators having answered to their names, a quorum is present.

Mr. BLAINE. Mr. President, as I understand this contest, there is no charge that there was a corrupt use of money either in the primary or in the election in Alabama in 1930. There is no charge that there was any excessive use of money either in the primary or in the election, nor that there was any fraud committed through the use of money either in the primary or in the election. There is no charge and no evidence that Senator Bankhead was in any way directly or indirectly or remotely connected with the alleged errors and omissions on the part of election officers as charged in the primary or the election in Alabama.

The primary election law has become so closely associated and intimately connected with the general election that it may well be said that it is a part and parcel of the election machinery in this country.

The primary election law, therefore, has become a fixed policy, and the system has developed within the last quarter of a century with a view of accommodating the electors of the respective States, that they might have as full and free privilege in directing the affairs of the respective parties to which they may belong as the several States provide.

Mr. President, I have a predilection, therefore, in favor of a primary system that affords the greatest opportunity, the greatest freedom of expression that may possibly be conferred upon citizens of the respective States. I think that a free and open primary promotes good government, promotes responsive government, and is altogether essential in the conduct of our democracy, using the expression—hackneyed, perhaps—that the cure for democracy is more democracy; and the primary election system is designed to afford that greater measure of democracy.

Following that general conception of the purpose of the primary election, the several States have set up their particular methods for the nomination of candidates for public office by direct vote of the people. Therein lies the jurisdiction respecting a primary system. It is a matter for the several States to determine in their own way what system the States may adopt, what restrictions and regulations the States may initiate, respecting the primary election. Therefore, I dismiss from consideration my own feeling respecting the particular kind of primary election law set up in the State of Alabama.

This is not the forum where I would choose to discuss the merits or demerits of Alabama's election law. I had this conception of the situation early in the hearing of this contest; and I suggested to one of the gentlemen interested that so far as the primary election law of Alabama was concerned, he was appealing in the wrong forum; that his appeal should be made to the people of the State of Alabama.

There the question of what kind of a law should be enacted could be determined, what restrictions should be established, what regulations should be enacted into law within that jurisdiction. That was the proper place for the determination of the question of the particular form of a direct nominating system.

However, Mr. President, I also hold to the proposition that the Senate of the United States has the constitutional power to pass upon that question and other questions relating to the form of elections when a citizen of a State is certified as the person elected to a seat in the United States Senate. The power of the Senate, of course, is supreme. It can investigate the conduct of candidates in the primary and it can, of course, investigate the conduct of candidates in the election for the purpose of arriving at a decision as to whether or not the person is a fit person to sit in the Senate of the United States. It can investigate the question of the excessive use of money and corruption in a primary on the part of the successful candidate in that primary who afterwards became the successful candidate in the election, whenever such person raps at the door of the United States Senate for admission. There is no doubt about the power of the Senate in this regard.

However, I also perceive the general rule to be that the Senate will not arbitrarily deny a seat to a representative of a sovereign State; that the Senate has no precedent, as I view the situation, where it has exercised arbitrarily its unlimited power to remove a Member of the United States Senate, or to declare his seat vacant.

But, Mr. President, in this particular contest none of those questions respecting the excessive use of money or the corrupt use of money has been raised; and, of course, such questions could not have been raised if we take the testimony that has been taken by the committee which investigated the election in Alabama in 1930.

I am not going to engage in any academic discussion of the power of the Senate in this respect; but I shall go to the direct question of whether or not the primary held in Alabama in 1930 was a valid primary, and whether or not the election following that primary was a valid election. I shall approach this proposition from a somewhat different angle than has been presented, and I shall call attention to the provisions of the Code of Alabama to justify my position.

In the State of Alabama, under the constitution of that State, no party is required to hold a primary election. That is, the State of Alabama by its constitution has declared that a party primary shall not be compulsory. By the same con-

stitution it is provided, however, that whenever a party chooses to select its nominee by direct vote of the people under the primary system, the primary may and can be regulated by the sovereign power of the State, the State legislature. So the State of Alabama has set up a system of laws respecting the conduct of primary elections; and I desire to point out in this connection that these primaries held in the State of Alabama are party primaries, so characterized and so designated in the general discussion of the subject. The party has certain control over the primaries, no matter what party it may be.

The State of Alabama has defined what is a party. I desire to quote the Alabama Code, so that the discussion in which I am engaged, if the debate is read by any one, may have continuity of thought, and afford an opportunity for an intelligent appreciation of what the law and the facts are.

Under the Code of Alabama a political party is defined by section 602 as follows:

> An assemblage or organization of electors which at the general election for State and county officers then next preceding the primary, cast more than 25 per cent of the entire vote cast in any county, is hereby declared to be a political party within the meaning of this chapter within such county; and an assemblage or organization of electors which at the general election for State officers then next preceding the primary cast more than 25 per cent of the entire vote cast in the State is declared to be a political party within the meaning of this chapter for such State.

So the party consists of an assemblage or organization of electors. They constitute the party.

The statute of Alabama does not undertake to define the qualifications of the members of that assemblage or the members of the organization of electors which cast the 25 per cent of the votes. It has no reference to what qualifications shall be imposed upon electors in that particular connection, except, of course, the constitutional qualifications, and qualifications laid down by law, which relate to all electors regardless of their party affiliations.

How is the primary election originated in the State of Alabama? Not by operation of law; but a primary election is brought into being in the State of Alabama by action of the executive committees of the respective parties. The power to call for a party primary is conferred upon the party, and the party, of course, exercises its authority through the duly constituted committees within its own organization.

After a party has acted through its duly constituted committee, and determines that there shall be a primary election within the State of Alabama, from that moment, whether the action has been by the passage of a resolution or some other evidence of the action of the party through its committee, there comes into being in the State of Alabama a primary election for that party. Immediately upon the coming into existence or being of a primary election for that party, the sovereign power of the State then steps in and determines when the primary shall be held. In presidential years, as I recall, the election is fixed by statute for May; in other years, the primary election is fixed for the month of August.

After a party, acting through its constituted authority, has declared for a primary, there is no power in the party, and no power in any of its committees, or any of its internal organization, to abandon that primary.

The primary has become at that moment a part of the law of the State of Alabama, and no action of the party acting through any committee can nullify that primary or prevent the primary from being held. So that after the party has once acted, has once called into being a primary, from that moment that primary is controlled and directed by the sovereign power of the State of Alabama, with only one definite exception, and with a possible other exception, which I desire to discuss.

The one definite exception is this: That whether the party acts according to its constitution, if it has one, or acts according to the by-laws of the party, if it has by-laws, or acts according to the traditional practices and principles of the party—by whatever method the party does act, that party has a right to determine the qualifications of those who may become candidates of the party at the primary election fixed by the law.

There has been much confusion during the hearing of this contest before the committee, in my opinion, respecting the question of the qualifications of electors in a party primary. That was inevitable, and it was inevitable for the reason, as I believe can be pointed out, that the statutes of Alabama respecting the qualifications of electors in party primaries are ambiguous, uncertain, and indefinite. If the position of the contestant were to be followed, then there would naturally, as I shall point out, grow up the most fantastic situations, the most ridiculous situations, and, in fact, the most impossible situations. I shall call to the attention of the Senate some illustrations which will show how ridiculous and fantastic would be the result if we were to follow the literal language of the Alabama statute referred to in the debate as section 612.

Before discussing what appear to me clearly to be ambiguities, indefiniteness, and contradictions, I point out that section 672 of the Alabama Code provides as follows as to the executive committee of a political party:

> Any executive committee of a party may fix assessments or other qualifications as it may deem necessary, for persons desiring to become candidates for nomination to office at a primary election.

Then there follow some details with reference to other matters which have no connection primarily with the question of the qualifications of a candidate.

Section 612 provides:

> All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidate.

Therein lies the difficulty; therein lies the ambiguity, the uncertainty. If the statute were to be taken literally, we can all well conceive how ridiculous the situation would be in the State of Alabama if the qualifications fixed by the executive committee for a candidate automatically attached to the electors.

Counsel for contestee has used some very outstanding illustrations which point the way we would find ourselves going if we accepted the literal interpretation of the statute. I can conceive of but one situation where the qualification fixed for the candidate automatically would attach to the electors. I can best illustrate that, perhaps, by using one example. Let it be understood that when I speak of qualifications, I refer to those other than the constitutional qualifications, and the qualifications prescribed by law.

Suppose the Republican Party in the State of Alabama, through its executive committee, fixed as one of the qualifications of a candidate for governor that he must be a member of some race other than the white race. Assume that the executive committee of the Republican Party should say that a candidate for governor in the State of Alabama must be a person of colored blood. If that qualification prescribed by the candidate automatically attached to the electors, then of course no one could vote in a Republican primary in the State of Alabama unless he had in his veins the blood of the colored race.

Suppose the Republican Party, in defining the qualifications of a candidate for United States Senator in the same primary, should prescribe as a qualification that such person should be one possessing "lily white" blood; that is, that no one but a person who was known as belonging to the white race should be a candidate for nomination for the office of United States Senator.

Then, under a literal interpretation of the statute, that qualification would automatically attach to the elector. If the qualifications which I have pointed out automatically attach to the electors respecting the qualifications that were applied to the candidate for governor and the candidate for United States Senator, neither the white race nor the colored race could vote in the State of Alabama.

Mr. DILL. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. BLAINE. I yield.

Mr. DILL. The Democratic committee does fix as a qualification a restriction to whites only, does it not?

Mr. BLAINE. Qualification for the candidate?

Mr. DILL. Yes.

Mr. BLAINE. My understanding is that they fixed that qualification saying, "only a white person."

Mr. DILL. Only a qualified white elector?

Mr. BLAINE. That is my understanding.

Mr. DILL. That is restrictive, and kept out the colored people.

Mr. BLAINE. I think undoubtedly it did in the election, but not because of the resolution relating to the qualification fixed for a candidate.

Mr. DILL. No.

Mr. BLAINE. I have here the resolution adopted by the executive committee of the Democratic Party. I invite the attention of the Senator from Washington to the fact that the same qualifications were fixed by the resolution respecting race for electors in the primary.

Let me use another apt illustration—and I am assuming imaginary offices which might exist and which could exist under the laws of any State having capital punishment. Suppose the executive committee of the Democratic Party of the State of Alabama should fix the qualifications for a candidate for a State officer known as the State executioner.

The executive committee fixes the qualifications for State executioner as those of a male person, and it would be a very appropriate qualification. Then assuming that they had a state-wide nursing department and they had an official State nurse, a State officer, and the executive committee fixed the qualifications of a candidate for the office of State nurse as those of a female. If the qualifications fixed for candidates in those two cases automatically attach to the electors, there could no one vote for either of those officers in the primary.

So I say that if a literal interpretation is to be given to the section, we meet these impossible, fantastic, ridiculous situations.

But the legislature meant something when it enacted section 612. I have searched diligently to ascertain the reason why the legislature added to the law the words, "for its candidate." I have listened to the arguments which have been made. As I recall, counsel for the contestant argued that it was necessary for the legislature to amend the law and add the words, "for its candidate," on account of some decision that was rendered by the courts of Texas. I examined that decision. I could find nothing in the decision that would impel the legislature of the State of Alabama to add the words "for its candidate."

As I view that decision, it had no relationship whatever to the problem upon which the State of Alabama was legislating. Then, we find that subsequent to that amendment, in a recent act of legislature it was provided that the executive committee could prescribe other and different qualifications as between candidates and electors. So the matter is altogether in confusion as to what section 612 means when it uses the words "for its candidate."

But I think it has application and a perfectly proper application to circumstances which might develop in the State of Alabama. Suppose that a party in the State of Alabama should fix qualifications for a candidate for office that would enlarge the field out of which those candidates might be selected. That would increase the number of electors qualified to vote. Applying the literal meaning of the statute to that illustration, then the electors or the class of electors would be enlarged to the extent of the field of candidates who would be permitted to submit themselves in a Democratic, Republican, Socialist, or any other party primary in the State of Alabama.

In other words, that statute can be applied to protect the citizens of the State in their full right of franchise within their party according to the definition set forth in the statute for that party.

My interpretation of section 612 is that in practical effect it can have no application whatever to an elector. We can imagine examples where it might apply, but those examples involve impractical situations which undoubtedly sensible men belonging to the executive committees of the respective parties would never suggest. But the qualifications of electors in a primary, in my opinion, are definitely and specifically fixed by the laws of the State of Alabama. I invite attention to section 624, which provides as follows:

> Any qualified elector who is also a member of a political party as herein defined, participating in a primary election, shall be entitled to vote at such primary election as shall receive the official primary election ballot of the political party and no other.

That is the test to be applied to the electors in the primary election of every party. The code of the State of Alabama does not set up any method by which the party may expel its membership. I assume through its history, its traditions, its practices, and its general methods, that certain implied qualifications have been set up by each party relating to members of the party; but when section 624 is read in connection with section 602, it is the assemblage or organization of electors which constitutes a party in the State of Alabama and those men and women are the members of the political party who participate in the primary election as a party and those members are entitled to vote at such primary and shall receive the official primary election ballot of the political party.

That gives the electors of the State of Alabama a possibility of generous participation in the primary election of Alabama and whether or not an elector shall cast his vote in that particular primary must be determined by the elector on his good conscience. If the election officers challenge that elector, he then has an opportunity to qualify; and if he can qualify, he will be permitted to cast his vote in that particular party primary.

Therefore I conclude on this proposition with the declaration that under section 672 the executive committee in any party may prescribe the qualifications of that party's candidates. That position has been sustained by the Supreme Court of the State of Alabama and is conceded by contestant. I need not review that case. It has been covered in the debate here on this matter.

However, Mr. President, in my opinion the executive committee has limitations upon its power even respecting qualifications for candidates. As I think has been pointed out in some decisions reviewed by Judge Thomas in his dissenting opinion, those qualifications must come within the rule of reason. They must be reasonable qualifications. But who is there to say that when the Democratic Party, after its experience in 1928, with the defeat of its candidate for President, should not say, when the executive committee was possessed of that power lawfully under the statute, that any person who had not supported the candidate of the Democratic Party for the Presidency in 1928 should not be qualified as a candidate in the primary of 1930? That, I believe, is admitted to be a reasonable qualification under the Alabama law.

Mr. BORAH. Mr. President, I understand the Senator is about closing his remarks on this subject.

Mr. BLAINE. Yes; I am about closing my remarks on this subject.

Mr. BORAH. I wanted to get the Senator's views on one phase of this matter. The resolution which was adopted by the executive committee fixed the qualifications of the candidates?

Mr. BLAINE. Yes.

Mr. BORAH. If it had gone no farther than to fix the qualifications of the candidates, the qualifications of the electors would, under section 612 of the Alabama Code, have followed those of the candidates, would they not?

Mr. BLAINE. In my opinion, no. I think the qualifications of the electors are fixed by section 624 instead of section 612; and that section 612, if literally interpreted, would

be held to be void on the grounds of uncertainty and ambiguity.

Mr. BORAH. Then, the position of the Senator is that the Democratic executive committee in Alabama had power, under the different sections of the statute, to fix one qualification for electors and another qualification for candidates?

Mr. BLAINE. The executive committee had the power to fix one qualification for candidates, and I have grave doubt whether it could fix any other qualification for electors than that prescribed in section 624.

Mr. BORAH. Now, I should like to ask the Senator this question: Assuming that section 612 would require the executive committee to fix the same qualifications for electors that it fixed for candidates; in other words, assuming that under section 612 the committee having fixed the qualifications for candidates, the qualifications of the electors would be the same; nevertheless would the fact that the committee undertook to fix a different qualification render the primary invalid, or would it simply make it irregular?

Mr. BLAINE. As I contended at the beginning of my remarks, after the Democratic executive committee brought the primary into being there was nothing that that committee could do to nullify that primary. It might practice irregularities with reference to its powers and privileges, but those irregularities in no way would nullify or invalidate the primary.

Mr. BORAH. In other words, even if the committee had fixed a different qualification for candidates than that which it fixed for the electors, that would be an irregularity which would not go to the validity of the primary.

Mr. BLAINE. It would be a plain irregularity; it would have nothing to do with the validity and force of the primary. The primary itself having been brought into being, as I have stated, there is no power in the executive committee that could invalidate or nullify that primary. The committee may practice irregularities; they may go beyond their power in fixing the qualifications of an elector; but an elector has the right in the State of Alabama to go to the polls, and as a member of a party that participates in the primaries he has a right to vote in such primary and to receive the official primary election ballot of the political party which is participating in that primary. His rights are fixed. Whether or not he can maintain his position depends entirely upon the fact. If he comes within the qualifications of an elector, as set down by the constitution and laws of the State of Alabama and is actually a member of a political party in Alabama, he has his right to vote.

I can not set forth what the position of each elector may be in the State of Alabama respecting his party affiliations; that is a matter which rests with the conscience of the elector when he goes to the polls to vote, as I interpret the statute.

Mr. HASTINGS. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Delaware?

Mr. BLAINE. I yield.

Mr. HASTINGS. I desire to inquire of the Senator from Wisconsin whether he has given any consideration at all to the fact that the chairman of the Democratic executive committee announced that voters at the primary would not be permitted to write in the name of Senator Heflin or, as I recall, a man by the name of Locke for governor? Has the Senator given any consideration to the effect that would have upon the legality of the primary?

Mr. BLAINE. Mr. President, I have very carefully considered that proposition. I can conceive, and I have observed, that in primary contests and in election contests many statements are given out for the purpose of misleading the electors, but one who is in the position of chairman of the Democratic executive committee in the State of Alabama could not by his declaration disqualify the electors. I assume that the electors in the State of Alabama, if they honestly believed that they had a right to vote in the primary, would have sufficient courage to challenge that statement if they believed the statement to be incorrect, irregular, or untrue. That is left, of course, to those who are going to exercise the right or privilege of electors. I might say, however, that, of course, a statement of that kind might have a very weighty effect in dissuading electors from doing certain things or the doing of certain things, whichever the case may be.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield further to the Senator from Delaware?

Mr. BLAINE. I yield.

Mr. HASTINGS. In order that I may have the full effect of the Senator's argument, I desire him to assume that the executive committe itself adopted such a resolution, declaring that voters could not write on their baliots the names of candidates. Would the Senator think that such action by the executive committee would render the primary null and void?

Mr. BLAINE. My opinion respecting that is identical with my opinion respecting the operation of section 612, that, if the Democratic executive committee, assuming they had no power to do so but really did adopt such a resolution, and assuming the chairman of the committee gave out the information, it would be an irregularity which could not and would not nullify the primary. The primary is in being and irregularities on the part of a political party committee or of an election officer or of an individual citizen clearly can not and did not nullify the primary election in Alabama.

Mr. HASTINGS. Mr. President, does the Senator contend that the action of the Democratic executive committee of the State of Alabama, which upon its face excluded some persons from participating in the primary, assuming that the executive committee had no right to impose any such restrictions in the resolution, is a mere irregularity and does not make the resolution itself void?

Mr. BLAINE. I would contend that, even if the resolution were void and an absolute nullity, it would have nothing to do with the validity of the primary. The primary was in being; it was brought into being; thereupon there was no committee and no individual and no election officer public or otherwise who could nullify that primary. It would be an irregularity which of course, in my opinion, is cured by operation of law and other principles which I have not discussed, and I doubt if it is necessary to discuss them. That has been fully presented.

Mr. HASTINGS. If the Senator will permit one more interruption, then I will not bother him further. On page 6 of the minority views it appears that this question was propounded to Mr. Bankhead:

> If the committee refuses to comply with such request, do you favor the voters in the primary being given an opportunity to stamp the names of Heflin and Locke on the ballot and vote for them if they want to do so?

Mr. Bankhead's answer was:

> I shall not be a party to such a thing.

I just call the Senator's attention to that, and I thank the Senator for yielding to me.

Mr. BLAINE. I have considered that proposition very carefully. As I conceive the situation to be, it was not within the power of Mr. Bankhead or anyone else to nullify or make void the primary. If Mr. Bankhead, for instance, had advised that the executive committee of the Democratic Party create a sort of a set-up designedly for the specific purpose of keeping everybody out of the primary except himself and his friends, and if there was evidence to that effect which would connect Mr. Bankhead with that kind of a conspiracy, then the proposition would go to the point of whether or not Mr. Bankhead was a fit person to occupy a seat in the Senate of the United States; but there is no contention to that effect whatever and not even a suggestion to that effect.

The suggestion is that Mr. Bankhead, as I recall, expressed his perfect willingness that Mr. Heflin should have the right to run in the Democratic primary. That goes only to the question of good faith and the liberal attitude and broad citizenship of Senator Bankhead and does not reflect upon

him except meritoriously, as I view it; and after the committee had adopted a certain resolution or given out certain orders, his expression thereafter could have no effect upon his purposes or motives that would in any way nullify or invalidate the election or attach to him any suggestion of misconduct. That is the view I take of that proposition.

So, Mr. President, I approach this question, as I suggested at the outset, with a predilection all in favor of a liberal primary system, one in which men and women would be entitled to be candidates and in which there would be freedom of the electors to select men and women of their choice.

I, therefore, approached the matter with a searching viewpoint; but because I entertain such an opinion regarding the primary-election system does not mean that the violation of my opinion as to what the primary-election system should be would justify the unseating of a Member of the United States Senate. The forum for the determination of the kind of primary election law to be provided in the State of Alabama is with the people of the State of Alabama and not with the Senate of the United States.

However, Mr. President, if any State should set up a system designedly for the purpose of excluding those clearly qualified, under our Constitution and the constitutions of the respective States, to vote in any primary, then the Senate of the United States might well say as to a person who would accept a nomination at the hands of a coterie willing to betray their State, not by the use of money, but by depriving men and women of their rights as electors, that such circumstances attached to his nomination that he might come under the characterization of a person unfit to occupy a seat in the United States Senate.

But, Mr. President, we are not facing that kind of a question, and my mind is not closed on that proposition. I am simply stating an extreme possibility.

I shall not review the law relating to how irregularities in primaries and in elections are cured. I think that matter has been fully covered. I do desire, however, to refer to some of the omissions and irregularities that were practiced during the election campaign. I will treat those questions very briefly, for the reason that they have been very well disposed of by Senators who have spoken upon this question.

I want to call attention to the irregularity complained about respecting the marking of the ballots.

I believe the statute requires that the ballots in the general election shall be numbered in ink.

In a report made by the chairman of the subcommittee of the Committee on Privileges and Elections—I am using that for convenience—on page 2, it is stated as follows by the Senator from Delaware [Mr. HASTINGS]: The print is the confidential subcommittee print. I believe it has no other characterization. I do not find a number upon the print.

The Senator from Delaware said:

> I have heretofore pointed out that the Alabama law requires the inspectors of elections to number each ballot in ink. This number corresponds with a number on the poll list. The secrecy of the ballot is secured by providing that before the count is started the poll list shall be sealed and not again opened.

It has been demonstrated to my satisfaction that the provision relating to the numbering of the ballots in ink is directory, and not mandatory. It does not in any great degree guarantee the sanctity of the ballot. That is, it does not seem to me material whether the ballot is numbered in ink or in lead pencil. There is nothing special about the numbering of the ballot that guarantees the purity or the sanctity of the ballot. I desire to point out the circumstances that justify my comment just made.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Delaware?

Mr. BLAINE. I yield.

Mr. HASTINGS. I desire to call attention to the fact that on page 7, just following what the Senator has read, in making the report the chairman of the subcommittee distinctly called attention to a case in Alabama holding that it was directory and not mandatory, and that the votes ought to be counted unless fraud was shown; and I comment upon that in the report.

Mr. BLAINE. Is that in the subcommittee memorandum submitted by the Senator, or in the minority report?

Mr. HASTINGS. The Senator will find it in what is now before the Senate, marked "Minority views," the report presented by myself, on page 7. The Senator was reading a little while ago touching the same subject. It is on the next page.

Mr. BLAINE. I am reading from one report, and the Senator is reading from another. I fear that there will be a misunderstanding. At any rate, whether the provision is directory or mandatory, it does not affect the validity of the election; and I confess that I have not studied the decision to which the Senator refers.

Mr. BRATTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. BLAINE. I yield.

Mr. BRATTON. If I correctly understood the Senator from Delaware, he said that the Supreme Court of Alabama held the statute to be directory, just as the Senator from Wisconsin now asserts.

Mr. BLAINE. Oh! I misunderstood the Senator.

Mr. HASTINGS. Yes; that is correct.

Mr. BRATTON. In other words, the Supreme Court of Alabama declared the same view that the Senator from Wisconsin now announces.

Mr. HASTINGS. That is correct; and the only reason why I called attention to it was this: In order to be perfectly fair, and that the Senate might know, I myself called attention to the fact that the Supreme Court of Alabama had so held, and called attention to the fact that the counsel for Mr. Heflin insisted that that holding did not apply because fraud was charged in this case; and I went on to say that notwithstanding they took that view, the committee did not agree with them.

Mr. BLAINE. I think the Senator from Delaware is entitled to an apology from me. I misunderstood him. I thought he said that the Supreme Court of the State of Alabama had declared that provision of the statute to be mandatory and not directory. My own thought was, upon a study of the question generally, that the provision was directory and not mandatory.

Now, I want to point out how quite immaterial it was, that it made no difference whether the ballots were numbered in ink or in lead pencil. I know it is contended that if the ballots were numbered in ink they would not be so readily subjected to the erasure of the number, but the number has to do only with the number on the poll list, as I understand—not the registry list, but the poll list. As I understand the election laws of Alabama, the voter who casts a ballot bears the same number as does his ballot. If anyone desired to manipulate that vote, it would be wholly unnecessary to erase the number. The practical and easy manner of manipulation would be to substitute another ballot, marked as the person who was engaging in such fraudulent practices desired to mark it, and that could be done whether the number was in ink or in lead pencil. But we can not unseat Members of the Senate, or deny them the right to represent their States, on such narrow technicalities. I just want to point out how ridiculous the situation appears, at least to me.

In the primary election in the State of Alabama the ballots may be numbered in ink, lead pencil, chalk, charcoal, or any other substance that will make a mark. In other words, there is no provision, respecting the primary ballots, that ballots shall be numbered by any specific method. They shall be numbered, of course. All of us have attended elections. We all know that it is quite the usual thing for election officers to carry lead pencils and not fountain pens. It is quite the usual thing and it is the universal practice to have lead pencils in the election booth with which the electors may mark the ballots. The lead pencil is the convenient instrument in and about election precincts.

In most years and in most elections in the State of Alabama the primary election was the important election. That was the election in which election officers were trained respecting the general conduct of the election. That was the election in which the election officers no doubt accustomed themselves to the use of lead pencils in numbering the ballots.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Delaware?

Mr. BLAINE. I yield.

Mr. HASTINGS. I should like to call the Senator's attention to the fact that in this report it is distinctly stated:

> The facts so far disclosed would not justify the committee in refusing to count these ballots for the reason that they had not been properly numbered.

So that I entirely agree with the Senator with respect to the point to which he is now addressing himself.

Mr. BLAINE. I appreciate that the Senator from Delaware has been very fair in making statements respecting some of these irregularities; but I was leading up to another proposition, because it has been expressed on the Senate floor. The attempt has been made to multiply the violations of law in the State of Alabama, running into literally millions of violations, and I was pointing out this situation to show how utterly ridiculous it is to impute to the election in Alabama mounting violations of law.

I call attention to the report from which I have been reading—and this is no criticism whatever of the Senator from Delaware. He points out that there were 128,856 ballots not numbered in ink, and that there were 58,817 ballots not numbered at all. Therefore, according to some mathematicians, it is concluded that there were 187,673 violations of law.

I do not perceive those to be violations of law at all. They are quite immaterial irregularities. But carrying my thought along just another step, by the same report it is shown that there were 5,754 inspectors at the polls who violated the law, that is, I assume, inspectors at the voting places who did not mark the ballots in ink. To show how ridiculous it is to impute general violation of the law or willful violation of the law to the people of Alabama, how ridiculous it is to impute any unfitness to Senator Bankhead, based on these charges, just let us take a lead pencil and pad and multiply 187,673 ballots, the number not numbered in ink or not numbered at all, by the number of officers whose duty it was to conduct the elections, namely, 5,754, and by that mathematical calculation we find that there were over a million violations of law in Alabama—a terrible state. That simply pictures the situation as I see it, and as I believe it will generally be considered by those who have given the matter some thought.

Let us develop this a little further. In the same report from which I quoted it is shown that out of a total of 2,043 boxes, in 1,543 the ballots were found folded instead of rolled and sealed, and in 576 boxes they were found loose, both of these irregularities frequently occurring in the same box. There were but 19 boxes where the ballots were properly rolled and sealed.

There is shown a general practice of irregularities and omissions. Many of them are explained. But can anyone say that because ballots were not rolled and a seal placed upon the roll that that in any way imputes fraud in that election, or imputes any unfitness to Mr. Bankhead? Is there anything in that irregularity any more than happens at every election everywhere throughout the United States?

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. HASTINGS. The Senator from Wisconsin realizes, does he not, that the statute provides that after the ballots are counted they shall be rolled and sealed, and those which have been rejected shall be rolled and sealed, and both classes placed in the box and the box itself sealed, and all of it retained for the period of six months? Does the Senator think that is an unimportant part of the statute of any State? Does he not believe that was for the purpose of preventing fraud in elections, and does he not believe that when he finds those conditions absent, it indicates that there was fraud at the election?

Mr. BLAINE. The Senator asks a good many questions in one. I will try to answer them if I can remember all the questions.

That number of irregularities in an election means nothing unless there is some evidence which would connect the election officer in a conspiracy with the candidate, or his friends, with his knowledge and his connivance, engaging in that sort of practice in order to cover up their fraud. In the absence of any proof of fraud of course the irregularities, as I have said, become inconsequential and wholly immaterial.

Mr. HASTINGS. Does not the Senator think that it demands an explanation, and an explanation from the officers who violated that particular law? Can it just be brushed aside by the candidate and brushed aside by the Senate, and called an unimportant irregularity? Is that the Senator's contention?

Mr. BLAINE. No; that is not the Senator's contention. My contention is that I have no jurisdiction to punish the election officers of the State of Alabama, nor is it within my province to criticize the election officers of the State of Alabama. Perhaps they functioned carelessly, made many mistakes, there were many omissions; but are we to charge those omissions to a candidate for office? If so, what candidate? Are we to charge it to the candidates for the legislature in Alabama, to the candidates for county offices, to the candidates for membership in the house of representatives of the State, or candidates for other State offices? That is not within our power, nor is it within our province. There is no charge that Senator Bankhead, or that those supporting him with his knowledge, had anything to do with those omissions and irregularities.

The fact is that the omissions and irregularities were so general that they wipe out all suggestion or possibility of a conspiracy. That is the fact of the matter. There is no candidate, in my opinion, in Alabama or elsewhere, who could organize almost all of the election officers of a State, and induce them to commit such irregularities and omissions, without there being some men, or at least one man, who knew about them, and who would be willing to testify before the committee. Yet I know of no testimony, either before the Nye committee or the Hastings committee, that there was any conspiracy, or even an intimation of a conspiracy, that election officers were to commit these irregularities and omissions for the purpose of electing Mr. Bankhead to the Senate.

Mr. HASTINGS. Mr. President, will the Senator yield again?

Mr. BLAINE. I yield.

Mr. HASTINGS. Do I understand the Senator to contend that it is possible for a thing to be so good that it purifies itself and therefore becomes a thing that we ought to overlook? In other words, if it is half bad, then we ought to investigate it and declare it null and void, but if it is so terrible that you can not find any of the law lived up to at all we ought to overlook it and say that we have nothing to do with it?

Mr. BLAINE. Mr. President, I do not come to the same conclusions the Senator reaches. I do not think it was so terrible. I do not think it was terrible for election inspectors to number ballots in lead pencil instead of ink. I think it was the ordinary, usual thing that election officers would do. They had been accustomed to doing that very thing in the primary. Therefore that custom followed them into the election. There is nothing horrible or terrible about that at all. It is the most innocent act on the part of men who are not specially trained respecting the conduct of elections, but who know how to conduct elections; and it makes little difference, in their minds or in my mind, whether there is an immaterial irregularity or not.

Mr. HASTINGS. Mr. President, why does the Senator emphasize this question of numbering the ballots, when the committee distinctly stated that if that was the only thing, it would have no effect upon it? But why would he not please explain these irregularities, which, it seems to me, are

important; namely, the failure to roll these ballots and to seal them, and to put them into these boxes, and then, when you go and make the investigation, find half of the boxes with the seals broken and the ballots not sealed on the inside? Those are the important, essential things in this case. Those are the things which the law intended should be placed there as barriers to prevent fraud, and those are the provisions which have been violated in Alabama. Those are the things which impressed me, not what the Senator from Alabama spent two hours and a half trying to explain to the Senate.

Mr. BLACK. Mr. President, will the Senator from Wisconsin yield to me?

Mr. BLAINE. I yield.

Mr. BLACK. We deny that there is any such evidence as the Senator stated. It is not in the record. The boxes, if opened, were shown to have been opened under the authority of law, except as to those broken open by the committee. In addition to that, we deny that the Senator has heretofore placed no great emphasis on the pencil proposition, because on page 8 of his report it is shown that he cited the fact that each one of the inspectors had violated the law a number of times. With reference to the rolling and sealing, which he is now emphasizing, I called the attention of the Senate the other day to the fact that Mr. Bankhead went to the committee and secured a list of those they thought were the most suspicious, and there are affidavits in the record that those votes were properly counted. There is a letter in the record addressed to the Senator from Delaware, from Mr. Bankhead, stating that if there were any more questions about the unrolled or unfolded ballots, he would be glad to get evidence with reference to that matter.

I desired to make this statement, because I did not want the remarks of the Senator from Delaware on this floor to go unchallenged.

Mr. HASTINGS. Mr. President, the difference between the Senator and myself is that the Senator from Alabama is not as familiar with this case as I am. He is talking about something that is not even mentioned in this report as a thing that ought to be considered by the Senate. However, I do not want to interrupt the Senator from Wisconsin. I shall answer the Senator from Alabama in my own time.

Mr. BLAINE. Mr. President, reading from the preliminary report of the Senator from Delaware, I was endeavoring to enumerate these fabulous amounts represented as violations of law in Alabama. We have disposed of over a million of them, respecting the numbering the ballots by lead pencil instead of ink. Let us see about these boxes.

The report of the Senator from Alabama also states that the boxes found not sealed numbered 1,618. The Senator made this statement:

> I thought in the first instance that the breaking of the seals of these boxes was of great importance, and that if a box was found with the seal broken that the burden would be upon the sheriff who had the custody of the box to explain why the seal had been broken, but since the last meeting of the committee I have had some correspondence with Mr. Bankhead, which to my mind has largely destroyed the importance of ascertaining why a particular seal on a ballot box was broken.

That seems to be conclusive on that proposition. There was some evidence produced, as I understand, to explain the breaking of the seals. There was no evidence produced that there was any fraud perpetrated, no evidence that there was any conspiracy between Mr. Bankhead or those closely associated with him and the sheriffs, as I understand the sheriffs to have been the officers who had control or possession of the ballots.

Take the total number of violations, as I have pointed out, and add them to the violations to which I have just referred and to which the Senator from Delaware addressed himself a moment ago, and all that terribleness is dissipated. What is there left after we subtract the irregularities relating to the numbering of the ballots and the irregularities relating to the ballot boxes? What is there left even to raise a suspicion against the election officers of the State of Alabama? There is practically nothing left.

But the point I desire to emphasize is that there is no claim and there is no contention supported by evidence that Mr. Bankhead and those associated with him in the campaign in any manner promoted any irregularities or any so-called violations of the law, no inference that they had their hands in the innumerable so-called violations running into the hundreds of thousands. If there was any fraud whatever, there is no evidence that it at all in any manner attaches to Mr. Bankhead.

Let me say, Mr. President, that there is no evidence of fraud. This case has been investigated. It has been debated. There was a special committee on campaign expenditures for 1930 headed by the Senator from North Dakota [Mr. NYE] which conducted an investigation. An investigation has been carried on by the standing Committee on Privileges and Elections. I was unable to find a single scintilla of evidence of any corruption or any excessive use of money or any fraudulent practices upon the part of the candidate or his friends and associates. All of those charges of fraud grew out of the irregularities and omissions of election officers. No responsibility attaches to Mr. Bankhead in that respect. I say that after going through the report and going through the briefs of counsel and listening to their arguments. If there is, then I would like to have some Member of this body point out the error of my conclusion.

Mr. President, I appreciate, as I said at the outset, that the Senate of the United States has the power to declare the seat of the Senator from Alabama vacant, but I think the Senate of the United States as well has a sense of responsibility, and it will consider in all these election contests some of the legal fundamentals which govern elections generally. I point out a case in the State of Nebraska, volume 37, page 314, State ex rel. Crawford against Norris—and by way of parentheses I want to suggest that it has no reference to "Grocer" Norris nor to the distinguished senior Senator from Nebraska [Mr. NORRIS]. This case has particular application to the question of irregularities on the part of election officials and the omissions in which they engage.

There are two reasons why the court disregards irregularities and omissions on the part of election officers. One reason is that the electors have the right to depend upon the validity of an election. They have a right to have their views expressed. Their views can be expressed only by the casting of a ballot. They have a right to have their ballots counted. The right is in the elector, and to set aside an election that is entirely free from corrupting influences, debauchery, excessive use of money, an election that is free from all the baneful influences of money and corruption, is not within the province of the United States Senate. In that kind of an election the people of a State have the right to have their ballots counted and the results which flow from their exercise of the ballot recognized. That is one reason why the courts disregard irregularities and omissions by election officers.

Then some courts have applied another reason and that reason is pointed out in the case to which I have just referred. I shall read the language:

> The fundamental object of all election laws is the freedom and purity of the ballot. It is to be observed that the voter has no control whatever over the publication of the names of candidates or the forms of the ballots. If for such defects in these particulars the ballot must be rejected, the door would be thrown open to fraud. To defeat the will of the people it would only be necessary to have (in this particular contest) the county clerks furnish the electors, or some of them, with tickets slightly variant from those prescribed by law.

I quote the language in that case for the purpose of pointing out that irregularities and omissions must be disregarded by the courts, else the door would at once be thrown open to the practice of fraud by election officers either through willfulness or improper motives. In the absence of such a rule they could commit enough irregularities to beat the party, if that was the design, or to beat the candidate if their design went no farther.

Mr. President, this contest coming to the Senate without the taint of fraud, without the taint of corruption, without the taint of excessive use of money, I could come to only one

conclusion, and that was the conclusion reached by the majority of the Committee on Privileges and Elections. I do not concede it to be the duty or the province of the Senate to determine whether or not Alabama's primary election law should be revised or remodeled. That is not the question. If it were the question, this is not the forum for the determination of that question. So long as the laws of the State of Alabama, as I have pointed out, control its internal affairs respecting the election of a United States Senator, permitting the people of that State to exercise their constitutional rights and privileges as do the statutes, as I construe those statutes, then, Mr. President, it seems to me that we can not afford to disturb an election on grounds of the thinnest irregularities and omissions alleged to have been committed by the election officers. It seems to me that we must recognize the expression of the people of Alabama in this case.

The State of Alabama, therefore, having preserved for her people their rights and their privileges, for me to come to any other conclusion would be an exercise of extremest partisanship. As for myself, I bow my head and cringe my knee to no party whip. I recognize but one power, and that is the sovereign will of the people expressed through an uncorrupted election.

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield in order that I may ask him a question?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. BLAINE. I yield.

Mr. ROBINSON of Indiana. I understood the Senator to say just now that he bowed only to the will of the sovereign people. If I am correctly informed the Senator voted for the Democratic candidate for President in the last campaign in Wisconsin. Is that true?

Mr. BLAINE. I have no apologies to make for having voted in that way.

Mr. ROBINSON of Indiana. I am merely asking the Senator if that is a fact?

Mr. BLAINE. I have no apologies to make for having voted for Mr. Smith. I think it was a terrible mistake that a majority voted for Mr. Hoover, and that is my personal feeling. [Manifestations of applause in the galleries.]

The PRESIDENT pro tempore. The Chair must admonish occupants of the galleries that they are here by the courtesy of the Senate and they must not infringe the rules of the body.

Mr. BLAINE. I might say it was a more terrible mistake than the Senator from Delaware [Mr. HASTINGS] has characterized the Alabama election to be.

Mr. ROBINSON of Indiana. I am not quarreling with the Senator from Wisconsin for having voted as he chose. The Senator himself is a candidate this year to succeed himself in the Senate, I understand. What I am trying to lead up to is this: Suppose the Republican State central committee in Wisconsin should adopt the same kind of rule as was adopted in Alabama, and as a result of that rule should keep the Senator's name off the Republican ticket in the primary in Wisconsin, would the Senator then feel that the sovereign people of Wisconsin were having an opportunity to decide that question or would he think the party bosses of Wisconsin were deciding or undertaking to decide the question without giving the people of Wisconsin any chance whatever?

Mr. BLAINE. The Senator from Indiana need not have any worry about that. What the Senator from Indiana has described is not going to happen. [Laughter.]

Mr. ROBINSON of Indiana. No, Mr. President; but that is exactly what happened in Alabama. That is the point I am making, and suppose it did happen in Wisconsin. Then my contention is that the sovereign people of Wisconsin would not have any voice in the matter at all, but only the party bosses.

Mr. BLAINE. Mr. President, does the Senator from Indiana expect me to answer a hypothetical question as to what can not happen and is not going to happen? I decline to engage in that.

Mr. ROBINSON of Indiana. But that did happen in Alabama. That is why some of us are claiming that the primary in Alabama was illegal, in that, acting wholly illegally, one set of rules were prescribed for the Democratic voters of Alabama and another set of rules for the candidates on the Democratic ticket in Alabama, raising the same question I have just undertaken to present to the Senator from Wisconsin.

We feel the sovereign people of Alabama, so far as the Democratic Party is concerned there—and that is, of course, overwhelmingly the majority party—never had any voice in the matter. That is precisely what we object to, and why we think the primary there was illegal; and I am saying, if, under the same set of circumstances, the State organization of the Republican Party of Wisconsin should attempt to do what the State organization of the Democratic Party in Alabama did as Democrats, then the Senator himself would be prevented from having his name placed upon the Republican ticket of Wisconsin, no matter what the sovereign people might thing about it or how they might feel about it. It was never left to the people in Alabama, in the slightest degree, but some 50 men—the bosses of the State committee—undertaking or assuming to speak for the sovereign people, decided the question for the people without giving the people an opportunity to express themselves. That is the point I am making.

Mr. BLAINE. I know how great the anxiety of the Senator from Indiana is respecting the Senator from Wisconsin. I appreciate that anxiety; in fact, I deeply appreciate it; but the trouble with the Senator from Indiana is that he did not give the Senator from Wisconsin the honor of being present in the Senate when the Senator from Wisconsin discussed the very question that the Senator from Indiana has now raised. May I call attention briefly to the fact that the statutes of Alabama prescribe the powers and designate the organization that determines the qualifications of candidates for public office? The statutes of the State of Alabama define the qualifications of electors in a primary. I have pointed out specifically the statutes and made my argument along the theory that I adopted in this contest. While I would be very glad to repeat the argument, I think it is wholly unnecessary, and the Senator from Indiana will be privileged to read in the RECORD in the morning my analysis of the Alabama situation.

Mr. TRAMMELL. Mr. President, I understand that ex-Senator Heflin, the contestant in this case, desires to be given the privilege of addressing the Senate for not exceeding two hours. The Senator from Louisiana [Mr. LONG] brought this matter to the attention of the Senate on Friday of last week and had contemplated making a motion for this privilege to be extended to ex-Senator Heflin on a day prior to the conclusion of the consideration of the case. The Senator from Louisiana, however, is not present to-day, and in the interest of——

Mr. FESS. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum before he makes his request?

Mr. TRAMMELL. I yield.

The PRESIDENT pro tempore. The Senator from Florida yielding for that purpose, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Howell	Robinson, Ind.
Austin	Couzens	Johnson	Schall
Bailey	Cutting	Jones	Sheppard
Bankhead	Dale	Kean	Shipstead
Barkley	Dickinson	Kendrick	Shortridge
Bingham	Dill	La Follette	Smoot
Black	Fess	Lewis	Steiwer
Blaine	Fletcher	Logan	Stephens
Borah	Frazier	McGill	Thomas, Idaho
Bratton	George	McKellar	Thomas, Okla.
Brookhart	Glass	McNary	Townsend
Broussard	Goldsborough	Metcalf	Trammell
Bulkley	Gore	Moses	Tydings
Byrnes	Hale	Norbeck	Vandenberg
Capper	Hastings	Norris	Walcott
Caraway	Hatfield	Nye	Walsh, Mass.
Carey	Hawes	Oddie	Watson
Connally	Hayden	Reed	White
Copeland	Hebert	Robinson, Ark.	

The VICE PRESIDENT. Seventy-five Senators have answered to their names. A quorum is present.

Mr. TRAMMELL. Mr. President, as I had stated prior to the calling of the quorum, it is my understanding that on Friday of last week—I was absent at the time, however—the junior Senator from Louisiana [Mr. LONG] asked unanimous consent that former Senator Heflin, the contestant in the pending case, be allowed to address the Senate for a period of not exceeding two hours. It is my understanding that he contemplated making a motion to that effect had he been present to-day. He, I am informed, is unavoidably absent from the Senate to-day.

I have looked up the precedents, and I find that this privilege has been extended to contestants in a number of cases in the past where it was desired, and in the Precedents of the United States Senate, on page 522, I find cited only cases where that privilege was granted. I have found no instance where the privilege has been refused or rejected.

Without intending in any way to have it express my views in regard to the final outcome of this contest, or as to who should be seated, I feel that in view of the precedents, and the desire of the contestant to address the Senate for not exceeding two hours, there could be nothing amiss in extending to him this privilege.

Therefore, Mr. President, I move that the contestant, former Senator J. Thomas Heflin, be permitted to address the Senate for not exceeding two hours in the pending contest.

The VICE PRESIDENT. The question is on the motion of the Senator from Florida.

Mr. ROBINSON of Arkansas. Mr. President, it will be recalled that on another day a request for unanimous consent to permit Mr. Heflin to address the Senate was submitted and that objection was made. Under the circumstances I do not believe this motion should be granted. I do not believe it is in order under the rules of the Senate.

As stated by the Senator from Florida, there have been instances in which the Senate by motion has extended the privilege to speak in a contestant's own case. In some of those cases the contestant possessed a certificate of election or of appointment. In any event it is a questionable procedure.

The contestant in this case enjoyed unlimited hearing before the committee. The resolution reported is that the sitting Member is entitled to his seat. There is not any report or recommendation, there is not any Senator who has contended or suggested, that Mr. Heflin is entitled to that seat.

If the proposition were presented in the alternative, if the contention of those who oppose Mr. Bankhead retaining his seat were that Mr. Heflin was elected, I should not object to his participation in this debate; but it becomes a question in which he is only collaterally interested. If the resolution reported by the committee should prevail, it would result merely in vacating the seat of the sitting Member from Alabama. It could not under any circumstances result in seating former Senator Heflin.

The sitting Member, Mr. Bankhead, has not appealed to individual Members. He has not appealed to the Senate. He has been content to permit this case to be determined as a quasi judicial question. Mr. Bankhead has manifested commendable modesty. He has not obtruded himself upon his friends as a reason they should respond to his desires in connection with this contest.

Believing that under the rules of the Senate no one but a Senator is entitled as a matter of law to speak to the Senate, and that in order to permit another to address the Senate the rules must be suspended, I make the point of order on the motion of the Senator from Florida.

Mr. NORRIS. Mr. President, what I shall say probably will be in no sense technical, and perhaps will not be directed immediately to the point raised by the Senator from Arkansas on the point of order, which, of course, is a technical objection.

Since I have been a Member of the Senate I have never known in a contest case anyone who was not a Member of the Senate to be allowed to address the Senate on the controversy, except in the case of Mr. Vare. By unanimous consent he was permitted to speak. I thought at the time it was a bad precedent. It is true that I had the right to object, and did not; but the reason why I did not object was because I had been quite active in the matter—I was the author of the resolution that excluded him and I did not feel that I ought to put myself in the attitude of making an objection.

In this case I feel perfectly free to speak my real sentiments, because I expect to vote against the seating of Senator Bankhead when the vote comes. I expect to have something to say about it before the vote is reached; so I am under no embarrassment in saying just a few words against this proposal and the establishment of a precedent which, to my mind, is a dangerous step for the Senate to take.

We have committees of the Senate for the express purpose of hearing people who are not Members of the Senate deliver to the Senate, through the committees, arguments and addresses of all kinds. Anybody can see at a glance that unless we had some rule of that kind, we would spend years here listening to the arguments of gentlemen from all over the United States on every contested question coming before us. That is true of every legislative body; so it seems to me that it is a dangerous thing to establish a precedent of this kind.

The only question involved here is whether Senator Bankhead shall retain the seat he now occupies or whether a vacancy shall be declared. I see no reason why former Senator Heflin should be allowed to speak to the Senate, any more than why we should invite his attorneys or the attorneys on the other side of the matter to come here and address the Senate.

It is not because I would not expect them to make arguments probably better than any that have been made that I take this position. That is not the point at all. I have no doubt but that former Senator Heflin and many others who are not Members of the Senate could make very able and perhaps very convincing arguments from their viewpoints. If, however, we are going to admit outsiders—persons who are not Members of the Senate now—to address us on this subject, why do we confine it to one man, able though he may be, and all that? Why should not the doors be thrown wide open, and why should we not permit outsiders in general to come in here and argue this question?

If the Senate wants to do that, that is one thing; but that is what we are doing if we agree to this motion, as I look at it.

It seems to me that as a matter of law this motion, to be good, would have to lie over for one day unless it were taken up by unanimous consent, and would have to be passed by a two-thirds vote. The effect of agreeing to the motion would be to say that we must decide that gentlemen who are not Members of the Senate may address the Senate on this subject. It goes much farther than the action in the Vare case, because Mr. Vare was contending that he was entitled to the seat.

Mr. BORAH. Mr. President, Mr. Vare also held a certificate of election from the governor of his State.

Mr. NORRIS. He did; he had a certificate of election. He was permitted to speak by unanimous consent. To be perfectly fair, I think we ought to say that while Mr. Vare did have a certificate of election from the governor of his State, he was not admitted to the Senate; he was not a Member of the Senate. The resolution which was proposed was offered when he presented himself to be sworn in, although it is true that he had a certificate of election from the Governor of Pennsylvania.

I think Senators ought to vote on this question with an eye to the future, beyond what this particular motion means. If it were passed, and Senator Heflin were allowed to speak, and that would end it all, that would be one thing; but we are asked to take a step which, it seems to me, would come home to plague us, and if we were consistent we would have to permit people who admittedly were non-Members of the Senate to come before the Senate and address us on various questions which come before us.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. GLASS. Adverting to a statement made by the senior Senator from Arkansas [Mr. ROBINSON] as to the nature of the motion now under consideration, what more right has former Senator Heflin to speak on this question than any other citizen of Alabama who might be interested in having the seat declared vacant and might desire to become a candidate before the people for the Senate would have?

Mr. NORRIS. As far as I can see, he has no more right than any other citizen would have.

Mr. TRAMMELL. Mr. President, I feel that this is a motion incident to the consideration of the issues involved, and that it is not out of order.

What has been said in regard to some of the questions which have been before the Senate in the past is largely correct, but in making this motion I base it upon the precedent of the Senate laid down in the Yulee case, coming up from Florida in 1852, also a later case in 1892, and several other similar incidents.

In 1852 Stephen R. Mallory, of Florida, came to the Senate holding a certificate of election. Yulee came here and contested his right to the seat. The Committee on Privileges and Elections reported to the Senate and recommended the seating of Mallory. Thereupon Yulee asked for the privilege, as the contestant, of addressing the Senate. He was given that privilege, so the precedent states. He did not hold a certificate of election; he never claimed that he held a certificate of election. He was a party in the contest solely because he was the contestant.

I draw a distinction between a contestant in an election case and some individual entirely outside having nothing to do with it, just as I would draw a distinction in a litigated case before a court, where the plaintiff and the defendant have certain rights and certain privileges. Although the verdict may be against the defendant, he would have certain rights, within the discretion of the court, which some outsider would not have. I do not think there is any analogy between the privilege which may be extended to a contestant and the privilege which may be extended to some person entirely outside who has nothing to do with the contest. This Senate has repeatedly allowed a contestant to appear and address the Senate, but never an outsider.

Heretofore, as far as the records disclose, the unbroken precedent has been, where a contestant desired it, to allow him to address the Senate—not the person holding the certificate of election, as was true in the Vare case and in the Smith case. Of course, we have to resort merely to technical distinctions to hold that they had some right to address the Senate which a contestant would not have. However, in those cases the resolutions were amended after they were reported to the Senate. An amendment in one instance was proposed by the Senator from Missouri, Mr. Reed, I think in the Smith case, to give Smith the privilege of appearing before the Senate, although the Senate had denied him a seat, and refused him the right to be admitted to the Senate upon his certificate of election. A resolution was adopted allowing him to come and defend himself, and represent himself upon the floor of the Senate. I think in the other instance a motion was made to amend the resolution so as to accord that privilege to Mr. Vare, and that motion was offered by the senior Senator from Arkansas [Mr. ROBINSON] and was agreed to in that instance.

If we are to discriminate between a person holding a certificate of election and a person not holding a certificate, then the practice in regard to cases where there is a contest, so far as the privilege heretofore extended to a contestant is concerned, has invariably been that the contestant was permitted to address the Senate.

I desire to have placed in the RECORD an extract from the Precedents of the United States Senate appearing on page 522, under subdivision 2, Contestant Permitted to Explain at Bar.

This specifically cites two different cases. Then I find this in a note:

Many instances are in the Journal where the same privilege was granted.

I would like to have those who are opposing this motion to cite a single instance where such a request has been refused.

Mr. FLETCHER. Mr. President, I think my colleague ought to read those precedents. They are brief extracts.

Mr. TRAMMELL. I will read them. I just want to say, before doing that, that the precedents to which I have referred have not risen heretofore to plague anybody. The Florida precedent was set more than a half century ago, and in the 15 years I have been here I have heard of but one person addressing the Senate in connection with a contest, and that was Senator Vare, who was extended that privilege without, as I recall, a single objection. There has been no abuse, and it has not especially annoyed the Senate, and it has not plagued anybody. It has not opened the door to citizens outside who were not directly interested in a contest being invited to speak before the Senate. I know of no instance of that character. May I again repeat, I have made the motion based upon the precedent, feeling that there is no reason why we should reverse the precedent in this particular case. The former custom should stand. Why should we reverse the precedent in this particular case?

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TRAMMELL. I yield.

Mr. NORRIS. Senator Vare claimed the seat himself, did he not?

Mr. TRAMMELL. Certainly he claimed it.

Mr. NORRIS. Senator Heflin does not claim this seat, does he?

Mr. TRAMMELL. In his contest he claims the right to be seated. The committee has recommended that Senator Bankhead be seated, and that question is now before the Senate for consideration, and the Senate has not acted on the committee's report. The question of whom the committee recommends to be seated or not seated is not involved at all in connection with the motion to allow a person the privilege of being heard. There are entirely two different questions involved.

Mr. NORRIS. The question involved is whether or not Senator Bankhead shall retain the seat he now occupies. If it is decided that he shall not, there will be a vacancy. That would not put Senator Heflin in.

Mr. TRAMMELL. I am not entering into the merits of the case. As I stated in the outset, I do not want my attitude in regard to the final vote on the merits of the case to be assumed by the motion I have made. My motion is not indicative of how I will vote on the final outcome at all. I do not wish it so understood. But answering the question of the Senator, the decison of the committee is not the decision of the Senate, unless the Senate sees proper to adopt that decision. If the Senate sees proper to amend the resolution which has been introduced, and provide that former Senator Heflin shall be seated as a Member of the Senate, the Senate has the right to do so; or it may simply reject entirely the resolution providing that Senator Bankhead be seated and formulate and adopt altogether a different resolution. The matter is undisposed of up to the present time as to the final action of the Senate on the main question.

I do not desire to prolong the discussion at all, but I will read, as suggested by my colleague, the precedents laid down in the Precedents of the United States Senate, and as far as I have been able to ascertain, this is the only expression upon the subject of the attitude of the Senate heretofore in cases of similar character. I read from page 522:

[32d Cong., 1st sess.; Journal, pp. 6, 622, 625, 648, 649, 650 (December 1, 1851, August 21, 23, 27, 1852)]

At the opening of this Congress, December 1, 1851, the credentials of Stephen R. Mallory, of Florida, were read, and Mr. Mallory took the oath prescribed by law and took his seat in the Senate Mr. D. L. Yulee contested his seat. The select committee having the case in charge reported (August 21, 1852) that Mr. Mallory was duly elected and entitled to the seat; and on August 27, the Senate, by a vote of 23 to 21, agreed to consider this report. The same day the Senate refused to grant leave to Mr. Yulee "to be heard in person at the bar of the Senate"; yeas 17, nays 29; but, when the resolution was amended, granting the contestant the leave to be heard "for two hours," it was agreed to by a vote of

yeas 31, nays 21. Mr. Yulee then appeared at the bar of the Senate and was heard. The resolution reported by the select committee declaring Mr. Mallory duly elected was agreed to; yeas 41, nays 0.

[52d Cong., 1st sess.; Journal, pp. 125, 127, 130 (February 25, 26, 29, 1892)]

The Senate resumed the consideration of the report of the Committee on Privileges and Elections on the contested seat in the Senate from the State of Idaho. Mr. William H. Claggett, the contestant, was given permission to occupy the floor and was given the right to speak not exceeding two hours. The next day the limitation as to the time allowed the contestant, William H. Claggett, was withdrawn. Mr. Claggett occupied the floor part of two days in his own defense. (See CONGRESSIONAL RECORD, pp. 1430–1432, 1445–1448, 1473, 1486, 1538–1544.)

(Many instances are in the Journal where the same privilege was granted.)

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Idaho?

Mr. TRAMMELL. I yield.

Mr. BORAH. Does the precedent disclose the relationship of Mr. Claggett to the seat? My recollection is that Mr. Dubois and Mr. Claggett both held certificates of election from the legislature.

Mr. TRAMMELL. It does not disclose that information.

Mr. BORAH. I think it will be found that there was an election in the first instance as a result of which Mr. Dubois was given a certificate of election. Mr. Claggett claimed it was an illegal election. The legislature took up the matter again and elected Mr. Claggett, and my recollection is that both Mr. Dubois and Mr. Claggett held certificates of election from the secretary of state.

Mr. TRAMMELL. The precedents do not disclose that information. Of course, the precedent from which I read specifically states that Mr. Mallory held the certificate of election. A footnote to this case reads:

Many instances are in the Journal where the same privilege was granted.

I would not have presented the motion had it not been for the fact that the only source of information I have is the Precedents of the Senate, and under which it seems that it had been uniformly the custom to extend this privilege to the contestants, and a contestant who did not hold a certificate of election. I see no reason why it should be withheld in this instance, the former Senator from Alabama, Mr. Heflin, having expressed a desire to be given this privilege and his request having been brought to the attention of the Senate, as I previously stated, by the Senator from Louisiana [Mr. LONG] during last week.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from California?

Mr. TRAMMELL. I yield.

Mr. SHORTRIDGE. Has the Senator been able to look into the RECORD or the Journal, and is he able to tell us the other precedents?

Mr. TRAMMELL. I have not gone into the precedents other than as cited in the volume of precedents which we use here as our guide for the procedure of the Senate.

Mr. SHORTRIDGE. I have heard that there are indeed seven such precedents.

Mr. TRAMMELL. I understand there are seven in number. I have not looked up the others. Within that number may be included the instance where the party accorded the privilege was holding the certificate of election, but wherever the question has arisen, and the certificate of election did not exist, the privilege has in every case reported been extended. I can not foresee where any harm can be done, and I do not see why the Senate should reverse the precedents. In the Yulee case they gave Mr. Yulee the privilege of the floor, but the final outcome was not changed, because in that instance the vote was overwhelmingly in favor of Mallory. But where the contestant desires the privilege, it does seem to me there is no reason why we should reverse the precedent, and accordingly I made the motion and hope it will be adopted. We may remember that the Senate is the tribunal of last resort and renders the final decision. The work and recommendation of the committee do not conclude the case. Only the action of the Senate is final.

Mr. McNARY. Mr. President, on Friday last the junior Senator from Louisiana [Mr. LONG] asked unanimous consent that former Senator Heflin might be permitted to address the Senate for two hours. At that time I objected to the unanimous-consent request. Since that time and at this time I have no reason to change my views. I still think it is a privilege which should not be accorded to the former Senator. I persist in the thought that the request is an unusual one and should not be accorded to former Senator Heflin or any former Senator or to anyone not a Member of this body.

I have not had the time to read the precedent cited by the Senator from Florida [Mr. TRAMMELL], but it seems to me that the Idaho case is not at all in point. It is true from what has been said of the Vare case that it is not in point. Mr. Vare came to the Senate with credentials from the governor which entitled him to a seat if objection was not made.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Arkansas?

Mr. McNARY. I yield.

Mr. ROBINSON of Arkansas. May I point out also to the Senator from Oregon that the issue in the Vare case, raised when the certificate of election was presented, was one affecting the integrity of the Senator elect or one related to the question of personal corruption. Possibly that statement might be open to misconstruction. What I intend to convey, if I did not do so, is that the certificate of election which Mr. Vare held and presented was questioned because of the alleged participation by Mr. Vare in corrupt practices encompassing his election in the primary and in the general election.

Mr. McNARY. I am willing to accord all the substance that has been given by the Senator from Florida [Mr. TRAMMELL] to these precedents, but I am sure of one thing, that a bad precedent never makes a good practice. I do not care how many precedents heretofore established might be cited; in my humble opinion it is an unusual request and one that should be denied. Former Senator Heflin is not a party to these proceedings. I can not see how he would be interested in the title to the seat. As has been so well stated by the Senator from Nebraska [Mr. NORRIS], if the seat should be denied the present occupant thereof, in no sense could it go other than by appointment to former Senator Heflin. Therefore the former Senator is only occupying the position of a bystander. He may have an ambition to succeed to this seat, but he has no legal or moral right to it, and to permit the former Senator to come here and make a statement in his own behalf is, in my opinion, quite on a par with permitting the attorney for Mr. Heflin to come here or permitting anyone from the outside to do so.

I have no personal feeling in the matter other than the orderly procedure which should control the conduct of the business of the Senate. For the reasons I have attempted briefly to enumerate, I shall oppose the motion made by the Senator from Florida. Beyond that I am attracted by the attitude assumed by the Senator from Arkansas [Mr. ROBINSON], the Democratic leader, in questioning that this motion might be carried by a majority vote. Without a doubt, there are certain rules or practices that have grown into rules which permit only Members to address this body and any attempt to collide with or overthrow this rule or practice must necessarily be done by a two-thirds vote. In that position of the Senator from Arkansas I concur and submit the matter to the Presiding Officer.

Mr. BRATTON. Mr. President, the question has been discussed so fully and so ably that perhaps I can do no more than state my position with respect to it.

First, I concur heartily in the point of order raised by the Senator from Arkansas [Mr. ROBINSON] that the motion suspends the rule. It is an innovation of the rules. It

creates a different situation from that which ordinarily obtains in the Senate under the rules.

Mr. President, a fair interpretation of the full scope of the rules, their purpose, their intent, their object, would lead anyone to the conclusion that under the rules only a Senator can occupy the floor and address this body. Therefore the motion to extend the right to another, to an outsider, of itself constitutes a suspension pro tanto or an innovation of the rules of the Senate.

Would it be contended, under any express rule of the Senate or by any fair interpretation of the rules considered singly or collectively or by necessary implication or by fair implication or by tenable implication, it was intended by the Senate in making such rules that an outsider should occupy the floor? No. But now it is proposed to permit an outsider to occupy the floor and address the Senate.

Therefore, I concur heartily in the point of order and the view expressed by the Senator from Arkansas [Mr. ROBINSON] and the Senator from Oregon [Mr. MCNARY] that the motion operates to suspend the rules of the Senate. It transcends the spirit of the rules, if not their letter. Accordingly, I think it would require a two-thirds vote to adopt a motion of this kind.

In addition to that, and addressing myself to the merits of the motion, regardless of the precedents—and I think some of them can be distinguished from this case—I doubt the wisdom of adopting the proposed procedure. If it is adopted now, it must be followed in every contest case that comes hereafter where the contestant desires to address the Senate, whether he be a former Senator or an unsuccessful contestant who has never occupied the floor of the Senate. No distinction can be made between a contestant who is also a former member of the body and a contestant who has never served in the body. One should have no right over the other and so, if we take the step now, consistency will require that we follow it hereafter whenever a contestant asks the privilege of the floor.

Mr. President, no one wants to deprive a contestant of his opportunity to be heard. In this connection I close by saying that the contestant in this case has been given every opportunity to be heard. This goes to the merits of the motion and the individual conscience of each Member of the body.

Former Senator Heflin's counsel and the former Senator himself have addressed the subcommittee at great length. His attorneys addressed the full committee at great length. Indeed, on the argument of the case only 10 days ago, or thereabouts, counsel for the contestant addressed the full Committee on Privileges and Elections about five hours—until they completed their argument. It is true that I did not favor giving them that much time. Frankly, I think lawyers who argue a case five hours hurt their cause. It is too much argument. I favored reducing the time, but the committee gave counsel for the contestant five hours, and they argued until they had finished and ceased voluntarily. All of the argument is printed in the record of the hearings and subject to be read by any Member of this body.

So, Mr. President, a denial of this motion will not operate to proscribe the contestant in the presentation of his contentions in the case. Both upon the question of orderly procedure in the Senate and sound precedent to obtain in the future the motion should be denied. Transcending that consideration and approaching it from the standpoint of justice and equity and right toward the contestant, I think his rights will not have been injured and he will not have been denied an opportunity to present his argument in full by a denial of the motion. Accordingly I shall vote against the motion.

Mr. BORAH. Mr. President, was the Chair about to rule on the point of order?

The VICE PRESIDENT. The Chair was about to make a statement, but will be glad to hear from the Senator from Idaho.

Mr. BORAH. Mr. President, it is a little unpleasant to discuss the matter. The contestant has been a Member of this body. But it seems to me that we are called upon to decide it upon its merits.

I think in all probability the precedent cited about the Senators from Florida is in line, but I think it an unwise precedent.

Mr. BRATTON. Will the Senator from Idaho yield further?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from New Mexico?

Mr. BORAH. I yield.

Mr. BRATTON. I intended to call attention to one other phase of the matter. I am sure the Senator from Idaho will agree that the precedent does not disclose that the parliamentary question was ever raised. Apparently it is now raised for the first time. I think the Senator and I will agree as to that.

Mr. BORAH. That is probably true.

Mr. ROBINSON of Arkansas. That is correct, if the Senator from Idaho will pardon me.

Mr. BORAH. The precedent cited in the Florida contest seems to me to be in point, but, to repeat, I do not think it is a wise precedent. I am quite sure that the precedent cited from Idaho, from my viewpoint at least, is not in line. I am quite sure that the precedent as to Mr. Vare is not in line. Both those men appeared here with certificates of election, valid upon their face, entitling them to a seat in this body. My own view is that such a certificate entitled them to a seat until the matter was determined, and certainly placed the individual asking for an opportunity to be heard in a different position than that of an individual who has no call upon the seat which is in controversy.

In going through the record in this case, which some of us have done pretty thoroughly, I did not find any state of facts which would under any circumstances permit ex-Senator Heflin to have this seat in case it should be declared vacant so far as Mr. Bankhead is concerned. There would have to be an appointment or there would have to be another election in order to determine who is entitled to the vacated seat. Mr. Heflin appears, therefore, as any person who might have an interest in a question before this body might appear and ask to be heard. The fact that the controversy is over a seat in this body does not change the principle; he is simply interested in the subject; he holds no title to the seat, even should it be declared vacant. If we admit him to the floor and to address us, we are establishing the precedent that anyone vitally interested in a question might justly invoke.

Mr. SHORTRIDGE. Mr. President——

Mr. BORAH. I shall yield to the Senator in just a moment. So Mr. Heflin stands in the same relationship to this contest as would his attorney or anyone in Alabama who might be deeply interested in the subject—indeed, anyone who might be concerned as to the result of this controversy. I can see no different relationship between them and that which any deeply interested person might have. Now I yield to the Senator from California.

Mr. SHORTRIDGE. Will the Senator permit me to remark that it was argued, with great earnestness, that Mr. Bankhead never was legally a candidate for the Senate; that his name was not legally on the ballot when the general election took place? It was further argued, with great earnestness, by a very able advocate that the votes cast for Mr. Bankhead were to be regarded as null and void. It was further argued that Mr. Heflin was legally nominated; that his name was legally on the ballot; that the ballots cast for him were legal; and, thus briefly recalling the argument, the conclusion was urged that Mr. Heflin was the duly elected Senator from the State of Alabama.

Mr. BORAH. The Senator from California has stated what was argued, but what does the Senator think?

Mr. SHORTRIDGE. I answer with great frankness. I think that the nomination of Mr. Bankhead was illegal; that his name was illegally on the ballot. If that be so, and Mr. Heflin's name was legally on the ballot, the votes cast for him were legal and he was elected.

Mr. BORAH. Do I understand that the Senator from California thinks, in case the seat shall be declared vacant, that Mr. Heflin is entitled to take the seat?

Mr. SHORTRIDGE. My own individual opinion is that Mr. Heflin was duly elected Senator from the State of Alabama and, being so, should be admitted as the Senator from that State.

Mr. BORAH. Mr. President, I have read the arguments and the contention with reference to the right of Mr. Heflin to take the seat in case it should be declared that Mr. Bankhead is not entitled to it. I was proceeding upon the theory that that contention had been abandoned. For myself, I can find no justification in law for that contention. If Mr. Bankhead shall be declared not to be the Senator from Alabama, my opinion is that every other eligible candidate in the State of Alabama has the same right to this seat that Mr. Heflin would have.

Mr. SHORTRIDGE. Will the Senator pardon me further?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from California?

Mr. BORAH. I yield.

Mr. SHORTRIDGE. If Mr. Heflin were the only legal candidate and received a certain number of votes, does it not follow that he received a majority or, in this instance, I think, the total legal vote cast for a legal candidate, in which event I am suggesting that he is the duly elected Senator from that State? Of course, if the Senator from Idaho will pardon me a little longer, that assumes the validity of the argument that Mr. Bankhead was not a legal candidate and that all the votes cast for him were utterly null and void.

Mr. HASTINGS. Mr. President, will the Senator from Idaho permit me to ask a question of the Senator from California?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Delaware?

Mr. BORAH. Yes.

Mr. HASTINGS. I should like to ask the Senator from California, assuming the only legal candidate, as he contends Mr. Heflin was, should get only 1 per cent of the votes of the State of Alabama, does the Senator think the Senate would be justified in seating that candidate under any circumstances?

Mr. SHORTRIDGE. I do, if he had the other qualifications, because I do not reach the conclusion that the election was utterly null and void. No State shall be deprived of its representation here in the Senate; indeed, it may not be under the Constitution, and if it be that the only legal candidate received 20 per cent of the votes cast, he is nevertheless, in my humble opinion, the duly elected, if he be otherwise qualified, Senator from that State.

Mr. BORAH. Mr. President, I have been proceeding upon the theory that Mr. Heflin was not entitled under any circumstances to this seat in this contest. I venture to say that whatever the result may be with reference to Mr. Bankhead that will also be the determination of the Senate. I do not think there is anything in the record which would justify any other conclusion. So, Mr. President, I regard this matter in the same light as if a person wholly disconnected with the contest were here asking for an opportunity to be heard. I do not know upon what theory we can admit Mr. Heflin to the floor, and not establish the precedent that anyone deeply interested in a controversy here in the Senate may not have the right to be heard, whether upon the question of a tariff on oil or a tariff on coal or a tariff on lumber. His relationship to the controversy is no different, in my judgment, than the relationship of an individual who may be deeply interested in any other controversy. Therefore, Mr. President, whatever the precedent may be, I do not think that it ought to be followed or made the settled rule of this body.

The VICE PRESIDENT. The Chair has examined the record of the two cases cited by the Senator from Florida [Mr. TRAMMELL] and finds that the point of order was not raised in either of them. There is no rule of the Senate on the subject; and, therefore, the Chair submits to the Senate the question as to whether or not the motion of the Senator from Florida is in order.

Mr. ROBINSON of Arkansas. Mr. President, in view of the ruling of the Chair, I prefer to have the vote come directly on the motion of the Senator from Florida, and I withdraw the point of order.

The VICE PRESIDENT. The Senator from Arkansas withdraws his point of order. The question is on the motion of the Senator from Florida [Mr. TRAMMELL].

Mr. SHORTRIDGE. Mr. President, I had not intended to participate in this discussion but was prompted to inquire of Senators touching their views and in brevity to express my own as to one phase of the problem. I agree fully with the thoughtful Senator from Idaho [Mr. BORAH] that we should not be governed by precedents unless we be satisfied that they are wise precedents. The case which came up from Florida away back yonder in 1852, of course, is directly in point. I understand that there was a case that came from the State of Kansas in 1861, which is directly in point, where the contestant was permitted to address the Senate, no time limit being set, and that there are other cases aggregating, according to the memorandum before me, seven.

Mr. President, permit me to repeat what perhaps I said a few moments ago by way of answering questions propounded. It was argued before the committee that Mr. Bankhead—I will so refer to him for the moment—for reasons set forth was not a legal candidate of the Democratic Party as result of the alleged illegal primary held in the State of Alabama. It was argued by learned counsel, that his name was illegally on the ballot cast by the citizens at the general election following the primary. It was, of course, pursuing that line of argument, contended that all the votes cast for him at the general election were, in point of legal contemplation, null and void. Running in a sense parallel with that line of reasoning, it was argued that Mr. Heflin was a legal candidate, and that his name was legally placed on the ticket at the general election, and the conclusion was reached, that whereas all the votes cast for Mr. Bankhead were null and void, and whereas all the votes cast for Mr. Heflin were valid, that he, Mr. Heflin, was the legal choice of the people of that great and splendid State—was legally elected Senator. With great respect for other members of the committee, and with great deference to the learning of the Senate, I some time ago reached the conclusion that the line of reasoning of Mr. Heflin's counsel was sound and that his conclusion was correct.

I do not care to pursue the argument. I trouble the Senate for a moment merely to indicate my views. They may be erroneous; but I wish them to be understood by the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Florida.

Mr. ASHURST. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. AUSTIN (when his name was called.) I have a pair for the day with the junior Senator from New Jersey [Mr. BARBOUR], whose necessary absence I have previously announced to-day. Knowing that he would vote as I intend to vote, I desire to vote. I vote "nay."

Mr. DICKINSON (when his name was called). On this question I have a general pair with the junior Senator from West Virginia [Mr. NEELY], who is absent. Not knowing how he would vote, I withhold my vote.

Mr. HATFIELD (when his name was called.) I have a general pair with the senior Senator from North Carolina [Mr. MORRISON]. I am informed that if he were present he would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. HEBERT (when his name was called.) I have a general pair with the junior Senator from Louisiana [Mr. LONG]. In his absence I withhold my vote.

Mr. LOGAN (when his name was called.) I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I transfer that pair to the junior

Senator from South Dakota [Mr. BULOW], and will vote. I vote "nay."

Mr. STEIWER (when his name was called.) On this question I have a pair with the senior Senator from Nevada [Mr. PITTMAN], who is unavoidably detained from the Chamber. In his absence I withhold my vote.

Mr. THOMAS of Idaho (when his name was called.) I have a general pair with the junior Senator from Montana [Mr. WHEELER]. In his absence I withhold my vote.

Mr. VANDENBERG (when his name was called.) On this question I am paired with the senior Senator from Virginia [Mr. SWANSON]. In his absence I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. COPELAND (when Mr. WAGNER's name was called). My colleague [Mr. WAGNER] is absent on official business. He is paired on this question with the Senator from Missouri [Mr. PATTERSON]. If my colleague were present and at liberty to vote, he would vote "nay."

Mr. WATSON (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH]. He is absent from the city, and I am unable to secure a transfer. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. WALSH of Massachusetts. My colleague the junior Senator from Massachusetts [Mr. COOLIDGE] is absent in Massachusetts. If present, he would vote "nay." He has a general pair with the Senator from Illinois [Mr. GLENN].

Mr. GEORGE. Upon this matter I have a pair with the junior Senator from Minnesota [Mr. SCHALL]. In his absence I withhold my vote.

Mr. FESS. I desire to announce that the Senator from Colorado [Mr. WATERMAN] has a general pair with the Senator from Montana [Mr. WALSH].

Mr. SHEPPARD. I desire to announce that the following Senators are necessarily detained from the Senate on account of official business:

The Senator from Virginia [Mr. SWANSON], the Senator from Mississippi [Mr. HARRISON], the Senator from Tennessee [Mr. HULL], and the Senator from North Carolina [Mr. MORRISON].

The junior Senator from Utah [Mr. KING] is detained from the Senate by illness. He has a general pair with the junior Senator from New Hampshire [Mr. KEYES].

The result was announced—yeas 33, nays 31, as follows:

YEAS—33

Barkley	Fess	Metcalf	Smoot
Bingham	Fletcher	Moses	Thomas, Okla.
Brookhart	Goldsborough	Norbeck	Townsend
Capper	Gore	Nye	Trammell
Carey	Hale	Reed	Walcott
Connally	Hastings	Robinson, Ind.	White
Costigan	Johnson	Sheppard	
Couzens	Kean	Shipstead	
Dill	La Follette	Shortridge	

NAYS—31

Ashurst	Bulkley	Hayden	McNary
Austin	Byrnes	Howell	Norris
Bailey	Caraway	Jones	Oddie
Black	Copeland	Kendrick	Robinson, Ark.
Blaine	Dale	Lewis	Stephens
Borah	Frazier	Logan	Tydings
Bratton	Glass	McGill	Walsh, Mass.
Broussard	Hawes	McKellar	

NOT VOTING—31

Bankhead	Glenn	Morrison	Thomas, Idaho
Barbour	Harrison	Neely	Vandenberg
Bulow	Hatfield	Patterson	Wagner
Coolidge	Hebert	Pittman	Walsh, Mont.
Cutting	Hull	Schall	Waterman
Davis	Keyes	Smith	Watson
Dickinson	King	Steiwer	Wheeler
George	Long	Swanson	

So Mr. TRAMMELL's motion was agreed to.

RECESS

Mr. McNARY. Mr. President, I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 38 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, April 26, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 25, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

For this brief moment, our Father, we would close the doors of our senses that we may be able to hear Thee within; to know the divine will, may this be our purpose. We wait on Thee, O God, but we have no terms to define Thy greatness. But stretch out Thy hand upon us, control our understanding, direct our spirits, and guide our wandering hearts. Do Thou inspire us with aspirations of soul, with lofty desires, and with gracious affections. Blessed God, make us bigger and better for the service to our country this day. Be Thou, Almighty God, with this Congress and guide it into the things that shall be for the stability of our times and for the welfare of our great people, and unto Thee be eternal praises. Amen.

The Journal of the proceedings of Saturday, April 23, 1932, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendments of the House to a bill and concurrent resolution of the Senate of the following titles:

S. 3570. An act to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927; and

S. Con. Res. 18. Concurrent resolution authorizing the printing of 3,000 additional copies of hearings held before the Committee on Manufactures on the establishment of a national economic council.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8083) entitled "An act providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HALE, Mr. ODDIE, and Mr. TRAMMELL to be the conferees on the part of the Senate.

ECONOMY

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOWARD. Mr. Speaker, when I was a little boy I had a chum named Jim Glibberson. He was a great fellow to make comparisons. He told me one day about going out to the fairgrounds to witness a horse race. There was great interest in the race—two horses from rival sections. But the judges could not get the race started. The riders of the horses jockeyed and jockeyed and jockeyed. Everybody was anxious for the race to start, because the clouds hung low, threatening rain, and finally the rain came while the riders still jockeyed, and they did not have any race at all.

I have been thinking, Mr. Speaker, about the jockeying between the White House and our Economy Committee during many waiting weeks and I am very fearful that the rain may come, and so I have decided to run a little race of my own. [Laughter.]

I have introduced this morning a little bill which will limit the salaries paid to the officers of the Federal reserve system and also the salaries of their agents and their attorneys and employees. I am told that some of those salaries run as high as $150,000 annually. My bill will do some real reducing.

Mr. McDUFFIE. Will the gentleman yield?

Mr. HOWARD. I yield.

Mr. McDUFFIE. I think the committee has already taken care of that proposal in the bill they are to present.

Mr. HOWARD. That is the most pleasing announcement I have had for some time, and yet is distressingly indefinite. It reminds me of the many conversations I had with Elizabeth before she consented to become my wife. She kept promising and promising all the time, but never could I get her to fix the day. [Laughter.]

Mr. McDUFFIE. Perhaps the gentleman had more to contend with than the Economy Committee had.

Mr. HOWARD. But I won out in the end. [Laughter.]

CLARA E. WIGHT

Mr. BLACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3580) for the relief of Clara E. Wight, with Senate amendments, and agree to the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "Wight," insert "or upon her death to her husband, if he survives."

Page 1, line 6, strike out "$3,360" and insert "$50 per month, in an amount not to exceed $3,360."

Page 1, line 6, strike out "her" and insert "their."

The Senate amendments were agreed to.

MERGER OF STREET RAILWAYS IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 154, to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. THOMASON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill which the Clerk will report.

The Clerk read the title of the bill.

Mr. PALMISANO. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. Mr. Chairman, does anyone want time in opposition to the bill?

Mr. BOYLAN. I would like to have 15 minutes.

The CHAIRMAN. Is any member of the Committee on the District of Columbia opposed to the bill?

Mr. BLACK. One member of the committee dissented from the report of the bill, but he does not happen to be present.

Mr. SWING. Mr. Chairman, I ask recognition in opposition to the bill.

Mr. PALMISANO. How much time does the gentleman want?

Mr. SWING. I shall take whatever the rule gives me. I do not think that I shall use it all.

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, for a great many years Congress has struggled with the problem of competing street railways in the Capital City, never coming to any definite conclusion as to unification. Washington presents the spectacle of the only large city in the country that tolerates competing street-railway systems. Competing street-railway systems are not in the interest of the public. For a long period of years mergers of various types have been suggested, so that the public would have the advantage of a unified street-railway system. The bill before us has the approval of the Bureau of Efficiency, has the approval of the District Utilities Commission, has had careful study of a subcommittee of the Committee on the District of Columbia, which reported to the full committee, and that committee again in turn went into the bill, approving it, has the approval of every civic organization in Washington on the basic idea of a merger, and has the approval of the District Commissioners. It is largely the result of research work conducted by an expert on transportation who was retained by the Senate committee, Dr. Milo R. Maltbie, of New York. Suggestions for a unified system as programed in this bill came largely from the mind of this great expert, an expert who is not only recognized as fully informed on utility matters, but also as a great liberal in connection with utility matters. Some objections have been made to various parts of the bill. The Senate committee has reported the bill with changes with which the House committee does not see fit to concur. There is a general public demand in the city of Washington that something be done about the conflicting street-railway systems.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. BLANTON. The charter of each one of these street railways provides that the railway company shall never charge the people of Washington more than 5 cents fare. That was a most valuable right that the street-railway companies received when they were given the exclusive privilege of placing their lines on the principal streets of the city of Washington. For years an attempt was made to hold them within their charter rights. I was hoping and praying that whenever the District Committee, which is a praying committee, did provide a merger, it would have a provision in the bill that would hold the railway to the charter provisions and come back to the 5-cent fare. If they would put on 5-cent fare to-morrow they would double and possibly treble the patronage they now enjoy. It would increase their revenues rather than diminish them, but when we proposed a reduction in street-car fares to half fare for children, they said they could not stand it. Finally, Congress woke up and forced them to a 3-cent fare for 70,000 school children in the city of Washington. Will not the committee agree to an amendment that will hold them to their charter rights?

Mr. BLACK. Mr. Chairman, the District Committee at the present time is a praying and a hoping committee, and in their prayers and in their hopes they are joined by all of the residents of Washington and all the large civic groups of Washington, that a merger bill pass, because of its manifest advantage to the people of the District. The fare question is a question that will be taken care of in due time in a regular, orderly way after a proper valuation under court direction by the Utilities Commission.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. COLE of Iowa. What is the attitude of the two corporations toward the bill?

Mr. BLACK. The two corporations involved will accept the bill.

Mr. BLANTON. And that is one of the reasons that I am against it.

Mr. LaGUARDIA. What about the stockholders?

Mr. BLACK. It is anticipated that they will accept. It has not yet been put up to them.

Mr. GIBSON. How much of the money burden is shifted from the street-railway company to the District by this bill?

Mr. BLACK. I am coming to that in the course of my remarks.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. SNELL. I do not know about the details of the bill, but I know it has been before Congress for a great many years. I do not know who the stockholders are or who owns these railroads, but I know in the interest of economy and efficiency, as far as the city of Washington is concerned, they ought to be under one management, and I think if this bill properly carries that out and protects the interest of all of the people concerned, it is a proper bill and ought to be passed at this time.

Mr. LaGUARDIA. How about the 7 per cent dividend arrangement in the bill? That is hardly in keeping with the trend of the times, is it?

Mr. BLACK. The whole rate question is going to be decided purely and simply as a rate question.

Mr. LaGUARDIA. I speak of dividends.

Mr. BLACK. Without regard to the capital structure that is lined up here. The people of the District are concerned with the convenience involved and the efficiency of the service and the ultimate fare, which will be predicated on a proper valuation made according to law.

The itemized advantages to the people of the District are first, free transfers from line to line, from street railway car to street railway car, something that does not exist at the present time.

There is now one line north and south, crossing two other lines. There are two lines east and west, and parallel to each other, owned by different companies. The line crossing them is owned by one of the two parallel companies. It only transfers to its own company. It does not transfer to the other company. The people of the District are insistent on this transfer.

There is another situation where one of the car lines will be going on a route to a certain place and it will strike the line of another company and will have to go around a couple of blocks to get back to its own line. Those extra tracks will be eliminated. One company's cars will be able to go over the other company's tracks, making the route shorter, making it more convenient for everybody.

The National Park and Planning Commission has this to say about the street railway situation in Washington:

> In order to coordinate the study of the highway system with the problem of transfers on the streets, a careful study of the street railroad system has also been made. It is believed that because of many characteristics the street railroad system gives a less effective service than would be possible if the existing lines could be combined in such way as to be operated practically as one unified system.

There is the National Park and Planning Commission's statement about this.

Taking all the car routes and adding together the number of turns that a car making a round trip on each would have to make, the National Park and Planning Commission found there are 340 right-hand turns and 330 left-hand turns.

There is also unnecessary duplication and paralleling of lines. It is evident that such conditions are not conducive to the greatest convenience of the public nor to ultimate economy of operation. The initial study of the commission has indicated the possibility that by building approximately 6 miles of new lines and abandoning some 16 miles of old track which now has to be maintained, there could be eliminated 180 right-hand turns and 160 left-hand turns.

The CHAIRMAN. The time of the gentleman from New York [Mr. BLACK] has expired.

Mr. PALMISANO. Mr. Chairman, I yield to the gentleman from New York 10 additional minutes.

Mr. STAFFORD. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. STAFFORD. I am sure the House would be interested in receiving an explanation of the obligation that now pertains on the part of the Potomac Electric Power Co. in furnishing electric power to the Washington Railway & Electric Co. Under the agreement that has been proposed that right is to be terminated at a certain definite time. I notice there is a difference in the report on the House bill and the Senate bill on that particular question. It is a mooted question. Will the gentleman explain just what the obligation is to-day of this Potomac Electric Power Co. to the Washington Railway & Electric Co.?

Mr. BLACK. I would rather prefer to take that up when we come to the bill.

Now, it is perfectly obvious that there can not be two telephone companies running wires through the streets of the city, or three telephone companies or three water companies. It is just as absurd in this day and generation to have two separate street-railway lines running through the streets of a large city. They can not properly serve the people.

The basic effort made here is to bring about a unification for the service of the people of the District of Columbia.

Mr. McLEOD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLEOD. I would like to inquire what is the status of the time?

The CHAIRMAN. There is no limitation on the time.

Mr. McLEOD. In other words, it will be possible for me to be recognized in this matter?

The CHAIRMAN. The gentleman is a member of the committee and will be recognized.

Mr. BLACK. Ultimately the people of the District will benefit by the economies that the company is expected to put into operation as a result of the merger. The cutting down of unnecessary overhead, the doing away with unnecessary trackage, cutting down the capital structure, all those economies will permit the companies to give the people of Washington better service, first, by proper routing, and, second, by providing better equipment that can be purchased as a result of the economies.

Mr. PATTERSON. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. PATTERSON. What about reducing the street-car rates?

Mr. BLACK. And ultimately it is hoped that something may be done about giving the people better rates of fare. That all depends on the effectiveness of the economies.

Mr. PATTERSON. I am afraid that the hope is just a glamour.

Mr. BLACK. The employees of the street railways want this bill. The street railways in Washington are faced with very desperate competition; are faced with loss of revenue, and ultimately, if their financial situation grows much worse, the employees of the street-railway companies are faced with the loss of their jobs. The employees of the railway companies see in the merger the salvation of the companies, and as well, their own salvation.

I sat through all the hearings. There has been nobody before the committee or before the subcommittee who has objected to the idea of a merger. Not one single organization, not one single witness, nobody in Washington has denied the need of a merger.

There have been various suggested amendments. Some people fear giving the power of the street railways to one particular group. The committee has adopted an amendment providing that nine of the directors of the new company must be residents of the District of Columbia. It is thought that with nine resident directors the best interests of the city of Washington will be served.

There have been attempts made to tack on to this bill changes in the existing situation. Our committee looked at the picture originally and they saw two railways with existing rights.

They saw two railways presenting a system of competition that was a public nuisance. The committee decided to take the existing picture, the existing status of the two companies as far as their rights were concerned, and merge those rights without giving them much added power but eliminating the nuisance, except that involved in the merger.

The committee tried its level best to preserve the existing public utilities law and the Public Utilities Commission and all the safeguards surrounding the operation of railways in the District.

The committee was unwilling to interfere with the present rights of the railway companies. The committee was unwilling to change generally the public utilities law. The committee was unwilling to accept the various riders proposed.

A great number of gentlemen appeared before the committee and wanted to see the merger adopted but they had fears, they saw ghosts, they saw a great hobgoblin of a great street-railway system unified. They were unnecessarily disturbed about it. The committee looked at the requirements of the people of Washington. It looked at the possible fate of the employees of these railways. It looked

at the condition of the stockholders in the smaller company, who are losing their investments day in and day out because of the competition that prevails here.

Now, on the power question generally: The committee thought that the contract between the Washington Railway & Electric Co. and the power company was a very valuable contract which should insure to the benefit of the new company. That is the reason the committee did not see fit to accept the Senate amendment that would have abrogated that contract. Another reason why the committee did not see fit to accept the Senate amendment was because it was a contract, and the committee felt it would be doing something unconstitutional if it interfered with that contract.

One of the main questions that came before our committee was the question of the liability of the merged company in operating taxicabs. Some members of the committee thought they should have the right to operate taxicabs.

Mr. PATMAN. Will the gentleman yield?

Mr. BLACK. Yes; I yield.

Mr. PATMAN. I would like to ask the gentleman about the 3-cent fare for school children. It is my understanding there was an act passed in 1931 granting this reduced fare. Mr. John J. Noonan, who was the largest minority stockholder in one of the concerns, I understand advocated that fare. Will the gentleman discuss that?

Mr. BLACK. I will get to that later. The committee has amended the bill as originally presented by the Public Utilities Commission to the effect that the merged company is absolutely barred from operating taxicabs in the District of Columbia. All they can do is to operate the trolley cars and operate busses. They can not operate taxicabs. They may engage in any form of operation that takes care of mass transportation; they can not take care of the individual who wants to go to a certain specified place, but they can take care of the individual who wants to travel with the public along certain defined routes. That is all the railway company may do.

Mr. SNELL. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. SNELL. I have been informed there is no opposition on the part of any of the people of Washington to this merger. Is that correct?

Mr. BLACK. There is nobody opposed to the basic idea of a merger. Nobody is opposed to the underlying structure of this bill. There have been various amendments offered, some of which have been accepted. There have been other amendments offered that had their foundation in fear. There have been other amendments offered to inhibit the public utilities from running this merged company. There have been other amendments offered making Congress a public-utilities commission. There have been other amendments offered making Congress the operator of a street-railway system in the District of Columbia. All of those amendments were rejected.

Now, on the question of fare for children. There was a law passed making that fare 3 cents. That has been taken into the court. It is still pending in the court. The committee could not see the wisdom of again putting that in the bill. It has not been decided as yet. If the court says the 3-cent fare stands, then it will apply to the merged corporation as well as it applies to the individual corporations. If the court says the 3-cent fare is unreasonable and unconstitutional, we can not make it any more reasonable or constitutional by putting it in the bill.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BLACK. On the school-children question, there is this direct benefit to the school children: They are given free transfers as well as adults. When the Utilities Commission gets a decision from the court, and if the court gives them any latitude as to differentiating in rates as to children and adults, the Public Utilities Commission having before it a unified system, with the resulting economies, and having in mind the scheme and purpose of the merger, it is hoped the Public Utilities Commission will bring about a reasonable reduced fare for school children which will stand the test of the courts. Anything in the bill on that question would be an inhibition on the power of the Utilities Commission.

Mr. ARENTZ. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. ARENTZ. This bill provides for the elimination of any payment on the part of the railway company of the salaries of crossing policemen. I understand that amounts to $125,000 a year. Also the question of paving will be eliminated on the part of the merged company, which amounts to over $300,000.

Mr. BLACK. There is a question as to the amount in both of those instances, but on the principle involved there is no other city in the country that makes a railway company pay for policemen. The policemen here are a part of the regular police force and they are paid for by the railway companies. There is no other city in the country that requires any railway company to pay its police force.

The District Commissioners and the Public Utility Commissioners and every civic organization and everybody concerned with the bill are for the elimination of the obligation of the corporations to pay for these crossing policemen.

Mr. ARENTZ. Is that on the basis that the railroad companies are not making enough dividends and we are going to give them $125,000, or is it on the basis of cutting down the fares?

Mr. BLACK. First, it is on the basis that it is absolutely an unsound relationship existing between the utility company and the municipality; and, second, it is an unfair and unjust charge on the utility company, consequently it is unjust to the stockholders and to the riders of the street cars and should be eliminated, with the idea and the definite hope of giving the possibility of success to the merger. It is a District contribution.

As a matter of fact, if I had my way about it and followed it through, I would seek remuneration for the companies for every cent they have paid to crossing policemen.

Mr. ARENTZ. You have only to ride on the street cars in the city here to see the necessity of crossing policemen, and providing crossing policemen has been in the interest of the street-car companies.

Mr. BLACK. The same situation exists in every city. It is in the interest of every automobile driver and everybody that lives in a house here in the city. There is no question about it. It is not in the special interest of the street-car companies.

Mr. ARENTZ. Will the gentleman give me his ideas about the paving business?

Mr. BLACK. I shall give the gentleman the figures on the paving proposition after I have looked at them again.

The tendency with respect to the paving proposition on the part of municipalities throughout the country is to assume the cost of paving. The burdening of street railways with paving cost is a relic of the old horse-car days, when everybody believed, and probably rightfully so, that the old horse cars destroyed the pavements and therefore the companies as the operators of the horse cars should pay for the pavement contiguous to the tracks. Now there is a new situation, and we do not see any horses on the street any more and we do not have any more horse cars. Streets have to be paved and they are going to be paved whether the railroads are there or not or whether the tracks are there or not. They are going to be paved because of the demand of the automobile owner that they be paved. It is in his interest. The street railways are not destroying pavements. Pavements are being worn down by everything that goes over them, and the committee accepted the original viewpoint of the Utility Commission that the companies should be relieved of the charge because this, too, is in line with the policy of practically every city in the country in its relationship with street-railway companies.

Mr. ARENTZ. How about replacements?

Mr. BLACK. One of the greatest menaces to the economic welfare of America is the gradual crushing of the

utilities in our cities, and the advanced thought is to bring about cooperation.

[Here the gavel fell.]

Mr. SWING. Mr. Chairman——

The CHAIRMAN. Is any member of the committee opposed to the bill?

Mr. McLEOD. Mr. Chairman, I ask recognition.

The CHAIRMAN. Is the gentleman from Michigan opposed to the bill?

Mr. McLEOD. I am in favor of the bill.

The CHAIRMAN. Is any member of the committee opposed to the bill?

Mr. STAFFORD. Mr. Chairman, I think a member of the committee is entitled to prior recognition, whether opposed to the bill or not.

The CHAIRMAN. Unless there is some member of the committee opposed to the bill, the gentleman from Michigan is recognized.

Mr. McLEOD. Mr. Chairman, may I ask for what time I am recognized?

The CHAIRMAN. The gentleman from Michigan is recognized for one hour.

Mr. LAGUARDIA. Mr. Chairman, the gentleman from California was recognized for one hour. The gentleman from Michigan has not qualified as being against the bill.

Mr. STAFFORD. That is not at all necessary, Mr. Chairman. This is not Calendar Wednesday. We are proceeding under the general rules of the House, and members of the committee are entitled to prior recognition.

The CHAIRMAN. The Chair was undertaking to alternate between those for and those opposed to the bill.

Mr. BOYLAN. Mr. Chairman, the Chair submitted the interrogatory as to whether there were any Members opposed to the bill, and none appeared. Therefore the gentleman from California received time from the Chair. The RECORD will show this.

The CHAIRMAN. The Chair will recognize the gentleman from California [Mr. SWING] in opposition to the bill.

Mr. SWING. Mr. Chairman, I yield myself 15 minutes at this time.

Mr. Chairman, as has been stated, the matter of the merger of these traction companies has been up for years. There is no question at all but that there should be a merger. The question this committee and this House will have to decide when they get to the consideration of this bill section by section is whether or not this particular proposal for a merger is in the interest of the public or in the interest of the corporations. This will be made evident as debate goes on and as the bill is considered.

On next Wednesday there will be introduced another kind of merger bill from the Economy Committee.

I believe in some of the mergers in that bill, but those mergers must also be considered as to whether or not they are in the interest of efficiency or whether they are the result of hysteria.

I believe in economy, but I want to talk to you to-day for a few minutes regarding what I consider the poorest place in the world to economize, and that is upon the compensation due honorably discharged veterans of the World War who lost their health and suffered injuries fighting for this country.

GENERAL HINES, ADMINISTRATOR OF VETERANS' AFFAIRS, OPEN TO CRITICISM

I am surprised that the head of the Veterans' Bureau, sworn to administer the law in behalf of these veterans and who, in a way, is the trustee and guardian of these disabled veterans, should have been the first one to propose that the pay of his wards was a proper place to start balancing the Budget.

I can admire a Secretary of the Navy who fights for his organization, I can admire a Secretary of the Interior who believes his work is the most important in the Government and who fights for it, because unless a man believes in what he and his department is doing and will fight for it he has no right to be at the head of it. The Administrator of Veterans' Affairs ought to be fighting to protect the interests of those dependent on him instead of betraying them.

I can recall a picture on a war-time poster of an American mother in Red Cross garb stooping to pick up a wounded soldier on the battlefield to carry him to where his wounds could be taken care of.

The Veterans' Bureau was created as the successor of this great angel of mercy, the American Red Cross, to continue, after the war, the work of caring for these disabled veterans. Can you imagine the head of the Red Cross saying to the American people during the war, "You are doing too much for the boys over there—better go a little slow on your giving." And yet the head of the great Veterans' Bureau comes to this Congress with the proposal to take $80,000,000 from his wards, the disabled veterans. Why, the proposals of the gentleman shocked the none too tender sensibilities of the Economy Committee. Even they could not and would not put his program in their bill without toning it down.

ENACTMENT OF "PAUPER CLAUSE" IN PENSION LEGISLATION UNJUST AND UN-AMERICAN

First, is this pauper clause proposed to be written into the law.

Those who were injured during the war can only be compensated, provided they can bring themselves into conformity with the so-called pauper clause. I say it is shameful and humiliating for this great American Republic, the richest nation in the world, to put that requirement in its pension laws when we have knowledge of the fact that during the World War more millionaires came into being than in all the preceding history of our country. It is disgraceful for us now to say that we have to balance the Budget at the expense of the disabled veterans, when we refused to apply the graduated income tax to those who made great fortunes out of the war.

UNFAIR TO MAKE VETERANS PAY FOR THEIR HOSPITALIZATION

Then there is the proposal that hereafter veterans who have no dependents shall have their compensation reduced to $20 while being hospitalized. The result will be that the veterans will be compelled to pay for their own hospitalization hereafter, which has never been the policy heretofore.

In order to take full advantage of this proposal, for a reduction to $20, General Hines proposes that he be given the power, if a man is incompetent, to say he must go to a veterans' institution, even if his guardian, appointed by a State court, thinks his best interest would otherwise be served. The economy bill will give the bureau the power to say that the veteran must go in, notwithstanding he is being well cared for by his parents, wife, or legal guardian; and if he does not go, his compensation is cut to $20. I say that is a violation of the sovereign rights of the States and a violation of what is best for the man himself.

PROPOSAL PUTS PREMIUM ON DELAY IN DECIDING CLAIMS

Another provision of the economy bill is to have the Government save money by being slow in deciding veteran cases. The language limits the time for beginning payments on a claim to six months prior to the decision. What possible relevancy can the date of the decision have? The date of the beginning of the disability, the date of the filing of the claim, or even the date of filing of the proof, but never the date of the decision—that merely puts a premium on delay on the part of the bureau. There are thousands of claims for permanent and total ratings now pending. Most of them have been pending a year or more. At present rate of action the bureau will be another year in deciding this group. On what principle of justice can you penalize the claimant for the slow action of the Government?

REPEAL OF PRESUMPTIVE RULE AND REOPENING ALL EMERGENCY OFFICERS RETIRED CASES UNFAIR AND UNJUST

Then, again, comes the provision with reference to emergency officers, which takes away the presumptive connection given in many cases. That particularly is operative against N. P. and T. B. cases. The World War produced physical disabilities that medical science had not known of; and also because of the hurry of the war and the inability to keep records, it came about that it was impossible to prove many

of these cases as directly the result of the World War. Congress recognized this situation and enacted certain presumptions for the benefit of the veterans, but all of the provisions which Congress has wisely determined was proper to be applied in connection with these N. P. and T. B. cases are now to be wiped out.

Then, too, all retirement cases are to be reviewed by the Veterans' Bureau, no notice is to be given, and no opportunity to be heard, but they are to be reviewed automatically. There are no two rating boards that can possibly rate the same case in exactly the same way. No two surveyors can run a line a mile and arrive at exactly the same point, and there is no yardstick to accurately measure suffering and injuries. Therefore, you will have the confusion of two successive boards rating the same case—one finding the man 30 per cent disabled and the other possibly less than 30 per cent disabled.

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. SWING. Yes.

Mr. GARBER. Does the gentleman mean to say that it is recommended that all cases shall be rerated and reappraised as to the amounts allowed?

Mr. SWING. Every case under the emergency officers' retirement law is to be taken out and rerated by new boards.

STRANGE PROPOSAL TO LEGISLATE CHANGE OF HISTORICAL DATE OF ENDING WORLD WAR

Then we have the proposal to fix the end of the war at the armistice. That never has been done in any war before. Why should we not take at least the signing of the treaty of Versailles and its ratification by Germany as the end of the war? Gentlemen know that there was no relaxation of our forces following the armistice until we knew that the treaty of Versailles had been signed and was ratified by Germany. Up to that time a renewal of war was always a possibility, and it was necessary to maintain military vigilance up until that moment.

COURTS OF JUSTICE DENIED RIGHT TO LEARN FACTS IN INSURANCE CASES

Next comes the strangest proposal of all, and that is when a suit is filed upon an insurance policy, the courts, although called upon to decide the merits, are to be prohibited from ascertaining the facts. It is provided in the economy bill that the courts of justice can not hear any evidence except that which has been first presented to the Veterans' Bureau. Under the law a veteran can not hire a lawyer to help him prepare his case for the Veterans' Bureau. He has to depend upon laymen and upon his own ingenuity. When he finally gets into court, and has the benefit of a lawyer, the lawyer will be of little use to him if this provision becomes a law. The plaintiff must submit to the Veterans' Bureau every bit of evidence that he intends to use in the case, and let the Veterans' Bureau have the benefit of that knowledge in fighting the case in court. There is no corresponding provision that the Veterans' Bureau submit to the veteran the evidence which the Government proposes to offer in court. Think of the ridiculous one-sidedness of that.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SWING. Yes.

Mr. BLANTON. Does the gentleman know that Martin & Martin, of Chicago, have about 1,500 such cases and that another firm has 1,700 of them?

Mr. SWING. No; I do not know that. What I object to is having one from of law and regulation and procedure for the trying of insurance contracts if the Government has issued them, and having an entirely different set of laws and rules for trying insurance cases if the insurance is issued by a private corporation. What possible basis can there be for that if we are going to deal justly with the veterans? The Government is in the business of insurance—why should not the insurance cases of the Government be tried by identically the same rules as those of a private corporation?

VETERANS REFUSED RIGHT TO APPLY ON OVERDUE INSURANCE PREMIUMS MONEY SUBSEQUENTLY FOUND TO BE DUE THEM FROM GOVERNMENT ON COMPENSATION

Finally comes the last and most shocking provision of all, which is to repeal section 305, which provides that if a veteran has defaulted on the premiums of his insurance and it subsequently is determined by the Veterans' Bureau that during that same period of time the Government was owing him more money on compensation than he owed the Government on the insurance, it should not declare a forfeiture against him, because the Government's own default in not paying him was the reason he was unable to pay the Government. If there ever was a just provision of law, that is it; and I do not care how far we have fallen in the matter of having to have money, the time has not yet come when the Government should take advantage of its veterans and say it will declare a forfeiture on his insurance premium because he failed to pay, while the Government admits that during the same period of time it owed him more than he owed the Government.

DISHONORABLE FOR UNITED STATES TO REPUDIATE ITS HIGHEST MORAL OBLIGATIONS TO DISABLED VETERANS

So, in closing, when this matter comes up on Wednesday let us realize that the breaking of a moral obligation is more to our shame than the breaking of some legal obligation. Here is a debt of honor that we owe the disabled veterans of the World War; and after we have solemnly enacted laws and after the cases have been fully considered and determined and a rating given, are we now to turn our Government into an Indian giver and take back from these men the things that we have promised them and which we said were rightly due and owing to them? I beseech you on Wednesday when this matter comes up to vote against economizing on the crippled soldiers, to vote against repudiating the obligations of the Government due the disabled war veterans, and thereby protect the honor and the self-respect of our country.

I reserve the remainder of my time.

Mr. McLEOD. Mr. Chairman, I want to bring the fact before the committee that the question of merger of street railways is a pending matter of about 25 years. It has been discussed pro and con for that period of time. In 1913 the La Follette Antimerger Act held up the merger. This act later was found not to pertain to such corporations as street-railway or transportation lines, and was thereby eliminated from discussion opposing this form of merger. During the past six years in Congress, especially the last four in the District of Columbia Committee, lengthy hearings have been held, and the only question of debate, of a serious nature, was the question of valuation. The question of valuation was injected into the bill by providing a valuation for these companies of $55,000,000. It was termed by certain individuals as an unfair valuation. So the result is that the bill before us to-day has eliminated the question of valuation. The matter of a valuation is now being settled by the Public Utilities Commission, where it rightfully belongs.

The next question was not of a very serious nature—it was a question of street-car fares for school children. This was considered to be a question separate from that of merger, and was therefore enacted in an independent bill. The reason that that question does not now appear in this legislation is because the committee and Congress saw fit to fix a rate of fare of 3 cents or less for school children in the District of Columbia, and that case is now pending in the District court and will be settled later.

I have sat on the committee during those four years and can honestly say there is no opposition to this bill in the District of Columbia by groups, organizations, or newspapers. This bill is satisfactory to the companies and to the people.

Mr. GIBSON. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. GIBSON. I think we all recognize that the gentleman has given faithful service on the District of Columbia Committee. I presume the gentleman is in a position to give me some information. Is it true that the street-railroad companies are not owned by interests here in Washington but by the North American Co., one of the great New York holding companies?

Mr. McLEOD. It is possible that the North American Co., as do other companies and other individuals, owns certain stock of these companies.

Mr. GIBSON. Are not both street railroads absolutely under the control of the North American Co.?

Mr. McLEOD. I can not answer that question, and moreover we are not interested to-day as to who owns stock in the street railways or the North American Co.

Mr. GIBSON. Now, there was a merger bill before the committee and before the House some three or four years ago. The gentleman has called attention to the fact that the question of fixed valuation was left out of this bill. In what other respect does this bill differ from the old bill which the committee and the House considered?

Mr. McLEOD. Right in line with the question which the gentleman has in mind, I will say that this bill, as amended by the committee, provides that a majority of the directors of the new company must be residents of the District of Columbia. This should satisfy the query the gentleman has in mind.

Mr. GIBSON. But what difference does that make, if the companies are absolutely under the control of the North American Co.?

Mr. McLEOD. Well, if that is the fact I would say they are not in control of an outside corporation, if the directors are residents of the District of Columbia.

Mr. GIBSON. The gentleman knows how easy it is to control this matter of directors. Now, will the gentleman tell us the amount of added cost to the taxpayers of the District of Columbia by reason of the fact that the cost of traffic policemen and paving is placed on the District government?

Mr. McLEOD. In the neighborhood of two or three hundred thousand.

Mr. GIBSON. That is, the railroad companies would be relieved of that amount?

Mr. McLEOD. Yes, sir.

Mr. GIBSON. And that burden would be put on to the taxpayers of the District of Columbia?

Mr. McLEOD. That is correct, and that is where it belongs.

Mr. UNDERHILL. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. UNDERHILL. Why should it not be put on to the taxpayers? Why should the companies have to pay for police officers for your benefit and for my benefit and for the benefit of the riders?

Mr. GIBSON. Because it is in the law fixing the business relations between the street railroad companies and the District of Columbia. It is in the nature of a binding contract.

Mr. UNDERHILL. But conditions have altered materially since the contract was entered into.

Mr. GIBSON. Oh, yes; but the fact has not altered.

Mr. McLEOD. It is also a fact that under the original charter they were required to operate horse cars.

Mr. HOLADAY. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. HOLADAY. Is the provision with reference to policemen in the charter, or is that a matter of agreement between the city and the company, that the company would furnish these policemen and pay for them if stop lights were not installed?

Mr. McLEOD. It is a matter of law.

Mr. HOLADAY. I am asking for information. It is my understanding that that provision is not in the charter and has simply been a matter of agreement between the companies and the city.

Mr. McLEOD. That may be possible; but in answer to the gentleman from Vermont I will say there are no cities under 300,000 population that make it mandatory that the street railways assist in the payment of traffic policemen to-day.

Mr. GARBER. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. GARBER. The gentleman has given a great deal of study and investigation to this subject, and I am sure is making a very informative speech.

As I look at it, two of the major principles involved in the consideration of this bill are, first, a fair and reasonable return on the capital invested, and second, just and reasonable rates to the public. I understand that one of the provisions of this bill protects the public. That provision is paragraph 5 of the bill, on page 7:

> That the original bonded indebtedness and stock liability of the new company shall not be in excess of the total amount of the stocks, certificates of stock, bonds, or other evidences of indebtedness then outstanding against the Capital Co. and the Washington Co.

That seems to me to be a very protective provision to prevent excess capitalization.

Mr. McLEOD. That was the purpose of it.

Mr. GARBER. And it protects the rate base on which the fares and charges will be fixed to the patrons.

Mr. SNELL. Will the gentleman yield?

Mr. McLEOD. Yes.

Mr. SNELL. Is it not a fact that the Public Utilities Commission in the District has ample power and authority to protect along all lines?

Mr. McLEOD. Absolutely.

Mr. SNELL. Nothing can be done without its permission?

Mr. McLEOD. That is correct. That was the principal question that caused the committee considerable trouble in its early hearings, and it was agreed by the committee that if the Utilities Commission did not have adequate power and authority and could not settle the question involved in the matter of rates, then that commission should be replaced by another commission.

Mr. SNELL. From the gentleman's investigation he feels certain that the Public Utilities Commission in the District has ample authority to do this?

Mr. McLEOD. Yes; the Utilities Commission has testified to that fact, and their statement is quoted in the hearings.

Mr. GILBERT. Will the gentleman yield?

Mr. McLEOD. Yes.

Mr. GILBERT. Following what the gentleman from New York has asked and what the gentleman from Massachusetts has suggested, the savings, for instance, to be made by transferring the pay of policemen from street-car riders to the public generally, where it naturally belongs, will under proper administration by the Public Utilities Commission result in a lower street-car fare.

Mr. McLEOD. It should tend to do this.

Mr. GILBERT. And, after all, those questions will land where they belong—before a proper public-utilities commission. There is no such thing as a company separate from its riders and stockholders. You are not relieving the people of Washington when you put this cost on the taxpayers. You are simply transferring it from the street-car riders, who are also citizens of Washington, to the general public of Washington.

Mr. McLEOD. That is correct.

Mr. SNELL. The gentleman takes the position that the Public Utilities Commission has ample power and authority to adjust and regulate these matters and protect both the people and the company?

Mr. GILBERT. Certainly. There is no reason why street-car riders should pay for policemen for the general public.

Mr. SNELL. I can not see any reason.

Mr. GILBERT. If the Public Utilities Commission exercises its proper functions, that would be the probable and natural consequence.

Mr. McLEOD. When the question of reduced car fares for school children was up in Congress, the Public Utilities Commission admitted, and it is a matter of record, that in the event a street-car fare of 3 cents or under damages to any degree the companies involved, the Utilities Commission had the right to adjust the fares for adults.

Mr. KELLER. I have no objection to two companies merging, provided the public as well as the companies are protected; but I have every objection to giving the companies the right to merge unless the public is also benefited.

Mr. McLEOD. I will say to the gentleman that the hearings on this bill lasted several weeks. Every organization of any note was heard by the committee. I believe no organization appeared before the committee in opposition to this legislation. There were two or three matters dis-

cussed, as mentioned by the gentleman from New York [Mr. BLACK] a few moments ago, one being the question of taxicab transportation. That has been eliminated from this bill.

Mr. KELLER. Were the taxpayers' organizations before the committee?

Mr. McLEOD. Yes.

Mr. KELLER. I mean the taxpayers' organizations?

Mr. McLEOD. Yes.

Mr. KELLER. What part will the Government pay if this matter of paying for policemen and paving is eliminated? I understand that the paving amounts to something like $300,000 a year.

Mr. BLACK. The companies estimate that the pay of crossing policemen and additional paving charges come to something like $200,000. Then the Government's contribution would be whatever the Government contributes to the expenses of the District.

Mr. KELLER. Has this proposition been submitted to our Economy Committee?

Mr. BLACK. I have a letter that this does not interfere with the President's program of economy.

Mr. KELLER. What about our Economy Committee?

Mr. BLACK. Well, we are going to give the Economy Committee a street-car ride in a day or so.

Mr. McLEOD. The elimination of those expenses would have a tendency to reduce street-car fares and certainly tend to increase fares.

Mr. SIMMONS. The gentleman certainly does not mean to tell the House that by taking this policeman charge off the street-car companies and by taking the paving charge off the street-car companies you are going to bring about a reduction in fares?

Mr. McLEOD. I did not say that. I said it would have a tendency to reduce street-car fares, and I insist the gentleman must agree with my statement.

Mr. SIMMONS. The tendency of it will be fine, but the actual effect of it will be to saddle that much more upon the general charges of the District government, which, in turn, will be just one more argument for the down-town people to demand more money of the Federal Treasury for the support of the District. It is the same old fight, if the gentleman from Michigan please. For years they paved the streets of Washington out of the general fund, and the United States taxpayers paid half of it. Every obligation they can put into the general fund of the District you will find all of these down-town people in favor of, because then they have a bigger fund to which they can point with horror when they ask the United States to contribute. Now, you are not going to reduce the expense of traveling on the street cars one penny in a year to any patron by relieving them of these charges, but you are going to tax the people of Washington—and to a direct extent the people of the United States—that much more by these two provisions.

Mr. McLEOD. That is possible; but will the gentleman from Nebraska point out——

Mr. BLACK. That is not so.

Mr. SIMMONS. If the gentleman can show me how you are going to reduce street-car fares by this merger, I shall change my statement.

Mr. BLACK. In the first place, there is the proposal of universal transfer service from railway to railway.

Mr. SIMMONS. That is not what we are talking about.

Mr. BLACK. This of itself is a saving to the car riders. The economies expected to be effected by the merger plus the relief from these paving obligations and police obligations all tend to put the companies in a better position to furnish a reasonable transfer system from railway lines to busses, all of which will be a saving.

With respect to the gentleman's argument as to rights and obligations, if the street-car companies are to pay for the paving, then just put a fence around that paving and do not let anybody but street-car companies use that part of the streets and keep off the automobiles and the public generally.

Mr. SIMMONS. Who owns the streets—the street-car companies or the public?

Mr. BLACK. The public, and that is the reason the public should pay for them.

Mr. SIMMONS. No; that is not the reason the public should pay for them. The street-car people should pay something for their use.

Mr. BLACK. Every city in the country is doing what is proposed here.

Mr. SIMMONS. Let us get back to the matter I started to talk about. Where in this bill are you going to reduce the cost of transportation to the people of Washington one penny by cutting out the provision for paying traffic policemen and the charges for paving?

Mr. BLACK. Because it helps them to eliminate the requirement of a charge for transfers; it helps them to make possible an efficient service and a service that is paying under a free-transfer system. It is a contribution; that is all it is.

Mr. SIMMONS. It is a contribution to the street-car people in part from the Federal Treasury.

Mr. BLACK. As a matter of fact, they should get all the money they have ever paid into the Federal Treasury for this pavement.

Mr. COLE of Iowa. Will the gentleman from Nebraska give me one good reason why a utility company should police the streets?

Mr. SIMMONS. They are not policing the streets.

Mr. COLE of Iowa. They are policing them in part. I believe it is contrary to good public service.

Mr. SIMMONS. The gentleman knows they are not primarily policing the streets, and if the gentleman from Iowa will either ride the street cars——

Mr. McLEOD. I say to the gentleman from Nebraska in reply to his question that I would like to know if he can point out one city of over 300,000 population that in any way receives contributions from the street-car companies in the way of furnishing such policemen.

Mr. SIMMONS. The gentleman, of course, has asked a question that answers itself. I can not; but I do know that for years this has been done. The rates have been based upon this practice, and for years we men who have handled the finances for the District of Columbia in this House have watched these men try by every method possible to get out from under these charges and have them shifted to the public, and now you propose to let the shift be made.

Mr. McLEOD. Because of fairness and equity only, is not that the real, honest fact?

Mr. SIMMONS. I do not agree with the gentleman.

Mr. COLE of Iowa. Why should not the public police its own streets?

Mr. SIMMONS. I should like to say something to my good friend from Iowa, if I may be permitted the time.

Mr. COLE of Iowa. I wish the gentleman would get the time to do so.

Mr. McLEOD. Is there any excuse for burdening any individual or any individual corporation for the sake of reducing the congressional contribution to the District budget?

Mr. SIMMONS. Will the gentleman now yield and let me answer his statement and also the one of the gentleman from Iowa?

Mr. McLEOD. Yes.

Mr. SIMMONS. The first is that you are not doing it for that purpose. These charges have been carried and they have been carried as a part of their right to do business and use the public streets of the city of Washington for years. Their rates have been predicated on this, and they do not propose to refund in any way one penny of this to the public.

May I say to the gentleman from Iowa [Mr. COLE] that if he uses either the street cars, as I do, or if he uses automobiles, as perchance now and then I do, or even if he is a pedestrian on the street, he will notice with respect to these traffic men—not all of them, but those paid by the street-car

companies in Washington—they see that the street cars move faster. They are serving the street-car companies primarily on these jobs.

Mr. McLEOD. I want to further reply to the gentleman from Nebraska by stating that when this original agreement was drawn providing for these contributions by the companies, it was in the days of horse cars, and in the days of the horse car the destruction of the streets amounted to a considerable sum of money, and this the street-railway companies were responsible for; but that time has passed long ago. We are living in another age.

Mr. SIMMONS. If the gentleman will permit, the statement in the report that originally the street-car companies had to pay for the paving because of the damage done by the horses, and now that the horses have gone they should not pay for it, is about as absurd as any statement in it. If you follow the pavement of any street in Washington and observe along the street-car tracks, you will see that the paving is repeatedly torn up by the vibration on the rails, and there is more damage done now in a month by the street cars operating as they do now than was done in a year by any horse-drawn vehicle.

Mr. McLEOD. Let me say to the gentleman——

Mr. SIMMONS. I for one am not willing to allow them to shift this charge to the general taxpayers of Washington, and then in the future come back and say, "See how much you have put on us, and the Federal Government has got to contribute toward this"; and that is what they ultimately seek to accomplish.

Mr. GARBER. I observe from the report that the Senate committee employed Doctor Maltbie, a public-utility expert, when the Senate had the matter up in 1925, and the resolution now proposes more liberal terms than those proposed by Doctor Maltbie.

I have been acquainted with Doctor Maltbie for 25 years, and a more clean-minded, expert public-utility expert does not exist. That is evidenced by his employment by the great city of New York.

Here is one provision in the bill I would like to have the gentleman explain, and that is it provides that 63 per cent of the power is to be established by agreement between the contracting parties; that of the remaining 37 per cent is to be fixed by the Public Utilities Commission. I want to inquire of the gentleman if this contract between the parties provides that the 63 per cent of the power is to be approved by the Utilities Commission?

Mr. McLEOD. That is one of the questions discussed at length, for the reason that the companies agreed to waive any further objection, because they used only the remainder of the power for the operation, and the Utilities Commission had to do only with the 37 per cent of the power which went to the people of Washington for purposes outside of that of the railroads. The Utilities Commission desired it that way and they can fix the rate for this 37 per cent.

Mr. GARBER. Then the agreement for the 63 per cent of the power is made by the two contracting parties, whereas the public has no representative to disapprove of that agreement.

Mr. BOWMAN. That provision is written into this agreement because of a long-standing contract between the electric-power company and the Washington Traction Co. The Washington Electric Co. assisted the Potomac Electric Power Co. in developing the plant, and consequently they favored the customers of the Potomac Electric Power Co. They have a contract already with the Potomac Electric Power Co., and this provision was written in so it would not abrogate any existing contract that is now in existence.

Mr. GARBER. But it is not decided that it approves existing agreements.

Mr. BOWMAN. No; but there is a contract between the street-car companies and the power company with reference to this power, and 37 per cent is left for the Public Utilities to choose from high to low in an effort to equalize the electric rates.

Mr. GARBER. Would the gentleman have any objection to an amendment authorizing the Utilities Commission to pass upon the contract between the two interested companies in reference to this 63 per cent of the power?

Mr. BLACK. No; this is beneficial to protect the merger; second, it is for the benefit of the District, because it takes a great deal of electricity from the power company to sell at a reasonable rate, Washington having the lowest rate; and, fourth, it is asked for by the smaller company, that is to get the benefit of it. It is in the interest of the merger, and therefore in the interest of the street-car rider, that this contract remain in operation.

Mr. GARBER. The gentleman says it is in the interest of the merger. That is a conclusion. Perhaps it is, but the question is, Is it in the interest of the protection of the rights of the public?

Mr. BLACK. Of course it is.

Mr. GARBER. Where is the public represented?

Mr. BLACK. The street-car riders get all of the advantages of a beneficial contract.

Mr. GARBER. Who says it is beneficial?

Mr. BLACK. Because it is cheap to the street-car riders.

Mr. GARBER. The Public Utilities Commission is the only authorized agency representing the public to pass on this public expenditure.

Mr. BLACK. The only complaint that has ever been made about it is that it is too cheap.

Mr. GARBER. That may be true now, but later on what might the complaint be?

Mr. McLEOD. Mr. Chairman, I reserve the remainder of my time.

Mr. BLANTON. Mr. Chairman, I ask recognition in opposition to the bill.

Mr. BLACK. Is the gentleman using the time reserved by the gentleman from California?

Mr. BLANTON. No; I am using my own time in real opposition to the bill, and it will be the first opposition I have yet heard.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, for 15 years within my knowledge there has been an attempt in the interest of the people in Washington to get these two big street-railway companies to consolidate. They both enjoy the greatest kind of monopolistic privileges in the Nation's Capital. For years they have been coining money because no other railway companies can go up and down the principal streets here. Their stocks, watered as they are, have risen in value out of all proportion, faster and in greater amount than the stocks of any other corporation in existence in America to-day, and I shall prove it to you. I wish gentlemen would get the hearings that were held before our distinguished colleague, the gentleman from Missouri [Mr. CANNON], on the subcommittee that framed the District of Columbia appropriation bill, and turn to page 660. There you will see the full facts given about these two street railway companies for the year 1922. The Capital Traction Co.'s earned income was as follows: Cash passengers, 16,276,074; token passengers, 54,189,129; making a total number of passengers carried by the Capital Traction Co. for the year 1922, 70,465,203. In 1923, the same company had cash passengers numbering 17,513,399, and token passengers 50,791,651, making a total of 68,305,050 passengers for that year. In 1924, the Capital Traction Co. carried 17,592,494 cash passengers and 47,220,190 token passengers, or a total number of passengers of 64,812,684.

The statement for the Washington Railway & Electric system for the same three years is as follows: In 1922 that company carried 15,013,981 cash passengers and 65,996,800 token passengers, or a total of 81,010,781 passengers. In 1923 that company carried 16,988,392 cash passengers and 64,532,013 token passengers, or a total of 81,518,607 passengers. In 1924 the Washington Railway & Electric Co. carried 16,981,485 cash passengers and 59,345,859 token passengers, or a total of 76,327,344 passengers for that year. I want now to give you the figures in respect to their stocks and how they have risen in value.

Mr. COLE of Iowa. Will the gentleman give us the figures for 1930 and 1931?

Mr. BLANTON. I shall come to that later, if I have time. The stocks of the company began to rise in the years I have been referring to. The Washington Railway & Electric Co. has always claimed that it is the poor company. Strange to say, the Capital Traction Co. came before Congress and asked that it not be forced to raise its fares above 5 cents. Its charter provision provided for a 5-cent fare, and they said that was all they wanted. That company said the 5-cent fare was producing plenty of revenue, and it asked Congress to protect it from the effort that was being made to force it to charge over 5 cents.

The Washington Railway & Electric made the claim that it was the poor company. The rates were raised because the Public Utilities Commission said it did not want to be discriminatory. They raised them for both companies in spite of the fact the charter of each one requires that it shall never charge the people of Washington more than 5 cents. One reason for that was that they obtained valuable rights. The people in the beginning required them to pave between their street-car tracks. That is a provision that has been required in practically every city in the United States. They are required to pave between the tracks, and a foot on each side of the outside rail. Is not that a reasonable provision? They can shoot down that car track at 40 miles an hour, and if you get in front of a car they can run over your car, and if you are not at a street intersection they are not liable to you at all. It is a privilege, a special monopolistic privilege which they have, and now they are getting rid of all that in this bill. I asked my friend BLACK who drew this bill. He said that he did not know.

Mr. BLACK. I did not say that. I said the bill came to us from the Public Utilities Commission. It is their bill.

Mr. BLANTON. Who drew it?

Mr. BLACK. It is their bill.

Mr. BLANTON. Who drew it?

Mr. BLACK. The Public Utilities Commission.

Mr. BLANTON. Oh, the Public Utilities Commission means some irresponsible officials, some of whom do not know what it is all about, and I will show you that in a minute.

Mr. BLACK. It is a Public Utilities Commission bill.

Mr. BLANTON. Can the gentleman from Maryland [Mr. PALMISANO] tell us who drew the bill?

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PALMISANO. I wish to say to the gentleman from Texas that he, being an old member of the District of Columbia Committee and this bill having been before the District Committee for a number of years, the gentleman knows as much about it as any member of the committee.

Mr. BLANTON. I think so, too. That is the reason I know that the gentleman from New York [Mr. BLACK] was telling me the truth when he could not tell me who drew the bill. I yield to the gentleman now, if he can give me the name of the man or woman who drew it. No woman could have drawn it, I am sure of that.

Mr. BLACK. I will tell the gentleman the bill was transmitted in due course by the Public Utilities Commission to the Speaker of the House of Representatives, who transmitted it to the District of Columbia Committee as the Utilities Commission bill. Some poet may have drawn it. It does not make an awful lot of difference. The question is, Is the bill good or bad?

Mr. BLANTON. And I will convince the gentleman in a few minutes that it is bad.

The gentleman from Vermont [Mr. GIBSON] hit the vital spot here when he called attention to the fact that it is the great North American Co. that is mostly interested in having this bill drawn, the company that came down here once from New York and spent $50,000 in making what they call a traffic survey in order to uphold these fares of 7 and 8 cents for even the 70,000 little school children. They compiled that book. It was about 2 inches thick. It had tinted paper, uncut edges, and was bound in morocco leather. Just about the time we were going to pass on the lowering of these car fares they sent every one of our committee members two of those big leather-bound volumes to try to influence us and try to make it appear that that was work done by the commissioners here. When we began to dig into it we found out it was done by the North American Co. of New York.

Mr. BLACK. That is in the official report. There is nothing new about that.

Mr. BLANTON. Now, I want to read something. This is a letter which I addressed to them. It can be found at page 665 of the hearings recently conducted by the gentleman from Missouri [Mr. CANNON] on the District of Columbia appropriation bill.

WASHINGTON, D. C., *December 28, 1925.*

Mr. EDWIN GRUHL,
Vice President and General Manager,
North American Co., New York, N. Y.

MY DEAR MR. GRUHL: I am just in receipt of the two volumes covering the 1925 transportation survey of the District of Columbia, as reported by McClelland & Junkerfeld to Commissioner Bell.

In your letter of April 23, 1925, to the Public Utilities Commission you state that—

"The North American Co. has a substantial investment in transportation systems in the District," and you further state that, "because of the mutual interest of said commission and the North American Co.," you agree to have this survey made at a cost not exceeding $50,000.

As one of the ranking members of the Committee on the District of Columbia, I desire to elicit some information, to wit:

(1) Please state in detail just of what your substantial investment in transportation here consists. In what transportation companies do you and the North American Co. own stock here; to what amount in each?

(2) (a) What did you pay for such stock, respectively? (b) How long have you owned it? (c) What is its market price now? (d) What dividends did you receive on same in 1924? (e) What dividends have you already received on same during 1925; and what others do you expect for 1925?

(3) Who paid the $50,000 to McClelland & Junkerfeld?

(4) Is the District of Columbia Public Utilities Commission to pay any part of same? If so, how much? Have they paid it?

(5) Each one of the two volumes of this report is 8½ by 11 inches, and it is nearly 2 inches thick, and bound in full morocco. What was the total expense of compiling this report?

(6) Will you please advise me why this report was at this time mailed to Congressmen and Senators?

Very truly yours,

THOMAS L. BLANTON.

They refused to answer those questions.

Then I wrote to McClelland & Junkerfeld on December 28, 1925, and asked them the same questions.

Did you ever twist a cotton-tail rabbit out of a hollow? [Laughter.] You cut a long hickory stick and make some notches in it up at the end, and you twist and twist and finally get hold of him and pull him out. I finally twisted that rabbit out of the hole and I got this information. Here is what the general manager of the North American Co. finally wrote me from New York:

DEAR SIR: I am in receipt of your letter of December 28, 1925, in which you address to me various inquiries with reference to the transit situation in the District of Columbia and the interest of the North American Co. therein. The information which you request is in all substantial respects in the possession of the chairmen of the House and Senate Committees on the District of Columbia.

That was not true. I was acting ranking Democratic member of that committee and I sat next to the end of the table, and I knew everything that came into the committee. Nothing like that was ever filed with our committee. That is why I wrote for it.

He said:

You inquire as to why copies of the transportation survey of the District of Columbia were "mailed to Congressmen and Senators." I do not understand that copies of this report were mailed to Congressmen or Senators generally.

Why were they mailed to us who were handling it? He says:

The Public Utilities Commission of the District of Columbia, I am informed, arranged to have copies made available.

The Public Utilities Commission, working hand in glove with this outside corporation of New York. I see our good friend from New Jersey, our distinguished gentlewoman who

is the chairwoman of this committee. She will tell you that, while her name appears on this bill, she did not have a thing on earth to do with the writing of the things in it. It was sent already prepared.

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. I yield.

Mrs. NORTON. Is not that true of nearly every bill that comes up in the District Committee?

Mr. BLANTON. That is true of every important bill that corporations want to pass through Congress and legislatures, when the people are unsuspecting and they are uninformed about the provisions of the bill.

Mr. LaGUARDIA. Except the last revenue bill?

Mr. BLANTON. The revenue bill stands on its own footing and is in a class by itself.

Mrs. NORTON. Is not that true also of almost all farm bills?

Mr. BLANTON. Most of the farm bills are put forth in the name of the farmer when we who really know the problems of the farmer, who have watched women and little girls sitting on plows and working in the hot sun all the day long, and have watched them drag cotton sacks up and down the furrows, sacks too heavy for a little girl to drag, and who remember that it takes about 2,500 of them to make enough money out of a whole year's work to pay the salary of a man who is now the cooperative official that is attempting to handle their business for them, but who mishandles it—we know most of their bills are brought in here by their so-called friends, but they do not do the farmer any good. I do not think Congress has ever helped the farmer. I do not think the Agricultural Department has ever helped the farmer 5 cents worth. [Applause.] I think it is money thrown away. I wonder if our good friend—she is so genial and courteous to us—would tell us if any big bug from New Jersey has recently written her insisting on the passage of this bill and insisting on having it passed in a hurry?

Mrs. NORTON. The lady from New Jersey does not know any big bug from New Jersey.

Mr. BLANTON. Has anybody from New Jersey recently written urging the passage of this bill quickly, a Mr. Halsey, or anybody else?

Mrs. NORTON. Not anyone. This bill has been in Congress for about 30 years, long before I came here—I was going to say before I was born, but I guess I will not go as far as that—I want to say this is the first year that everybody seems to agree that this is a good bill. As far as I know, everybody in the District, except the gentleman from Texas, agrees this is a very good bill. The people of the District and the street-railway companies in the District have joined in recommending this bill, and it is news to me that the gentleman from Texas is opposed to it.

Mr. BLANTON. I am going to tell our good lady friend why I am opposed to it in a few moments. I am going to give you some facts. You know, there are 500,000 people living in the District of Columbia. I will guarantee to you that there are 450,000 that do not even know there is a merger bill before the Congress. I will guarantee to you that 450,000 people did not even know this bill was going to be debated to-day. These things are put over on the poor unsuspecting people of the District of Columbia. They have to take their medicine. While they do not like it when some of us try to make them pay fair taxes here, they do like it when some of us make a fight against their being mobbed by any corporate interests which are getting privileges here in this bill. I am going to call your attention to some things in a moment or so that will surprise you.

Mrs. NORTON. Perhaps the gentleman does not know that we had hearings on this bill; that every citizens' association in the District recommended it, and that there has not been any opposition at all to this bill.

Mr. BLANTON. I still make my statement, that I honestly believe there are 450,000 people in the District who do not even know this bill is pending; that if they knew its provisions and if they knew that we were unloading on them a proper burden that the railway company ought to bear, they would come here to object in a solid mass, if they knew the provisions of this bill.

I wish you would read the examination which our colleagues, Bob SIMMONS, CLARENCE CANNON, and I put General Patrick under when he was before us. We showed that he had not made a step, and that it had not even occurred to him, to make this telephone monopoly reduce its rate.

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PARKS. I want to know if there is anywhere in the United States that this telephone company has reduced its rates, although it is writing to Members of Congress to reduce the salaries of every Government employee?

Mr. BLANTON. You know, things are now cheaper than they have ever been. They have put in this dial system and released a lot of employees, and we asked General Patrick why he had not gotten them to reduce their rates. He said it had never occurred to him, and that he would take it up with them and see what could be done. We said that what he ought to do was to make up his mind what was a proper rate, fix that rate, and make them stand for it.

We asked him about the gas company here. The little seven and a fraction cents that they have given as a decrease, what does that amount to? He ought to make a decrease there commensurate with existing conditions all over the country.

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SIMMONS. That reduction in gas rates is less than the increased taxes which will be imposed as a result of relieving the street-car people of their police charges and paving charges under this bill.

Mr. BLANTON. Certainly.

Mr. SIMMONS. In other words, we are putting more on them by this bill than that ruling takes from them.

Mr. BLANTON. If you knew as much about this bill as our friend, the gentleman from Nebraska [Mr. SIMMONS], and our friend, the gentleman from Vermont [Mr. GIBSON], and the rest of us who have been watching this thing here for 15 years, you would kill this bill as dead as Hector before you would ever let it pass.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LaGUARDIA. I would like to get the gentleman's views on something that is bothering me a great deal——

Mr. BLANTON. Let me read you about the prices of their stocks here——

Mr. LaGUARDIA. My question is right along that line. I want to call the gentleman's attention to the paragraph on page 15, which reads:

> Ninth. The foregoing is based on the present conditions and business of the participating companies and on the assumption that, in the interval before the consummation of the foregoing transactions, there will be no change in the transit businesses, other than as a result of normal operations or those necessary to meet changed operating conditions, and that no distribution will be made to the stockholders of Capital Co., except the regular dividend payments, at not exceeding 7 per cent per annum.

Mr. BLANTON. We ought not to fix an arbitrary 7 per cent. Wait a minute and let me show you what they have been doing. If you will look on page 607 of the hearings before Mr. CANNON'S committee, you will see that the Potomac Electric Power Co., which is the power company that furnishes the power and is owned by the Washington Railway & Electric Co., lock, stock, and barrel—the Potomac Electric Power Co. has issued 70,000 shares of preferred stock, all of which is widely distributed, and has also issued 60,000 shares of common stock. This Potomac Electric Power Co. is now and always has been owned by the Washington Railway & Electric Co., and look at the way these values have increased.

In 1922 the high value was 68.78 per share, and in 1923 it ran up to $72 a share.

Mr. WOODRUFF. The gentleman is speaking of the common stock?

Mr. BLANTON. Yes.

In 1924 it ran up to 82, in 1925 it jumped to 250, in 1927 it jumped to 460, in 1928 it jumped to 485, and in 1931 it jumped to 502.

When the Capital Traction Co. was apparently willing to have only a 5-cent fare back in January, 1922, the common stock of the Washington Railway & Electric Co. was quoted at 42½; in June, 1922, at 50¼; in July, 1922, 57½; in August, 1922, at 58; in November, 1922, at 64; in December, 1922, at 68; and finally it went up to 78 in that year.

At the very time they were increasing fares on the little school children in Washington, in January, 1923, the stock was quoted at 70.

In April the stock was quoted at 72, in June at 79½. This was in 1923.

In 1924 the stock was quoted at 82, in November at 87½, in December, 1924, at 90—notice in January, 1925, it was quoted at 101, February, 103, March, 108½, April, 109½, May, 123¾, in June, 1925, 124⅞.

I want you to notice that it had jumped from 40½ in 1922 up to 124⅞ in three years.

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PARKS. Was that the year they raised the fare to 10 cents?

Mr. BLANTON. Yes; I am going to show those raises in a minute.

In August, 1925, it went to 182, in November it went to 235 and in December, 1925, to 250.

During all this time they were increasing the fares.

Mr. McLEOD. Will the gentleman yield?

Mr. BLANTON. Yes, I yield.

Mr. McLEOD. Will the gentleman compare those figures with respect to 1925 with other utility figures on the board at the same time? Was not that a time when they were all up?

Mr. BLANTON. They are higher than any other utility company in the entire United States.

Mr. McLEOD. Has the gentleman those figures?

Mr. BLANTON. Yes.

Mr. McLEOD. Can the gentleman give the figures?

Mr. BLANTON. I have not them here, but I challenge the gentleman to show the contrary.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. PALMISANO. In reply to the gentleman from Texas I want to state that the United Railway of Baltimore appealed from the decision of the Public Service Commission of Maryland and took the matter to the Supreme Court, and they are now, under the ruling of the United States Supreme Court, charging a 10-cent fare.

Mr. BLANTON. I do not think that has any applicability. I said that their stock had gone up relatively in a greater proportion than any other utility stock in the United States, that they went from 42½ back in January, 1922, to 502 in 1931. Is there any other utility company that can beat that? Do not you think it was the duty of our good friend Mr. BLACK, the gentleman from New York, and our good friend from Michigan, to bring all these facts before us, when they are asking us to change the organic law that gives these two companies tremendous power, not only in street-car business but the bus business?

Mr. BLACK. It gives them the power to cease being a nuisance in certain places.

Mr. DELANEY. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. DELANEY. I was wondering whether the gentleman had any intimation that this stock was going up?

Mr. BLANTON. The gentleman will find it all in the report. We had Mr. Ham sitting at the table with his big, fine attorney—and he is a fine fellow; I like him.

Mr. DELANEY. I was wondering whether they tipped the gentleman off about stocks going up, so that he might have made something. [Laughter.]

Mr. BLANTON. Oh, no; we got that from other sources. Do you know that nobody except a little coterie has ever been able to get a single share of that stock for the last 10 years? They hold it in a little clique, and no shares are for sale.

Mr. WOODRUFF. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. WOODRUFF. The gentleman has referred more than once to the common stock issued by the Potomac Electric Power Co., and said that it was all held by the Washington Electric Railway Co. Has the gentleman any information as to what is the par value of that stock, and how much the Washington Railway paid the Potomac Electric Power Co. for the stock. I think that would be very interesting.

Mr. BLANTON. I have not been able to get that. The North American Co., of New York, will not answer my letters.

Now, I want to show you how these fares went up. I want to give you a history of the car fares. I want to put it in in connection with this bill seeking to give new power to these companies.

These are the facts that were brought out from Mr. Ham and his attorney, and the attorneys for the utility company admitted when the gentleman from Vermont [Mr. GIBSON] and myself had these hearings several years ago.

Up to October 26, 1918, the fare in the city was 5 cents, or you could buy tickets at the rate of 4⅙ cents a ticket, and the intracompany transfers were absolutely free.

From that date, up to February, 1919, the fare remained 5 cents; but the ticket fare was discontinued, though there were still intracompany transfers, free, with the same charges on certain streets for intercompany transfers.

From February 1, 1919, to June, 1919, the fare remained 5 cents. There were no tickets. The intracompany transfers were free. Then all of the transfers were free between the companies except on one street, and that was at Fifteenth and G Streets NW., where they charged you 2 cents for intercompany transfers. Then from June 1, 1919, to November 1, 1919, the fare still remained 5 cents, without tickets, and you paid a 2-cent transfer fee. That is where it was changed to a 2-cent transfer fee, excepting on two streets where you got transfers free. Every one of those changes was made by the Public Utilities Commission, not in the interest of the people but in absolute violation of the charter provisions which provided the fare should not be over 5 cents. It was made by the Public Utilities Commission against the interest of the people of the United States. Remember, there are about 70,000 Government workers here who are being robbed by these companies every day.

Mr. BLACK. We are going to take that advantage off by the merger, the gentleman knows.

Mr. BLANTON. Oh, I know what will happen under this merger. To continue from the hearings:

On November 1, 1919, the fare was raised from 5 to 7 cents, which continued to May 1, 1920. There were tickets sold at 6¼ cents. The intracompany transfers were free, but they still allowed a 2-cent transfer for intercompany transfers.

On May 1, 1920, they changed it again, and fixed it at 8 cents, and from that time until January 1, 1921, the fare was 8 cents, with 7½-cent tickets, and a 2-cent intercompany transfer.

From January 1, 1921, to April 1, 1921, the fare was 8 cents, with 7½-cent tickets, and intracompany transfers free, with 1 cent for intercompany transfers.

Then from April 1, 1921, to September 1, 1921, the fare was 8 cents, with 7½-cent tickets, intracompany transfers free, and with a 1-cent transfer between the companies, with the exception of two streets that were made free.

Mr. LAGUARDIA. Will the gentleman state by what authority these increases were made if the franchise provided for a 5-cent fare?

Mr. BLANTON. They were made because the Public Utilities Commission has always, in my judgment, had more interest in looking after the welfare of these corporate powers than they have in looking after the welfare of the people. Of course, General Patrick is not concerned very much with the interest of the people. He is the man who draws $6,000 as a general's retired pay and $7,500 salary as chairman of the Public Utilities Commission. He gets a fine automobile furnished him free by the Government

and a chauffeur provided free for him, and he gets all of his hospital supplies and all of his home supplies for himself and his family, including coal, from the Government stores at actual Government cost; he gets his truck driving free, and he gets his medicines and his doctors' bills and his dentists' bills free, and his nursing in hospitals is also free. He gets almost everything free. Why should he be concerned about the 70,000 school children who have been charged 10 cents car fare? When this Congress finally took the bit in its teeth and passed a law reducing the children's fare to 3 cents it took him nearly a year to put it into effect, and I want you to read in these hearings what he had to say when the gentleman from Nebraska [Mr. SIMMONS] and the gentleman from Missouri [Mr. CANNON] and I began to twist him about it.

Mr. McLEOD. He was not opposed to a reduction in fares, was he? And did he not say he was not?

Mr. BLANTON. Oh, there is a way of saying that you are not opposed to a thing and then letting it stand as it is. When a man tells me that he is not opposed to a reduction of fare, and you put it in his power to reduce the fare, and he does not reduce the fare until Congress forces him by law, and then he waits a year before he does that, I say that he is not very much in favor of it, except by lip service.

Mr. McLEOD. He did not have the power to do it.

Mr. BLANTON. He did do it, did he not?

Mr. McLEOD. He did not do it until there was legislation passed.

Mr. BLANTON. He did do it, did he not, when Congress directed him to do it, and there has been no injunction to stop it, and the school children, 70,000 of them, are getting their fares now at 3 cents each? Why did not he do it before? Is he not the chairman of the Public Utilities Commission?

If I were the chairman of that commission, and I thought it was right to do it, that it was right to give the children a rate of 3-cent fare, I would do it, whether the street-railway companies liked it or not.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I want to give the gentleman some facts that he has not given us the benefit of.

Mr. BLACK. Mr. Chairman, will the gentleman answer a short question?

Mr. BLANTON. No; I want to give the gentleman some facts.

Mr. BLACK. Does the gentleman believe in a merger at all?

Mr. BLANTON. Yes. The gentleman from Vermont [Mr. GIBSON] and I worked out a proper merger bill, with the assistance of the gentleman from Kentucky [Mr. GILBERT], but the railway companies would not let us pass it.

I want now to read some more about the fare business and its history.

From September 1, 1921, to March 1, 1922, the fare was 8 cents, with 7-cent tickets, free intracompany transfers, and with a 1-cent intercompany transfer. From 1922 to date, January, 1926, the fare has been 6 cents, 6¾ cents per ticket, intercompany transfers free, but intracompany transfers 1 cent.

Through all these years since 1922, when the common stock of the so-called poor company, the Washington Railway & Electric Co., ranged from $42½ per share in 1922 to $502 per share in 1931, it has mulcted the people with an 8-cent fare. It is now 10 cents, with 4 tokens for 30 cents.

Mr. PATTERSON. It is a 10-cent fare to-day.

Mr. BLANTON. Yes; 4 tokens for 30 cents.

Mr. SIROVICH. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SIROVICH. The gentleman stated before that while the stock went from $42 a share to $502 in 1931, the stock was closely held and it was not offered on the market.

Mr. BLANTON. No. They wanted to hold it, because it was of great value.

Mr. SIROVICH. Then what was the use of holding it at $502, if it was so closely held?

Mr. BLANTON. That is what they were offered for it, I want to tell the gentleman from New York. They would not sell it. They could have sold it at $502, but they would not sell it. They wanted to keep it.

Mr. SIROVICH. How much dividend is it paying?

Mr. BLANTON. I do not know. Would the gentleman not think that General Patrick ought to know something about that?

Mr. SIROVICH. Yes.

Mr. BLANTON. I asked him about stock values, and so forth, and he said it had never occurred to him to look it up. On page 5, in line 14, of the bill for the first time there is added bus business to their transportation business, and it is being added by charter. Did you know that this bill that we are passing right now is a charter to that company? It is a Federal charter, if you please; something that we have quit granting to corporations; something that gives corporations a priority and a privilege that others do not enjoy. We ought to have stopped it long ago. I wish every Member here could have heard the speech that was delivered against the granting of Federal charters by our distinguished former Speaker, Uncle Joe Cannon. I wish you could have heard the speech made by Mr. James R. Mann. I wish you could have heard the speech that was made by Mr. Martin B. Madden against granting Federal corporation charters. It ought to stop. Here you are increasing their powers. How many busses will operate on the streets after you give them this charter? They will run every bus company out of business in Washington. These great big busses that run so fast that two of them run together and kill a lot of people, as they did the other day, will continue. They pay no attention to automobiles. They crowd you right off the street into the sidewalk. They pay no attention to your rights at all.

Mr. BLACK. They also carry a lot of people comfortably to their places of business.

Mr. BLANTON. Oh, yes. I am not surprised that we have defenders for such bills on the floor of this House.

Mr. PARKS. The gentleman has got a 5-cent fare in New York.

Mr. BLANTON. I believe the gentleman thinks this is a good bill or he would not be advocating it here, but there are many things the gentleman does not know about it.

You can go to that fine city of New York and ride all day for 5 cents in those fine subways.

Mr. BLACK. The gentleman should not bring that in. The gentleman does not know anything about that.

Mr. BLANTON. Mr. Chairman, I think the rules ought to be observed a little better, even on District day. I will yield when it is necessary.

Mr. BLACK. Will the gentleman yield?

Mr. BLANTON. I want to tell the gentleman about his subway fares in New York.

Mr. BLACK. I know all about it. The gentleman does not have to tell me.

Mr. BLANTON. You can go down to a subway and get on those cars and ride all day for 5 cents, as long as you do not get out. It is the finest service in the world. It is only 5 cents. Through all of this inflation, during all these years where multimillionaires were being made over night, they never changed. It is 5 cents still. Be it said to the wisdom of those who control New York, they have held that fare down to 5 cents, because it meant much to the 6,000,000 people living in that great metropolis.

Mr. BLACK. Will the gentleman yield?

Mr. BLANTON. No. I want to tell the gentleman something about his bill that he has not observed.

This is a serious matter. This is a bill that takes the rights of the people here and gives those rights to corporations.

I want to call your attention to page 8, line 1, et seq.:

After the original issue of stock for the purposes of the unification, additional shares of stock and/or additional bonds or other evidences of indebtedness may, subject to the approval of the Public Utilities Commission of the District of Columbia, be issued by the directors from time to time for cash.

And so forth. Are you going to give that power to these companies? They would offer those securities on the markets of the country, and the people not knowing the value

of the stock, they would double or treble that stock, and the buying public would suffer. That is one time they would sell, and that is one time they would unload on the public. Are you going to permit that? I am not going to vote for it.

Mr. McLEOD. Will the gentleman yield?

Mr. BLANTON. I will yield to anyone opposed to the bill.

Mr. McLEOD. It says it is subject to the Public Utilities Commission.

Mr. BLANTON. How easy it would be to get that commission to approve it, with General Patrick on the commission—poor, old, unsuspecting General Patrick.

Mr. McLEOD. Is he the commission?

Mr. BLANTON. Yes; he is the commission. There would not be any trouble for that splendid, suave lawyer of this company to go down there and get that through.

Mr. McLEOD. That is the idea of having a Public Utilities Commission.

Mr. BLANTON. Their lawyer is a splendid attorney, and the gentleman knows how he has appeared before our committee in the past and has gotten his way. There have been no bills passed that his company did not like. This bill has come to life with his approval, and that is why I am against it. Whenever these companies agree to a bill, the gentleman from Vermont [Mr. GIBSON] and myself are against it, because we know all about the company.

Mr. PARKS. Will the gentleman yield?

Mr. BLANTON. I want to go on to something else.

Mr. PARKS. I do not want to interfere with the gentleman, because he is making an argument which I approve.

Mr. BLANTON. I do not want to take too much time, but I yield.

Mr. PARKS. Does this bill overrule the decision of the Supreme Court of the District of Columbia and the Supreme Court of the United States, in which they held they were not entitled to make more than 7 per cent on their investment?

Mr. BLANTON. No; but it is just this way: They have a way of inflating the value of their investment and they get it by this commission down here. Then they get an agreed statement of facts on which to go to the court and the people are not properly represented. The people have their rights taken away from them on an agreed statement of facts that does not present the real facts. I know that. That is the reason you would not get a square deal there.

Let me call your attention to the contract that this new company can make with this Potomac Electric Power Co., this "Pepco" that you see all over the country. Here is what the bill says it can do:

Said power contract shall provide that for a period of 15 years the price to be paid by the new company (1) for 63 per cent of the electric power used for the maintenance and operation of the transit properties of the new company, and (2) for electric power furnished to other transportation companies under the existing contracts and/or renewals thereof shall be determined in accordance with the terms and conditions of the present arrangements between the Potomac Electric Power Co. and the Washington Co. for supply of electric power.

In other words, everybody in Washington knows that that existing contract is not a proper contract. The Washington Railway & Electric Co. owns the Potomac Electric Power Co. It has a contract within itself by which it pays about four times as much for electricity as it ought to pay, and it uses that before the Public Utilities Commission as part of its expenses to get its fares raised from 6, 7, and 8 cents to 10 cents on even school children for a long time. Are you going to let that go on for 15 years? You know the attorney for these companies wrote that into this bill. Our good friend the lady from New Jersey did not write that clause in the bill. That was put in there by the attorney for the railway company. This bill is as vicious as that clause is all the way through. It allows the Public Utilities Commission to pass on 37 per cent of the power used, but for 15 years they are not allowed to pass on 63 per cent. Why does it take that out from within the power of the Public Utilities Commission? Because it is in the interest of these railway companies. It is in the interest of the Potomac Electric Power Co., if you please, and it ought not to stay there.

Let me call your attention to paragraph 14, line 3, on page 19:

This agreement is conditioned upon the new company being relieved from the expense of policemen at street railway crossings and intersections.

I am in favor of that. I always have been in favor of having policemen representing the people paid by the Government instead of these street-railway companies. If you were standing at a street crossing down at the Hotel Raleigh and there were 15 cars coming from away up at the Peace Monument, the railway policeman would let those street cars pass and let you stand there for eight minutes until they did pass. He gives the right of way to the street-car company, and I have been against it all the time, but I am not in favor of taking that expense off the railway company and at the same time giving them the right to still charge a car fare of 10 cents. When we remove that burden from them, we ought to at least require them to go back to their charter provision calling for a 5-cent car fare. They would increase their revenues 100 per cent by the increased traffic that would ensue.

Let me call your attention to another thing. It says that they shall be relieved of the laying of new pavement, the making of permanent improvements, renewals or repairs to the pavement of streets and public bridges, if you please. These heavy street cars going back and forth across some of these bridges hurt the bridges more than the rest of the traffic put together, yet all the cost of the improvement of those bridges is to be saddled upon the backs of the taxpayers of this Government, not only the taxpayers of the Government but the taxpayers of the District of Columbia. Are you in favor of that? I am not. I am not going to vote for it. You ought to strike out the enacting clause. You ought to send this bill, which was drawn by these railway companies and of which they got the approval of General Patrick, back to them and tell them they can not put this over Congress. Why should they not pay for their paving? They ought to do it.

Listen, at page 20, on line 4:

No competitive street railway or bus line shall be established without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia to the effect that the competitive line is necessary for the convenience of the public.

That provision keeps out all competition. May I say that we ought to kill this bill. We ought not to let it pass. [Applause.]

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, now that you have heard all about the street-car merger, I rise to say a few words for the inarticulate 700,000 Federal employees who are appealing to the Congress to save their present small salaries for them.

A most peculiar condition of affairs exists. This morning I sent a messenger to the office of the chairman of the Committee on Economy with the request that I be furnished with a copy of the bill that they have prepared. I was advised there were no copies of the bill to be had at that time for distribution; but yet I picked up a copy of a New York paper of to-day and I find the entire provisions of the bill printed in the paper. The Washington papers also have copies of it and digests of it, and yet it is only 45½ hours until the time when this bill will be presented to us, and yet a Member of the House is unable to secure a copy of it.

Perhaps I was a little more fortunate than some of the other Members when a distinguished gentleman loaned me a copy of the bill. Mind you, I was loaned a copy of the bill.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. EATON of Colorado. Is it a kind of secret bill the gentleman has?

Mr. BOYLAN. Well, it is supposed to be sub rosa. [Laughter.] It is marked "Confidential committee print."

Mr. EATON of Colorado. Does the gentleman belong to some organization that permits him to have that or was it handed to the gentleman in secrecy or in confidence, so that he might read the bill instead of reading about it in the newspapers?

Mr. BOYLAN. No; I am simply one of the ordinary 435 Members that sit in this Chamber.

Mr. EATON of Colorado. Can the gentleman advise me, confidentially or otherwise, where I may get a copy of that confidential print of the bill?

Mr. BOYLAN. I do not see how I can, when I was not even able to get a copy. I was only loaned a copy. I did not secure the copy; it was only loaned to me.

Mr. PATTERSON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. PATTERSON. Can the gentleman tell us where we may borrow a copy?

Mr. BOYLAN. Perhaps I may be able to tell them the name of the man who loaned me this copy.

Mr. PATTERSON. But the gentleman is not sure whether he would have any more copies to lend or not?

Mr. BOYLAN. Do not misunderstand me. I do not possess a copy. I have merely a borrowed copy that was loaned to me, and this copy is marked "Confidential committee print," but I pay no attention to that "Confidential committee print" when I can pick up a New York paper and find all about the bill in the paper.

Mr. LAMNECK. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. LAMNECK. My information this morning when I inquired about this bill was that it had not been introduced and therefore had not been printed.

Mr. BOYLAN. Well, the world knows about it, and, surely, we Members of the House ought to know a little something about it. Evidently, when the gentleman returns to his office he will find telegrams and letters of inquiry about it; and if the world knows it, through the press, surely an ordinary Member of the House ought to be let into the confidence of this august committee and told a little something about it, too.

Mr. EATON of Colorado. Will the gentleman yield once more?

Mr. BOYLAN. Yes.

Mr. EATON of Colorado. On Friday of last week I had a telegram in regard to two matters which were said to be included in this bill and which I am told to-day can be found in the confidential print which the gentleman has; whereupon I wired to the adjutant of the American Legion who sent me the telegram from Denver, Colo., asking about what was in the bill. He wired me about these two provisions on Friday of last week, and still, up to this moment, I am unable to get a copy of the bill. Here are the telegrams:

DENVER, COLO., *April 22, 1932.*

Hon. WILLIAM R. EATON,
Congressman from Colorado, Washington:
Colorado voters are fair.
Legion generating campaign among veterans to save legislation already enacted over period of years.
Would you permit us quote you among veterans supporting movement, and will you oppose all cuts proposed special Economy Committee when bill as rider to appropriations bill reaches Congress?
Wire reply.

M. LYCKHOLM,
Colorado Legion Adjutant.

WASHINGTON, *April 22, 1932.*

M. L. LYCKHOLM,
Adjutant Amerigan Legion,
State House, Denver, Colo.:
What's in the bill?

WM. R. EATON.

It takes three days for mail to come from Denver. In this morning's mail I find one letter which was mailed April 22, in which the writer asks "Please vote against national economy act unless sections 207 and 208 are eliminated." Notice that this is quoted from a letter from a man in Denver who knew from some source last Friday what I can not find out here to-day at 2.30 in the afternoon except by asking the gentleman from New York to please let me borrow the confidential copy of the bill which he has in his hand.

Two other letters were received, dated April 22, from the John Borelli Chapter, No. 7, and William J. Murphy Chapter, No. 9, of the Disabled American Veterans of the World War, in each of which appears the following:

The proposals requiring six months' service prior to the armistice and that only combat disabilities are to be considered for emergency officers for retirement are most unfair. * * *

Up to this moment I am unable to get a copy of any bill, confidential or otherwise, to examine to determine what may be answered to each letter. Where did the writers of those letters get the information which is not available to me?

I have asked my floor leader for a copy of the proposed bill; I have asked at the desk; I have asked at the office of the Committee on Appropriations and the Economy Committee, and also of Members of the floor, and none can furnish me a copy.

Mr. BOYLAN. Although the gentleman is a Member of the House and entitled to certain privileges and prerogatives, including copies of bills and reports, yet under the circumstances I would suggest that he wire some newspaper and they would probably give him the information that he seeks. [Laughter.]

Mr. HOWARD. Will the gentleman yield to me?

Mr. BOYLAN. Always to my distinguished colleague.

Mr. HOWARD. Will my colleague from New York be kind enough to tell the House by what authority, other than the authority of his own beautiful personality—by what additional authority he is singled out among all the rest to secure a confidential advance copy of this bill?

Mr. BOYLAN. Well, I can not attribute it to anything else but my persistency in seeking a copy of it. When I found I could not get a copy, I thought the next best thing was to ingratiate myself into the good graces of some one who had a copy and borrow his copy. [Laughter].

Mr. EATON of Colorado. What is the password?

Mr. BOYLAN. Persistency.

Mr. HOWARD. Will the gentleman be kind enough to point out to some of his less persistent colleagues the course he pursued in obtaining this result?

Mr. BOYLAN. In answer to the gentleman I would say that the gentleman being an old newspaperman——

Mr. HOWARD. Leave out the adjective. [Laughter.]

Mr. BOYLAN. I mean old in wisdom, not years; and knowing the gentleman is accustomed to getting information through devious channels and in every possible way, by hook or crook, I would not feel qualified to advise him.

Mr. HOWARD. Well, if there is not wisdom in this one particular colleague of mine from New York, where will I go to get it? [Laughter.]

Mr. BOYLAN. In answer to the gentleman, I may say that I have borrowed a copy; and when I finish my remarks, I am going to ask the man who loaned me this copy and who owns it if he will permit me to loan the copy to the gentleman, and then I will let him have it.

Mr. HOWARD. I will say to my friend that that is delightfully indefinite. It is almost as indefinite as the promises of the Economy Committee during the past month as to when an agreement would be reached between the White House and the Economy Committee.

Mr. BOYLAN. They realize that no agreement can be reached. I will say, and my promise is more definite than theirs, I will see the gentleman and take it on myself to secure him a loan of this copy.

Mr. HOWARD. Fine.

Mr. WOODRUM. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. WOODRUM. If I understand the gentleman correctly, the copy he has exhibited to the committee is not at present obtainable?

Mr. BOYLAN. It is not.

Mr. WOODRUM. The gentleman, out of the goodness of his heart, wants to assist his less-fortunate colleagues in making available this information?

Mr. BOYLAN. I do.

Mr. WOODRUM. Then I suggest to the gentleman that he get unanimous consent to extend his remarks in the RECORD and print the bill. [Laughter.]

Mr. BOYLAN. I will adopt the gentleman's suggestion, and I make that request, Mr. Chairman.

Mr. STRONG of Kansas. Reserving the right to object, I think we all know that a committee preparing legislation has a confidential print made before the introduction of the bill. Although I am not a member of the committee, that was the process here. I understand the regular print of the bill will be ready by half past 3 this afternoon, so you need not worry about getting a confidential print.

Mr. BOYLAN. In answer to the gentleman, it may be true, but my point is, the membership of this House ought at least to be put in the same category as the newspapers when any information is given out. Does the gentleman agree to that?

Mr. STRONG of Kansas. I agree that when the committee has important legislation to report on, they have a confidential print made a day or two before its action.

Mr. PARKS. Mr. Chairman, I demand the regular order.

Mr. BOYLAN. I yield to the gentleman from New York.

Mr. FITZPATRICK. I want to ask the gentleman if it is possible that the Economy Committee gave out to the newspapers the information that they were to cut down the salaries and pay for overtime, so that private corporations will be prepared to do the same thing, and instead of having 7,000,000 unemployed we will have 10,000,000 unemployed?

Mr. BOYLAN. The gentleman's deductions are correct.

Mr. FITZPATRICK. That is what the Economy Committee is trying to do, to increase the unemployment in this country.

Mr. BOYLAN. There is no doubt about it.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. LAGUARDIA. Now that the advance information has been given about this reduction economy bill, I think it is well that the public should know that when this rule comes up Wednesday for a vote we are going to vote it down on both sides of this aisle. [Applause.]

Mr. BOYLAN. I sincerely trust so.

Mr. GOSS. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. GOSS. I am in sympathy with the gentleman, and I find myself in the same position. I called on the Committee on Appropriations for a copy of the Army appropriation bill. I understand the subcommittee has been sitting since January and no Member of the House can get a copy.

Mr. SIMMONS, Mr. LA GUARDIA, and others asked Mr. BOYLAN to yield.

Mr. BOYLAN. Hold on, gentlemen; take it as the monkey killed the bees, one at a time. [Laughter.] I yield to the gentleman from Nebraska.

Mr. SIMMONS. In view that the charge has been made against the committee of which the gentleman and I are members, I want to say that there is no War Department bill. Hearings have been held, but no bill has been introduced in the committee. No bill therefore has been suppressed.

Mr. PARKS. I want to say that not even the subcommittee has any bill, nor has any bill been presented to the full committee.

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BARBOUR. So far as the War Department subcommittee is concerned, there is not even a confidential print of it.

Mr. BOYLAN. I thank the gentlemen for their contributions.

Mr. BUSBY. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BUSBY. The gentleman from Kansas [Mr. STRONG] assured the gentleman that at 3.30 o'clock copies of this bill would be available. I want to say to the gentleman that the gentleman from Kansas got that information from one of the pages of the House. [Laughter.]

Mr. BOYLAN. Oh I see; that is in line with my own experience.

Mr. EATON of Colorado. What is the date on the page of the newspaper that the gentleman has been referring to?

Mr. BOYLAN. The newspaper is the New York Times, and the date is New York, Monday, April 25, 1932. What is the reason for all this secrecy? We are told that this bill is going to be brought in here under a stringent rule as a rider to the legislative appropriation bill. I call your attention to this little (?) rider which I hold in my hand. There are only 68 pages in it. I do not think in all of the history of this House, from the first Congress up to and including the Seventy-second Congress, there has been a rider of these gigantic proportions attached to any bill. We are told that an application will be made for a rule, and that under that rule only one or two or three amendments may be offered to different sections—an ironclad rule. Then an effort will be made to adopt the rule, with perhaps a short debate of 20 minutes or half an hour on a side.

They will then endeavor to pass this rider of 68 pages, a rider that should be considered in this House separately on its own merit, if it has any, because it contains many provisions. We have in this House a committee known as the Committee on Appropriations. Many writers in writing about the committees of the House of Representatives have put the Committee on Appropriations as the first committee of the House. In other days the leader was always a member of the Committee on Appropriations, and this committee was considered of transcendent importance. Yet, Mr. Chairman, this historic committee with its wonderful background extending over 100 years, is practically ignored and superseded by an Economy Committee springing into life seven or eight weeks ago, and now we have this Economy Committee usurping the rights and the prerogatives of one of the most important committees of the House.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. SIROVICH. Does my distinguished colleague realize that by voting down the rule we can destroy the rider and everything that goes with it on Wednesday next?

Mr. BOYLAN. Absolutely. But the gentleman anticipates me. I am laying the proper foundation for my remarks.

Mr. COLTON. It might also be interesting at this point to note that the Economy Committee has entirely displaced the Committee on Expenditures in the Executive Departments.

Mr. BOYLAN. Absolutely it has.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. GIFFORD. The gentleman has had the opportunity of reading the bill, which we have not. Is it like all other bills in this Democratic Congress—a nonpartisan bill?

Mr. BOYLAN. I don't like the form of the question. [Laughter.] I ask the gentleman to reframe the question if he will. I am not speaking in any partisan sense. I am speaking of a committee which is supposed to be a bipartisan committee. If the gentleman will ask me the question and delete the word "Democratic" I shall be pleased to answer his question.

Mr. GIFFORD. I would like to ask the question, but the gentleman must acknowledge that a majority of the Committee on Rules and a majority of the Economy Committee are Democrats. Therefore, they should have credit for whatever product they bring forth.

Mr. LAGUARDIA. If the Members on this side do not vote against the rule on Wednesday, I think we can pick up enough votes on the other side of the aisle to defeat the whole thing.

Mr. BOYLAN. Of course, if the gentleman from Massachusetts persists in trying to put partisanship into it, well and good. I have refrained. I think both parties are equally guilty, and I say to the gentleman that if this rule passes, members of both parties will have to answer to their constituents for it.

Mr. GIFFORD. May I ask the gentleman one more question?

Mr. BOYLAN. If it is a nonpartisan question. I object to any partisan question.

Mr. GIFFORD. In all matters affecting the Congress up to date, except in one little matter of an election contest, we have heard that everything is nonpartisan. Is not that a new doctrine?

Mr. BOYLAN. The gentleman knows that he, together with the rest of us, has stood behind the President in this so-called bipartisan program. Surely the gentleman has not forgotten our patriotic course.

Mr. GIFFORD. May I suggest to the gentleman that I read the newspapers, and they have furnished me all the knowledge that I have on this matter. I understand that the President's suggestions have been laid aside by the Economy Committee, and that somebody might be privileged to offer the President's suggestion as a substitute at some place in the bill. It is said that at some time there might be a right in the minority to represent the President, but that he has been turned down in this report. I have read that in the newspapers. Of course, the gentleman knows what the bill contains. I do not.

Mr. BOYLAN. If the gentleman will have patience, I shall try to tell him what is in my borrowed copy of the bill. [Laughter.]

Mr. SIROVICH. Will the gentleman yield?

Mr. BOYLAN. Again? Yes.

Mr. SIROVICH. Since the distinguished gentleman has stated that the Economy Committee has usurped the privileges and prerogatives of the Committee on Appropriations, and since the gentleman from Utah [Mr. COLTON] has stated they have also deprived the Committee on Expenditures of all their work, why would it not be possible, through a resolution, both sides getting together, to abolish the entire Economy Committee?

Mr. BOYLAN. I would say I would be delighted if such a course were pursued.

Now, turning again to this borrowed copy of the confidential committee report, on page 2 we find that—

> The compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of $1,000 or less shall be exempt from reduction.

Our expostulations on the floor have done a little good, because in the original plan submitted they intended to include charwomen at $50 a month. Now they have gone a little higher, and they have made it $83.33 a month or $1,000 a year as the exemption basis.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. EATON of Colorado. Has the gentleman with him what is known as a copy of the President's suggestions, or can the gentleman from Massachusetts [Mr. GIFFORD] tell us where we can get a copy of the President's suggestions, to which reference was made?

Mr. BOYLAN. Well, I think that was printed in the RECORD last week or the week before. The gentleman can get that by consulting the RECORD.

Mr. GIFFORD. May I suggest to the gentleman?

Mr. BOYLAN. Yes.

Mr. GIFFORD. I wonder if in that bill there is still allowed to remain the right of the President to issue a proclamation whenever, within 10 per cent, commodity prices are raised, so that all this may be set aside in a moment by the President of the United States? Is that left in the bill?

Mr. BOYLAN. I am glad to advise the distinguished statesman from Massachusetts that that is in the bill.

Now, let us take the minimum salary that would be subject to a reduction. That would be $1,100. A man or woman working for the Government, receiving a salary of $1,100 a year, under the provisions of this act would receive a reduction of 11 per cent on the $100 in excess of $1,000. Eleven per cent of $100 would be $11. Now, just imagine a poor little clerk, man or woman, working for $1,100 a year, being forced to take out of their small pay envelope the sum of $1 a month. Just think of it! One dollar a month to help this magnificent Government of the United States balance its Budget! [Laughter.] Can you imagine a large corporation of any kind making its charwomen or office boys—and an office boy in New York gets as much money as that and sometimes more—can you imagine them asking the office boy to contribute a dollar a month toward balancing the Budget? Why, it is so ridiculous that we ought not really talk about it.

Now, let us take another case. In figures that I presented to you last week I showed that the average salary of the Federal employees, outside of the legislative and judicial branches, was $1,440 a year. Fourteen hundred and forty dollars a year is the average salary of the Federal employee. Under this bill $1,000 is exempt. Then there is $440 which would be in excess of the $1,000 that would be subject to a tax of 11 per cent. That would mean a tax on a $1,440 per year clerk of approximately $55 a year.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. BLANTON. I think on the whole the Economy Committee has done splendid work. But the exemption should be more. Why not get together and put an amendment onto this bill that would give an exemption of at least $2,200, because it takes at least that much for a family to live?

Mr. BOYLAN. I am glad the gentleman asked that question.

Mr. BLANTON. I am with the gentleman in putting on that kind of an amendment to the bill.

Mr. BOYLAN. I am glad the gentleman made that suggestion, but the only way we can do it is to vote down this rule, because if the rule is adopted there will be no opportunity to amend the bill.

Mr. BLANTON. We will have to amend the bill unless we can get the committee to accept that $2,200 exemption.

Mr. BOYLAN. I agree with the gentleman, and I hope the gentleman will support us in that.

Mr. BLANTON. I will go along with the gentleman unless the committee puts that in themselves.

Mr. BOYLAN. I will be happy to have the gentleman go along with us.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. FITZPATRICK. If they exempt up to $2,200, they will not get any income.

Mr. BLANTON. If we can take the graft out of all these bureaus in Washington, we will balance the Budget without reducing any of the small salaries.

Mr. GIFFORD. Will the gentleman yield right there?

Mr. BOYLAN. In just a moment. Unless we have an opportunity to vote down the rule there will be no chance to offer an amendment such as that suggested by the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Well, what is going to keep us from voting it down? We are the free representatives of the people.

Mr. BOYLAN. I am glad to hear the gentleman say that, and I hope he will be with us.

Mr. GIFFORD. I might suggest to the gentleman that he might get a great many votes on this side if he can assure the Republicans they are not tied by it being a nonpartisan measure. Now, is that the President's suggestion or is that the Democratic bill?

Mr. BOYLAN. I think the gentleman is proceeding along one line of thought. I told the gentleman distinctly, as much as I love and esteem and revere and admire him, that I was not approaching this matter from a partisan standpoint.

Now, I am not making a partisan appeal. I am not looking at it that way. I am looking at it broadly and free from any partisanship. Every question the gentleman has asked me has been along partisan lines.

Mr. GIFFORD. The gentleman does not know, does he?

Mr. BOYLAN. It is a mixture of both, and both are bad.

Mr. BLANTON. Will the gentleman yield for one further question?

Mr. BOYLAN. Yes.

Mr. BLANTON. The orderly way to do, instead of voting the rule down, would be to vote down the previous question and then amend the rule. That would be the orderly procedure. I hope the gentleman will help us vote the previous question down and then proceed to amend the rule, because the bill as a whole is essential and necessary, and we ought to perfect the bill by proper amendments and then pass it.

Mr. BOYLAN. The gentleman is a distinguished parliamentarian. We will call a meeting, adopt a plan, and endeavor to follow a proper method of procedure.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. LaGUARDIA. I would suggest to the gentleman from Texas, who is a very able strategist on parliamentary maneuvering, that it would be extremely dangerous to pursue any such course. I think the better plan would be to vote down the rule, so that we will bring the parties responsible for this hodgepodge omnibus bill to their senses.

Mr. BLANTON. We would have two shots at it then in our efforts to perfect the bill. If we fail to vote down the previous question, we could still vote down the rule.

Mr. LaGUARDIA. But we do not want a little bit of pap put into this bill in order to get votes. We should vote down the rule.

Mr. BLANTON. If you vote down the previous question, we can then properly amend the rule.

Mr. LaGUARDIA. I would prefer voting down the rule.

Mr. BLANTON. The gentleman from New York knows how to handle bills on the floor. He has had some experience.

Mr. LaGUARDIA. I will look to the gentleman from Texas to help us vote down the rule.

Mr. BOYLAN. Will the gentlemen kindly yield me the floor now? [Laughter.]

Now, we go along and come to another part of the bill which says:

SUSPENSION OF SATURDAY HALF HOLIDAYS

The provisions of the act entitled "An act providing for Saturday half holidays for certain Government employees," approved March 3, 1931, shall be inoperative during the fiscal year ending June 30, 1933, and the provisions of law amended by such act shall apply as if such act had not been enacted.

Just think, gentlemen, after all the years we tried to give Government employees the benefit of a Saturday half holiday, and they have only had the benefit of it for one year, you come along and take it away from them. That is a provision which we certainly should consider ourselves bound to defeat, and unless we defeat the whole bill, the whole rider, that will be included in it.

Then along comes another little section where they are going to pass the hat. Just imagine the Government of the United States passing the hat. Here is a very fine section. It says:

In any case in which the application of the provisions of this title to any person would result in a diminution of compensation prohibited by the Constitution—

Listen to this, gentlemen:

the Secretary of the Treasury is authorized to accept from such person and cover into the Treasury as miscellaneous receipts remittance of such part of the compensation of such person as would not be paid to him if such diminution of compensation were not prohibited.

In other words, suppose you are getting a salary of $3,000 a year and owing to some provision in the Constitution these salary cutters are not able to get you; then in that case you are invited to do this: First, you exempt $1,000; then you have $2,000 left; 11 per cent of that will be $220, and, according to section 107, you are invited to go to the Treasury Department and hand in your check for $220. I trust you gentlemen will remember that.

Mr. BARBOUR. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BARBOUR. Would that be legal when the Constitution of the United States provides that certain salaries shall not be cut or reduced during the term for which the office-holder is appointed? Could the Treasury take it?

Mr. BOYLAN. I do not hold forth as an able constitutional lawyer, but in my humble opinion I do not think it would be constitutional; in fact, I think this whole rider is unconstitutional.

Mr. BARBOUR. I think there is a very serious question as to whether the Treasury would have the right to receive that money.

Mr. BOYLAN. I believe the gentleman is correct in his assumption. Then, we have suspension of promotions and the filling of vacancies. You gentlemen know, and I know, that Congress passed laws in order to keep faithful employees in the Government service by guaranteeing to them certain promotions; that if in a grade above that in which an employee was working a vacancy existed either through death, resignation, or separation from the service, some one in that class or grade could look forward to being promoted to that vacancy. This is all carried away; all this hope is destroyed by a provision in this bill.

Now, we have another section, "Compulsory retirement for age."

Every one of us knows there are certain key men and women in the different departments whose services are almost invaluable to the Government and for whom we try to secure extensions of two years additional after they have reached the retirement age, not altogether as a benefit to the individual man or woman, but rather as a benefit and help and aid to the Government on account of the knowledge they have acquired by their long experience.

Then we come along and we find that the Postal Service is affected, and we are told that the traveling allowances provided for employees of the Postal Service shall not exceed $2 per day. Just imagine, gentlemen, a postal clerk traveling on business of the Government or a railway mail clerk traveling to connect with his train, is allowed the munificent sum of $2 a day to pay for his lodging and three meals. How any man can do this I do not know, but this is one of the conundrums, I suppose, that will have to be solved later.

Of course, on account of the limited time I have at my disposal, I can not go into every section of this nefarious rider, and I shall have to simply pick out certain ones as I go along.

We find in another section that no officer or employee of the Government shall be allowed or paid a higher rate of compensation for overtime work, for night work, or for work on Sundays and holidays, which is very, very unfair, because every trade and every business recognizes the additional hardship caused by working nights and working Sundays.

We have another illuminating provision here. The Postmaster General may temporarily assign a clerk to the duties of carrier or a carrier may be assigned to the duties of clerk, and it goes farther—he may assign any postal employee to the duties of a railway postal clerk or he may take a railway mail postal clerk off of his train and put him in a post office without change of pay-roll status.

I do not know what this will lead to, but I do know that we have in the New York City post office—and I guess you have the same thing in the other large cities of the country—substitute carriers who have been on the list as long as five and six years. Some of these poor fellows are only making on an average of $15 a week. If they are going to take men off the trains and put them into the post office, if they are going to have clerks do carrier work, I do not know what is going to happen to the poor substitute.

Mr. KETCHAM. Will the gentleman yield briefly at this point?

Mr. BOYLAN. Yes.

Mr. KETCHAM. Before the gentleman leaves his discussion of transfers to which he has just made reference, will the gentleman be kind enough to advise the House whether such transfers are subject to any review by the Congress upon recommendation of the President, or are they definite

powers given to the Postmaster General without any power of review?

Mr. BOYLAN. These are definite powers given to the Postmaster General, and as I understand it, without review.

Mr. KETCHAM. Later on in the section there is a provision which gives the President power to make certain reorganizations, and they go into effect subject to the review of Congress within a period of 60 days.

Mr. BOYLAN. That does not apply to this section.

Mr. BACON. Will the gentleman yield before leaving the matter of the mail service?

Mr. BOYLAN. Yes.

Mr. BACON. If the proposed 11 per cent cut goes through, plus a 10 per cent cut in the Senate, it will mean that all cities, instead of having three deliveries a day will have but one delivery a day. It will mean that no mail will be sorted in the Railway Mail Service, but will have to be sorted in the central post office, with a loss of 24 hours in the delivery of letters; and so far as rural delivery is concerned, it will mean a reduction from one delivery a day to two deliveries a week, and, in fact, if the 11 per cent cut plus the 10 per cent reduction in the Senate goes through, so far as all bills are concerned, in addition to the Post Office Department bill, it will mean that 80,000 people will lose their jobs and that this may affect 300,000 people.

Mr. BOYLAN. I am very glad the gentleman called my attention to that fact. I had made a note of it but it had slipped my mind.

The gentleman is correct in his assumption. I went into that matter last week in a few remarks I made, and showed that if the Senate made a 10 per cent cut after the Bureau of the Budget had made a cut and the Appropriations Committee had made a cut, and then this wonderful committee taxes them 11 per cent, I do not think there will be any salary left or any clerks left. I think we will have to call on dollar-a-year men and women to offer their services to the Government and perform all the Government functions, including the delivery of the mail.

There are a few more little things here. Here is a little section that is going to interest you gentlemen. You will have to pay for these things. I know I do.

SEC. 315. Increases in certain charges and fees. After the date of the enactment of this act, the price at which additional copies of Government publications are offered for sale to the public by the Superintendent of Documents shall be based on the cost of printing and binding plus 30 per cent, and such cost shall be in lieu of that prescribed in public resolution—

And so forth.

Now, just think of that, gentlemen. Your constituents write to you for documents of various kinds. They are going to cost you just 30 per cent more than you are now paying for them.

If you are willing to pay it, all right.

Mr. WELCH of California. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. WELCH of California. Does the bill provide for the cutting off or cutting down of assistance to the disabled war veterans?

Mr. BOYLAN. It does. That section was covered by the gentleman from California [Mr. SWING]. It does cover that; but I am not going into that again.

Now, gentlemen, do not forget when this rule comes in here on Wednesday that public documents are going to cost you 30 per cent more than you are now paying; and if they take the cut of 11 per cent off your salary, that will mean $990 a year, and adding that to the other expenses, I think your net salary is going to be at least $2,000 less than what you are now getting. So beware of this rule, I beseech you.

Now, they have a provision in here that even the courts are not allowed to interfere with the working of the bill. They are going to muzzle the courts.

They say that no court of the United States shall have jurisdiction in any suit against the United States or against any officer, agency, or instrumentality of the United States arising out of the application of any provision in this title—unless such suit involves the Constitution of the United States.

Was there ever a bill passed here with a provision like that in it to muzzle the courts? They are so fearful that the bill will not stand—and I know it will not stand—that they are going to muzzle the courts in advance. Is not that a wonderful prohibition?

Now, I hope the gentleman from Cape Cod [Mr. GIFFORD] is here, for here is a provision that will interest him.

Here is a provision that a fish hatchery located in any State may be transferred, with all of its personal property, to the State, and if any State shall cease to use the hatchery, it must revert to the United States.

Mr. GIFFORD. There is no fish hatchery in my district, except the scientific laboratory at Woods Hole.

Mr. BOYLAN. Well, the gentleman catches so many fish off Cape Cod that I suppose it is not necessary to have a fish hatchery. [Laughter.]

Now, what about the farmer? How do you feel about this? Here is a provision for the transfer of agricultural experiment stations. On the application of any State the Secretary of Agriculture is authorized to transfer to such State all right, title, and interest in the agricultural experiment station located in such State, together, and so forth. Now, it may be gentlemen, the Government is getting from under the agricultural experiment stations—are you willing to agree to this?

Mr. OSIAS. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. OSIAS. May I request the gentleman, with his brilliant powers of analysis, to turn to section 302, page 13?

Mr. BOYLAN. Oh, yes; that is the Philippine Scouts provision. I am glad the gentleman called my attention to that. Now, what is going to happen to the Scouts?

Here is what is going to happen to the Scouts. All expenses incurred on and after July 1, 1932, on account of the Philippine Scouts shall be charged to the government of the Philippine Islands.

The Secretary of War is to certify periodically to the Governor General the expenses incurred on account of the Philippine Scouts and those expenses are to be collected from the Philippine government by the Secretary of War and deposited to the credit of miscellaneous receipts in the United States Treasury.

It was not enough to throw them back on the Philippines at a cost approximately of $5,000,000 a year to that people for upkeep, but it even goes farther and adds insult to injury by saying that after having done that the President is authorized to disband the Philippine Scouts or reduce the personnel thereof.

Mr. OSIAS. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes; with pleasure.

Mr. OSIAS. The gentleman is aware that the Philippine Scouts are a part and parcel of the United States Army, is he not?

Mr. BOYLAN. Certainly.

Mr. OSIAS. Does the gentleman think it honorable and just to proceed in accordance with that provision?

Mr. BOYLAN. I do not. I do not think that anything in this bill is just. Of course, if we pass the buck to the Filipinos and make them pay this bill, we can then say that we have saved $5,000,000.

Mr. OSIAS. And may I be permitted to add that the present law, approved by the Congress of the United States on February 2, 1901, already authorizes the President to fix the number up to 12,000 and places no limitation on his power to reduce the number. It seems to me, therefore, that that provision is unnecessary.

Mr. BOYLAN. That is true. I agree with the gentleman; but in this wild craze for economy we are snatching at every straw that will help reduce expenses, and, of course, if we can have the Filipinos pay the $5,000,000 instead of our paying it, we will have saved $5,000,000. The gentleman will agree with me on that, surely.

Mr. OSIAS. I am sure the gentleman would not allow a little matter of $5,000,000 to weigh in the balance against the principle that is involved?

Mr. BOYLAN. Absolutely I agree with the gentleman. Principle is above monetary worth; principle is priceless—therefore I oppose this item in this rider as I oppose every other item in it.

Mr. OSIAS. I thank the gentleman.

Mr. BOYLAN. Mr. Chairman, I have taken these few minutes to call attention to some of the high spots in this proposed rider. I do not know whether I am violating any confidence in reading out of the confidential print which was published in the morning newspapers or not, but be that as it may, I have simply taken the time so that you gentleman may carefully consider the sections of the rider.

Just imagine a 68-page rider will be presented to you at noon on Wednesday next without giving you proper opportunity for study. I beseech you to carefully examine the provisions of it in order that you may see where it affects not only the Federal employees but every branch of our Government, and in what manner it affects them. Remember, if we cut the salaries of Federal employees, we reduce their purchasing power; and I do not speak alone for the 70,000 employees in the city of Washington—I speak for the 700,000 Federal employees scattered throughout the length and breadth of this land. Every one of them is a potential purchaser, every one of them uses the salary he receives from the Government to purchase food and clothing and the necessaries of life; and if anything is left after doing that, then to buy a few of the refinements of life. Every one of these things enters into the daily life of industry in every State of the Union. You agree with me, I know, that the purchasing power of 700,000 employees at an average salary of $1,440 each is something that we must reckon with and something that should be considered by the Congress. You gentlemen know as well as I do that the minute the Congress reduces the salaries of Federal employees every mercantile and industrial organization throughout the United States will be waiting to take advantage of it and say, "The Federal Government has reduced salaries, so we now will also reduce salaries." [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BOYLAN. Mr. Chairman, I ask unanimous consent to proceed for another hour.

Mr. BLACK. Mr. Chairman, I object.

Mr. TILSON. I ask unanimous consent that the gentleman may proceed for another hour.

Mr. BLACK. Mr. Chairman, I object.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 154, to authorize the merger of street-railway corporations and the acquiring of certain bus lines operating in the District of Columbia and adjacent States, and for other purposes, and had come to no resolution thereon.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that debate upon the pending bill conclude in 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 154.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 154, with Mr. THOMASON in the chair.

The Clerk read the title of the joint resolution.

Mr. KETCHAM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KETCHAM. What became of the request of the gentleman from New York [Mr. BOYLAN] for the publication of the report of the Economy Committee as an extension of his remarks in the RECORD? A reservation of objection was made, but I heard no disposition of it.

The CHAIRMAN. No such request was directed to the Chair.

Mr. KETCHAM. Then it is not to be printed as an extension of his remarks?

The CHAIRMAN. It is not.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman, for many years there has been an effort to merge the street-car companies of the city of Washington.

For two years prior to March 4, 1929, I labored on this matter, together with the gentleman from Texas [Mr. BLANTON] and the gentleman from Vermont [Mr. GIBSON], and others. I mention them, as they have mentioned me.

We went into this matter, I presume, as thoroughly as any committee of Congress has ever gone into any similar subject. I fought side by side with the gentleman from Texas and the gentleman from Vermont in opposing the merger then proposed. I think those gentlemen will give me credit for having been at least diligent in that hearing and for conducting a large part of the cross-examination.

I do not say that the present bill is altogether satisfactory to me. I do not believe any bill will ever be drawn that would be satisfactory to everybody, but this is so far superior to any proposal that has ever been made to the House, and it is so obvious that some merger should be effected, that I feel now, for the first time, that I am in accord with the merger proposed by the Public Utilities Commission. I think the gentleman from Texas [Mr. BLANTON] will give me credit for having eliminated from the former proposal the valuation of some $75,000,000 that was placed upon these properties. I came to the conclusion that that was an excessive valuation, and I knew the purpose would be to use it as a base for the purpose of fixing rates.

I also fought to have included in the merger a provision that the school children of this District should ride on greatly reduced fares.

I also fought for certain labor provisions. All of those matters have now either been effected in other legislation or the objectionable features have been eliminated from this bill. The vicious valuation of $75,000,000, which was attempted in previous proposals, has been eliminated. The reduced school fare has been provided in different legislation, and I feel that now is the time when the Public Utilities Commission should be given an opportunity to secure, if they will, and if justifiable, reduced fares for all riders of the street cars.

I agree with a great deal which the gentleman from Texas has stated, but to my mind that does not affect the matter of this merger. If there are any provisions in this bill that are unwise, we should eliminate them by amendment; but it is so obvious that it is unnecessary to have two overheads, it is so obvious that it is unnecessary to have miles of duplication of trackage and that we should eliminate those expenses that I feel that the objections that have been raised should be addressed to amendments rather than to defeating this merger.

The suggestion that the traffic policemen should be paid for by the taxpayers of the District instead of by the traction companies is, to my mind, sound. It is true it adds an additional burden to the taxpayers of the District, but it is a burden they should bear, and should always have borne. It is not only unfair to the riders of the street cars that they should pay for traffic policemen rather than the general taxpayers of the District, but it is unsound governmentally. Officers of the law are now being paid for in the District of Columbia by private corporations.

I am not so sure of the matter of street paving. It is true this merger bill transfers certain paving from the street-car companies or from the street-car riders, if you please, to the general taxpayers of the District. I am not so sure that that is a wise provision, but that should not stand in the way of this merger. If the committee feels that the street cars should bear that, and it is borne by the street-car companies in many States of the Union, it can be eliminated by amendment. But, as the gentleman from Texas has pointed out, because the Public Utilities Commission in the past has not shown much sympathetic consideration of these matters is no reason why overhead and duplication of trackage and many unnecessary expenses that are now carried in this duplication should not be eliminated.

The gentleman from Texas pointed out the great rise in the value of these stocks. I am not as fresh upon this as the gentleman is, but the committee went into it fully, and my recollection is that that was caused by the fact that the Washington Railway & Electric Co. owned the power company and received the benefit of the profit from light consumers in the District. But my recollection is very distinct that the income on those stocks, when confined to street-car traffic, was not greater than 3 per cent.

The gentleman from New York [Mr. LAGUARDIA] has suggested that the 7 per cent provision as a maximum to be earned on stocks is out of keeping with the general times and that it is too much. That may be, but that is not fixed by Congress, and any rate we would fix would be absolutely immaterial. That has been fixed by the Supreme Court of the United States; and regardless of what we might write into this bill as a fair return, those companies could go into court under the confiscatory clause of the Constitution of the United States and ask for a fair return on their property, and it would be fixed by the courts.

I do not know that there is anything I can add. I would not have taken this time had it not been for the fact that it was shown that I had vigorously opposed these mergers in the past. That is true. But I felt it fair to say to them and to those of you who knew of any prior position I might have taken, that I feel now that the objectionable, the substantial features to the merger which we opposed have, through years of fight, been eliminated. I am glad to have taken some small part in that fight, in which the gentleman from Texas has been so helpful to the people of the District, and in which the gentleman from Vermont has been so helpful. I think both of those gentlemen will bear witness to the fact that the things we fought against hardest have been eliminated, and I, for one, will say that, although this merger bill is not as I would write it, yet undoubtedly we ought to have a merger.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mrs. NORTON. Mr. Chairman, I yield nine minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, were it not for the extreme importance to the entire country of the so-called amendment which is to be offered on Wednesday to the legislative appropriation bill, I would not trespass upon the time of this committee, which has been very patient all afternoon.

Mr. Chairman, I want to point out to the membership of this House that this so-called economy plan which is being brought before us is the result of a hysteria, a mania on the part of just a few individuals who are smarting under the disappointment of the revenue bill which was passed by this House.

We can not by the wildest stretch of the imagination so curtail the Budget without an increase of taxes. The revenue bill will be passed by the Senate and will become a law notwithstanding the misrepresentations that are being sent throughout the country at this time.

The whole purpose is to bring down the wage scale in the United States and I want to point out to my colleagues the fallacy of such a policy.

This will reduce the purchasing power of the American people, which is now at a low ebb. It will further reduce the purchasing power of the American people to the extent of several hundreds of millions of dollars. The amount deducted from Federal employees and from the normal expenditures of the Government will so demoralize the departments and so impair public business as to create a complete breakdown of the Government.

No constructive suggestion has been made as to where we can economize, and let me point out something significant.

Gentlemen will remember that last summer a group of bankers called on the President and forced the President to issue his statement on the moratorium. The country was committed and Congress could do nothing else but ratify that commitment made by the President. Now, it is sought to make the employees of the Federal Government pay the cost of that moratorium. If you take the figures you will see that this is significant.

If you consider the figures you will see that the loss of the amount due on the foreign debts is, this year and next year, by reason of the foreign debtors not paying the United States, to be partially made up by economies in the Government service and reduction of Federal wages. When the moratorium was declared, it was believed that it would be absorbed by the entire country.

Gentlemen, I hope this House will not be trapped, may I say, with any sugar-coated rules, because the subjects in the proposed amendment would not be germane under the rules of this House to a legislative appropriation bill. Why, the outrage that is being perpetrated on the people of the Philippines—and the Commissioner sits here at this moment—would not be germane to any appropriation bill imposing an additional $5,000,000 to be collected at the point of the bayonet for the support of a military establishment that the people of the Philippines never created, never asked for, and do not want. In addition, there are many legislative features which should each be separately considered.

I submit, gentlemen, this House should resent being treated like kindergarten children by placing this makeshift, this legislative monstrosity, on the legislative bill so as to say, "You have got to vote for it because your salaries are to be decreased."

Let us vote on every proposition on its merits; and I submit, gentlemen, to study the proposed rule, although it may seem to be a liberal rule, it should be voted down. Why should we be limited in the number of amendments the membership of this House may want to offer to any given proposition?

Mr. KELLER. Does the rule provide that?

Mr. LAGUARDIA. You will find the rule limits the number of amendments; and I say that any rule that limits the constitutional right of the membership of this body to legislate is a gag rule no matter what they may call it.

Another thing I want to warn against is the so-called bipartisan feature. Bipartisan action may be vicious just as bipartisan action may be good. I want to point out to the leadership on this side that they will be in no position to criticize the conduct of the majority unless they have the courage to back such criticism by their votes in voting down the rule.

I want to appeal to my friends on the Democratic side. I know they do not want to lend themselves to a scheme which would destroy labor conditions that have taken 50 years to acquire in this country by blindly voting for the rule and swallowing this bill.

Why, gentlemen, extra pay for night work, known as the night differential, and pay for overtime are fundamental principles of labor that labor has struggled for 50 years in this country to obtain; and now with one stroke, under the guise of economy, based upon misrepresentation, Mr. Chairman—willful misrepresentation—all progress and benefits to labor are to be swept aside.

I have letters in my office—stereotyped letters—prepared by the largest banks in this country and given to unemployed people to sign, stating that unless the tax bill is defeated unemployment will continue. Did the working people of this country cause the depression? Not at all. Who unbalanced the Budget? The Budget was unbalanced

on account of the fact that the income of the American people has been destroyed by being defrauded of billions and billions on no-good securities. Who sold these securities? Why, the very same people who are seeking to reduce wages and avoid taxes.

At this very time, Mr. Chairman, we are inflating the currency regardless of any new legislation. The Federal reserve officials testified before the Banking and Currency Committee of the House that they are issuing currency to the extent of $25,000,000 a week and raising it to $100,000,000 in this attempt to bring up commodity prices. If we are going to bring up commodity prices, how can we with any decency reduce wages? Such a scheme of inflating currency and reducing wages would make the working people of this country pay the entire cost of the depression. That is the whole effort—to inflate the currency, increase commodity prices, decrease wages, create a poor half-starved working class with the possibility of greater exploitation, and make the working people pay all the cost of the depression. [Appahuse.]

The CHAIRMAN. All time has expired, and the Clerk will read.

The Clerk read as follows:

Sec. 2. Such unification in accordance with said agreement, and each and every one of the provisions therein, be, and the same are hereby, ratified and approved, and said Capital Transit Co., when organized under the provisions of subchapter 4, chapter 18, of the Code of Law of the District of Columbia, shall have all the powers, benefits, and obligations expressed in said unification agreement, approved as aforesaid; and the Public Utilities Commission of the District of Columbia be, and is hereby, authorized and directed to do all such acts and things as may be necessary or appropriate on its part to carry out the provisions of said agreement and of this resolution.

Mr. BLANTON. Mr. Chairman, I offer a preferential motion. I move to strike out the resolving clause.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, I think this bill ought to be stopped here. I do not know whether we can do it or not, with just a few Members on the floor, and most of them members of the committee, but we ought to make the attempt for the following reasons: It changes existing law with respect to the charter fare of 5 cents. I hope that the charter will not be changed requiring them to carry passengers for 5 cents. Then this permits them to stop paving between tracks.

They never have paid anything for their franchise, and they ought to continue paving between the tracks. That is worth $150,000 or $200,000 a year to them or more.

We ought to beat it, because it gives them a valuable right in stopping their payment for traffic policemen. They have always paid that, and by this bill we are putting it on the people without a corresponding benefit.

We ought to beat it because this will permit them as soon as it is approved to increase their capital stock, and to increase their bonds to an unlimited amount. There is no limitation whatever placed on it. They will sell their new stocks and bonds and use them in trying to get a return on all this, and then getting the Public Utilities Commission to let them increase their fare. I think we ought to stop it right here.

If you look at it, I doubt whether it would be a legal enactment if it does pass. There are a lot of whereases, and the resolving clause is not properly drawn, but crudely put together. The railway companies are not properly named, and the railway companies could take advantage of it if they wanted to, and the people can not do it. For all these reasons I think the bill ought to be stopped right where it is.

Mr. BLACK. Mr. Chairman, the gentleman from Texas wants to undo the work of Congress for a great number of years in an effort to serve the people of the District of Columbia by a simple motion to strike out the resolving clause. He says the resolving clause is not properly drawn, and that the companies are not properly named. He says that the bill is crudely drawn. The reason that the companies in the agreement are not always named by their full names is simply for convenience. They call the Capital Traction Co. in various parts of the agreement the Capital Co., having said in the first paragraph that it shall be so known. It is merely a matter of convenience. There is no subterfuge or underground business about it, nor is it unfair. Congress has had this burden on its hands for years, and it is time to get rid of it. It is the unanimous sentiment of the people of the District that something be done about clearing up the situation that is created by competing public utilities on the streets of the city of Washington—and they exist no place else in the country. We owe it to the people of Washington, who have a real basis for the demand for this merger, that we do something about it.

If some gentlemen do not like some parts of the bill, then let us get along with the reading of the bill, and see whether we can perfect it by amendment to that particular part. If reasonable suggestions or amendments are offered, the committee may agree to adopt them, but it is highly unfair at the outset of the reading of the bill to try to destroy the whole bill because one Member says, for instance, that the company's right name is not always used in the agreement. This thing has plagued the Congress and has taken up the time of the Congress. It is the obvious thing to do. There is not a board of aldermen in any city who would not merge street railways. There is not a board of aldermen or a legislature in any part of the world that would agree that there ought to be competing public utilities in any municipality. This bill is a fair bill. It does not call upon the Congress to operate the street railways, it calls upon the Congress to outline the matter of operations, leaving it to the agent of the Government, the Public Utilities Commission, to see to it that everything is fair to the people of the District and to the companies. The Bureau of Efficiency has examined the bill and worked upon it, and the committees of the Senate and the House have worked upon it as has the House; and after the consideration that has been given it, it would be highly unfair to destroy the composite work of all of these committees and all of these bureaus, with one fell blow by a motion to strike out the resolving clause. The fair thing to do is to read the bill; and if we do not like parts of it, then try to amend those parts. I hope the motion will not prevail.

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the resolving clause.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 5, noes 34.

So the amendment was rejected.

Mr. CHINDBLOM. Mr. Chairman, for the purpose of the RECORD, inasmuch as section 1 has not been read, and it is the intention of the amendment that section 1 shall be a preamble, I ask unanimous consent that the reading of section 1 be now dispensed with, and that it be returned to hereafter.

Mr. BLANTON. Mr. Chairman, reserving the right to object, I understand what the gentleman has in mind. I think that we can accept the amendment that the gentleman has in mind.

Mr. CHINDBLOM. I am not offering an amendment.

Mr. BLANTON. Mr. Chairman, we never read any of the preamble. I object.

Mr. CHINDBLOM. The point is this: As it now reads, section 1 is not a preamble. The amendment proposes to make it a preamble. I therefore ask that the reading of section 1 as a preamble be deferred until the rest of the bill has been read.

Mr. BLANTON. I object.

Mr. STAFFORD. The committee has already deferred it.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Strike out the resolving clause and insert, on line 1, page 22, the words "*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That such," and in line 1, page 22, strike out "Sec. 2. Such."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Without objection, the word "assembled" will be correctly spelled in line 3, page 22.

There was no objection.

The Clerk read as follows:

SEC. 3. This agreement, hereinbefore set forth, shall be submitted to the stockholders of the Capital Co. and the Washington Co. for their action within six months after its approval by the Congress.

With the following committee amendment:

Page 22, line 15, strike out the figure "3" and insert the figure "2."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. That all provisions of law making it incumbent upon any street-railway company to bear the expense of policemen at street-railway crossings and intersections, the laying of new pavement, the making of permanent improvements, renewals, or repairs to the pavement of streets and public bridges, and the permanent improvements, renewals, or repairs to public bridges over which the street-car lines operate, are hereby repealed, such repeal to be effective on the date the unification herein authorized becomes operative: *Provided*, That the Capital Transit Co. herein provided for shall bear the entire cost of paving, repairs, or replacements incident to track repairs, replacements, or changes made at a time when the street or bridge is not being paved, and shall bear one-fourth the cost of other paving, repaving, or maintenance of paving between its track and for two feet outside the outer rails, and shall bear the excess cost of construction and maintenance of public bridges due to the existence or installation of its tracks on such bridges: *Provided further*, That nothing herein contained shall relieve said Capital Transit Co. from liability for street paving as owner of real estate apart from right of way occupied by its tracks as provided by section 8 of the act of Congress entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended to date.

With the following committee amendment:

Page 22, line 19, strike out the figure "4" and insert the figure "3."

Mr. BLANTON. Mr. Chairman, before the committee amendment is put, I have a perfecting amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 23, line 2, after the word "repealed," strike out the comma, insert colon and the following:

"*Provided*, That the rate of fare for adults shall not exceed 5 cents, as provided in their charters."

Mr. BLACK. Mr. Chairman, I reserve a point of order.

Mr. BLANTON. Mr. Chairman, we are giving these railroads valuable rights in this provision of the bill. Both their charters provide that they shall never charge the people of Washington more than 5 cents fare. They have never paid anything for this franchise right. One of our friends from Kentucky a while ago, coming from a small city, told me that his railroad company paid $6,000 a year for its franchise as a street railway, and they paved all between the tracks and for 18 inches on each side of the outside rails.

They have always done that here, even with the 5-cent fare provision in the charter. We are relieving them of all this paving, we are relieving them of all this repair of bridges, we are relieving them of the traffic policemen which they have always maintained at a cost running up into the thousands every year. Should we not hold them to their charter provisions? Do you not think we ought to make them comply with the contract that they executed when they got this valuable charter from the people of the District of Columbia? They are handling such of the 70,000 Government employees in Washington every day who ride on street cars. Let us hold them to their charters.

Mr. McLEOD. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. McLEOD. Is the gentleman aware of the fact that these companies are now earning less than 3 per cent?

Mr. BLANTON. Oh, I heard those figures that the railway company sent to the gentleman from West Virginia to read. But that is on watered stock.

Mr. McLEOD. No one sent them to me.

Mr. BLANTON. The gentleman from West Virginia, back in 1925 and 1926, when the gentleman from Vermont [Mr. GIBSON], and the gentleman from Kentucky [Mr. GILBERT], and myself were trying to get them to go back to their charter rights, then read figures for the railway companies. He is the man we had to fight. He is still the man we have to fight on the floor.

Mr. BOWMAN. Will the gentleman yield right there?

Mr. BLANTON. No; I do not yield.

I have called the gentleman down so many times it is shameful. He is the one we had to fight all the way through, and we are still having him to fight. That is nothing new here. I had to call him down every day when we were trying to get rights for the people, and we ought to see to it that they go back to their charter provisions if we are going to relieve them of all these responsibilities.

Mr. FOSS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FOSS. If the 5-cent fare is a charter provision, why are they charging more now?

Mr. BLANTON. Because they are getting by this Public Utilities Commission here. There is always somebody friendly to them that protects them.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. PALMISANO. As an attorney, wanting to protect the people, as the gentleman is always claiming, why not have an injunction filed against them?

Mr. BLANTON. Oh, who is going to pay for that? I have paid out a lot of money in trying to protect the people. I paid a lot of money the other day to have Resolution No. 355 printed so that I could get it before the Members of Congress. I do that all the time; but who is going to take the lead in getting out an injunction?

Mr. PALMISANO. But is it not true that the gentleman knows he would get nowhere, and for that reason he has not done it?

Mr. BLANTON. I know that we forced the 3-cent car fare for the little children, and they have not stopped us yet by injunction.

Mr. BOWMAN. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BOWMAN. Where is the 3-cent car fare now? It is in the Supreme Court of the District of Columbia.

Mr. BLANTON. But it is still in force and effect. Oh, the gentleman is not in favor of that either?

Mr. BOWMAN. I am in favor of it and I voted for it, I will say to the gentleman.

Mr. BLANTON. Why does not the gentleman from West Virginia help us instead of trying to hamstring us when we want to get something satisfactory?

Mr. BOWMAN. In voting for this merger let me say that I am doing more for the District than the gentleman from Texas.

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. I yield.

Mrs. NORTON. The gentleman from West Virginia has always helped us.

Mr. BLANTON. I am speaking of the years before the lady recently became chairman of the committee. He did not help us. He did not help the gentleman from Vermont [Mr. GIBSON] and myself when we worked on that committee. He did not help the gentleman from Kentucky, Judge GILBERT, and myself when we were after Commissioner Fenning.

Mrs. NORTON. That depends entirely upon the point of view of the gentleman from Texas.

Mr. BLANTON. My point of view was for the people. The point of view of the gentleman from West Virginia has always been reading figures that the railway companies sent him. He admitted that.

Mr. BLACK. He was right.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I was reading the people's figures. The gentleman from West Virginia was reading the railway companies'.

Mr. BLACK. Mr. Chairman, I make the point of order that the amendment offered by the gentleman is not germane. It is entirely a fare-regulatory provision, and this is simply a permissive bill, allowing the two companies to merge.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. BLANTON. Mr. Chairman, I think it is certainly germane to this bill, but it may probably be necessary to offer it as a new paragraph. This is a reorganization of the railway companies, providing for a merger. It refers back to both of their charters. Their charter provides a regular 5-cent fare. I will offer it again later on as a new paragraph.

The CHAIRMAN (Mr. THOMASON). In the opinion of the Chair the amendment might be germane if offered as a new section.

Mr. BLANTON. I offer it as a new section.

The CHAIRMAN. But this, however, is dealing with expenses incident to the maintaining of policemen and paving of intersections.

Mr. BLANTON. I offer it as a new section at the end of that paragraph.

The CHAIRMAN. The Chair sustains the point of order.

Mr. BLANTON. I offer it as a new section at the end of the paragraph.

Mr. STAFFORD. Mr. Chairman, I make a point of order against it being offered as a new section, because I desire to offer a perfecting amendment to the present section.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 22, line 19, strike out the figure "4" and insert the figure "3."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 23, line 8, strike out "one-fourth" and insert in lieu thereof "three-fourths."

Mr. STAFFORD. Mr. Chairman, for years there has been a question as to whether it was proper to require the street-car companies here to maintain crossing policemen. I am not attempting to contest the position of the committee in recommending the repeal of that provision, although the District Commissioners do criticize rather strongly the repeal of that provision, calling attention to the fact that it will cost the District $100,000. There was some reason for originally placing that burden upon the street-car companies, because of the peculiar character of operation, namely, that of having the street-car systems operated by conduits and not by trolleys. Bear in mind the fact that policemen are not maintained except at crossings where the existing street-car companies cross each other's respective lines. However, I take a firm position against what I consider an outrage upon the people of the District, the taxpayers of the District, in imposing the burden of paving between the tracks upon the District of Columbia. The bill seeks to repeal existing law and only levy a charge of one-fourth of that expense upon the street-car company. Bear in mind the fact that there are many cities—certainly my own city—which require street-car companies to pay for paving between the tracks and 18 inches outside. Why? Because they virtually preempt the use of the streets and more so in the District of Columbia where the character of construction makes the space between the tracks virtually unserviceable for other vehicles. Anyone who has made the barest observation of street-car operation knows that their heavy cars destroy the pavement of the streets. They know it is much more difficult and much more expensive to maintain the pavement between the tracks and 18 inches besides than on the rest of the highway.

We are granting them the exclusive privilege of using a valuable right of way. There is no denying it. Any person who walks the streets of Washington knows that vehicles do not use the right of way between the tracks except occasionally.

I do not want to place an undue burden upon them, but I say it is unfair to only impose on them one-fourth of the cost. We do not exempt railroad companies from the burden of paving when they cross highways; but here, where valuable franchises have been granted, we are proposing to repeal that section of the law which places all of the burden of taxation upon the street-car companies and only compel them to pay one-fourth of the cost, thus adding the burden upon the taxpayers of the District of Columbia. I say we should compel the street-car companies here to bear three-fourths of its cost and only impose a burden of one-fourth on the taxpayers of the District of Columbia.

I want to be fair. I am willing to go along with the committee as far as traffic policemen are concerned, but I say it is no more than fair to the taxpayers of the District of Columbia to compel the street-car companies to bear three-fourths of the cost of paving an exclusive right of way, which the street-car companies use on the streets of Washington. [Applause.]

Mr. BLACK. Mr. Chairman, I rise in opposition to the amendment. I think the statement made by the gentleman from Wisconsin is incorrect when he says that these street-car companies have an exclusive right of way. They have no exclusive right of way. The street-railway companies are now paying for a right of way that belongs to anybody and everybody. Not only their cars but anybody's automobile or trucks can run over their right of way and destroy it.

In the gentleman's own city I understand there was some special arrangement made with the street-railway companies relieving them to a big extent of their burden in respect to paving.

Mr. STAFFORD. Not at all. They are bearing the burden in Milwaukee, and always have.

Mr. BLACK. I understand there is an agreement between the city of Milwaukee and the Milwaukee Electric Co.

Mr. STAFFORD. There is to this extent: That those companies must pave between the trackage and 18 inches on the outside.

Mr. BLACK. I understand that was some relief to the companies from the old condition.

Mr. STAFFORD. No; the old condition was that they were obliged to charge a 5-cent fare, but they were granted an indeterminate franchise, one of the conditions being the obligation of paving between the tracks and 18 inches on the outside, and that condition is found in other cities.

Mr. BLACK. All over the country there has been a tendency to relieve street railways of these paving charges. Realizing the value of street railways to their growth, the municipalities have had a tendency to relieve street railways of that condition.

Communities have realized that the original investment in street railways had a great deal to do with the development of municipalities; they have realized that street railways have had a great deal to do with the development of outlying portions of communities; communities have realized that taxable property has been added to their list, and for that reason they have relieved railway companies of these paving charges. If it is right in principle to relieve them of some of the charges, then they ought to be relieved of as much as is possible.

Under this bill they are charged with one-fourth of the cost. They are now paying for paving and improvements that take up about 35 per cent of the highway, but they do not have the exclusive use of 35 per cent of the highway. So they are being relieved of this charge, which is in line with what other communities are doing.

If this merger is successful, it will be in the interest of the car riders of Washington; it will be in the interest of the city of Washington; it will be an economy that will help the city develop; it will result in the railway companies rendering a service that will build up outlying portions of the city,

by which a vast taxable area will be added to the city of Washington, and in the long run the taxpayers of the District of Columbia will be benefited by reason of increased real-estate values. That will come about by reason of a better railway system than they now have, and it will be the railway's contribution to the city, more than offsetting the paving charges.

Mr. TILSON. Mr. Chairman, I move to strike out the last word. I think we should face realities in regard to this trolley business. We all know that the trolley business was originally a horse-car proposition and that between the tracks it was necessary to have quite a different kind of pavement from that which was on the outside of the rails. It was necessary to have soft ground for the horses' feet.

Later on, when the electric trolley arrived, it was better to pave between the tracks, because it was no longer necessary to have soft ground for the horses.

Then came the automobile. Since that time we have used the portion of the highway between the tracks as well as outside, and it is now used by automobiles, trucks, and everything else.

The trolley companies do not have the exclusive right of way, neither do they prevent the use of any part of the street by trucks and automobiles, but they were quite generally required to pave between the rails and for a certain distance outside of the rails. There was a certain fitness in requiring the trolley companies to make the now disused horse path usable for other traffic purposes, but no doubt the chief reason was because the trolley business was rapidly becoming a most profitable business. People went into it and made considerable sums of money at that time, but what has happened recently, since the automobile has come along? We know that trolley cars are rapidly disappearing in this country, and yet they are still necessary to complete our system of transportation. For people who can not afford their own automobiles some means must be provided to come down town in the morning and to return when their day's work is finished.

What we are going to accomplish if we insist upon unreasonable requirements for the trolley companies, is to drive them entirely from our streets, and what will this mean to the working people and to all the poor people of our cities?

We might just as well face the facts, and they are somewhat disturbing, too. Take the statement that the gentleman from West Virginia read showing the decrease in the number of passengers carried and the rapidly diminishing revenues. It shows that the trolley business is going out of existence unless it is accorded fair treatment and recognized as a necessary part of urban transportation systems.

I have no financial interest in trolley companies, but I have great interest in a proper transportation system for the country and in maintaining it for the good of the people. Unless we act sensibly, sanely, and reasonably toward these trolley companies, giving them a fair chance to continue in business, they will be forced sooner or later to go out of existence. They are not making great sums of money now, they are not paying large dividends, many of them paying nothing, and, unfortunately, I fear that they are going to make less as time goes on.

Mr. KELLER. Why?

Mr. TILSON. Because of the automobile, because of the bus, because this is no longer a trolley age. It is an automobile age; but, nevertheless, the trolley-car business is still necessary to complete our transportation system. Let us not destroy it.

Remember that we are no longer striking at big, prosperous, profitable corporations, but are striking at a business that all over this country is struggling for its very existence. In many smaller towns and in some larger ones the trolley companies have ceased to operate entirely. Let us not by our acts help force the Capital City of our country into this category. Let us allow this merger to take place.

I am glad that this committee, under the leadership of the lady from New Jersey [Mrs. NORTON], has done something that other District Committees for many years have failed to do. She has finally succeeded in bringing to the House a workable bill under which a proper merger can take place for the good of the people of this city, and I hope the measure will be passed.

Mrs. NORTON. Will the gentleman from Connecticut yield?

Mr. TILSON. Yes.

Mrs. NORTON. I would like to observe that the credit for most of the work on the bill goes to my colleague, the gentleman from New York [Mr. BLACK].

Mr. TILSON. Whoever has done it deserves great praise and we ought not to tear the measure to pieces. We ought to pass a reasonable bill that will permit the merger to take place and thus make possible a unified control so necessary for successful operation under present conditions. [Applause.]

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a letter which I have received from the Secretary of War in answer to my inquiry with reference to the Army Transport Service, which is proposed to be abolished under the so-called economy bill which will be considered in the House next Wednesday.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

Mr. SCHAFER. Mr. Chairman, it is regrettable that in these days of financial stress and unemployment the House of Representatives and the Senate of the United States do not use better judgment. Instead of adding to the misery and the depressing situation throughout the country, we should do what we can to relieve it.

We have an Economy Committee which is going to report for your consideration on Wednesday a 69-page bill radically changing many old and vital policies of our Nation. No printed hearings are available so that the Members of the Congress can study the evidence presented to the committee to justify any portion of that bill. Yet, in the name of economy we are asked to allow ourselves to be stampeded and vote for the legislation under a gag rule when the report of the committee on the bill will not even be in the hands of the membership until the morning of the day set for its consideration in the House. The copy of the bill was not even available until to-day, and the bill is to be considered day after to-morrow. What a ridiculous position the membership of this House finds itself in. Is there any Member who is a superman or woman who can fairly claim that they will be able to intelligently vote on this bill under such circumstances? There is not in my opinion; and if the bill is passed, the membership voting to do so will merely rubber stamp the Economy Committee, which itself is divided on most of the bill's features.

Mr. Chairman, this bill changes our whole policy of national defense and provides for the consolidation of the Army and Navy, which was defeated in the Committee on Expenditures in the Executive Departments after long hearings and extensive study in executive sessions. The only witnesses appearing before the Expenditures Committee in favor of the Army and Navy consolidation were two members of the Economy Committee, the gentleman from Tennessee [Mr. BYRNS] and the gentleman from South Dakota [Mr. WILLIAMSON]. I suppose in these days of unrest among the foreign nations of the world that if America were to engage in another major conflict we should remove the Secretary of War, the Secretary of the Navy, and our Army generals and Navy admirals who opposed this bill from the service of the country to join ranks of the unemployed, in the name

of economy, and let Mr. WILLIAMSON have charge of the Navy and Mr. BYRNS have charge of the Army operations.

My friends, there is another vicious provision in this bill. It provides for the abolition of the Army and Navy transport service, notwithstanding the fact that the facts indicate that this service is a paying proposition as well as a very necessary arm of our national defense.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. SCHAFER. In just a moment.

I have particularly made an investigation of this transport service because I well recollect that in July of 1917, when the outfit with which I served was transported across the sea in a privately owned ship, the *Orduna*, with the regular transportation charges paid for by the United States Government, that men were loaded down in the hold living on that trip under terrible conditions which were more reprehensible than the conditions on a ship in which reptiles are transported for some of the snake-charmer exhibitions and carnival shows. We were given food on that trip which, if I were to offer it to my dog after he had had nothing to eat for a week, would cause him to bite me. In the name of economy we are asked to subsidize again the private shipping industry to the tune of millions of dollars and to destroy this useful service, this arm of our national defense, which is just as essential as the ammunition we put in our guns in time of war. Then, in the name of economy, we are going to transport our red-blooded American citizens in the Army and naval service of our country to oriental lands, to Honolulu or to Manila and other places in the steerage of ships of private steamship companies and in cattle boats to eat rice and drink tea and live, mingle, and sleep with the orientals of Asiatic nations. This at an additional cost to the taxpayers' Treasury in order to satisfy the greedy private shipping interests, who will purchase the transports at about 20 per cent of their value; and if transactions between them and the Federal Government in the past are an example, most of this purchase price will be loaned without interest by the United States.

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, I ask for five minutes more.

Mrs. NORTON. I object.

Mr. SCHAFER. I make the point of order that there is no quorum present.

Mr. BLACK. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SCHAFER. Mr. Chairman, in this bill you direct the Secretary of War and the Secretary of the Navy to sell Government property including navy yards. This is no time to sell for a song Government property which is so necessary for our national defense. The Economy Committee might just as well recommend that we sell all the ships and equipment of the Army and Navy, reduce the appropriations for these departments to $1 a year, and if we engage in a future war, hire the Mexican Army and the Chinese Navy to fight the battles of our common country.

In the name of economy we are asked to reduce the Federal employees' salaries and the number of personnel employed by abolishing useful and necessary functions of the Government. If you and your family were on the bank of a raging river which threatened to overflow, would you save the lives of yourself and your family by blowing out a dam in a tributary stream and adding to the water in the river? I do not believe so.

So with reference to this raging river of unemployment, will you blow out the dam and add to the danger of the overflow?

If every State and local government and every business in the Nation and the Federal Government were to follow the policy of cutting of useful functions in order to cut the number of employees, then over half of the citizens of the Nation would be out of a job and unable to get one.

Now, consider this point from the taxpayers' standpoint. We now have over 8,000,000 in the Nation who are unemployed, a great majority of whom are supported by the taxpayers. I ask those who favor reduction of useful activities and resultant cut in personnel from the taxpayers' standpoint whether they favor a policy of relieving the taxpayers in the States, cities, counties, and towns from the burden of caring for the unemployed and their families, including little children. In the name of economy and in the name of the taxpayers, are they to suffer and starve like a wanderer lost on the desert?

Is it not far better from the taxpayers' standpoint to keep the people employed to render useful service to the taxpayers and the Government than to have the taxpayers paying for the care of themselves and families without performing services?

Oh, yes; this Economy Committee has recommended drastic cuts in the name of economy, and the poor old battered Treasury to-day must also be balanced at the expense of the war veterans and their dependents.

Several months ago when hundreds of millions were to be received by that Treasury from our foreign debtor nations which were saved by the service of those veterans, this very Congress, the Senate, and the President said that the Treasury did not need those hundreds of millions of dollars, but now the international bankers, Powder and Ammunition Trust, and war profiteers who drove the country into the war in the name of economy and in the name of the dear old Treasury ask that millions be cut from the benefits of the war veterans. I have in my office propaganda disseminated by the E. I. du Pont de Nemours & Co. (Inc.), of Wilmington, Del., to stockholders, employees, and friends urging them to write to Congressmen and Senators asking for reductions in the name of economy and in the name of the dear old Treasury.

Figures indicate that almost the entire amount of the deficit is the result of interest and sinking-fund payments and payments to the veterans, orphans, widows, and dependents of that war.

This Du Pont Powder Trust Co. was one of those who fanned the flame of war and made millions, if not billions, as a result thereof. They now in the name of economy and the Treasury ask to cut millions from the war veterans, who served for a dollar and a dollar and a quarter a day.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. MARTIN of Oregon. The gentleman is a member of the Expenditures Committee?

Mr. SCHAFER. Yes.

Mr. MARTIN of Oregon. How long were those hearings the gentleman speaks of?

Mr. SCHAFER. We had hearings day after day, and the only witnesses who testified in favor of the bill were Admiral BYRNS and General WILLIAMSON, members of the Economy Committee, and they could not convince the members of the Expenditures Committee that the Army and Navy should be consolidated.

Mr. MARTIN of Oregon. What was the vote in that committee on that?

Mr. SCHAFER. I could not tell the gentleman exactly.

Mr. MARTIN of Oregon. Was it not about two to one?

Mr. SCHAFER. It was a good vote.

Mr. MARTIN of Oregon. Was there any evidence at all to justify the merger?

Mr. SCHAFER. There was no evidence presented to justify it. In fact, Mr. BYRNS and Mr. WILLIAMSON were the only witnesses in favor of it. This bill gives to one bureaucrat, the Secretary of National Defense, not only the power to eliminate and reduce and consolidate, but the power to create and expand agencies. It undertakes to give one Cabinet officer these vast powers, although Mr. BYRNS, the author of the bill, testified before the committee that he could save $200,000,000 by a consolidation. When I asked him the question as to where he could point out where 10 per cent of that amount could be saved, he admitted that he

could not. Certainly if two hundred million could be saved each year, the chairman of the Appropriations Committee and a member of the Economy Committee ought to be able to point out whereby 10 per cent of that amount could be saved.

In his testimony Mr. BYRNS indicated that the extravagance of the Army and Navy bureaucracy was responsible for a huge waste of the taxpayers' money, and he sought to cure the situation by adding more bureaucracy and let the new Cabinet officers and the Army and Navy bureaucracy create and expand bureaus without the sanction of the legislative authority, either already enacted or to be enacted in the future.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SCHAFER. Under leave granted to extend my remarks, I quote from a letter from the Secretary of the Navy under date of April 25, 1932, in response to my inquiry regarding the discontinuation of the Navy Transport Service:

My own frank opinion is that the discontinuance of operation of the naval transportation service would not result in economy. If the naval transportation service were discontinued, it would be necessary to obtain more money for the commercial handling of the services now performed by these ships than their costs of maintenance and operation.

I am convinced that the abolition of the naval transportation service would reduce the effectiveness of the national defense. The reasons for my conviction in this matter are outlined in the following paragraphs.

The troop transports *Henderson* and *Chaumont* are needed by the Navy to meet minor peace-time emergencies, to train the marines in expeditionary work, and to develop facilities for transporting and landing expeditionary forces. The present plan of operation accomplished these purposes at a minimum cost to the Government by also utilizing these ships to transport Navy personnel and freight which would otherwise have to be transported by commercial carriers.

In order to meet minor peace-time emergencies it is necessary to maintain at least one transport in full commission in a port of the continental United States. If such a ship were maintained in one locality ready for an emergency, the Government would get no services from her comparable to the returns under the present system of operation. It would be highly expensive. Maintaining two transports enables the Navy to adjust the schedules so that one ship is in Asiatic waters while the other is in United States waters. In this way a ship is always available for a minor peace-time emergency.

The Navy operates the *Chaumont* and *Henderson* between the east and west coasts of the United States and the Asiatic station. They serve Guam, a very difficult port to obtain commercial facilities for. They also serve naval interests in Corinto, which port is inadequately served by commercial facilities, and they supplement the services to Port au Prince and Guantanamo.

The *Henderson* was built and equipped by the Navy as a marine transport. She has been kept up to date and serves as an experimental unit. Her equipment will serve as a basis for the equipment placed in ships commandeered in time of war for troop transports. The question of proper boats for landing forces is one that has been given much attention and is not yet solved to the satisfaction of the Navy. The *Henderson* has in the past performed and, if maintained in commission, will continue to perform the experimental and development work in connection with the transporting and landing of expeditionary forces. Recently the *Henderson* engaged in Joint Problem No. 4 with the United States Fleet in their attack on Oahu. She had embarked a regiment of marines. During this same period the *Chaumont* transported the Thirty-first Infantry to Shanghai. After the arrival of the *Chaumont* at Shanghai the commander in chief held her in that port for several weeks to provide a means of evacuating American nationals in case the necessity for such should arise. During this period there was imminent danger that the Japanese and Chinese, then engaged in a major battle, might overrun the International Settlement. Such services might, of course, have been provided by commercial ships, but only at a very high cost. In our table of costs we have not included any charge for demurrage. We included merely those costs of transportation of cargo and passengers from point to point. In the case of both the *Henderson* on expeditionary duty to Honolulu and the *Chaumont* on emergency duty at Shanghai, the demurrage and special equipment cost would undoubtedly have run into very large figures.

In 1927 the *Henderson*, loaded with marines, was held in the harbor of Shanghai for several months with the marines on board. The conditions at Shanghai at that time were such that it was inadvisable to land the marines, but their presence in the port was considered necessary. During the same period the *Chaumont* was engaged in duty in Nicaragua. Additional marines were needed in China and it became necessary to charter the steamship *President Grant*. The *Grant* transported the marines from San Francisco to Manila. In order to save demurrage charges they were landed immediately at Olongapo. Later they were taken to China in Navy transports.

If the Navy is forced to discontinue the operation of the *Chaumont* and *Henderson*, the Secretary of the Navy, in order to accomplish the purpose set forth above, must be given sufficient operational control over commercial ships of the United States to accomplish the same results. The navies of other maritime powers who do not operate naval transport services are given such control over their merchant marine facilities.

If the *Chaumont* and *Henderson* are decommissioned, it will be necessary to increase the appropriations for the transporting of personnel and cargo by at least the amount of the total earnings of these two vessels, as shown in the statement attached.

At the present time the *Chaumont* and *Henderson* have their schedules so adjusted that they will be available to transport to and from Nicaragua naval personnel required to supervise the Nicaragua national elections during the summer and fall of 1932.

The *Kittery* is a small cargo vessel which has been utilized to supply Guantanamo and the marines stationed in the West Indies. She is admirably suited for this purpose, as she is of shallow draft, able to get into small harbors. It is improbable that the need for the services which she is performing will decrease to a point much less than they are at present. On the contrary, changing political conditions in the West Indies may greatly increase the demands made upon her. In addition to supplying these marine forces, she is available for various odd jobs. During the past year the State Department has requested, on two different occasions, her services to repatriate Porto Ricans and Virgin Islanders who were destitute in Cuba. These destitute nationals of ours were the potential source of trouble, and some 300 were transported on each trip that the *Kittery* made from Santiago to San Juan and St. Thomas. Commercial facilities might afford the services now performed by the *Kittery*, but it is doubtful if there would be much saving in cost, and the flexibility of such service would be impaired.

The *Vega* and *Sirius* are two cargo vessels which operate between the east and west coasts of the United States. Their primary purpose is to transport turrets for 8-inch cruisers from the point of manufacture to the yard where the ships are building, and to transport 16-inch and 14-inch guns which have to be or have been relined from the Washington Navy Yard to the overhaul yard of the battleships. Incidently these ships transport other naval cargo.

The President has directed the detail of one ship to make an annual voyage from Seattle to Dutch Harbor and the Pribilof Islands. This voyage is for the purpose of transporting supplies, building material, and fuel to these outlying stations. A full cargo is generally supplied from the various Government departments which have interests there. All this cargo must be landed in small boats, and the ship designated for this voyage is especially equipped with boats suitable for such work. Commercial facilities could probably be obtained for this trip, but special equipment would be required by the ship making the trip for which the Government would undoubtedly pay. All the services performed by the *Vega* and *Sirius* could be performed by commercial shipping. The cost to the Government would probably not be less than it is at the present time and might be considerably more.

The exceptionally heavy weights, 8-inch turrets, one hundred and seventy-odd tons, and the heavy guns are hoisted in and out of the ships by navy-yard cranes especially built for this purpose. The *Vega* and *Sirius* themselves have been shored and especially strengthened to carry this weight safely.

The *Chaumont*, *Henderson*, *Kittery*, *Vega*, and *Sirius* provide services for outlying naval stations that are not adequately served by commercial lines. It has long been the policy of the Navy Department to foster by every proper means the development of our merchant marine. We have avoided competition with commercial shipping in so far as the efficient supply and development of the fleet and outlying stations permit. Whenever satisfactory service to our outlying stations can be provided, the Navy will curtail its activities to the extent that such commercial services permit. Specifically adequate commercial ocean transportation facilities are lacking in four respects:

(a) Service to Guam; (b) service to Guantanamo; (c) service to Corinto; and (d) United States coast-to-coast transportation of exceptionally heavy weights.

The Navy can not dispense with the services of these five vessels unless some other means are provided to carry out the tasks now performed by these ships, namely:

(1) Handling the transport of troops to meet minor peace-time emergencies.

(2) Adequate commercial service to the Island of Guam and to the ports of the West Indies not now adequately served by commercial lines.

(3) Additional appropriations to provide for commercial transportation of passengers, freight, and demurrage necessitated by the decommissioning of these ships.

To handle the transport of troops to meet minor peace-time emergencies the Navy should be accorded a degree of operational control over vessels of our merchant marine necessary to accomplish this. Such operational control should include the right to commandeer any United States ship to meet a minor peace-time emergency; it should also include the right to demand that selected steamship lines maintain at selected ports the equipment necessary to expeditiously equip vessels of their lines to perform transport duty.

Costs of operation and maintenance—Estimated earnings

Vessel	Costs of operation	Earnings	Net earnings	Net loss	Year
Chaumont	$694,425.66	$405,217.96		$288,207.70	1927
Do	663,954.01	411,772.24		252,181.77	1928
Do	753,063.96	533,575.79		219,488.17	1929
Do	778,769.36	1,079,853.30	$301,083.94		1930
Do	761,633.71	1,205,775.30	444,141.59		1931
Henderson	745,729.62	311,640.43		434,089.19	1927
Do	791,904.94	351,147.70		440,757.24	1928
Do	711,644.55	531,088.94		180,555.61	1929
Do	866,568.22	836,561.82		30,006.40	1930
Do	745,613.44	716,705.27		28,908.17	1931
Kittery	389,208.84	340,579.71	41,580.87		1927
Do	295,678.19	246,515.77	50,837.58		1928
Do	302,706.23	375,582.35	72,876.12		1929
Do	303,578.48	375,026.20	71,457.72		1930
Do	287,817.84	272,021.17		15,796.67	1931
Sirius	279,921.50	265,694.26	85,772.76		1927
Do	236,185.10	289,684.68	53,490.58		1928
Do	324,411.79	441,008.83	116,595.04		1929
Do	308,159.45	413,889.71	105,721.26		1930
Do	286,542.74	283,644.54		2,898.20	1931
Vega	305,702.09	389,337.48	83,634.79		1927
Do	285,483.18	436,215.07	150,731.89		1928
Do	262,711.19	404,506.56	141,795.37		1929
Do	277,106.02	343,161.74	66,055.72		1930
Do	309,281.81	318,555.48	9,273.67		1931

NOTE.—In this statement of cost of operation and earnings no demurrage charge is included. During the present year the U. S. S. Chaumont was held at Shanghai and the Henderson was engaged in expeditionary duty with the fleet in Hawaii. In both cases the demurrage charge would represent a very large figure.

I now quote from a letter from the Secretary of War under date of April 21, 1932, in response to my inquiry regarding the discontinuation of the Army Transport Service:

Replying to your inquiry regarding the abolition of the Army Transport Service, your questions are answered categorically as follows:

The total operating cost of the Army Transport Service for the past five fiscal years amounted to $19,812,493, while the cost to have handled the same personnel and freight commercially would have been $34,550,101.02.

For your information there is attached a statement showing the cost of the Army Transport Service as compared with the commercial cost over a period of 25 years, marked "Exhibit A," and a detailed statement showing the cost of operation of the Transport Service for the fiscal year 1931 as compared with the cost of handling the same business commercially, marked "Exhibit B."

In no case has the War Department appropriation for the Army Transport Service been reimbursed from appropriations available for the Senate and House of Representatives.

The quotations received by the Army for the shipment of animals via commercial lines invariably provide that the Army construct stalls for the animals. The cost of stalls is approximately $40 for each animal shipped, and the stalls must be removed when the animal is delivered at destination.

Animals can be shipped at much less cost on Army transports, as the same set of stalls can be used year after year. For instance, stalls constructed on the transport *Meigs* in 1922 are still in use, and the average cost per animal shipped in those stalls is now approximately $3.

In my opinion the discontinuance of the Army Transport Service would be done decidedly at the expense of reducing the efficiency of national defense, and would not result in economy, but would increase the cost of transportation of personnel, animals, and supplies for the Army stationed outside of the United States.

While the War Department fully recognizes the necessity for the development of an American merchant marine, it at the same time recognizes the danger that lies in giving serious consideration to legislation of the character proposed, as by so doing it would be permitting the presumed necessities of the moment to mislead others into errors of judgment involving the national defense. A merchant marine for this country must not be developed at the expense of the efficiency of the Military Establishment.

That a transfer of the activities of the Army Transport Service to commercial interests will benefit those interests is admitted, but the difference between the cost involved in Army transport operation and the commercial costs constitutes nothing short of a subsidy. If it is the view of Congress that a ship subsidy is the proper remedy for the relief of those commercial lines so anxious to eliminate the transports from the equation at this time, it would be far better in the interest of the Military Establishment that the savings, or such portion thereof as may be considered necessary, made in the Army transport operation be appropriated direct for relief purposes of these lines. Under the present ratings the savings shown in favor of the Army Transport Service represent the profit that would accrue to commercial interests by taking over this work.

The Army Transport Service is an integral part of the Military Establishment and must, therefore, be maintained and continued the same as any other essential activity or branch thereof. Any other conception of this, or any other essentially military activity, strikes at the very root of the efficiency of the Military Establishment of this country and the purpose for which it exists.

The War Department is not without experience in the transportation of troops and supplies by commercial carriers and is fully advised as to the facilities afforded in the past and that can be afforded it now—both in peace and war. It is because of the inadequate facilities for the accommodation of troops in time of peace and the limited space for Government cargo which can be offered by commercial carriers under normal conditions that those charged with responsibility for Army overseas transportation have long since been convinced that, as long as overseas garrisons are maintained, the Army Transport Service must be continued. The operation of this service is based upon a program covering the change of stations of officers and of enlisted personnel, so far as can be anticipated, coupled with any emergency movement of troops that may arise. The necessity for the maintenance of a flexible military service of this character would seem to require no emphasis at this time.

It would seem to be unnecessary to dwell upon the fact that the maintenance of this essential military activity has enabled the War Department to meet emergencies in Porto Rico, Cuba, Mexico, Central America, China, and Japan; that it constitutes an invaluable means of training for war; and that, with one-third of our Regular Army now stationed outside the continental limits of the United States, the maintenance of a military controlled and operated sea transportation is an element essential to the effective and efficient control of the Military Establishment in peace and a necessity as a nucleus for expansion in war.

Congress has always evidenced interest in the maintenance of the Army Transport Service and has expressed itself at least twice by legislation favoring its continued operation. I refer you to the act of March 2, 1903 (32 Stat. 939), and the act of March 2, 1905 (33 Stat. 837), wherein Congress prohibits the sale or disposition of any vessel of the Army Transport Service without its consent.

Another point in connection with this activity which I wish to bring to your attention is that commercial carriers can not furnish satisfactory accommodations for the enlisted personnel. This service requires an extensive ventilating system below decks, ample bathing and lavatory facilities, food of the standard of the Army ration, and hospital facilities sufficient not only to care for those en route but also to evacuate sick and wounded from overseas stations. No commercial steamer operated solely for profit can provide such facilities.

Furthermore, if transported on commercial vessels the Government would be compelled in the Atlantic and Pacific service to provide steerage accommodations for its soldiers, and, as is well known, the third class or steerage passengers carried by commercial liners in the trans-Pacific service consist only of the lower class of Asiatics. The Government can not afford the expense of transporting enlisted men of the troop class in other than troop or third class quarters, and this class of quarters correspond to the ordinary steerage on all commercial lines. In the event of the transportation on a commercial liner of a limited number of enlisted men of the troop class, the War Department would find itself in the position of mixing American soldiers among Asiatics in order to obtain accommodations at a reasonable rate going to and returning from garrisons in the Hawaiian Islands, the Philippine Islands, and China. The American people would not tolerate a situation in which enlisted men of the Army would be subjected to such treatment, and the War Department can not too strongly emphasize its position against such practice. Commercial ships are not adapted to the transportation of Army troops or cargo.

Extensive hearings were held before the Subcommittee of the Military Affairs Committee, House of Representatives, in charge of the War Department appropriation bill for the fiscal year 1933, in connection with the operation of the Army Transport Service, in which the necessity therefor and the cost of operation were fully brought out. The printed record of these hearings before the subcommittee are not available to the War Department, but it is suggested that they be obtained by you for your information in connection with the consideration of this subject.

It is desired to take this opportunity to emphasize the following facts which have been in the past and can now be established, showing definitely the necessity for the retention of the Army transport service as an agency of the War Department for the transportation of troops and supplies:

The Army transport service is an integral part of the Military Establishment and, therefore, should be maintained under Army control, the same as any other essential branch of the Military Establishment.

The transport service contributes vitally to the morale, economy, and efficiency of the Military Establishment. Its discontinuance would strike a serious blow at the morale of the Army, which could not hope to have otherwise the transportation facilities it now enjoys under our present well-tried system. Commercial lines are not equipped to transfer the Army sick and insane from outlying stations to the United States.

The cost of transportation by the Army transport service is far more economical than if the same work were performed by commercial lines. The discontinuance of the Army transport service would involve an increase in the appropriation for Army transportation of between $2,000,000 and $3,000,000 annually.

The War Department is not in any way opposed to the protection and upbuilding of a powerful merchant marine; however, it does object to charging any part of such cost direct or indirect to the War Department appropriations.

The Army transport service is not a competitor of commercial lines in ordinary commercial traffic, as it confines its activities

solely to transportation concerning the Military Establishment and Government officials. Each year a considerable sum is saved to the Government through the transportation on Government business of Members of Congress, officials of the insular possessions, Navy, and Marine Corps, and of the Departments of Agriculture, Commerce, Justice, etc.

The Army transports are run in close cooperation with the Navy and other Government departments, thereby effecting a substantial saving in the transportation costs of those departments.

During periods of depression in the past, commercial shipping interests have endeavored to secure the discontinuance of the Army transport service. In normal times it is generally admitted that commercially owned and operated vessels can not meet the special requirements for commercial transportation and at the same time provide adequate facilities to serve the Military Establishment.

A small fleet of Army transports especially equipped for military transportation is necessary to meet military emergencies in peace and as a nucleus for expansion in case of war.

The Military Establishment should not be dependent upon any agency not subject to complete control of the Secretary of War.

From the above I feel I need not emphasize the fact that the War Department vigorously opposes any steps that may be contemplated which will lead to the abolishment of the Army transport service and will result in an increased appropriation for this purpose, as indicated above. Such action would be not only uneconomic but subservient to the morale of the enlisted man, unwise from the viewpoint of national defense, and otherwise contrary to the public interests. The War Department is also opposed to any action looking to the impairment of this valuable and essential element of the Military Establishment.

Comparison of Army transport costs and commercial costs—Statement showing operating cost of Army transports as compared with the value of the work performed at lowest commercial rates

Fiscal year	Expense of transports	Lowest commercial rates
1903	$1,752,360.46	$4,000,999.90
1904	3,074,024.08	3,472,280.58
1905	1,580,154.12	3,092,691.70
1906	2,221,719.19	3,276,961.12
1907	2,639,570.99	2,079,720.90
1908	2,810,141.68	3,092,328.41
1909	2,499,467.96	2,940,365.37
1910	1,872,396.36	2,779,396.36
1911	1,750,037.44	2,720,304.97
1912	1,596,842.57	3,011,822.61
1913	1,728,038.51	1,978,747.37
1914	2,083,383.67	2,385,414.44
1915	2,155,241.22	3,404,657.27
1916	2,079,796.64	3,678,303.17
1921	3,801,978.00	4,528,401.00
1922	4,089,086.38	11,293,782.71
1923	5,281,279.30	7,098,148.62
1924	5,320,417.00	6,283,945.68
1925	5,581,241.92	7,011,954.85
1926	5,194,310.30	6,275,860.79
1927	5,742,087.46	6,086,638.45
1928	4,144,173.74	6,753,610.46
1929	4,121,461.63	6,832,733.77
1930	3,966,186.59	7,473,321.18
1931	3,938,583.58	7,403,797.16
Total	70,933,786.40	119,455,869.34

Original cost of transports purchased by the War Department, $7,760,694.

It will be noted that there were no records of comparison kept during the period of Spanish-American War and Philippine campaigns until fiscal year 1903 and during World War period 1917 to 1920, inclusive.

Original cost of transports	$7,760,694.00
Operation during 25 years	70,933,796.40
Total cost to Government appropriations	78,694,480.40
Total cost shipping same on commercial vessels	119,455,859.34
Savings to Government appropriations	40,761,378.94

Actual expenditures account Army transport service, fiscal year 1931

Purpose	Appropriation chargeable			
	Army transportation	Subsistence	Clothing and equipment	Pay
1. Maintenance of equipment, repairs to transports	$741,486.51			
2. Maintenance of terminals:				
Maintenance and repairs of property	11,048.63			
Cleaning and repairs to piers	11,209.15			
4. Operation of vessels:				
Fuel	529,374.89			
Water	7,976.93			
Lubricating oil	8,128.00			
Quartermaster supplies	226,589.78			
Subsistence		$545,946.05		
Laundry	5,947.76		$50,903.88	
Pilotage	30,476.10			

Actual expenditures account Army transport service, fiscal year 1931—Continued

Purpose	Appropriation chargeable			
	Army transportation	Subsistence	Clothing and equipment	Pay
4. Operation of vessels—Con.				
Wharfage	$12,826.90			
Cleaning and painting	7,708.43			
Miscellaneous	23,903.28			
Salaries—				
Officers				$79,851.05
Enlisted men				40,163.39
Ship's officers and crews	800,008.04			
5. Operation of terminals:				
Stevedoring	251,363.74			
Civil employees	236,480.77			
Wharfage	377.50			
Supplies	8,574.30			
Heat, light, water, and telephone	5,003.01			
Harbor craft	12,272.77			
Salaries—				
Officers				48,099.94
Enlisted men				3,517.14
7. General expense, miscellaneous	403.92			
8. Charter expenses, towage	9,684.38			
Total expenditures, 1931	3,008,087.75	$545,946.05	$50,903.88	171,631.52
Collected from passengers		140,174.55		
Actual cost to each appropriation	3,008,087.75	405,771.50	50,903.88	171,631.52
Total cost to Government for operating Army transports, 1931				3,636,395.65

Work performed by Army Transport Service, fiscal year 1931

Passengers transported under orders	45,673
Passengers transported not under orders	4,749
Cubic tons cargo carried	218,662
Pounds mail transported	590,372
Number of remains transported	185
Number of animals transported	883

The cost of the Army Transport Service as stated above includes certain expenses that would not be eliminated if the transportation of personnel and supplies were handled by commercial ships, namely:

Salaries of officers and enlisted men	$171,631.52
Shore establishments maintained at Porto Rico, Panama, Honolulu, Chinwangtao, Nagasaki, and Manila	77,969.73
Stevedoring at Porto Rico, Panama, Honolulu, Chinwangtao, and Manila	96,807.10

Therefore, these items, totaling $346,408.35, should be deducted from the cost of operating the Army Transport Service or added to the cost of shipping commercially in order to arrive at a cost which may be compared with the commercial cost of handling the same number of personnel and supplies by commercial ships for the same period.

The Army Transport movements for 1931 would have cost commercially, according to statement shipping interests to the committee:

45,673 passengers	$3,846,096.39	
218,662 tons freight	2,045,806.00	
		$5,891,902.39
Adding continuing expenses at outports included in Army Transport Service expense		346,408.35
Making total cost to appropriation Army transportation for commercial shipment		6,238,310.74

To compare the commercial cost as above with the cost of Army Transport Service, the committee desires added interest and depreciation:

Cost Army Transport Service, 1931	$3,636,395.65
Depreciation	468,264.24
Interest	561,917.09
Cost Army Transport Service plus estimated interest and depreciation	4,666,576.98
Cost commercially	6,238,310.74

Mrs. NORTON. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. GILBERT. Mr. Chairman, I move to amend the amendment of the gentleman from Wisconsin by striking out the words "three-fourths" and insert in lieu thereof "one-half."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GILBERT to the amendment offered by Mr. STAFFORD: Strike out the words "three-fourths" and insert in lieu thereof the words "one-half."

Mr. GILBERT. Mr. Chairman, I feel that this bill transfers from the street-car companies to the taxpayers of the District two substantial burdens. One of them is traffic policemen. As a matter of governmental uniformity that ought to be done, regardless of price. A traffic policeman is a public servant and should represent the public, not a private corporation. If an accident should happen at a crossing and the officer is paid by the street-car company, the street-car company would seldom be to blame, but the item transferring from the street-car companies to the public this paving cost I think grants too much. In recognition of what the gentleman from Connecticut has said it is not right, as did the old charters, to provide for the entire cost, which exists in many cities, but the street-car companies do have a greater right to the streets in their tracks than the general public. I differ with my friend in that. They have almost exclusive right except in case of heavy traffic to these streets. The vehicular traffic remains on each side. I think a fair proportion of this cost would be one-half to the street-car company and one-half to the public.

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on the amendment as amended.

The amendment as amended was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 23, after line 21, add a new section as follows:

"SEC. 4. The new company shall not charge adults more than 5 cents as is required by the charters of the present companies."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. BLACK. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill.

The CHAIRMAN. The point of order is overruled. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

SEC. 5. No competitive transportation line shall be established without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia to the effect that the competitive line is necessary for the convenience of the public.

With the following committee amendment:

Line 22, page 23, strike out the figure "5" and insert the figure "4" and insert in lieu of the word "transportation" the words "street railway or bus."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. GLOVER. Mr. Chairman, I move to strike out the last word. One can generally tell that there is some viciousness in the bill by the manner in which it is handled. Here is a bill that ought not to pass the Congress. We have had the statement on the floor to-day that this has been under consideration for 30 years. Well, if this has been a bad bill for 30 years, it is a mighty bad bill now. People ought not to come in here with these tactics and cut off debate in order to pass a bill. A minute ago there was a proposition in the bill to make the taxpayers of this city pay three-fourths of the paving on the inside of the tracks, and for 2 feet on the outside, when this gigantic corporation that owns that privilege, worth multiplied millions of dollars, ought to be helping to run this Government. That is not all the viciousness in the bill. The worst part of the bill is not the consolidation of the two street-railway systems. That is not all the viciousness in the bill. The trouble with this bill is that you seek to make a monopoly out of the bus lines in this city, a thing that ought not to be done with any corporation or individual.

Competition is the life of trade, and competition is protection to the public. This bill takes that away from anybody else in this city unless he can convince the commission that it is a necessity for somebody to come here and enter into competition.

Mr. Chairman, this bill ought to be defeated. I would not vote a while ago with the gentleman from Texas, to strike out the enacting clause, because I wanted you to have a chance to have the bill considered, but this is a bill that ought not to pass this House. We have had correct judgment for 30 years and have refused to pass it. We have kept out of this for that time and let us continue to do so.

Mrs. NORTON. Will the gentleman yield?

Mr. GLOVER. Not now. The lady would not yield to me a moment ago, and I have only five minutes of time.

Mr. McLEOD. Will the gentleman yield?

Mr. GLOVER. Not now. This bill carries enough poison in it that they want to put it over in the manner sought this afternoon by moving the previous question. Where is the man who would dare say it is right for the citizenship of this city to help bear the expense of keeping up this railroad track? Not only the keeping up of its tracks and 2 feet on each side of it, but they are violating their franchise and they have doubled the charge for carrying passengers from 5 to 10 cents. The statement was given by the gentleman from Texas a moment ago how this stock has climbed from a small sum to nearly $500 per share. That shows what it is worth. They are not satisfied with the greed they have enjoyed, they are not satisfied with the leechhold that they have now, but they want more and they want to cut out further competition in this city, forever to the detriment of the public.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The pro forma amendment was withdrawn.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment by Mr. LaGUARDIA: On page 24, line 2, after the word "public," insert the following: "The transportation of passengers by street railway and bus for the purposes of this resolution shall be construed to mean bus or railway transportation over a given route on a fixed schedule, taking and discharging passengers between terminals."

Mr. LaGUARDIA. Mr. Chairman, complaint has been made that this bill would eliminate a business that has been established in the District, known as the sight-seeing bus business. I am informed that there is quite an investment of capital in this well-established business. It would seem that if this generous franchise were given to these companies under the merger, it would hardly be fair to give them an absolute monopoly over all transportation business. The sight-seeing bus business, after all, is not generally within the contemplation of the franchise for street railways.

Mr. BLACK. Will the gentleman yield?

Mr. LaGUARDIA. Certainly.

Mr. BLACK. The gentleman is anxious that the companies that are now operating their busses from point to point will not be driven out of business?

Mr. LaGUARDIA. Exactly.

Mr. BLACK. But the gentleman's amendment provides "for the purpose of this resolution." The gentleman means "for the purpose of this section," does he not, so that they will not have to apply for a certificate?

Mr. LaGUARDIA. Well, the amendment would not require the busses engaged in the sight-seeing business to obtain a certificate of necessity and convenience and would not give the merger a monopoly in the sight-seeing business.

Mr. STAFFORD. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. STAFFORD. As I read the gentleman's proposed amendment it would compel the existing companies to maintain bus service as now existing?

Mr. LaGUARDIA. It means simply this, if I may explain. The resolution includes bus lines, and this would describe what is meant by a "bus line." It would mean a bus running over a regular route, and would not embrace the sight-seeing busses. In other words, I am trying to prevent giving this company a monopoly on all transportation in the city.

Mr. STAFFORD. Is the gentleman aware of the fact that the sight-seeing busses make exorbitant profits now from the people who come to this city?

Mr. LaGUARDIA. Well, if that is so, that should be regulated.

Mr. STAFFORD. Why should not the street-car companies be given that privilege? If the rates which are charged are reasonable, then wherein should we criticize? We are past the period of competition with public utilities. That is water that has gone over the dam.

Mr. LaGUARDIA. In reply to the gentleman from Wisconsin I would say that after all the resolution would create a monopoly on street transportation in this new company. Very well. That being so, I do not think it is fair to embrace everything that runs on wheels, and the sight-seeing bus business, being an established business in this city, it would seem to me that something ought to be left for some one else beside this company.

Mr. BOWMAN. Will the gentleman yield?

Mr. LaGUARDIA. I yield.

Mr. BOWMAN. Who has an established sight-seeing bus business? There is not a company outside of the street-car companies that has as many busses as the street-car companies. The street-car company twice daily, between 8 and 9 o'clock in the morning and between 4.30 and 5.30 in the afternoon, must put all of its busses into operation for the transportation of passengers.

Mr. LaGUARDIA. The gentleman has said that all the busses are owned by this company. I am informed that at present there are eight sight-seeing bus companies operating in the city of Washington, organized for that purpose exclusively. They have a combined invested capital of between $750,000 and $1,000,000, represented primarily by busses.

Mr. BOWMAN. Will the gentleman yield further?

Mr. LaGUARDIA. Certainly.

Mr. BOWMAN. The organized bus companies that are operating in the District of Columbia are not able to take care of the people who come here for the purpose of sight-seeing—making trips to Mount Vernon, and so forth. When an educational association or some other large association comes here there is only one place where they can go to get a contract for the transportation of those people, as a mass or in a body, and that is to the traction companies, because they have a number of busses there that are lying idle.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. TILSON. Before the gentleman begins his statement will he tell us whether this bill has anything to do with sight-seeing busses and whether the bill does not leave the matter entirely as it is now?

Mr. BLACK. The bill leaves the matter entirely as it is now. The gentleman's amendment would prevent these companies from running what they call chartered busses.

Mr. LaGUARDIA. The gentleman is correct. My amendment would prevent this merged corporation from operating sight-seeing busses. They could only operate on fixed routes.

Mr. BLACK. This merger is not going through, and will not be acceptable to the company and will not be of any benefit to the people of Washington if the companies are going to be cut off from necessary revenue. That is sure. Some of these amendments are liable to defeat the entire purpose of this merger, although very well meant.

Here is the situation: One of these companies owns busses. It uses these busses mainly for transportation from point to point, fixed points. Very often an organization coming to Washington agrees to charter one of these busses or several of these busses for use over a different route and for sight-seeing purposes. They enter into a contract with these organizations for that purpose.

It would be false economy to say to this merged company, "For a certain portion of the day these busses of yours must stay in a garage; they must not run in order to make some of the necessary overhead and they must not contribute to the success of the merger, but they must stay stagnant in a garage for a portion of the day when they might be used for revenue."

We tried to meet the situation as we saw it, in the interest of the companies and in the interest of the entire people of Washington.

This amendment, although offered by the gentleman from New York for a purpose which he believes is all right, is a destructive amendment to this merger, because it will cut off revenue that belongs to the company that owns these busses. It would cut off revenue that would come to the merged company. It would cut off revenue which would permit the merged company to offer better service and cheaper service generally to the people of Washington.

I believe the committee should be opposed to the amendment offered by the gentleman from New York.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. PALMISANO. As I understand it, at the present time they have that right?

Mr. BLACK. They certainly have.

Mr. McLEOD. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. McLEOD. Is it not a fact that under the amendment offered by the gentleman from New York the bus companies or sightseeing companies would be prevented in the future from leasing busses for their own sightseeing work?

Mr. LaGUARDIA. Oh, no.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, it is my understanding that the street-car companies of the District do not now have any legal right to operate busses. This privilege has been granted them by the Public Utilities Commission, but it is very doubtful legally, I have been informed, whether the Public Utilities Commission have the right to grant these companies the right to operate busses. So the status of the street-car companies under this bill, if passed, will be enlarged, and one of these enlarged privileges will be that of operating busses.

It has never been contemplated that the Public Utilities Commission could grant them any greater privilege than the privilege of operating busses as feeders to the street-car systems. This bill goes further than that and permits the street-car companies to go into the general operation of busses for sight-seeing purposes.

There are in the District now eight companies, with an invested capital of about $1,000,000, that are operating busses for sight-seeing purposes. The busses operated cost from $15,000 to $25,000 apiece, and they are as beautiful busses as you can find anywhere. There has never been any complaint as to either their charges or the beauty of the busses operated.

What will be the effect of the passage of this bill with this enlarged privilege? Let me submit to you the situation as it will exist. The peak of the traffic is early in the morning between 8 and 9.30 o'clock, and in the afternoon between 4 and 5.30 o'clock. These are the hours that sight-seeing busses leave the city and return to the city, with the result that if we force away from the independent sight-seeing companies the right to operate busses—and that will be the effect whether it is intended or not—it will put the street-car companies in sole control of the operation of sight-seeing busses.

This will have one of two effects. First, inadequate sight-seeing bus facilities for the District of Columbia, because the street-car companies will change schedules to fix their convenience rather than the traveling public, and inferior equipment, because of the monopoly, or, second, a large

amount of useless equipment will be required, which would mean overequipment during the offseason part of the year.

It seems to me the best thing this House can do is to confine the activities of street-car companies to the operation of street-car facilities and let the sight-seeing-bus business be operated by the efficient independent companies that are doing it now and doing it well.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 15, noes 26.

So the amendment was rejected.

The Clerk read as follows:

SEC. 6. That the Capital Traction Co. is hereby authorized and empowered, upon the consummation of the aforesaid unification agreement, to dissolve and to liquidate its assets and make distribution among its stockholders in accordance with said agreement: *Provided*, That the existing liabilities of the said the Capital Traction Co. and the rights of its creditors shall not be affected thereby, and that such creditors shall have, as to the said Capital Transit Co., upon the transfer of property to it as provided in said agreement, all rights and remedies which they may then have as to the Capital Traction Co.: *Provided further*, That no action or proceedings to which the Capital Traction Co. is a party shall abate in consequence thereof, but the same may be continued in the name of the party by or against which the same was begun, unless the court in which said action or proceedings are pending shall order the Capital Transit Co. to be substituted in its place and stead: *And provided further*, That the fact of such dissolution in accordance with this provision shall be published once a week for two successive weeks thereafter in at least two daily newspapers of general circulation published in the city of Washington, D. C.

With the following committee amendment:

Page 24, line 3, strike out the figure "6" and insert the figure "5."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 7. That the Washington Railway & Electric Co. is hereby authorized and empowered to retain and hold stocks and bonds as provided in said unification agreement, and to issue from time to time stocks, bonds, and/or other evidences of indebtedness, subject to the approval of the Public Utilities Commission of the District of Columbia.

With the following committee amendment:

Page 25, line 1, strike out the figure "7" and insert in lieu thereof the figure "6."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 8. That in accordance with said unification agreement, the Capital Transit Co. to be created as aforesaid is hereby authorized and empowered to purchase all or any part of the outstanding capital stock of the Washington Rapid Transit Co.; and said company shall be merged or consolidated with the said Capital Transit Co. when and if the Public Utilities Commission shall so require.

With the following committee amendment:

Page 25, line 8, strike out the figure "8" and insert the figure "7."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 9. That nothing contained in this resolution shall be taken as extending or limiting the powers and duties of the Public Utilities Commission except as provided in this resolution and by said unification agreement, and all powers granted by this resolution to the Capital Transit Co. shall be exercised subject to the supervision of and regulation by the Public Utilities Commission as provided by law.

With the following committee amendment:

Page 25, line 16, strike out the figure "9" and insert the figure "8."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 10. The unification herein provided for shall become effective when but not until agreed upon by vote of more than a majority in amount of the stock of the respective companies and notices to that effect have been filed with the Public Utilities Commission of the District of Columbia within two years from and after the passage of this joint resolution.

With the following committee amendment:

Page 25, line 23, strike out the figure "10" and insert the figure "9."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 11. Any and all charges to the new company made by any corporation or person holding a majority of the capital stock thereof for any services shall be proved to be fair and reasonable, and only such part of said charges as the Public Utilities Commission, subject to the right of appeal to the courts, may decide to be fair and reasonable shall be considered in the determination of rates.

With the following committee amendment:

Page 26, line 6, strike out the figure "11" and insert the figure "10."

Mr. STAFFORD. Mr. Chairman, I ask for recognition in opposition to the committee amendment.

I wish to inquire of the gentleman who reported the bill the purpose of making this regulatory provision which says that any and all charges made by any corporation holding a majority of the capital stock thereof for any services shall be proved to be fair and reasonable. What is intended to be accomplished by the phraseology of this section?

Mr. BLACK. That is for the purpose of not requiring the new company, before it incurs any charges, while it is in a state of suspense pending final fruition of the merger, to go to the utilities commission and first get permission to spend money for this service or that service. If the commission deems that the charges are reasonable and fair and in the interest of the merger, then they are properly chargeable; if not, they are not.

Mr. STAFFORD. Does this refer to the charges that may be made by the Potomac Power Co. to either of these utility companies that are about to be merged?

Mr. BLACK. No; it has nothing to do with that.

Mr. STAFFORD. To whom does it refer?

Mr. BLACK. It refers to any charges that have to be incurred by the new company when they are preparing their program to bring about the complete merger.

Mr. STAFFORD. The language is "for any services" that may be rendered.

Mr. BLACK. That would include legal services, for instance, or engineering expenses.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 12. It is understood and agreed that nothing herein shall be construed as creating any new rights of franchise to use the streets in the District of Columbia for transportation purposes: *Provided*, That the new company shall exercise and succeed to all of the property, rights, and franchises of the Capital and the Washington Companies, which they are required herein to vest in the new company, subject, however, to the right of the Public Utilities Commission to order reasonable extension of or abandonment of tracks and facilities.

With the following committee amendment:

Page 26, line 18, strike out the figures "12" and insert "11."

The amendment was agreed to.

The Clerk read as follows:

SEC. 13. The Washington Railway & Electric Co., if the unification herein provided for shall become effective, shall remain subject to the jurisdiction of the Public Utilities Commission. Any sinking fund held by it shall remain available for the discharge of securities for which it remains liable and which are secured directly or indirectly by any lien on property turned over to the Capital Transit Co.

With the following committee amendment:

On page 26, line 23, strike out "13" and insert "12."

The amendment was agreed to.

The Clerk read as follows:

SEC. 14. That Congress reserves the power to alter, amend, or repeal this resolution.

With the following committee amendment:

Strike out the figure "14" and insert "13."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, the preamble has not been read.

Mr. BLANTON. I object to going back to the preamble.

Mr. STAFFORD. No objection can be raised to that. We have been considering it in the proper form, considering the body first and then the preamble is read to confirm the body of the bill.

Mr. BLANTON. I object to reading the preamble.

The CHAIRMAN. The Chair overrules the gentleman's objection.

Mr. LAGUARDIA. Is it suggested that the preamble has any legislative force at all?

Mr. STAFFORD. The bill is predicated on the preamble. The bill fails of its purpose unless the preamble is incorporated.

Mr. BLACK. The preamble sets forth the matter on which the resolution is contingent. These matters could be set forth in any kind of a public record, but they are put in the bill for the convenience of the House; they have no legislative value except a reference value.

The CHAIRMAN. The Clerk will read the preamble.

The Clerk began reading the preamble.

Mr. BLANTON. Mr. Chairman, it is a quarter past 5, and I suggest that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of no quorum. The Chair will count. [After counting.] Eighty-five Members present—not a quorum.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise.

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were 53 ayes and 7 noes.

So the committee determined to rise.

The committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 154 and had come to no resolution thereon.

RATIFYING AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

The SPEAKER laid before the House the following communication:

STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
EXECUTIVE CHAMBER,
Providence.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

SIR: In accordance with the request of the General Assembly of Rhode Island, I am inclosing herewith a certified copy of a resolution passed at its recent session.

Respectfully,

NORMAN S. CASE, *Governor.*

PROVIDENCE, R. I., *April 23, 1932.*

STATE OF RHODE ISLAND,
IN GENERAL ASSEMBLY,
January Session, A. D. 1932.

Resolution relative to the proposed amendment to the Constitution of the United States fixing the commencement of the term for President and Vice President and Members of Congress and fixing the time of the assembly of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PARSONS, for three days, on account of attending a funeral.

To Mr. DOWELL, on account of the death of his pastor, Dr. Charles S. Medbury, of Des Moines, Iowa.

To Mr. CHAVEZ, for to-day, on account of illness.

To Mr. THATCHER, for four days, on account of important business.

ECONOMIES IN GOVERNMENT

Mr. McDUFFIE. Mr. Speaker, by direction of the Committee on Economy, I present to the House the following report from that committee, which I send to the desk and ask to have read.

The SPEAKER. The gentleman from Alabama presents a report, which the Clerk will read.

The Clerk read as follows:

A bill (H. R. 11597; Rept. No. 1126) to effect economies in the National Government.

Mr. LAGUARDIA. Mr. Speaker, I reserve all points of order.

The SPEAKER. The bill is referred to the Union Calendar and ordered printed.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that the committee have until midnight to-morrow to file a report to accompany the bill.

The SPEAKER. Is there objection?

Mr. SCHAFER. Is that on the economy legislation?

Mr. McDUFFIE. Yes.

Mr. SCHAFER. And the House is going to have available the report when? We have had no printed hearings, and the report on this far-reaching bill is to be filed at midnight of the day before we are asked to consider it, under the gag rule. I object.

Mr. McDUFFIE. Mr. Speaker, the report is almost ready. It was not ready to be introduced with the bill to-day; and instead of asking unanimous consent to have until midnight to file the bill and the report, we have reported the bill and asked that we have until midnight to-morrow for the report. I shall ask that we have until noon to-morrow, if that suits the gentleman.

Mr. BLANTON. That has been the practice always. The committee has always been given the right to file a report later.

Mr. SCHAFER. And we will have only a half day in which to study the consolidation of the Army and the Navy and many other important provisions of the bill. Is that the liberal consideration that the gentleman from Texas talked about the other day?

Mr. BLANTON. That has been the practice all of the time.

The SPEAKER. Let the Chair state to the gentleman from Wisconsin and to the Members of the House that the bill will not be printed unless there is some kind of a report accompanying it. Unless this request is granted, or a similar request, the bill will not be available to-morrow. Is there objection to the request of the gentleman from Alabama?

Mr. SCHAFER. I object.

Mr. McDUFFIE. Will the gentleman withhold his objection for a moment?

Mr. SCHAFER. I withhold it, but I want to have a little time in which to study the bill and report.

Mr. McDUFFIE. We want to have the bill available to Members to-morrow, and we would like to have the privilege of filing the report at least by 5 o'clock to-morrow afternoon.

Mr. LAGUARDIA. When would the report be available to us?

Mr. McDUFFIE. The printed report would be available the next morning.

Mr. LAGUARDIA. That would give us only a half a day to consider it.

Mr. McDUFFIE. Certainly; but after reading the bill I am sure the gentleman would not want a great deal of the report.

Mr. LAGUARDIA. I shall be frank with the gentleman and state that already my mind is made up on the subject.

Mr. SCHAFER. Will we have liberal debate on this bill?

Mr. McDUFFIE. I think so.

The SPEAKER. Let the Chair state that on Wednesday morning there will be a rule for the consideration of the tariff bill. The Chair understands that that will take probably an hour. He has been informed that there will be an hour's debate upon the rule for the consideration of the proposed amendment to the legislative appropriation bill. That rule provides for two hours' debate. If there is a roll call on it, it will probably take the entire day before we can begin to vote on the question of the amendment.

Mr. SCHAFER. Mr. Speaker, I do not approve of this procedure where we have such radical legislation of great magnitude considered under perhaps a gag rule, without

even having printed hearings available and without even having the complete report until the morning of the day the bill will be considered in the House. Since the gentleman indicates that the report is not going to contain very much information, I shall have to allow the gentleman and his so-called Economy Committee to take the responsibility. I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD, from the Committee on Rules, reported the following resolution, which was referred to the House Calendar and ordered to be printed:

House Resolution 203 (Rept. No. 1127)

Resolved, That after the adoption of this resolution it shall be in order in the consideration of H. R. 11267, the legislative appropriation bill, for the chairman of the Economy Committee, or any member of the Economy Committee acting for him, by direction of that committee, to offer an amendment to said bill, any rule of the House to the contrary notwithstanding. On said amendment there shall be two hours of general debate, one-half to be controlled by the chairman of the Economy Committee and one-half by the ranking minority member of that committee. At the termination of such debate the amendment shall be considered under the 5-minute rule as an original bill and shall be considered by titles. Each title as it is read shall be open to four amendments, said amendments not being subject to amendment, and no further amendments shall be entertained by the Chair. The provisions of clause 7, Rule XVI, or clause 2, Rule XXI, shall not apply to the substitute amendment offered to Title I of the Economy Committee amendment. At the conclusion of the consideration of the bill in the Committee of the Whole House on the state of the Union the committee shall rise and report the bill to the House with the amendments, including the amendment offered by the Economy Committee as amended, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the Economy Committee amendment. The previous question shall be considered as ordered on the bill and Economy Committee amendment, including the amendments to the Economy Committee amendment to final passage without intervening motion except two motions to recommit, and such motions to recommit shall be in order, any rule of the House to the contrary notwithstanding.

Mr. LaGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. LaGUARDIA. Does the rule provide that the time shall be equally divided between those for and against the resolution?

Mr. BANKHEAD. The rule provides that the control of the time on the discussion of the proposition shall be by the chairman of the committee and the ranking minority member of the committee, but I give the gentleman assurance that the usual arrangement will be made for an equal division of time.

COST OF MAINTENANCE OF HARBORS AND CONNECTING CHANNELS ON THE GREAT LAKES

Mr. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks by having inserted in the RECORD certain data with reference to the cost of the maintenance of harbors on the Great Lakes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOLTON. Mr. Speaker, in view of the present discussion of the reorganization and consolidation of Government departments, and particularly those suggestions involving the transfer of the rivers and harbors activities of the Corps of Engineers, War Department, to other departments, there is presented herewith interesting data from the Chief of Engineers showing the average cost per ton over the past 5-year period for maintenance of the several harbors on the Great Lakes, including the entire Great Lakes division, and similar figures for representative districts on the Atlantic, Gulf, and Pacific coasts; the first New York district; the Galveston district; and the Portland district. The tabulation also shows the average maintenance cost and the average commerce in tons, on which the average cost of maintenance per ton is based. It is believed a study of the accompanying data will indicate the justification of the various Great Lakes projects listed and the economic manner in which they are being operated.

The figures for the Great Lakes division, comprising all of the districts on the Great Lakes, were prepared for the calendar year 1930; and inasmuch as these are reasonably representative, new tabulation has not been prepared. The commerce on the Great Lakes for 1930 was about 6.6 per cent less than the average commerce for the past five years, so the maintenance cost per ton should be considered in this light.

There has also been prepared a statement showing Great Lakes commerce—a summary of the net average commerce, eliminating all known duplications, for the 5-year period 1926–1930. This amount is arrived at by eliminating from the tonnage shown for each port or connecting channel that commerce which is duplicated in the reports of two or more projects. For example, a shipment from an upper lake port destined for a lower lake port, or vice versa, may be reported on by that port, by the projects for St. Marys River, channels in Lake St. Clair, Detroit River, and by the receiving port. To arrive at the net maintenance cost per ton handled on the Great Lakes system as a whole such duplications have been eliminated in this table. This shows the average net cost per ton to be $0.022 when each cargo is counted but once, in spite of the fact that it is handled at least by 2 projects and often by 4 or 5 projects on the Lakes. It will be noted that the average cost per ton of maintenance, without eliminating such duplications, or the average cost per ton of maintenance of all projects on the Lakes, is $0.0062. On this latter basis the average cost per ton in the first New York district is $0.0022, in the Galveston district $0.0211, and in the Portland district $0.0366.

A further computation made by the Chief of Engineers for harbors in the first New York district, excluding duplications; car-ferry traffic, which in this district is carried on shallow-draft floats; and cargoes in transit, shows for the calendar year 1930 a net commerce of 128,544,854 tons, which, reduced to a maintenance cost per ton, gives an average cost of maintenance per ton of $0.00603, which is to be compared with the cost of $0.022 on the Great Lakes, where the net average commerce, eliminating duplications, for the 5-year period 1926–1930 was 135,241,077.

In this consideration it must be borne in mind that in practically each instance where the average cost per ton of harbors on the Great Lakes appears excessive this is due to the repair and improvement of superstructures during the past five years on old lumber piers and dikes by replacing the original wooden structure down to the water level, and in many cases below that level, with stone and cement structures which will require practically no maintenance in the future. In most instances these are harbors of refuge where the commercial tonnage does not seem to justify the upkeep but where the factor of safety makes it essential.

It must also be kept in mind that in making what are commonly known in the business field as capital expenditures for improvements of a permanent nature replacing obsolete or worn out equipment or improvements, the practice of the War Department is to charge such costs to maintenance. Naturally, where improvements are involved and charged to maintenance the average cost appears excessive as compared to other harbors where the only expenditures made were for dredging.

It may be of interest to note comparative figures on the maintenance cost per ton-mile of commerce hauled on the Great Lakes, and on other inland waterways of the United States. The total ton mileage of commerce on the inland waterways of this country during the calendar year 1930, exclusive of the Great Lakes, was 9,087,513,833. The cost of maintenance, and operating and care of locks and dams during the fiscal year 1931 on these waterways was $15,360,860, or $0.00169 per ton-mile of commerce. The total ton mileage on the Great Lakes alone during the calendar year 1930 was 77,365,558,000. The cost of maintenance during the fiscal year 1931 was $3,874,570, or $0.00005 per ton-mile.

The following are the tabulations referred to:

FIRST NEW YORK DISTRICT

Project	Average cost of maintenance last 5 years	Average commerce last 5 years	Maintenance cost per ton
		Tons	
Port Chester Harbor, N. Y.	$4,955	422,737	$0.0117
Mamaroneck Harbor, N. Y.	4,513	337,132	.0134
Echo Bay Harbor, N. Y.	20	98,205	.0002
New Rochelle Harbor, N. Y.	53	160,256	.0003
East Chester Creek, N. Y.	15,272	574,413	.0266
Westchester Creek, N. Y.	1,051	382,789	.0027
Bronx River, N. Y.	5,667	659,653	.0086
Flushing Bay Harbor, N. Y.	11,969	1,651,963	.0072
Hempstead Harbor, N. Y.	7,500	6,901,982	.0011
Huntington Harbor, N. Y.	70	71,106	.0010
Port Jefferson Harbor, N. Y.	300	2,438,986	.0001
Mattituck Harbor, N. Y.	5,040	5,134	.9882
Great South Bay, N. Y.	3,120	36,556	.0852
Browns Creek, N. Y.	4,379	967	4.5284
Jamaica Bay, N. Y.	1,997	1,152,183	.0017
Sheepshead Bay, N. Y.	26	5,126	.0051
New York Harbor, N. Y.	66,860	143,183,456	.0005
Coney Island Channel, N. Y.	26,808	1,055,696	.0254
Bay Ridge and Red Hook Channels, N. Y.	243,952	21,994,512	.0111
Buttermilk Channel, N. Y.	31,458	6,328,221	.0050
Gowanus Creek Channel, N. Y.	32	4,729,033	.000007
East River, N. Y.	8,134	68,292,093	.0001
Wallabout Channel, N. Y.	29	1,942,082	.00001
Newtown Creek, N. Y.	13,908	6,043,488	.0023
Harlem River, N. Y.	18,576	7,548,430	.0025
Hudson River Channel, N. Y.	124,757	71,672,765	.0017
New York Harbor, collection and removal of drift	48,050		
Tarrytown Harbor, N. Y.	3,722	309,090	.0120
Peekskill Harbor, N. Y.	3,907	100,497	.0389
Wappinger Creek, N. Y.	1,748	13,649	.1285
Rondout Harbor, N. Y.	430	228,459	.0019
Saugerties Harbor, N. Y.	6,224	38,729	.1608
Hudson River, N. Y.	84,268	3,219,064	.0262
Operating and care of lock and dam at Troy, N. Y.	22,270	2,823,323	.0069
Narrows of Lake Champlain, N. Y. and Vt.	319	120,294	.0027
Burlington Harbor, Vt.	2,977	17,146	.1741
Plattsburg Harbor, N. Y.	110	2,476	.0444
Port Henry Harbor, N. Y.	32	9,655	.0083
Otter Creek, Vt.	110	1,335	.0824
Total	775,767	354,232,579	.0022

GALVESTON DISTRICT

Sabine-Neches Waterway, Tex.	$402,977	57,436,256	$0.007
Johnsons Bayou, La.	2,567	1,254	2.0471
Intracoastal waterway, between Sabine River and Corpus Christi	97,544	732,664	.1331
Galveston Harbor, Tex.	137,989	18,303,824	.0071
Galveston Channel, Tex.	208,903	5,677,945	.0368
Texas City Channel, Tex.	209,104	3,734,980	.0561
Port Bolivar Channel, Tex.	16,070	327,014	.0491
Houston Ship Channel, Tex.	671,969	12,803,280	.0522
Double Bayou, Tex.	2,454	7,165	.3425
Anahuac Channel, Tex.	13,628	31,795	.4286
Turtle Bayou, Tex.	4,574	2,405	1.9058
Mouth of Trinity River, Tex.		17,679	
Trinity River, Tex.	7,756	15,762	.4909
Cedar Bayou, Tex.	6,983	100,519	.0695
Clear Creek, Tex.	2,878	51,450	.0559
Dickinson Bayou, Tex.	3,800	108	35.1852
Chocolate Bayou, Tex.		111	
Bastrop Bayou, Tex.	2,028		
Freeport Harbor, Tex.	81,024	527,925	.1535
Aransas Pass-Corpus Christi Channel, Tex.	192,337	2,925,838	.0657
Pass Cavallo-Port Lavaca Channel	889	28,497	.0312
Guadalupe River to Victoria, Tex.		8,404	
Port Aransas, Tex.	163,028	2,195,815	.0738
Brazos Island Harbor, Tex.			
Cypress Bayou and Waterway between Jefferson, Tex., and Shreveport, La.	9,654	9,536	1.0124
Total	2,287,106	105,980,726	.0211

PORTLAND DISTRICT

Coquille River, Oreg.	$8,018	47,067	$0.1702
Coos Bay, Oreg.	208,876	997,167	.2095
Coos River, Oreg.	2,485	61,729	.0403
Umpqua River, Oreg.	29,908	15,323	1.9548
Siuslaw River, Oreg.	240	28,814	.0101
Yaquina River, Oreg.		267,232	
Yaquina Bay and Harbor, Oreg.	5,505	287,848	.0191
Tillamook Bay and Bar, Oreg.	24,753	147,607	.1671
Columbia River at mouth, Oreg. and Wash.	3,122	5,767,508	.0005
Columbia and lower Willamette Rivers, below Vancouver, Wash., and Portland, Oreg.	375,860	9,761,631	.0385
Clatskanie River, Oreg.	3,333	256,400	.0132
Willamette River above Portland and Yamhill River, Oreg.	60,194	1,721,470	.035
Operating and care, Willamette Falls Canal	30,909	251,324	.123
Operating and care, lock and dam, Yamhill River, Oreg.	2,754	4,720	.5835
Operating and care, Cascades Canal, Oreg.	19,724	68,955	.2343
Operating and care, Dalles-Celilo Canal, Oreg.	17,078		
Columbia River and tributaries, above Celilo Falls to Snake River	174		

PORTLAND DISTRICT—continued

Project	Average cost of maintenance last 5 years	Average commerce last 5 years	Maintenance cost per ton
		Tons	
Snake River, Oreg., Wash., and Idaho	$64	22,823	$0.0028
Lewis River, Wash.	25	10,312	.0025
Cowlitz River, Wash.	2,025	819,948	.0025
Skamokawa Creek, Wash.	1,518	104,554	.0145
Grays River, Wash.		45,499	
Deep River, Wash.	320	108,665	.0029
Total	736,631	21,781,586	.0366

Great Lakes commerce

ACTIVE PROJECTS

Project	Average maintenance	Commerce, 1930	Maintenance cost per ton
		Tons	
Agate Bay Harbor, Minn.	$1,154	7,203,145	$0.0002
Algoma Harbor, Wis.	2,534	2,122	1.0675
Alpena Harbor, Mich.	1,801	1,734,953	.0010
Ashland Harbor, Wis.	1,311	2,440,944	.0002
Ashtabula Harbor, Ohio	26,802	10,775,744	.0025
Baudette Harbor and River, Minn.	1,717	13,923	.1233
Black River, Mich.	10,933	104,777	.1043
Black Rock Channel and Tonawanda Harbor, N. Y.	101,527	4,367,347	.0234
Buffalo Harbor, N. Y.	98,198	19,382,851	.0051
Calumet Harbor and River, Ill. and Ind.	117,432	11,508,282	.0102
Cape Vincent Harbor, N. Y.	333	5,401	.0616
Charlevoix Harbor, Mich.	17,450	8,800	1.78
Cheboygan Harbor, Mich.	4,038	11,024	.3662
Chicago Harbor, Ill.	128,024	1,601,330	.0799
Chicago River, Ill.	73,380	1,231,803	.0595
Cleveland Harbor, Ohio	101,132	11,990,493	.0085
Conneaut Harbor, Ohio	7,388	20,847,641	.0007
Detroit River, Mich.	13,681	94,155,889	.0001
Duluth-Superior Harbor, Minn. and Wis.	107,972	45,726,035	.0023
Dunkirk Harbor, N. Y.	32,788	16,464	1.988
Erie Harbor, Pa.	48,076	4,594,691	.0105
Fairport Harbor, Ohio	11,141	3,911,844	.0028
Fox River, Wis.	287,567	325,658	.883
Frankfort Harbor, Mich.	9,470	1,449,635	.0065
Grand Haven Harbor and Grand River, Mich.	31,950	1,610,559	.0198
Grand Marais Harbor, Minn.	759	2,599	.2920
Grand Marais Harbor of Refuge, Mich.	16,256	508	32.00
Great Sodus Bay Harbor, N. Y.	19,810	886,737	.0223
Green Bay Harbor, Wis.	14,415	1,809,802	.0078
Harbor Beach Harbor of Refuge at Lake Huron, Mich.	276		
Holland Harbor, Mich.	24,159	18,120	1.334
Huron Harbor, Ohio	9,422	1,926,764	.0049
Indiana Harbor, Ind.	23,844	6,505,207	.0035
Kenosha Harbor, Wis.	9,790	33,360	.2903
Kewaunee Harbor, Wis.	14,740	460,186	.0323
Keweenaw Waterway, Mich.	131,908	1,160,234	.1137
Little Sodus Bay Harbor, N. Y.	11,407	17,975	.6346
Lorain Harbor, Ohio	13,997	5,613,734	.0023
Ludington Harbor, Mich.	33,710	2,212,873	.0152
Mackinac Harbor, Mich.	4,747	10,320	.46
Manistee Harbor, Mich.	35,330	96,513	.4084
Manistique Harbor, Mich.	2,446	274,475	.0089
Manitowoc Harbor, Wis.	25,400	1,913,757	.0133
Marquette Bay Harbor of Refuge, Mich.	17,681	2,707,085	.0065
Marquette Harbor, Mich.	4,431	810,191	.0055
Menominee Harbor and River, Mich. and Wis.	16,686	686,078	.0243
Michigan City Harbor, Ind.	47,105	9,202	5.1201
Milwaukee Harbor, Wis.	194,095	7,703,182	.0252
Monroe Harbor, Mich.	3,710		
Morristown Harbor, N. Y.	96	1,056	.09
Muskegon Harbor, Mich.	7,360	669,427	.011
Niagara River, N. Y.	308	170,119	.0023
Ogdensburg Harbor, N. Y.	7,668	1,069,552	.0072
Olcott Harbor, N. Y.	8,000		
Ontonagon Harbor, Mich.	23,192	28,880	.803
Oswego Harbor, N. Y.	20,897	304,718	.0757
Petoskey Harbor, Mich.	11,360	12,132	.9363
Portage Lake Harbor of Refuge, Mich.	3,609	266	13.4328
Port Clinton Harbor, Ohio		2,076	
Port Washington Harbor, Wis.	7,230	12,032	.6008
Racine Harbor, Wis.	11,460	301,462	.038
Rochester (Charlotte) Harbor, N. Y.	17,985	1,096,794	.0164
Rocky River, Ohio	1,166		
Rouge River, Mich.	42,354	4,875,927	.0087
Saginaw River, Mich.	71,778	1,110,471	.0646
Channels in Lake St. Claire, Mich.	47,277	31,684,158	.0006
St. Clair River, Mich.	8,041		.0001
St. Joseph Harbor, Mich.	22,410	35,748	.6269
St. Lawrence River, Ogdensburg, N. Y., to Lake Ontario		6,371,704	
St. Marys River, Mich.	526,732	72,897,752	.0041
Sandusky Harbor, Ohio	17,643	8,297,563	.0021
Saugatuck Harbor and Kalamazoo River, Mich.	5,054	1,678	3.0019
Sheboygan Harbor, Wis.	26,040	424,876	.0612
South Haven Harbor, Mich.	17,230	21,494	.801
Sturgeon Bay and Lake Michigan Ship Canal, Wis.	40,826	1,195,648	.0341
Toledo Harbor, Ohio	214,140	19,523,122	.0109
Two Rivers Harbor, Wis.	26,360	23,456	1.1238
Vermilion Harbor, Ohio	1,666	3,126	.526

Great Lakes commerce—Continued

ACTIVE PROJECTS—continued

Project	Average maintenance	Commerce, 1930	Maintenance cost per ton
		Tons	
Waddington Harbor, N. Y.	$14,368	150,508	$0.0954
Warrood Harbor and River, Minn.	21,809	6,774	3.2195
Waukegan Harbor, Ill.	45,871	286,625	.16
White Lake Harbor, Mich.	12,540	1,724	7.2737
INACTIVE PROJECTS			
Arcadia Harbor, Mich.			
Ausable Harbor, Mich.			
Belle River, Mich.			
Big Creek, Ohio			
Black River, N. Y.			
Cattaraugus Creek, N. Y.			
Cedar River Harbor, Mich.			
Clinton River, Mich.			
Eagle Harbor, Mich.			
Gladstone Harbor, Mich.		60,441	
Grasse River, N. Y.			
LaPlaisance Bay, Mich.			
Maumee River, Ohio			
Milwaukee (South) Harbor, Wis.			
Minnesota Point at Superior, Wis.			
New Buffalo Harbor, Mich.			
Oak Orchard Harbor, N. Y.			
Oconto Harbor, Wis.		357	
Pensaukee Harbor and River, Wis.			
Pentwater Harbor, Mich.		29	
Pine River, Mich.			
Portland Harbor, N. Y.			
Port Ontario Harbor, N. Y.			
Port Wing Harbor, Wis.	$25		
Pultneyville Harbor, N. Y.			
Rogers City Harbor, Mich.			
Sacketts Harbor, N. Y.		8,400	
St. Joseph River, Mich.		33,000	
Sandusky River, Ohio			
Schawaing Harbor (river), Mich.			
Ticonderoga River, N. Y.			
Whitehall Harbor, N. Y.			
Wilson Harbor, N. Y.			
Total	2,978,781	477,703,270	$0.0062
Net average commerce, eliminating all known duplications for 5-year period 1926-1930		135,241,077	.022

OUR PRESENT EMERGENCY AND SUGGESTED REMEDIES

Mr. GARBER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article and one editorial.

Mr. STAFFORD. Reserving the right to object, how extensive is the article and the editorial referred to?

Mr. GARBER. I could not state the exact length of it. It is not a lengthy article. It is a very brief statement.

Mr. STAFFORD. Will it require more than one page of the RECORD or not?

Mr. GARBER. No; I hardly think it would.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GARBER. Mr. Speaker, Members of the House, the following letter from one of the leading representative citizens of the Southwest so ably expresses the progressive thought of the country and the constructive remedies for relief that I am exercising the privilege of incorporating it in full that other members may have the benefit of its perusal.

ENID, OKLA., *April 20, 1932.*

Hon. M. C. GARBER,
Washington, D. C.

DEAR JUDGE: I have been personally gratified in noting a few vibrant voices in this Congress that are demanding the enactment of a bank-deposit guaranty law. There would be no hoarded-money problems if depositors were insured against loss. I note they are also demanding an international conference to consider the "silver" question, and why not? I am sorry that President Hoover continues to ignore the mandate given him by the Senate last June to call such a conference. "Free coinage" of silver by international agreement is good Republican doctrine, or at least it was good Republican doctrine in 1896, and William McKinley was elected President on that issue at that time. The immortal William Jennings Bryan wanted silver coined free "without the help of any other nation on earth," and of course I think he was right.

Since our country's untoward and, in my judgment, unjustifiable action in destroying the value of silver by adverse legislation, especially since it is exclusively an American product, and since in consequence of this action the value of the money which over half the population of the world uses has been virtually destroyed, and since in consequence of the destruction of one-half the money metal of the world civilization itself seems to be tottering, it seems to me that we ought immediately to retrace our steps, and by remonetizing silver restore bimetallism—the gold and silver coinage of the Constitution. Washington established it. Hamilton and Jefferson concurred in it. Webster and Blaine defended it. What more can be said?

Surely the ruin which the gold-standard sponsors have brought, not only only on our own country but on the whole world, ought to bar them from any further surveillance of our monetary affairs.

Any bunch of high-powered financiers, entrusted with the unlimited power to function as ours have been, and who can devise no other remedy for our distresses than by issuing billions of dollars of interest-bearing bonds, ought to be told by this Congress "to go away back and sit down."

Since a measure of inflation is both necessary and inevitable if debtors are ever to be able to discharge their debts, and since the alleged aim of the huge bond issues is to provide this inflation, and since outstanding Government bonds are now selling as low as 90 cents on the dollar, why can not Congress, solely as an emergency measure—a great emergency measure—authorize Secretary of the Treasury Ogden Mills to call in a billion dollars' worth of these discredited bonds and issue in exchange for them non-interest-bearing Treasury notes (currency) and at the same time declare them legal tender for all debts, public and private? This would reduce the national debt a billion dollars instead of increasing it by that sum. It would restore United States bonds to par and give the country the billion dollars in new currency that it needs.

I do not contend that this is the best way, but it is one way, and I believe it would provide instant, if not permanent, relief.

I believe Lincoln would do it if he were President now. In fact, he did do a more rank thing when he had Secretary Chase issue $300,000,000 in "greenbacks," and with which, after declaring them legal tender, he paid the back salaries of the soldiers of the Civil War.

Judge, it seems to me that the overshadowing issue, the issue that eclipses all other issues and without the solution of which all other remedial measures are futile, is a monetary one, and that unless it is solved by this Congress, and solved in the interest of the masses of our people, the present depression is but a mild zephyr compared to the whirlwinds of financial ruin that are destined to stagger the world.

Thousands of the best citizens in the great Southwest are losing their farms, their homes, and, through no fault of their own, the accumulations of a lifetime. Many of these are your neighbors and mine. They are dumb with amazement at the plight in which they find themselves and seem to wonder what it is all about.

Surely this Congress will not seek nor accept advice from the internationally minded financial pirates that have steered our frail monetary craft upon the rocks. It seems to me that it would be a wise policy to find out what they want, then vote against it.

I admire the clarity with which you elucidate every issue engaging the attention of this Congress. I enjoy reading your speeches in the RECORD and thus far have found nothing in them with which I do not agree. Please excuse this long letter.

Always wishing you well,

I am, sincerely yours, EDMUND FRANTZ.

THE SOLDIERS' BONUS

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by placing therein a statement made by the gentleman from Indiana [Mr. PETTENGILL] before the Ways and Means Committee this morning on the subject of the soldiers' bonus.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, this morning the distinguished gentleman from Indiana [Mr. PETTENGILL] submitted to the Ways and Means Committee a plan for the payment of the soldiers' bonus. The plan is so able and so constructive as to merit the careful thought of all interested in the solution of this vexing and pressing problem. Under leave granted me I extend it in the RECORD that the Congress and the country may be advised of it.

To the WAYS AND MEANS COMMITTEE,
House of Representatives.

Re: Soldiers' bonus.

GENTLEMEN: I suggest for your consideration the following p'an:

First. At the option of the veteran, let him turn in his adjusted-service certificate.

Second. Less any amount due on loans previously made, ascertain its "present value" at a low rate of interest, say 2 or 3 per cent.

Third. For such present value deliver to the veteran $50 (or possibly $25) coupon bonds, all due in 1945, bearing 2 or 3 per cent interest. I think there should be such an interest differential in ascertaining "present value" and the rate on the bonds so that there will be a pecuniary object in the veteran retaining his adjusted-service certificate until 1945 as a paid-up annuity policy

for himself when 13 years older or for the protection of his widow and children if he dies before then.

Fourth. For any odd fraction of the amount of such present value pay him in money (e. g., present value $717.50. Deliver bonds of face value of $700, 14 bonds at $50 par or 28 bonds at $25 par and $17.50 cash).

5. Except for date, maturity, interest rate, etc., these bonds to be practically indistinguishable for the so-called "Baby" Liberty bonds with which the public became familiar during the World War.

6. In order to help maintain a market value close to par on the bonds, I suggest this: The Government has already set up a sinking fund to redeem the adjusted-service certificates in 1945, 13 years from now. Let the Government undertake to purchase in the open market at face value, plus accrued interest, bonds totaling one-thirteenth of the issue each year. I would go further and purchase one-twelfth of such thirteenth every month. While at first, at least, more bonds might be offered than the Government had undertaken to purchase, nevertheless the fact that it is known that the Government is in the market at par would help materially to maintain face value despite the low interest rate. In this connection I call your attention to the plan of the Government to retire at face, on 60 days' notice, the low-interest-rate "antihoarding bonds."

For this plan I suggest that it possesses these advantages:

(a) Its utter simplicity. It does not go outside of established patterns of thought.

(b) It substitutes one obligation of the Government for another—bonds for adjusted-service certificates, both due in 1945, and both to the same creditor, the veteran. It does not increase the total obligation. If the credit of the Government is not impaired by the fact that adjusted-service certificates due in 1945 are outstanding, the substitution of baby bonds for a like amount, and a like maturity, would not seem capable of impairing confidence in the Government.

(c) It does not admit the principle that the Government is paying in advance of 1945 an obligation not due until then. It does not create the dangerous precedent of the Government paying this or other debts by paper money. Nevertheless, the veteran has something for immediate use.

(d) Except for the annual purchase of one-thirteenth of the issue each year, it throws no additional strain on the Government for the immediate future. Even this might be eliminated for the present, as it is suggested primarily to maintain a market substantially at par. Or the Federal reserve banks could purchase them in "open-market" operations, as they are now doing, presenting them to the Treasury for retirement in 1945.

(e) It would relieve distress and bring hope in hundreds of thousands of homes.

(f) Creditors of the veteran—his grocer, his coal man, his merchant, his mortgage holder, his doctor—would accept the bonds as money, and I think in most cases without discount, both because it pays a debt which he is glad to receive and for patriotic reasons also.

(g) It would bring Government credit to the grass roots—to every township in America.

(h) Because these small bonds would pass from hand to hand they would tend to produce a moderate degree of inflation or "reflation," which we all agree is imperative if commodity values are to be turned upward—without which buying, production, and employment will continue from hand to mouth. At the same time such inflation would not tend to get out of hand.

(i) Although these small denominational bonds would pass from debtor to creditor as money, nevertheless, for the very reason that they are not money, they would not cause the psychological shock which I fear would attend any scheme for "fiat" or "printing-press" money. Any such plan (granting its actual soundness for argument's sake) would, I fear, by reason of its intricate machinery, and public unfamiliarity with a new issue of money, tend to destroy confidence in the American paper dollar, and cause a disastrous withdrawal and hoarding of gold, both at home and from abroad. The stump may be a stump, but if the horse thinks it is a bear, the arguments of the driver are wasted. We can not overlook the psychological factor at this time. Confidence in the money of the Government must be maintained at every hazard.

(j) As against procuring money to pay the bonus by a bond issue to the general public, it does not deplete the resources of banks or disturb funds awaiting private investment.

(k) It does not "freeze" nor hypothecate nor segregate existing gold reserves behind currency issues—reserves which we may need to meet foreign withdrawals—or as a basis for credit expansion through the Federal reserve.

(l) Further, it seems to me to be a splendid thing in these critical times to have small Government bonds in the pockets of the people. It ties them to their Government. These bonds would become a visible symbol of our Ship of State as it plunges forward against heavy seas. They would make hundreds of thousands—yes, millions—of people in humble homes all over this broad land interested in preserving the integrity of the National Government against every foe, foreign and domestic. They would interest our people in our problems. They would give support for sound government, for honest government, for frugal government.

In closing I offer this only as a suggestion and with the sole desire to be helpful to the committee in working out a tremendously difficult problem. No doubt it can be improved. I invite your criticism. I realize that serious objections which do not now occur to me may be offered. It, however, seems to me to occupy sound middle ground between no bonus at all and putting the printing presses to work.

SAMUEL B. PETTENGILL, M. C.

JOSEPH HEWES

Mr. WARREN. Mr. Speaker, on April 28 there will be unveiled at Edenton, N. C., a monument erected by Congress to the memory of Joseph Hewes, a signer of the Declaration of Independence. Hon. Josephus Daniels has written a very fine editorial on Mr. Hewes, and I ask unanimous consent to extend my remarks in the RECORD by inserting that editorial.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, on Thursday, April 28, at Edenton, N. C., there will be unveiled a monument erected by Congress to Joseph Hewes, a signer of the Declaration of Independence, and who was also chairman of the committee on marine of the Continental Congress. It was Hewes who commissioned John Paul Jones. Little has been known of Joseph Hewes, and his great contribution to the founding of the Republic, and we are indebted to Hon. Josephus Daniels for a most informative editorial appearing in the Raleigh (N. C.) News and Observer on Sunday, April 24, giving a most interesting account of the work of this great patriot. Under the authority given me, I am inserting this editorial in the RECORD:

JOSEPH HEWES, AN "ANGEL OF HAPPINESS"

"You are the angel of my happiness; since to your friendship I owe my present enjoyment, as well as my future prospects. You more than any other person have labored to place the instruments of success in my hands." (John Paul Jones, writing of Joseph Hewes.)

All roads lead to Edenton this week. The big event in North Carolina occurs there on next Thursday, when the congressional monument erected in Edenton to the memory of Joseph Hewes will be unveiled with appropriate exercises and speeches by distinguished Americans. The event will carry to Edenton many thousand people in response to the hospitable invitation which has been extended by the mayor of Edenton and the Joseph Hewes committee. The Hewes monument will be in historic surroundings, for in and near Edenton lie buried some of the most notable men this State and country have produced. It was said of the port town of Edenton in the early days: "Within its vicinity there was in proportion to its population a greater number of men eminent for ability, virtue, and erudition than in any other part of America." With most of them Joseph Hewes was a contemporary.

Edenton was a small village when it was the home of Joseph Hewes, James Iredell, and Samuel Johnston, to mention only three of the illustrious men of the Hewes era. Iredell was, of course, the leader of the bar, and afterwards in learning gave luster to the bench. Johnston, a natural executive and leader, served his State and country in high station. But to Joseph Hewes came the distinction of distinctions—the opportunity which he embraced of attaching his name to the greatest document that has been signed since Runnymede. Hewes, along with John Penn and William Hooper, attached his name to the Declaration of Independence as representative of the patriotic people of North Carolina. It happened in that case, as in many others, that the men to whom was given the distinction of voicing the fixed will of the people had not all been leaders in the movement culminating in the great event.

Hooper was called by Jefferson "a Tory," not because he had not been patriotic in the war, but because in the formative days of the Republic, Mr. Hooper was an ultra-Federalist and Mr. Jefferson, regarding the two parties in America after the names in England, called the Hamiltonians Tories and the Republican-Democrats Whigs, and his designation, like all transplanted designations, was not always accurate. But in the day when Jefferson, Madison, and Macon were putting the country on the democratic tack, Hooper sided with the Federalists. John Penn was an ardent Jeffersonian. Mr. Hewes, closely associated with Iredell and Johnston, was a conservative man and was slow to believe that the Colonies could win and came to believe in independence only when he lost hope that the British would treat the Colonies fairly, and when he found the people determined upon self-government. It has been suggested that the controlling influence which caused Mr. Hewes to become a champion of independence was the pressure following the historic Edenton tea party. It was attended by 51 women who engaged themselves "not to conform to that pernicious custom of drinking tea, and the aforesaid ladys would not promote ye wear of any manufacture from England until such time that all acts which tend to enslave this our native country shall be repealed." Phillips Russell has written of this incident: "The colonial female of the species being more deadly than the

male, and Hewes being a bachelor, it is small wonder that he gave ground, abandoned Quaker tenets, and threw his interests in with the Colonial lot; and was thereafter active in all continental and provincial councils."

The truth is that Joseph Hewes was more of a merchant and mariner than a statesman. He was a man of affairs and property, and feared what might happen if the country cut loose from England. He, however, resolved all these fears in favor of the prevailing opinion and stood with the more ardent and early believers in independence.

For a time these more enthusiastic and forward-looking advocates of breaking all relations with England were doubtful where Hewes would stand, and fearful he would oppose their dream of a free America. They knew that his close personal and political associates were so tied to England that they feared he would not rise to the occasion, voice the prevailing patriotic sentiment of the colony of North Carolina, and make himself immortal. John Adams, a leader in the Continental Congress, gave this picture of the mental stress of Hewes and how he came to see the light and follow it:

"One day while a member was producing arguments to show the general opinion of all the colonies was for independence, and among them North Carolina, Hewes, who had hitherto constantly voted against it, stood suddenly upright and lifting both hands to Heaven cried out, 'It is done and I will abide by it.'"

And Adams further commented, showing how obstinate was the opposition to separation from England:

"I would give more for a perfect painting of the terror and horror upon the face of the old majority at that critical moment than for the best piece of Raphael."

Adams also gives us the best pen picture that we have of Hewes when he said: "Hewes has a sharp eye, a keen, penetrating sense, but what is of more importance, is a man of honor and integrity." William Hooper, a co-signer of the Declaration with Hewes, and with whose so-called Tory opposition Hewes was in earlier debates in harmony, writes of Hewes: "He was my intimate friend. I know and had probed the secret recesses of his soul, and found it devoid of guile and replete with benignity."

Mr. Hewes was a native of New Jersey and engaged in business and maritime pursuits in Philadelphia. Later he moved to Edenton, induced thereto by the fact that there was considerable commerce from the West Indies. He was a large exporter and importer and owned a large fleet of merchant vessels which he later placed at the disposal of the country during the Revolution. His ships could make the trip from Edenton to these islands, furnishing many products to the colonies, much quicker than from Philadelphia. He prospered in Edenton and became what in those days was regarded as a man of wealth so that in his will he was able to bequeath to his family many thousand pounds. He early obtained the confidence of the people of his adopted home and took interest as a public-spirited business man in all that concerned the people of the colony.

It was while serving in the Continental Congress that the opportunity came to Mr. Hewes to obtain a brevet title of Secretary of the Navy of the Colonies. Of course, he had no such legal title, but when General Washington and other leaders, among them Mr. Hewes, saw that means must be found to waylay the ships bringing supplies to the British Army, the need for a continental navy was seen. There was, therefore, organized the marine committee of the Congress, composed of John Adams, Stephen Hopkins, Richard Henry Lee, Robert Morris, and Joseph Hewes. Hopkins had been trained to the sea but Hewes had had large experience with ships and seamen in the actual direction of seamen and merchant marine, and he became what was called "the work horse" of the committee and its chairman. In truth, it was a distinction to be the leader of such a distinguished committee, but some of the members were slow to follow Mr. Hewes. In fact, some of them never did follow him. The New Englanders, led by Adams and Hopkins, wished to control the new Navy and name their hand-picked officers to direct it. One of them asked, directing his words to the southerners on the committee: "Haven't you filled the Army with your precious Washingtons, Lees, and other Virginians?" and added: "Keep your Army spoils, but the Navy is our meat." But there were two members of the committee, Joseph Hewes, of North Carolina, and Robert Morris, of Philadelphia, who were unwilling to turn the Navy over entirely to New England officers.

Morris didn't think that anything could go on in America successfully unless a Philadelphian had prominent place in it, and so he demanded that Nicholas Biddle be given a commission. Joseph Hewes was firm in his insistence that North Carolina must have an officer on the list of the first officers of the young navy. He suggested for a commission as captain a man who had never been heard of by the other members of the committee, John P. Jones. If he had suggested that John Paul be given a commission, the other members might have heard of that romantic sailor who said of himself that he had been "a son of fortune." However, though Morris and Hewes were able to compel the commissions in the lower grades, Morris making Biddle a captain of the *Andrea Doria*, Hewes had to be contented with a first lieutenantship for John Paul Jones, who was given the task of arming and manning the flagship *Alfred*. Most of the new officers were New Englanders, and worse than that, most of the appointees were either relatives or friends of Stephen Hopkins and John Adams, Members of the Continental Congress. Nepotism is nothing new. It resulted then, as almost always, in injury to the public service, for within a few months most of these favorites who had been given commissions had lost their ships, been cashiered, tried on charges, or told to find a port and rest. Jones once wrote: "When I applied for a lieutenancy I hoped in that work to gain much useful knowledge from men of more experience than myself. I was, however, mistaken, for instead of gaining information, I was obliged to inform others. A few of them did almost everything except prick themselves with their own swords." Phillips Russell says: "Only two men in this historic list of the first American naval officers came out of their first tests with laurels, and they were the last two chosen—Nicholas Biddle and John P. Jones. Because he owed his appointment to Hewes, the latter was thenceforth known as 'the North Carolina captain.'"

This is not the time nor place to discuss the somewhat disputed question as to how John Paul received the name of Jones. There has long existed in North Carolina a tradition, which was accepted without question for many years, that after John Paul Jones had killed a man on board his ship and it was necessary for him to hide himself for a time, he came to North Carolina and lived in the homes of Willie Jones and Allen Jones. The story of how this happened, whether historic or traditional, is very interesting. It is that John Paul had formed the acquaintance and secured the friendship of Joseph Hewes in Philadelphia, and Hewes had invited the young sailor to visit him at his home in Edenton. Therefore, unannounced, John Paul appeared in Edenton to accept this generous invitation. When he arrived in Edenton he found that Mr. Hewes had gone on one of his ships to the West Indies, and the disconsolate young sailor, without friends and without money, was sitting on the wharf in Edenton Bay when the great patriot, Willie Jones, went to the wharf to take a boat to return to his home in Halifax. In a small town like Edenton the presence of a stranger, particularly a stranger of the attractiveness of John Paul, caused Mr. Jones to inquire about him and how he happened to be there, and so he approached the young man and asked:

"What is your name?"

"My name is John Paul," was the answer.

"What brought you to Edenton?" asked Mr. Jones.

"I was invited," said John Paul, "by Mr. Joseph Hewes to visit him in Edenton, and I came hoping to find him. I now learn that he is in the West Indies and will not be back for some time and therefore I am in great distress."

Thereupon, so the story goes—it is history or tradition, whichever you choose to call it—Willie Jones, who had doubtless heard of John Paul, and who had a flair for promising young men, invited John Paul to go to his home. The invitation was accepted and for a time John Paul was a resident in his home, alternating between the home of Willie Jones in Halifax and the home of his brother, Allen Jones. The attachment became very strong between the nomadic and brilliant young sailor and these two distinguished patriots of that era. Later when Mr. Hewes was able to obtain a commission for the young sailor in the American Navy, the officer asked that the commission be not given to John Paul but to John Paul Jones, and the Halifax story has always been that he made this request, saying, in substance: "My name was John Paul, but out of admiration and gratitude to the men who gave me refuge and kindness and friendship in a day when I sorely needed them, my name is henceforth John Paul Jones." In the Navy Department at Washington there hangs a beautiful sword on which is the inscription: "This sword was presented to John Paul Jones by Willie Jones, of North Carolina, and is loaned to the Navy by Admiral Nicholson, whose father came into possession of it."

This interesting story or scrap of history has, of course, been questioned because neither Willie Jones nor his brother nor John Paul Jones left any scrap in proof of the incident or reason why John Paul changed his name, but if he didn't take his name from the North Carolina family, of which Willie Jones was the head, where did he get the name Jones and why did he take it? These questions have puzzled historians who have not agreed upon the answer.

The story of the organization of the new American Navy, after the failure of some of the early officers, is one of the most glorious stories in the American chapters of service afloat. Lieutenant Jones claimed to have pulled up to the masthead of the *Alfred* the first American naval flag. It was not the banner with 13 stripes but a rectangle of yellow silk bearing the picture of a rattlesnake and the legend, "Don't tread on me." This device had been previously used by the Culpeper riflemen of Virginia. Among the other contentions in the story of the life of John Paul Jones there is much of mystery and more of romance. There has been the question as to who hoisted the first American flag. Captain Barry, called by some "the father of the American Navy," laid claim to that honor as did John Paul Jones. John Adams has left on record this statement: "Both these vain boasts I know to be false. It is not decent or just that those emigrants, foreigners of the South, should falsely arrogate to themselves merit that belongs to New England sailors, officers, and men." He claimed the honor belonged to Capt. John Manly, commander of the *Lee*, which brought in four prizes. Of course, John Adams, in using the words "emigrants," "foreigners from the South," was referring to John Paul Jones. However all this may be, one thing is certain, that the first salute to the American flag was given in French waters when John Paul Jones sailed his famous ship, the *Bon Homme Richard*, into the French harbor.

The first work that John Paul Jones was ordered to do was convoy duty for ships carrying supplies for the defense of New York. He returned to Philadelphia from a successful convoy voyage three weeks after the signing of the Declaration of Inde-

pendence. Phillips Russell writes: "Joseph Hewes was now satisfied that he had made no mistake in his man. He was also convinced that this fellow had a spot of genius in him, and that he had not the temperament to endure incompetent or lackadaisical superiors. He therefore set to work to obtain for Jones a command in which his initiative would have elbowroom. Meantime Jones went to John Hancock and obtained from him, as President of the Continental Congress, confirmation of the captain's commission given to him by Hopkins. It was dated August 8, 1776, the first awarded after the Colonies had pronounced themselves to be a separate Commonwealth."

Jones proposed to Hewes that he be sent to the west coast of Africa to intercept and harass British trading ships, and was very earnest in urging upon Hewes that a naval war should be not only defensive but offensive. There was difference of opinion in the Marine Committee, but from that committee Hewes emerged with an unlimited order to Jones for a free-lance cruise to last "6 weeks or 2 or 3 months." The story of John Paul Jones is the most romantic of any sailor in the whole history of the American Navy. His early successes are told in letters which he wrote to Joseph Hewes, and he continued to write to him as long as he lived, and to regard him as his "angel of happiness."

To be sure, the day Joseph Hewes attached his name to the Declaration of Independence was the greatest day in his life, the one event that gives him immortality. If he had followed the suggestions of those friends who were slower than he to see that independence was America's destiny, Edenton would not be holding a great celebration in his honor on Thursday of this week, and no congressional monument to his memory would rise on the beautiful sward overlooking the beautiful Edenton Bay. There were men in that day who had opportunity to sign the declaration who denied themselves immortality because of doubt or fear or hostility. Hewes, as he slowly but surely came to see that independence was the destiny, had the vision in time to gain immortality and to give such service to his country after the signing of the Declaration of Independence as would have given him lasting distinction. But he would have lacked that capstone of immortality which ever surrounds the names of the men privileged to sign that immortal document.

One of the true tests of the capacity of a man called to great position is his ability to judge men and call to his assistance and to public service men who will grow into such large usefulness as to justify his faith in them. Judging by this standard, Joseph Hewes was a great man. Devoted as he was in the Continental Congress, chiefly to the building up of the young Navy that could cope with the great British Navy, he had the genius to see that John Paul Jones was a genius. Much greater than Joseph Hewes was John Adams, but John Adams lacked that vision. He saw in John Paul Jones nothing but "emigrant," "foreigner from the South," "a son of fortune," and perhaps thought of him as a murderer and little better than a pirate. Joseph Hewes had vision. He divined that in this young man was the spark of genius needing only an opportunity.

He threw to this intrepid young man the life line of opportunity. When John Paul Jones seized that life line thrown to him by Hewes and made the British stand in terror of his intrepid superiority, the names of Joseph Hewes and John Paul Jones became inseparably linked in history. There is no tradition about this; it is history. When estimating the value of the achievements of John Paul Jones it must be remembered that it was Joseph Hewes who opened the door to him, which he embraced, to frighten the British ships within an inch of their lives, to terrify the children of the British coast by scaring them with stories about John Paul Jones, the "pirate," as they called him, and to win for the American Navy in France such recognition as might not otherwise have been won. To the quiet merchant and mariner, Joseph Hewes, goes the lasting credit of having seen farther into the possibilities of that wonderful young man when John Adams could see nothing in him except a rover. Hewes was not ignorant of the history of John Paul. He knew that he had been a sailor and rover for years. John Paul had confessed the story of the killing of the man in the Tobago misfortune. He knew at first hand, but he was not the man to deny to intrepid youth, whom he realized had great ability, a second chance. One wonders indeed what might have been the history of John Paul Jones if Joseph Hewes had not seen in him, when he was unknown, what all the world came later to recognize.

Therefore, on Thursday, when the congressional monument to Hewes is unveiled in Edenton, young people will be asking, doubtless, why Hewes deserves all this honor, and there will be two answers.

First, that he signed the Declaration of Independence. That, surely, is enough honor for any man and makes him worthy of the highest tribute.

The second answer will be that Joseph Hewes gave to the young American Navy and to the world John Paul Jones. If he had done nothing else, that power to see the capabilities of a great man in an unknown youth would justify the honor that is to be paid to Joseph Hewes. To be sure, the people of Edenton and North Carolina would hold him in esteem, even if he was not held in national and international esteem for these two contributions to his country for all generations, for his business judgment, his marine enterprise, and his civic virtues.

Hewes died at the age of 49. It was said that one of the reasons why he moved South was to seek a warmer and more salubrious climate and to escape the rigors of the winters of the North, for tuberculosis early claimed him. Edenton holds in its heart the tragedy of his beautiful romance. He was said to have been engaged to Miss Isabella Johnston, daughter of Samuel Johnston. His fiancee died during their courtship, and Hewes went to his grave saddened by the wreck of his romance.

It will be a pious pilgrimage which North Carolinians and others will make this week to have a part in honoring a son who won immortality by appending his name to the Declaration of Independence.

EXTENSION OF REMARKS

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short letter from the supervisor of postal employees of the State of Alabama protesting the salary reduction for postal employees.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from Illinois a question about the program for the balance of the week.

Mr. RAINEY. I will state to the gentleman that on Tuesday we will have Calendar Wednesday business. To-morrow night from 8 o'clock until 11 o'clock there will be a call of the Private Calendar; the next day, Wednesday, the legislative appropriation bill, with the Economy Committee amendments, and we expect to have night sessions Wednesday, Thursday, and Friday, in an attempt to get through with the legislative appropriation bill. On Saturday we will consider Muscle Shoals legislation. On Wednesday of this week, also, the tariff bill will be taken up under a rule, to concur in the Senate amendments.

Mr. SNELL. The gentleman is going to force the program from this time on so that there will be no question but what the House will get through with its business early in June and not have to remain here all summer?

Mr. RAINEY. Yes, sir; that is the plan.

Mr. LAGUARDIA. Of course, we have had no relief legislation yet.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title:

S. 3570. An act to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Tuesday, April 26, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Tuesday, April 26, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

DISTRICT OF COLUMBIA

(10 a. m.)

Amending appropriation act relating to licenses, etc. (H. R. 5335).

Authorizing appropriation for Casualty Hospital (S. 1307; H. R. 8076).

To exempt from taxation property of Colonial Dames (H. R. 4509).

To exempt from taxation property of Sons of Revolution (H. R. 10138).

To exempt from taxation property of Daughters of 1812 (S. 1203).

(10.30 a. m.)

To amend the District Code relating to kidnaping (H. R. 10054, H. R. 10089).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KERR: Committee on Immigration and Naturalization. H. R. 6710. To repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American vessels; with amendment (Rept. No. 1124). Referred to the House Calendar.

Mr. STEAGALL. Committee on Banking and Currency. H. R. 8931. A bill to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes; without amendment (Rept. No. 1125). Referred to the Committee of the Whole House on the state of the Union.

Mr. McDUFFIE: Committee on Economy. H. R. 11597. A bill to effect economies in the National Government; without amendment (Rept. No. 1126). Referred to the Committee of the Whole House on the state of the Union.

Mr. BANKHEAD: Committee on Rules. H. Res. 203. A resolution making in order amendments to be offered by the Committee on Economy to H. R. 11267, the legislative appropriation bill; without amendment (Rept. No. 1127). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SWANK: Committee on Claims. H. R. 3727. A bill for the relief of Mary Elizabeth Fox; with amendment (Rept. No. 1119). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. H. R. 5801. A bill for the relief of Clyde W. Edwards; without amendment (Rept. No. 1120). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 5947. A bill for the relief of John Moore; with amendment (Rept. No. 1121). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 7655. A bill for the relief of Dr. Charles T. Granger; with amendment (Rept. No. 1122). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 11461. A bill for the relief of C. N. Hildreth, jr.; without amendment (Rept. No. 1123). Referred to the Committee of the Whole House.

Mr. JONES: Committee on Agriculture. H. R. 10124. A bill for the relief of A. Zappone, disbursing clerk, United States Department of Agriculture; without amendment (Rept. No. 1128). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOWARD: A bill (H. R. 11591) to limit the salaries payable to officers and employees of national banks or banking associations in the Federal reserve system; to the Committee on Banking and Currency.

By Mr. PERKINS: A bill (H. R. 11592) to protect trade-marks used in commerce, to authorize the registration of such trade-marks, and for other purposes; to the Committee on Patents.

By Mr. KNUTSON: A bill (H. R. 11593) to collect additional tonnage dues from vessels of foreign nations that default in their debts to the United States; to the Committee on Ways and Means.

By Mr. MAAS: A bill (H. R. 11594) to prohibit the sale, lease, or dismantling of certain naval vessels used for training purposes by the United States Naval Reserve; to the Committee on Naval Affairs.

By Mr. HOWARD: A bill (H. R. 11595) to amend sections 328 and 329 of the United States Criminal Code of 1910 and sections 548 an 549 of the United States Code cf 1926; to the Committee on Indian Affairs.

Also, a bill (H. R. 11596) to authorize the exchange of small tribal acreage on Fort Hall Indian School Reserve in Idaho for adjoining land; to the Committee on Indian Affairs.

By Mr. McDUFFIE: A bill (H. R. 11597) to effect economies in the National Government; committed to the Committee of the Whole House on the state of the Union.

By Mr. BANKHEAD: A resolution (H. Res. 203) making in order amendments to be offered by the Committee on Economy to H. R. 11267, the legislative appropriation bill; to the Committee on Rules.

By Mr. FISH: Joint resolution (H. J. Res. 373) requesting the President to instruct the delegates to the disarmament conference for a further reduction of battleships and cruisers; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 374) creating a commission to investigate the sales of foreign securities; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER: A bill (H. R. 11598) for the relief of Gottlieb Luhm, deceased; to the Committee on Military Affairs.

By Mr. CONNOLLY: A bill (H. R. 11599) granting an increase of pension to Theresa E. Herse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11600) granting a pension to Margaret M. Hooven; to the Committee on Pensions.

Also, a bill (H. R. 11601) granting a pension to Anna D. Volz; to the Committee on Pensions.

By Mr. FIESINGER: A bill (H. R. 11602) granting an increase of pension to Sarah Abbott; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 11603) granting a pension to Ella Elizabeth Ayers; to the Committee on Pensions.

By Mr. GUYER: A bill (H. R. 11604) granting a pension to Elmer B. Williams; to the Committee on Invalid Pensions.

By Mr. LICHTENWALNER: A bill (H. R. 11605) for the relief of William A. Libka; to the Committee on Military Affairs.

By Mr. LINTHICUM: A bill (H. R. 11606) to authorize an appropriation for the reimbursement of Stelio Vassiliadis; to the Committee on Foreign Affairs.

By Mrs. OWEN: A bill (H. R. 11607) for the relief of Harry Burton-Lewis; to the Committee on Military Affairs.

By Mr. PARSONS: A bill (H. R. 11608) granting an increase of pension to Nancy C. Austin; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 11609) for the relief of Freddie D. Venable; to the Committee on Military Affairs.

By Mr. RAMSEYER: A bill (H. R. 11610) granting an increase of pension to William H. Tullis; to the Committee on Pensions.

By Mr. TABER: A bill (H. R. 11611) granting a pension to Georgianna Davis; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 11612) granting an increase of pension to Almyra O. Humphrey; to the Committee on Invalid Pensions.

By Mr. WITHROW: A bill (H. R. 11613) for the relief of Howard A. Marshall; to the Committee on Pensions.

Also, a bill (H. R. 11614) for the relief of Mueller Motor Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7020. By Mr. ARNOLD: Petition of citizens of Pinkstaff, Ill., urging proper regulation of trucks and busses engaged in interstate traffic; to the Committee on Interstate and Foreign Commerce.

7021. By Mr. BOYLAN: Letter from the Baugh & Sons Co., Baltimore, Md., opposing Government operation of Muscle Shoals; to the Committee on Military Affairs.

7022. Also, resolution adopted by the board of directors of Dairymen's League Cooperative Association (Inc.), urging that no drastic cuts be made in appropriation for vocational training in high schools and other institutions of learning; to the Committee on Appropriations.

7023. Also, letter from the Disabled American Veterans of the World War, Chapter No. 17, Castle Point, N. Y., favoring the payment of adjusted compensation; to the Committee on World War Veterans' Legislation.

7024. Also, letter from the Brooklyn Industrial High School for Girls, Brooklyn, N. Y., opposing any reduction in the appropriation for vocational education; to the Committee on Appropriations.

7025. Also, letter from the assistant commissioner for vocation and extension education of the University of New York, Albany, N. Y., opposing any reduction in the appropriation for vocational education; to the Committee on Appropriations.

7026. By Mr. BRUNNER: Resolutions passed by the New York Department of the Reserve Officers' Association of the United States at Albany, N. Y., on April 8 and 9, 1932, opposing reduction in military appropriations, etc.; urging upon Congress to provide an appropriation sufficient to provide inactive duty and flying training for air reserve combat pilots, etc.; and favoring the inclusion in the Budget of funds sufficient to permit training of the Group 1 combat pilots of the air reserve during the fiscal year 1933; to the Committee on Appropriations.

7027. By Mr. CHAVEZ: Petition urging price stabilization on grain and cotton by farmers of McAlister, Quay County, N. Mex.; to the Committee on Agriculture.

7028. Also, petition protesting against compulsory Sunday observance, by citizens of Farmington, N. Mex.; to the Committee on the District of Columbia.

7029. Also, petition of farmers of Rio Grande Valley of Texas and New Mexico (Elephant Butte project); to the Committee on Agriculture.

7030. Also, petition of farmers of Pecos Valley, N. Mex.; the Committee on Agriculture.

7031. By Mr. CULLEN: Petition of San Antonio Chapter, No. 1, Disabled Emergency Officers of the World War, urging Congress to reaffirm the emergency officers' retirement act of May 24, 1920, as the premanent military policy of the United States; to the Committee on Military Affairs.

7032. Also, resolution of the board of directors of the Laundryowners National Association of the United States and Canada, urging that immediate steps be taken to reorganize governmental departments and bureaus on a sound economic basis to eliminate duplication of work, effort, and expense; to the Committee on Economy.

7033. By Mr. GIBSON: Petition of C. L. Allen and other residents of Windham County, Vt., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

7034. By Mr. JAMES: Telegram from Louise Tauch, twelfth district committeewoman, Marquette, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

7035. Also, petition from junior high school students of Pewabic School and residents of Quincy Mining Co.'s district, Houghton County, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

7036. Also, telegram from Chapter No. 24, Disabled American Veterans, of Escanaba, Mich., through Henry Breauly, commander, favoring immediate payment of balance on adjusted-service certificates; to the Committee on Ways and Means.

7037. Also, petition from Knights of Kaleva, No. 3, of South Range, Mich., through Charles Tuomela, John Juntilla, and Tauno Tervo, committee, favoring a tariff on copper; to the Committee on Ways and Means.

7038. By Mr. JOHNSON of Texas: Petition of N. L. McCullough, of College Station, Tex., opposing salary reduction of Government employees; to the Committee on Economy.

7039. Also, petition of Grady E. Davis, of College Station, Tex., opposing salary reduction of Government employees; to the Committee on Economy.

7040. Also, petition of Arthur Shepperd, N. C. Leamon, C. H. Fox, and Joe Glasscock, rural mail carriers, of Thornton, Tex., opposing legislation requiring rural carriers to take reduction in salary and also discontinuance of equipment allowance; to the Committee on Economy.

7041. By Mr. KVALE: Petition of Joseph Olen Post, No. 198, American Legion, Boyd, Minn., favoring full payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7042. Also, petition of Melvin E. Hearl Post, No. 21, American Legion, Moorhead, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7043. Also, petition of Franklin Avenue Commercial Club, Minneapolis, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7044. Also, petition of Farmers Union, Edison Township, Appleton, Minn., favoring full payment of adjusted-compensation certificates; to the committee on Ways and Means.

7045. Also, petition of William Erickson Post, No. 186, American Legion, Olivie, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7046. Also, petition of Minneapolis Bearcat Post, No. 504, American Legion, Minneapolis, Minn., favoring full payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7047. Also, petition of the Minnesota section of the Society of American Foresters, protesting against any cut in Federal wages and salaries; to the Committee on Economy.

7048. Also, petition of Leon A. Williams, chairman second district rehabilitation committee for American Legion, Department of Minnesota, Slayton, Minn., protesting against legislation curtailing compensation or hospitalization of disabled veterans; to the Committee on Economy.

7049. Also, petition of American Legion Post, No. 227, Danube, Minn., protesting against legislation curtailing compensation or hospitalization of disabled veterans, and urging enactment of widows and orphans' pension bill; to the Committee on Economy.

7050. By Mr. LAMNECK: Petition of John J. Kruse, J. L. Gressel, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of Naval Reserve training cruises and decommissioning of the U. S. S. *Wilmington* as economy measures; to the Committee on Appropriations.

7051. Also, petition of George H. Huhn, Hazel Metzger, and other citizens of the city of Columbus, Ohio, protesting against the withdrawal of appropriation for vocational-education work; to the Committee on Economy.

7052. Also, petition of Joseph Martin, John Patrick, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of Naval Reserve training cruises and the decommissioning of the U. S. S. *Wilmington;* to the Committee on Appropriations.

7053. Also, petition of Charles Bigler, John E. Blenkner, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of naval reserve training cruises and the decommissioning of the U. S. S. *Wilmington* as economy measures; to the Committee on Appropriations.

7054. By Mr. LINDSAY. Petition of National Casket Co., Brooklyn, N. Y., opposing the payment of the adjusted-service certificates; to the Committee on Ways and Means.

7055. Also, petition of Disabled American Veterans of the World War, Dayton Chapter, No. 9, Dayton, Ohio, opposing reduction for disabled veterans to the amount of $70,000,000; to the Committee on Economy.

7056. By Mr. McCLINTIC of Oklahoma: Petition of citizens of Hobart, Okla., protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

7057. By Mr. NIEDRINGHAUS: Petition of 35 World War veterans of St. Louis, Mo., protesting against any cut in

compensation or any reduction in the rights now being enjoyed by disabled veterans; to the Committee on Ways and Means.

7058. Also, petition of the vocational agricultural class, Mound City, Mo., protesting against the discontinuance or suspension of Federal funds for vocational education; to the Committee on Economy.

7059. By Mr. PARKER of Georgia: Petition of Thomas L. Bailey and 38 other citizens of Georgia, urging the passage of railroad pension bill, H. R. 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7060. By Mr. RAINEY: Petition of Herschel H. Heaton and 64 members of the Jacksonville (Ill.) Chapter of the Future Farmers of America, favoring appropriations for vocational education; to the Committee on Appropriations.

7061. By Mr. RUDD: Petition of J. T. Matchett Co., Brooklyn, N. Y., opposing the proposed tax on candy; to the Committee on Ways and Means.

7062. Also, petition of Adelaide Eller, 94 Vanderveer Street, Brooklyn, N. Y., and six other citizens of the Greater City of New York, with reference to tax on fountain pens; to the Committee on Ways and Means.

7063. Also, petition of National Casket Co., Brooklyn, N. Y., opposing the payment of the soldiers' bonus; to the Committee on Ways and Means.

7064. Also, petition of George F. Arata, of New York City, favoring a tax on beer; to the Committee on Ways and Means.

7065. Also, petition of A. H. Stiehl Furniture Co., New York City, favoring the repeal of the eighteenth amendment and also legalize the sale and taxation of light wines and beer; to the Committee on Ways and Means.

7066. By Mr. SHANNON: Resolution of Tacitus E. Gaillard Post, No. 2069, Veterans of Foreign Wars, Kansas City, Mo., urging payment of adjusted-service certificates; to the Committee on Ways and Means.

SENATE

TUESDAY, APRIL 26, 1932

(Legislative day of Monday, April 25, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 3570) to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927, and it was signed by the Vice President.

RAILROAD MERGERS (S. DOC. NO. 86)

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, submitting, in response to Senate Resolution 173 (submitted by Mr. KING), certain information relative to recent railroad mergers and the policy of the Department of Justice with respect thereto, which was referred to the Committee on the Judiciary and ordered to be printed.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Blaine	Capper	Cutting
Austin	Borah	Caraway	Dale
Bailey	Bratton	Carey	Dickinson
Bankhead	Brookhart	Connally	Dill
Barbour	Broussard	Coolidge	Fess
Barkley	Bulkley	Copeland	Fletcher
Bingham	Bulow	Costigan	Frazier
Black	Byrnes	Couzens	George
Glass	Jones	Norbeck	Stelwer
Glenn	Kean	Norris	Stephens
Goldsborough	Kendrick	Nye	Thomas, Idaho
Gore	Keyes	Oddie	Thomas, Okla.
Hale	La Follette	Patterson	Townsend
Harrison	Lewis	Pittman	Trammell
Hastings	Logan	Reed	Tydings
Hatfield	McGill	Robinson, Ark.	Vandenberg
Hawes	McKellar	Robinson, Ind.	Walcott
Hayden	McNary	Schall	Walsh, Mass.
Hebert	Metcalf	Sheppard	Waterman
Howell	Morrison	Shipstead	Watson
Hull	Moses	Shortridge	White
Johnson	Neely	Smoot	

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is absent owing to illness.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is still detained from the Senate in attendance upon the disarmament conference at Geneva.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The Senate resumes the consideration of Senate Resolution No. 199.

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199), reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

The VICE PRESIDENT. Mr. Heflin is entitled to the floor for two hours.

Mr. HEFLIN. Mr. President and Senators, I am deeply grateful to the Senate for extending to me the privilege of appearing in my own behalf and discussing my contest. I shall never cease to be grateful for the kindness and the justice that has been done me in this regard.

The Master said, "Know the truth and the truth shall make you free," and Pilate asked, "What is truth?" But he would not wait for an answer.

Every contest that comes to this body ought to be carefully and thoroughly investigated. I have not had such an investigation. My rights have been denied me to close my case. I have not been permitted to take testimony in the middle portion or in the southern portion of Alabama. At Birmingham, when we went down to take testimony in January, agreeing that a commissioner might preside, it was our belief, and probably I should say our understanding, that we would take testimony for weeks. On the second day of the first week, when we had no notice that we would have to cut off the investigation for the contestant, Senator HASTINGS sent a telegram, I understand at the instance of Senator GEORGE, that we could have three more days and no more and we must close our testimony. We had to dismiss a number of witnesses that were subpœnaed for that week and we never had the opportunity to summon other witnesses in the middle and southern portions of the State.

Senator Bankhead was then given a week, and we have been denied the right of rebuttal. We have not been allowed to summon a single witness and take testimony to answer Mr. Bankhead's witnesses. Senators, I submit that such treatment of the contestant is without parallel in the history of this body. It embodies the idea of letting the contestee close the case, cutting off the contestant, saying "Your case is closed." What sort of justice is that?

We were not permitted to take the testimony regarding the primary at Birmingham, and that, as I understand, was under the instructions of Senator GEORGE. I am going to tell the Senate something about this case to-day that the Senate does not know and would not know but for my speaking here. I have always tried to be very frank and fair and honest and just, and I ask that treatment at the hands of my former comrades.

It was rumored that I would not be permitted to speak here, and three very prominent men said they would hire the biggest hall in the city for me to speak in if I was denied that right. It shows that the spirit of fair play is in our people, and it is fortunate that it is true. But I

have permission to speak, and I am going to discuss some things of vital importance in the case.

I have told you what happened in January in Alabama. We fully expected to go to Montgomery, the capital of the State, and put the former governor, Governor Graves, on the witness stand. We expected to prove something important by him, which I shall discuss later. We expected to have probably 100 witnesses summoned there, very important witnesses. Then we expected to go to Mobile, in the southern part of the State, and take testimony, but we have not had the chance to do that.

When we came back the chairman of the subcommittee, Mr. HASTINGS, who has given a great deal of attention to this question, who has been very painstaking and very industrious and very fair, reached the point where he thought the case ought to go to the full committee for advice as to what should be done further in the matter. He stated in his report that the contestant was still asking to have testimony taken, and when it got to the full committee Senator BRATTON and Senator GEORGE, of Georgia, objected—Senator GEORGE, who represents in part the State where my father was born, and in that State there are probably 500 to 1,000 voters blood relatives of mine. I have a brother, a minister of the gospel, Rev. M. R. Heflin, in that State. Senator GEORGE and Senator BRATTON favored closing the case; and, if it had not been for my good friend Senator SHORTRIDGE, who has always been a man of fairness and of superb courage and splendid ability—if it had not been for him and his sense of fair play and his good fighting spirit, we would not have had an hour to consider the case at all any further.

The committee finally decided to refer the case back, to give us a chance to show what we wanted to do, and Senator GEORGE resigned his place on the subcommittee, as did also Senator BRATTON; both of them declined to serve. That is the kind and cordial treatment that I have received from some of the brethren of my own party.

Then I was called upon to speak in the State so ably represented by my good friends Senator GLENN and Senator LEWIS, to speak at Mount Morris, to the college students there, and lo and behold, while I was gone, the contestee and his friends on this side, by the aid of the Senator from Wisconsin [Mr. BLAINE], decided to take action in my absence and closed my case.

Senators, I am appealing to the sense of fairness and to the courage of Senators in this body on both sides. My case has been closed, and I have never closed it. I repeat, I have never been permitted to take rebuttal testimony. Hundreds of witnesses we had intended to summon and examine. My case is closed; the door is shut; the door is locked; and the key is thrown away. And these same Senators were kind enough on yesterday to vote to deny me the right to come in here and be heard here. I regret that. It hurts me in here [indicating].

There was a little boy, a little stepson to a stepmother, whose father married a second time and had two or three children more. On Christmas the father bought some nice little shoes and other gifts for his children by his last wife. He brought them in. He had bought a pair of rough, brogan shoes for the boy. The boy put them on and sat there with his face in his hands, and tears ran down his cheeks. His father said, "Why, what is the matter? Don't the shoes fit?" The boy said, "They hurt me." The father said, "Why, I thought they were large enough"; but the boy said, "They hurt me in here [indicating]." Senators, this hurts me in here [indicating].

If you kill off the courageous men in your party, if you destroy the spirit of independence in your party, what have you left? Grover Cleveland once said, "What is the use of election or reelection if you do not stand for something?"

The Senator from Nebraska [Mr. NORRIS], strong, able American patriot, supported Governor Smith in 1928; I supported President Hoover. Did they read Senator NORRIS out of his party? Did they deny him the right to run in his primary?

Senator Simmons, the ablest legislator who has served in this body in my lifetime from the South, supported President Hoover. Did they undertake to read him out of the Democratic Party in North Carolina? No; they permitted him to run in North Carolina.

My grandfather Heflin was born in that State, and my good friend the Senator from North Carolina [Mr. BAILEY] voted yesterday to seal my lips and deny me the chance to come in here and speak in my own behalf, with the last opportunity that I would have to present my case to those who are to pass upon it finally.

So Senator Simmons was not read out of his party; Senator NORRIS was not read out of his party; but I was read out. Why? Because it was generally conceded by the Bankhead leaders that I would be nominated if I got into the primary, and the only way to keep me from being nominated was politically to assassinate me; and that is what that brazen bunch on that committee undertook to do.

Senators, you are entitled to know something of the background of this primary before I discuss the legal phases of it. This little coterie down there was arranging to fix up a primary to nominate Mr. Bankhead. He was the only candidate suggested in opposition to me. He was suggested in 1920 and again in 1924. He did not get enough encouragement in 1924 to run. I had no opposition in 1924, but was nominated without opposition. So the governor of the State, a Democrat, sent his secretary to poll the committee of 50 members and got pledges from 34 to vote for a fair-for-all primary and inviting all Democrats in, regardless of what had taken place in 1928.

My former colleague, Senator BLACK, who on yesterday voted against permitting me to speak here, was strong against the machine then; he fought it to the bitter end, and issued a statement against its conduct that while he lives will ring around the State. I shall read it later. He was outraged at the committee's conduct. He wrote the committee a letter not to take such a stand; so did I, and so did 8 of the 10 Members from Alabama in the National House of Representatives do that. The governor of the State, both Senators, 8 out of 10 of the Democrats in Congress from Alabama appealed to the committee not to do it; but they took the action.

Now, what happened? When the committee met, the chairman of the committee, Pettus, an Alabama power attorney and a Mr. McQueen; another member who spoke to bar me, an Alabama power attorney, Lynn, who offered the resolution, an Alabama railroad attorney, put the resolution through.

Who voted on that committee? R. W. Patrick, from Norfolk, Va., who had formerly been a member of the committee from the Mobile district but went to Norfolk in 1927 and paid his poll tax in that State in 1928 and 1929. They took him to Montgomery on December 16, 1929, and voted him to bar me out of my party when he was a citizen and a voter of another State.

They had a man named Bugg. They filled a vacancy with him. He lived in my old district and was a newspaper man, an editor. He is the bitterest political enemy I have got in the State. Doctor Farguson resigned and they filled the vacancy with Bugg. If it had been in a courthouse, I could have objected to him and he could not have served on a jury where my dearest rights were involved; but they put this bitter enemy of mine upon the committee and permitted him to vote at that meeting, violating by so doing the rules and regulations of the committee. Long, long ago they fixed the rule that in filling a vacancy at a present meeting the man who filled it could not vote, because they might get men to resign and fill these vacancies in order to put something over.

There was a man on that committee who was strong for letting down the bars. I referred to this in part 1 of the hearings. His financial stress and strain was relieved. He had been openly for letting down the bars, but he voted for putting them up. Another man on the committee who had borrowed money from a prominent man, who held his note, sat by him on the committee when he voted to bar me from the primary. I have discussed that in part 1 of the hearings.

Every Alabama Power Co. attorney in the State but two were strong partisans of Mr. Bankhead; and yet Senator GEORGE and Senator BRATTON have got in their minority report a letter from a cranky old fellow down there who said he was for me, but the trouble with me was that I had lined up with the power company. I wondered when I read the letter why they were printing that rambling thing from that old fellow; but that was it; they were trying to shield and screen the contestee, who was their candidate. Every Alabama Power Co. attorney and the president of the company were all supporting Mr. Bankhead and opposing me, and that effort in the minority report was to make it appear that Senator Heflin was lined up with the Alabama Power Co.

Senators, when they got through they called the roll down there and voted to bar me. Bankhead partisans in the committee room clapped their hands and said, "We have got him where we want him now—outside the party"; and the work of political assassination for a time was complete.

Then what? Senator BLACK and I and others conferred. It was decided that the best thing to do was to go down there and stir up public sentiment and get the committee to meet and rescind its action. I went down upon a speaking mission. I delivered about 12 speeches and addressed over 60,000 Democrats. I polled them at every place I spoke—those who voted for Smith and those who voted for Hoover. I said, "All of you who repudiate the committee's action and want the action rescinded stand up and hold up your hands." I never had as many as five in any meeting to indorse the committee's action. Sweeping the State like wildfire, the committee's action was repudiated and what action did we get? The chairman of the State committee, this Alabama Power Co. attorney, said, "I do not care how many people protest; I am not going to call the committee together; that is settled." That was another step in the work of the political assassination of me.

Then it was suggested to me that there was a provision in the rules and regulations by which we could force the committee to meet on the request of 15 members. Twenty-one had already voted on my side, so we could easily get 15 to compel them to meet and hear the protests of Democrats whose party it was that was involved. What do you suppose we found upon investigation? We found that the chairman of the committee and his other Alabama Power Co. attorneys repealed that provision at that same meeting. My God, Senators, think of that—denying us every recourse where we could get away from the hand-and-foot-tied political machine! They repealed the provision that allowed 15 members to force a meeting of the committee.

Does that look as though it was all fair, and there was nothing rotten and stinking about the action of the State committee?

These are the steps leading up to the most corrupt primary every held in my State. The primary itself reeked with corruption from beginning to end; but I am telling you how they reached it, what led up to it.

Then at a conference, where Senator BLACK sat with Judge Wilkinson and Hugh Locke and David J. Davis and Crampton Harris, they agreed that they would enjoin the committee, and that that was the proper action, and not mandamus, as the Senator now claims was the remedy. You can not mandamus in my State, under the statute in a case like mine. There is a statute against it; and I was surprised at the stand taken by the Senator the other day in what I thought was a very misleading speech.

I had nothing to do with this action. I was out on the hustings, condemning the committee's action, and trying to get up sentiment to cause them to rescind it. Judge Wilkinson, my chief counsel—the best lawyer in my State by all odds, and we have some very fine lawyers there—brought the action. He is my chief counsel in this contest. The other able lawyer associated with him was Frank Hampton, of North Carolina. They presented arguments in this case that are unanswerable, on behalf of the people of Alabama.

Who pays for the primary? The taxpayers. Should they be taxed to pay for an illegal and unlawful primary? No. Well, then, what was the step to take? To enjoin the committee and prevent the taxpayers' money from being spent in an illegal party program for Mr. Bankhead, myself, or anybody else.

What did the judge of the lower court hold? He held that he did not have jurisdiction over the matter. Then the appeal went to the supreme court. What happened there?

Senators, I have told you that I was going to be frank and talk plainly. The intimidating power of the State executive committee threw its terrible shadow over that court. There is not the slightest doubt of that. It has been argued here by Senator BLACK that the court has passed upon the legality of this primary. I beg leave to differ with him. It is not true. They never touched it. They said they had no jurisdiction over it; and the able Senator from Delaware [Mr. HASTINGS] showed the other day that the case they cited was not on all fours with the case of Wilkinson at Birmingham, the case that went to the supreme court. It is a different case entirely.

The supreme court of my State never have touched the merits of this primary case. They never have passed upon the provisions involved in that; but, just between us, they "passed the buck." That is what happened.

Four judges said, "We have no jurisdiction." But, you know, it looks as if God Almighty has some one man in nearly every responsible place who will stand up at the right time and cry out on behalf of truth and right and justice. Here is what was said by Judge W. H. Thomas, the ablest man on the bench, the most cultured and most courageous:

> This case is here, and the taxpayers have a right to have a decision on the merits, and I am going to give it.

What did he decide? He decided that the primary was null and void and not the kind of primary for which the taxpayers could be taxed.

Gentlemen, that has been settled in my State. A supreme court judge of Alabama held that. They never have declared that the monstrosity pulled off down there has been approved by them. It is not true.

Then what? Judge Thomas is one of three candidates, I believe, running for reelection; and this machine has got out a candidate against him to punish him and to kill him off because of the courage he displayed in doing his duty under his oath before God, and his duty to the taxpayers of the State who were being imposed upon by a monstrous primary born in sin. It is not right to tax the people of the State to pay for it, but they did. They did not stop then.

Mr. Bankhead knew what sort of primary he was running in. He had a hand in it. They tell you that he is innocent; that he has not had anything to do with it. Well, now, let us see. They tell you that he issued a statement that he wanted me to run. He did have a statement in there, some time before the meeting of the committee, that it was all right with him for me to run; but as the committee meeting drew near, watch his conduct. He issued a statement—Senators, get this—saying that some of the members had pledged themselves to him to vote to let down the bars. "But," he said, "I here and now release you from those pledges"; and he turned them loose for the Alabama Power Co. and the other interests to use them and work their will on me. He released them. He, in effect, said to them, "Go to it! If you want to take part in the political assassination, you are free to do it." Does that look as if he had anything to do with it?

What else? Mr. F. H. Creech, of North Carolina—one of the investigators for the Nye committee—went down to Mobile in his investigation. He encountered Mr. Frederick I. Thompson, editor of the Mobile Register and Alabama Journal, candidate against Mr. Bankhead in the primary after they barred me. The machine did not intend that he should have any opposition, but Thompson ran; and here is what he told Mr. Creech: Creech had it in his report, which was turned over to this committee; and I asked for the

opportunity to summon Mr. Thompson, and that was denied me.

What did Mr. Creech say that Mr. Thompson told him about this primary? Mr. Thompson told Mr. Creech that when he asked Chairman Pettus, of the State committee, "What did you get out of the senatorial race for? I saw that you were going to be a candidate," Pettus said, "No; I was not going to be a candidate. I just did that to get two votes out of Bankhead's congressional district"—that is, John H. Bankhead—"on the State committee to bar Heflin and other supporters of Hoover from being candidates." Who were those two members? Ogden and Cobb. Well, they voted to bar me, and Thompson told Creech that Pettus told him that Bankhead got those two votes. They voted to bar me from the primary. Does that not tie him in with it?

But that is not all. Sam Childers, of Jasper, was a member of the committee, and Mr. Ogden, or one of the Bankhead friends, went to see him and said, "John"—referring to Mr. Bankhead—"wants you to vote to put up the bars." Sam Childers said, "I can not do it. I shook hands with Arthur Fite and Gibson"—the other members of the committee from that district, five in all—"and told them that I would vote with them to let down the bars, and I am going to do it." Then what? Then Ogden, or whoever it was, said, "John says that if Heflin gets in the primary he will be nominated."

Senators, there is a picture of part of what took place down there—just a part. Did Mr. Bankhead have anything to do with it?

What followed? Judge Arthur Fite, a member of the committee living in Mr. Bankhead's home town, appealed to him and told him that this thing would disrupt our party, that it was unfair and unjust and wrong, and said to him, "Will you not join with me and others in asking the committee to meet and rescind it?" And Mr. Bankhead declined outright to do that. Does that look as if he was responsible for it in any way? Was he using his influence to get me in? No, Senators; he was not.

Then Judge Fite said, "If Heflin and Locke"—that is, the independent Jeffersonian candidate for governor against the Alabama Power Co. candidate—"have their names stamped on the ticket or written on it"—now listen—"the Democrats all have been invited in to vote in this primary under the committee's action. If when they come in they do not want to vote for you or anybody else whose name is on the ticket, but want to express their own honest choice, will you permit them to write Heflin's name on the ballot and vote it?" Mr. Bankhead said he would not.

Then they said, "Suppose they do write it on, and he beats you in the primary"—as I would have done, 3 or 4 to 1—"will you, if he gets a majority, submit to his being the nominee and not ask yourself that you be certified as the nominee?" Mr. Bankhead said, "No; I will not."

That is the trail of the serpent that is over it all; and yet Senator BLACK would have you believe that Mr. Bankhead had nothing to do with it. Senator BRATTON would have you believe that he had nothing to do with it. Why, he was walking around with folded arms, an innocent abroad, in the State when they were preparing to strike me down and politically assassinate me. All the while he looked on with approval.

Senators, what occurred a little later on? After we saw that Pettus, the chairman, had announced in Chattanooga, intimidating the supreme court, or seeking to do so, "If the court does hold that Heflin's name shall go on the ticket, we have two other ways to keep him off"—that is, in the proceedings—what were they doing? They were admitting, as they did all over the State—I could have shown it, and intended to by 50 or 100 witnesses—that I would be nominated if I got in, and the only way to keep me out was to strike me down ruthlessly, illegally, as they did. Mr. Bankhead had notice that that primary was illegal. Senator BLACK, of that State, issued a strong statement showing beyond all question that the primary was illegal and un-Democratic and un-American. That is his language. Judge Anderton, an able judge in Birmingham, who is now a candidate against Senator BLACK in the primary, issued a strong statement, and he supported Bankhead. He said, "If this case is ever tried by a competent tribunal, it is bound to declare the primary illegal, null, and void." Mr. Bankhead had notice that this conglomerate mess the State committee had cooked up was an illegal thing, an obnoxious, unlawful thing.

But that is not all. From the highest court in the State Judge Thomas sent down a ringing opinion. It sounded in Mr. Bankhead's ears long before the primary. He had time then to get the committee to meet and rescind its action. But, Senators, they never expected this case to come here. They thought that if they could steal 50,000 majority and put it on my back, I would not contest. They did their best to keep me from contesting. I expected to put witnesses on the stand who would swear that they intended, if I would accept what happened and go with them, they would beat BLACK with me in 1932. "Go on and take your medicine. Get in line!" I said, "I would not have any respect for myself if I did that. I was honestly elected. The people of this State are entitled to have their choice represent them. If I accept your skulduggery, your crookedness, and your corruption, and permit you to defeat their will and crucify me by waiting for a deferred election two years hence, I would never have any more respect for myself. So help me God, I will fight it to the death. I will take it to the Senate. There are, I think, enough honest men in that body to give me a fair trial, and that is the only body to which I can take it and get a decision on this primary."

It has never been decided yet by a tribunal, except by one judge on the supreme court bench down in Alabama.

Senators, that is a brief picture of the primary; but it does not stop there. I went out on the hustings and I said, "They have repealed the provision of the committee rule which allowed 15 members to compel the committee to meet and rescind its action. We can get no relief there. A majority of the supreme-court judges have said they have no jurisdiction. The door is shut in our faces there. One judge has pointed the way through the wilderness and I am following the trail. It is an illegal primary, and the only thing left to do is to condemn it, repudiate it, stay out of it."

What do you suppose happened in the primary? Out of 340,000 Democrats, 125,000 participated in the primary. That shows in advance where two-thirds of the Democrats were; and there were 50,000 Republicans on top of that. Three-fourths of them were for me. There is the picture.

What do you reckon happened then? Senator BLACK has been very glib in quoting what the newspaper said, as has Senator BRATTON. Newspaper reports following the primary election said this vote and that was there. Let me tell you what the newspapers said. With all the counties but one heard from in the primary, and that a small county, Choctaw, with a vote of less than 2,000, they said, "Bankhead has 81,000, Thompson 42,000, making 123,000 in all." And I give them 2,000 more from Choctaw. They would not have it, but I give it to be fair, making 125,000 out of 340,000 Democrats, in the most exciting and bitter election held in my State in my lifetime.

Did they announce the results? No. What does the law provide? That the State committee shall meet in the office of the secretary of state at Montgomery.

I refer now to the report of Mr. Aarhus, investigator of the Nye committee; and, by the way, I want to say right here that Senator GEORGE and Senator BRATTON would not consent for us to employ any employee of the Nye committee to run down this evidence. Who else could run it down? If I had gone and consulted 50 men and they told me how to get certain testimony, and then the opposition could deny me the right to go back and get it, who could pick up the lost trail and carry it through? But this is what Mr. Aarhus, one of the ablest and bravest and most honest investigators who ever represented this body in a field like that, said. He said the executive committee did meet in the office of the secretary of state in the usual manner.

The meeting was for some reason adjourned, and the returns and records were taken to Selma, Ala., by E. W. Pettus, chairman of the State committee, and the returns were tab-

ulated in the office of the tax assessor, and that to this date no public statement has been made as to the relative standing of each candidate. Not until September 1—from August 12—were the names of the successful candidates made public, and then only the votes received by candidates for United States Senator and governor.

There is ring rule for you. There is bossism and rank corruption gone mad. Why did they hold out those returns? Why did they not canvass them in the office of the secretary of state as of yore? They had to do some work on them. What was the matter? They said, "Heflin's followers have already repudiated the primary. Two hundred and odd thousand have stayed out of it. A hundred and twenty-five thousand have voted in it. We are beaten. The people will cry out 'You are already destroyed before the general election.'"

What did they do? Thompson wired Bankhead conceding his nomination—42,000 against 81,000. Then the boys decided that the vote had to be lifted up; it was rather feeble and weak. So they lifted it up and padded it; and when they wound up, they had nearly 200,000 participating in the primary, after weeks of working and maneuvering and figuring.

Then what occurred? Judge Horace Wilkinson wrote an open letter to the press of the State giving the figures, and he charged the State committee with padding the returns by over 40,000 votes, charged that they had lifted up the Bankhead vote. But they could not lift him without lifting Fred Thompson, because Fred did not want to be beaten 3 or 4 to 1. So they were good and kind-hearted; they would give Bankhead an increased vote, and they dropped a few over in Frederick's political pan. So they lifted his vote to about 57,000, and ran Bankhead away up yonder to one hundred and forty and odd thousand, or something like that.

Judge Wilkinson charged that they had padded those returns. He gave the figures. They have not denied it to this day. That is the case they have here, which some of my friends were trying to railroad, and deny me a hearing over here on the Democratic side, men who ought to have known the inside facts about this case.

Now, I want to read a document appealing from Philip drunk to Philip sober, Senator BLACK's statement. He declined to let my good friend Senator HASTINGS read it to him the other day. You know, one of the hardest jobs a man ever has in public life is trying to answer himself. This is what Senator BLACK said:

> A study of the resolution convinces me the majority has acted in contravention of existing laws and statutes. The committee, in my judgment, has no legal authority to adopt one rule of qualifications for voters in the primary and another rule of qualifications for candidates in that primary. The rule must be uniform with reference to both. The law does not contemplate a special privileged class to run for office and a subordinate class who can vote but not hold office. Citizenship carries with it the right of an elector to vote and hold office. An attempt to abridge the sacred rights of citizenship is fundamentally un-American. If a citizen is barred as a candidate for political office, as party punishment, he must be barred as a voter. If barred as a voter, he must be barred as a candidate. This is clearly provided in section 612 of the Alabama Code of 1923, limiting the authority of the committee on this subject, as follows:
>
> "All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed for its candidates."
>
> This law is not ambiguous. It is plain. It means what it says. A rule which bars a candidate bars a voter and vice versa.

He was ringing clear and true then.

> The Alabama Legislature evidently intended to protect ancient constitutional liberties and privileges and prevent any small group from perpetuating a favored office-holding class over and above the average man. The committee did not wish to bar as voters those who failed to vote for Governor Smith. It is clear, however, that they have barred thousands of voters if they have barred them as candidates.

Listen to this:

> The courts should not be called upon to settle a question upon which there can be no reasonable grounds for disagreements.

I commend that especially to the Senator from New Mexico [Mr. BRATTON], who looked so solemn the other day when he differed from this view.

Senator BLACK continued:

> It is a situation which calls for the best thought and action of all Democrats who respect the ancient rights of citizenship and who love the traditions and principles of the Democratic Party.

Senators, is not that a strong appeal for fair play and justice? How different that note sounds from the present utterances of my one-time friend who pleads the cause of the contestee on this occasion.

Then I added:

> Mr. Bankhead had read Senator BLACK's statement, and he had notice from Judge William H. Thomas, the only supreme court judge in Alabama who passed upon the merits of the case, and the primary provided for in Alabama by the State committee was illegal, null, and void, and Mr. Bankhead's name was never legally upon the senatorial ballot in Alabama.

Some Senators do not want to pass on this primary question. It must be passed on. I hope the Senate will have the courage to pass on it. I hope the buck will not be passed here, using the parlance of the street. I want Senators under their oaths to grapple with this problem and decide this question: Was that primary legal or illegal? We did not hesitate—myself among the number—to go after Frank Smith, a Republican. We did not hesitate to go after William Vare, a Republican. And I dare say, just speaking amongst ourselves, not to go any further, that if Bankhead had been a Republican, my friends over here on the Democratic side would have been almost solidly in favor of taking him out.

Who warned us against that thing called party spirit? George Washington, in his Farewell Address, warned against it. He said that party spirit was a most dangerous thing, and that unless inspired by love of right principles, and a desire to promote clean and honest government, it led to all sorts of extravagances, of fraud and corruption, and would result in the destruction of human liberty. Washington warned us against that. When W. P. G. Harding, of the Federal Reserve Board, helped, with Wall Street, to bring on a panic in 1920, I was urged not to fight him because he was a Democrat and had been appointed by a Democrat.

My answer was that all crooks look alike to me, Democrats and Republicans. I led that fight single-handed and alone. When I started out there were four Senators with me in the fight—Senator TRAMMELL, the able Senator from Florida, who, whether he agrees with you or not, has always had a sense of justice and fair play; Senator FLETCHER, of Florida, who has become an institution in that State, God bless him, the able, upstanding statesman, he was with me; and Senator Simmons made the third that I recall. When I wound up that fight, there were 57 Senators who would not vote for Harding's confirmation. I drove him off of the Federal Reserve Board, and I am proud of the fight I made. It was one of the greatest in my career. I fight a crooked Democrat just as I fight a crooked Republican, and I want this case passed upon on its merits.

Senators, the primary was legal or illegal, and the Senate must decide. In the case of Parrish versus Powers in Kentucky, Parrish was nominated in the primary as the law required. The committee through another way put Powers's name on the ticket, a Democrat. Powers got the election and beat Parrish. Parrish contested. The Supreme Court of Kentucky held that Powers's name was never legally on the ticket; and although he got a majority of the votes cast, that Parrish was entitled to the office, and the court gave him the office.

We have legal processes in this country. We ought to have. We have law and order and legal methods of getting on the ticket, and—get this, Senators—a nomination in my State is necessary to get on the legal ballot. You have to get on there as the law prescribes. If you hold, as the able Senator from California did on yesterday, and as the Senator from Delaware holds, that this primary was illegal, Mr. Bankhead takes his hat and goes back to the State and I

serve in this body to which I was honestly elected in 1930, November 4.

Senators, there was never before a campaign like it in my State. We had a crusade. They could not buy the voters who were supporting me. The work was done at the election and after the election at the courthouse. There is where the skulduggery was done to me. Senator BLACK says that if all this crooked work went on, that I am accusing some of my managers. No; but I will tell you what I was advised of even before the election, that Bankhead's friends had some stalking horses saying they were for Heflin and if they were in there as managers he would get a fair count, and they got appointed managers for me. The Lord have mercy on me! Some of those fellows credited to me helped to steal the election for Bankhead.

Down at Tuscaloosa, where Judge Brandon is the probate judge, our witnesses swore that in the biggest precinct in the county, with six or seven boxes, a Democrat, my friend, was sitting in there with two Bankhead managers. They have three. This fellow was on the job and he was courageous and the election had not run over half an hour until they whispered around and called the judge out, and he said, "You come out of there," and he took him out and he put another man in, and Judge Wilkinson said, "Whom was the other man for?" He said he was a Bankhead man. That is the way I had a fair election—all three of them Bankhead men. I never had a manager in many of the places. Sometimes they gave me a clerk and called that representation, and the clerk sitting there with his eyes on the paper writing down names they called. He did not know whether they called them right or not. And so the game went on. They did the work in the general election that was started in the State executive committee and carried on in the primary.

Now, what happened in the primary? Mr. Bankhead threw his hands up and hollered to the Nye committee that Thompson was spending a great deal of money, sending out literature to 400,000 voters. He wanted the committee to come down there and see if they could not stop Thompson. The bunch that represented the State committee was too slick for anybody to catch them, but they wanted Thompson headed off. Then Mr. Bankhead was appealing for Federal interference, for which the Senator from Alabama [Mr. BLACK] has criticized me for asking the United States Senate to investigate the senatorial election in Alabama.

That is not all. In 1926, when Mr. BLACK was a candidate and Mr. Bankhead was running against him, he wrote a letter to the Reed special committee of the Senate, calling on them to come and investigate Mr. Bankhead and the others running against him, and was kind enough to say about Mr. Bankhead that it would not do any good to elect him; that if the Senate investigated him they would not seat him. In 1926 BLACK wanted help when the machine was in operation in my State. I have never courted its favor. I have fought it and always whipped it; and whipped it in 1930, and what did they say? "We do not care how big his crowds are. We do not care how many votes he gets. We have got the machinery, and we will get the election."

I have a number of witnesses here, Senators, who testified that they heard the Bankhead followers saying that they were going to steal the election from me. But before I get to that, I want to show you the most convincing thing in it all, if you needed anything to convince you that the primary of 1930 was illegal.

The Bankhead legislature, following that election, adopted an amendment giving the State committee the power to fix two separate and distinct qualifications, one for candidate and one for voter. They adopted that since the election of 1930. The statute now provides that the committee can have separate and distinct qualifications. Senators, as honest men, what conclusion are we to draw from that—honest, intelligent Senators—that they never had the power in 1930, but to make sure this time when they read me out again that they did have the power and to make sure if the Senate did declare the primary illegal that the statute as now amended would stand hard and fast for such purposes in the future.

There never was as much skulduggery practiced in any single State that I know anything about. I will put those affidavits in, but here is the way they read. A witness says, "I heard So-and-so, a Bankhead supporter, say that Heflin will get the votes, but what they don't buy they will steal." We could have produced probably 500 witnesses over the State who would swear that—one of them from Judge Arthur Chilton, confirmed by this Senate not long ago as district attorney for the middle district of Alabama. He had come in from the field Saturday before the election on Tuesday. Mr. Tom Knight was then running for attorney general, and he had no opposition; we did not oppose the State ticket or the county ticket. We just had three candidates in the field. There were two or three county tickets out. Mr. Knight, the attorney general, said to Judge Chilton, "What do you think of the election?" He said, "Heflin's majority will be between 50,000 and 100,000. What did Mr. Knight say to that? He shook his head and said, "No; we have got the machinery and we know how to use it."

We expected to put Mr. Todd, a newspaperman, on the witness stand. He is sitting in the gallery now. We expected him to swear that Russell Kent, correspondent for the Montgomery Advertiser and the Birmingham News, supported Mr. Bankhead. He went to Alabama and came back two or three weeks before the election. He said, "They have not got a chance to beat Heflin. He will win his fight in a walk." He went back again and returned just a few days before the election. He said, "They have got it fixed. They are going to get him now."

Oh, Senators, you would not think all these things took place when you heard the speech of the Senator from Alabama—the junior Senator from Alabama—[Mr. BLACK], because I am entitled to the senior part of it myself. [Laughter.]

Senator BLACK told you that the State committee members had been reelected. Certainly. Whom did they have to run before? The same machine that read me out. It was the greatest machine arrangement you ever saw. Of course they were reelected in that circle where 125,000 Democrats operated and the other two hundred thousand and odd stayed out. We had nothing to do with it; we could not get in as candidate and refused to go in as voter. They would not let anybody in there to vote except the fellows who would vote for Bankhead. Of course they were renominated.

But it will not always be thus. If the Senate will do its duty, you will sound the death knell of that machine in my State. Human rights and liberties do not appeal to that machine. Right and justice have no place in their program. "Put it over! Put it over!" That is the slogan of that bunch. "Put down the coin." Do you know what I said all over that State? I said that I believed the ring spent $50,000 on that committee. I believe it, as God is my judge—bought like sheep in the market place to barter away a man's rights. I have been in public life since my early young manhood, never obtained an office except through just, clean, and fair means, would spurn an office any other way. I have always fought in the open, and I have been rewarded by the people of my State. But when this effort was made to deprive them of their right to nominate me in their party, I unsheathed my sword and went into the field and fought them to the uttermost. What happened?

In the last 19 days of the campaign this Bankhead bunch followed my speaking and kept close count of those who heard me, and they reported that 69,000 heard me in the last 19 days of the campaign. What do you suppose happened with their crowd? They were addressing 100 to 150 in the courthouse, and they were the same old fellows that went to all the meetings. They were like the fellow that Bill Howard, of Georgia, used to tell about in the House. The old fellow would get drunk every summer, and they would turn him out of church and take him back and rebaptize him. They said they baptized him so often at the

same place in the creek that all the old, horny-headed fish recognized him when he came back. [Laughter.] So they were the same fellows they mustered up to come in and hear the speakers and clap their hands, and everywhere I spoke they had to have an amplifier, and there was not a hall in the State that could hold them.

Fellow cit—fellow Senators, what did that mean? I was about to address you as "fellow citizens." Some of you will be soon. [Laughter.] There is nothing personal in that to either side.

What happened? Judge Wilkinson and I went up to Gadsden. I was going to speak in the adjoining county. They had big placards saying the big guns, Bankhead and Miller would speak.

The radio was spreading the news out over seven or eight counties. The time for meeting arrived in a court room which seats about 480 people. There were about 435 in it, notwithstanding all this advertising over the radio and in the press. Judge Wilkinson and I sat in a hotel a hundred yards away. Mr. Bankhead was up speaking. He was telling them how grateful he was for this great outpouring of the people, talking over the radio to nine counties. Just at that juncture the chairman, Jerome Fuller, an Alabama Power Co. man, jumped up and said, "Do not leave, gentlemen; there are plenty of vacant seats in the rear." [Laughter.]

You have heard of hired funerals, have you not, where, when a fellow dies, they employ mourners to walk behind the casket in the hearse? Well, that is what it looked like in that State. They had to get them up and drum them up to go out to a meeting.

How do you suppose they tantalized my forces—the brave crusading men and women of my State? They said, "We do not give a d—— how many votes he gets; he will not get the certificate of election." That is the atmosphere in which I made that fight. You know we got a lead on some of the work they were doing. One of them was we got notes to the effect that they would "put me on the spot," and there was a big blue-pencil mark across that and in big letters, "No." They were kind enough not to have me murdered. "No; do not assassinate him." Why? Do you want me to tell you why? They had already had notice from my side that if anything happened to me it would be "good-by"; and it would have been good-by to some of them.

This primary was cut and dried against me and for Mr. Bankhead. Mr. Bankhead ran against me in 1924. He wrote, I have been told, 15,000 letters with return postage and got back 11,000 telling him not to oppose me. He did not oppose me and I was nominated without opposition.

In 1928 I supported Hoover and Mr. Bankhead supported Smith. I said, "Give me a fair primary, and if the Democrats want to punish me for my course, I will take it like a man, with head erect and light upon my face"; but no; they said, "If you let him in, the Democrats will nominate him." That is what they have done; they have denied self-government in my State; they have denied the right of Democrats to select the candidate they wanted to select after inviting them into the primary to vote.

Senators will remember that in the old days of Rome, just before Rome tottered and fell amongst her beautiful hills and died, the decree went forth establishing two classes of people—the plebeians and the patricians. The patrician could vote and hold office, but the plebeian could only vote; he could not hold office. In Alabama they made me and those who supported Hoover of the plebeian class. They said, "You can vote, but you can not hold office"; but to the others, the Bankhead group, including Senator BLACK, they said, "You can vote and hold office." They set up that distinction in my State. It is un-American, undemocratic, unjust, unfair, inexcusable, and indefensible; that is what it is. Yet they tell you that it is all right; that the committee had a right to order any kind of primary. I was utterly astounded at the position taken by the Senator from Wisconsin [Mr. BLAINE]. I do not see how a man of his ability could get off on the wrong foot so badly.

Senators do not understand the case. The Mayfield case is not at all like my case. What have they done in my case? Here [exhibiting], Senators, are the ballots. They are about from 14 to 16 inches long and ten inches wide. The have got the Democratic rooster and the Liberty Bell that we adopted as our emblem.

The slot in the ballot box was about from 4 to 4½ inches long and less than a half-inch wide. In hundreds of instances those ballots were found just as clean and white as that [holding up a blank sheet of white paper], with the stubs untouched, no initials on them, folded in the middle, and lying in the box in sheaves. Could those ballots have been put into the box through the slot? No. How did they get in there? They got in there by the box being unlocked and they being put in by somebody who had no right to put them in. Those ballots are there in sheaves by the hundreds.

What are you going to consider that to mean—that they were trying to purify elections in my State; that they were sitting up of nights trying to give me a fair deal? Oh, how they did love me [laughter], when they were sitting up, losing sleep, monkeying with ballots and fixing them up for their dear friend, John H. Bankhead.

The State committee had ordained that he must be nominated; they manipulated it and fixed it. They ordained then that everybody should be whipped into line and I must be crushed. They saw that could not be done. In county after county the officials told them, "It is not worth while to fight him; he is going over." They said, "If you do not get into line"—listen—"If you do not get into line and help us to beat him, beat him any way, we will read you out. He is an independent running outside of the party." Before they got through with it they had the probate judge and the sheriff and the circuit clerk in 61 out of 67 counties openly, boldly, and brazenly supporting Mr. Bankhead and fighting me; and the word went down the line, "If you can not get it any other way, take it"; and they took it.

What else do we find? We find ballots by the hundreds folded clean and tight. They had never been handled; they were lying in the boxes like that, in stacks [indicating]. What does that mean? That means that that box was fixed at the courthouse and swapped for the box that came in from the precinct. They are there; they speak for themselves. What does it mean? It means what I tell you.

Now, they marked many of these ballots, we find, like this. They were fixed in the pads. You do not vote that way. They tear off a ballot each time a man or a woman comes to vote, and the voter takes the ballot, marks it, and hands it in. These were fixed in the pads. I will show you what happened. They marked that ballot [indicating] in the circle under the rooster, and there is an indentation in the circle under the rooster on the next ticket, showing it was fixed and marked in the courthouse before the voters ever went to the polls. What did they do on the second ballot. They did not follow that course; they marked a cross mark in front of Bankhead's name. They alternated each time. Do you know what the Bible says about that? It says: "Be sure your sins will find you out." So when you raise that ticket [indicating] there is the indentation on the next ballot in front of Bankhead's name. Then they marked again under the rooster, and there is the indentation in the circle under the rooster, and on down we find that to be true. Senators, there never were as many varieties of methods employed to steal an election as were employed to steal this one from me.

I will tell you of another system which was employed. They changed a lot of the ballots that were for me by rubbing out the cross mark for me, and showing that a straight State ticket was voted, without voting for Senator. There were 5,000 of those. So I lost 5,000 votes by that method.

On tickets where the voters used a pencil mark for me, the mark has been erased. That is another method they employed. But this indentation business I am telling you about was smooth work. They never thought anybody would ever catch that up; but Judge Chilton, recently appointed district attorney, caught it. He took the first ticket off and, going to the light, saw that indentation on the second

ticket, and so on. He traced I do not know how many hundreds of them.

What else? These issues were not involved in the Mayfield case; not at all. They have never been involved in anybody's else case that I know anything about.

Senator BLACK says that I failed to take steps to keep Senator Bankhead's name off the ticket in the general election. Senators, how weak and miserable is that argument! If the primary was void, it is dead; dead from the beginning. I could not breathe life into it if it was illegal—not voidable, but void; and it was. A supreme court judge said it was. Senator BLACK says it was. I did not have to take any steps. The law would not recognize a void thing, and the Senate certainly will not recognize a void thing. His nomination is not worth 5 cents. After all they have done to procure his nomination and election it falls flat; it has not a leg to stand on—not one.

Now, what else? The certificates of election. There must be three of them, one of which is sealed and sent to the probate judge. What is that for? It is to be used if the one returned to the canvassing board is lost or not presented. Another one must be posted at the polling place. But what do we find? We find Mr. Bankhead's friends saying that they had to go into these ballot boxes to get the certificate of election. The law in my State does not require that; it is not done. He says that is why these boxes were opened. Senator BLACK emphasized to you that there were 900 boxes out of 2,043 that were sealed when the agents of the Senate got them. Well, what does that mean? It disputes the other proposition that they had to open them in order to get the certificates of election. How did they get those certificates of election? Answer that. How did they get the certificates of election from the 900 boxes that were sealed when we got them? Is not that an interesting point? One of two things happened. They got the certificate as the law requires, sent separately to the canvassing board and to the probate judge, or they had been fixed and sealed and locked at the courthouse already to be turned over to the agents of the Senate when they went down there.

Now, Senators, if you recall when I brought this contest to your attention here in January, 1931, I said I wanted these ballots seized as quickly as possible. Senator BLACK took the position that the boxes were not being opened. You will remember that little colloquy we had. I insisted they were opening them, that they were going into the boxes. They had notice of my contest at midnight on the night of the election. As soon as it dawned on us that they had stolen the election in 57 counties out of 67 I gave notice of a contest; and Senator BLACK said "No." He sent a telegram or two down there to resent this "reflection" that I was making on the State.

Oh, how he and Senator Bankhead have grown enthusiastic about how I was "reflecting" on the State! I am not reflecting on the State. God knows I would not reflect on that dear State. I was born in it, and in its sacred soil sleep the remains of my ancestors. That State has honored me with nearly every office within its gift, and I am not through yet. The people of that State have been for me. They have been kind and generous to me. Reflect on that State? No! I would give my life to protect its good name and its honor. I am fighting for my State.

I am fighting for the humble factory girl who stands all day at the loom and weaves, who was intimidated by the bosses of the mill to vote for Bankhead against me. I am fighting for the boys who wear lamps on their caps and go down in the bowels of the earth to dig coal and iron. I am fighting for the farmer in the furrowed field, the merchant, the clerk in the store. I am fighting for the school-teachers, who were browbeaten in wholesale fashion, telling them they got their jobs from the Democrats, and if they did not vote for Bankhead they would lose them. I am fighting for a fair deal for these people all down the line. I am fighting for the day when the voters can walk up to the polls unafraid, unintimidated, undisturbed, cast their votes, and express their free will at the ballot box in every precinct in my State.

That is what my sin consists of—fighting for the good of the people of Alabama, fighting for the good of the principles of my party; not party machinery, crooked and corrupt, but honest, clean, political principles in Alabama.

What do you suppose they did during that senatorial campaign? They turned citizens down on jobs. They would ask them, "Who are you going to vote for—Heflin or Bankhead?" "Heflin." "Nothing doing!"

What did they do when the election was over? The governor's office had printed a questionnaire that was given to every man and woman who applied for a job in the highway department, where the Federal Government furnishes half the money to build roads. The fifth question was, "For whom did you vote for Senator in 1930?" The State government's machinery has been drawn into this matter, and they are making people disclose the secrecy of their ballots, and tell the machine fellows how they voted. That is what happened; and when people said they voted for me, they said, "There is nothing doing."

One fellow down in Randolph County—my native county—a preacher with two or three children, asked them to give him work. He and his family were about to starve. Their highway man, who supported Bankhead, told him, "We have got your number. You will not get any work from us"; and this man of God was turned away. There is nothing so pitiless and cruel as this machine in my State.

Now, I want to touch on the question of absentee ballots for a moment.

I have written to several States to find out how many absentee ballots were cast in 1930. The secretaries of state write me that the only way to get that information is from the counties, and I did not have time to do that; but I got them from Arkansas, most of them—half of them. There are 75 counties. Forty counties voted 1,200 absentee ballots, making about 2,400 for the State out of 75 counties. Arkansas has seven Members of Congress and we have nine. There is that difference in population. How many do you suppose they voted in Alabama for Bankhead? More than ten thousand!

I challenge Mr. Bankhead, Senator BLACK, or anybody else to show me another Southern State that ever in its whole history voted as many as half that number. You can not do it! You can not do it!

Senators, there never was such a dragnet arrangement sent out to get in absentee ballots. Why, we showed by three or four witnesses that they employed a man in Shelby County to go into Jefferson County, where Birmingham is, and get up a hundred and odd names, applications signed, sworn to, absentee ballots fixed, and returned up there in wholesale. That is not disproven. It is not disputed. They went out after them everywhere; and in their enthusiasm and anxiety to get votes for Mr. Bankhead what do you reckon they did? They went to New Orleans and voted a woman who never knew that she was being voted. She lived in Bullock County, Ala., 14 years ago—15 years, now. She had been living in Louisiana all these years and is a voter there. We sent out questionnaires and this woman got one. "Did you request a ballot?" It is against the law to provide them without a written request in my State. "Did you request this absentee ballot? Did you get one? If so, for whom did you vote?" "I never requested one. I never received one. I never voted. I am not a voter in Alabama."

And yet her ballot is over yonder now in the sacred ballot box, marked for John H. Bankhead for United States Senator! And yet the Senator from Alabama, Mr. BLACK, tells you that we have had opportunity to prove this and that and we have not done it! I answer him by saying there are 1,500 witnesses, and maybe more, that I would have called to show the most corrupt condition that ever existed in any State in a senatorial election.

He told you I had this information, or a chance to correct these names as marked for Bankhead and me, since September. Let me tell you what occurred.

The appropriation gave out in August, and Congress did not meet until December. We could not do a thing. We could not take testimony; and those working on the ballots

here worked on without their salaries until Congress could convene. That is how we have been handicapped. Then I told you what occurred at Birmingham, when they stopped us, shut us off, under the suggestion of Senator GEORGE and Senator BRATTON; and Senator Black has never protested against that, nor has Mr. Bankhead. I really think, just between us, it was done at the instance of Mr. Bankhead, the contestee.

The contestant has rights. He has a right to have a fair deal. Senator BLACK said in the beginning that he wanted a thorough investigation if they were going to have one. We have not had it; and he was making his final speech the other day, when I do not suppose he had any idea that I would have a chance to say a word in the Senate.

What did Mr. Aarhus say in his report? It is in my letter to the committee, begging for time and money to take the evidence. What did Mr. Aarhus say? He said Logan Martin, the brother of the president of the Alabama Power Co., was present in a meeting when Mr. Bankhead's candidacy was indorsed for the Senate.

What else did Mr. Aarhus say? I am prepared to put upon the witness stand 300 reputable witnesses to establish almost universal corruption in the State. I have not had a chance to take a line of that testimony. I could not get Mr. Aarhus. Senators GEORGE and BRATTON would not let us have anybody who had had anything to do with the Nye committee.

My God, Senators! Does it not come with bad taste for them to stand up here, as the Senator from New Mexico did yesterday, and tell you that I had had ample opportunity to be heard, and had gone into all these things, when you had not heard a word about what I have been telling you to-day, and you never would have heard it if I had not been permitted to speak? It is unfair to me. It is unfair to the people of the State. It is unfair to the Senate. It is unfair to the Government. If you put yourselves on record as approving this bastard primary in my State, you have sanctioned that sort of rotten, corrupt conduct for other States. You have set a dangerous precedent.

The way for you to put down this sort of business is to stamp it out now. The time to treat a cancer is in its incipient state. The time to treat disease is as soon as you find it has hold of you. Kill it out. Say to every man who runs for the Senate, "We want that office open to the humblest boy, whether he is a rail splitter like Abe Lincoln"—the great humanitarian statesman who walked from the rail-splitter's place in the woods to the highest office in the gift of the greatest people in all the world. "We want that office open to them. Let them aspire to it. Do not let somebody tell them, 'It is useless for you to run. The machine is for this man,' or 'the machine is for that man.'" They are already telling them in my State, those who have courage and independence of spirit, "You had better take warning from what we did to Heflin. We will do the same thing to you"; and the result of it is to cow, to stifle, to stamp out the spirit of courage and true Americanism that we have in this country.

It makes not much difference to you, as far as individuals are concerned, whether Bankhead serves or I serve. The country could get along without either one of us; but my God! how much depends on keeping this office spotless, clean, far above the crowd of corruptionists and the miasma of the plain. Hold it aloft and say, "If you aspire to that office, if you come into this body, you must come with clean hands. There must not be a spot on your certificate, and not a rotten thing in your record of election." When you do that, you will serve your country.

Do you know what happened in the Frank Smith case? You served notice on the money kings, "You can buy the office, but you can not have it." What effect does that have? "We will not put up the money, because they will not let us have the office if we buy it." That is the answer to it, and that is the appeal that is coming to you to put this thing down every time it shows its head.

If you do not want to say that the primary was illegal and that Bankhead should be unseated and I should be seated, that it was tied up with the corruption and stealing of the general election, refer it to the people of my State, where we will have to have a special election in three months, and let the people of Alabama say. That will settle this question once and for all; and with the skullduggery that they have practiced down there, and the people being acquainted with it, it will be exceedingly hard for them to repeat it and then the places that know the contestee now would soon know him no more forever. What is wrong in that proposition?

Mr. President, I am not going to be able to close in 15 minutes.

The PRESIDENT pro tempore. The time of the contestant will expire at 2.10 o'clock.

Mr. HEFLIN. I wonder if I could get a half hour more?

Mr. NORRIS. Mr. President, I ask unanimous consent that the limitation of two hours be dispensed with, and that Mr. Heflin be allowed to conclude his remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and that order will be entered. Mr. Heflin will proceed. [Manifestations in the galleries.]

The Chair must admonish the occupants that they are here by the courtesy of the Senate and must maintain order.

Mr. HEFLIN. Mr. President, I appreciate this courtesy and kindness on the part of a man with whom I have served for many years in both branches of Congress, and I am writing a chapter about him in my book, "Courage and Cowardice in Congress." [Laughter.] "Courage and Cowardice in Congress"—a euphonious title, and it will be a truthful document when I get through with it; and I am drawing a very good picture of the Senator from Nebraska. I saw him when he first commenced to fight "Cannonism" in the House. He was a progressive, able, brave fighter then, and he has kept it up all down the line. I believe he is about the only one I know of who has been right on the trail all the time, the old "strike" dog from Nebraska.

Mr. President, there are many things that I will not have time to touch on, and I am not going to impose upon the Senate any longer than I have to. I want to cite the Senate to an editorial from the Southern Labor Review, published at Birmingham. I do this because the minority report of Senators GEORGE and BRATTON of the subcommittee quotes an editorial from it following the election in 1930, and that editorial said that the election was over, that it was fair and that we should all accept the results and go on down the road rejoicing. That was before they knew what had been carried on in the nighttime on the night of the election and in the days that followed all over the State.

This is what they wrote a year from that time:

[From the Southern Labor Review, December 2, 1931]

THE SENATORIAL SITUATION

Next Monday will bring the Heflin-Bankhead contest before the United States Senate. The eyes of the Nation will be focused on the Democrats in that body more especially.

It is the duty of every Senator, but more especially the Democrats, to see that no one becomes a Member of that body who obtained his certificate of election through law violation or fraud or corruption. The Senate and the Senate alone can drive fraud and corrupt practices from senatorial elections by stopping the beneficiaries of such practices at the door of the Senate.

The Senate in recent years has shown itself to be keenly sensitive on this all-important question. It has courageously challenged and rebuked political crooks and corruptionists by holding their candidate at the threshold of the Senate. Democrats contributed materially to those results. The purity of the ballot and the integrity of the ballot box must be preserved inviolate. At a time when Democracy is making a bid for national confidence the country will await with interest the attitude of Democrats toward the Alabama situation. Democrats and Republicans alike should stand solidly against the man and the forces that seek to obtain a seat in the Senate by illegal and unlawful methods and the practice of fraud, coercion, and corruption in senatorial elections.

The Alabama senatorial contest is between two Democrats—Senator J. Thomas Heflin and Mr. John H. Bankhead.

It will be interesting to observe in this case whether Democratic Senators are as willing to bar a Democratic holder of a certificate of election as in the past they have been willing to bar a Republican in similar circumstances.

Mr. Bankhead's nomination and election were notoriously illegal, high-handed, and corrupt. The Nation will be interested in what

course Democratic Senators will now take. It seems to us that they should show as much—yes; and more—anxiety to punish corruption when their own party is concerned than when the charges involve the opposing party.

I have taken that position myself. It is my duty to drive crooked Democrats out, not to shield and harbor them; to keep my party clean. When I do that, I am serving my party and serving the country.

I ask again, suppose a Republican had come here as Mr. Bankhead did, under a primary law violated as he has violated the primary law in Alabama, and it could be shown that the ballot boxes were in the hands of Republican supporters all over the State, that they had opened and entered them, that ballots were not self-proving, that some were numbered and some unnumbered; what do you reckon would have been done? Again I say, just between us, they would have voted him out of here before breakfast. I would have voted to turn him out myself, whether Democrat or Republican. If you show me that they opened over half the ballot boxes in a State, when the law required them to be sealed and locked and kept inviolate, to be used in a contest, opened up and displayed, as they were deposited on the night of the election, I would vote to turn him out. He has no business here. That is the situation to a "T" right here to-day.

Yet my one-time friend, HUGO BLACK, stood up here and told you they were not opening any ballot boxes down there. I do not think Senator BLACK really knew they were doing that. He did not know. He is just like a lot of good people down there who said to me, "Tom, I went down and voted and everything looked all right. I did not see them stealing any ballots and running off with them. I think the election was fair." I said, "They do not do it that way. They work in the night time, when you sleep. They call the ballots off wrong and the clerks put them down, and when they get through doing that, they tally up what the clerks have put down, and the ballots are put in the boxes and the tally sheet or the certificate shows 350 for Bankhead and 150 for me, and the ballots will show 400 for me and 100 for Bankhead. They are in the boxes. One certificate is put up outside. The other is sent to the courthouse, and the ballot box is opened to make the ballots correspond with the certificate." I said, "Is not that nice?" That is what happened to me, a thousand and odd ballot boxes opened and burglarized. Yet the Senator from Alabama [Mr. BLACK] just waves that aside and says, "Why, just minor irregularities." It is a violation of the law, and there is a $500 fine for these violations. There are hundreds of them.

The Senator from Wisconsin [Mr. BLAINE] just waved that aside as being merely directory. Senators, directory statutes never carry a penalty. When a statute carries a penalty it is a mandatory act, and these are mandatory acts, not directory.

I suppose they would say, "Well, what is stealing ballots among friends?" [Laughter.] They needed the ballots, they knew where they were, they knew how to fix them, and they did fix them. That is what happened.

Here is an editorial from down there in south Alabama which shows just the situation. This paper could not be biased. It has nothing to do with the contest, except as it throws light on a rotten condition in this matter in the State. The editorial reads:

In looking over the names in beat 7—

This is down in Geneva County—

In looking over the names in beat 7 we found the name of our old friend, E. S. Sheehan, who used to work in the News-Herald office. He has been dead about five years. This put us to thinking, and upon further investigation we found the names of nine persons whom we remember to be dead. On the same list in beat 7 we found the names of 25 persons who do not reside in the county, and 25 others who do not reside in the State; some of them have been gone 10 years or more.

We do not think we are sufficiently acquainted in beat 7 to detect the names of all who are dead or all the absentees; but on the basis of the number we detected we estimate that in the published list for the whole county are the names of 60 dead people and the names of 334 nonresidents—394—enough to hold the balance of power in the usual election in this county.

That is in a little county, and that condition existed in 1930, and those people were voted in that election. That condition obtained all over the State. They have not purged the polling lists in years and years and years. The case of the Louisiana woman shows that. She left Bullock County 14 years ago, but they are still voting her in Alabama, and she does not even know it. They are so rude and discourteous they do not even let a lady know when she is voting an absentee ballot in an election in my State. [Laughter.]

Senators, it is worse than you thought it was. Senator BRATTON and Senator BLACK told us that this would have to be a state-wide conspiracy; that these things seemed to be general. Certainly; that is our contention. They never intended to steal in a few counties and leave the others alone. They worked the system out. It is the smoothest scheme on record. Of course, they worked it out. Listen! Senator BLACK stood here and showed you how in north Alabama Bankhead got fifty-odd per cent of the votes and I got forty-odd per cent; in south Alabama he got fifty-odd per cent and I got forty-odd per cent; in east Alabama he got fifty-odd per cent and I got forty-odd per cent, and in the western part he got fifty-odd per cent and forty-odd per cent were for me.

Do you not know that it takes a smooth fellow in arithmetic to do that? People were voted just as they wanted to vote them. In some places it would be almost solid for me and a light vote for Bankhead, and in other places vice versa; but fifty-odd and forty-odd all over the State.

They got that idea from the gambling machines. You go into one of these gambling establishments and drop a quarter or half a dollar or a dollar in, you turn a crank, and your money is gone. A fellow will say, "I will try that again," and puts in another half dollar and cranks the machine, and that half dollar is gone. The proprietor says, "Keep on; your luck will change after a while." He keeps feeding his quarters and halves in until finally it will shell out 75 cents to him. He gets it and says, "My golly, I had better go before they take my clothes." [Laughter.]

That is what happened in Alabama with the machine. The gambling house always wins. You win sometimes a little, but when the day is done and the machine is waited on and the money taken out, the house makes money every day. Why? Because it is a machine that will not let the house lose; and that is the kind of a machine they had for Bankhead and Heflin. They had it fixed so that whatever the vote was, it was running true to form in the four sections. Bankhead was always on top and I was on the bottom. But in the actual ballots cast I was on top. When they counted out the ballots Bankhead was winner.

Senators, it was the quietest situation following that election that you ever witnessed. No drum beat or sounding of the fife there. All was quiet and calm. You could see the Bankhead followers grouped around the courthouses. They were not clapping their hands for joy; they were not hurrahing and celebrating. They were quiet, whispering around in little knots and groups; there was no rejoicing.

They phoned from all over the State to me and to Judge Wilkinson at Birmingham, "We never saw anything like it. The other side is not rejoicing; there is no handclapping, no cheering and applauding." And old man Reese, down at Eutaw, Ala., wrote me a letter that explains it. He said: "Did you ever know of a thief going down the street in possession of stolen goods hollering about it?"

That is the situation we had. They had stolen it, and they did not holler. Then what? They said: "Now, Tom, you are a brave warrior. You made a good fight. You ought to be satisfied getting 100,000 votes on an independent ticket." I said, "Yes; I got over 200,000." They said, "If you will be a good fellow and take your medicine, we will be back with you in 1932. You go out March 4, 1931, and just rest until 1932, and there will be no trouble at all. We will just put you right over." I would not accept the deal.

They said, "Bankhead has 50,000 majority. You will have a hard time overcoming that." I said, "Yes; they could have given him 100,000 and got the votes from where they got the 50,000, just as easy as they could have given him 50,000. I am going to take it to the Senate. We have a place, thank God, where sworn men from sovereign States

of the Union will go to the bottom of it. I am going to have the ballot boxes taken to Washington. I am going to take the election papers up there. I am going to have a thorough investigation, and when it is over you will be vindicated, I will be vindicated, and Mr. Bankhead and his crowd will be repudiated."

But what have we had done? Shut off before our case is more than one-third finished, denied the right to produce rebuttal evidence, or to go on taking testimony to prove the things we had laid out to prove. That is the situation we have.

I want to read a line about the law on mandamusing. Senators, you who are interested in this law proposition, listen to this statute from Alabama. Section 549 of the Alabama Code provides as follows:

No jurisdiction exists in or shall be exercised by any judge, court, or officer exercising chancery powers to entertain any cause or proceeding for ascertaining the legality, conduct, or results of any election except so far as authority to do so shall be specially and specifically enumerated and set down by statute; and any injunction, process, order, or decree from any court, judge, or officer in the exercising of chancery powers, whereby the results of any elections are sought to be inquired into, questioned, or affected, or whereby any certificate of election is sought to be inquired into or questioned, save as may be specially and specifically enumerated and set down by statute, shall be null and void, and shall not be enforced by any officer or obeyed by any person; and should any judge or other officer hereafter undertake to fine or in anywise deal with any person for disobeying any such prohibited injunction, process, order, or decree, such attempt shall be null and void—

That is the State statute reply to Senator BLACK—

and an appeal shall lie forthwith therefrom to the supreme court then sitting, or next to sit, without bond, and such proceeding shall be suspended by force of such appeal, and the notice to be given of such appeal shall be five days.

Why, Mr. President, you can not get out a mandamus in my State against a primary. That matter was all discussed in the conference where Senator BLACK sat and they agreed that injunction was the process, and that was employed. One supreme court judge sustained it, and the other four merely passed the question by by saying they had no jurisdiction over the case.

There is another matter I want to bring to your attention. Here is a letter from Judge Wilkinson, my chief counsel, to me, April 24:

The press reports of debates in the Senate indicate that some attention is being paid to the proposition that you did not take any steps through the courts to prevent Mr. Bankhead's name from being on the ballot in the general election, or rather I should say that Mr. Bankhead's supporters are apparently stressing that proposition. I do not believe that any lawyer who has studied the case would claim that there is any merit in that suggestion.

First, get it clearly before the Senate that under the law of Alabama nomination is a condition precedent to the appearance of one's name on the ballot. This is not the law in many States of the Union. It is the law of Alabama. It does not make a particle of difference whether anybody raises the question before the election. The law raises the question at all times and under all circumstances. There is no authority of law for placing a person's name on the ballot in a general election unless the person whose name was printed on the ballot was nominated in one of the ways prescribed by the statute of the State.

Section 462 of the Code of Alabama is the sole authority for officials in Alabama printing the names of persons on the ballot in a general election. That section of the code limits the authority of the officer to cause to be printed on the ballot to the names of persons who have been nominated in one of the ways prescribed by statute. If Mr. Bankhead was not nominated in the way and manner prescribed by statute, then there was no authority of law for printing his name on the ballot in the general election. There was not only no authority for printing his name on the ballot but it was a violation of law to do so.

Mr. President, I shall include the remainder of that letter in my remarks.

The matter referred to is as follows:

Second. If Mr. Bankhead's nomination was void, because he was not nominated in the kind of a primary recognized by the laws of the State, as Judge Thomas so aptly expressed it, then no action or failure to act on your part could impart any vitality to a thing that never came into existence.

Judge Thomas very clearly holds, on page 267 of the Two hundred and twenty-first Alabama Reports, "that the primary election called is not the kind of primary that may be held under the law and at public expense in the State of Alabama." If the Senate agrees with that, and it must do so or repudiate Senator BLACK, who agreed with Judge Thomas, and Judge Anderton, who supported Mr. Bankhead and who is now running against Senator BLACK, then Mr. Bankhead was not nominated. The alleged primary was an abortive affair. No nomination could come from it.

Not having been nominated, the law denied Mr. Bankhead a place on the ticket in the general election.

To argue that any failure on your part to prevent his name from being printed on the ticket affects the matter one way or the other, is to argue that your conduct must determine whether Mr. Bankhead's name was lawfully on the ballot in the general election, instead of the law of the land determining that fact.

It was up to Mr. Bankhead to get his name lawfully on the ticket or suffer the consequences of his failure so to do. You had a right to get your name on the ticket and run as a candidate before the people. Your candidacy did not in any way amount to a waiver of Mr. Bankhead's failure to get his name on the ticket. You could not waive it if you wanted to. The law and not some candidate determines whether a man's name is lawfully printed on the ballot. A failure to object does not change the proposition in any way. A thing that is void is void. Mr. Bankhead was either lawfully on the ballot or he was not lawfully on the ballot, and no conduct on your part can properly be looked to in determining whether his name was lawfully printed on the ballot. What the law said he must do, and what he in fact did, are the factors that settle that question.

You will of course make it plain that in every speech you made in Alabama you challenged the lawfulness of Mr. Bankhead's nomination, and his right to have his name printed on the ballot in the general election. Mr. Bankhead was advised by Judge Anderton that any election held under the resolution adopted in December, 1929, "would necessarily be declared null and void on insistence of the party discriminated against" (pp. 49–50 my original brief).

Third. The Senate should be informed of that line of authority holding that a contest of the election is the only way in which this kind of a question can be raised. I do not have those authorities at hand, but I recall some of them in my investigations in the Supreme Court library at Washington. Courts have expressed themselves as being reluctant to stop the printing of a name on a ticket, as cases involving questions of that kind come up during the heat of a campaign and quite frequently the time for deliberation is very short.

Mr. Bankhead was nominated in August if he was nominated at all. Our supreme court was in vacation and did not resume until the last of October or early in November. It would have been an impossibility for you to have gotten a case through the supreme court between the date following the primary, when a certification of his name was attempted, and the date of the general election. I mention that to show the soundness underlying the rule referred to.

It is considered the better practice to decide these questions afterwards rather than before the election. For that reason you will find the authorities holding that a contest is the approved way of determining the lawfulness of a nomination, or rather that the lawfulness of a nomination is one of the things proper for determination in a contest.

Don't lose sight of the fact that every voter in Alabama was denied the right to write or stamp your name on the primary ballot, by an official ruling of the chairman of the committee.

The Senate should be impressed with the fact that the Democrats of the State were denied the right to nominate you and that you were denied the right to become a candidate.

It is as clear as the noonday sun that Mr. Bankhead was never nominated and for that reason could not have been elected.

Elections derive their force and effect from conformity to law, not from the fact that so many persons participated in a performance that was called an election. There is no such thing as a voluntary election or a de facto election. An election is valid or void. There is no middle ground. For that reason the alleged primary election was void, and being void it could not become the basis of a valid election in November following.

With best wishes, yours sincerely,

HORACE C. WILKINSON.

Mr. HEFLIN. We have heard much said here about there being no fraud and corruption in this election. Mr. President, we do not have to prove that a person was out buying votes to show there was corruption in the election. There are other ways to show fraud and corruption. Opening and going into ballot boxes in violation of the law is corruption. You are corrupting the very sources of the election power, the ballot box itself, with the ballots sealed and locked within it. When they break and go into that they are doing it for a purpose. They are guilty of fraud and corruption when they do that.

I think I have shown beyond question that Senator Bankhead had knowledge of all that was done regarding the primary and was a party to it and is the beneficiary of it. Now, I want to discuss another phase briefly. I can only touch upon the different phases.

They said that some of my own witnesses said, "Yes; the election was fair." "Were you there when the votes were

counted?" "Yes." "And it was fair and square?" "Yes." On cross-examination Judge Wilkinson asked, "Were you where you could see the names that were on the ballots?" "No, sir." "Then you do not know whether he was calling them correctly or not?" "No, sir." "You heard them called and if you were clerk you put them down?" "Yes, sir." "And they counted up what you had on the sheet?" "Yes, sir." "Then you do not know of your own knowledge whether the names were called off the ballots right or not?" "No, sir." "Who called them?" "One of the managers." "Who was he?" "He was a Bankhead man."

Not in one instance in the whole State have we been able to find where a Heflin manager or representative called off the ballots. Senators, that is significant. If they wanted a fair deal they would have said, "Heflin has already given notice that if this election is stolen he is going to contest it. We want it to be so fair and clean and just that he will have no ground. Let this thing be fair. John Jones, you are a Heflin manager, call off these ballots. Then when you get through with them roll them as the law provides and seal them and lock them, and when we go to get them we will find them in that condition." That would have been fine. That is the way to hold an election. That is the way to have the proof so it will mean something when you bring it here. What is a ballot worth in a box that is opened when you bring it here? You can not tell who voted it. There were 58,000 not numbered at all. Half the others were numbered in some fashion and the other half unnumbered. How does that happen? Some were numbered with pencil and some with ink. How does that happen?

The law provides that they shall be numbered in ink, not that they shall be voted in ink. That impression has been made here, but it is not true. You can vote with pencil if you want to, or with pen and ink, but you have to number them with ink. Why? Because you can not erase an ink figure like you can a pencil figure. It was done to prevent the ballot-box thieves from manipulating the election. That was the purpose of that provision. Now they stand here and do not deny they did not number them in ink. They say they numbered them in pencil and it does not make any difference. The law says it does, but these Senators say it does not. Which are you going to accept, the law or Mr. Bankhead's partisan supporters in this body? That is the question.

I want to cite to you some of this testimony and just what it means. Mr. Evins asked if the ballots were counted correctly. "Yes, sir." Then Judge Wilkinson cross-examined him.

Mr. WILKINSON. You don't know whether the results were correct or not?
Mr. DEMOTT. I know what they called out.
Mr. WILKINSON. You took the results of what they called out?
Mr. DEMOTT. I took the results of what they called out; yes, sir.
Mr. WILKINSON. You could not see how the tickets were marked as they were called?
Mr. DEMOTT. No, sir.
Mr. WILKINSON. Who called out the ballots in the box?
Mr. DEMOTT. Grover Hancock.
Mr. WILKINSON. Was he a Bankhead man?
Mr. DEMOTT. Well, I don't know. I don't know how Grover voted, but my supposition of it is that he was a Bankhead man. Arguments we got out of him once in a while, I suppose he was. I wouldn't think he would be for the other fellow.
Mr. WILKINSON. Did he argue for Bankhead?
Mr. DEMOTT. Yes, sir.

Then, again, Mr. Evins asked the question:

Mr. EVINS. Were you present when the vote was counted?
Mr. COONER. Yes.
Mr. EVINS. Who called the ballots out?
Mr. COONER. I think Mr. Legree, manager for the Bankhead Democratic ticket (see p. 617, book C), called the most of them.
Mr. EVINS. Did you look at them?
Mr. COONER. I saw them, but I did not look at every ticket; but so far as I know, that box was all right.
Mr. WILKINSON. The man that called the ballots that night was a Bankhead supporter, wasn't he?
Mr. COONER. Supposed to be.

Then the next—this is from Senator HASTINGS's minority views:

I refer next to section 3 of your report—

This is Mr. Hampton's statement about that report—

"Efforts by corporations to influence their employees," to which I think the contestant has clear ground for exception.

We take exception to Senator HASTING's report on this particular point.

You state that there were 17 witnesses who testified that certain corporations were endeavoring to influence their employees to vote for Mr. Bankhead, but that you were not greatly impressed with these charges. I am forced to believe that the synopsis of the testimony which was submitted to you for the purpose of your report must not have clearly stated the substance of the testimony with reference to this charge. I hope that you and the committee will not be content until you read the testimony itself upon this point. To show you how impresaive the testimony indeed was and just how outrageous were the conditions portrayed by the witnesses, I will refer briefly to the testimony of Mr. J. A. Greene, who voted in beat 21, Walker County—

That is Mr. Bankhead's home county—

and who testified as to the pressure, influence, and intimidation brought to bear in Mr. Bankhead's behalf by the Alabama By-Products Co., operating in that locality. The election there was held in the office of the Alabama By-Products Co. Mr. Greene's testimony begins at page 54 in book A. He was a watcher for the independent ticket headed by Senator Heflin. He testified that Mr. Miller, engineer for the Alabama By-Products Co., was one of the managers of the box. That Mr. Sherrod, commissary manager for the Alabama By-Products Co., was one of the managers of the box. That a man named Harve Davidson was known there as the "pistol man" for the Alabama By-Products Co., and acted as one of the managers and as the officer at the election, and stayed around the polls talking and generally assisting in holding the election. That Davidson was what is generally known there as a "company deputy"—that is, that he had been appointed a deputy sheriff in the employ of the Alabama By-Products Co. He was known as the "pistol man," presumably because he went armed with a pistol. The witness Greene stated that he presented at the polls his written appointment as a Heflin watcher and it was received by this "pistol man" for the Alabama By-Products Co., Harve Davidson, but that he, Greene, was not recognized and no attention was paid to his appointment as a watcher.

Yet you are told that I had representation at all these places.

Testimony upon this point was as follows:
"Mr. WILKINSON. All right; now what happened when you presented your watcher's certificate there?
"Mr. GREENE. Well, not anything, except they just didn't appear to pay any attention to it; that is all."

Then Mr. Hampton said:

The witness Greene further testified that the company deputy, the "pistol man" of the Alabama By-Products Co., who was helping hold the election, cursed him and told the witness Greene that if he, the witness, was going to vote for Heflin he might "get his junk off of the company's land, pasture, fences, and all."

And yet Senators are told what a sweet, nice, balmy day election day was and how everything went off smoothly, with no intimidation, no coercion, no fraud, no corruption. Yet here is the "pistol man" lording it over the people at the polls and telling this man who was supporting me to get "his junk off the company's property," driving him away from the polls. That is what happened down there; and yet Senator BLACK says that Senator Heflin has had time to show corruption and fraud and intimidation and he has not done it. Well, here is a sample of it that we plucked down there in six days' examination of some of the witnesses. We were told on the evening of the second day that we would have to quit in three more days. We happened to get them to agree to give us four days, and then we had to dismiss hundreds of witnesses without even touching the bulk of our testimony in middle and south Alabama, which is still untouched, still ready to be produced to establish my case and close it in due and legal form.

The witness stated that he was at that time renting land from the Alabama By-Products Co., upon which was located a pasture in which he was keeping cattle. This witness Greene further testified that his brother, Robert Greene, who was at that time working for the Alabama By-Products Co., voted for Senator Heflin—

Listen—

and that two days thereafter the company discharged him.

Yet Senator BLACK does not seem to know about this. He is not as well acquainted with my side of the case as he is

with Mr. Bankhead's side. The company discharged this man. In my State the law provides as a penalty for the intimidation of voters a fine of $500 and imprisonment if the judge sees fit to impose it. Have any of these people been prosecuted? Not one. Have they been indicted? Yes; in some places; and a Bankhead partisan judge has dismissed the indictments and no prosecutions have been had.

That is another part of the trail of the serpent of corrupt politics in my State. Prosecuting attorneys have discharged county solicitors for supporting me. They did it in my own home county. A young man by the name of Jackson, one of the finest young citizens of my State, a good lawyer, and county solicitor, supported me, and the circuit solicitor fired him for doing that. Intimidation! There it is; rank. Coercion! Telling these people, "If you are going to vote for Heflin, get your junk off the company property." His brother comes up, a free-born white man, standing at the threshold of that greatest of all places, the ballot box, to cast his ballot as he chooses. He is turned upon by the pistol man and told to get off the premises, to move out, to quit; he is discharged. That is the reception they got around the Bankhead polling place, and this was in Mr. Bankhead's home county.

I will tell you another thing they did down there. They had a fake telephone in the polling place right on the table or the counter where they were holding the election. A Bankhead manager by the name of Williams would take up this phone like he was talking to the outside and say, "Hello, hello; is that Huntsville; is that Gadsden?" "Yes." "How is everything?" "Everything is going for Bankhead?" "That is good." "Everything is going for Bankhead?" "Yes." Then, "How is it down there?"—he is telling this, you know—"It is going for Bankhead down here, too." "Is that so?" "Yes. Heflin has withdrawn from the race." That was right in Mr. Bankhead's home county, and this manager was a Bankhead manager and a Bankhead witness at Birmingham, and he was making the statement as voters came up to vote, to frustrate, annoy, intimidate them, reporting that Bankhead was carrying the State in great fashion, and that I was being beat and that I had withdrawn. That phone was not connected with any phone outside; it was a dead, dummy arrangement; and yet that went on in Mr. Bankhead's home county by one of his managers. But Senator BLACK would have you think that the whole thing was a sweet-smelling geranium. [Laughter.]

The witness stated that the company's "pistol man" was there when his brother voted and saw him vote for Senator Heflin. The witness further testified that this company deputy or "pistol man" was active in the polling place supporting Bankhead and was watching how people voted, looking at their tickets.

That is in the evidence taken at Birmingham. We have got a secret ballot or are supposed to have. You have got no right to intrude yourself upon the privacy of the sovereign citizen as he expresses his will at the polls, but here was a pistol man walking up and prying into these affairs and peeping over and watching how people voted, intimidating them. If he saw them voting for me, it meant the loss of their jobs. If they questioned his right to look at them doing it, they would lose their jobs. So they submitted. Senators, that is the situation we had, and this was in Mr. Bankhead's own county.

The witness stated that the company's officers, Miller and Sherrod, managers of the election, were both supporting Bankhead and that the conditions were such that he, the witness, a Heflin watcher, left the polls in the afternoon, and he did not return because he did not think there was any use of going back.

Senators, an old Baptist preacher up in Shelby County voted an absentee ballot for me. His ballot is over here marked for Mr. Bankhead. The supervisors found it marked for him. When he went in to deposit his absentee ballot, what do you suppose he said? This gives you an idea of the general impression about what they expected the Bankhead managers to do. When he deposited his ballot he said, "Something told me that my ballot was a gone goslin'." And it turns up here marked for Bankhead. What impression does it make on your mind that that man believed that his ballot would not be counted as cast? And he believed right. It is here marked for Bankhead.

Senator BLACK tells you that in 13 or 14 instances a ballot voted for Bankhead turned up marked for me, and in 13 or 14 instances ballots marked for me turned up here marked for Bankhead—six in one and half-dozen in the other; there is the old slot machine again. What is that for? To say, "Oh, well, both sides engaged in this practice. Heflin's people changed ballots to him from Bankhead and Bankhead's people changed ballots from Heflin to Bankhead." Now, let us see about that.

Mr. Bankhead admitted before the committee that the county officers who controlled the election in 61 counties out of 67 were his partisan supporters. Who were in charge of the ballot boxes on election day? Two Bankhead men in every precinct except in 6 counties; they were absolutely in charge; they were in the majority. Who had charge of the ballots and the boxes after the election in 61 counties out of 67? Bankhead partisans—sheriff, probate judge, and circuit clerk—and how could anybody change any tickets from Bankhead to me except it was done for a purpose, to make it appear that these irregularities were generally practiced by Heflin's folks and by Bankhead's? I repudiate the suggestion; there is not a ballot tampered with in all the boxes that they can charge to me. My friends were not in control at the polls. They were not in control at the county courthouse. We never had access to the ballots. They had them all the time. So whatever changes have been made, it lies at their door to explain, and they can not explain. That is what you have.

Now, a little further on the purchasing of votes. I want the Senator from Alabama to hear that.

With respect to paragraph No. 2—

This is Mr. Hampton speaking to Senator HASTINGS—

of your report of the testimony, under the head of "Purchasing votes," you state that there were 14 witnesses who testified either to the direct purchase of votes or the offer to purchase votes, but you conclude your paragraph by stating, "There is no testimony connecting Mr. Bankhead with the purchase of votes."

My good friend from Delaware just miscued on that a little. They do not have to connect him with it. If that were true, all you would have to do would be to supply the money to your campaign forces and go to Europe; and when you came back, the election would have been bought and then your friends could say, "Why, he had nothing to do with it. He was away when the theft and the purchase were made."

Newberry tried that. He said, "I did not spend all that money. My brother John spent it." But the Senate said, "Whoever spent it, it was spent in your behalf, and you are responsible for it, and you will have to pay the penalty." Finally, lashed and pursued by the gallant fighter from Wisconsin, young BOB LA FOLLETTE's father, he resigned his place in this body and sought the tall timber in Michigan.

You do not have to connect the candidate himself with these things, although we have shown in the testimony that Mr. Bankhead contributed money in January. The primary was not until August 12. He contributed money in January, and the circuit clerk who received it said this fund was raised to pay poll taxes; and the law of my State says that if you pay another's poll tax, you violate the law. There is a penalty provided for it. That is what was done.

We have a lead in Mr. Aarhus's and Creech's reports of $3,500 that was spent through Congressman BANKHEAD's office in behalf of his brother up there in Lamar County, I believe it was.

We have a lead that $3,500 was sept through Congressman MCDUFFIE's office, through his secretary, in Clarke County, Ala.

We have a lead that Mark Black, of Luverne, in Crenshaw County, handled $5,000, and that another man down there—McGovern, I believe—handled $5,000.

That is not all. We have a lead there that would startle the Senate and the country. Mr. Pettus, chairman of the

State committee, came to Washington to get some campaign funds from Mr. Jouett Shouse, chairman of Mr. Raskob's committee. Mr. Pettus came up and asked Mr. Jouett Shouse for some money for the campaign in Alabama for Mr. Bankhead. Mr. Shouse said he did not have very much money, and he needed it for the congressional districts, but he gave Mr. Pettus $1,000 and told him to go to New York and see Mr. Raskob. Mr. Pettus went to see Mr. Raskob, and Mr. Raskob told him, "I do not like the situation in Alabama. The people do not seem to be taking any interest in Bankhead. They do not seem to be for him; but if you will go back down there and raise $50,000, I will get up $250,000 more, and get it to you by the 25th of October to use in the closing days of the campaign."

We have not had a chance to follow up that lead by Mr. Aarhus. Senator GEORGE and Senator BRATTON would not agree to employ anybody, it made no difference what they had, who had ever worked for the Nye committee.

I submit that that position is untenable. I can not understand it. There it is—$250,000; and Aarhus, commenting on it, says, "There must be truth in this." Pettus returned, and he called on Crawford Johnson and a banker down there, Oscar Wells & Crawford, another, and the Bardeleben Coal Co., worth a million dollars, each of them, easily, to double their subscriptions, and they did.

We have not been able to follow up that lead; but the Senator from New Mexico, Mr. BRATTON, tells the Senate solemnly that I have had full opportunity to be heard and close, although these are the facts that I am giving you.

We have a lead on New Orleans. Mr. Creech, the other agent, has the notes where $800,000 was handled, giving the names of those who handled it and the names of the men in Birmingham who distributed it in the State. We have not had a chance to run that down. We do know that either two or three days after the election, Mr. Bankhead went to New Orleans. The papers announced his presence there immediately following the election. Whether there is any significance in that I do not know; but I am telling you what these investigators have upon the program for investigation that we have never had the opportunity to investigate.

Now for a little more of this purchasing of votes.

The chairman said, "There is no testimony connecting Mr. Bankhead with the purchase of votes." Why, certainly not. You know that if a candidate would let them catch him buying votes himself, you would not have to hit him with a club. You could just thump his brains out. Of course, you are not going to catch a candidate connected with buying votes. Thump them out! You could not catch a child doing a thing like that.

Mr. Bankhead says, "I had nothing to do with it. I know nothing about it." You do not have to connect him with it. It is enough to know that he got the fruits of it; and the Bible says, "By their fruits ye shall know them"; and it says another thing: "I brake the jaws of the wicked, and plucked the spoil out of his teeth." That is what I am asking for here.

They got away with this. They politically assassinated me with the primary machine they had, and Mr. Bankhead was nominated in a primary that was illegal and void, in a primary where all sorts of crooked practices were resorted to. They held back the returns for days and days and days; and instead of publishing them in the open, as always heretofore, they go down to the secret tax assessor's office in Pettus's home county and count them there, and give out only the returns for governor and Senator on September 1. Why did they delay all that time? Let them explain.

> For ways that are dark and tricks that are vain
> Let Ed Pettus rise and explain.

He can not explain it.

I would call attention in this connection—

Mr. Hampton says—

to the testimony given in book C with respect to the purchase of votes and the offers to purchase votes in Jasper, Ala., Mr. Bankhead's home city, and particularly to the testimony of John W. Madison, beginning at page 656 in volume 3 of the official report of the testimony. Mr. Madison testifies that he was approached by Drew Argo, of Mr. Bankhead's home county, who inquired of him as to which senatorial candidate he intended to vote for. Upon being told that Mr. Madison intended to vote for Senator Heflin, Mr. Argo informed him that if he would vote under the rooster (Democratic) there was something in it for him. Argo went on to inform Madison that he, Argo, was paying $2 each for votes.

I want the junior Senator from Alabama [Mr. BLACK] to get that.

Argo went on to inform Madison that he, Argo, was paying $2 each for votes.

In answer to a question, he informed Mr. Madison that he wanted Madison to vote for Mr. Bankhead and stated that he was making that offer in the Bankhead interest. Mr. Madison refused Argo's offer; but later on election day when Madison was in the sheriff's office in the courthouse in Jasper, Argo sought him out again and told him he would pay $4 each for the 5 votes in Madison's family.

That ought to be comforting to the junior Senator from Alabama [Mr. BLACK].

He told Madison he would give him scrip or an order that he could take to Phillips & Stanley's store and that Phillips & Stanley would pay the money on the order. Phillips & Stanley's store, according to the testimony, is in the same building in which Mr. John H. Bankhead's law offices are located, Mr. Bankhead's office being upstairs and that store being downstairs on the ground floor. Mr. Madison testified that for a period of an hour he stood around in Phillips & Stanley's store and watched people come from the courthouse, where the election was being held, and go in Phillips & Stanley's store and present scrip to Bill Stanley, who was paying out the cash upon the scrip.

Does not that connect them up with buying ballots? Yet Senator BLACK says we summoned witnesses from all over the State, and they proved nothing of corruption and buying votes. If he had just read this part of the testimony, he would have been better informed.

Mr. Madison stated that he saw this scrip being presented and money being handed out in return for it. Mr. Madison put the number of people that he personally saw present scrip and receive money for it at five or six.

Just one witness telling that he saw voters going into the voting place, voting for Mr. Bankhead, and taking scrip from Mr. Argo, and the scrip was honored down there by Phillips & Stanley in the building under Mr. Bankhead's office. They were paid the cash. Madison saw it—money received, bartering the ballot in Bankhead's own county in the State of Alabama!

Senators, if we had been permitted to get testimony down there for six or seven more weeks, we would have honeycombed that State with the most corrupt political machine situation you ever witnessed. They shut us off, deny us the right to get the evidence, deny us the money with which to do it, close the case in my absence, bring it to the floor of the Senate, and then stand here and assert that I had been heard on all the phases of the case!

Senators, it is inexcusable and indefensible to make those statements here. They are absolutely untrue.

I want the truth known to this body. I want the country to know it, and there is one place where they will know all the facts, and that is in a forum in my State, the State of Alabama. God bless that dear old State. It has never turned its back on me, and I have never lowered my arm in battle for it, and, so help me God, I never will.

They said it would be better for me financially and otherwise to accept the verdict of the machine, fall in line with it, and go on, that they would return me to office. I would spurn such return to office. I do not want office that way. I do not want any person to vote for me who does not want to vote for me. I do not want a vote procured for me through the use of money or intimidation. It has never been done. I would not permit it. I have been elected by the people in the free exercise of their ballots for 27 years, in the House and Senate, until a corrupt, purchased machine, purchased as you would buy a sheep in the market place, determined to strike me down politically.

As a direct result of all this fraud and corruption and illegality, a nomination came out of a void concern. Mr. Bankhead's name was no more legally on that ticket in Alabama than the name of one who lived in another State and was not a candidate for the office.

This is what they said: "You go ahead and put him over, and in the general election we will take care of it. We will give Bankhead such a majority, and we will do it so smoothly, we will spoil out the tracks of the 'trickters.' They will have a hard time proving we stole it, and Bankhead will stay up yonder and our conduct will be approved." Then in the future good-bye to all honest, God-fearing candidates. They will take possession and rule as they choose.

Senators, you must not do that. You want to smash this thing, crush it, put it down in its incipient state. If you put the stamp of your approval on it, you set a dangerous precedent. They will be rising up and saying, "Oh, well, you know what they did in the Heflin-Bankhead case. They did not prove this, and they did not prove that." We stand ready to prove it all. We stand at the door and knock to get evidence, and we can not get a chance to produce it.

The case was closed in my absence. Did you get that? I was on the train returning Saturday night. Senator HASTINGS, chairman of the subcommittee, had been told by me that I was going out to speak in Illinois on Friday. He said, "Yes; go ahead; the subcommittee will not meet until Monday." Nobody contemplated a meeting of the full committee, and I left. I was sitting in the train coming home when I read, "Bankhead recommended favorably by 9 to 8 in the full committee." It was astounding to me, of course. I was somewhat interested, being the contestant. The committee had been called to consider the Dickinson resolution and the Bailey case; and while they were there, my "friends" decided they had a majority, and they put it to the test and voted to close the case, with me, the contestant, away.

I had never had notice of the meeting. My attorneys never had notice. We had had no agreement to close our case. We have not closed it yet. Yet they closed it and shut the doors in my face, and we are forced upon this floor to fight when my case has not been closed; and there are hundreds of witnesses down there who could testify to all these corrupt things, but we have not been able to get them.

Is that fair treatment? Is that the way to treat a contestant? Is that the way to treat a man who served in this body with you for nearly 11 years? And without boasting, I state that you can not point your finger to a single dishonorable act of mine. You can not point to a vote I cast that was not on the side of good government and on the side of the masses of the people of this country. I never lifted my voice or my hand in opposition to the great fundamental principles of my country and the welfare of the people of my country.

It is just a few months since I stood here in my own right; but I come back and find some of my Democratic comrades voting to deny me the right to appear here and say a word, after closing my case in my absence. It hurts me in my heart, I repeat.

This was election day that Mr. Madison was talking about, in Mr. Bankhead's home town. I read further:

This was on election day and while the voting was going on at the courthouse. It is true that other people had offices in the same building.

I, of course, do not contend that the testimony here given would convict Mr. Bankhead himself of bribery or that it definitely connects him with Argo's unlawful conduct. This much can be said, however, the offer to bribe was committed in Mr. Bankhead's interest, according to the testimony; and for the purpose of showing that the election was corrupt, the result is the same whether the bribery was done by Mr. Bankhead's order, knowledge, and consent or by his agents or supporters upon their own initiative. It is significant that 14 witnesses brought from the very limited territory covered in the Birmingham hearings testified as stated in your report, either to the direct purchase of votes or the offer to purchase them, and that in every case this bribery and attempted bribery was perpetuated in the interest of Mr. Bankhead.

Senators, there is not a scintilla of testimony that I or any of my followers violated the law. We were fighting to uphold it. There is not a piece of testimony which seeks to establish that I or any of my followers spent any money in trying to buy votes. They did put one witness on the stand down there, a Doctor McCullum, a Bankhead witness, to swear that a fellow by the name of Leith offered him $500 to support me and Judge Locke. Judge Wilkinson turned to the book, as the supervisors found the votes cast, and found that Leith and his wife had both voted for Bankhead and that McCullum himself had voted for Bankhead. They brought that miserable story in there, that one man had offered $500 to get them to support us. There was not a word of truth in it, and Judge Wilkinson on cross-examination said:

Are you the same man who had a store burned up there not long ago?

Yes, sir; I had one burned.

You moved the goods out just before the store was burned, did you not?

Well, no, no.

Well, the State marshal and adjuster would not pay you for it until you compromised. Is not that true?

Yes; that is true.

You can stand aside.

He was the only witness who swore that money had been offered for us, and he almost admitted that he burned his own store for the insurance money. That is the trail of the crooked political serpent that is over all of this stuff. I will put some of these other references to the same character of doings in the RECORD.

Mr. President, let me show a little something about the condition of some of the ballot boxes, how they were found, in some of the counties down there, the condition in which the supervisors found the boxes when they went to get them. The ballot box is supposed to be locked and sealed and the ballots preserved inviolate, so that if there shall be a contest, the ballots will show just what took place in the voting precinct. But not so as to these ballots.

Here is the record of the county of Dallas, the county of the chairman of the State committee.

Precinct 36, box 6: Locked but not sealed.

Precinct 36, box 3: Locked but not sealed.

Box 4, box 2, box 1, box 5, in the same precinct, all locked but not sealed.

You know how easy it is to unlock a lock when you have the key, but if you break a seal, that will tell the tale. So the seal was gone, and the box was just locked, and they had the key. So it goes all down, except as to eight boxes out of twenty-odd, I believe. That was in his home county; and thereby hangs a tale.

I spoke in the town of Selma to more people than there were voters in the county. I spoke to about 4,500 or 5,000. I polled the audience, asked that all who were going to support me to stand up, and asked those standing to hold up their hands. It was a glorious sight. After they sat down I asked all who were going to vote for Bankhead to hold up their hands, and there 4 out of over 4,000. That was in this one county. They told me that I would carry the county by seven or eight hundred majority, but the Pettus crowd said, "He will get 700 votes." And they gave me 700. They are good mathematicians, I will say that for them. They said I would get 700 votes, and that is what I got. So the way the people voted did not count in the general election.

Here is the record of the county of De Kalb, which I carried by probably two or three thousand; but they gave it to me by three or four hundred.

Mr. Creech says:

My first effort to check on the ballot boxes, April 7, 1931. Deputy Sheriff William R. Biddle stated that Sheriff Sidney W. Pope was out on a raid and did not know when he would return; that neither he nor the sheriff had the key to the cell in which the ballot boxes were stored. Former Sheriff L. J. Campbell had the key to this cell. That Sheriff Pope had never had this key.

Probate Judge George L. Malone related to me some of the conditions existing in their county. I was impressed with the importance of the committee securing the boxes in this county.

Deputy Sheriff Biddle made an effort to locate former Sheriff Campbell and returned to the courthouse, stating Mrs. Campbell had received a telephone message from Mr. Campbell saying he was at some distant point and would not get back that day.

At 7 o'clock on the morning of April 11 I telephoned Sheriff Sidney W. Pope that I would be out about 9 o'clock to check up on the boxes and be with him to see they were delivered to the postmaster. He told me he would be prepared to turn them over for shipment.

Now listen:

On my arrival, and meeting the sheriff, he informed me of the conditions having been changed since my telephone conversation with him. He had an order from the judge of the ninth judicial circuit court—

A supporter of Mr. Bankhead, of course—

restraining him from delivering the boxes until April 11, 12 o'clock noon. This order was extended to April 18, same hour, 1931, until further orders. It became more fixed in my mind that this county was the most important county out of the 16 I had checked. We need positive information that the poll sheets are in the boxes with the other records.

What happened there? In order to keep this county out of our hands they pretended that they had a contest locally and would not let us have the boxes. We finally had to get an order from the Federal judge down there to get the boxes. And yet, according to the speech of the Senator from Alabama [Mr. BLACK] and the Senator from New Mexico [Mr. BRATTON] we have had a chance to do all things that were necessary to be done and everything has been done most graciously to serve us. We had to get these papers through a writ in the Federal court to ever bring them here at all. What else?

Down in the county of Bibb, which I carried by anywhere from 1,000 to 1,200, they gave it to Bankhead by 700. In the county of Henry, which I carried probably by a thousand, and in the county of Houston, which I carried by a thousand to fifteen hundred, they gave Henry to me by less than 100 and Houston to Bankhead by over a thousand; and when we went down to get the ballots, what did they tell us? They said the ballots had been burned. And yet Senator BLACK and Senator BRATTON would have you believe that everything was lovely and that everything was done to serve our needs and help us get evidence.

They violated the law. They burglarized these ballot boxes. They saw that I had carried those counties. They certified that Bankhead had carried them and they burned the ballots to destroy the evidence. That is what happened. What other conclusions can you reach? The law requires the ballots to be kept locked and sealed for six months. They were burned in December or January, as soon as my resolution was offered here to seize the boxes. Did anybody encourage them in burning them? A strong Bankhead supporter, Probate Judge Crosslin at Montgomery, Ala., the capital of the State, was quoted as saying that they could burn the ballots. The Montgomery Advertiser, a paper supporting Bankhead, had an article saying, "When the Senate committee comes to Alabama to seize the ballots they will find nothing but ashes." And yet the Senator from Alabama, Mr. BLACK, and Mr. BRATTON would have you believe that all was lovely down there, and that nothing out of the ordinary had been done.

You can not find another contest like it in the history of our country. Cite me to another place where they laid ballots in by the sheaves that could not be put in the slot. Cite me to where hundreds of ballots were found neatly folded like money stacked in a bank in a pad, never unrolled or unfolded, just like they were in the original package. Find me a place where they opened and entered the boxes as they did in such wholesale fashion in Alabama.

Find me an instance where they burned the ballots as they did in my State.

Senators, what does the law provide? It provides that they shall have metal boxes with slots in them, and when they go to vote they shall put the ballots through the slot and at the end of the counting those ballots shall be rolled up. I will show you. Here is what the law provided, that they should roll up those ballots like this [illustrating] in great big rolls and then seal them. They used adhesive plaster in some places and wrapped and sealed them up, tied them, and put a sealed paper across there with the names of the three inspectors written on them. That is done according to Hoyle, according to law. Were these done that way? No. They were not found that way. Who had tampered with them? They were in the hands of Bankhead managers and in the hands of Bankhead county officials all over the State with the exception of six counties.

Just one other matter on that line. Those Bankhead people down there who burned these ballots, of course, have never been prosecuted. Not the slightest effort has been made to punish them. They were Bankhead supporters. They had charge of the county affairs. They had charge of the precinct affairs. The best way to destroy the evidence they had was to burn it and they burned it; and yet we are told here that everything was all right down there and that Mr. Bankhead has a clean bill of health and that there is nothing wrong at all in the certificate of his election.

I have shown that certain corporations sought to intimidate the voters. I have not the time to go into that except to tell you that we have shown that at the cotton mills in Alexander City, in Tallapoosa County, and other places, they sought to intimidate the workers in the mills who did not vote for Bankhead. They sought to intimidate the mine workers in St. Clair County and discharged some there who would not support Bankhead. They sought to intimidate them in Birmingham and in various other places over the State.

We intended to show by evidence that certain bankers had intimidated merchants, and certain merchants had intimidated farmers. The banker told the merchant, "If you do not vote for Bankhead, we can not take care of your account any longer." The merchant told the farmer, "If you do not vote for Bankhead, you will have to buy your goods somewhere else. I can not run you any longer," as they call it, "carry your account and supply you with provisions." The farmer said, "I can not go anywhere else. You have a mortgage on all I have. I could not go anywhere else." "Then fall in line for Bankhead."

We have shown how they undertook to intimidate schoolteachers and we intended to show that all over the State they told the school-teachers that if they did not line up and vote for Bankhead they would lose their jobs. Senators, we had one case of a fine young lady teaching school. They asked who she was going to vote for. She said, "I am going to vote for Senator Heflin. My father was for him and so was my mother." "But he is not a Democrat." "Yes; he is. He is as good, if not the best, Democrat in the State." "But he is running outside of the party." "You drove him out. He tried to run inside and wanted you to have a fair-for-all primary. I am going to vote for him." They said, "If you do, we will take your job away from you." She said, "I am supporting a widowed mother and my little brother. You would not take my job?" She cried and they told her, "If you vote for Heflin, you will lose your job." We were going to put her on the witness stand.

We had numbers of instances like that all over the State, acts of intimidation galore, but somehow they were in a hurry to close the case; some on this side—the Democratic side—especially were in a hurry to close it. Was that prompted by party spirit? Was that prompted by the fact that Mr. Bankhead is an Al. Smith Democrat? Was the effort being made to use the Democratic machine to sustain a Democrat, whether he is right or wrong? If that is true, that is the wrong principle, and it can not stand up before the gaze of the honest electorate of the United States.

Highway employees were dismissed, precipitously thrown out, because they did not vote for Bankhead. Others seeking jobs were asked to sign a questionnaire, "For whom did you vote for Senator?" disclosing their secret ballots to those men who are holding up, in the interests of the party machine, a club over the head of every man and woman who sought employment in the State in these hard, depressing times. That is the fruit of this machine, and "By their fruits ye shall know them."

My supporters were annoyed and driven from the polls. Women testified at Birmingham that the situation was so annoying and distressing in Walker County and other places that they did not intend to vote any more unless those conditions changed, and yet they tell you it was all lovely down there.

Here is an incorrect qualified list for Tuscaloosa County. They were allowed to vote regardless of whether their names

were on the qualified list or not. Senator HASTINGS's report said:

In one precinct there were several persons who could vote at all the boxes in the precinct on the same day.

Senators, just think if that. I think in one beat they had seven boxes, so a man could go to box 1 and vote, and then to box 2 and vote, and to box 3, and so vote on around. What happened? They had a contest in that county before the general election, and I think it was 1,500 voters that were disqualified who had participated in the city election, and, Senators, those same 1,500 voted against me and voted in the general election November 4, 1930, no doubt.

Houston County is one of the counties where the Bankhead supporters burned the ballot boxes. They were Bankhead supporters in every county where the ballots were burned. No Heflin man burned a ballot. There was no violation of law by my supporters. Senator HASTING'S report shows that one of the Alabama State examiners of conditions in Houston County said that for the year 1929 there were 530 names published by the judge of probate as qualified voters more than were shown by receipts for the poll tax paid. Listen to a line from his report:

Incident to this investigation it is very evident to the casual observer looking over the lists of the people published as qualified to vote in Houston County that there are numbers of names of persons who were not only not qualified to vote for not having paid poll tax but numbers of names appear thereon of persons who are dead, who have moved from the county. The published list of qualified voters in Houston County is not an authentic one nor is it a list that could be certified as being correct.

That is in Houston County, one of the counties where they burned the ballots.

The door of opportunity was wide open for any designing person to perpetrate any kind of fraud within his desire or to change or to falsify the real true conditions of the list of qualified voters of Houston County.

We have shown that in some places ballots were marked for Bankhead before they were handed out to the voters. We have shown that Bankhead managers left the polls and went off and got ballots, marked them, brought them back, and voted them for Bankhead. We showed in one instance—it was amusing, though it was right grim to me—that to one of our watchers it was suggested that the Bankhead manager about 4 o'clock was going out to get the vote of a certain person, and he was told, "You had better go with him and see that he gets it." This poor fellow got it in his head that that was more important than staying there and watching and preventing them from stealing the election. He went traipsing off with this Bankhead manager to watch him get this one vote and bring it back; and he said when he got back they had the ballots all out on the table and were working with them. Judge Wilkinson said, "Did it occur to you that they had taken you 'snipe hunting'? He said, "Not until I got back." [Laughter.] And then it did occur to him. "What did you do finally?" "Well," he said, "I knowed they had done whatever they were going to do, and I just went on home."

Oh, Senators, the whole impression everywhere was that they were going to take that election; the word had gone forth to take it. They had said that all around the State, "Heflin's friends will cast the ballots, but we will count them; it does not make any difference how many votes he gets, he will not get the certificate of election." We can prove that by 500 witnesses, a thousand witnesses, 2,000 witnesses—there is no telling by how many witnesses we could get that proved. I have the affidavits here, a few which I will put into the RECORD, in which the affiants swear that they heard Bankhead's supporters say, "Heflin will get the ballots, but he will not get the election." One of them said, "We will steal the votes from Heflin south of Birmingham as fast as they put them in the box." Oh, they are smooth artists, Senators; they know their business. The buying of an election has become for certain politicians the most lucrative business in my State. There are 250 men in my State who are under the domination of this machine who can nominate any candidate for governor, United States Senator, or Representative. Just get that machine and they will fix it. One can vote the other way, but the ballot will not be counted that way. I want you to help my State get back on the high plane where ballots will be counted as cast. That is all I ask.

The affidavits referred to are as follows:

STATE OF ALABAMA,
Walker County:

Before me, the undersigned authority in and for said county and State, personally appeared J. P. Braden, who being by me first duly sworn deposes and says that during the 1930 senatorial campaign in Alabama he heard J. L. Johnson, election inspector at Jasper, Ala., say in substance and effect concerning the election as follows:

Mr. Johnson said that Heflin might get the votes but Bankhead will get the office.

J. P. BRADEN.

Subscribed and sworn to before me, this 26th day of March, 1932.
KENNETH L. JONES, *Notary Public.*

STATE OF ALABAMA,
Walker County:

Before me, the undersigned authority in and for said county and State, personally appeared S. S. Buzbee, who being by me first duly sworn, deposes and says that during the 1930 senatorial campaign in Alabama he heard J. E. Ross (coal operator) at Jasper, Ala., say in substance and effect concerning the election as follows:

Mr. J. E. Ross (a coal operator) said in presence of me and Mr. S. M. Hinton that they had the money and machinery with Bankhead and this would elect Mr. Bankhead regardless of how people vote.

S. S. BUZBEE.

Subscribed and sworn to before me this 29th day of March, 1932.
P. J. COMART, Jr., *Notary Public.*

STATE OF ALABAMA,
Walker County:

Before me, the undersigned authority in and for said county and State, personally appeared J. H. Nunnelley, who being by me first duly sworn, deposes and says that during the 1930 senatorial campaign in Alabama, he heard H. Cam Smith at Jasper, Ala., say in substance and effect concerning the election as follows:

Said that if Heflin got three-fourths of the votes he would not get the office, because it is already settled in Bankheand's favor. Mr. Marshall Lovelady and numbers heard Smith.

J. H. NUNNELLEY.

Subscribed and sworn to before me this 29th day of March, 1932.

P. J. COMART, Jr., *Notary Public.*

STATE OF ALABAMA,
Walker County:

Before me, the undersigned authority in and for said county and State, personally appeared S. S. Buzbee, who, being by me first duly sworn, deposes and says that during the 1930 senatorial campaign in Alabama he heard Berry Hutto (candidate for board of revenue) at Jasper, Ala., say in substance and effect, concerning the election, as follows:

Mr. Berry Hutto said "I'll steal them, buy them, change them, and do anything to make the rooster crow. I have done all this and I'm now ready. We'll beat Tom some way."

Mr. Frank Shaddix says he'll swear that he heard Mr. Berry Hutto say this in effect. Mr. Hutto was returning officer, beat 23.

S. S. BUZBEE.

Subscribed and sworn to before me this 29th day of March, 1932.
P. J. COMART, Jr., *Notary Public.*

STATE OF ALABAMA,
Walker County:

Before me, the undersigned authority in and for said county and State, personally appeared S. S. Busbee, who being by me first duly sworn, deposes and says that during the 1930 senatorial campaign in Alabama, he heard Richard (Dick) Bates, ex United States marshal at Jasper, Ala., say in substance and effect concerning the election as follows:

Heflin will get the votes but Bankhead has the machinery and it is oiled and greased and will give Bankhead the office. Mr. G. W. King also heard Mr. Bates say this.

S. S. BUZBEE.

Subscribed and sworn to before me this 29th day of March, 1932.
P. J. COMART, Jr., *Notary Public.*

Mr. Richard (Dick) Bates was returning officer beat 2, box 2.

Personally appeared before me, M. A. Springfield, a notary public in and for said State and county aforesaid, D. D. Wright, who, being by me duly sworn, deposes and says that he heard Roy Baird, a druggist in the town of Guin, Ala., say on several occasions during the campaign of 1930 that if old Tom Heflin won the election for the United States Senate that they, the Bankhead

crowd, would steal the election. Also affiant further says that he heard W. H. Cashion say that they were going to carry the Hamilton beat by 200 majority for Bankhead or steal it.

D. D. WRIGHT.

Sworn to and subscribed before me this the 22d day of March, 1932.

M. A. SPRINGFIELD, *Notary Public.*

Personally appeared before me, M. A. Springfield, a notary public in and for said State and county aforesaid, S. K. Henson, who being by me duly sworn, deposes and says that he heard Roy Baird and R. L. Crump say a number of times during the 1930 campaign that if the Bankhead crowd could not buy the election they were going to steal it, that they were not going to let old Tom Heflin have it, and also said they had the machinery to do it with.

S. K. HENSON.

Sworn to and subscribed before me this the 22d day of March, 1932.

M. A. SPRINGFIELD, *Notary Public.*

Before me, the undersigned authority in and for said county and State, personally appeared R. H. Riddle, who, being by me first duly sworn, deposes and says that during the 1930 senatorial campaign in Alabama he heard A. M. White, Hartselle, chairman of the speakers' bureau, say in substance and effect, concerning the election, as follows: "There is no possible chance for Heflin. South of Birmingham they will count his votes out as fast as they are put in."

J. H. RIDDLE.

Subscribed and sworn to before me this ——— day of April, 1932.

I. J. KAENT, *Notary Public.*

Before me, the undersigned authority in and for said county and State, personally appeared Clarence Sums, who being by me first duly sworn, deposes and says that during the 1930 senatorial campaign in Alabama, he heard R. V. Ford at Falkville, Ala., say in substance and effect concerning the election as follows: "Heflin may beat John Bankhead, but it will be taken away from him, like the election was taken from Herbert Hoover in 1928."

CLARENCE SUMS.

Subscribed and sworn to before me this 2d day of April, 1932.

V. O. CLARY, *Notary Public.*

Mr. HEFLIN. Senators, it is a serious thing to strike a man down who has fought his battles in the open, as I have; it is a serious thing that a man who dares to defy the machine, with its corruption, with its evil practices and wrongdoings, who tells it that he will not submit to it, and that he will fight it in the open, may be struck in the back and shot down like a dog, deprived of his rights, deprived of the right to have his own party brethern and sisters say to him whether he did right or wrong in 1928; to approve or disapprove his conduct. I was denied that right, and the man most responsible for that denial is John H. Bankhead, of Jasper, Ala.

If John H. Bankhead had told that committee, "Boys, I am not going to stand for this action; I will not take the nomination under it; it is unclean; it is illegal; it is null and void; you let Heflin in and let us fight it out; that way is fair and good for the party, and it is right," the committee would have met and rescinded its action. There is not the slightest doubt of that. He could have done that. He issued a statement freeing the members who had said they were going to vote to let down the bars. That was an invitation to them not to do it. The State committee chairman told Fred Thompson that he was threatening to run for the Senate because he wanted to operate on Bankhead and make him get two votes out of his district to put up the bars against me; and he got them—Ogden and Cobb. That is the positive proof. The votes were delivered and the bars were put up against me. Then when Judge Fite called on him to join with me and others to get them to rescind that action, he refused to do it.

Then when the right was asked to give the voters the privilege of writing my name on the ballot so as not to discriminate against those who were supporting me, he said, "No; I will not even permit that." On top of that the chairman of the State committee said, "We will not leave any space on the ticket for the writing or the printing of his name." That has always been done heretofore; there has been a space left for that. He said, "We will not leave any space, and if his name is put on the ticket we will not count the ballots."

Senators, did you ever hear of a more complete destruction of the rights of the sovereign people in a State? Democrats, shorn of their party rights, clubbed over the head and driven out as candidates, invited in as menials to vote but not to hold office, asking for the pitiful privilege of writing the name of their choice on the ballots and refused by Bankhead, and the chairman of the State committee refusing to count the ballots? That is the most complete destruction of party rights that I have ever witnessed. They can not get away from that.

We have proved that citizens were permitted to vote in other precincts than the one in which they lived. What do you think of that? But that is not all. We have shown that the citizens of one county were permitted to vote in another county because they lived so far they could not get home time enough to vote. That was an accommodative arrangement fixed up by the Bankhead machine for Bankhead supporters. That was done in my State. We have shown that in the testimony at Birmingham, with just six days to go upon, in which to get the witnesses and examine them. Then we were shut off.

What else? Hat boxes were used, just big paper hat boxes. One man swore that he heard a fellow in a drunken party at the Morris Hotel say, "Well, they are going to steal the election from Heflin, and I am going to help do it." He said, "I have got two big hat boxes, one named Tom and one named John." That is John over there. [Laughter.] And he says, "I am to burn Tom." So he was to burn my ballots, but they were to take care of John's and nurse them through their illness. He was going to burn Tom's. Yet Senator BLACK and Mr. BRATTON would make you feel that they had the nicest arrangement down there; that it was really a May-day picnic, and that they loved me so that they would make sacrifices to see that I had a fair deal.

When I heard the junior Senator from Alabama pleading the other day and putting up such a pitiful tale for Mr. Bankhead and his cohorts, I thought of St. John's boy, at Cullman, Ala., a little fellow 6 years old. The father went home one afternoon and found Mrs. St. John scolding the boy about something. She stamped her foot on the ground and said, "You little rascal, what did you do that for?" The little boy just sat there cringing, with head bowed, his hands folded. The father said, "Mamma, you ought not to scold that boy; he is a good boy." The boy had been guilty of some wrongdoing, and the mother was trying to correct him. The father said, "You ought not to do that; he is a good boy; he comes over to the office and gets my mail and opens it up for me and helps me with it, and the other morning I heard him humming a religious tune." The little boy could not stand it any longer; he looked up, started crying, and said, "And I am going to be baptized soon." [Laughter.] So you would think that that outfit was ready to be baptized soon. [Laughter.]

With all the ballot thievery and ballot buying and ballot burning and intimidation and coercion rampant in that State, it was such a nice and delicious situation you would think that these gentlemen were nearly ready to be translated. As I heard this argument, knowing the situation as I did, I thought of the fellow at the funeral down there. They had had several deaths on Saturday, and on Sunday the hearse was busy taking caskets to this church and to that. It came to the funeral of an old roustabout who had been a very rough citizen; he had not lived the right kind of life by any means. His wife and children were sitting there. The preacher looked down and said, "The person lying in the casket in front of me was a good man." The old lady pricked up her ears and looked surprised. The preacher continued, "He was a good husband and a good father." She looked startled. The preacher went on, "All in all, I will say that he was a Christian gentleman." She says, "Ned, you go up there and lift that lid and see if that is your pa." [Laughter.]

So these things were going on at the hands of the bunch down yonder who stole the election from me, and they

were described so beautifully the other day that I wanted somebody to lift the lid and see if that was them. [Laughter in the galleries.]

The VICE PRESIDENT. There must not be demonstrations in the galleries.

Mr. HEFLIN. My watchers were threatened and prevented from doing their duty as election officers. They told my watchers in some places, "You have no right to say anything; you have nothing to do with it." Was that giving me fair representation? Not by any means.

Absentee voters were voted without their knowledge or consent. We have proved that some fellows came in to vote. They were told, "You have already voted." "No; I have not voted." You have heard that story of the old days about the animals having a convention. They asked, "What method shall we adopt for voting?" One of them said, "We will vote by the raising of the tail." Another one of them said, "That will not do, the billy goat has done voted, and you can not tell which side he is voting on." [Laughter.] So with these absentee fellows. The voter presented himself or herself solemnly to vote, but what were they told? They were told, "You can not vote; you have done voted." "I have not voted." "Yes, you did; you voted an absentee ballot." "I have not done anything of the sort; I have never applied for one; I have not voted one. I am here in person to vote. Where is my ballot?" "Here it is." "Will you let me have it?" In some instances they tore it up, and in others they got it back, and it was marked for Bankhead. He said, "I will vote mine in person," and voted for me. We had that down there, and yet they tell you that that was a glorious situation! Well, they are mighty anxious to close it. You notice that, do you not? They want to pull down the curtain on it and bid it good-night. They do not want the facts laid bare, because they do not smell good.

Think of absentees being voted when they never asked for an absentee ballot, never made the affidavit, but all that had been done, and their tickets fixed for Bankhead!

Why was that done, Senators? Because they did not believe that person was coming to the polls or that he would ever know that they had voted him for Bankhead. There could not be any other reason for it. There is no escape from that conclusion.

I mentioned Mr. Page being hired to obtain absentee ballots in Jefferson County. He got over a hundred, and took them up and got paid for them in Shelby County—Bankhead ballots. There is no dispute about that. He took a notary public with him. The law in my State requires that you have to file a request in writing, it has to be of record, asking for an absentee ballot. Here was a man employed to go out and get them, take the blank affidavits and ballots and a notary public, fix them up on the highways and the byways, and bring them in by the hundreds for John H. Bankhead.

In the report on the Tuscaloosa city election, 1930, the judge held that 900 persons voted who did not have the right to vote—900! They feasted on me just a month or so later in the general election. That is the county where the judge of probate said they opened the boxes to get the certificate of election; but he testified at Birmingham, on cross-examination by Judge Wilkinson, that he did not have to go in there to get the returns; that there was no excuse for it. That is Judge Brandon, the former governor of the State. He is the man, the judge of probate, who came and took the only manager I had out of that box. He never denied it when they put him on the witness stand—Judge Long, of Jasper, Mr. Bankhead's home town and county. The witnesses swore that he came in and abused a gray-haired, fine-looking man, who strongly supported me; that Long looked at him—he was frustrating their game and hindering it—Long looked at him, and with an oath said, "G—— d—— you! We'll remember you," right in the polls, the boss of the county.

That was in Mr. Bankhead's home town. That is the probate judge of his county, where the courthouse was burned while we were investigating down there, and the records destroyed. I think he admitted that he did not have requests for more than a hundred absentee ballots, and they probably issued seven or eight hundred.

Senators, this thing stinks to high heaven. You can not do justice to it in a speech in any reasonable length of time.

Persons were allowed to vote for Bankhead who had not paid their poll tax. Let me show you what happened at Birmingham.

Judge Wilkinson asked, "Are you a Bankhead manager?" "Yes, sir." "Were you there all day at the polls?" "Yes, sir." "You helped to count the ballots?" "Yes." "Did you let anybody vote there who was not on the qualified list?"

Now, get this point:

"No, sir; not a one." "You are certain about that?" "Not a one."

Judge Wilkinson said, "I call the Senate committee's attention to the fact"—I remember one instance where 185 of those people voted who were not on the poll list. They voted for Bankhead, and their manager said that no person voted who was not on the poll list! Then who put those names in there for Bankhead, and where were they put in? That is in the testimony.

Judge Wilkinson said, "Did you number the ballots?" "Yes, sir; I numbered them myself." Judge Wilkinson said, "I ask the committee to look in that box and precinct." The ballots are not numbered, and the managers of election swore they were numbered. Who put those ballots in the boxes that came here, and what became of those that the voter voted down there? They had skilled artists, the most skilled artists that ever assembled about the ballot box; and they had hundreds of managers, smooth artists, who were not qualified voters in the precinct where they served. That is set out in Judge Wilkinson's argument before the committee. What do you think of that, Senators?

They said that those votes were counted on the order of the probate judge. You know the law required them to number the ballots. In one county the testimony showed that the judge of probate told them not to number the ballots. Why? Because if you do not number the ballots you can not tell what ballot is yours. You may vote for me, but the ballots are loose in the box; there are no numbers, and there are 58,000 of them here with no numbers at all. But if they number them, as the law requires—and as they do in my State—if you vote first you are No. 1. Your ballot is No. 1 and your name is No. 1. They ask you how you voted. You say, "I voted for Heflin." "What is your number?" "I voted first." "All right; find No. 1." They find your ballot, and there it is. It may be changed to Bankhead and it may be marked for me; but you can trace it then. In some of the boxes some of them are numbered and some are unnumbered. How are you going to trace them?

Who monkeyed with these ballots after the election night?

Senator HASTINGS in his report says that absentee ballots for Heflin were not received and counted in many instances. What would you do about that?

The probate judges permitted people to vote who had not paid the poll taxes. They voted for Bankhead.

Senators, here is another significant thing: There is so much variety of stealing and skulduggery. The law requires the certificates of election to be signed by all three of the managers—John Jones, Bill Martin, and Sam Johnson. They must sign themselves, and sign the seal across the roll of the ballots, and sign the seal on the box when it is locked. What did we find in many instances? The same handwriting for various precincts, signing the manager's name—one and the same handwriting. What did that mean? It meant that the seals were broken at the courthouse and new ones were fixed up and put on and that one of the managers wrote the names of all three of them. They never had any idea that the ballots would come to Washington.

Another feature of it: I want to say frankly that some of the press down there said that with Senator BLACK on guard The Senate would never grant my contest; I would never get

anywhere with it; so they really never expected me to get anywhere. They never expected these ballots to come here. You see, I had only from December until the 4th of March; but I got it through, to their surprise. They never expected that. They were fixing 50,000 majority, so that it would look so colossal that the Senate would say, "Oh, well, I guess Tom is just sore about being defeated. Fifty thousand is pretty big"; and it is. If you knew that bunch as well as I do, you would know that they could give 100,000 or 200,000 majority just as easily. They do not have to have ballots voted. All they want is the paper and the boxes, and they had both. They used them, too.

The circuit clerk in Franklin County, Mr. Bankhead's district, admitted that he sent out requests for absentee ballots, and sent the money to pay for the affidavits made by the notary public. That was in the testimony down yonder; and yet they tell you that we have not any testimony showing anything except some little, frivolous, minor irregularities. The Senator from Wisconsin [Mr. BLAINE] referred to some of them as very minor irregularities—just like breaking into a ballot box and taking the ballots out of a thousand boxes! Why, what is that among friends? That is just raiding the Ark of the Covenant, the ballot box. That is treading on the most sacred ground in the Republic. That is stealing from the voter the only weapon he has with which to preserve his rights and liberties. They are supposed to be kept locked in that citadel until the Senate calls for them to examine them; but when Bankhead's partisans beat down the door and tore off the seal, so that they could examine them and tousle them and change them, what is that? A minor irregularity. It amounts to nothing.

Senators, if you do not put the right safeguards around the ballot box and the voter's rights, the time is not far distant when the masses will be as the common herd, absolutely at the mercy of the tyrant with the lash in his hand and the contemptible political machine that dominates the whole thing. That is what you are coming to.

Ballots were accepted for Bankhead without supporting affidavits in many instances. Some of those championing the cause of Mr. Bankhead would say, "Why, what is that? They wanted to vote." Yes; but the law provides how they can vote. They must be qualified voters. They must have the poll tax paid if they are under the age of 45. They have to be qualified. But here they go up to vote for Mr. Bankhead, and they are allowed to vote without having to make the supporting affidavit.

I have shown you in the Geneva County editorial that it has been years since the poll lists have been purged. There are probably the names of forty to fifty thousand voters upon the lists in my State who are dead, moved away, disqualified. How are you going to tell what the qualified list is? You have to help us by your vote here to clean house down there. We will have to have the poll lists purged in every county, and I pledge myself to the task.

The absentee voter must show that he or she is a qualified voter in the precinct and county and State, and make oath to the effect that he or she will be absent on election day by reason of his or her regular business. Yet they had people voting up there who live in another State and vote in another State, whose names are still on the unpurged lists in Alabama, and they are voting for Mr. Bankhead.

My recollection is that the supervisors found 560 who lived in other States. We called for the list. What do you reckon they told us about some of them? They said, "We have lost them." I think that occurred as to 11 or 14 counties. "We have never been able to get our hands on them." I suppose that was one of the minor irregularities.

We have not been able to communicate with them at all, but we got the lists of about 12,000 and we sent questionnaires to them. We got back answers to around 4,000, saying that they got them and they voted—I think four-fifths of them—for Bankhead. What else? In about 3,000 and more of the cases the postmasters had marked on the envelopes "Unclaimed," indicating that no such person lived at that address.

In 5,000 cases, I believe, no answer came at all. That made over six or seven thousand that could not be produced on the face of the earth, and I challenge Mr. Bankhead to produce them. They do not live, they are not in existence, they are dummy voters. Over 6,000 of the absentee voters come in that class. Where are they? They do not even answer. No return of any kind comes back. What does that indicate? It indicates that the fellows who put those things over took these questionnaires and destroyed them; the thing was hushed up, and the story is closed, so far as that goes. A little over 4,000 out of 14,000 responded to the questionnaire, leaving around 10,000 that could not be accounted for.

Yet they tell us that all was well; that it was a very fair and regular election. And Senator BLACK appeals for Alabama's right to elect her Senator. I appeal for the same right—not for the machine to manipulate the election and procure the election of a Senator but the right of the people of my State to elect their Senator as they elected me.

If they had defeated me fairly I would have accepted it. I have been defeated in political contests. I was defeated twice before I came to Congress. I came within one vote of getting the nomination in a convention once, and in a primary I came within a very few votes, and finally was elected overwhelmingly in 1904. So it did not mean so much to be defeated fairly in an election. That is all right. The voter has just as much right to reject a man as he has to promote and elect him. I understand that. But, my friends, I looked the people in the face in that campaign in my State, a perfect crusade in every county, the whole face of the earth covered with people wherever we had a meeting. They were Democratic crusaders bent upon the election of their candidate and a smashing of the machine. They went at it with the zeal of Christian crusaders, and the only way to manipulate the election was to do it by miscalling the ballots at the boxes, manipulating and changing the ballots at the courthouse, and swapping boxes.

Just one other thing in regard to the absentee ballots. I would like to have the other side show me where the State of Texas, the great State so ably represented by my good friends MORRIS SHEPPARD and TOM CONNALLY, which has many more votes than Alabama, ever voted half as many absentee ballots as voted for Bankhead in my State in 1930. I challenge them to show where any other Southern State with a population equaling that of Alabama ever voted one-third as many as voted for Bankhead.

My friends, these are serious things. They changed 5,000 votes cast for me, took them off my list and had them appear as 5,000 who did not vote for Senator at all. There were not 500 people who went to the polls in my State who did not vote for Senator one way or the other. They were hot, and hot to the collar. There were not any neutral places down there. There were 5,000 of these ballots. They said, "Do not give them to Bankhead; take them off Heflin and just leave them voting the State ticket." There were 5,000 like that.

What did they say about the general election? The day of the election the Montgomery Advertiser said:

> To-night there will rest in the ballot boxes of this State 250,000 votes.

And on that night, when the election was over, there were 250,000 votes in the boxes. They had had a report from the machine. The courthouse ballot fixers had told them. That is not all. Saturday afternoon before the election Tuesday Judge Chilton said one of the city gamblers told him that they had been advised that it would be safe to bet that Bankhead would defeat me by around 50,000 votes. He said, "Why the change? You have been so fearful of the results you would not bet even money." They said they had a report, "It is all right. Bankhead's majority will be around 50,000." And his majority was around 50,000. Do these things mean anything? What do they mean? They mean that the plans were all made to steal it.

When the inauguration day came, what did they do? The Bankhead Montgomery Advertiser, supporting him strongly,

said, "Let us not forget the State committee to-day. It deserves praise." I am giving the substance of what they said. "It deserves praise for its act in reading Heflin and Locke out of the party, for if the committee had not read them out, Heflin would still be your Senator and Locke would be here to-day inaugurated as governor."

What is that? That is an admission that if the Democrats had had an opportunity they would have nominated me as their choice for the Senate, but that they had been denied that right, and they say the machine should be praised for putting it over. Nobody can deny that. Those other supporters of Mr. Bankhead can not. That is a part of the political serpent's trail that is over it all.

I have already mentioned the legislature amending the primary law, and giving the committee the right now to do what they did in 1930, admitting that they did not have the right to do it then. The Senate is justified on that alone in declaring the primary null and void, and it ought to do it.

That is not all, however. Senator BLACK and Senator BRATTON made such a nice plea for Mr. Bankhead, stating how nicely he was arranging everything to see that I had a fair election. Let me show what he did. He so resented interference with the machine in Alabama, and the program to put him in the Senate, that he had the legislature of my State pass a law authorizing the probate judges of Alabama, his partisans in 61 counties out of 67, to institute and carry on a senatorial investigation. He did that by solemn statute in the State of Alabama. He had the legislature pass a bill. I will never forget the startled look on the faces of the committee, even of my friend from Georgia, Senator GEORGE. Senator WATSON, of Indiana, interrupted me when I was discussing it, when I was telling them that Mr. Bankhead had had these probate judges authorized to institute this investigation, to carry it on, and that I would have to go and employ lawyers, if I recognized it, in 67 counties in the State to look after my interests, and that I was not able to do it, and that I would not recognize that thing. Senator WATSON said, "Who did that?" I said, "Senator Bankhead," and Senator Bankhead nodded his head and said, "Yes; I did it." That is not all. He said, "If the committee thinks that I ought not to let that go on, I can stop it."

Think of that, that he could set aside a statute, halt it, kill it, after it was solemnly enacted by the legislature and had the approval of the governor, a candidate, the product of the régime, saying, "I can stop it right where it is." Senator HASTINGS looked up at him and said, "Can you do that?" He said, "Yes; I think I can."

Senators, what more do you want to convince you that my State is machine ridden and machine cursed, probate judges, partisans of Mr. Bankhead—and he admitted it—conducting an investigation involving me and my rights and your rights, and the rights of the people of my State, a partisan committee set up by solemn enactment at the instance of Senator Bankhead? But Senator BLACK and Senator BRATTON would have you believe that Senator Bankhead had rendered me the utmost service, and had given a fair hearing to get at the facts. I am giving you the truth, and showing you the fruits of the machine; and—

By their fruits ye shall know them.

What does the Bible say?

If thine eye offend thee, pluck it out.

My State suffers from this stigma. Senators, it has to be removed. If you crush out the fighting spirit of men of courage, who dare challenge these corrupt concerns, the day is not far distant when you will have a big political boss in every State, the people will be shorn of their power, and tyranny will come in apace, until our rights and liberties will be destroyed. Little by little and bit by bit you have to correct these things. Stamp this business out now right where you find it.

You could very well say to Mr. Bankhead, "Go back. There is so much confusion, so much corruption, and fraud and deception and coercion and intimidation and skullduggery of every kind, burning of ballots, stealing of ballots, changing of ballots—go back, you and Heflin, run it out before the people of the State, and let them say who will come here to represent them, relieved of all this interference by the Power Trust. Some Senators will recall that when there was an investigation in some of the lobby hearings, Senator BLACK connected John H. Bankhead up with the Alabama Power Co. interests.

They slipped a little line in the minority report that Heflin made a mistake in lining up with the power company. Was not that a smart thing? I think the solemn-faced Senator from New Mexico had a hand in that, Senator BRATTON. That was a smooth little innocent-looking line that "Tom made a mistake lining up with the power company."

There were but two of the power-company lawyers from all over the State who supported me. All the rest of them, including the president of the company, supported Bankhead; and Aarhus says that his brother, Logan Martin, was in the conference when they agreed on Bankhead's candidacy. They never had anything to do with my candidacy. No man has ever had a collar on my neck or ever told me what I could do or could not do. I have been a free-lance in politics, supporting my party and fighting to hold it true to the purpose of its creation, never permitting it to be corrupt if I could prevent it, fighting corruption wherever I found it.

Now, in my State during the time I have been nominated without opposition, they have quietly crept upon us and built a machine that has got to be destroyed. I had no opposition in 1924 and not until 1930, so from 1920 to 1930 I had no opposition. We were not in the field knowing what was going on, and they built up this machine. They told you they had the same kind of resolution in 1920. It is not so. I was not a candidate in 1922. They did not have anything like this resolution then. They did not have one in 1924 when I was renominated without opposition. They had one a little akin to it in 1926. Never until 1930 did they have one like this. I challenged it. I told them in the committee here that if they could produce a like resolution I would give them $100, and they could not do it. The law was violated in passing it. They knew they were violating it. They were relying on the power of the machine and the interests back of it to put it over down there, and they are relying on it here. That interest is at work here. I told one Senator about a mighty good man telling me that great pressure by the power concerns was being brought around here to drop my contest. I want the truth brought out and justice done.

Some of the same interest sat up there in the press gallery yesterday. They said, "They ain't going to let Heflin speak." It just tickled them good. They represent that interest. When the vote said I could speak, two or three of the boys had to have smelling salts. It only applied to two or three. A vast number of them are all right. I have even quit calling them "hickory-nut heads." They are clever boys in the main, as I have said frequently.

I want to remind you of a prophecy by Mr. Bargeron. In 1920 I was a candidate for the Senate in Alabama. There were five candidates in the field. I led them all in 55 counties out of 67. The Washington Post always boasts of making the proper prognostication about an election. It predicted my election in October, 1920, and I won. In 1930, in October, this same Bargeron wrote his prophecy in the Post and said, "As sure as the sun rises in the east and sets in the west, Tom Heflin is coming back. They have no chance to beat him in Alabama. His election is a foregone conclusion." That is the substance of it. That was his prophecy.

Now, how do these newspapers get their information? They get it by writing to all sources, your friends and your enemies, those who differ from you and those who are indifferent. They get it from every angle. Then they consulted all and made up their minds. The conclusion by Mr. Bargeron was that I would be elected "as sure as the sun rises in the east and sets in the west." Is not that strange?

He had not consulted the machine. He told the truth about my election. I was elected, but, as they said, I would get the votes but Bankhead would get the certificate.

Senators, we expected to show by Governor Graves, the governor of the State at that time, a Democrat, that he told me that they would steal the election from me. What does this show? The Democratic governor, knowing the activities of this machine and the extent to which it would go, told me in advance that they would steal the election from me.

That is not all. He told a member of his staff, Judge Wilkinson, "Tom will get the votes, but the machine will steal them from him." We have not had a chance to put him on the stand. I asked the full committee to let me summon him. I hope I have at least gotten my old colleague, Senator BLACK, to see something about this case that he evidently did not know before.

Here is a startling thing. There were but 19 boxes out of a total of 2,043 where the ballots were properly rolled and sealed. What did that indicate but a state-wide conspiracy to do a good job of it and do it all over the State? If you did not seal the boxes, you could unlock them and go in and lock them again, and nobody could tell you had been in there. But if you sealed them you had to break the seal, and that told the tale. All three names are supposed to be written on it, and the seal would be torn in two, with one man having to write all three names; and they did that in many instances.

Senators, they had in the boxes brought here over 10,000 illegal ballots for me and nearly 30,000 illegal for Bankhead. That is some more skullduggery. How did they get any illegal ballots in there for me? They would not permit my friends to vote where there was any question raised regarding their right to vote. They harassed them and annoyed them at the polls. Nobody could vote for me who was not a qualified voter. They saw to that. But what was necessary when they were going to bring the boxes here? They opened them and fixed some of them so they would be called illegal for Bankhead and some would be called illegal for me, but fixing it so that by subtracting them he would still have a majority clear above the line. They fixed them, they are smooth artists. They know how to manipulate these things.

Mr. President and Senators, I want your very close attention to this important summary by Judge Wilkinson, my chief counsel:

The record shows that the following propositions have been established in this contest:

1. The Democratic primary in Alabama in 1930 was illegal and unlawful and Mr. Bankhead's alleged nomination was null and void.

2. Mr. Bankhead refused to do anything which would tend in any way to correct the illegal action taken by the Democratic State executive committee after he had been informed by Senator BLACK and other competent lawyers who supported him that the action of the committee was unlawful and that any nominations coming from the proposed primary would be null and void.

3. The statement filed by Mr. Bankhead of his expenses during the primary did not comply with the Alabama law, and under that law he was not entitled to have his name placed on the ticket in the general election.

4. It was as essential for Mr. Bankhead to be lawfully nominated as it was for him to be a qualified elector, in order to be elected in Alabama. Nomination is one of the conditions precedent to being elected to office in Alabama.

5. Not being lawfully nominated, Mr. Bankhead was not elected. His name was unlawfully on the ballot in the general election.

6. Senator Heflin was regularly nominated as the statutes of Alabama require; his name was lawfully on the ballot in the general election held on November 4, 1930, and he received every vote that could be lawfully cast for United States Senator from Alabama in that election.

7. There are 2,043 boxes in 64 counties in Alabama.

8. The boxes in three counties were unlawfully burned as soon as an investigation of the Alabama election was undertaken.

9. The seals on at least 905 boxes were unlawfully broken and the boxes entered prior to their delivery to agents of the committee in Alabama.

10. In 1,918 boxes (practically 94 per cent of the total) the ballots were not numbered as required by law.

11. There are 1,842 official envelopes, papers, etc., requiring the signatures of two or more election officers, where two or more names were signed by one person in violation of the law.

12. There are 497 boxes in which the ballots were found folded and apparently had never been handled by the election officers.

13. There are 488 additional boxes in which the ballots were in their original folds, the ballots in each box being small tight folds and in many instances uniformly folded. The physical appearance of the ballots in these boxes refutes any suggestion that they were ever opened and counted on election night or at any other time before they reached Washington.

14. There are 228 boxes in which the tally sheets were not totaled.

15. There are 569 boxes in which a list of the qualified voters, by which the election was held, which is required by law to be certified and secured in the box, was missing.

16. There are 576 boxes wherein the ballots were found loose in the box instead of being rolled, sealed, secured, and identified as required by law.

17. There were 651 boxes in which the stubs were not detached from the ballots, showing that these ballots were surreptitiously "stuffed" into these boxes, and law (code, sec. 494) requiring stubs to be detached from the ballots before they are placed in the box.

18. There are 1,119 boxes in which there was no sealed certificate of the results as required by law.

19. There are 543 boxes that contain ballots from which the stubs have not been detached, wherein the stubs were not initialed, showing that these ballots never were official ballots, the law requiring the stub of an official ballot to be initialed by one of the election officers. (Sec. 493, Code of Alabama.)

20. There are 429 boxes in which no certificate of results (required by law to be sealed and deposited in the box) could be found in the boxes. Two hundred and thirty-five alleged certificates were procured from outside sources, leaving 194 boxes without any certificate from any source.

21. There are 643 boxes in which no certified poll list—i. e., a list of the electors who voted in that box—could be found. The law requires a certified poll list to be deposited in the box and the box sealed after the ballots have been counted.

22. There are 2,335 incomplete challenged oaths in the boxes.

23. There are 50 boxes wherein more ballots were found than voters shown on poll lists.

24. There are 82 boxes wherein the poll lists showed more voters than ballots found in the boxes.

25. There are 23 boxes wherein the ballots now in those show that the impression made in marking one ballot was carried through and made an impression upon the other ballots. This shows these ballots were marked while the ballots were in a pad.

I have mentioned that.

26. The ballots of watchers on duty to see that the election was fairly conducted, who voted for Heflin, were changed or swapped for ballots marked for Bankhead, without the watcher becoming aware of it, so artistically and so deftly was this fraud and thievery perpetrated.

Senators, there was a man in a precinct in Talladega City—I think his name was Carpenter—who they said was a manager for me. When the Bankhead managers got through with the count there they said, "Now, do you not think this election has been fair?" "Yes." "Well, will you not give me a written statement to the effect that it has been fair?" "Yes." So this Bankhead manager wrote out a statement:

This is to certify that this election has been fair—

And so forth. They got this fellow to sign it. Judge Wilkinson, my attorney, on cross-examination asked, "Well, why did you want to get this man to sign a certificate like that? That would indicate that you were practicing some skullduggery and you wanted a certificate from him." "Well," he said, "there was a good deal of talk round about stealing the election"—think of it—"and I just wanted his statement." "And you got him to sign it?" "Yes." "He is a Heflin man?" "Yes, sir; representing Mr. Heflin at the box." Judge Wilkinson turned and said:

I should like to call the attention of the Senate committee to the fact that Carpenter was a Bankhead supporter and voted for him.

They were not only putting over such skullduggery as I have indicated, but they were attempting to prove that the election was fair by a witness and a manager supposed to be for me but who was really a Bankhead man.

At Tuscaloosa there was a man by the name of Tucker who was strong for me and was fighting for me that day. They even called the solicitor in to quiet him. He was protesting against the skullduggery practiced, and he was very zealous and enthusiastic for me. They changed his ballot and when it got here it was marked for Bankhead. Senators, they were smooth artists; they knew their business.

Now, just a few more of these cases and I shall be through with this phase of it, and shall soon be through with all of it. Judge Wilkinson goes on to tell how many challenged votes were ignored.

27. Ballots marked for Heflin and cast for Heflin are in the boxes now marked for Bankhead, or a Bankhead ballot has been swapped for the ballot originally marked and cast for Heflin.

28. Ballots marked and cast for Heflin were not in the boxes when they were collected by the committee and have never been found.

29. Forgery was resortd to in order to cast absentee ballots for Mr. Bankhead. Many witnesses went to the polls to find on arrival that an absentee ballot had already been cast for them without their knowledge or consent.

Senators, let me relate an incident here. A poor ex-service man, crippled, wounded on the battlefields of France, suffering in his home, wanted to vote for me. Friends went to see him; they got him to fix up an absentee ballot; he marked his ballot for me. They took the ballot back to the courthouse. One of his friends, a comrade in the service, said, "Do you not know they will change your ballot? They will mark you for Bankhead just as sure as you are born." "Well," he said, "I hardly feel able to go to the polls, but if you will come get me I will go in person; I will vote for Senator Heflin." They went by his home and carried him to the polls, walked by his side, he leaning upon them. When he approached the ballot box the officials said, "You have already voted an absentee ballot." He said, "I have come early and I want to vote in person; give me that absentee ballot." Well, they did not want to do it, but they did. He opened the ballot and found that they had changed it and it was marked for Bankhead. This poor boy in the vigor of health followed his flag, he took it across the sea, helped carry it to victory on the battle front in France, and brought it back covered all over with the glory of his valor. Crippled and wounded, advantage was taken of that boy who offered his life for his country, and his ballot was changed. He who had shed his blood and offered to die for his country; who got up out of a sick bed to assert his right to vote for me, the friend of the ex-service men and the friend of the boys in the service; goes down to the polling place and finds in the hands of the Bankhead régime a forged ballot voting him contrary to his choice and for Mr. Bankhead for Senator. Senators, if they will go so far and stoop so low as to violate the faith of a wounded soldier and vote him under the dictates of the machine, my God, what is it that they will not do? I know what they will do and the people of my State know. They have been through this; they have understood what they will do; they have witnessed it.

Mr. President, I am going to print the other points made here by Judge Wilkinson at this point in my speech.

The matter referred to is as follows:

30. Approximately 36,000 illegal votes cast have been discovered by the supervisor. How many more illegal ballots were cast we do not know at this time.

31. Ballots were handed voters that had been previously marked for Bankhead; they had been so marked when they were received by election officers.

32. Many witnesses testified that persons desiring to vote for Senator Heflin were challenged without cause and were so annoyed that they left the polling place without voting.

33. In many instances a hat box or other similar box was used instead of a regular ballot box, some of the ballots being put in the box and others being piled around it.

34. Watchers selected by Senator Heflin were threatened and prevented from doing their duty.

35. Persons were permitted to vote without appearing in person. Managers left the polling place with blank ballots and returned with them marked and they were placed in the ballot box as though the voter had appeared in person. Some of these were sick, some were in hospitals, some were at the roadside in automobiles, and one person was 35 miles away. This was a widespread practice.

36. There were two instances where ballots were rejected over protest, one where 21 ballots were rejected, and another where 24 ballots were rejected. All of these were cast for Senator Heflin and counted by the supervisor.

37. One person at least was employed to solicit persons residing in Jefferson County whose names were on the qualified list in Shelby County to cast absentee ballots. The testimony shows that there were 107 such persons solicited by one person and that 63 of them voted.

38. The law of Alabama provides that a person paying the poll tax of another shall be guilty of bribery and shall be imprisoned for not less than one and not more than five years. Testimony shows that it was not only permitted, but it was the practice in Alabama to pay the poll tax of other persons. It is impossible to say how many persons voted whose tax had been illegally paid.

39. Two persons were permitted to vote who admitted to the officers that they lived in another county, but that it was too late in the day for them to get to their regular polling place.

40. Thousands of persons were permitted to vote by absentee ballots who did not live in the county in which they voted.

41. Booths for the accommodation of voters were not furnished in accordance with the Alabama law.

42. In 543 election districts the oaths of the inspectors, clerks, and returning officers were not attested.

43. Six hundred and thirty-four inspectors did not subscribe to oath.

44. Four hundred and fifty-three clerks did not subscribe to oath.

45. Three hundred and forty-nine returning officers did not subscribe to oath.

46. Six hundred and four inspectors did not certify to poll list.

47. In 140 election districts the poll list was not signed by the inspectors, clerks, or returning officer.

48. Thirty-one election districts where the committee was not furnished the poll lists. The committee could not ascertain whether the 186 officers in those districts subscribed the oath or not.

49. The Legislature of Alabama passed an act since the 1930 election, and after this investigation had been begun by the committee, directing the probate judges of Alabama to investigate the Alabama election in 1930 for United States Senator. This was done at the instance of Mr. Bankhead. Under the Alabama law the election is largely controlled by the probate judge of each county. Mr. Bankhead admitted that 60 out of the 67 of these probate judges were partisans of his.

50. The report of the supervisor shows that the election law of Alabama in the 1930 election was not fully complied with in a single precinct.

51. Irregularities of such substantial nature and so numerous vitiate an election without regard to direct proof of actual fraud.

52. Proof of widespread violations of the election law is prima facie evidence of fraud and makes out contestant's case.

Mr. HEFLIN. I want to quote now a word or two from the old war horse from Missouri who used to be here, Jim Reed. Referring to the minority report, Mr. Hampton, in his able speech to the full committee, quoted as follows:

Even if the legality of the primary were a proper matter for the consideration of the Senate, the action of the people in the general election has foreclosed consideration of it.

That is what the Bankhead minority report says.

Let me answer the minority report upon this point.

Says Mr. Hampton—

* * * by quoting from one whose legal learning all will concede; a master of the law of elections, and one whose service to the cause of honest and clear elections can never be forgotten.

He goes on to say other nice things about Mr. Reed, and then he quotes him as follows:

Mr. REED of Missouri. They [frauds in the primary] did not make him incapable of election to the United States Senate, but they made it improper for him to sit in the United States Senate, because one of the steps by which he secured his election was through improper methods used to get on the ticket.

Have I not shown here some of the improper methods, the reprehensible methods, the tyrannical and corrupt and the law-violating methods adopted by the contestee to get upon the ticket at all, and that, too, in the face of warnings from lawyers of great learning. Mr. BLACK was one of them, Judge Anderson was one of them, and Supreme Court Judge Thomas, of Alabama, was another. They all told him of the dangerous pitfalls in his path. "Do not tread that path, Mr. Bankhead; it is a void road; your primary is illegal, null, and void." And Anderson said, "If ever a competent tribunal passes on it, it is doomed."

Here we are at the judgment bar of the Senate and asking courageous Senators to pass on it, and I have no doubt they will do so. You can and should pass on the primary and declare it illegal, null, and void, and that I am entitled to my seat in this body.

I will refer again to the case of Parrish against Powers in Kentucky. Some Senators, perhaps, did not hear my previous reference to it. Parrish was nominated in the primaries as the law provided; Powers was not, but his name was put upon the ticket any way by the committee. A general election was held. Senator BRATTON and Senator BLACK stated the election cured all the defects behind it, but that

is not so. A general election was held and Powers was elected; he received the most votes. Parrish, a Republican, took the case to the courts, and the court sustained his contention that he was legally nominated and Powers was not, and never was legally on the ticket. The case went to the Supreme Court of Kentucky, and that court held that Powers was never legally on the ballot and no legal ballots were cast for him; that all legal ballots cast for that office were cast for Parrish; and Parrish got the office under the decision of the Supreme Court of Kentucky. Yet these Senators stand here and argue—and the Senator from Wisconsin took the same position—that all that is behind you just so the people come along and elect. Former Senator Reed of Missouri disposed of that contention. He goes on further to say:

Because one of the steps by which he secured his election was through improper methods used to get on the ticket.

If he can not be there honestly and legally, we can not afford to sustain him here.

Senator Reed said further:

I am going to give the Senator my opinion and give it to him very plainly. Does the Senator mean to say that if a man by any kind of fraud or corruption can get his name upon the ticket, and if thereafter he is elected, he is entitled to take his seat, although he never could have been upon the ticket except for that fraud and corruption, and that the vote of the people is final and conclusive, regardless of any fraud, chicanery, or corruption which may have been committed, does the Senator take that position? * * * I hold to the view that whenever any material step which a candidate for office takes in order to secure a seat in this body is a corrupt step, materially affecting the result * * * it is the duty of the Senate in protection of the country to say that that kind of fraud and corruption vitiates the election. That is my view. To take the view that if a man can by bribery, by fraud, by corruption, by any kind of villainy, get his name printed upon a party ticket so that, although there may be great numbers of the people who vote their protests, yet in the general sweep of the election he is carried over with the tide he must thereafter be seated, is to open the door to every kind of fraud and iniquity; it is to say to every scoundrel who is at large, "All you have to do is by some means to get upon a ticket in a State that is largely Democratic or largely Republican and then by virtue of the very fraud which gave you that position you can finally land here and there is no power to prevent it." If that is the case, then the Senate is defenseless and rogues may as well begin their nefarious business in the open.

That is what Senator Reed said. That is enough on that point. I should love to quote his remaining statements on that subject.

Mr. President, there is a quotation here from a former learned and able Senator, Senator Hoar, of Massachusetts. He talks about the ballot boxes being found open. Listen:

It makes no difference for the purpose of my point whether the ballot box was there in an exposed place for 12 hours or 12 days. Now, I do not claim that there is any evidence here that * * * any person entered it, opened that box and substituted other numbered ballots for the ballots which it contained. All I have to say is that an adroitness less than that practiced for a less-important purpose in many ordinary cases of crime, robbery, burglary, and forgery could easily accomplish that result. Now we know how eager, how unscrupulous, how adroit, in many instances, are the means which are used to affect political contests. It is not the question whether the friends of the very respectable and very able gentleman who claims this seat did, or were capable of doing such a thing * * *. The interests of the sitting Member and of the contestant disappear before a question like this, which involves the interests of the American people in the establishment and maintenance of a strict, wise, and safe rule of public policy. It is not merely a question whether the recount was correct; it is a question whether you know and are sure that the thing counted upon the recount was the same thing that was counted, or should have been counted, at the time the original count was made.

There it is, over again, away back in Senator Hoar's day. Who can tell that these ballots in the boxes that were open were the ballots that were cast and counted on election day and night? You can not do it, Senators.

I have spoken at great length. I trust I have not wearied too much the patience of Senators who have done me the kindness to listen. Soon I shall have finished. The case will be left for your determination. Others may speak without my having opportunity to speak in reply to them. I challenge them to refute the strong and mighty facts that I have laid bare here to-day, and I am not half through with the presentation. I could pick out various kinds of fraud and corruption that have been practiced and speak on this subject for 20 hours, 30 hours, I do not know how long.

We have not had the opportunity to get one-fourth of the evidence in my State. My case is here before you upon the urgent insistence of the contestee, Mr. Bankhead, not by me or my counsel. By him and his partisan friends it has reached this floor without ever having been closed formally by the contestant. That is a terrible indictment against those who brought it about; but the facts and the candor of the situation impel and compel me to tell the truth about it.

Some strange things have happened. The power interests have not slept one particle since this matter got going. They want to have it stopped, close it up, and let Mr. Bankhead keep the Senate seat. You know they do not like to be a party to putting somebody over and then have you come along and disturb the works. They want it left alone. They want to get control, not only in my State, but in your State; and that giant evil is going to be a great menace in this country.

I believe in giving the power companies a fair deal. I want them treated justly and fairly; but I do not want them to have the privilege of gobbling up the power sites in my State and every State in the Union and have them all owned in a little while by a gigantic power trust, to the hurt and injury of the masses in every State of the Union. I do not want that.

I have shown you the connection of Mr. Bankhead and his friends with the Power Trust. If Mr. Aarhus's statement was not true, if I had been in Mr. Bankhead's place, I would have insisted that that evidence be run down and produced; but he has not done it. If Mr. Logan Martin was not present in the conference when Mr. Bankhead was approved as a candidate satisfactory to them, I would have challenged them to produce the witnesses to establish that. If it was not true that Mr. Raskob said that he did not like the situation in Alabama, that the Alabama people did not seem to want Bankhead, they were taking no interest in him, but he would produce $250,000 if they would raise $50,000 more, I would ask them to produce the proof. If they had asserted that $800,000 was handled in New Orleans, and that Mr. Bankhead made a quick visit to that city immediately following the election, I would ask them to go into that and explain it all. I would stand here and say, "Senators, I do not want an election that is tainted in any way. Let him go on and finish his case. Let him get all the evidence he can, sift this thing to the bottom, produce all the proof, close the case in the natural way, come in and let it be submitted and concluded by the contestant and the contestee, and then let the Senate vote." That would have been a much better way to handle it; but when the contestee insisted that the case be closed, it was closed.

Why, when the Senate first ordered the count of the ballots the contestee said: "There is no use counting them. There is nothing wrong. Do not bother the ballots." Then he said, "Do not let them count more than 10 counties. That will settle it." When they counted 10 counties, they found the condition so rotten that even Senator GEORGE and Senator BRATTON consented to go on and count them all; and the more they counted the more they found and the worse the thing got. They went through with the whole count and found the awful condition of the ballots, and reported on them.

There is a multitude of items in those reports—hundreds of them, thousands of them. There are law violations, not by the hundreds but by the thousands in my State, and penalties provided for practically every one of them. Still, these Senators have stood here, some of them reputed to be very good lawyers, and they have told you that these were merely directory statutes, although they have severe penalties to them—fine and imprisonment. They tell you that they are just directory. That is not true, Senators. They are not directory; they are mandatory. They have a penalty attached to them telling what you have to do in the premises.

They treat very lightly the matter of protecting these ballot boxes. They do not seem to think it amounts to much that they have just opened a thousand and a little more. You know they do not want us to go into these things. They wanted us to close up the matter and be done with it. They reminded me of the story of an old negro down in Arkansas.

He had stolen a pig weighing about 70 pounds from Mr. Jones. He dressed the pig nicely and took him home. They searched for that pig high and low and could not find him. They thought of old Sam's house out in the middle of the field. The sheriff and the deputy went out looking for the pig. They went in, and old Sam was sitting there rocking a cradle, with quilts tucked in at the head and foot and sides, rocking the cradle, singing, "Doan' you cry little baby; you'll be an angel by and by."

The sheriff and deputy said, "Sam, we are looking for that stolen pig of Mr. Jones." Sam threw up his hands in holy horror, just like you have seen here. He said, "Dar you go, white folks! You 'cusing me of stealing. Dat's the way it is: Old nigger sitting here, and his baby nearly dead with the pneumony, and you 'cusing him of stealing a pig! Dat's it—Lawd have mercy!"

They looked around in the closet and under the bed, and they could not find the pig. They came back and said, "Sam, what have you got in that cradle?" He said, "It's my baby, and he's got pneumony." They said, "Well, we will look in there." He said, "No, sah! If de light hits him, he's gone." "Well," they said, "we are going to look in there anyhow"; and Sam said, "Well, you let me get out. I doan' want to see my baby die"; and that nigger fled across the field with the speed of the wind; and when they pulled the quilts back, there lay Mr. Jones's pig. [Laughter.]

That is the way it is here. They closed this case while I was gone. They did not want me to pull the quilt off their contestee's baby, "'cause the light and the air would kill it." He had machine politics "pneumony." [Laughter.]

That is the situation you have—an attempt to railroad it in the first place and let the probate judges who supported Bankhead try the case in Alabama. Senators, what was that provision made for? My judgment is that it was made to canvass the field, to intimidate my witnesses, to get statements from them, and to tell them, 'Don't you make a different statement to the Senate committee when it comes down here. You are already on record"; and this committee of probate judges was to nose around and find out who were my witnesses, confer with them, influence them, intimidate them, reach them somehow. It is without a parallel in the history of the Senate.

I challenge them, Mr. Bankhead and Senator BLACK, to name another State in this Union in all the history of the State that ever had a legislature undertake to interfere with the Senate's right and prerogative to decide a contest for a Senate seat. There is not a case like it in history; but you need not be surprised that it is part of the offspring of that dreadful machine in my State which must be destroyed. It has no right to exist. It is not supported by the people of the State. It is supported by filthy lucre that comes from concerns that are getting their power taxes reduced. Doctor Busbee, of Jasper, Walker County, writes me that they have reduced the power company's taxes in Alabama $2,000,000 since Bankhead's election, and that they saved them $15,000 in his, Bankhead's, county of Walker alone.

What is the result of it? Public schools are closing in my State, and children who need education are being denied it because favor-seeking corporations are getting their taxes reduced, and the Alabama Power Co. has had its taxes reduced.

Mr. President, on July 4, 1930, we held a great meeting at Birmingham. There were over 2,000 delegates from the State there on that historic day. We condemned the machine in Alabama, and set out to destroy it. We defeated it, but it controlled the election machinery and got the office.

At the polls in November we carried our ticket by anywhere from 100,000 to 125,000 votes. They gave Mr. Bankhead 150,000 and me 100,000. My own opinion is that we voted about 340,000 votes. They put the others aside somewhere, and stood by the count they had fixed before election day.

The case is in the hands of the Senate. You are soon to pass upon it. I lay it upon the conscience and judgment of every Senator here have I had a fair deal in this contest.

When the Nye committee were doing splendid work in my State, through Mr. Aarhus and Mr. Creech, the money gave out and their work stopped, and the Committee on Privileges and Elections took charge in the Senate. Those men were withdrawn from the field. We have never had a chance to produce the testimony they had to produce. I repeat, Senator GEORGE and Senator BRATTON would not agree for us to employ anybody who had anything to do with the Nye committee to work on the Alabama contest.

Was not that a strange position for them to take? It was strange, indeed. Who else could run down and get that testimony? That was equivalent to saying, "You can not get it." We had no money with which to continue. The money gave out in August, and we did not have a dollar to work on until December. Then we went down and took the testimony in my behalf for six days. The contestee had the last six days, and the case stopped there. No rebuttal testimony was taken; no testimony as to middle and south Alabama. It was all shut out by the insistence of Senator Bankhead's friends on the committee on this side of the Chamber. They closed the case, shut the door, and told the contestant, "Your case is ended." Then they come here and say that I have been amply heard on everything. My former colleague, Mr. BLACK, says I have had all this time to summon witnesses all over the State. But I have not had a chance to summon them from anywhere except a few right around Birmingham, with only three days' notice before we had to close. Did you ever see any other contest handled like that?

Senators, some strange things have happened in this case. What happened at Birmingham? Here is a point I want to bring home to you. Mr. Bankhead's managers were on the the witness stand testifying.

"Were you there on election day?"
"Yes."
"Did you help count the ballots?"
"Yes."
"You counted them correctly?"
"Yes."

Judge Wilkinson then examined the witness. I want you to get this, Senators.

"You say you were manager?"
"Yes."
"You are a Bankhead manager?"
"Yes, sir."
"You helped to count the ballots?"
"Yes."
"What did you do with them when you finished counting them?"
"We rolled them and sealed them."
"Where did you put them?"
"We put them in the ballot box."
"Then what?"
"We sealed the box and locked it."
"Did you number the ballots?"

Those were witnesses of Mr. Bankhead on cross-examination by Judge Wilkinson, my attorney.

"For whom were you acting?"
"Bankhead."
"You are a witness here for Bankhead?"
"Yes, sir."
"You swear that you numbered those ballots?"
"Yes, sir."
"Did you roll and seal them?"
"Yes, sir."
"Did you seal the box and lock it?"
"Yes, sir."

Then Judge Wilkinson cross-examined. I invite the Senate's attention to the fact that these ballots were not rolled and were not numbered, and the box was not sealed and locked. Then Judge Wilkinson asked the Bankhead witness, the manager:

"If these ballots are not numbered and sealed and rolled, as you say, are they the same ballots that you handled that day?"

He said: "I do not think so."

What do you do with that? Every witness of Mr. Bankhead's whom we questioned on that subject said that they

numbered the ballots, rolled them, sealed them, and locked the boxes.

What do Mr. Bankhead's attorneys and his partisans here say? That they had to open the boxes and go into them to get the certificates. What do the managers, the witnesses, say on that point? Judge Wilkinson asked them the question:

"Where did you put the certificates of election?"

"We gave one to the returning officer, the canvassing board, of course, we put one in an envelope separate to go to the probate judge, and posted one on the door."

"You did that?"

"Yes, sir."

"Was there any necessity, Mr. Witness, Bankhead manager, for going into the boxes to get the certificate or returns?"

"No, sir."

That is important evidence. Every one of them whom he asked swore that, and not a witness of his contradicts it.

Senators, what is the matter? The sheriff simply said, when asked by our investigator, "What is this box doing open?"

"We had to open it to go in there to get the returns."

Senator BLACK says there were 900 boxes sealed when they got here, and they did not open them. I ask if it is the practice in Alabama to put the certificate in the ballot box, why was it not necessary to go into the 900? Had somebody else already been in there?

Senators, some of you have heard the story about the Spanish War, where a negro said he had cut off the feet of "20 Spains." They said, "What?" He said, "I cut off the feet of 20 Spains." "What do you mean, nigger?" He said, "I just cut the feet off." They said, "Why did you not cut their heads off?" He said, "Somebody else had done done that." [Laughter.]

So somebody else had "done bin" in these 900 boxes. They had sealed them, and they are boasting of that here and saying, "There were 900 boxes that were sealed there. They are intact." If that is true, they have destroyed the position they have heretofore taken that they had to go into the boxes to get the certificates.

Judge Brandon, of Tuscaloosa, former governor, swore that it was not necessary to go into the boxes to get the certificates.

Senators, the most conglomerate senatorial election mess you have ever had anything to do with where a Democrat was involved has been this one in my State. I have not had a chance to finish taking testimony and close my case—prove my case, as I would like to, but it has stopped. It will be very nice for them to have their way in putting the machine candidate over. But, Mr. President, let me say this, you can not treat lightly the manipulating of and interfering with the ballot box. In its protection and safeguarding lies the safety of this Republic.

They approach it from different angles. They steal this election through the manipulation of absentee voters, they get it through voting dead men and women, people dead for years, but still on the poll list. They get it in part by voting people who live out of the State, who used to dwell in Alabama. They get it by intimidating people to vote for Bankhead. They get it by buying votes. They get it by corporate influence, influencing the employees. They get it by the power of the State administration, saying, "If you do not vote for Bankhead, you get no job." They get it by various means. They tried everything, a little here and a little yonder, this plan and that plan, and in the end it all amounts to a great deal in stealing an election.

You have to have one rule. You can not tamper with the ballot box. You are the guardians of the ballot boxes of my State in this campaign. It is up to you. The case has been brought here. You are the tribunal that has the right to try it, and none other. No court in my State is going to try it. The supreme court had an opportunity, and because of these influences I have told you about, just waived it aside by saying they had no jurisdiction.

Now the machine has a candidate in the field against Judge Thomas. The only one on the bench who has opposition in the primary to be held the 4th of May is the judge who rendered a decision against the primary, and the power bunch and the crooked election bunch are after him. They have decided he must be defeated. But he will not be.

In this case, Senators, Mr. Bankhead erected a scaffold on which to execute me. Haman did that on a former occasion for Mordecai, and when the truth was made known to the King, Haman was hanged upon the scaffold he and his tyrannical henchmen had erected to murder poor Mordecai. Out of the tricks and the trades of this bunch that manipulated this bastard primary, Mr. Bankhead erected a machine on which they expected to murder me politically. There is a high court to which we can come, thank God, and that is the Senate of the United States.

Senators, you must have the courage to pass on that primary. You must have the courage to render your decision as to whether it was legal or illegal. I can not believe the Senate has any cowards in it. I do not think you will fail to try this case, and try it honestly. It is up to you. I do not see how it can escape your final decision. It ought not to. It is your duty to decide it. We have appealed to you to do it. Senator BLAINE has said you have nothing to do with it, that it is a case for the courts.

What are you going to do with it if the court sidesteps it? Is the Senate going to sidestep it, too? It makes no difference whether it is a case in Alabama, Georgia, Minnesota, California, or where, we are entitled to a decision on it, an honest, plain, courageous decision on it.

What are you going to do about guarding the ballot box? It is more sacred to us than the palace of the king. It is the citadel of this Nation's life and strength. There, in that sacred institution, is the power that will preserve or destroy this Republic. It is the duty of every honest man and woman to lock hands around it, and then for the Senate to stand with drawn sword and say, "You can not enter here if you tamper with the ballots in these boxes. They are sacred things."

I read a story of the king's troops who had gone out to battle. Sir Roland, one of the bravest of them all, was assigned to the post of guarding the gates around the palace of the king. He was dreadfully disappointed. He wanted to go out and be in the thick of the fight. Brave soldier, he loved his king, but he was told, "You stand here and guard this gate and do not permit anybody under any excuse to enter the palace."

He stayed there. He could hear the charging war horses on the highway in the distance. He could hear the clash of sword with breastplate of the opposition. He knew they were engaged in the thickest of the fight. He wanted to be there. He wanted to feel the thrill of actual combat out on the battle front. But the king had trusted him to guard the gate of the palace.

The first imposter that came was a man dressed in woman's apparel with a basket on his arm. He said, "Will you please, sir, let me come in to get some food for myself and starving children? We are friends of the king." He said, "I am very sorry, but my orders are not to admit anyone. I will have some provisions brought out to you." But that did not satisfy the imposter. Sir Roland had food passed out between the iron palings and stood there with his sword and spear. In the folds of the woman's skirts worn by the imposter was disclosed, as he turned away, a sharp sword. If Sir Roland had opened that gate and been off his guard a moment, an expert swordsman would have slain him and the enemies of the king would have been in possession of the palace in a few minutes. But Sir Roland, true to his oath and true to his king, alert always, stood guard, and the man dressed as a woman went away.

In a little while a soldier came in the uniform of the king's guard. His shoulder was cut with a sword. He said, "The king has sent me in for treatment and rest." Sir Roland said, "I can not admit you." "But," he said, "the king sent me." He had on a uniform which he had taken from the body of a soldier of the king whom he had killed. Sir Roland rebuked him and said, "I fought all day after I was wounded worse than you are." He went away. He had a sword with which he expected to kill Sir Roland.

Later on in the afternoon an old man, apparently, with bowed head and feeble step, white hair and white beard, came feebly walking up to the gate and appealed to Sir Roland's weakness. Sir Roland loved a beautiful sword. He displayed a beautiful sword with golden handle. The old imposter said, "If you will let me in, I will give you this sword. I am a friend of the king. I am weary of war. I want rest. I am old and feeble." Sir Roland said, "I would like that sword and I would love to possess it, but the king told me to guard the gate and I can not admit you."

Just then he heard the shouts of the king's soldiers coming home, coming home in triumph, loping their horses down the slope near the palace. One of them said, "Yonder is the old impostor now." They hurried up, pulled the wig off of this old man, and displayed a keen sword at his side. He was a young man and the best swordsman of the opposition. He would have slain Sir Roland if he got inside the gate and the troops of the opposition would have been in possession when the king and his soldiers returned.

That night as they sat down at the long feast table the king had a beautiful light thrown upon the one who had rendered the greatest service during the day, and lo! the light played upon the face of Sir Roland, who had stayed home and guarded the gate, who kept the palace, and all was well when they who fought in the field returned to their possessions inside the iron gates and wall.

Senators, the ballot box in my State is the citadel where the people deposit their expressed will. In those ballot boxes are the weapons that they used on election doy. They represent their rights and liberties, the greatest weapon known to free men, the ballot, with which man will preserve his rights and liberties, and the ill use of which and abuse of which will destroy his liberty. "The ballot box," the lawmakers of my State have said, "is so sacred that when you get through with the ballots you will roll them tight and seal them, no more to be looked at except in case of a contest. If the contest does not come in six months, so sacred are these ballots that the sheriff must burn them in bulk without ever unrolling them to see how anybody voted." Sacred institution! "High sheriff, lift up your hand and swear by the gods that you will defend that ballot box and keep it inviolate; permit no one, Bankhead supporter or Heflin supporter, to invade the sacred precincts of the Alabama ballot box and open the door and go in and rifle these sacred instruments placed there by the hands of the voters, the sovereign voters of the State. If you permit this ballot box to be opened, you are unfaithful, an unworthy official. You are a criminal. You violate the law. Every time it happens there is a $500 fine and an imprisonment penalty beside."

What did they do? Did they guard the gate like Sir Roland did? No! In 1,014 instances out of 2,043 they marched in the ballot-box burglars and took possession of the sacred Ark of the Covenant, the ballot boxes in my State. They were turned over to Bankhead supporters; they were manipulated by Bankhead supporters. None of these ballot boxes were opened by my supporters. That is the truth about it.

Senators, what are you going to do about it? I want to say this in conclusion. I have spoken at great length. I appreciate more than I can tell the Senate the kindness extended to me in this matter. I wish I could have had all my evidence and could have laid it before you in consecutive order from beginning to end. We have been denied that. I have been denied it at the instance of the contestee and his friends. Remember that. I have not been permitted to close my case because they have denied me the right to do it. I shall not soon forget the treatment of the Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. BRATTON] when they got up in the committee and refused to serve when this matter was referred back to give me a chance to get further testimony. I never witnessed such a scene and I hope I may never again. I do not think that was fair treatment that was accorded to me. After I was gone they decided to act again on the committee, and during my absence closed the case, and now it has gone to you.

Senators, you must decide it. I hope you will do what is fair and just in the matter. If you decide this case as you ought to, you are bound to declare that Senator Bankhead was never legally nominated, was never legally on the ticket, and therefore could not be elected. That is the first part you have to do with.

On the other hand, coming down to the general election, you will say, "Gentlemen, the trail of the serpent of corruption is over it all. Why did you burglarize these ballot boxes? Why did you number some of them and not number others? Why did you number some with ink and some with pencil? Why did you leave 58,000 unnumbered entirely? Why did you vote these 14,000 absentee ballots when you can not produce the voters of over 4,000 of them?" These are some of the questions that you must settle.

Mr. President, I would like to have the privilege of inserting in the RECORD the papers and matters I have referred to at the points I have mentioned.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and that order will be entered.

Mr. HEFLIN. Senators, again I want to thank you. You know there is a verse of Scripture that reads like this: "The time shall come when a man's foes shall be they of his own household." That is a great old book, the Bible. "They of his own household." Here we have a situation where I fear some of my friends on the Democratic side are not going to be very enthusiastic in really trying this case. I wish I had time to review the record of the votes in the Smith and Vare cases. I would like to see how these same Senators voted. I recall how they voted, but I would like to see how their names appear in the RECORD. They were very eager and anxious then to put Smith out. They really made some good speeches about the importance and necessity of safeguarding the Senate and keeping crooks and criminals out. I remember how eloquent some of them were, and when I see them failing to enthuse over safeguarding elections in a Southern State, a Democratic State, I am astounded; I am disappointed at the position they take. Let us hold fast to the doctrine that Washington laid down and that I quoted to you to-day. Party spirit? He said we all have it to a certain extent. To a certain extent it is all right; but when you reach the point that party spirit will cause you to lose sight of the good of your country it is party spirit gone mad, and the liberties of your people will be lost if you submit to it.

I have fought the corrupt doings of the party machine. In doing it I have fought for the good of my party and the good of my country. I have fought crookedness and corruption in Alabama. I shall continue to fight it. I have been engaged somewhat in a lecture tour in the country speaking on "America at the Cross Roads," discussing economic problems and various things that affect the life of this Nation. I shall continue to speak for the good of my country and the perpetuity of the free institutions of my country.

I love the Democratic Party. I have given devoted service to it from my youth time. I have done far more than any man that sits in this Chamber for my party in my State. I do not say that boastingly. I have done more in other States in the affairs of the Democratic Party than any Democrat who sits on this side of the Chamber. I have letters from the chairmen of the national committee, when the campaigns were over, telling me how they appreciated my services. I have fought the battles of my party. I have tried to keep it clean and honest. When I came up in 1930 and submitted my claim to the party that has honored me for more than a quarter of a century, I was denied the right to enter the Democratic household where my forebears were born and died, shut out and not permitted to go in and submit my claim. I said, "Let the Democrats punish me. If I have sinned, let my party punish me. If they approve what I have done, then it is the will of the party, and the party

approves it, and that settles it." They said, "No; if we let him in he will be nominated." They would not allow the Democrats to vote.

I make the further statement to you if they had let me in Mr. Bankhead would never have been a candidate. My staying out meant his campaign and whatever would follow to the gang and the machine. Mr. Bankhead is a very wealthy man. Mr. Bankhead had it in his power to let me in. Mr. Bankhead and his machine kept me out. Mr. Bankhead and his crowd in Alabama are responsible for all the skullduggery practiced at the polls and following the election.

They say the election in some places was all right. Certainly, it was in many places. Then where did this skullduggery take place? It took place at the courthouse after the election. How did it happen that the ballot boxes were opened? Senator BLACK says Bankhead county officials were not opening them. He did not know. I knew. I was getting the news about it, and when we would go after them we would find half of them opened and entered in the household of Bankhead's friends, and my evidence destroyed. I do not know whether the ballots they contained were the ballots voted by the voters or not, and the Senate does not know. They are there; they are fixed; and, of course, they tally with the returns down there when they are counted here. They fixed them there. I never expected that there would be much difference shown by the recount, but it was the only way we could find out how the ballots appeared when we got in charge of them.

Now, there you are, Senators. Over half the ballot boxes in my State were opened and entered by Bankhead's partisans. My case is bristling with evidence like that, all up and down the line, evidence which I have been unable to produce because my case has been closed, the door shut in my face, and shut at the instance of the contestee and his supporters on this side of the aisle, with the aid of my friend from Wisconsin [Mr. BLAINE].

That is the situation. Take my case, Senators. Many of you have rendered some good and signal service here. I wish that some many more years of useful service. The Senate is a great body; it ought to be true to its traditions, true to the great ideals of the great statesmen who have served here. It ought never to degenerate into a body of politicians who will register and carry out the designs of crooked politicians in the States. Here is one place where they must not enter.

Like Sir Roland, you should guard the gate with drawn sword against all imposters. When they come and say that these were minor irregularities, tell them, like Sir Roland, "Get back, you imposter." When they say that the unidentified absentee voters were all right, tell them to get back. And when they come with ballots forged by the hundreds and thousands in the ballot boxes, tell them to get back. When it develops that half the ballots have been opened and the boxes burglarized, tell them to get back; tell them to come here with clean hands, with an honest certificate, and all will be well, "but if you come here with the trail of the serpent of corruption and fraud all over it we will not accept you in the Senate; and if you get in, as soon as the truth is known we will lift you out and send you back."

Senators, be just and fair to me; be just and fair to the people whom I represent, the people who elected me. More than two-thirds of the Democrats and three-fourths of the Republicans voted for me. I was elected by an overwhelming majority. You see what a fix they have got the ballot boxes in. They had charge of the election, and boasted of it, in 61 counties out of 67. You can see what chance I had in compelling a fair election and fair count under those conditions. Not only that, but they were boasting that they would steal the election from me. I stand ready now to produce more than 1,000 reputable witnesses in the State who will swear that prominent Bankhead supporters told them that I would win the election but that they were going to steal it from me.

Senators, I thank you for your patience, for your goodness in giving me this opportunity to discuss this matter in a rambling way, and to give you somewhat a picture of the situation in my State. I am hoping and praying that you will stay with it and give attention to it until it is settled, and settled right.

William Jennings Bryan, the Great Commoner, said, "No cause is ever settled until it is settled right." Another has said:

> Great is the facile conqueror;
> Yet happy he, who, wounded sore,
> Breathless, unhorsed, all covered o'er
> With blood and sweat, sinks foiled, but fighting evermore,
> Is greater yet.

And Byron has said:

> For Freedom's battle once begun,
> Bequeath'd by bleeding sire to son,
> Though baffled oft is ever won.

I pledge you in this sacred place with my heart and my all, where I served as best I could for over 10 years, that I will carry on in the interest of good government. I pledge the people of my State, who have honored me all through these years, who are supporting me now loyally and holding up my hands as I am fighting to smash the worst political machine outside of Tammany and Pittsburgh and Philadelphia, that I will carry on, fight on and on and on until we have a clean ballot and an honest and fair count, until we break the jaws of the wicked machine and pluck the spoil from its teeth. Corrupt machine politics shall not control my State. I do not care how many recruits in this body it draws into its fold, Alabama shall be free; my State will walk again with unfettered step; her voters will vote as they choose and, by the eternal God, every ballot shall be counted as cast. I thank you, Senators. [Applause in the galleries.]

The PRESIDENT pro tempore. The Sergeant at Arms will clear the galleries.

Mr. McNARY obtained the floor.

Mr. HASTINGS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Delaware?

Mr. McNARY. I yield.

Mr. HASTINGS. Mr. President, I think it is quite important at this point for me to make a statement correcting some things said by Mr. Heflin.

Mr. ROBINSON of Arkansas. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. ROBINSON of Arkansas. The Senate is not in order.

The PRESIDENT pro tempore. The Senate will be in order. The occupants of the galleries as they go out will maintain some semblance of order.

Mr. HASTINGS. Mr. President, Mr. Heflin stated correctly that he was prevented from producing all the testimony that he desired to produce. Several times during his address he stated that that was due to the activities of the Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. BRATTON]. I want to say that that is not correct. The suggestion of stopping the taking of testimony was made by myself and concurred in by other members of the subcommittee. I think it is my duty to make that statement and to make it at this time.

One other point with respect to voting in committee at the time Mr. Heflin was away. At the time I received my notice it did not include the consideration of the Bankhead case, and I so told Mr. Heflin. The matter was taken up, however, and, finding that it was about to be taken up, I attended the meeting. The vote came, however, upon the statement being made by Mr. Bankhead's counsel that he did not care to argue the matter. It was an executive meeting, and there was no advantage taken of the fact that Mr. Heflin was away. I think it is due the Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. BRATTON] that I should make that statement.

PETITIONS AND MEMORIALS

Mr. WALSH of Massachusetts presented petitions of 82 citizens of the State of Massachusetts, praying for the passage of the bill (H. R. 9891) to provide for the establishment

of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Cambridge and vicinity, in the State of Massachusetts, praying for the passage of legislation providing for full cash payment of adjusted-compensation certificates of World War veterans (bonus), which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Boston, Mass., remonstrating against the imposition of a tax of a cent a shell upon shotgun shells, which was referred to the Committee on Finance.

Mr. ASHURST presented a telegram from "Walker," Tuba City, Ariz., favoring an amendment of House bill 10236, the revenue and taxation bill, so as to exclude Indian-made goods from the proposed tax on jewelry, which was referred to the Committee on Finance.

He also presented a telegram from Thomas J. Elliott, commander Department of Arizona, Disabled Veterans of the World War, Tucson, Ariz., protesting against proposed amendment of section 19 of the World War veterans' act, relative to the introduction of evidence by veterans, etc., which was referred to the Committee on Finance.

Mr. JONES presented a resolution adopted by the council of the city of Tacoma, Wash., indorsing the proposal for the appropriation of $5,500,000,000 for a public-works program, and the making of $3,750,000,000 of such proposed appropriation available for loans to cities, counties, and States for the construction of highways, streets, bridges, water supply, sewerage works, public buildings, etc., which was referred to the Committee on Commerce.

He also presented a resolution adopted by Snohomish Valley Council, No. 19, Junior Order United American Mechanics, of Snohomish, Wash., favoring the passage of the so-called Moore bill, being House bill 10602, for the further restriction of immigration, etc., which was referred to the Committee on Immigration.

He also presented a memorial of sundry citizens of Chehalis, Wash., remonstrating against proposed reductions in the compensation of Federal employees or curtailment of the annual-leave privilege, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens, being postal employees, of Wenatchee, Wash., remonstrating against proposed reductions in the compensation of post-office clerks, which was referred to the Committee on Appropriations.

He also presented petitions of sundry citizens of Bordeaux, Bucoda, Centralia, Elma, Malone, and Pe Ell, all in the State of Washington, praying for the imposition of adequate import duties on logs, lumber, shingles, and pulp, which were referred to the Committee on Finance.

Mr. COPELAND presented resolutions adopted by Tully Grange, No. 617, Apulia, N. Y., indorsing the so-called Sparks-Capper stop alien representation amendment, providing that aliens shall be excluded from the count of the whole number of persons in each State in apportioning Representatives in the several States according to their respective numbers, which were referred to the Committee on Immigration.

He also presented a resolution adopted by the executive committee of the American Asiatic Association, at India House, New York City, relative to Senate bill 7 and House bill 4648, providing for the deportation of certain alien seamen, and for other purposes, and urging revision thereof, which was referred to the Committee on Immigration.

He also presented a resolution adopted by Finger Lakes Council, No. 196, Junior Order United American Mechanics, of Ithaca, N. Y., favoring the passage of legislation providing more effective investigation of violations of the immigration law, which was referred to the Committee on Immigration.

He also presented memorials of sundry citizens of New York City and Larchmont, N. Y., remonstrating against the passage of legislation providing for the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, which were referred to the Committee on Finance.

He also presented a resolution adopted by members of the College of the City of New York, Post No. 717, American Legion, of New York City, N. Y., opposing the passage of legislation providing for payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, which was referred to the Committee on Finance.

He also presented a resolution adopted by the New York Commandery of the Military Order of Foreign Wars of the United States, protesting against the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, which was referred to the Committee on Finance.

He also presented resolutions adopted by the Royalton Township Taxpayers' Association, of Niagara County, N. Y., favoring retrenchment in governmental expenditures and the imposition of only necessary taxation, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of New York City, N. Y., praying for the adoption of immediate measures to end national prohibition, so that taxes may be levied upon liquor, which was referred to the Committee on Finance.

He also presented a letter from H. D. Wolfe, vice president of Revere Copper & Brass (Inc.), of Rome, N. Y., favoring retrenchment in governmental expenditures, and inclosing copy of resolutions adopted by the Rome (N. Y.) Chamber of Commerce relative to proposed building construction, which, with the accompanying paper, was referred to the Committee on Appropriations.

He also presented resolutions adopted by the executive committee of the Merchant Tailors' Society, of New York City, N. Y., protesting against the imposition of a tax on sales of securities, also against the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, which were referred to the Committee on Finance.

He also presented memorials of sundry citizens of Buffalo and vicinity, in the State of New York, remonstrating against the imposition of taxes on automobiles, gasoline, lubricating oil, and, in general, on the motor industry, which were referred to the Committee on Finance.

He also presented resolutions adopted by the Massena (N. Y.) Chamber of Commerce, favoring the passage of legislation providing for a tariff duty on ground wood and chemical pulp, and also legislation providing for a surtax on products which are being shipped into the United States and quoted f. o. b. United States ports at a price far under the cost of production in the United States owing to the depreciated currencies of foreign countries manufacturing such products, etc., which were referred to the Committee on Finance.

He also presented a letter from the president of the American Chamber of Commerce in France (Inc.), Paris, France, inclosing copy of a resolution adopted by the members of that chamber in regard to the alleged discriminatory attitude of the French Government toward American exports to France in the application of its policy of limitation of imports by means of quotas, and also copy of an editorial from the Paris edition of the New York Herald of the 3d instant, entitled "Inviting Reprisals," which, with the accompanying papers, was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Kew Gardens, Flushing, Bellmore, and Brooklyn, N. Y., remonstrating against the passage of Senate bill 695, relative to veteran benefits, which was referred to the Committee on Finance.

He also presented resolutions adopted by members of the Amityville Business Men's Club, of Amityville, N. Y., favoring the balancing of the Budget and retrenchment in governmental expenditures, etc., which were referred to the Committee on Appropriations.

He also presented resolutions adopted by Hudson Post, No. 184, American Legion, of Hudson, N. Y., favoring the construction of an addition to the Hudson city post office, starting not later than July 1, 1932, which were referred to the Committee on Appropriations.

He also presented a resolution adopted by the Mohawk Regular Democratic Club, of Long Island City, N. Y., protesting against proposed reductions in the compensation of Federal employees, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Buffalo (N. Y.) Teachers' Club, protesting against the suspension or curtailment of Federal aid to the States for vocational education, which was referred to the Committee on Appropriations.

He also presented a letter in the nature of a memorial from members of the Sodus (N. Y.) Young Farmers' Club, remonstrating against the proposal to suspend for one year payments for vocational education, which was referred to the Committee on Appropriations.

He also presented a petition of sundry citizens, being substitute employees of the Schenectady (N. Y.) post office, praying for the passage of pending legislation for the relief of substitute employees in the Postal Service, which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions adopted by the Rome (N. Y.) Chamber of Commerce, favoring a thorough investigation in the interest of economy to ascertain if there is an immediate need for the erection of a new post office in the city of Rome, N. Y., with a view to determining whether such expenditure may be postponed to a later date, and that like investigation may be made as to other proposed post offices and public buildings, the erection of which is now contemplated, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the common council of the city of Oswego, N. Y., favoring the repeal of the eighteenth amendment to the Constitution, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the executive committee of the Merchant Tailors' Society, of New York City, N. Y., opposing the maintenance of the eighteenth amendment to the Constitution and the Volstead Act, etc., which were referred to the Committee on the Judiciary.

He also presented a memorial adopted by the Somerset Woman's Christian Temperance Union, of Utica, N. Y., remonstrating against the adoption of any measure seeking to legalize the sale of beer, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the City Missionary Union and the Woman's Union Missionary Society, of Oswego, N. Y., favoring the maintenance of the eighteenth amendment to the Constitution and its enforcement law, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the State Convention of the Reserve Officers' Association, at Albany, N. Y., favoring the making of a sufficient appropriation to provide inactive duty and flying training for the air reserve combat pilots during the remainder of the fiscal year 1932, etc., which were referred to the Committee on Military Affairs.

He also presented a resolution adopted by San Antonio Chapter, No. 1, Disabled Emergency Officers of the World War, of San Antonio, Tex., favoring the maintenance of the emergency officers' retirement act of May 24, 1928, as the permanent military policy of the United States, which was referred to the Committee on Military Affairs.

He also presented resolutions adopted at the annual meeting of the board of directors of the Laundryowners' National Association of the United States and Canada, in relation to the subject of activities of the Government in business and governmental expenditures and economies, which were referred to the Committee on Expenditures in the Executive Departments.

PHILIPPINE INDEPENDENCE

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD copy of a letter written to the President of the United States by an honored member of the New York State Legislature, Hon. Louis A. Cuvillier. It is a protest against alienating sovereignty over the Philippines.

There being no objection, the letter was ordered to lie on the table and be printed in the RECORD, as follows:

ASSEMBLY CHAMBER,
STATE OF NEW YORK,
Albany, February 22, 1932.

Hon. HERBERT HOOVER,
President of the United States,
White House, Washington, D. C.

MY DEAR MR. PRESIDENT: It is apparent to my mind that Congress during the present session will pass a bill granting independence to the Philippine Islands. Of course, this bill, though in my mind is absolutely unconstitutional, will have to meet with your approval or veto.

Laying aside the question if these islands are a liability instead of an asset, and if the Philippines will be well governed under their own leaders, it is a grave question if Congress has the right to grant independence to these islands. As you know, under article 3 of the treaty with Spain at the conclusion of the Spanish-American War in 1898, "Spain cedes to the United States the archipelago known as the Philippine Islands" and the payment of $20,000,000 by the United States, and by article 2 of the same treaty, "Spain cedes to the United States the island of Porto Rico and other islands under Spanish sovereignty in the West Indies, and the island of Guam in the Ladrones." This treaty was ratified by the Senate of the United States and received the approval of President McKinley on April 11, 1899. The United States conquered these islands in the war with Spain. Each and every acquisition of territory annexed to the United States, either on the continent of North America or its insular possessions, was acquired either by conquest in war or purchase, was ceded to the United States by treaties; the only exception was the treaty between Great Britain and the thirteen original States, which was negotiated in 1783 and afterwards ratified by the Congress of the United States and received the approval of the President of the United States, Great Britain acknowledged the thirteen original States to be free, sovereign, and independent States, and, following, the acquisition of other territory by the United States was as follows: The treaty with France, 1803, whereby France ceded the French possession in the North American Continent know was as the "Louisiana Purchase," on the payment of $15,000,000 to France. The next treaty was with Spain, 1819, whereby Spain ceded to the United States East and West Florida and adjacent islands dependent on said Provinces. The next treaty was with the Republic of Mexico, 1848, whereby Mexico ceded to the United States Texas, New Mexico, and Upper California. The next treaty was with the Empire of Russia, in which Russia ceded its possessions in North America, Alaska (1867). In 1898, by joint resolution in Congress to provide for annexing the Hawaiian Islands to the United States, in which the Republic of Hawaii ceded absolutely and without reserve the Hawaiian Islands to the United States of America, all rights of sovereignty on said islands. The next treaty, 1904, whereby the United States guaranteed independence of the Republic of Panama for the purpose of constructing the Panama Canal. So you can see by all of these treaties the word "cede" is the predominant word that gives absolute title to these territorial possessions to the people of the United States forever.

The question may arise why the United States gave recognition to the independence of Cuba in its treaty with Spain; it did so because the United States, on April 12, 1898, through Congress, declared war against the Kingdom of Spain for the purpose of securing the independence of Cuba, but no such condition is attached to the treaty with Spain as to the possessions of the Philippine Islands. In the event that you do approve of the resolution for the independence of the Philippine Islands, I am of the opinion that the Supreme Court of the United States will declare such resolution unconstitutional. In the case of Downes *v.* Bidwell (182 U. S. 271) the court said: "Where the Constitution has been once formally extended by Congress to Territories, neither Congress nor the Territorial legislature can enact laws inconsistent therewith." The Supreme Court, in Murphy *v.* Hausey (114 U. S. 44), said: "The people of the United States as sovereign owners of the national territories have supreme power over them and their inhabitants. In the exercise of this sovereign domain they are represented by the Government of the United States, to whom all the powers of government over that subject have been delegated, subject only to such restrictions as are expressed in the Constitution or are necessarily implied in its terms or in the purposes and objects of the power itself. * * * But in ordaining government for the Territory, and the people who inhabit it, all the discretion which belongs to legislative power is vested in Congress; and that extends beyond all controversy, to be determined by law from time to time, the form of the local government in a particular Territory and the qualification of those who shall administer it." The Supreme Court stated in United States *v.* Tagma (118 U. S. 380): "The power of Congress to organize Territorial governments and make laws for the inhabitants arises not so much from the clause in the Constitution in regard to the disposal of and making rules and regulations concerning the Territory and other property of the United States as from the ownership of the country in which the Territories are and the right of exclusive sovereignty which must exist in the National Gov-

ernment and can be found nowhere else." The Supreme Court held in the case of Sere v. Pitot (U. S. Cranch 336): "The power of the Government and the legislating for the Territory is the inevitable consequence of the right to acquire and hold territory." The United States Court further stated in Door v. United States (195 U. S. 143): "Until Congress shall see fit to incorporate territory ceded by treaty into the United States, we regard it as settled * * * that the Territory is to be governed under the power existing in Congress to make laws for such Territories and subject to such constitutional restrictions upon the powers of that body as are applicable to the situation."

It is assumed that Congress in attempting to grant independence to the Philippine Islands does so under clause 2, section 3, of Article IV of the Constitution of the United States, which states: "The Congress shall have power to dispose of and make all needful rules and regulations respecting the Territories or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or any particular State." The United States court stated in Kansas v. Colorado (208 U. S. 89): "The full scope of this paragraph has never been definitely settled." Most of the States in the Union were originally Territories—Indiana, Wisconsin, Illinois, Louisiana, Alabama, Arkansas, Missouri, Michigan, Kansas, Nebraska, Utah, Montana, Nevada, New Mexico, Idaho, Washington, Colorado, North and South Dakota, Oregon, Iowa, Minnesota, Arizona. Can it be conceded that these States above mentioned which were originally Territories that Congress had the constitutional power to alienate, sell, and convey the same to a foreign power or grant them independence and autonomy beyond the control and sovereignty of the people of the United States and the Government of the United States; if so, there is no valid reason why the insular possessions of the United States as well as part of the domain of the United States in North America should not be returned to the sovereignty of the nations that originally owned them under the treaties negotiated between the United States and these foreign states of the property and territory so ceded to the United States.

It seems to be a disposition in Congress to let the Philippine Islands go to the mercies of other foreign nations who will conquer them just as soon as the United States relinquishes its sovereignty over these islands. It appears that many members of Congress are glad to get rid of these islands on the ground of selfish commercial interests, claiming that these islands' products come in competition with the products of the States and also that the emigration of the Filipinos to the States has a detrimental effect on the citizens of the States to make a livelihood. Such idiotic theory is not worthy of the thought of an ignoramus who does not know the first rudiments of government. These islands, both as to production of agriculture and mining wealth, if properly exploited, will be an asset to the United States and a source of great revenue, and I have no patience with the Vandenbergs, Hawes, and Cuttings theory about the Philippine Islands. If they and their like would read the history of these islands by the late General Wood, Governor General for many years of the Philippine Islands, I am sure they and Congress would have an entirely different view as to the independence of these islands.

Never in the history of the United States has it ever ceded territory once acquired by it. From a defensive point of view these islands are an absolute necessity. The Philippine Islands, with the Hawaiian and some more islands, give the United States the absolute control of the Pacific Ocean, the same as Gibraltar gives control to Great Britain of the Mediterranean Sea. If the United States were to abandon the Philippine Islands there is a profound feeling in the United States that we will suffer not only a vast loss of prestige but of trade and commerce in the Far East; that to give up these islands would practically be to retreat the United States out of the Pacific Ocean. In view of the aggressive action of Japan in Manchuria and in China there are deep misgivings as to what would happen to Americans' interests in the Orient or to the Philippines themselves if the Stars and Stripes should no longer float over these islands. Japan for the past 500 years has had an eye for the possession of the Philippine Islands. In 1590 the Emperor of Japan, Hidyaski, demanded of the Spanish governor general of these islands their surrender to Japan. The Spanish governor general ignored the Emperor's request, and these islands remained in the possession of the Kingdom of Spain until 1898, when they were conquered by the United States in the War with Spain. Recent events in Hawaii have served to emphasize the importance of the strongholds of the United States in the Pacific and as a warning to the United States to beware of the false step in this direction, because if these islands are once out of the United States it is a question whether the white race is to abandon Asia; which, to my mind, would be a prelude to a vast uprising in India against Great Britain, and is one which concerns the civilized world.

Respectfully,

LOUIS A. CUVILLIER,
Member New York Legislature.

PROTECTION OF ALASKAN REINDEER HERDS

Mr. BARBOUR presented a letter from Mrs. J. E. Barbour, of Paterson, N. J., relative to the protection of the reindeer herds in Alaska, which was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

KILBARCHAN,
Paterson, N. J., April 25, 1932.

Senator W. WARREN BARBOUR,
Washington, D. C.

MY DEAR MR. BARBOUR: I am writing you on behalf of the Eskimos of Alaska, to ask that you will lend your influence toward any legislation which will protect the reindeer herds for them. It is their only source of food, clothing, and financial support.

I understand that the natives are helpless in the face of organized corporations of white men, by whose cleverness, coupled with cupidity, are fast gaining control of all the herds of reindeer.

For the past 10 years they have been pleading for relief and the enforcement of the laws for their protection.

Thanking you for anything you may be able to do in this matter, I am,

Yours very truly,

K. N. BARBOUR.
Mrs. J. E. BARBOUR.

REPORTS OF COMMITTEES

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes, reported it with an amendment in the nature of a substitute.

Mr. ROBINSON of Indiana, from the Committee on the Judiciary, to which was referred the bill (H. R. 10277) to transfer Lincoln County from the Columbia division to the Winchester division of the middle Tennessee judicial district, reported it without amendment and submitted a report (No. 595) thereon.

Mr. STEIWER, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4070) to authorize the acquisition of a certain building, furniture, and equipment in the Crater Lake National Park, reported it with an amendment and submitted a report (No. 596) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 9970. An act to add certain land to the Crater Lake National Park in the State of Oregon, and for other purposes (Rept. No. 597); and

H. R. 10284. An act to authorize the acquisition of additional land in the city of Medford, Oreg., for use in connection with the administration of the Crater Lake National Park (Rept. No. 598).

Mr. NYE, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 9591. An act to extend the period of time during which final proof may be offered by homestead entrymen (Rept. No. 599); and

H. R. 10744. An act to authorize the issuance of patents for certain lands in the State of Colorado for certain purposes (Rept. No. 600).

EXECUTIVE REPORTS OF THE POST OFFICE COMMITTEE

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

A bill (S. 4486) for the relief of Eddie B. Black; to the Committee on Claims.

By Mr. DILL:

A bill (S. 4487) for the relief of Leo W. Hurley; to the Committee on Military Affairs.

By Mr. NEELY:

A bill (S. 4488) for the relief of Frank W. Bailey; to the Committee on Military Affairs.

A bill (S. 4489) for the relief of Lydia A. Thompson; to the Committee on Claims.

A bill (S. 4490) granting a pension to James Mason; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 4491) amending the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal; to the Committee on Commerce.

By Mr. SMOOT:

A bill (S. 4492) to provide for the vocational rehabilitation of the blind; to the Committee on Public Buildings and Grounds.

By Mr. FLETCHER:

A bill (S. 4493) providing for the appointment of midshipmen reserves to the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. HAYDEN:

A bill (S. 4494) for the relief of William J. Mason, jr.; to the Committee on Post Offices and Post Roads.

By Mr. CAREY:

A bill (S. 4495) amending section 1 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (ch. 9, par. 1, 39 Stat. 862), and as amended February 28, 1931 (ch. 328, 46 Stat. 1454); to the Committee on Public Lands and Surveys.

REVENUE AND TAXATION—AMENDMENTS

Mr. COUZENS submitted sundry amendments intended to be proposed by him to House bill 10236, the revenue and taxation bill, which were referred to the Committee on Finance and ordered to be printed.

Mr. METCALF submitted an amendment intended to be proposed by him to House bill 10236, the revenue and taxation bill, which was referred to the Committee on Finance and ordered to be printed.

ADDRESS BY CLAUDE G. BOWERS AT THE UNVEILING OF THE STATUE OF JAMES MONROE

Mr. COPELAND. Mr. President, at the old home of James Monroe there gathered yesterday a notable group of Americans. The occasion was the unveiling of a monument to the author of the Monroe doctrine. The address was made by that eloquent exponent of Democracy, Mr. Claude G. Bowers. It is so appealing, so stirring, that I crave the privilege of giving it to the American people. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

ADDRESS BY CLAUDE G. BOWERS AT THE UNVEILING OF THE STATUE OF JAMES MONROE AT "ASH LAWN," CHARLOTTESVILLE, VA., APRIL 26, 1932

Not often are ceremonies in commemoration of the distinguished dead solemnized under circumstances more interesting than these here to-day. Here stands Ash Lawn, so long the home in which Monroe lived and meditated—designed by Jefferson, the idol of his heart. There looms the Norwegian pine he brought back as a souvenir of his services to his country in foreign lands. Here is the famous boxwood he brought home from England, which, like his fame, is green and more robust than it ever was before. Across this lawn he was wont to look up to the hilltop of the great philosopher of democracy to whose fundamental principles he was as unchanging as the North Star; for it was his wish that the home be built so that in the night he could see from his windows the light twinkling in the mansion of Monticello. Hither, many times the master of that mansion rode on horseback to discuss the perils and the problems of the times. It was on this spot, at the beginning of the memorable campaign of 1800 that was to end in the Jeffersonian triumph, which definitely determined that ours should be a democratic republic, that Jefferson, Madison, and Monroe secretly planned the strategy of the struggle.

And here we raise a beautiful monument with a romantic history of its own. When the sculptor was still young and ardent in his art, he was commissioned by Venezuela to make it for her capital, as a visible expression of her appreciation of Monroe. Into the molding of the marble went all the youthful ardor of the artist, and then came the British challenge to the doctrine of Monroe in the Venezuelan crisis, and the militant counterchallenge of Cleveland in the phrasing of Olney. That incident that so nearly led to war was closed with victory for the policy of Monroe, but the delicacy of the situation would have made the unveiling of the statue then seem to England as the salting of a sore. And so the years have passed, and this exquisite bit of statuary has been treasured in the studio of the sculptor, who came to love it with the passing of the years, as the favorite of his youth.

Now we bring it home to-day to be unveiled in the presence of Piccirilli, to the house designed by Jefferson, where grows the boxwood planted by Monroe, and where looms the pine tree of his travels that threw its shadows on his sunny afternoons.

It is fitting, too, that this should be done in the presence of the governors of the various States, whose constitutional rights and sovereign dignity never had a stouter champion than he.

SACRED GROUND

All this is sacred ground. Within a radius of a few miles lived the immortal trio whose joint labors made ours a republic dedicated to liberty and human rights. On yonder hilltop is the home of Jefferson, the author of the Declaration of Independence and the philosopher of democracy. Not far away, at Montpelier, dwelt Madison, the "father of the Constitution." And here lived Monroe, the author of the doctrine that has preserved the American Republic from the interference of the European powers. These scenes were familiar with the figures of them all; for hereabouts they often sat under the trees on summer days in solemn converse on the problems of the hour.

There was something beautiful and rare in the friendship of these Plutarchian men; nor was it solely a similarity in their political ideals that held them in these bonds. The ties of personal affection were quite as strong. They loved each other for their virtues and found it easy to pardon each other's faults. One by one they passed with popular acclaim to the highest honors of the Republic and wrote their deeds into the golden book of American achievement.

I have associated James Monroe with his two immortal friends because he would have had it so.

MONROE THE MAN

Among these three musketeers of democracy in America, Monroe was the outstanding man of action. He was essentially a fighter. The others might use rapier of finesse; Monroe preferred the battle-ax. He arrived at his conclusions through conscientious and meticulous research; but when his opinion had been formed, it was a conviction to which he courageously adhered. No one ever had to inquire where he stood on a controversial proposition—he stood openly in the forefront of the battle where the struggle was the fiercest.

There was nothing of the poison of envy in his blood. Even his momentary clash with Madison, when their ambitions met, failed to chill the warmth of his affections for the man of Montpelier. Even the unpleasantness with Jefferson over the rejection of the English treaty could not diminish his love and admiration for the genius of Monticello.

We need not concern ourselves in the study of his character with the methods of the psychoanalysts. It is enough to know that Madison admired and loved him; that Jefferson said "he is a man whose soul might be turned wrong side outward without discovering a blemish to the world." It is enough to know that John Quincy Adams, who, in his diary, scarcely permitted a contemporary to go unscathed, said that the mind of Monroe "was anxious and unwearied in the pursuit of truth and right, patient in inquiry and contradiction, courteous even in collision of sentiment, sound in its ultimate judgments, and firm in its final conclusions." And that Lord Holland, whose drawing room and dining room in London were graced by the most remarkable characters of his time in literature, politics, and art, found him "a man of candor and principle—diligent, earnest, sensible, and profound."

In his public character he was of Cato-like austerity; in his friendships he was all fidelity; and to his country he gave the whole of a robust mind and a devoted heart.

MONROE'S PRINCIPLES

Monroe was precocious in the development of his political ideals. Nature made him a Republican. He knew that God never placed a crown upon the head or a lash in the hand of any man born of woman with the divine right to ride roughshod over his fellow men.

And nature and the frontier made him a Democrat. He knew that any government that does not rest upon the affections of the people because of its equal devotion to the common interests of them all is a usurpation and an imposition based on force or fraud.

He opposed the ratification of the Constitution as it came from the convention because of the absence of a bill of rights for the protection of the citizen against the abuse of power.

He believed in the sovereign rights of States; he opposed as dangerous the centralization of power; he demanded that political power in the Republic be disseminated among the people in their homes and not concentrated in some remote capital.

The political philosophy of Monroe was born of his passion for liberty and human rights. That is the Americanism of the founders, and when it dies the Republic will cease to live.

HIS FOOTSTEPS

It would be profitable if we had the time to trace the footprints of this great man over the pages of our history.

There would be a thrill in the story of the youth of the Revolution—the gallant charge at Trenton, where he captured the artillery of the enemy, received a bullet in his shoulder he was to carry to his grave, and was glorified by the enconium of Washington.

We might pause to reflect on the prophetic vision of the young statesman, less than 30, who in the midst of a general indiffer-

ence to the western country, framed the celebrated report on the American right to the navigation of the Mississippi, and to an outlet at New Orleans.

There is sheer romance in the story of his embassy to revolutionary France where, as lone ambassador, he received the fraternal embrace of the president of the convention in the tribunal whence only a few days before the outraged members had hurled the bloody Robespierre.

What American can not thrill to the tale of his rescue of Paine, the American patriot, from the shadow of the guillotine, and the story of the finesse with which he managed to save the wife of Lafayette from a bloody death without incurring the displeasure of the revolutionary government?

We should like to picture him negotiating for the purchase of the empire of Louisiana, with a vivid realization of the imperial destiny of the nation, and taking his leave of Napoleon in the palace of St. Cloud.

It would be interesting to follow him to Madrid in his unsuccessful effort to purchase Florida, and then rejoice with him during his Presidency in the final consummation of his hope.

ORGANIZER OF VICTORY

But because of the slovenly justice done him on the page of history we must pause for a hasty review of the heroic part he played in the War of 1812.

He had entered the Cabinet of Madison as Secretary of State on condition that he have the utmost freedom in attempting a peaceable settlement of the differences between the United States and England. But England was arrogant and unyielding; and when the choice was offered between the supine surrender of our rights and war he joined the war party and became its leader.

It was he who finally framed the report on the situation of the Calhoun committee in the Senate, and he it was who phrased the war passages in the message of his chief.

And so the war came, and reverses set in; and the energetic spirit of the patriot and the man of action chafed at the inaptitude and lassitude of the Secretary of War. Then came the black humiliation at Bladensburg; the descent on Washington, and the scenes of vandalism there. In the midst of the resulting panic and military chaos James Monroe for three days seldom quit the saddle and did not change his clothes.

In that crisis in the Nation's history Madison turned to the strong man of his administration who held the portfolio of State, and, making him Minister of War as well, intrusted him literally with the preservation of the Nation's honor.

The moment the power was his he dynamitized the people, fanned their smoldering patriotism into flames, moved with iron courage and quick decision to his task, projected his energy and enthusiasm into the troops, found necessary equipment for the fighting forces, and, keenly conscious of the possibilities at New Orleans, he hurried every available resource to Andrew Jackson.

In that dark hour, aside from Jackson, the strong man of the Republic was James Monroe, who stiffened our resistance and revived our confidence. We rejoice in the glory of Perry; we glory in the triumph of Jackson; but there was a trio of masters in that struggle, and one was James Monroe.

THE PRESIDENCY

Thus the strong man of the Madison administration moved with logical sequence to the Presidency. With his ascension the Federalist Party ceased to be a potent factor in affairs. The brilliant company of its original leadership was gone, and its treachery in the second English war had discredited it forever. The Jeffersonian concept of the State was now generally accepted. No longer was there anything to fight about, and under Monroe the Nation entered upon the era of good feeling.

Happy were the people under his rulership. Two Jeffersonians before him had established the Government on a democratic basis of simplicity and common sense. There was rigid economy in public expenditures. The taxes merely measured the cost of government economically administered. The whole people, none too rich, and none in abject poverty, enjoyed prosperity and peace. Yes; there was peace in the land, and peace in the hearts of the people.

About the Cabinet table sat the strongest advisors any President has had since the first administration of Washington. Incapable of envy, and competent to hold his own in any company, Monroe summoned to his side the foremost intellects of the Republic. There, in the State Department, sat John Quincy Adams, the most adequately trained diplomat America had known—robust in mind and impeccable in character. There, in the Treasury, was William H. Crawford, one of the soundest, sanest, greatest statesman in the early Republic, who barely missed the Presidency. There, in the War Office, sat Calhoun, with one of the most brilliant philosophic minds that our race has ever known.

It was more than the era of good feeling; it was the millennium of the giants.

THE MONROE DOCTRINE

And one wise, courageous act put upon that administration the stamp of immortality. With the setting of the sun of the Corsican genius at Waterloo all the forces of autocracy and tyranny began to strut under the euphonious banner of legitimacy. From the hour the people of Paris rose in wrath and battered down the Bastile the autocrats of the world had been forced to lower their minds to the vulgar consideration of the temper of their subjects. But now the Bourbons were back from their travels and on the throne of France, and in Paris, Vienna, St. Petersburg, and Berlin autocracy was fortifying itself against liberty and human rights. Metternick and Tallyrand, the poison spiders of diplomacy, were weaving their web of legitimacy to hold back the onward march of liberty-loving men. Thus was wrought in a cold-blooded conspiracy against the peoples of the earth the alliance dedicated to the suppression of all revolts.

And just then the Spanish colonies in South America, catching their inspiration from our revolution, were throwing off the yoke of Spain and taking possession of their governments.

Here was a defiance of the tyrannical alliance of the monarchs and their ministers; here an opportunity for the Old World forcibly to inject itself into the new. Here was an invitation for the combined autocrats of Europe to restore the lost colonies to the King of Spain and assert their right to interfere in the political affairs of the western world.

But deep in the hearts of our people was the determination that this new world would never submit to the dictation of the old; and it fell to Monroe to serve due notice on the monarchs and their ministers across the sea.

This he did in a message that ranks in significance with the greatest State papers of all time. He had pondered the problem presented by the chanceries of Europe; he had tested his conclusions on the minds of Jefferson, Madison, and Adams; and he sat down to the phrasing of the doctrine that was to become the fixed policy of our people.

And he phrased it as happily as Jefferson phrased the Declaration of Independence. Its strong, spirited, clear-cut sentences marched like battalions with bayonets.

Referring to the powers across the sea that had entered into this conspiracy of legitimacy, he declared that "we shall consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety." And, mindful of the threat to the newly acquired independence of the nations of South America, he served notice that "we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power, in any other light than as a manifestation of an unfriendly disposition toward the United States."

That was all—but that was quite enough. Jefferson had given us a declaration of national independence; it was reserved for Monroe to issue the declaration of independence for the entire western world.

Thus it was that the hopes and plans of the Metternicks and Tallyrands crumbled like a house of cards before the bugle blast of independence sounded by James Monroe.

LAST DAYS

Thus was he crowned with triumphs when the father of the Monroe doctrine entered upon his few remaining years in private life. On yonder hilltop his friend Jefferson was tottering to his tomb between long lines of reverential pilgrims. Madison was gracefully growing old at Montpelier. And now Monroe, too, was added to the company of sages. He visited his dying friend at Monticello, and walked again in the garden at Montpelier with Madison. He presided over the Constitutional Convention of Virginia and accorded recognition to Madison on the floor. He accepted service on the board of the university Jefferson had created for the training of the future leaders of democracy in America. But the twilight deepened rapidly, and, like Jefferson, on the Nation's natal day he passed to history.

A full century has passed; and now we raise this statue presented by the generosity of the sculptor to the Nation, among scenes beloved by Monroe, associated with memorable friendships; on the lawn of the home that witnessed epochal conferences that affected the course of history; and in a section of Virginia redolent of the memory of the three Plutarchian figures who more than any other made this a Republic built upon the democratic concept of the state.

NOMINATION OF VALENTINE J. PETER—NOTIFICATION TO PRESIDENT

Mr. HOWELL. Mr. President, about two weeks ago Valentine J. Peter was confirmed as United States marshal for the State of Nebraska. It is desired that he should take office on the first of the month. Therefore, as in executive session, I ask unanimous consent that the President may be notified of the confirmation of his nomination.

The PRESIDENT pro tempore. As in executive session, out of order, the Senator from Nebraska asks unanimous consent that the President may be notified of the confirmation of the nomination which the Senator has mentioned. Is there objection? The Chair hears none, and that order will be entered.

EFFECT OF 10 PER CENT CUT ON INTERNAL REVENUE BUREAU

Mr. ODDIE. Mr. President, I ask to have printed in the RECORD a letter from the Commissioner of Internal Revenue showing the number of internal-revenue agents in each of the 38 field divisions and the number of zone deputy collectors in each of the 64 internal-revenue collection districts who will have to be dropped in case the 10 per cent cut ordered by the Senate in appropriations for the Treasury Department shall be made. The list is furnished at my request by the Commissioner of Internal Revenue. I have already called attention to the fact that possibly $95,000,000 in internal-revenue collections will be lost if these reductions in the personnel are made.

The PRESIDENT pro tempore. Without objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

APRIL 26, 1932.

Hon. TASKER L. ODDIE,
Chairman Subcommittee in Charge of the Treasury Department Appropriation Bill, United States Senate.

MY DEAR MR. CHAIRMAN: In response to your verbal request of yesterday I am submitting herewith two statements: The first showing the number of internal-revenue agents in each of the 38 field divisions whose services would have to be dispensed with in the event the 10 per cent reduction in the administrative appropriation for the Internal Revenue Service is made by the Congress for the fiscal year 1933, and such reduction is to be applied to this branch of the field service; the second statement showing the number of zone deputy collectors in each of the 64 internal-revenue collection districts whose services would have to be terminated in the event of the enactment into law of the above-mentioned 10 per cent reduction in funds and the application of such reduction to the field personnel operating under the supervision of the various collectors of internal revenue.

The information contained in these statements is based on the percentage which each of the two classes of employees concerned in each field office bears to the total number of these respective classes of employees in the entire field service, and these percentages were then applied to the necessary reduction in personnel which would have to be made by reason of the proposed reduction in administrative funds.

Slight modifications in these figures would have to be made in the actual accomplishment of a 10 per cent reduction in personnel cost for the reason that in some of the smaller divisions or collection districts where the territory to be covered is expansive and the population is sparse and widely scattered, it may be possible that no reduction in personnel could be made in such divisions or districts, and in that event a proportionately larger reduction in personnel would have to be made in the larger divisions or districts.

Sincerely yours,

DAVID BURNET, *Commissioner.*

Revenue agents' divisions—Necessary reduction of revenue agents to meet proposed 10 per cent cut in 1933 appropriation

Division headquarters:	
Atlanta	10
Baltimore	27
Boston	60
Brooklyn	34
Buffalo	19
Chicago	47
Cincinnati	15
Cleveland	25
Columbia	5
Dallas	35
Denver	10
Detroit	29
Greensboro	10
Honolulu	3
Huntington	9
Indianapolis	14
Jacksonville	12
Los Angeles	52
Louisville	8
Milwaukee	14
Nashville	16
Newark	32
New Haven	21
New Orleans	10
Oklahoma	16
Omaha	20
Philadelphia	54
Pittsburgh	27
Richmond	11
St. Louis	24
St. Paul	17
Salt Lake City	9
San Francisco	25
Seattle	22
Second New York	79
Springfield	8
Upper New York	70
Wichita	7
Total	906

Internal-revenue collection districts

Collection district	District headquarters	Necessary reduction of zone deputy collectors [1]
Alabama	Birmingham	12
Arizona	Phoenix	5
Arkansas	Little Rock	11

[1] To meet proposed 10 per cent cut in 1933 appropriation.

Internal revenue collection districts—Continued

Collection district	District headquarters	Necessary reduction of zone deputy collectors
California:		
First	San Francisco	44
Sixth	Los Angeles	43
Colorado	Denver	12
Connecticut	Hartford	24
Delaware	Wilmington	4
Florida	Jacksonville	21
Georgia	Atlanta	13
Hawaii	Honolulu	5
Idaho	Boise	6
Illinois:		
First	Chicago	78
Eighth	Springfield	13
Indiana	Indianapolis	21
Iowa	Des Moines	23
Kansas	Wichita	14
Kentucky	Louisville	20
Louisiana	New Orleans	14
Maine	Augusta	8
Maryland	Baltimore	33
Massachusetts	Boston	54
Michigan	Detroit	41
Minnesota	St. Paul	24
Mississippi	Jackson	7
Missouri:		
First	St. Louis	18
Sixth	Kansas City	12
Montana	Helena	10
Nebraska	Omaha	12
Nevada	Reno	3
New Hampshire	Portsmouth	9
New Jersey:		
First	Camden	11
Fifth	Newark	30
New Mexico	Albuquerque	6
New York:		
First	Brooklyn	42
Second	Customhouse, New York	49
Third	250 West Fifty-seventh Street, New York	57
Fourteenth	Albany	36
Twenty-first	Syracuse	21
Twenty-eighth	Buffalo	26
North Carolina	Raleigh	13
North Dakota	Fargo	7
Ohio:		
First	Cincinnati	17
Tenth	Toledo	13
Eleventh	Columbus	10
Eighteenth	Cleveland	38
Oklahoma	Oklahoma City	15
Oregon	Portland	14
Pennsylvania:		
First	Philadelphia	40
Twelfth	Scranton	15
Twenty-third	Pittsburgh	37
Rhode Island	Providence	7
South Carolina	Columbia	7
South Dakota	Aberdeen	7
Tennessee	Nashville	17
Texas:		
First	Austin	22
Second	Dallas	22
Utah	Salt Lake City	7
Vermont	Burlington	7
Virginia	Richmond	16
Washington	Tacoma	21
West Virginia	Parkersburg	17
Wisconsin	Milwaukee	30
Wyoming	Cheyenne	6
Total		1,300

ABOLITION OF CUSTOMS DISTRICTS UNDER 10 PER CENT APPROPRIATION CUT

Mr. ODDIE. Mr. President, I ask to have printed in the RECORD a statement from the testimony of the Secretary of the Treasury before the subcommittee of the Senate Appropriations Committee showing the customs district offices which will be abolished and consolidated in case the 10 per cent cut in appropriations in the Treasury Department appropriations bill ordered by the Senate is carried through.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED STATES CUSTOMS DISTRICTS TO BE ABOLISHED UNDER THE 10 PER CENT CUT OF SENATE

By abolishing the district of Indiana we can save $16,480.
By abolishing the district of Iowa we can save $12,800.
By abolishing the district of Colorado we can save $19,320.
By abolishing the district of Utah and Nevada we can save $8,100.
By abolishing the district of Kentucky we can save $16,700.
By abolishing the district of Tennessee we can save $20,900.
By abolishing the district of Nebraska we can save $15,140.

In Missouri, by abolishing all of the ports in the district, except St. Louis, we can save $39,340.

Duluth, Minn., place under Minneapolis, and we can save $13,600.

Pittsburgh, Pa., place under Philadelphia, with a saving of $19,100.

San Diego, Calif., abolish and place under Los Angeles, $12,500.

Providence, R. I., place under Boston, and abolish the port of Newport, R. I., and we can save $24,000.

Rochester, N. Y., place under Buffalo, and abolish the ports of Utica and Syracuse, with a saving of $23,500.

Milwaukee, Wis., place under Chicago, with a saving of $11,200.

Mobile, Ala., place under New Orleans, and abolish all subports: Birmingham, Gulfport, Pascagoula, and Biloxi, with a saving of $30,696.

You can place Bridgeport, Conn., under New York, and abolish the port of Hartford, and save $24,300.

Ohio: Abolish the ports of Akron, Columbus, Dayton, Cincinnati, and Toledo, and save $54,160.

Wilmington, N. C., place under Norfolk, and abolish the port of Charlotte, and save $8,940.

You can abolish the port of Dallas and save $11,880.

Abolish the port of Fort Worth and save $2,400.

Abolish the port of Georgetown and save $41,080.

Abolish the port of Atlanta and save $9,100.

Abolish the port of Peoria and save $4,400.

Abolish the port of Alexandria and save $1,140.

Abolish the port of Richmond and save $13,400.

Abolish the port of Albany, N. Y., and save $16,600.

Abolish the ports of Worcester, Springfield, and Lawrence, Mass., and save $27,000.

Abolish the port of Grand Rapids and save $5,400.

Abolish the port of Spokane and save $7,200, or a total of $520,676.

THE BANKING SYSTEM—ADDRESS BY SENATOR WALCOTT

Mr. KEAN. Mr. President, I ask unanimous consent that an address delivered by the junior Senator from Connecticut [Mr. WALCOTT] over the radio last night on the subject of our banking laws may be printed in the RECORD.

There being no objection, the address was ordered printed in the RECORD, as follows:

OPERATION OF BANKING LAWS

Need for banking reform, which may have been of interest to only a small number of people until recently, has been brought home to the entire country so forcibly in the last two years that no argument is required to prove it. It is universally admitted that it is one of the greatest needs of the country. This recognition has come not only from the fact that during the past decade one-third of our banks, or about 10,000, have had to suspend payments and have tied up several billions of deposits for many millions of depositors, and left many communities without any banking service. It has also arisen from the popular belief, which is certainly based on fact, that the banks have played a part in fostering the boom and the wild speculation which engulfed the entire country and culminated in the crash in the autumn of 1929—from the effects of which we have not yet recovered.

To avoid, in so far as this can be done through legislative channels, the recurrence of such events, a subcommittee of the Banking and Currency Committee of the United States Senate, under the chairmanship of Senator CARTER GLASS, of Virginia, a coauthor of the Federal reserve act of 1913 and a former Secretary of the Treasury, has worked for nearly two years and has finally introduced a bill that, it is hoped, will bring about salutary reforms in our banking structure. In drafting this bill the committee has been handicapped by the fact that the banks of the country, working as they do in part under Federal law and in part under the laws of 48 States, have engaged for years in a competition in laxity, and that a law applicable only to national banks or to banks that are members of the Federal reserve system can always be evaded by giving up national charters or membership in the Federal reserve system. Fundamental banking reforms, therefore, can not be accomplished until all the banks in the country that receive deposits are placed under uniform national supervision. But this will take time. In the meanwhile, much can be accomplished within the existing conditions, greatly to improve the management of the banks and to protect depositors and the country in general from such misfortunes as they have suffered from the banks in the past 30 months.

To do this the committee proposes: (1) To improve the actual management of the banks, (2) to strengthen the authority of the Federal reserve system, and (3) to facilitate and expedite payments to depositors at banks that are closed or will close in the future.

To start with the last point. Provision is made in the bill for the establishment of a Federal liquidating corporation, which will make it possible for depositors of closed banks to receive a part of their deposits much more promptly than is possible at present under a receiver. The importance of this measure to the general public can not be overestimated. When your bank closes and you suddenly find that the money on which you have counted for one purpose or another suddenly becomes unavailable, it is a serious matter. The bill establishes a corporation to which the United States Treasury, the Federal reserve banks, and member banks turn over a fund that will enable the corporation to convert into cash at least a part of the closed bank's good assets and to turn the funds over to the depositors. When the assets are finally liquidated by the sale of investments or through the collection of loans, the corporation will be reimbursed for its outlay and the remainder will go to the bank's creditors, including its depositors. The corporation's money is therefore a revolving fund and should be available permanently. It will consist of one hundred twenty-five millions from the United States Treasury, about sixty-five millions from the reserve banks, and about the same amount from the member banks. In addition, the corporation can issue about five hundred millions of debentures, so that it will have ample funds to do the important work for which it has been created. The benefits of this corporation apply only to banks that are members of the Federal reserve system. Nonmember banks, however, can obtain advances from the Reconstruction Finance Corporation, which has two hundred millions for that purpose.

In order to improve the condition of member banks, the proposed bill provides certain safeguards about the character and amount of investments the banks can make, limiting the amounts that they can invest in the obligations of any one company, so that they may not run the risk of having all their eggs in one basket or of diverting too large a proportion of their funds into enterprises in which directors or other persons influential in the affairs of the bank may be interested.

A great evil that has developed in the banking system in recent years has been connected with affiliates, particularly so-called security affiliates, companies organized to sell stocks and bonds in competition with private investment-banking houses. These companies, often owned and managed by the same people as the banks, are nevertheless independent corporations; and since they don't receive deposits and have no charters as banks, have authority under the law to do many things that the banks themselves are not permitted to do. In some cases this has worked with no harm to anyone and has even been advantageous. But in many cases these corporations, winning the confidence of investors by the name of the banks with which they are connected, have been the agencies for distributing securities that have not been good or that have been priced far above their intrinsic value. Furthermore, there have been cases where the affiliates have been used, through the medium of loans by the parent banks, for the purpose of investing the depositors' money in the kind of assets that the banks were not permitted to acquire. That is an evasion of the law and has caused many failures of banks and losses to depositors.

The proposed bill provides, first of all, that all such affiliates be subject to reports and to examinations, so that the supervisory authorities may be informed as to the relationship between the affiliate and its parent bank and may prevent the development of evasions and abuses. In the second place, the bill definitely limits (to 10 per cent of the bank's capital) the amount of loans that a bank may make to its affiliate, so that it can loan in that way only its own money, not the depositors' money, and can loan its own money only to a limited extent. In so far as affiliates engaged primarily in issuing or trading in securities are concerned, the bill provides that member banks in the course of three years must separate themselves from such affiliates. The business of issuing, trading in, and marketing securities is very different from the business of commercial banking; it requires different types of men. It is clearly the part of wisdom to dissolve, after a reasonable interval for arranging the business without disturbance, the relationship between member banks, whose service should be primarily to finance current requirements of trade and industry, from their security affiliates, whose business has to do primarily with the direction of the country's savings through the sale of securities into permanent capital investments. It is believed that the proposed separation will greatly improve the banking situation. Many banks are undertaking it voluntarily and the others will have to fall in line under the provisions of the proposed law.

The bill deals also with the subject of group banking, which has grown up rapidly, owing in part to the strict limitations imposed by our laws on branch banking. Group banking means that a holding company acquires the controlling interest in a large number of banks, which it then runs more or less as a system of branches without the holding company being in any way subject to supervision. These corporations are created by State law and are not directly subject to regulation by the Federal Government, but in order to control their banks they must have the power to vote the stock of those banks. The bill proposes to require that any holding company, before it is permitted to vote the stock of a member bank, must submit to certain regulations about reports and examinations about loans from its constituent banks and about the character of its own assets.

While thus undertaking to regulate group banking the law proposes to increase the opportunities for branch banking by allowing a bank to establish branches anywhere within the State in which the parent bank is located, and in certain cases where it is clearly in the public interest, even in another State, but not more than 50 miles from the head office. While state-wide branch banking is thus authorized, such branches can be established only with the approval of the Federal Reserve Board. There will be no danger, therefore, of a disorganized scramble for branches. Branches will be authorized only when their establishment will appear to be in the public interest.

The Senate committee fully realized that it is impossible by law to provide good management for all banks and that in the long run the safety and service of banks to their communities depends very largely on the quality of their management. As a step to-

ward improvement in management, or at least toward the elimination of bad, dangerous, or dishonest management, the bill proposes to give the Federal Reserve Board the power, in extreme cases, after due warning and a hearing, to remove such officers or directors of banks as have persistently conducted its affairs in an unsafe manner. It is not expected that this provision will be often used, but its very existence will have a tendency to make bank management toe the mark.

Related to the problem of speculation is the practice which has grown up for corporations and individuals to lend their funds, through banks, directly to the stock market. In 1929 a large part of the last phases of the speculative boom was financed by loans not made by banks but by nonbanking lenders through the banks. This had the bad effect of leaving a considerable part of the credit in the market outside the supervision or regulation of banking authorities. It made the problem of restraining speculation much more difficult. This practice is now prohibited by a rule of the New York Clearing House. But this rule may be revoked at any time, and this bill proposes to give it legal sanction.

In regard to the Federal reserve system the bill proposes to increase the independence of the Federal Reserve Board by removing the Secretary of the Treasury from its membership and to assure its competence by requiring that at least two of its members must have tested banking experience. Aside from that the bill proposes to clarify the authority of the Federal Reserve Board over any operations conducted by the regional reserve banks in the so-called open market—that is, operations that are not in the nature of loans—to its member banks and to invest it with special supervisory powers over all relations with foreign banks.

In order to strengthen the Federal reserve system in coping with undesirable speculative developments, the bill contains a section that makes it absolutely clear that a reserve bank is not obliged to lend money to a member bank just because that bank presents paper that is eligible for discount under the law and is acceptable as a credit risk. The reserve bank may, and under this section is required, to watch the general behavior of member banks and in passing on loan applications to take into consideration whether the bank has been conducting a safe business in the service of its community, or whether it has engaged in undue expansion or in speculation in securities, commodities, or real estate. And if a bank continuously engages in bad practices, the Federal Reserve Board has authority, after due notice and after granting the bank an opportunity for a hearing, to suspend the bank from the use of the credit facilities of the Federal reserve system. In this way the Federal reserve banks and the Federal Reserve Board will be able to exert a powerful influence against the recurrence of speculative excesses among its member banks.

I firmly believe that the banking and credit conditions in this country will be greatly improved by the passage of this bill, the so-called Glass bill, that bank failures will be reduced, and that it will exert an influence toward greater stability in business and employment; in fact, in the country's entire economic life.

IMPAIRMENT OF THE TREATY RIGHTS OF THE UNITED STATES—PRINTING OF EDITORIALS

Mr. CAPPER. Mr. President, on April 7 I introduced Senate Joint Resolution 140, which would declare it the policy of the United States not to accept the legality of any situation created by a breach of the pact of Paris which might impair the treaty rights of the United States or its citizens, and which also prohibits the exportation of arms and munitions from this country to any signatory nation violating its solemn obligations under the pact of Paris.

The widespread and intelligent interest taken in this resolution is evidenced by the editorial comments of leading newspapers. To assist in intelligent discussion of this important proposal and to inform the Senate and the American people of the editorial opinion expressed in various sections of the country, I ask unanimous consent that the editorials which I send to the desk may be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Louisville (Ky.) Courier-Journal]

A RESOLUTION FOR PEACE

Every peace organization and every sincere friend of world peace should study the resolution which Senator CAPPER, of Kansas, has introduced in the Senate, a measure carefully designed to put "teeth" in the Kellogg-Briand treaty. Building on the framework of the note which Secretary Stimson addressed to Japan and China last January 7, Senator CAPPER first proposes that the United States, along with the other signatories of the Paris pact, refuse to recognize the legality of any "situation de facto created by breach of the pact," or any "treaty or agreement brought about by means contrary to the covenants of the pact." This is the negative part of the measure, aimed at the results of a breach of the peace which has already taken place. The positive part, contained in the second section of the resolution, is a practical device for setting up a system of world peace. It provides that Congress should resolve that it is the declared policy of the United States:

"That in case other nations, not parties to a dispute, have in open conference decided that any nation has committed a breach of the pact of Paris by resort to other than pacific means, and have further decided not to aid or abet the violator by the shipment to it of arms or other supplies of war, or to furnish it financial assistance in its violation; and in case the President determines, and by proclamation declares, that a breach of the pact of Paris has in fact been committed, it shall be unlawful, unless otherwise provided by act of Congress or by proclamation of the President, and until the President by proclamation shall declare that such violation no longer continues, to export to the violating country arms, munitions, implements of war, or other articles for use in war, or make any trade or financial arrangement with the violating country or its nationals as in the judgment of the President may be used to strengthen or maintain the violation.

"That the President be requested to invite a conference of the governments signatory to the pact of Paris with a view to their agreement on a protocol or treaty supplementary to that pact which shall define the obligations of the several signatory powers in case the provisions of the pact of Paris be violated."

Senator CAPPER explains that his resolution is "intended to prevent the United States from becoming the accomplice of the aggressor by supplying it with the means for its aggression, or, on the other hand, from taking the whole responsibility single-handed for holding the aggressor in check." He points out that "if the United States remains a potential arsenal for every violator of the Kellogg pact, then we can hardly hope for any major steps in real disarmament."

Congress, by adopting this resolution, would place the United States in the rôle which it rightfully should assume, that of the leader among nations toward the ideal of peace. At the same time the United States would run no danger of acting alone in opposition to military aggression, for this country would move only in concert with the other nations signatory to the pact of Paris, and then only by direct proclamation of the President of the United States. The ultimate result of passage of the resolution would be this: The other nations subscribing to the pact of Paris would have the assurance that the United States would not oppose them, and would probably act in concert with them, should they find it necessary to employ sanctions against an aggressor nation. A direct application of the case lies before our eyes. If the signatories of the Kellogg-Briand pact could have had this assurance last autumn, when Japan began its campaign of aggressive warfare in Manchuria, the signatory nations could have met and taken definite action against Japan. Instead the United States and other countries continued to ship nitrates and other products for the manufacture of ammunition to Japan, and the war continued.

The futility of the pact of Paris as it now stands has been demonstrated all too clearly in recent months in the Orient. It was American idealism chiefly which inspired this pact. The practical application of that idealism, as the Capper resolution proposes, is the step which America must take if the pact is to have any further meaning in the affairs of the world. The work for peace has been partially accomplished. America should not be willing to see it slip back to the starting point through lack of action on the part of this country.

[From the Springfield (Ill.) State Register]

WORLD'S GREATEST ISSUE

* * * * * * *

That the backs of the taxpayers of America are bending beneath the burden of costs of past and anticipated wars is at once apparent to the student whose eyes are open and who looks about him and understands the trend of the times.

The State Register offers no panacea and no specific formula, but that will come automatically if men and women worthy of being called leaders meet this issue honestly and courageously and assist in creating public sentiment favorable to the establishment of a peace understanding among nations which will in no way jeopardize the interests or independence of the United States.

Senator CAPPER, of Kansas, has offered a resolution for an amendment to the pact of Paris which will in no way jeopardize the interests of the United States and which will not involve "entangling alliances," but which will give strength to this paper-made unity of nations.

One point Senator CAPPER makes which will commend itself to friends of international amity and international economic justice is to be found in the provision of his resolution that if a nation violates the tenets of the pact, the United States and other signatory nations will refuse to supply that offending nation with munitions of war or financial assistance.

That's getting down to the milk of the coconut. Once the war profiteer is curbed and the offending nation is ostracized economically through a practical unity of nations which are bound together with a peace treaty with teeth in it, war will be discouraged, peace established, and the crushing burdens of war reduced.

[From the Boston (Mass.) Christian Science Monitor]

"TEETH," AND TALKING IT OVER

The pact of Paris is proceeding through the normal stages of idealistic legislation of that character from the position of a mere declaration of a highly laudable purpose on the part of its signa-

tories to the formulation of some method of really effecting this purpose and of making it obligatory upon all concerned to join in giving it validity.

The newspaper headlines tell us that Senator CAPPER has introduced a resolution designed to "put teeth" in the Kellogg pact. It is a laudable plan. A mere enunciation of a highly moral and ethical attitude on the part of the nations of the world toward war as an instrument of policy is a pleasant indication of an improved public sentiment on the subject, but if it is to amount to anything practical in this day and generation when nations still covet their neighbor's markets, some sort of enforcement clause must be added.

Senator CAPPER in his resolution virtually follows the ideas set forth by Secretary Stimson in his note of January 7 to Japan and China. He would declare it the policy of the United States not to accept the legality of any situation created by a breach of the pact of Paris which might impair the treaty rights of the United States in any territory, nor to recognize any treaty or agreement brought about by means contrary to the covenants of the pact of Paris which would impair the obligations of that pact. Furthermore, his resolution would provide for the prohibition of export of arms, munitions, or other articles used in war, to a country violating the pact. Finally, he asks that the President invite a conference of the signatories with a view to their agreement upon a protocol or treaty which shall set forth the methods by which the pact can be given effect.

The Senator's resolution goes a little further than the program urged upon the Government by a committee of the twentieth century fund, headed by Dr. Nicholas Murray Butler. In one respect the suggestion of this committee has a merit not found in the Capper resolution. For it asks that the signatories of the pact should at once enter into an approved protocol "whereby they will engage themselves, in the event of hostilities, actual or threatened, promptly to consult together with a view to determine upon measures of nonintercourse which would be appropriate to prevent the threatened breach of the pact or, if it could not be prevented, to end hostilities and to restore the status existing prior to the breach."

This provision for a conference of the signatory powers prior to the imposition of any form of economic sanction upon a country charged with menacing the peace of the world is well worthy of incorporation in the Capper resolution. There are governments, and it is by no means certain that the Government of the United States is not among them, which will hesitate to lay down in advance a program for the adoption of disciplinary measures against a nation which might well lead to war. There should be no government which would hesitate to adhere to an international agreement for a prompt conference on every instance in which war is threatened or actually begun by a nation oblivious of the obligations it assumed under the pact of Paris.

The purpose of Senator CAPPER'S resolution is wholly admirable. Against its general tenor the only possible criticism that can be raised is that it might be difficult to secure from legislatures so complete a gift of power for an administration facing the problems of threatened war. The interpolation or addition of the proposition that an immediate conference should be called at such a moment would possibly strengthen the resolution in many quarters where now it is likely to encounter vigorous opposition.

[From the Mobile (Ala.) Register]

THE CAPPER RESOLUTION

Senator ARTHUR CAPPER'S proposal to "put teeth in" the pact of Paris bids fair to become an historic document.

As Senator CAPPER himself points out, the proposal which calls for treaties supplemental to the Kellogg-Briand pact has its origin in the recent troubles in Manchuria and, more especially, in the Stimson note of January 7.

Its actual application to the Japanese fracas will probably never be forthcoming, for by the time a conference of the signatories to the pact is called and definite action taken, the Manchurian question is likely to be listed under the head of historical rather than current events.

Nevertheless, the proposal of the member of the Senate Foreign Relations Committee has a vital if somewhat ironic significance.

On previous occasions this newspaper has referred to the Kellogg pact as America's private League of Nations. If there was any doubt of the truth of that mild assertion, the Capper proposal ought to be unassailable proof.

It is to be noted that the second section of the CAPPER proposal is very like the articles of the league covenant that deal with the action to be taken in the event a member resorts to war.

Article 16 of the covenant: "Should any member of the league resort to war * * * it shall ipso facto be deemed to have committed an act of war against all other members of the league, which hereby undertake immediately to subject it to severance of all trade and financial relation, the prohibition of all intercourse between their nationals and the nationals of the covenant-breaking state and the nationals of any other state whether a member of the league or not."

The second section of the Capper resolution:

"And in case the President determines and by proclamation declares that a breach of the pact of Paris has been committed (after other nations have already come to the same decision) it shall be unlawful unless otherwise provided by act of Congress or by proclamation of the President, and until the President shall, by proclamation, declare that such violation no longer continues, to export to the violating country arms, munitions, implements of war or other articles for use in war, or make any such trade or financial arrangements with the violating country, or its nations, as in the judgment of the President may be used to strengthen or maintain the violation."

The chief difference between article 16 of the covenant and the second section of the Capper resolution is that the United States has the right to form its own opinion of what constitutes a violation and need not abide by a decision of the other signatories.

Here, in short, is the typical American conception of international cooperation.

The effect of the Capper resolution, if adopted, would probably not be startling. The United States has been cooperating with the League of Nations during the Japanese difficulties just as much as have such formal members as France and Great Britain. The Capper resolution, to which in the course of time would probably be appended other guaranties, would only set up a second League of Nations. No one may prophesy whether it would be any more effective than the already existing international body.

But because the Capper resolution takes cognizance of the necessity of international cooperation and because it adheres logically to prevailing American sentiment, the Senator from Kansas deserves both attention and congratulations.

[From the Newport News (Va.) Times-Herald]

TEETH FOR THE KELLOGG PACT

In the light of developments in the Far East during the undeclared war between Japan and China the resolution offered by Senator CAPPER, of Kansas, in the Senate yesterday is of unusual interest to advocates of world peace. Under its provisions parties to the Kellogg-Briand pact would declare an economic boycott against violators.

Throughout the whole Sino-Japanese trouble—which, by the way, is not yet ended—it was apparent that something more than moral suasion was necessary to stop hostilities. Protests of the signatory nations were virtually ignored until Japan found China a harder proposition to deal with by force than she had anticipated.

There is little doubt that there would have been a different story had there been teeth in the Kellogg-Briand pact. Force is stopped more easily by force than by argument and pleadings, which the signatory nations found out when they applied moral suasion to the question in the Orient.

What might have been the outcome of the Sino-Japanese row, had the signatories to the peace pact used an international boycott as their weapon, is, of course, a matter of speculation. But the natural conclusion is that Japan would not have gone to war to stop a Chinese boycott when she faced a retaliatory boycott from a half a hundred or so nations scattered all over the world.

The Kellogg-Briand peace pact as it stands has only idealistic "teeth." Senator CAPPER'S resolution proposes to furnish an actual and potent weapon to supplant moral suasion. His thought, in view of the fate of the peace pact when it was invoked in the Orient, seems entirely in order.

[From the Asbury Park Evening Press]

PEACE BY ACTION

Senator CAPPER'S plan to prohibit this country or any of its nationals from aiding an aggressor nation with supplies of any kind is in complete accord with all scientific formulas of peace. The Kellogg pact and the 9-power pacific treaty outlaw war but do not provide any penalty for the signatory power that violates them. The League of Nations covenant outlaws aggressive belligerency and provides for the boycotting of the aggressor. The fact that this Nation does not participate in the league, however, virtually nullifies this sanction, for without the United States' cooperation a boycott would be ineffective. It would be useless for members of the league to boycott an aggressor nation while this country used its vast resources to produce the necessary supplies.

The past decade has taught that in the movement against war, just as in the campaign against crime, two steps are necessary. First, there must be definite rules or laws to prohibit war, and, second, there must be some sanction with which to enforce these rules. For years we proceeded on the basis that faith alone would enforce peace pledges, but Japan's violation of the Kellogg pact, the 9-power treaty, and the league covenant show the fallacy of this promise. Now it is clear that teeth must be placed in the laws outlawing war. And outside of war itself the boycott is the most effective method of opposing war. In urging its adoption Senator CAPPER has shown that he would support the ideals of peace with active forces.

[From the Bangor (Me.) Commercial]

SENATOR CAPPER'S PLAN

Senator CAPPER has taken the initiative in an effort to extend the usefulness of the Kellogg pact and to place in that instrument the teeth that are lacking. It was the evident belief of the framers of the pact that the declaration of the participating countries against war and promise to resort to arbitration before arms, would be sufficient to prevent war in which signers of the pact are involved. The period before disillusionment was not long, and Japan, in its operations in China, demonstrated how the vital

principles of the pact could be evaded. It is true that the world generally holds that Japan violated its clear agreement, despite denials from Tokyo, but it is equally true that the necessity for more firm action to back the pact is now seen.

The Capper resolution calls for an extension of the undertakings of the Kellogg agreement. He would declare it the policy of the United States not to accept the legality of any situation created by a breach of the pact of Paris which might impair the treaty rights of the United States in any territory, nor to recognize any treaty or agreement brought about by means contrary to the covenants of the pact of Paris which would impair the obligations of that pact. Furthermore, his resolution would provide for the prohibition of export of arms, munitions, or other articles used in war, to a country violating the pact. Finally, he asks that the President invite a conference of the signatories with a view to their agreement upon a protocol or treaty which shall set forth the methods by which the pact can be given effect.

The Christian Science Monitor finds the resolution a worthy one, but suggests that it might be improved by some provision that would endeavor to prevent a situation arising which would call for operation of the Capper resolve, that might prevent a threatened breach of the peace or result in causing a cessation of hostilities, if begun. A conference of the signatory powers to be called upon the advent of a threatening situation might have salutary effect in preventing the development of such conditions as recently were seen at Shanghai.

TAXES AND APPROPRIATIONS—ADDRESS BY SENATOR DILL

Mr. BRATTON. Mr. President, this morning the junior Senator from Washington [Mr. DILL] delivered an address over a nation-wide hook-up upon the subject of taxes and appropriations. It is such an admirable and interesting address that I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an old saying that you can't escape death or taxes. Death comes but once and that is the end. Taxes come every year, and they are getting higher and higher. Taxes have become so high that the people are ready to revolt against paying taxes in many sections of the country and are demanding that taxes come down.

The cause of high taxes is big Government expenditures. The only way to lower taxes is to cut expenditures. The increase in Government expenditures during the last five years is almost unbelievable. During that period our population has increased but slightly. The value of property has greatly decreased because of the hard times. The income of our people decreased from $75,000,000,000 to $50,000,000,000. Our country has been at peace. It would seem that Government expenditures should have been reduced or, at the worst, should have continued about the same. But what are the facts?

From 1927 to 1932 the increases by departments of the Federal Government were as follows:

	1927	Estimated total 1932	Increase	Per cent
Army and Navy	$678,000,000	$861,000,000	$182,000,000	26
Interior	59,000,000	91,000,000	32,000,000	54
Commerce	31,000,000	54,000,000	23,000,000	77
Treasury	151,000,000	312,000,000	161,000,000	106
Agricultural	156,000,000	333,000,000	177,000,000	113
Justice	24,000,000	53,000,000	29,000,000	117
Post Office deficit	28,000,000	195,000,000	167,000,000	614
Veterans	391,000,000	784,000,000	392,000,000	100

The average increase for all the departments, bureaus, and commissions for the last five years was 63 per cent, or a total increase of $1,231,000,000.

These figures prove that this administration has been the costliest luxury this Nation has ever known in time of peace. A Republican Congress passed all of these appropriation bills. A Republican President signed them. Republican Cabinet members spent the money.

As a result of this wild orgy of Government expenditures, the Treasury deficit last year was $900,000,000. This year it is $2,000,000,000. Government expenses right now are $5,000,000 per day greater than Government income. In other words, we are going in debt at the rate of more than $5,000,000 per day. Unless we cut these expenditures and provide for new taxes the deficit next year will be $3,000,000,000.

Is it any wonder the American people are crying out against high taxes as never before in our day? Is it surprising the people by the thousands are writing Congressmen and Senators to cut Government expenditures and cut them to the bone?

With a surplus in the Treasury and prosperous conditions, increased expenditures would naturally be expected; but when hard times came, there should have been a halt.

When Congress met in December, 1929, the panic was already nearly three months old. That was a warning. Instead of cutting appropriations, the President and Congress increased them for both 1931 and 1932, with billions of deficits as a result. It was not until the people rebuked the administration by electing a Democratic House of Representatives that the administration started retrenching.

Let us see now just what the President has done and what Congress is doing to save the Government from bankruptcy.

In 1932 the regular appropriations were $3,732,000,000. The President recommended in the Budget that Congress make a 11 per cent cut, or $413,000,000, for the year of 1933.

The Democratic House of Representatives was not satisfied with that. It cut not only the $413,000,000 which the President recommended, but $126,000,000 more. That made total cuts of more than half a billion dollars below the appropriations of last year.

When these bills came to the Senate what happened? Senator MCKELLAR, a Democrat from Tennessee, made a motion to cut 10 per cent more from the amounts approved by the House. The Senate has adopted that motion as to three of the large appropriation bills.

It cut five and one-half millions from the Interior Department appropriations, twelve and one-half millions from the State, Justice, Commerce, and Labor Department bills, and eighty millions more from the Post Office and Treasury bill. If the Senate continues to make these cuts, it will cut $275,000,000 below the combined cuts of the President and the House of Representatives.

These combined reductions would amount to $800,000,000. That will still be $430,000,000 less than the total increases in expenditures from 1927 to 1932.

The following table sets out the appropriations for 1932, the Budget estimates for 1933, the appropriations in the House bills, with the exception of the War Department bill not yet reported to the House, and the totals of the bills already passed by the Senate.

Annual bills	Appropriations, 1932	Estimates, 1933	1933 appropriations	
			House	Senate
Agriculture	$235,665,000	$188,693,000	$175,408,000	$177,424,000
District of Columbia	45,771,000	44,086,000	39,913,000	
Independent offices	1,306,196,000	1,041,395,000	985,931,000	
Interior	69,242,000	56,895,000	50,446,000	45,533,000
Legislative	28,127,000	22,517,000	20,214,000	
Navy	338,262,000	241,677,000	226,340,000	
State, Justice, Commerce, and Labor	139,001,000	120,814,000	124,215,000	111,792,000
Treasury and Post Office	1,104,586,000	1,082,575,000	1,059,778,000	
War	445,773,000	411,363,000		
Total	3,732,727,000	3,319,920,000	2,782,249,000	

Total appropriations for all purposes for 1932 were $4,654,000,000
Total Budget estimates for all purposes for 1933 were 4,601,000,000

These statistics show that the President cut about $400,000,000 of this $800,000,000, and then the House and Senate cut another $400,000,000 more below the President's reductions. It was much more difficult to cut the second $400,000,000 than the first.

Now what is happening? Although the President says he favors those additional cuts by Congress, his own Cabinet officers are not cooperating with the Senate to make these cuts. In fact, some of the Cabinet members are attacking Congress for these big reductions.

What the President should do is to tell his Cabinet officers that he expects them to carry out the orders of Congress and limit their expenditures to the sums appropriated. Then if they fail to do so he should fire them from the Cabinet.

When it is recalled that expenditures increased $1,230,000,000 in the last five years, it would seem that surely these Cabinet heads can get along with a reduction of $800,000,000. They will still have $400,000,000 more to spend than they had in 1927.

On Wednesday the House of Representatives will consider what is known as the economy bill. A special committee of the House working with the President has prepared this bill. It proposes to combine the War and Navy Departments and to give the President power to combine and abolish certain bureaus in the different departments. It reduces the salaries of the Farm Board, Shipping Board, and Railway Mediation Board to the same amount as the Interstate Commerce and other commissions. It also provides for a cut of 11 per cent in salaries of all Government employees and officials receiving more than $1,000 per year, with the exception of Federal judges. It is expected to save $200,000,000 to $250,000,000 per year.

It is probable that most of these economy proposals will pass, but let me call your attention to some of the difficulties both the President and Congress have in trying to pass this kind of legislation.

We find that those who have been loudest in demanding reduced appropriations, immediately become most active in opposition to cutting the particular item in which they are interested. Chambers of commerce that send long resolutions demanding cuts in expenditures, burn up the telegraph wires with protests against closing some Government office in their town or delaying work on their new Federal building.

School superintendents and teachers who have condemned the extravagance of the Government are shocked and angered that Congress should lower the appropriations for the office of the director of education.

Leaders of farmer organizations who have been loudest in demanding lower taxes write and telegraph that Congress must not cut the salaries of Farm Board officials nor interfere with appropriations for their county farm agents under the Smith-Hughes law.

So I might go on enumerating one case after another showing how the people at home who have insisted that the President and Congress must cut appropriations immediately become most aggressive in opposition to cutting appropriations affecting any Government activity in which they are interested.

I do not complain of these conditions. I am simply explaining them that you may realise how difficult it is to cut appropriations, once people have become attached to the Government pay roll, or a community is receiving money from the Treasury for some Government purpose.

In face of all these conditions, and with a view to serving the interests of all the people of this country, there is only one thing for Congressmen and Senators to do. They must set their faces like flint against all these protests and vote to cut appropiration after appropriation until they have reduced permanent expenditures by hundreds of millions of dollars.

If we do that, we can avoid many of the new taxes now proposed and still balance the Budget; but in no other way can we avoid additional taxes.

In addition to all these difficulties about cutting appropriations and providing new taxes to balance the Budget, Congress was confronted with another problem last week, namely, the report that England and other European countries do not intend to make their annual payments on the debts they owe the United States. The failure of the Chancellor of the Exchequer to include that item gave rise to the report, although he announced that it would be considered after the conference at Lausanne.

The President gave these European debtors a moratorium last year. That cost the taxpayers of this country $250,000,000. This year it would cost $260,000,000. If these countries do not make their payments, then the American people will be compelled to raise this amount by additional taxes.

Regardless of party affiliations, Congressmen and Senators almost to a man are opposed to any more moratoriums or to cancellation of any part of the remaining debts. So long as England can spend $678,000,000 per year for armaments she can afford to pay the $171,000,000 each year as she agreed to do when we agreed to cancel all of the principal and part of the interest she owed us.

As long as France can spend $518,000,000 for war preparations she can afford to pay $45,000,000 per year, as she agreed to do when we agreed to cancel all of the principal and part of the interest she owed us.

As long as Italy can spend $269,000,000 for armaments she can pay $15,000,000 per year, as she agreed to do when we agreed to cancel all of the principal and half of the interest she owed us.

These conflicting interests and these cross currents of public opinion of which I have spoken have thrown Congress into confusion. At the other end of Pennsylvania Avenue administration leaders watch the tickers of the stock markets as though they were a complete index to prosperity and also of the standing of the administration in the estimation of the people.

Everybody is blue. The economic situation is getting worse. Banks are still going broke. Unemployment is increasing. The Treasury deficit increases and in addition the ex-service men want two and one-half billion dollars in payment of the bonus now, although it is not due until 1945.

The critics all over the country are calling for leaders. Yet Wall Street newspapers and those who think in the terms of Wall Street cry "demagogue" at any public man who dares to plead the cause of the poor and speak for the unfortunate, for the unorganized, and for those who have been left out of consideration in the granting of governmental favors.

There is hope in the fact that the people can still think for themselves; that they can still change their President and their public officials by choosing new men who will try to build prosperity from the bottom up instead of having it trickle down from those at the top of the industrial and economic structure.

To do that we must restore the value of the things people produce by providing more currency for the use of the people. The dollar is so high now that those who produce the new wealth can't get enough dollars even to pay taxes and interest on their debts, to say nothing of paying their debts or buying new goods.

When we have a President and a Congress who will make money plentiful, the people will have confidence again in the business of the country. When we tear down tariff walls and establish a basis of exchange so that our money is on a basis of value equal to the money of other nations we shall have world trade again. Until these changes can be brought about the best thing to do is to reduce Government expenditures and avoid new taxes.

YOUTH'S STAKE IN THE NATIONAL ELECTION—ADDRESS BY TYRE TAYLOR

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered to-day by Mr. Tyre Taylor, of Raleigh, N. C., president of the Young Democratic Clubs of America, to a mock convention held by young Democrats of Washington and Lee University at Lexington, Va., on the subject "Youth's Stake in the National Election."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

In recognizing my own very limited capacity to analyze and deal constructively with the truly appalling problems with which we are to-day confronted, I do not wish to be understood as in any sense apologizing for the very real existing concern of American youth for the future of its country. It is not only fitting and proper, it is in the highest degree necessary that young men and women, who comprise more than half of the Nation's total electorate, should discuss and ponder and through serious study seek intelligently to understand the issues of the approaching campaign and election. It is proper that they should organize for this purpose, and if they should reach a common basis of understanding and agreement, it is also entirely in keeping with the spirit and tradition of our democratic system of government that they should seek to translate their views—and as I am sure many fervently hope—some of their unselfish and unwearied idealism into the settled policies of party and government.

I venture the assertion that the situation in which America and the world find themselves to-day has no even approximate parallel in the history of the human race. When, for example, has the problem of unemployment been aggravated by any factor approaching the proportions of the present displacement of hand by machine labor? Conditions were serious in England and other countries during the years immediately following the industrial revolution, but there was a tremendous difference; men thrown out of employment by the invention of labor-saving machinery or for whatever cause had in that day one last recourse. Release, or possible release, from economic thraldom could always be had for the price of a steamship ticket. For the industrious and self-respecting English laborer who finally found himself and his family face to face with starvation or the workhouse there was always America; while for the similar class in this country a vast and unsettled West beckoned with infinite promise.

Now, however, in a peculiar sense times have changed and conditions are different. There are no longer vast areas of rich land to be had for the asking, and if there were, the farmer can no longer hope to make a decent living farming. There are no longer new jobs in building railroads across a virgin continent or in new industries growing rich and great in a feverish race with an ever-increasing demand.

Superficially at least the country seems to have grown up and grown old. Despair has supplanted hope. Uncertainty has supplanted certainty. Opportunity, in the old American sense of the term, seems to belong mostly to the past.

Consider another illustration of the basic and fundamental differences between this and past depressions. When, in the history of the world, has anybody owed so much? From the humbler farmer, who mortgaged his land to secure a Government loan, to once proud and self-sufficient nations which bankrupted themselves in war the whole world is simply a seething, sullen, and resentful conglomeration of bankrupts, who, if they have the courage and heart seriously to attempt to pay their debts, are appalled by the economic barriers which stand between them and freedom. The farmer who went in debt $100 a few years ago now finds that by reason of the depreciation in value of the things he has to sell he in reality owes $200. Nations which owe each other and the United States are faced with the same problem. Tariff barriers prevent their paying their debts in goods. This has resulted in an attempt to pay in gold, which in turn has resulted in the virtual cornering of the world's gold supply by France and the United States. The inevitable consequence of this development has, of course, been to increase the value of gold and to diminish the value of commodities and goods.

This depression, therefore, bears no more resemblance to the ordinary cyclic depression of the past than the French Revolution bore to Shay's rebellion. One was a world upheaval—a definite transition period in the history of the human race, marking the passing of one set of ideas and institutions and the birth of a new age. The other was a purely local and temporary disturbance.

Perhaps the most devastating indictment that can be drawn against Mr. Hoover and his administration is that, knowing a world crisis was impending, he and his advisers resolutely refused to face the facts and persisted in a campaign to mislead the American people. As the stock market wavered in the summer of 1929 Mr. Mellon gave out his reassuring statements. "The business of the country is on a sound foundation," he said, in effect, and there would be a renewal of buying and another upswing in prices This would continue for a few weeks and the market would again hesitate. But again Mr. Hoover or Mr. Mellon would give out an optimistic interview, and again the American public would rush to buy, and prices would be pushed up additional points. Even after the crash, when it was, one would assume, perfectly clear to informed persons that America was moving into the shadow of a major economic eclipse, prosperity was represented to be "just around the corner." One prediction set a definite date; prosperity was going to return in 60 days!

As we look back over the past three years it is difficult to reconcile the course of our Government with reality. It is a horrible dream or nightmare, we want to say. Such madness, not to speak of the bland indifference of this Government to the welfare of its people, does not belong in the realm of sanity and broad daylight. And yet let us observe the great engineer as he sets about building a bridge over chaos.

In the face of the solemn warning of 2,000 of the country's leading economists a Republican Congress passed, and a Republican President signed, a tariff bill which has not only made America a hermit nation but has resulted, through retaliatory tariffs, in a virtual migration of American business and industry abroad. In considering the stake of young men and women in the election of 1932, let us ask this question: Does the erection of an automobile or tractor factory in Ireland by American capital help or hurt your chance of obtaining employment and making a living? I

know that probably few of you expect to find a job in an automobile factory, but I am using this as an illustration. Leaving entirely out of consideration its disastrous consequences to trade, the Hawley-Smoot tariff law, through the process just mentioned, is depriving hundreds of thousands of American citizens of the opportunity to work. Is this good or is it bad?

Then we should not forget, since I have used the term "bland indifference" in describing a Republican administration, that several billions of dollars' worth of highly questionable foreign securities were sold to American investors with the approval and even the connivance of their Government. In one notable instance a Department of Commerce attaché had the temerity to cable that the government which was about to float a loan in the United States was probably insolvent. He was—this is all in the CONGRESSIONAL RECORD, if you care to read it—he was reprimanded, the State Department promptly approved the issue, and another firm of international bankers pocketed a neat profit in commissions. The American people still have these bonds, and they are very handsome examples of the engraver's art, as the officers and directors of some of the banks which have failed during the past two years will bear witness. They will also bear witness, or the receiver will, that they have received no interest payments in some time, and that they would be glad to dispose of them at a bargain.

Is not that a pretty picture? The Government of the United States acquiescing in a fraud upon its citizens and taxpayers. One must agree with Doctor Fess that "this remarkable record of administration reflects a type of political leadership at the head of the Government rarely experienced in this or any other country."

But let us turn for the moment from consideration of these economic questions. The primary function of government is to govern. The Republican Party has been given ample opportunity to show what it can do on this score. It has been in uninterrupted control for 12 years. What is the condition of law enforcement in our land?

Simply this: That America is to-day overrun and overriden with gangsters.

Organized crime has developed to the point where it derides and defies government, and, arrogant in its own strength, even seeks to make terms with constituted authority.

When before has America suffered any such humiliation as this: "If the kidnapers of our child are unwilling to deal direct, we fully authorize 'Salvey' Spitale and Irving Bitz to act as our go-betweens. We will also follow any other method suggested by the kidnapers that we may be sure will bring the return of our child." I do not wish to be unfair about this and particularly would I avoid imputing blame or responsibility for a general condition to any individual. There has been too much public indifference to crime and criminals, and we must face frankly the truth that Government is powerless to cope with this problem without public support.

On the other hand, there does fairly attach, I think, to the chief positions of leadership in a democratic country such as ours some obligation to lead. And this grave responsibility may not be adequately discharged through the appointment of a commission or the prosecution and conviction of a gang leader for income-tax evasion.

In the breakdown of law enforcement and respect for law in this country I charge the Republican Party with an utter lack of any capacity for moral leadership. When Mr. Harding should have been sounding a trumpet call to all right-thinking Americans to resist the spiritual disintegration and backwash of war, he was appealing for a "return to normalcy" and appointing a gang of thugs and thieves to high political office.

When Mr. Coolidge took over the reins of government he apparently experienced no sense of outrage or righteous indignation that corruption, pillage, and theft had been permitted to besmirch the national honor. Instead of driving the Falls and Daughertys out of office and lending the full weight of his position to putting them in the penitentiary, he almost reluctantly bade them farewell and changed the subject to talk—not practice, mind you—but talk of governmental economy. Presented with an opportunity to lead a crusade against the underworld forces which were threatening the very security, not to speak of the honor and decency, of our national life, he ignored the issue and, while spending more money than ever, salved the conscience of an outraged people with platitudes and prattle about economy.

Mr. Hoover, presented with the same desperate issue, characteristically appointed a commission and then suppressed a part of its report in the interests of a political expediency.

The time has fully come in this country, gentlemen, for us to do some serious thinking. I am not speaking now exclusively to young Democrats or old Democrats, or to any other class or group. I am appealing to every man and women—young or old—who loves his country and has an intelligent interest in his own future welfare. You ask what can the Government of the United States do to remedy these conditions? It can do more than any other single agency or instrumentality in the entire world. It can call an international conference for tariff disarmament and write the treaties which will end the present economic trench warfare. Commerce is a mutual process of buying and selling, and it can not surmount tariff barriers which make the cost to the ultimate consumer prohibitive.

The Democratic Party, if returned to power in both branches of the Government, will restore sanity in tariff legislation. The Republican Party has demonstrated that it can not or will not do this.

The Government can—and if the Democratic Party is given this mandate from the people—it will reduce the total cost of its operations.

Are you aware that out of a total national income of $70,000,000,000 from all sources in 1930, $14,000,000,000 (or approximately 20 cents out of each dollar) were required to defray the expenses of the various Federal, State, and local governing bodies? This amounts to $100 for every man, woman, and child in the United States, and exceeds by $2,000,000,000 the gross value of all agricultural production in the United States in the year 1929.

The Government can, as was demonstrated under Woodrow Wilson, become a fundamental and far-reaching affirmative force in the life of the people, making for respect for law, liberal humanitarianism in our economic and social relationships and sanity and perspective in our world outlook. In considering the stake young men and young women have in the approaching national election this factor, while intangible and difficult of reduction to concrete terms, is perhaps of paramount importance. We face in this country to-day not only the problem of restoring prosperity but of reconciling the consequence of a mechanistic civilization with human liberty. Let there be no mistake about this. We are just as definitely entering upon a new age in the world's history as impended during the years leading up to the French Revolution. How shall men control the machine? How may he protect himself against it? We can not go on indefinitely displacing human with machine labor and making no provision for the men, women, and children who find in this new economic order there is no place for them.

Judge Brandeis, of the Supreme Court of the United States, undoubtedly was thinking of this problem when he wrote the other day in a dissenting opinion:

"To stay experimentation within the law in things social and economic is a grave responsibility. Denial of the right to such experimentation may be fraught with serious consequences to the Nation. If we would be guided by the light of reason, we must let our minds be bold."

Shall this momentous problem be worked out by a political party in accordance with a political philosophy which holds, since Hamilton, that liberty exists for the few; or shall we intrust its solution to a party which holds that liberty exists not for one but for all men? Upon the answer to this question depends the happiness and well-being of your children and their children and of all the generations in America for the next hundred years.

COTTON—ADDRESS BY BEN F. LOYD

Mr. BROUSSARD. Mr. President, by request, I ask unanimous consent to have inserted in the RECORD an address on cotton delivered by Mr. Ben F. Loyd, of Shreveport, La.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

"The most formidable weapon against errors of every kind is reason," said Thomas Paine, author of the first unofficial declaration of independence written for the freedom of the American Colonies.

"Man is a reasoning being, but seldom reasonable," said Elbert Hubbard.

Immanuel Kant, German philosopher, spent many years writing a book called Pure Reason. After he received the first copy from the printer and read it through, it has been said, he wrote on the last page a P. S.: "The thing does not exist."

All high-school students get a very understanding meaning from the late Mr. Noah Webster of the word "reason." I advise all of them after they find they are able to repeat the Ten Commandments and the Lord's Prayer to see what Mr. Webster says about reason. I have all my life had some ambitions to know more about reason every day in every way as it may be applied to every contingency in our relations with everyday affairs. The reason I am going to talk about cotton to-night is because everybody else is, even the governors of all our Southern States have been talking about cotton for a month. A few United States Senators and our President seem to be interested in cotton.

Now, my governor has done more talking than all of them put together, in face of the fact that on the 14th day of August he said he would not talk about cotton, neither would he call a conference for anybody else to talk about cotton. He said it would do no good. When he said it would do no good, he was wise far beyond his young and tender years. But no sooner had he uttered those words than he moved into his 12-cylinder Cadillac and drove to New Orleans; then began writing, wiring, printing, and broadcasting invitations for everybody to "come hither," we will talk about killing our king, "King Cotton," for one year. I am not in agreement with my governor on the subject of killing King Cotton for a year, and that is the reason why I am talking about cotton to-night. I know my governor about as well as I know my cotton. I know I have planted, plowed, and picked more cotton than he ever has or ever will. In the part of this State where my governor was born barefooted, and as a barefoot boy picked some cotton, they grew what we used to call "bumblebee" cotton—a cotton so small that a bumblebee has to get on his knees when he sips the nectar from its blooms.

Here I am pleased to inform those that do not know me as a cotton farmer or as having much to do with cotton for over 30 years, that my boyhood days were spent on a cotton farm in

Ellis County, Tex. This county held the record for 40 or 50 years as the banner cotton-growing county of the whole world. It held the record 40 years of producing more cotton in one year than a similar area in any cotton-growing section of the United States—about 156,000 bales, if I remember right.

My father lived in that county about 73 years of the 87 of his life. One bale was a crop of cotton for one farmer when he was a boy, and from fifty to a hundred when I was a boy, and to-day some Ellis County boys own a cotton farm in another county in Texas that they may grow 40,000 bales on, a few years hence.

I said I spent my boyhood days on a cotton farm. I mean every day that I could not find, make up, or hatch out some excuse to be somewhere else. I preferred to do anything about a farm or ranch than to have anything to do with cotton; yet my father managed, sometimes using quite forceful and persuading arguments, to teach me to plow, plant, and pick cotton until I could plow, plant, or pick as much as any hired hand about the place. In fact, he taught me more about the beauties, virtues, glories, and love for a cotton field than I ever cared to know.

His commands were as far as reason ever entered into any of my arguments with him on differentials relating to or pertaining to the necessity of his or his seven sons' growing cotton for other nations of the earth to consume, as I thought then, for no financial reasons, and since have had few occasions to change my mind.

For decades it has appeared to me that from the day the seed was planted until its fleecy staple was baled into the finest and flossiest silklike fabrics, there was nothing but a bare and beggarly existence for everyone connected with the growing, picking, ginning, marketing, transporting, and manufacturing the thing named cotton; yet it has been the money crop of the Southern States from the year the first bale was grown in 1620 to 1931, and made so by our slave-owning planters. The competition the slave-owning cotton grower had to meet when he sold his cotton was his brother slave-owning cotton grower on the next plantation or in an adjoining State. Sometimes these planters actually boasted about how low the cost they could grow cotton and as to the amount they could grow; that became a simple problem in mathematics or according to the number of slaves, mules, and cost of land they could assemble under one ownership.

Slave labor being the cheapest in the world, with new and fertile lands for the price of clearing, and the livestock needed growing wild in the woods near by were the conditions under which one of the world's leading industries was founded and builded on American soil. Since 1865 free and white labor has not been able to fully overcome the sin of low prices made by slave labor in the cotton-growing business, inherited from our pioneering and worthy ancestors. Often I have thought, "If the sins of the fathers were visited on the children," truly the third generation after were still feeling the effects of the sins of slave labor.

The textile manufacturer, knowing that cotton was produced by cheap labor, was adamant against any demands of the growers of cotton for a profit-bearing price; and as there was only one manufacturer to about each thousand of the growers, he was the dictator of the price paid for cotton, dictator of the wages paid to American workers in the great cotton mills, because he had to compete with the lowest wage labor basis made goods in the world when he marketed the products of his spindles in competition with foreign textile-mill owners of England for over 100 years. There was, and is to-day, still a greater evil the American cotton grower, and the cotton manufacturer, has to compete against than cheap labor, either on American or foreign soil, and it is the exchange value of the moneys used to buy cotton or cotton goods with, or sell cotton or cotton goods for, against the cheap money in foreign countries. An American silver dollar will buy three or four Chinese, Indian, or Mexican silver dollars, and these cheap silver dollars are used to pay for the foreign cotton and foreign-made goods; but in America an American silver dollar pays for just as much as a gold dollar. The thing that keeps American cotton as high as it might not be is that those countries have no cotton to export. It is this difference, or exchange rates on money, "a hocus-pocus" to most people, that the cause of the low price jute products shipped to America in such large quantities, more than the labor conditions where the jute fibers are grown.

I am fairly well acquainted with all the movements instituted in the past 50 years to improve the financial and social status of the American cotton and wheat farmers, and regret to state that 95 per cent of them died soon after the initiation fee was paid. Many of the reforms planned were by men of the best intentions, but they lacked breadth, width, and length in more ways than I can describe.

The most important and necessary part of any business venture is to have it adequately financed, if it is to be successfully conducted. The cotton-growing business is possibly the largest business in the world considered from the number of people engaged and those dependents on it, in all its ramifications of commerce, for their livings, and the most disadvantageously financed as far as the actual grower is concerned.

The magnitude of the raw-cotton crop in the United States at harvest time measured by money suggests figures well over a billion and sometimes two billions of dollars. In its manufactured state it comes back to the consumer at a cost of possibly five times the value of the raw product. Nearly one-fourth of the States of this Union, in which there live nearly 30,000,000 people, in the most favored area by climate, soil, and efficient methods for growing cotton in the world, have held the export monopoly on this product without profit for a hundred years. In the past 10 years the lands planted to cotton have been as low as thirty and as high as forty-six millions of acres, and produced as low as not quite 8,000,000 bales, and as high as nearly 18,000,000. When the crop is ready to harvest, there is invested in credits for supplies and money from three hundred to five hundred millions of dollars, plus most of the labor, investments in land, equipment, and livestock, representing not less than 50 per cent of the assessable wealth of all the States in which cotton is grown, and this vast sum of money is due when the gathering season begins.

When picking starts, the cotton farmer, as fast as he can, sells his cotton, pays his retail merchant for his year's supplies; the retail merchant pays the wholesale merchant and his local bank; the wholesale merchant pays the large banks in the cities where he is located, and these banks pay the banks in the great financial centers of the country for loans they have made to assist, in the final analysis, the humble, honest, hard-working sons of the soil. All classes of tradesmen, from the smallest to the largest, and all classes of our population, from the poorest to the richest, have a helping hand in the producing of cotton. All that have assisted in any way have a natural, good, and solid reason to hope and expect that the farmer will get a fair price for his year's work; for with him, as with them, it's a year's work before he can have a pay day, or they can collect. The average cotton grower is usually no more able to hold his cotton for a higher price any better than the weekly wage worker can hold his pay check from Saturday noon until Monday morn, and it's at this stage of the cotton-producing business where the farmer loses his year's work, and sometimes two, by not being able to hold his crop until nature's immutable laws force the demand to get around to the supply of a world-wide necessity. This is why and where all schemes and plans to help the cotton or wheat farmers have failed.

These people depend on their brother farmers of the northern and middle-western States for all the flour needed to make their daily bread, for a large part of their meats, as well as livestock, and a part of all the food they consume. The president of one of the largest meat-packing concerns said 30 years ago he would rather have the South for his customers than all Europe.

When they make a short crop and are compelled to sell on a no-market value, they can not buy much of the flour that comes from the Kansas farmers' wheat, the fine mules that come from Missouri, or meats from the farms of the Illinois cattle and hog raiser, and automobiles from Detroit. When the farmers of these Northern and Western States can not sell the only things they raise as their money crop, they can not buy what they need from their merchants of cotton goods or lumber that comes from the southern sawmills needed to improve and build their homes. When the factories of the North and the sawmills of the South slow down, then an army of marching vagabonds are seen all over the land.

Under the forces of the economic system by which we live and have naturally evolved in the past century there is hardly a county in all the United States that can live separate and apart from all the other parts of the country.

As I said in the beginning, I hope I am talking to-night to both reasonable and reasoning beings. Some ask, Can the cotton grower survive by planting no cotton next year? I say yes; and the reason why? Because he has survived heretofore. He has survived droughts, floods, boll worms, and boll weevils. In some places he builded monuments to the boll weevils many years ago. He has survived wars and pestilential diseases and even greater evils than any of these named have been survived by him. He has survived the low and no price evils.

I can remember when he survived after a large crop with the no-price evil 40 years ago or more. On Thanksgiving Day they all assembled in their houses of worship and gave thanks to Almighty God for the crops that He had made the lands produce, some thirty, some sixty, and in the case of cotton about three hundred fold. They reasoned with the Lord thus: That the sons of men, some of them our brothers, standing here in Thy presence, will not give us but a nickel a pound for our cotton, but our most Righteous and Holy Father, Thou hast given us 2 bales, 3 bales, and sometimes 4 bales this year to sell for a nickel a pound, when last year Thou gavest us only 1 bale to sell at a dime a pound.

When the pious old New England cotton-mill owners heard the southern cotton farmers were going to render to the Creator the things due Him on Thanksgiving Day, they also had, as they always have had, their Thanksgiving Day. They are the ones that have a monopoly on the bringing of Thanksgiving Day over to the New World on the *Mayflower* and depositing it under the rock of ages on the shores of the Atlantic for safekeeping.

They were thankful that the cotton growers of the South had enough of the breath of life still on hand to breathe and stand erect and be thankful for a nickel a pound for his cotton; and thus they reasoned through prayer that if he was so well satisfied with a three or four bales of cotton to sell at that price, where he had only one the year before, he could still live and render unto Cæsar the very thing Cæsar was looking for, which was cotton at 4 cents, and that is what they paid him until about George Washington's Birthday, when they raised the price to make him plant another large crop; and that was not all, they thanked the Lord for having the privilege of telling their employees that cotton is so cheap that it will not pay to weave it into cloth unless your wages are lowered, and for good honest measure you must add another hour to the day's work.

Now, there were reasons aplenty for thanksgiving—something more along the line of what natural causes do for man's benefit.

Nature, it seems, has never loaded the human species very often with greater burdens than they were able to outlive. When

disasters have occurred in the past—such as the droughts of Egypt, in the days of Joseph—out of them were born in the mind of what we call a genius the science of irrigation. Since then there has been no such thing as crop failures in the valley of the Nile or any other valley where land was and is irrigated.

This gets us back to the saying that all reforms for the betterment of the ills that overtake us while on earth have come through the martyrdoms of our kind. Some one, sometimes millions, are crucified in some way before great wrongs are righted.

I have heard it said when mother nature needs one of a species or a new species of anything she produces a thousand. And again nothing is produced until it is needed; for instance, the milk never comes in the mother's breast until after the baby arrives. Just where "reason" enters into some of these aphorisms I have quoted, let those who possess curiosity reason out to their own satisfaction, remembering that William Cullen Bryant's bid for immortality was cast in the first lines of Thanatopsis when he said, "To him who in the love of nature holds communication with her visible forms, she speaks a various language."

What I am thinking about is that out of the abundance of nature's magnanimous harvests, rich gifts to the peoples of nearly all the world this year, so much and so many of the material things essential and necessary for our comfort, happiness, and enjoyment, there are none that seem to know how to save, take care of, and preserve for future days, or righteously distribute to those that are sorely oppressed. It seems that there should be more cause and reasons to be giving thanks to the Almighty Power for what we have before us than to be assembling in mobs to give, and pray damns to fall on the heads of those, as far as I can perceive, who have had no connection or partnership whatever with any of God Almighty's plans or enterprises, not even by "remote control."

On August 8 the Department of Agriculture in Washington, D. C., gave out their first annual estimate of the cotton crop for the year 1931.

The information it contained from a financial sense was appalling. It deflated the price of cotton and put the hand of paralysis on many allied industries. I have not looked up to prove, but I dare say the invasion of Belgium in 1914 had no more disastrous effect on the South than the news from Washington that America would produce near 16,000,000 bales of cotton. Since that day many thousands of suggestions and solutions have been offered to remedy what appears to many as the greatest financial cataclysm that has overtaken the people of the South since the war of 1861, and it will be felt all around the world.

Some think that planting no cotton in 1932 will be the perfect panacea to forestall what seems to be due to come to pass. Some who are able in high places that could by their voice help out, allay and mollify whatever financial disaster that may happen to those engaged in the cotton industry, seem to not be seriously concerned.

Just one more night of feasting and fiddling while a large part of the labors of American men and women are being consumed by the burning flames of poverty and bankruptcy.

I said a while ago, I was going to talk about cotton. I am also going to talk about a 10-year plan. Why not? Nearly everyone you meet has a plan to solve the cotton man's troubles. Russia has been getting a lot of free advertising about a "5-year plan." I know America can thrive equally as well or better on a 10-year plan for cotton and wheat, for it will take Russia half a century to grow as much cotton as they need at home, and 100 years to raise enough wheat to give each Russian a loaf of bread a day, and they will eat more when they can get it.

My plan is, and there is nothing original about it, as follows:

First. Let the voters of this country petition the President to immediately convene Congress in a special 15-day session for one purpose only: To pass the necessary acts to empower the Secretary of the Treasury to sell one and one-half or two billion dollars of 10-year 2½ or 3 per cent bonds or an amount sufficient to advance every cotton farmer 12½ cents the pound on cotton and 75 cents the bushel on wheat in warehouses and grain elevators. This on American-grown cotton and wheat, and these advances based on the high grades, lower grades according to the relative market value. The Government to have absolute control, and hold these commodities until a price of 20 cents the pound is received for the cotton and $1.25 per bushel for the wheat.

Second. When the cotton and wheat are sold, the advances and charges to be repaid, and in addition 10 per cent of the net or gross sale prices to be held by the Government for the purpose of forming a national cotton and grain corporation, or two separate corporations, one for cotton and one for grain. This 10 per cent each year for a period of 10 years to be handed back to the cotton and wheat farmers of the United States as the cash capital for corporations to be owned and controlled by them, and equivalent to approximately the average proceeds of one entire cotton and wheat crop.

Third. The 10-year plan to cover the limitations of production to consumption in an orderly, reasonable, and logical way. To study the possibilities, and probabilities, of other countries competing with the United States in the growing of cotton, and the manufacturing of cotton goods, the greater use of cotton goods in all the foreign countries, with import duties or tariffs sufficient to keep them, if it is possible to do so, from in any way competing with our cotton farmers, or our cotton factories on our own soil, let that soil be where it may, or wherever our flag may fly.

Fourth. Recompense or decompose the Farm Board, as now constituted, or constipated may be the better word. Appoint only farmers, bankers, or business men, whose interests are identical with the cotton industry to handle the cotton business, and the same class of men to handle the wheat business, with no authority to use or invest a cent of the funds entrusted to them in any way, except for the actual cotton and wheat delivered to them, and the expenses necessary thereto; prohibiting sale of the cotton or wheat in their care to any firm, corporation, or country that is in competition with this country, who may use American cotton to deflate values in this country, but other countries as well.

REMARKS

A 10-year plan, for the reason that many of the unknowing and unthinking part of our citizens often talk of the competition of other countries, especially the Asians and Russians, with this country in the producing and marketing of cotton. China and India have been producing cotton since long before the dawn of civilization and do not now produce enough for their own use. The best and most reliable statistics at hand tell us that these two countries, with a population of something near a billion people, produce, and have been producing for the past 30 or 40 years, eight to ten million bales of cotton. This is approximately 1,000,000 bales of cotton to each 100,000,000 of inhabitants. Russia, according to figures furnished by our Agricultural Bureau at Washington, for the year 1929–30 produced 1,310,000, and for 1930–31, 1,850,000 bales. Russia has a population estimated from one hundred and twenty-five to one hundred and fifty millions of people. The cotton-growing States of the United States have produced in the past 20 years, in round numbers, about 250,000,000 bales of cotton, something like one-half being exported, leaving for home consumption an annual average of six and one-half or seven million bales, or a million bales for each fifteen or twenty million people, making us the largest consumers of cotton in its varied forms of all countries of the world. We not only grow more cotton but no other country has been able to grow as good staples, save the Egyptian long staple used in a limited quantity in this country.

Here is a thought about other countries growing cotton in competition with this country. A few years ago the Dallas News sponsored prize contests in Texas for "More cotton on less acres." If just one-half the land in 150 counties of that State could be cultivated one year as the prize winner of those contests, John W. McFarlane, of Palestine, worked his acres, it is possible to produce over 100,000,000 bales of cotton in one season.

These natural products of the soil can be preserved by well-known methods for many years, as well as the fabrics and foods that come from them by conversion. A bushel of wheat or a bushel of cottonseed is of more value as measured by the thing called "money," than all the gold, silver, and precious jewels ever mined from the date of creation down to yesterday, if there was only the one bushel of wheat and the one bushel of cottonseed.

There are some who will say, "Why fix 20 cents the pound for cotton and $1.25 per bushel for wheat?" The average price per pound received by the cotton farmers for the past 10 years in the United States has been a little less than 20 cents. At this price, under the conditions which they have produced their annual crops, there was some visible profit or gain to the great majority of those engaged in the arduous and hazardous work of raising cotton and wheat to supply the needs of the earth's population. There are those who will ask, "Why place the responsibility of financing cotton and wheat on the National Government in Washington?" I answer by saying that the National Government is the only organized institution that is big enough to carry on such an undertaking. The Government can get the money to do business with at 2½ or 3 per cent, on as long or short a time as desirable. No other agency has ever financed cotton or wheat for less than twice the above costs for farmers, merchants, and others holding cotton or wheat from a low or no market until sold, and then only for short-time arrangements. This is more than they can afford to pay. Cotton and wheat are better collateral for money borrowed than copper, silver, or gold bullion is, or ever will be.

President Lincoln said it was the duty of governments to do the things for the people that it could do better for them than they could do for themselves, and I was taught to affirm that our Government is "of the people, for the people, and by the people."

Many able men claiming to be intelligent, some of them eminent lawyers, some our Congressmen and Senators, and several actually elected to the greatest official position of trust, power, and honor on this earth—Presidents of these United States of America—say we can not legislate values into commodities by law, and they will immediately walk into the Halls of Congress and make laws to increase their salaries. They will vote a tariff of 2 cents or more on a pound of sugar which the people must have, and then take the money to pay their increased salaries, plus all their kinsmen they can get on the Government pay rolls by the laws' orders. As a matter of fact and truth, every city, county, State, and National Government officeholder and employee has his wages fixed, stabilized, and often increased, and all guaranteed by laws.

There are in America, including the Army, Navy, and pensioners, some million or more of men and women getting their livings, including traveling expenses, directly from the Government. They are living under and by law. The wages and salaries of over 2,000,000 railway employees are fixed by a lawfully constituted railway board appointed by the President of this country, and this is not all. The railway corporations have rates made by law

for hauling freight and passengers sufficient to cover and guarantee them fair return on their investments, plus all the watered stock and bonds they could issue and sell to the public before States and the National Government stopped them from practicing such unjust and immoral acts, though profitable, on simple-minded and credulous investors of the country. The bonds and stocks of all railway and transportation companies in America are stabilized by the decrees of the law, and were made so within the past 15 years, and these very days they are beseeching the powers that rule the country to give them more, because they are not making enough, due to business stagnation and competition. I cite these instances to show to those that say we can not stabilize or put values, especially money or cash values, into things animate or inanimate, by law. About one man out of every six you meet on the streets is getting his gasoline and groceries by operation of the law, and about one day out of every six the workingman works goes for taxes as the laws demand.

I said recompose or decompose the Farm Board. Let me explain. I know little about the actual and detailed operations of this subsidiary of our Government created for the purpose of giving advice and financial assistance to the agricultural masses of this country. I know there was voted at its disposal one-half a billion dollars for the purpose of stabilizing values of farm products. This money has been invested and loaned to cotton, wheat, corn, oat, bean, dairy, fruit, and grape producers. It has done good, no doubt, far beyond what the average man is able to see or comprehend, but no agency could stabilize the values satisfactorily of eight or ten billion dollars worth of the products above named with one-half a billion dollars at their command, with enormous yields of the farms, with private corporate interests fighting and obstructing them every time they make a move to assist those for whose benefit the Farm Board was created. They have been sorely handicapped, but there is back and behind all they have done or can do a bar sinister that the members of the Farm Board have to keep them from being of material aid to those it was intended to help, and it is the letter and spirit of instructions to Congress by none other than the President, if what was printed in the New York Times in the year 1931, the month of August, and the day, the 15th, is true. Here is what it said:

"Two years ago when President Hoover proposed his plan for the creation of a farm board, he warned Congress that certain vital principles must be observed in the interest of the taxpayers as well as the farmer. Among those principles he listed the following:

"1. No governmental agency should engage in the buying or price fixing of products.

"2. Government funds should not be loaned or facilities duplicated where other services of credit and facilities are available at reasonable rates.

"3. No activities should be set in motion that will result in increasing the surplus production."

Is it possible that a President of this country would sign a bill creating a farm board, handing over to them $500,000,000 to aid (not give as charity) the great agricultural classes of this country, the bone and sinew of the land, and then say to them, "Behold my instructions: You must not buy or sell, either fix a price, loan moneys, duplicate facilities, give services or credit, when these acts on your part conflict with private interests already established"? Can there, in all this enlightened country, be found one so moronish that he could not understand the meaning of these simple and plain words? What would any man think to hear of a father giving money to his son to go into a business and then say, "Son, do not go into any business where you find other persons engaged in the same line of endeavor"? That's exactly, according to the oracles given out from the ruling head of this Nation; and we have been wondering what was the matter with the Farm Board. It would have been of no use to the Farm Board had Congress turned the mints and money-printing shops over to them and they run them day and night coining gold or silver and printing paper currency year after year if they could not buy, sell, or loan on the agricultural products of the country.

The fallacy of any man, corporation, or government trying to boost the price of any commodity by buying or loaning money on a small fractional part of the supply is so foolish that whoever advocates or practices such a scheme ought to have his head examined by a pathologist and a psychopathist to find out how much of the elements of human nature and common sense he is endowed with.

Individuals and corporations operating as monopolies, trusts, or under "gentlemen's agreements" for profit, do so on the basis of controlling the major portion of all the supply of the goods, wares, and merchandise they sell or manufacture. The secret of their success (which is no secret) is in being able to control and hold the supply until the demand gets around to their warehouses before what they have to sell spoils on their hands, they knowing well in advance when the day will arrive.

Those words of President Hoover have completely denatured the work of the Farm Board as if it had never been born.

Something more about creating values by law. Not so long ago, I was on the bank of the Rio Grande River in Texas. There I stood on land in the United States that could not be bought for less than $500 per acre. Then I could face about and view, as far as I could see, thousands of acres of land just as fertile, warmed by the same sunshine, watered by the same clouds, from the same skies, only divided by an imaginary line down the middle of the river, that could not be sold for $5 per acre. The difference in price or value being the difference in government on one side of the river and government on the other side of the river.

If we can not create values by laws, the makers of our Constitution made an awful blunder when they placed in section 8, Article V, of that document these words: "Congress shall have the right to coin money, regulate the value thereof, and of foreign coin, and fix the standards of weights and measures." This does not say whether they were to coin gold, silver, copper, tin, lead, or iron. Anybody that does not believe the way that article reads, just hunt up a copy of the Constitution and read it. When this Constitution was made in 1787, there was not a gold or silver mine in the United States, and having known many Congressmen and Senators in the past, and knowing a few at the present time, I am wondering what they knew about the value of any kind of metals in those days.

A lot of them don't seem to know much about the values of money or metals now. The Constitution makers, I said, made an awful blunder. I want to explain the difference between a blunder and a mistake. A mistake can be corrected, while a blunder can not. This one was made too long ago to try to think about changing.

Now, I am just foolish enough to believe that if my governor, Senator elect of Louisiana, can have a law passed that will quadruple the selling price of cotton in two weeks' time, that he can go on to Washington immediately and work on his brother Senators and have them help him coin up about 50,000,000 tons of scrap iron that is lying loose over this country and make it legal tender for all debts, private and public, including their salaries. The scrap-iron and salvage business belongs to the Hebrews in this United States, and I can quote scripture to prove that they are God's chosen people. I know this would put new life into the junk business, besides help some dear Jewish friends that both myself and my governor-Senator are glad to call friends.

Can the Government fix and stabilize the prices of commodities? If I have not shown that ours has been doing it since it was founded, let me remind those of short memories that during the World War the Government of the United States of North America fixed the price of wheat, lumber, iron, steel, powder, horses, and mules, and added a dollar and ten cents per gallon to the price of whisky. It fixed the price of the pay for over 4,000,000 soldiers plus 4,000,000 insurance policies on their lives and is still doing it. It would take volumes to enumerate all the things that this Government fixed a price on, and they were high enough, and it paid off. It did more: It told us to not eat sugar on Monday, flour bread on Tuesday, nor burn coal on Wednesday, give to the Red Cross on Thursday, eat fish on Friday, subscribe for Liberty bonds on Saturday, and go to church on Sunday, and most of us did.

The same reasons for fixing prices then, in days of war, are just as good and more necessary now to help us keep the peace. History of governments are full of precedents telling us when and where they fixed prices, and the prices of all commodities, including lawyers' fees and land rents, were fixed by the decrees of one Roman Emperor. Interest on moneys was fixed at noting soon after the Galilean Carpenter threw the money changers out of the temple, and for a thousand years or more the penalty for loaning money at interest was death; and this law had the sanction of the established church. As a matter of truth, the church was both the gospel and the law.

The value of cotton ought not to vary a cent a pound and wheat 10 cents a bushel over a period of 1, 5, or 10 years. The Government can not guarantee to do something that nature has never done in the way of producing abundant crops every year, but can stabilize the value and take care of the supplies of cotton and wheat for a term of years or as long as the people of this Nation desire.

All throughout the ages historians tell us that Mother Nature has had her fat and lean years, and the specters of want and famine are stalking abroad on some parts of the earth at all times, while at intervals, not so far apart, she fails to produce food over a vast territory for many years. When these catastrophes have happened, nations of people have perished almost to the last one.

These verities of nature as expressed may be a little far-fetched to millions of Americans, who have been so abundantly and lavishly provided with the best of all the comforts and luxuries of life for the past 10 or 15 years, not having to give a "thought about the morrow, what they shall eat, or what they shall drink, or wherewith shall they be clothed," unmindful of the days of the future when adversities may cause them to faint by the wayside while their strength is small. We have more than 25,000,000 of people not knowing to-day where their food is coming from to-morrow. We have 50,000,000 more depending on a weekly wage and salaries for their week's supply of the things necessary for life, not knowing whether or not the next pay check they will draw will have attached to it the dreaded dismissal notice.

The small interest and charges for carrying the entire cotton and wheat crops of this country for a period of one or five years would be a small insurance to pay against the days when we may be surrounded by natural perils when our destruction would inevitably be near at hand. The reasons these things have occurred in the past are the same reasons they will occur again.

Ten million bales of cotton and 500,000,000 bushels of wheat ought to be in storage at all times in the country as a surplus to insure a steady supply of cotton for the people's needs, and wheat for food at even or steady prices regardless of whether crops are

small or large in any year or over a period of several years, and it should not be held in the clutches of a modern Joseph.

We have in America, on hand and in sight, cotton that ought to bring, at a fair value, near two and a half billion dollars, and wheat enough, under average conditions of the past 10 years, to bring growers near $1,000,000,000; yet in this, the richest country beneath the shining sun, with a population of 125,000,000 people, these products of the farms have no market or exchange value. At the same time we boast of having about one-half the coined gold of the world in the vaults of the Federal reserve banking system that, when created, the originators said would make money or currency shortage forever impossible.

The day the National Government adopts a plan to valorize and stabilize the cotton and wheat crops of America for a period of 10 years will be the day when a new hope and new period of sane prosperity will be born into the minds and lives of millions who are looking now through the gloomy glasses of despair.

When the products of land and labor can not be sold or moneys loaned on them, the lands have neither sale nor rental value, and laborers turn beggars. In countries where there is no agriculture, they have no need for cities, railroads, banks, or stocks of merchandise. When the farmers and livestock growers prosper, then the merchant, the banker, and mechanic prosper.

The taking over by the Government of the cotton and wheat crops would put in circulation nearly two billions of dollars at the springs or fountainheads of the mighty streams of commerce, and who can point to the individual who would not be benefited; and furthermore, who doubts its ability to do it when we know that within the past few months over $1,000,000,000 was handed out to those who enlisted in the World War 14 years ago, and on what kind of security? And in the face of the assertions of the Secretary of the Treasury, Hon. Andrew Mellon, that there was no money to give them, while thousands of checks were already being signed and paid before he finished saying there was nothing to pay with; and what was paid to these men is as a bucket of water dashed into a river compared to the sympathetic gifts of gold to the European governments that owed us $12,091,000, when peace was declared after the World War, and now owe us, we are informed by one authority, $7,740,000,000, and by another conclusion $5,888,000,000, and this payable in small driblets from now until some time near the year 2000 A. D., and this reduction of either five or seven billions of dollars was made without their paying a copper cent of the principal, or with the consent of the majority of the citizens of this Republic.

The United States holds a monopoly and will continue to hold it for many years to come on nearly every bale of exported cotton in the world; and if we are not big enough to prevent other countries from dictating the price they will pay us, we ought to go out of the cotton business and sink our merchant ships in the seas, pull down the Stars and Stripes from the Capitol Building in Washington and all sing—

> Oh, Star-Spangled Banner, we weep until you wave
> Again in this free land, made by the blood of the brave—
> With sorrow we see you furled in the home of slaves—
> Made so by your being held in the hands of knaves.

We have in our midst at all times didactors of what we call "The law of supply and demand." There never were as few words put into a sentence with more meaning, or as meaningless. It's a law that works going and coming, down and up, overtime and undertime. Some say there are powers in this law that Omnipotence can not overrule, but I say that the power of the almighty dollar vetoes it whenever it so wills.

A farmer understands the law to mean that when he has to buy anything, the man he deals with owns the supply, and he understands he must comply with whatever demands are made as to price and terms.

He further understands that when he is favored by nature with bountiful yields of wheat or cotton, producing enough in one year to last the country for two or three years, he must accept less than the price of one year's supply for the two or three years' supply. He understands that when he fails to produce what the country needs and must have for two or three years, no one contributes to his loss for efforts extended.

A higher and ancient law says that the demand for food and raiment is steady and constant, and history tells us that it has always exceeded the supply.

A still higher law dictates that there ought to be enough of the supply of protection and precaution on the part of all governments to guard the welfare of those that are engaged in the business of feeding and clothing the great majority of their brothers-in-kind.

I said there was nothing new about a "10-year plan." The holding back of one-tenth of the net sale price of each year's crop of cotton and wheat for 10 years is equivalent to having the entire proceeds of one year's crop delivered back to the farmers as a cash-capital fund to form a national grain or cotton corporation. This plan may be new or novel to many, as applied to the economics of agriculture.

This would be the farmer saving up every tenth bale of cotton or tenth bushel of wheat, which would be better than plowing up every third row when the Government had a mortgage on the first two rows, some one else on all the others, plus the Federal land banks' mortgage on the land, with not a chance that all the cotton or wheat gathered from all the rows will pay the taxes in many instances. And here let me digress for a moment to say something about taxes.

Just after the close of the World War we began the era of voting taxes and bonds for every imaginable thing that politicians inspired by profiteers asked us to vote. The farmer voted for bonds to build the $1,000,000 high-school building where the grade-school building was sufficient. He voted for good roads and free bridges. In the cities and towns the banker, the money brokers, the business man, the laboring man joined hands and voted bonds and taxes under "Progress and prosperity" slogans. They said make business good and give labor employment. We increased taxes a hundred per cent and doubled assessments another hundred per cent, which quadrupled the taxes. When we voted these taxes and bonds, cotton was over 20 cents the pound and wheat was over $1.25 the bushel. Now it takes 16 bales of cotton to pay the taxes on the identical farm or 16 bushels of wheat where only 1 bale of cotton or 1 bushel of wheat paid the taxes 10 years ago.

This is an increase in the ratio of 100 to 1,600 as paid in cotton—16 bales to pay the taxes now that 1 bale paid 10 years ago. The people of no nation, no State, no city, no street, not even Wall Street, can stand up under such tax burdens.

Here is a concrete case that is strictly home grown. The parish of Caddo (called counties in other States) in which the city of Shreveport is situated, has not near as high tax rates as thousands of other localities in the country. Our State, parish, city license, motor vehicle, and gasoline taxes, approximate $6,000,000. We will produce 60,000 bales of cotton worth, at the present no-value levels, less than $2,000,000, and cotton is the big thing we have to sell. I dare mention the assertion that there are fifteen hundred counties in the South and West that can show similar conditions.

In the epochs of panics and depressions that have happened in the past, it was cotton that had to bow down before the altars of gold. And more, there have been days in this country when, had it not been for cotton to draw gold from foreign governments, the Government of the United States would have been unable to maintain the much idolized and revered "gold standard" of money values, in order that a "cross of gold" should stand as the emblem of honest money among the enlightened nations of the globe. Cotton was the savior that had to be crucified to keep the kings of finance from losing their shining crowns.

The exports of cotton from America for a hundred years have exceeded in value that of all other commodities combined; and if the cotton growers had one dime a day profit for the days of hard labor spent in its production, it would take more gold to pay them off than this country has ever coined.

The supply of wheat wherever grown is harvested within less than 60 days' time. The supply of cotton is gathered on an average of less than four months' time. The Chief Architect of all our earthly "scheme of things" never intended that we should consume, during the short harvesting of grains, all our lands supplied. If He had, there would have been no lasting and life-giving properties as lives in a single grain of wheat for a thousand years, as some declare. Cotton in warehouses, or sunk in ships to the bottom of the seas, remaining 25 and 50 years, when recovered and found in good condition, proves that nature must have predestined the formulae for preservation of the species said to have been made in the image of their creator by placing the near-everlasting concomitants in the foods that sustain their lives over long durations of time.

I can not say all I would like to say about price fixing, stabilizing, or valorizing commodities by governmental agencies this evening, because I can talk a week on the subject and then not say one-half that could be said pro and con.

There are those that are saying "Hands off by the Government in business"; but when we look for a reason for their utterances, we never travel very far to find it. They belong to the class that think they have an inherited right to pick the pockets of the public without license or restraint, without giving value for what they receive.

When it comes to private agencies fixing a value on what I have to sell, so there is no profit to me and all to them, I will choose to have my Government be the arbiter.

When it comes to organized agencies or corporations, with unlimited capital in any business, for all they can squeeze and screw out of the unorganized masses, then I am for my Government stepping up and saying, "Thou shalt not."

What is needed is for the producers of wheat and cotton to be advanced at least the cost of production, which will place new money into the channels of trade, and start the agricultural classes back into the business of living.

The South and West are begging not charity but a loan and protection on the best collateral that floats on the rivers' and oceans' commerce.

And I ask any man or woman that hears me this question:

"If you owned all the cotton and wheat in this country to-day, and you could borrow the money to hold and store for 1, 2, or 3 years at 2½ or 3 per cent, would you sell at the low prices, dump into the sea, or plow up or burn every third row, or would you hold until the peoples of the country called for and paid you a fair price?"

I know what you will answer, if you have good, common sense with a mixture of reason. You will say that we will hold, because in these two greatest of all products that come from our farms, we have two redeemers that liveth.

In conclusion, getting down to present-day conditions, we behold business and industries stifled; laborers unemployed by the millions; fortunes of men, large and small, vanish as warm vapor in cold air; banks, big and little, closing their doors in every part of the country; people enduring all kinds of hardships, and

due almost wholly to the cold and unsympathetic truth that all the staple, basic, and prime necessities for sustaining life, have no market or exchange value. We look about us and see about 50 individuals in these good United States absolute dictators of that many corporations, having something like 1,000 subsidiaries earning fixed and guaranteed dividends and profits made by laws of their own designs, in excess of $2,000,000,000 annually, enough in two years to enable them, with only their profits and dividends, to draw from the Federal reserve banks every one of the $4,000,000,000 stored in their vaults, if they choose so to do, just as Morgan & Co., with allied interests, did to the United States Treasury during Cleveland's second administration.

In the past decade there have been engrafted into the law books of the land (not by the consent of a majority of the free voters of our Commonwealths) and sustained by the Supreme Court decisions, laws giving street-railway, light, power, water, and gas companies, and all railroad corporations of America, the right to make rates and charges for services sufficient to them, and guarantee a "fair return" on their investments—"fair returns" meaning anywhere from 5 to 500 per cent, after charges for losses, deflations, and salaries larger than any Government ever paid to the occupant of its royal throne.

The audacious irony of the situation is they are not satisfied, and are asking, in the name of God, amen, for more in the face of world-wide depressions, and when in this country the primary producers of wealth of the land are prostrate on their backs, almost unable to pray, sing, beg, or weep, much less fight for help.

It is a hard and unfair rule that gives to one class of men the right by "due processes of law" to take from their brothers the fruits of their toil and sufficient amount to guarantee to them a sure, steady, and increasing profit on their stocks, bonds, and investments, and deny these same brothers the right to have a price for the foods they produce sufficient for them to have the bare necessities of life. It is the "golden rule" all right, with all the gold going one way.

Isn't it enough to make thinking men wonder and ask themselves just what kind or kinds of political and economic anachronisms are we living under? In this best of all possible governments?

JEFFERSON DAY ADDRESS BY FORMER GOVERNOR BYRD, OF VIRGINIA

Mr. GLASS. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by former Governor Byrd, of Virginia, on the occasion of the Jefferson Day rally at the Willard Hotel in Washington, D. C., on April 13, 1932.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Fellow Democrats, the words of Thomas Jefferson had an imperishable vitality which has carried them down to us. For 150 years they have profoundly influenced the political thought of the world, and their power sprang not from the personality of the speaker but from eternal principles which he perceived with the vision of an inspired prophet and translated into simple language. These principles were true not because he gave them. Rather he gave them because they were true. What was true of human nature then is no less true to-day.

But I do not believe that Mr. Jefferson would hold some of his opinions beyond change were he to return to us to-night. He was the most modern-minded of the builders of this Nation, and he would recognize to-day that the isolation of his time of bad roads and difficult transportation has been swept away on the wings of the airplane, and by the automobile and the speed of electricity. He would accept the necessity of interstate regulation of interstate operations, and he would broaden his views of sensible cooperation with other countries without sacrifice of the vitality of national sovereignty. But I do not think he would sacrifice or compromise a single fundamental principle that he proclaimed, for these principles are eternal and essential to the preservation of popular government in this country.

Were Jefferson to return to Monticello he would be shocked to read the statement of a brilliant justice of the Supreme Court of the United States that to-day we face conditions worse than war; and he would be surprised to hear the successors of his old political enemy, Alexander Hamilton, after 12 years of their control of the affairs of the Nation, admit that the justice does not overstate the condition. He would learn that the Republican Party had not only built up and encouraged other monopolies by its policies, but that it had claimed itself to have a monopoly on prosperity. He could turn the files of the newspapers in the recent days of soaring prices and marvel at the bold assurances of the leaders of the Republican Party that we were permanently on that high-price level, and that it was no longer true that what goes up must inevitably come down; and at last he would read that vision seen by Mr. Hoover himself of a new America from which the Republican Party had actually abolished poverty. As he read on he would mark the collapse of prices, and the cries of the losers, and the losses of the victims, and the unemployment of the helpless, and even his powerful mind would be confused. How could a party of the best minds have lost its monopoly on prosperity, he would ask; and the Republican answer would be that somehow the ghost of Cleveland or Wilson had returned to the prosperity feast of good Republicans and scared prosperity away. Besides he would be assured by the Republican leaders that the panic is due to international causes. Mr. Jefferson would be still more confused by this last explanation, for he would read elsewhere the Republican doctrine that America is self-contained and may live and prosper by itself alone without regard as to how high the tariff walls may be erected around us.

The conditions are indeed tragic and terrible, but the Democratic Party can not win by merely placing the responsibility for the panic on the Republicans. The American people are in no mood to be patient with the ordinary play of politics. The American people demand that the Democratic Party show the power and the purpose to lead in reconstruction and to liberate and strengthen the courage and capacity inherent in the minds and hearts of the people that they may recapture their prosperity and rebuild their fortunes.

Bad as the conditions are, I do not consider the difficulties as great as those that Thomas Jefferson faced and fought and conquered. He made this a popular Government with only the hopes and ideas of isolated and scattered people and a few associate leaders at his back against the determination of the brilliant Hamilton to place power in the possession of the privileged classes. Under his administration a struggling people saw wealth accumulate and taxes go down, and a mounting surplus become a problem in the Treasury of the United States. This change Jefferson accomplished in part because of his insistence that the Government must be frugal; because of his hatred of public debt; because of his love of economy in public affairs. Were he to revisit us to-day I believe the condition of the public purse would be his primary concern. He would not only insist that expenses be reduced; he would not appoint a commission to consider the problem; but he would reduce them. Our great leaders in Congress, Speaker GARNER and Senator ROBINSON, would have no stronger supporter than Mr. Jefferson in their patriotic position that, although the Republican Party created the deficit, the Budget of the United States must be balanced and expenses of Government must be reduced.

DANGER OF ORGANIZED MINORITIES

Wherever one tries to cut expenditures there are scores of interested persons who deny that the cut can be made without great injury. But hard necessity has shown individuals and private business how expenses can be reduced. Of course every one recognizes that the largest items in the National Budget must be paid in bad as well as good times, but millions may yet be saved. One of the ways to save, Mr. Jefferson would say, is to take power out of the hands of organized and local minorities or blocs and turn it back to the majority of unorganized men and women who go silently about their own affairs and supply ultimately most of the money the Government spends. Mr. Jefferson hated every form of tyranny over the mind of man, and he detested special privileges. He believed that the rule of the majority had its faults and confessed its dangers, but he nevertheless believed that a representative democracy was the best government and that the decision must rest with the majority as a working rule of such government. He was right—eternally and fundamentally right—when he said, "The man in each locality knows his own business better than any one else." Yet in our country to-day the decision often results from the activities of a small part of the voters, separated into different blocs, and organized and determined to win their own objectives by concentrating political pressure on Members of Congress.

Mr. Jefferson always gave his occupation as that of a farmer. Agriculture was his hobby, and he did more for its promotion than any other statesman that ever lived. He believed that values come ultimately from those who work the soil; and how can the creators of wealth, these feeders of the Nation, regain a fair living unless they can market at a profit their exportable surplus? With one-half of our population dependent upon agriculture, when this great purchasing power is reduced, as it has been for the last 10 years, every maker of things to sell must suffer. Remember that over half the cotton, over half the tobacco, over a third of the copper, more than a fifth of the wheat and flour, a quarter of the agricultural machinery, more than one-eighth of the refined oil, and a tenth of the automobiles were exported in 1929. It is a fair implication from Mr. Jefferson's political writings that he would to-day work toward an international economic union and perhaps reciprocal treaties by which duties could be imposed to furnish reasonable revenue and at the same time to encourage the marketing of our exportable surplus.

PLATFORM SHOULD BE SHORT AND CLEAR

The platform written by the Democratic Party should be so clear and simple that the man on the street can understand it without calling in a lawyer to interpret its provisions. Our position on the tariff should be clearly stated.

Wars grow out of economic competition, and lives as well as dollars may be the price of tariff battles. Routes of trade and flow of commerce concern the United States as deeply and as vitally as it concerns a human being to have his arteries and veins open and healthy.

Obviously the tariffs of the United States have contributed powerfully by example and effect to interference with the trade of the world. Following our example, there is no European nation to-day that is not to the limit of its ability placing barriers against the interchange of commodities upon which the prosperity of international trade fundamentally depends.

We see to-day as a direct result of Republican policies our foreign markets closed, a reckless waste of governmental revenues; we see the farmer ruined because he has no market for his surplus, and our manufacturers, in order to escape tariff reprisals

against American-made goods, erecting factories abroad and depriving the American workman of a job and our Government of taxes.

COST OF GOVERNMENT MUST BE LOWERED

Our governmental expenses, local, State, and national, have increased from three billions of dollars in 1913 to fifteen billions in 1931. This is an increase of 500 per cent in amount, an increase of more than four times per capita. To-day $1 out of every $5 we earn goes to 250,000 tax-gathering and tax-spending agencies. Eighteen million of our citizens are now dependent upon tax pay rolls for their support. To-day the value of our basic commodities, the only source from which the wealth of our Nation is replenished, is much below the 1913 level. In agriculture the purchasing power of the farmer's dollar is only a little more than half as compared to 1913. Our foreign trade is back to the 1910 basis. Our governments, local, State, and national, can not continue to live in the boom days of 1929. If we do, disaster will inevitably follow. The Democratic Party should declare for lowering our governmental costs—national, State, and local—to the ability of the citizens to pay. This can only be accomplished by less Government in business and more business in Government.

PROHIBITION SHOULD BE SUBMITTED TO PEOPLE

And now for a moment let us discuss prohibition. The eighteenth amendment as such has not been indorsed by either the Democratic of Republican Party. The recent vote in Congress to resubmit the eighteenth amendment indicates that the division on prohibition is as sharp in the Republican Party as in the Democratic Party. I have throughout my public career supported dry legislation and advocated temperance. I believe that the open saloon and its evils, legally abolished by the eighteenth amendment, should never be permitted to return. I say this so that my position will not be misunderstood. The prohibition law and all other laws should be enforced, but we must recognize that no law is stronger than the public sentiment to sustain it. In Virginia I voted as a member of the State senate to submit to the people of Virginia a referendum on prohibition. My views on the national problem are identical. No problem has ever touched the lives and morals of our citizens more closely than prohibition. It should be removed from party politics and submitted directly to the people themselves for decision. The Democratic platform should declare for the enforcement of all laws, but an immediate task of the Democratic Party is to work out the most fair and feasible method to carry the prohibition question to the people.

If the eighteenth amendment, or a modification, is sustained by such referendum, a clear mandate will result to enforce the prohibition laws. I am opposed to any referendum unless it be conducted under the law of the land. I do not favor any plan that will permit the people of a particular State to vote that State out of the control of the Constitution of the United States while other States remain under the Constitution. I stand, therefore, upon these beliefs:

(a) That prohibition is the law and should not be nullified by deliberate failure to observe it; but

(b) That it is still a human law that may be amended or changed; and

(c) That as a question affecting the lives and habits of the people it should be decided by a popular vote by the people themselves.

No matter what plan is proposed, a constitutional amendment is necessary. I suggest an amendment to provide the legal machinery to permit the people themselves to determine this vexing question. The amendment could read as follows:

"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose an amendment or amendments to or the repeal of Article XVIII of the amendments to this Constitution, or to any future amendment or amendments thereof, which shall be valid to all intents and purposes as part of this Constitution when ratified at an election to be held in each of the several States on a certain day, to be designated by Congress, by the majority of the electors voting thereon in three-fourths of the several States. The electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislatures."

This will enable—

(a) When two-thirds of Congress desire, the question of the repeal or modification of the eighteenth amendment can be submitted to every qualified voter in every State on a day selected by Congress when no other election is held.

(b) Each State will vote as a unit, and three-fourths of the States, as at present, will be necessary to change the existing amendment.

As I see it, in no other way can the voice of the people in secret ballot be given expression. A constitutional amendment submitted to legislatures does not enable a direct expression from the people; neither does an amendment submitted to State conventions.

Regardless of my own individual views on prohibition or any other question of equal importance affecting the lives and habits and individual rights of the people, I am willing to stand firmly upon the fundamental democratic principle that the people themselves have the right to decide it, and whenever desired by a substantial proportion of our people they should be given the opportunity to do so. It is not more police or more government but stronger convictions and law-enforcement spirit that we need. This means a revivification of honesty and courage, which will require all the fortitude that Jefferson bequeathed us. I make this suggestion without thought of candidacy for any office but as a constructive effort to solve the problem confronting us.

Now, in conclusion, the Republican Party is discouraged; their hearts are failing them before the nation-wide criticism of their administration; but hope springs eternal in their predictions that we will divide and defeat ourselves. Our opponents will be disappointed. This country we love, this people we serve, needs the Democratic Party to lead them out of the depths of depression. The ambitions of no individual will divide us, the dislike of no individual will be permitted to weaken our common strength. Sobered and stimulated by the shining example of the greatest Democrat of the ages, let us highly resolve that this party, dedicated to popular service, will select its leader and follow him without dividing reservations to recapture for all Americans the prosperity and happiness of a people to whom Jefferson bequeathed the power to control their Government.

GOVERNMENT AID TO CURE THE DEPRESSION—ADDRESS BY SENATOR TYDINGS

Mr. LEWIS. Mr. President, I beg to tender for the RECORD an address delivered in the city of Washington last evening over the radio by the Senator from Maryland [Mr. TYDINGS] on the subject of "How Government Can Help Cure the Depression." I ask that it may be printed in the usual way.

The PRESIDENT pro tempore. Without objection, the address referred to will be printed in the RECORD.

The address referred to is as follows:

It should be evident to every thinking person at this time that what is needed to help lead the country out of its present long and serious depression, to lessen the injurious effects of unemployment, and to secure at least a partial return to prosperity, is some plan which will accomplish these altogether worthy results. It must be a plan which will provide work for the unemployed and by providing them with work, furnish them with purchasing power to buy the things people use and need, which our factories and farms will then be called upon to produce. It must be a plan which will not further burden a public already groaning under an almost unbearable burden of National, State, city, county, and municipal taxation; and, lastly, it must be a plan which can be called into play at once in order to stem the tide of adversity long before the cold winds of next winter are felt.

Can such a plan be devised and carried through which will accomplish these requisites to a return of prosperity and at the same time not burden the public with more taxes which they will find it difficult to pay?

My answer is an emphatic, "Yes; it can be done; it should be done; it must be done or grave consequences are in store for the country."

I have introduced such a plan in the National Congress in the form of an amendment to the revenue act, and this plan will shortly come up for a vote in the Senate of the United States.

It is my purpose now to explain briefly but thoroughly that plan in the hope that I may impress the country with its soundness and merit and secure enough popular support for it to insure its adoption by the Congress.

This plan is as follows. It provides three things:

First. The creation of a bond issue in the sum of $1,500,000,000 to be liquidated at the rate of one-tenth of this sum per year, or, in other words, to pay off this loan at the rate of $150,000,000 per annum.

Second. It provides that with the sum of money obtained from the bond issue a gigantic construction program will be immediately inaugurated all over the United States, embracing all of those construction projects already authorized by the Congress, but for which no appropriation has as yet been made, due to a shortage of national funds. These already-authorized projects embrace a building program of a billion dollars, which would be spent for labor and materials. In addition to this a further sum of $400,000,000 would be available for the immediate construction of roads, river and harbor improvements, and flood-control projects. As stated, the whole program would call for the expenditure, starting immediately, of the sum of $1,500,000,000.

Third. The plan provides further that this huge bond issue of $1,500,000,000 shall be paid off entirely by levying a special tax of 24 cents a gallon on beer containing 2.75 per cent of alcohol by volume. To permit the sale of this beer the Volstead Act is amended, raising the alcoholic content it now specifies, of one-half of 1 per cent, to 2.75 per cent, which is the point where scientists and the medical fraternity unite in declaring such beverage is not intoxicating in fact.

It will be asked, "Would such a tax on beer in itself furnish enough revenue to the Federal Government to pay off the principal and interest of the bond issue without additional burdens upon the people in the form of other taxation?" My answer is "Yes," and I will attempt to prove that answer is true and accurate by quoting the figures of the United States Census Bureau.

In 1914, when the manufacture and sale of beer was legal in many parts of the country, about 1,980,000,000 gallons were consumed that year. Since then our population has increased, but even with this increase of population since 1914, assuming that there would be no more beer consumed now than then, a tax of 24 cents a gallon at the rate of the 1914 consumption of beer

would yield $500,000,000 annually. This is two and one-half times the sum required to pay for the yearly amortization or sinking fund requirement of the bonds, plus interest due, on the billion and half dollar issue.

In other words, if this beer were legalized, as stated before, and instead of consuming approximately 2,000,000,000 gallons a year, as we did in 1914, we should now consume only 40 per cent of this amount, a tax of 24 cents per gallon on this amount of beer would yield approximately the $200,000,000 which would be sufficient to pay the $150,000,000 annually required for the sinking fund to amortize the bonds beside the interest upon those outstanding.

I believe that the consumption of beer to-day would be equal to that of 1914, but a consumption of less than one-half this amount would furnish all the revenue required to pay off the bond issue in full.

Again, the bill provides that the beer would be sold only in bottles, a revenue stamp being placed upon each bottle at the rate of 3 cents a pint.

It is provided that the money derived from this revenue tax on beer would not go into General Treasury funds. The Treasurer of the United States is directed to keep all moneys arising from beer taxes in a special fund, which would be used first to pay off the yearly amortization of the construction-bond issue, together with accrued interest. All amounts received from beer revenues in addition to that needed for the purpose of paying off the principal and interest of the construction bonds can be used for general Government expenses. It is estimated this additional fund would provide an added $300,000,000 not needed for construction-bond amortization, and this sum would make many of the taxes now contemplated to be imposed on automobiles, stock certificates, and the like unnecessary.

Now, let us look at the whole proposition again:

One billion five hundred million dollars to be spent for all kinds of construction work is equivalent to $10 for every person or $40 for every family in the United States. Many heads of families are now employed; so that, if this fund were confined to those unemployed—of which there are about 10,000,000 at the present time—the sum available for construction would be equivalent to about $150 for each of the 10,000,000 people now out of work, for which there is now no employment fund at all. As applied to half the unemployed, it would afford double this sum, or $450 per unemployed person this year.

This huge sum of money would be paid, first, for all kinds of materials that would be needed in the various projects and for the labor necessary to manufacture them. Again, labor would be employed to construct these projects throughout the United States in the form of bricklayers, electricians, carpenters, architects, accountants, bookkeepers, and the like. The railroads would be called upon to haul the freight and the general effect would be to stimulate many lines of business apart from the pure construction of the buildings themselves.

In order to put through this plan, not one dollar of income tax, inheritance tax, or taxes on automobiles, radios, refrigerators, cigarettes, or any other present governmental revenue would be needed. Beer alone would furnish sufficient revenue to pay two and one-half times the necessary cost of the construction bond demands, which fact I think makes the plan sound and feasible.

And consider the extent to which all business would be benefited. The unemployed, now a nonbuying part of our citizenship, would come back into the markets and purchase food and clothing and all of the products of our country. Its effect would give business a much-needed upturn, which, in my judgment, we need before the harsh effects of next winter descend upon the country and upon our huge army of unemployed.

Besides, we know that large quantities of beer are being consumed anyway. We know that the racketeer, the gangster, and the bootlegger are taking tribute from the sale of illegal beer and are becoming enriched while millions of law-abiding citizens storm the streets asking only for an opportunity to earn a respectable living.

This is one of the few commodities in America that is being sold in large quantities and which is not contributing a single cent toward the Nation's expenses. The Government is not getting a penny from beer racketeers either in taxes on their products or from the big incomes they are getting, while law-abiding citizens pay income taxes, and taxes are levied on many other commodities. Criminals are lining their pockets with beer revenues while Congress seeks here, there, and everywhere for something else to tax in order that Government income will be equal to its expenditures.

Therefore no one can deny, first, that the expenditure of $1,500,000,000 for varying construction projects which have already been authorized, and which will be built anyhow some time in the future, would not put many of the 10,000,000 of the unemployed to work?

No one can say that the tax on beer I have outlined is in conflict with either the spirit or the letter of the eighteenth amendment.

Who can say that the tax of 24 cents a gallon, which I have mentioned, will not furnish two and one-half times the amount of money annually needed to pay off the bond issue without any additional burden to our present taxpayers?

And who can say, if this plan is adopted, that it will not deal a deathblow to the gangsters and racketeers who are now getting rich while the Government can not pay its bills?

Here are some additional observations regarding the consequences of legalizing beer apart from those already mentioned:

A respected Harford countian, who has made a success of both farming and canning—at least up to now—recently shipped to a Baltimore grain-brokerage firm his wheat crop, consisting of 717½ bushels of wheat, for which he received a check in the sum of $130.60. However, the following expenses were incurred in producing the crop:

Preparing soil, sowing wheat, and harvesting	$35.00
Seed	60.00
Threshing	55.00
Total	150.00

Here the calculations stopped; there was no charge for depreciation of machinery, taxes, and other normal farm expenses; so, without counting these latter charges, the farmer received approximately 4 cents a bushel for his crop. If all things are considered, it is doubtful if the grower of this wheat received such financial return as would permit him to break even.

Before the Senate Committee on Agriculture in 1917, when the food production act was before the Senate, much testimony was taken which is of interest at this date when the food and commodity conditions are diametrically opposed to those prevailing through war years. During the war the slogan was to save food and commodities; now the problem is how to use them. Dr. Deets Pickett, research secretary of the Board of Temperance, Prohibition, and Public Morals, in the course of the hearing made the following statement:

"In the United States census reports for 1910, volume 8, page 363, the consumption of coal by the brewing industry for the year ended June 30, 1909, was shown to be 2,990,257 tons, or three and one-half times as much as the packers, six times as much as the printers and publishers, nine times as much as the manufacturers of boots and shoes, twenty-five times as much as the manufacturers of men's clothing."

There is widespread unemployment and distress in the coal industry; thousands of mines are closed.

A letter from Mr. Hoover, now President, then, in 1917, Food Administrator, contains the following interesting observation: "* * * the cessation of brewing would effect a saving in grain of approximately 3,150,000 bushels a month * * *" or 37,800,000 bushels a year.

There is more wheat than can be consumed in this country.

Dr. Irving Fisher, of Yale University, president of the National War-Time Prohibition Association, in a statement which was read into the CONGRESSIONAL RECORD by arid Senator Cummins, of Iowa, in 1917, makes the following observations concerning the question of railroad cars and transportation used by the breweries:

TRANSPORTATION REQUIRED BY BREWERIES

	Tons
Raw material, 3,000,000,000 pounds of foodstuffs, equals	1,500,000
Required coal	3,000,000
Product, 60,000,000 barrels	9,000,000
Total on teams and cars	13,500,000

All of which require hauling and over one-half of which require railroad transportation. This requires over 200,000 freight cars during a year, and uses several hundred locomotives constantly, and increases freight congestion.

The railroads are not prosperous, thousands of railroad men are out of employment and that both engines and freight cars are idle.

Doctor Fisher, the eminent dry authority, in 1917, did not stop there, however; he vigorously took up the sugar matter with this poignant comment: "The breweries annually use 64,000,000 pounds."

Newspaper dispatches say it is largely due to sugar difficulties in Cuba that revolution there is imminent.

But Doctor Fisher, in 1917, moves on and deals with the brewery problem with more dynamic statistics. He says: "The breweries of the United States employ 65,000 men, but the total engaged in making, handling, and selling it is over 300,000."

I understand that in the United States about 10,000,000 people are out of employment.

The courts have held and no less an eminent authority than avocatrix, the comely and sparkling Mrs. Mabel Walker Willebrandt, the supreme court of the wine-grape industry, states that wine may be made in the home without legal consequence by using the product turned out by the California grape people. The agents and advertisements inform one that a choice of flavors from sauterne to Riesling can be had. A test shows the ultimate alcoholic horsepower of these precious liquids runs around 15 per cent. However, while arrests of wine makers using the qualified products seldom ever occur, those who deign to make home-brew are not so fortunate and frequently find themselves headed for long vacations in Government hotels at Leavenworth and Atlanta.

In short, while legal to make 15 per cent wine without Government revenue, it is illegal to make 4 per cent beer even with it.

Meanwhile a deficit of approximately two and a half billion dollars impends in the Treasury and a new tax bill levying a billion dollars is to be laid upon the American people.

The last "beer year" showed there was a consumption of the cold amber liquid in these United States of 1,980,000,000 gallons. A tax of 25 cents per gallon would yield an annual Government revenue of approximately $500,000,000. More, if now permitted, it would put coal miners to work digging out those 2,990,257 tons

which Mr. Pickett says the breweries annually required; more, it would put in use 200,000 freight cars and several hundred locomotives constantly per year, which Dr. Irving Fisher says were necessary for the transportation needs of the breweries; more, it would use up 64,000,000 pounds of sugar per year, and perhaps lessen the likelihood of civil war in Cuba; and yet more, it would employ 300,000 men who, dry Doctor Fisher says, were used annually in the brewing business; and still more, again, it would pull the Treasury deficit down to a figure where it could be comprehended. But what is more important to my friend from Harford County, who sold his wheat crop for 4 cents a bushel, is that it will require 3,000,000,000 pounds of foodstuffs per year, and, in the very nature of things, return him a higher price for any he may raise in the future.

Far be it from me to argue the moral side of this matter, for that would present the picture, no doubt, in certain quarters, of Bacchus talking with Moses. However, it did seem to me that a wiping out of the Treasury deficit, ending a possible civil war in Cuba, employing several hundred thousands of men now out of work, starting 200,000 freight cars and several hundred locomotives clanking over the rails, and getting my farmer friend more than 4 cents a bushel for his wheat contained some of the elements of godliness.

Every thoughtful person looks ahead to next winter with apprehension. The army of unemployed grows. Business further stagnates. A survey of the country shows much distress. In the State of Mississippi school-teachers have not been paid for a year, and the State government has taken 25 per cent of all the land in that State for nonpayment of taxes. In Chicago school-teachers and other municipal officials are unpaid. Many municipal governments are either laying off employees or not paying them due to lack of income. Banks have been failing. Thousands upon thousands of farms have been sold under mortgage foreclosure and delinquent taxes.

Question: Can we raise sufficient community funds, particularly in our large industrial centers, to properly feed, house, and clothe the unemployed next winter? I hope we can, and, of course, those able will do their best; but States and State governments in many cases may then be unable to assist, while here in the National Capitol we are trying desperately to raise enough money to pay the Government's current bills, and there is no money now in the Treasury which could be loaned to the States, the cities, or the communities. What are we going to do with all these unemployed people next winter?

My measure is, I believe, sound, simple, practical, and helpful. It provides work now for the unemployed. It increases no present taxes. It is calculated to have ramifications helpful to all business enterprises in America. The whole Nation will benefit. The construction program contemplates the building of structures we will build anyhow in the coming years, and which are now or will be needed shortly. It will help to alleviate the distress of next winter. And, if my proposition is not adopted by the Congress, won't we be less prepared to deal with the matter of unemployment successfully? Or, may I ask, who has a better plan to prevent the distressing future prospect?

The issue is clear-cut. Shall the bootlegger or the Government, which needs it, get this money? Shall crime flourish and unemployment exist, or shall crime be put down and unemployment be lessened? Shall we make the product of 2.75 per cent beer available in bottles and sold by the Government or sold illegally by a privileged few racketeers?

Now is the time for action. When the snows of next winter have fallen, it may be too late to deal rationally with a serious situation.

In the interest of all who are out of work and in want, in the hope of assisting their wives and children underfed and underclothed, and in the interest of what I hope will bring again some measure of prosperity to all and relieve the Treasury of some of its deficit, the construction amendment to the revenue bill is offered in the Congress of the United States.

EXCERPTS FROM ADDRESS BY LOUIS BROWNLOW

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD excerpts from the address by Hon. Louis Brownlow, director of Public Administration Clearing House before American Society of Editors at Washington, D. C., April 23, 1932.

There being no objection, the excerpts from the address were ordered printed in the RECORD, as follows:

ECONOMIC CONDITIONS

Among the things most commonly said these days in support of the well-nigh universal demand for reduction of governmental costs and reduction of governmental activities is this: "Private business has been forced to make cuts and government must follow suit." Within certain limits I have no particular quarrel with that, but at the very outset I would beg to suggest that private business has cut down when, as, and if the demand for its products, wares, and services has fallen off, and to point out that in many very important respects the demands on government have been tremendously increased by the very force of private business retrenchment.

One, but not the only one, of these demands on government that has increased, is now increasing, and inevitably will continue to increase for at least another 12 months, is for the provision of food and fuel, shelter and clothing, health and morale for some millions of Americans who have no jobs because private business has been forced to cut down.

For instance, in Chicago, in January of this year, it was calculated that more than one-third of the workers ordinarily employed were out of jobs, that the wage loss due to this fact was $2,000,000 a day, and that the expenditure for food and fuel for the jobless was $100,000 a day. In other words, a cut down in private business of $20 was producing an increase in public expenditure of $1. Since January the wage loss has increased, while the number of persons whose needs must be met, if at all, from the public treasury or from private philanthropy has increased also, but more rapidly as the resources of savings, of relatives, of neighbors, and of credit have been exhausted.

This single illustration of the increasing demand upon government is merely an example of what is going on in practically every community in the country, the figures varying with the varying effects of the economic crisis as determined by local conditions. It is a trend that further confuses and complicates the consideration of what is always, in our country, a confused and complex relation of private business to public business, of private philanthropy to public welfare, and, on the public side, the relations of the people and the taxpayers to their stratified governmental structure, local, State and Federal.

The problem is made more difficult because of its huge proportions. Measured in terms of the number of persons directly affected, it is the greatest calamity that has befallen the American people; in scope and complexity nothing to compare with it has so upset the industrial world order since the industrial revolution began; considered solely as a problem of succor for the suffering, it is of a size tremendously larger than ever before has been known in the United States. Is it any wonder that the American people as represented by their governmental organizations, by their philanthropic agencies, by their business institutions, by their newspapers, have been puzzled, confounded, and disturbed?

At the same time, perhaps the most disturbing factor in the entire situation is that the facts are not fully known; indeed, the existence of the problem is scarcely recognized in anything like its true and menacing aspect, by many of the very persons and institutions upon whom the solution must depend.

From the point of view of the newspaper, and of the public as well, this inadequate knowledge is in large part due to the lack of that sudden dramatic incidence that makes news.

Let us go back a little more than 60 years for another illustration—and again to Chicago. In October, 1871, Chicago had 300,000 people instead of 3,000,000. It was then that the widow O'Leary's cow kicked over the lantern and started the great conflagration that constituted one of the major calamities of modern times. For two days the flames consumed their fodder and left a city prostrate; a quarter of a thousand dead, a hundred thousand homeless, they and another hundred thousand as well without food, and $200,000,000 worth of property destroyed.

It was sudden. It was dramatic. It was news. Let me quote from the last edition of the Encyclopedia Britannica: "A vast system of relief was organized and received generous aid from all parts of the world. The money contributions from the United States and abroad were $4,996,782; of this, foreign countries contributed nearly $1,000,000 (England half of this). These funds, which were over and above gifts of food, clothing, and supplies, were made to last till the close of 1876. Out of them temporary homes were provided for nearly 40,000 people; barracks and better houses were erected; workmen were supplied with tools and women with sewing machines; the sick were cared for, the dead buried; and the poorer classes of Chicago were probably never so comfortable as during the first two or three years after the fire." That is the end of the quotation. After two generations we still think of the Chicago fire as a major calamity.

Sixty years later, in October, 1931, last October, Chicago had more than ten times as many people. Chicago's problem of the relief of the unemployed had begun to give extraordinary concern to those whose business it was to be concerned with such things as early as 1928, and that concern had increased rapidly through 1929.

In April, 1930, the jobless numbered 160,000. Then was set up the governor's commission on unemployment and a fund of $5,000,000 was raised from contributions from Chicago people. It was believed to be enough to last from October, 1930, to October, 1931. This was given over and above the amounts that were being given by the county, by private family-welfare agencies, and by the private person-to-person contacts with the needy. Did it last? No. On July 18, 1931, that fund was exhausted. In October, 1931, a new campaign for funds was started. This time the goal was set at $8,800,000, to last a year, but burdened already with the deficits incurred since mid-July. The people of Chicago were generous. They subscribed $10,500,000, nearly two millions more than the goal of the campaign. But by mid-December half of that money was gone. Local governments were handicapped by serious fiscal difficulties and Chicago turned to the State government. A fund of $18,000,000 was provided by the legislature in the early part of 1932—to last through the year. This week the legislature at Springfield was told that Chicago must have another $20,000,000 to see it through the year.

To-day in Chicago about 600,000 persons, twice as many as lived in the city at the time of the great fire, eat only the bitter bread of public charity. Five millions of dollars forthcoming from the whole world for the fire disaster was made to last five years. Sixty years later Chicago can scarcely make $5,000,000 last 60 days. And

are there new houses for the poor? New tools for workmen? New sewing machines for the women? None. Are the poorer classes more comfortable? No one who knows how a family lives on the diminishing dole that a financially embarrassed Government supports from a tax-striking public would dare to say so.

Yet the creeping paralysis of this calamity of 1931 was not sudden, however numerous the victims it engulfed. It was not dramatic, however tragic to its hundreds of thousands of doomed. It was not news, in the sense that the great fire was news. It was and is a depressing and a deplorable fact, but it is not local to Chicago. There is the same tale to tell in hundreds of American cities.

From the beginning of American life, in the times of the Colonies the care of the destitute was assumed to be the obligation of the local unit of government until in a relatively few of the larger cities toward the very end of the nineteenth century it was taken over in part, but only in part, by private charitable agencies. Then there grew up in some of our more important urban centers a custom of devolving relief given in the homes of needy families upon private agencies, but usually retaining as a public duty the care of the destitute in institutions. In no two cities, in no two counties, in no two communities in the United States was the pattern of the division of responsibility precisely the same in organization, intent, or result.

Judging from the best figures that I have been able to find, it is unlikely that at any time in American history more than half of the money expended for poor relief was furnished by private agencies. Reliable statistics show that during the first two years of the present emergency 70 cents out of every dollar given for relief has come from public treasuries and only 30 cents from the generous private giver.

Last fall and winter, for the first time since the World War, the campaigns of the community chests were coordinated throughout the Nation and much publicity was given to the need for generous giving to meet the requirements of the unemployment situation.

Two hundred and ninety chests raised, if we include the estimated goals of a few still under way, for 1932 purposes a total of $100,000,000—a huge sum of money to be given for private philanthropy in times like these, and it came from the pockets of all classes of the people of these nearly 300 communities. But of this amount only 35 per cent, according to Mr. Allen T. Burns, executive director of the National Association of Community Chests and Councils, was intended to be spent for home relief of families. The other 65 per cent, says Mr. Burns, goes to such indispensable services as hospitals, visiting nursing, child welfare, crime prevention, and provision against the misuse of the immensely increased leisure time. Who shall say to Mr. Burns that the demands for the services represented by this 65 per cent have decreased? Not I.

That means that the campaign last fall and winter, with a few cities not coming in until this spring, raised by private subscription in the greatest national campaign for private unemployment relief ever undertaken a total of $95,000,000 in a coast-to-coast effort with the blessing of the President's organization and with the aid of the press and the radio and all the arts of publicity.

Was it enough? The State of New York alone will spend more than that in 1932 for this purpose. I do not know what the total will be, or can be, but I do know that public treasuries, local and State, will spend in 1932 much more than twice the total amount expended by private agencies.

Here intrudes another perplexing feature of the problem. What is paid out of public treasuries must come in from public taxation or from public borrowing which must eventually be repaid from taxes.

The burden of providing the bare necessities of life for the destitute lies as a legal obligation upon the local governmental unit in by far the greater part of the United States. Sometimes the township, sometimes the county, sometimes the city, has that duty to perform. Most of these governmental units derive most of their revenues from the general property tax, which in turn is levied and collected mostly upon real property.

What happens when a home owner no longer with an income exhausts his savings and is forced to turn for food to the public relief agencies? Does he pay his taxes?

What happens when a tenant no longer has an income, and turns to the public relief agency for food and for money to pay his rent?

What happens to the landlord when his tenants no longer can pay their rent?

In some places, no relief legally can be given to a family that has an equity, no matter how slender, in a home. So the family is forced to give up its home in order that it may find food. In some cities the relief funds do pay rents. If the funds are public that amounts to the city paying taxes to itself. In other cities the relief funds pay no rents. Sometimes the landlord says he can not evict the tenant, there is no other tenant in sight and the building will be sacked by vandals or torn down for fuel if it is left unoccupied. So the landlord has no income from which to pay taxes. In some instances landlords who are still the owners of tenant-occupied houses have themselves been forced to come to the city relief agency for the food that they no longer can buy.

Translated into the technical jargon of governments this means tax delinquencies. With mounting tax delinquencies local governments find it more difficult to borrow the money that they need to make up for the taxes they can not collect, and consequently more and more difficult to meet the need for unemployment relief.

It may be said that the local governments should cut out other expenditures to meet this situation. In many places, willingly or not, it is being done, but still this has not met the requirements of the major calamity of which I am talking.

Then there is recourse to the State governments. Some of them, too, rely mainly upon the general property tax. Others have income taxes. New York doubled its income tax to meet the specific requirements of this problem for a year and in six months had to propose a bond issue in order to double the provision of money. Other States have diverted gasoline taxes. Others have invented or are considering the invention of new taxes.

But with all this the problem is not solved. It is not even in better case than it was last winter. It is worse now than it has ever been. Every student of it agrees that it will be much greater in size and scope next winter than it is now.

From some 40 cities, according to reports compiled by the Survey and by Business Week and quoted in the New York Times, the crisis of the exhaustion of local and of State resources for relief will come this spring and early summer; in some places at the end of April; in others in May; in many in June. In fact, it appears that few, if any, of the larger cities involved are financed for their needs beyond August.

The seasonal upturn in employment is disappointingly small. The seasonal drop in demands for relief is almost imperceptible. Experts in the field are agreed that even if employment conditions were to begin now to improve that the exhaustion of savings and other factors will inevitably produce a greater number of persons who must be fed next winter than we had last winter.

There was, of course, the appeal to the Federal Government. It was not a unanimous appeal; and although I have seldom read anything more significant or impressive than the hearings before the Senate committee on the proposals for Federal aid to the States, Congress did not see fit to heed. It may be doubted if it saw fit to read.

Nothing is settled with respect to this problem. It is difficult to find all the facts about it. There are profound and utterly sincere differences of opinion about methods of procedure in dealing with it.

I have my own opinion, but suppressing that I appeal to the editors of the country that they assign their very best men to an examination of the facts, and that without prejudice or preconception; that they give to the facts so discovered as complete and as wide publicity as the delicate conditions of the country will permit; that it base upon these facts fairly faced and fully considered its opinion as to what ought to be done.

With the cause or with the cure, or with my notions of the cause or the cure, I have not dealt. I am content only if I am permitted to say that in my opinion the manner in which we deal with the crisis that we shall face this summer when funds are exhausted, the manner in which we shall make provision for the effects of this calamity next winter, may determine whether or not hungry Americans who can not find the work they desire above all charity will be fed; may determine whether or not if too much ahunger they will continue to suffer mutely or whether they will rebel against an order which has failed to find them food.

In my opinion, this is a profound social problem that can not be solved by reference to apparently inflexible divisions of the duties of government among its several levels as ordained in the late eighteenth century.

It will be hard in the midst of a presidential campaign to see these new things clearly and without the confusion caused by party politics. But if we are to avoid the spread of this disaster from the social to the political field, I am persuaded that we all of us must make the effort to meet this situation calmly, coolly, and courageously.

RECESS

Mr. McNARY. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, April 27, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 26, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord God, we pray to Thee, to whom we owe our first, our last, and our eternal allegiance. May nothing stand between us and our obedience to Thy holy will. Let Thy sympathy make us social, Thy love make us charitable, and Thy grace make us cheerful. So order our lives that they will respond to service and sacrifice. Endow us with the mind that sees the heights and with the soul that sounds the depths, and in all things keep us in harmony with Thy holy purpose. Spare our country from that poverty which kills the spirit that the physical nature may be preserved.

Bless us with that spiritual adventure through which we may see the real wealth of life. In the name of Jesus, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 1231. An act for the relief of Grina Bros.;

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 4724. An act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 4752. An act for the establishment of the Waterton-Glacier International Peace Park;

H. R. 5484. An act extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation;

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn.;

H. R. 8084. An act for the protection of the northern Pacific halibut fishery;

H. R. 8914. An act to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway, and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation in the State of Montana;

H. R. 9598. An act to authorize expenditures for the enforcement of the contract-labor provisions of the immigration law; and

H. R. 10495. An act amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1029. An act for the relief of Basil N. Henry; and

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 332. An act for the relief of Samson Davis;

S. 570. An act to exempt from taxation certain property used by the National Society of the Colonial Dames of America, in the District of Columbia;

S. 669. An act for the relief of Chester J. Dick;

S. 1335. An act to provide for the appointment of an additional district judge for the district of New Jersey;

S. 1562. An act for the relief of William S. Cook;

S. 2409. An act to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes;

S. 2654. An act to allow credit in connection with homestead entries to widows of persons who served in certain Indian wars;

S. 3472. An act to amend the act of Congress approved June 26, 1912, entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes";

S. 3477. An act for the relief of the Playa de Flor Land & Improvement Co.;

S. 3577. An act for the relief of Rolando B. Moffett;

S. 3852. An act to amend section 2288 of the Revised Statutes, as amended, with respect to the taking for highway purposes of lands entered upon under the homestead or preemption laws;

S. 3864. An act authorizing expenditures from Colorado River tribal funds for reimbursible loans;

S. 3911. An act to authorize the Commissioners of the District of Columbia to close Quintana Place, between Seventh Street and Seventh Place NW.;

S. 3929. An act to authorize the Commissioners of the District of Columbia to close certain alleys and to set aside land owned by the District of Columbia for alley purposes;

S. 3953. An act to amend the act approved February 7, 1927, entitled "An act to promote the mining of potash on the public domain";

S. 4029. An act to restore homestead rights in certain cases;

S. 4106. An act to provide for the closing of certain streets and alleys in the District of Columbia, and for other purposes;

S. 4148. An act to permit the United States to be made a party defendant in certain cases;

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class;

S. 4190. An act for the relief of Thomas E. Reed;

S. 4193. An act to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock;

S. 4416. An act to provide for the transfer of certain school lands in North Dakota to the International Peace Garden (Inc.);

S. J. Res. 36. Joint resolution to change the name of the island of "Porto Rico" to "Puerto Rico"; and

S. J. Res. 82. Joint resolution authorizing an appropriation for the expenses of the sixteenth session of the International Geological Congress to be held in the United States in 1933.

STREET IMPROVEMENTS IN JUNEAU, ALASKA

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

Mr. WILLIAMS of Texas (when the Committee on the Territories was called). Mr. Speaker, I call up the bill (H. R. 5052) to authorize the incorporated town of Juneau, Alaska, to use the funds arising from the sale of bonds in pursuance to the act of Congress of February 11, 1925, for the purpose either of improving the sewerage system of said town or of constructing permanent streets in said town.

The Clerk read the bill, as follows:

Be it enacted, etc., That the incorporated town of Juneau, Alaska, is hereby authorized and empowered to use the funds arising from the sale of bonds issued in accordance with the provisions of the act of Congress of February 11, 1925, for the purpose either of improving the sewerage system of said town or of constructing permanent streets in said town.

SEC. 2. That the common council of said town is hereby authorized to direct the amount, if any, of the funds arising from said bonds that shall be used for either or both of said purposes.

Mr. STAFFORD. Will the gentleman yield?

Mr. WILLIAMS of Texas. Yes.

Mr. STAFFORD. Will the gentleman make some brief explanation of the purpose of the bill?

Mr. WILLIAMS of Texas. This is a request on the part of the citizens of Juneau, Alaska. In 1925 Congress passed an act permitting this city to vote $60,000 worth of bonds, the money received from the sale of the bonds to be spent on an electric-light plant. Under this act the town council had the privilege of issuing $10,000 worth of bonds for sewer purposes. This bill proposes to give the city of Juneau, Alaska, the privilege of spending $30,000 on streets instead of sewers.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WILLIAMS of Texas, a motion to reconsider the vote by which the bill was passed was laid on the table.

ISSUANCE OF MUNICIPAL BONDS OF PETERSBURG, ALASKA

Mr. WILLIAMS of Texas. Mr. Speaker, I call up the bill (H. R. 6487) to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of improving and enlarging the capacity of the municipal light and power plant, and the improvement of the water and sewer systems, and for the purpose of retiring or purchasing bonds heretofore issued by the town of Petersburg.

The Clerk read the bill, as follows:

Be it enacted, etc., That the incorporated town of Petersburg, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $100,000, to be used for the following purposes, namely: The sum of $40,000 for necessary improvements to the municipal electric light and power plant, owned by the town of Petersburg, Alaska, and the transmission lines and distribution system and for the purpose of doubling the capacity of said electric light and power plant; the sum of $25,000 for necessary improvements to the water system and water supply and sewer system of the town of Petersburg, Alaska, and the distribution systems thereof; and the sum of $35,000 to be used to purchase or retire outstanding bonds of the said town of Petersburg, Alaska, which bear interest at the rate of 7 per cent per annum.

SEC. 2. That before such bonds shall be issued a special election shall be ordered by the Common Council of the Town of Petersburg, Alaska, and held in the manner pursuant to law after legal notice thereof, at which election the question of the issuance of said bonds shall be submitted to the qualified electors of said town of Petersburg, whose names appear on the last assessment roll or tax roll of said town for the purposes of municipal taxation. Not less than 30 days' notice of such election shall be given in a newspaper printed and published in said town, and of general circulation, before the date fixed for such election.

SEC. 3. That said election shall be conducted in all respects in accordance with existing statutes enacted by Congress and the Legislature of the Territory of Alaska, and the canvass of the returns of said election shall be as far as possible and practicable in accordance with the requirement of existing laws governing general or special elections in said municipality. Said bonds shall be issued only upon condition that a majority of the votes cast at such election in said town shall be in favor of the issuance of such bonds.

SEC. 4. That the bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate to be fixed by the Common Council of the City of Petersburg, Alaska, before the issuance of such bonds, and which said interest shall not exceed 6 per cent per annum, payable semiannually, and the same shall not be sold for less than their par value with accrued interest, and they shall be in denominations not exceeding $1,000 each, the principal to be due in 25 years from the date thereof: *Provided*, That the Common Council of the Town of Petersburg may reserve the right to pay off said bonds or any portion thereof in numerical order at the rate of not to exceed $15,000 thereof per annum from and after the expiration of five years from the date of issuance of such bonds as shown on the face thereof. The principal and interest shall be payable in lawful money of the United States of America at the office of the town treasurer of the town of Petersburg, Alaska, or at such bank or banks or such place or places as may be designated by the Common Council of the Town of Petersburg, Alaska, such place or places of payment to be designated and set forth in each of the respective bonds issued: *Provided further*, That each of such bonds shall bear the written signature of the mayor and clerk of the town of Petersburg, Alaska, at the time of their issuance, and there shall be impressed thereon the official seal of said town.

SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than that specified in this act, and such bonds shall be sold only when and in such amounts as the common council shall direct, and the proceeds thereof shall be dispensed for the purposes hereinbefore mentioned and under the orders and directions of the said common council from time to time as the same may be required for said purposes hereinabove set forth.

Mr. STAFFORD. Will the gentleman yield?

Mr. WILLIAMS of Texas. Yes.

Mr. STAFFORD. I understand from a reading of the report that one of the purposes sought is to retire some of the present bonds which are paying 7 per cent and secure the money at 6 per cent.

Mr. WILLIAMS of Texas. Yes.

Mr. STAFFORD. In view of the present condition of the money market as far as bonds and securities are concerned, does the gentleman think a little town of this kind, remote from the United States, will be able to obtain the money at 6 per cent?

Mr. WILLIAMS of Texas. My information is that the individuals of this town will buy these bonds. That is the information I have. None of these bonds will be placed on the market.

Mr. STAFFORD. As I read the report I had some doubt as to whether they would be able to secure the money at 6 per cent.

Mr. WILLIAMS of Texas. I am assured that all of these bonds will be bought by individuals living in this town.

Mr. STAFFORD. If they are going to be taken by the people of the town, who know local financial conditions, it may be they will have no difficulty in securing the loan.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WILLIAMS of Texas, a motion to reconsider the vote by which the bill was passed was laid on the table.

MAINTENANCE OF GOVERNMENT WHARF AT JUNEAU, ALASKA

Mr. WILLIAMS of Texas. Mr. Speaker, I call up the bill (H. R. 6713) for estimates necessary for the proper maintenance of the Government wharf at Juneau, Alaska.

The Clerk read the title of the bill.

Mr. WILLIAMS of Texas. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized to submit for the consideration of Congress such estimates as are in his judgment necessary for the proper maintenance of the Government wharf at Juneau, Alaska, constructed under authority contained in Public Resolution No. 33, Sixty-ninth Congress, approved May 28, 1926.

Mr. STAFFORD. Mr. Speaker, I move to strike out the last word. Will the gentleman explain—which the report does not—to what extent this bill affects the former authorization as embodied in the act of May 20, 1926?

Mr. WILLIAMS of Texas. I will say to the gentleman that when this wharf was constructed, to be used by the Government, there was no department designated for the maintenance of the wharf. The time will soon arrive when it will be necessary that it be maintained. All this bill asks is authority for the Secretary of War to submit this in his budget in order to take care of the wharf in case it needs repairing.

Mr. STAFFORD. It designates the proper official to maintain the wharf. I have no objection to the bill.

The pro forma amendment was withdrawn.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WILLIAMS of Texas, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEPERS IN HAWAII

Mr. WILLIAMS of Texas. Mr. Speaker, I call up the joint resolution (H. J. Res. 361) to authorize the Surgeon General of the United States Public Health Service to make a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes.

The Clerk read the title of the joint resolution.

Mr. WILLIAMS of Texas. Mr. Speaker, I ask unanimous consent that this joint resolution may be considered in the House as in Committee of the Whole.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I think this joint resolution is of sufficient importance to require some consideration in the Committee of the Whole House on the state of the Union. I object, Mr. Speaker.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 361), with Mr. COOPER of Tennessee in the chair.

The Clerk read the title of the joint resolution.

The first reading of the joint resolution was dispensed with.

Mr. WILLIAMS of Texas. Mr. Chairman, I yield to the gentleman from Illinois [Mr. PARSONS], who prepared the report, to explain the joint resolution.

Mr. PARSONS. Mr. Chairman, this joint resolution is the outcome or the result of the consideration of the bill that was introduced by the Delegate from Hawaii [Mr. HOUSTON] concerning payments by the United States to the Territory for the maintenance of leprous patients in the islands.

At the beginning it was proposed that we pay the same per capita cost for the maintenance of lepers in the islands as at Carville in the United States. Of course, we were not taking on any additional appropriations and we wanted to go along in accordance with our professed faith in economy, and it was finally suggested by the Public Health Service that a joint resolution be submitted for the purpose of studying the conditions in the islands.

This joint resolution was prepared, in whole or at least in part, by the Public Health Service. They now have stationed in the islands sufficient employees to make this survey without any further cost.

In the preparation of this report they will contact the offices of the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, and the Secretary of Agriculture, so that when their survey is completed they can make certain recommendations to the Congress, to which they are directed to report on the opening day of the next session, as to whether or not the Public Health Service believes we should undertake to provide the same care for leprous patients in the islands that we do here in the United States. The joint resolution requires absolutely no appropriation, and the matter will be entirely up to the next session of Congress with respect to the action to be taken after the survey is made.

Mr. TILSON. Will the gentleman yield?

Mr. PARSONS. Yes.

Mr. TILSON. How far does this change the present policy?

Mr. PARSONS. It does not change it at all. Doctor Cumming, who is in charge of the Public Health Service, has had a great deal of experience in the islands and recommends this action.

Mr. TILSON. I had supposed that the real purpose of the joint resolution was to change our policy in regard to the care of lepers.

Mr. PARSONS. The joint resolution simply calls for an investigation or survey, and it is up to the Congress to act on any further recommendations.

Mr. TILSON. But the joint resolution is offered with the purpose in view of making changes, provided they are recommended.

Mr. PARSONS. Yes; if they are recommended.

Mr. BANKHEAD. Does the joint resolution carry any additional appropriations?

Mr. PARSONS. No.

Mr. STAFFORD. But it looks forward to the National Government assuming a burden now borne by the Territory of Hawaii.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. PARSONS. I yield.

Mr. JOHNSON of Washington. The situation is a very interesting one. As the report shows, Public Act 299 of the Sixty-fourth Congress provided for a national leprosarium for all such afflicted persons in the United States, its Territories, and so forth. The Territory of Hawaii is a part of the United States. They have their own leper colony. The Public Health Service of the United States has an examining station in the city of Honolulu, and, as a matter of fact, I presume under existing law every person afflicted with leprosy could move, at United States Government expense, from Honolulu to the leprosarium in Louisiana now. The expense of travel, of course, would be very great.

Mr. STAFFORD. It was never contemplated to have the leprosarium in Louisiana take care of patients coming from Hawaii. Hawaii is a separate institution, where leprosy was more general than in any other part of the country.

Mr. JOHNSON of Washington. If the law exempts them, then I am wrong in my assumption, but I have the law here quoted in the report. The lepers in the Hawaiian Islands are cared for by the people of the Territory, except for the public-health examining station in the city of Honolulu, and a proposal has come from the islands asking for relief. The proposal came in the form of a resolution passed by the Territorial legislature, which was referred to the Committee on the Territories; and this bill authorizes an inquiry by certain services, particularly the Public Health Service, as to what may be done. As a member of the committee, and as a member of the subcommittee on this particular joint resolution, I did not see any other way to work it out than to authorize the investigation, which, I assume, will be conducted by the proper Federal officials without any extra expense. Future steps will depend on the report to be made by these officials.

Mr. HOUSTON of Hawaii and Mr. GREEN rose.

Mr. PARSONS. I shall now yield to the Delegate from Hawaii, who is in better position to know the conditions and will be able to answer any questions that may be asked.

Mr. WILLIAMS of Texas. Mr. Chairman, I yield five minutes to the Delegate from Hawaii [Mr. HOUSTON].

Mr. HOUSTON of Hawaii. Mr. Chairman, this joint resolution is felt to be necessary by reason of the situation in Hawaii. The basic act with respect to the treatment of lepers in the United States provides that they shall be taken care of by the Federal Government. It is quoted at the bottom of the first page of the report in which the word "Territories" follows the word "States":

> The existing authority for Federal care of patients afflicted with leprosy is based upon Public Act 299 of the Sixty-fourth Congress which reads as follows:
>
> "SEC. 2. That there shall be received into said home, under regulations prepared by the Surgeon General of the Public Health Service, with the approval of the Secretary of the Treasury, any person afflicted with leprosy who presents himself or herself for care, detention, and treatment, or who may be apprehended under authority of the United States quarantine acts, or any person afflicted with leprosy duly consigned to said home by the proper health authorities of any State, Territory, or the District of Columbia. The Surgeon General of the Public Health Service is authorized, upon request of said authorities, to send for any person afflicted with leprosy within their respective jurisdictions, and to convey said person to such home for detention and treatment, and when the transportation of any such person is undertaken for the protection of the public health, the expense of such removal shall be paid from funds set aside for the maintenance of said home."

It is a fact that at the institution at Carville there is not at the present time enough room to take care of patients from Hawaii. Applications in due form have been made to the Secretary of the Treasury for the receipt of Hawaiian patients, but we have been answered that there was not room available for accommodation at Carville. The following correspondence was exchanged between the Governor of the Territory of Hawaii and the Public Health Service:

> DEPARTMENT OF THE INTERIOR,
> OFFICE OF THE SECRETARY,
> *Washington, D. C., December 7, 1931.*
>
> Dr. HUGH S. CUMMING,
> *Surgeon General United States Public Health Service,*
> *Washington, D. C.*
>
> (Through the honorable the Secretary of the Interior.)
>
> DEAR DOCTOR CUMMING: We have, as you know, approximately 700 leprous patients in the Territory of Hawaii.
>
> I beg to inquire as to how many of these patients you could receive and care for at the United States marine hospital at Carville, La., under authority of the act of Congress approved February 3, 1917 (39 Stat. 872)?
>
> Your early reply will be very much appreciated.
>
> Respectfully yours,
>
> LAWRENCE M. JUDD,
> *Governor of Hawaii.*
>
> ---
>
> HONOLULU, *December 22, 1931.*
>
> Delegate HOUSTON:
>
> Following is a letter addressed to me, dated December 10, 1931, from Surgeon General Cumming of Public Health: "I beg to acknowledge receipt of your letter of December 17, 1931, making inquiry as to whether any portion of the 700 leprous patients in the Territory of Hawaii could be received and cared for at the United States Marine Hospital, Carville, La., under authority of the act of Congress approved February 3, 1917 (31 Stat. 872). In reply I regret to state that the facilities at Carville are sufficient only for leprous patients from the continental United States and

Alaska. The rated capacity of the institution is 372 beds, and there are at the present 361 leprous patients under treatment there. Applicants for additional admissions to Carville have been received and I anticipate that in a short time the institution will be filled to capacity. The Public Health Service building plan includes provision for an additional hospital building at Carville, for which, however, the appropriations have not yet been made. This building is designed not so much to increase the capacity of the institution as to improve the facilities, especially for the care of the insane and criminal cases, and would not, therefore, provide the necessary facilities to admit patients from Hawaii; and if the Public Health Service were to assume the responsibility for the care of these patients it would be necessary to provide buildings and for their equipment and operation wherever located.

"Respectfully,

"H. S. CUMMING,
"*Surgeon General.*"

Hope this will be helpful in securing Federal assistance for the Territory.

JUDD, *Governor.*

When the organic act for the Territory of Hawaii was originally passed about 32 years ago, a commission that was sent down there to investigate the situation and reported with respect to this matter that the Federal Government could do no better than to share in the expense then being incurred and carried on by the Republic of Hawaii for the care of lepers.

In 1898, in the Fifty-fifth Congress, third session, Senate Document No. 16, page 118, which is a report of the commissioners to arrange for the organic act, this sentence is used.

The Federal Government could not do better, either in point of economy or in point of effectiveness, at least so long as present conditions continue, than to permit this disease to be controlled through the local officers and existing machinery. But it would seem to be only just that the Federal Government should share in the expense.

In the original bill which I introduced, H. R. 306, it asked that the Federal Government, as in the case of hospitalization of veterans, pay to the Territory a per diem that would in a measure reimburse the Territory for expenses of this hospitalization. But inasmuch as that involved a large sum, and because of the situation which required economy this year, it was felt that, although there was merit in the matter, a resolution to provide for a survey and to recommend legislation would be better under the circumstances.

Mr. BANKHEAD. Will the gentleman yield?

Mr. HOUSTON of Hawaii. I yield.

Mr. BANKHEAD. I read a statement some time ago which interested me very much with reference to the possibility of the Public Health Service having made considerable advance in the treatment of lepers by some new method. Can the gentleman give us any information whether medical research is making any practical advance in the elimination of the disease or in the cure for it?

Mr. HOUSTON of Hawaii. There has not been found any specific cure. Chaulmoogra oil has been used, but appears not to be a specific. Like tuberculosis, by proper treatment and care, which involves dietary treatment, the disease may be arrested. I am informed that at Carville, since its establishment in 1917, they have released 75 patients as being without menace to the public health.

Mr. BANKHEAD. They have made such progress that they have arrested the disease to such an extent that it is noncommunicable?

Mr. HOUSTON of Hawaii. Yes; it depends on when the treatment begins. The incubation period is said to average about seven years; it may be 2 years or it may be 20 years after inoculation before the disease develops to a point where it shows.

Mr. GIBSON. Will the gentleman yield?

Mr. HOUSTON of Hawaii. I yield to the gentleman from Vermont.

Mr. GIBSON. This joint resolution simply provides for securing information to lay before the Congress for intelligent action on the subject?

Mr. HOUSTON of Hawaii. The gentleman is correct.

Mr. GIBSON. No appropriation is asked for at the present time?

Mr. HOUSTON of Hawaii. None. It may develop after the investigation that it may be well for the Federal Government to take over in toto the receiving station, or it may be that the better plan for the Federal Government, as it does with reference to the hospitalization of war veterans in private hospitals, is to pay over a per diem for the patients cared for by the Territory.

Mr. GIBSON. And this has the approval of the Department of the Interior?

Mr. HOUSTON of Hawaii. Yes.

Mr. GIBSON. It was drafted by the department and sent here?

Mr. HOUSTON of Hawaii. It was drafted by the Public Health Service and has the approval of the department.

Mr. STAFFORD. Will the gentleman yield?

Mr. HOUSTON of Hawaii. I yield.

Mr. STAFFORD. Has the gentleman any information as to whether the home in Molokai is peopled by anybody except persons resident of Hawaii?

Mr. HOUSTON of Hawaii. As a rule no one but residents of Hawaii may be received. They are persons, as a rule, who do not respond to treatment. They stay at the receiving hospital as long as they respond to treatment. If they no longer respond to treatment, then they are sent over to the other settlement on the island of Molokai.

Mr. STAFFORD. It is generally understood as the established policy of the Government that the States shall take care of their insane and other afflicted persons as a State burden. However, some years back we did recognize, in establishing the leprosarium at Carrville, La., that the disease is of that character and cases are so few and the treatment necessarily so specific that it would be better to undertake that as a national problem, and, accordingly, we lifted from the burden of the States, because of that condition, the obligation of taking care of these particularly unfortunate persons. But Hawaii is a rule unto itself. It had more cases of leprosy than were general throughout the country. If the same conditions had applied to our States here and they were as prevalent as in Hawaii, we would very likely have required each State to maintain its own separate hospital for the treatment of leprosy. I understand the purpose of the gentleman is to lift this proper load from the Territory of Hawaii and place it upon the National Government.

Mr. HOUSTON of Hawaii. The basic law I pointed out to the gentleman from Wisconsin is that this is a function of the Federal Government. As a matter of fact, we had taken the burden and had assumed the burden before the Federal Government went into this matter; but may I point out to the gentleman that there are in the neighborhood of 14,000 troops in the island and about 4,500 men in the naval service. Those men after doing service there are distributed back to their homes on the mainland. We may never know, because we do not know how leprosy is transmitted, about the condition of those men. There is very little information of a scientific nature which is available. Therefore, because of that possible distribution from this focus, it is all the more necessary, as in all communicable diseases, that the Federal Government should interest itself in the matter. May I further point out to the gentleman that besides the institution at Carrville the Federal Government specifically takes care of the lepers in the island of Guam. The other day we passed the naval appropriation bill, in which an appropriation of $35,000 was carried for the little establishment on the island of Guam. That indicates that it is the established policy of the Government to take care of this situation, and it may be better done by the Federal Government than by an individual agency.

Mr. STAFFORD. The gentleman has referred, as a justification for lifting the load from the Territory of Hawaii and imposing it upon the National Government, to the fact that we have a large number of troops there that possibly may be affected. Are there many instances, and if so, how many, where our troops by reason of their domicile on the island of Oahu have been afflicted with leprosy?

Mr. HOUSTON of Hawaii. I am not in a position to say that, but I call the gentleman's attention to the statement

of Gen. Fox Connor, who was the commanding general of the Hawaii Department, to be found in the hearings, in which he states that it is very necessary that this matter should be gone into by the Federal Government, because of that particular situation.

The commanding general of the Army in the Hawaiian Department in 1930 wrote as follows:

The control of leprosy in this Territory is manifestly a matter of great moment to the people of the United States. It is also of particular concern to the Army in view of the constant presence in this department of some 15,000 officers and men of the Regular Army. Conditions here are extremely favorable to a comprehensive epidemiological study of this disease. However, the same conditions render its continued presence a menace to the community, including the personnel of the Army whose duty enforces residence in the Territory.

The following is the most recent resolution introduced in the Territorial legislature on this subject:

Joint Resolution No. 1

Joint resolution reaffirming joint resolution No. 8 of the sixteenth regular session of the Legislature of the Territory of Hawaii, requesting the Congress of the United States of America to provide financial assistance to the Territory of Hawaii for the segregation, care, maintenance, and treatment therein of persons afflicted or suspected of being afflicted with leprosy

Whereas there was adopted by the sixteenth regular session of the Legislature of the Territory of Hawaii Joint Resolution No. 8 requesting the Congress of the United States of America to provide financial assistance to the Territory of Hawaii for the segregation, care, maintenance, and treatment therein of persons afflicted or suspected of being afflicted with leprosy; and

Whereas there has been introduced in said Congress H. R. 306, designed to afford the relief sought in said Joint Resolution No. 8; and

Whereas said H. R. 306 has not as yet been favorably acted upon by the Congress; and

Whereas the Governor of the Territory of Hawaii has subsequently been advised by letter from the Surgeon General of the United States Public Health Service that, despite the obligation imposed by the act of Congress of February 3, 1917 (39 Stat. L. 872), it is impossible to receive and care for at the United States Marine Hospital at Carville, La., any leprous patients from the Territory of Hawaii, due to lack of present accommodations thereat; and

Whereas since annexation Hawaii has spent over $7,500,000 in caring for its leprous patients; and

Whereas the Hawaiian Commission appointed in pursuance of the "Joint resolution to provide for annexing the Hawaiian Islands to the United States" reported, as printed in Document 16 of the Fifty-fifth Congress, third session, as part of a message from the President of the United States that "the Federal Government could do no better, either in point of economy or in point of effectiveness, at least so long as present conditions continue, than to permit this disease to be controlled by the local officers and the existing machinery; but it would seem to be only just that the Federal Government should share in the expense"; and

Whereas in view of all these facts and in all fairness and justice to the Territory of Hawaii the Federal Government should extend its financial aid to the Territory in its endeavor to cope with this problem: Now therefore

Be it enacted by the Legislature of the Territory of Hawaii, That Joint Resolution No. 8 of the sixteenth regular session of the Legislature of the Territory of Hawaii be, and it hereby is, reaffirmed, and the Congress of the United States of America is hereby urgently requested to take favorable action upon H. R. 306, now pending before said Congress, or on some similar bill directed toward the same result.

Extensive hearings on the matter were held on the original bill introduced—H. R. 306—and the published record is dated February 5 and 15, 1932.

It has been said that this should be a State matter. May I not therefore point out that Hawaii unfortunately has not yet reached that exalted sovereign position. We would like nothing better than to be a State. A resolution asking to be allowed to form a State convention has been adopted by the legislature, and we look hopefully to the time when there will be unanimity of opinion. If ever the argument as to State rights was not applicable, it is in the case of a Territory. Since the Federal Congress has full authority, and since it has established the principle of Federal control of this disease, it stands to reason that it should take steps to enforce the principle in a Territory.

The Territory has unflinchingly stood the charge up to the present, and has spent since annexation nearly $8,000,000 for this work.

I wish to express my appreciation for the very considerate and sympathetic action of the committee and the individual Members in this matter. They may well rely upon the cooperation of Hawaii.

Mr. WILLIAMS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Chairman, I believe the Delegate from Hawaii [Mr. HOUSTON] has well explained the purposes of the bill. I think the people of Hawaii have made considerable progress in the treatment and control of leprosy; also progress has been made by the Government at Carville, La. Several questions confronted the committee. Among those is whether or not the property now held by Hawaii as a leprosarium should be transferred to the Government of the United States in the event the Government should undertake to cooperate, and if so, at what price. Another question was whether or not we should contribute funds from the Federal Government to each patient. All of these questions confronted the committee. However, there was general feeling in the committee that the Federal Government should lend the same assistance to the citizens of the Territory of Hawaii as is given to the citizens of the States in this matter. It seems to me a very reasonable conclusion that a further study of the question should be made with the ultimate hope that Federal cooperation should be accorded, not only financial but through the medical authorities, to the end that the advances of the chaulmoogra treatment, or other treatment, may be carried on to further cure and success. I trust the bill will pass; it does not carry any appropriation but provides for a further study of the matter. I yield back the remainder of my time.

Mr. WILLIAMS of Texas. Mr. Chairman, I yield three minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman, the study of leprosy is interesting, and it will pay the Members to read the hearings held in connection with this bill. I take these few minutes to pay a compliment to the Delegate from Hawaii [Mr. HOUSTON] for his care and effort in presenting to the Committee on the Territories fairly and efficiently all matters pertaining to the Territory whose people send him to Congress as their Delegate. I think he is a worthy representative of that island, which has so many problems peculiar to itself. In addition to the extraordinary problems, I might add the observation, based on long-time membership with the Territories Committee, that both Alaska and Hawaii are poorly treated as stepchildren of Uncle Sam, in spite of all that the ever-changing membership of the committee can do to have these outlying Territories better treated. The leprosy situation is a case in point.

Read Public Act 299 of the Sixty-fourth Congress, and you will see that Hawaii can claim the same Federal care and treatment of its unfortunate lepers that every leprous person in continental United States is given. But Hawaii pays its own leprosy bill, which since annexation has amounted to more than $7,600,000. Since 1915 or 1916 the United States has paid the bill for the care of lepers in continental United States, and Hawaii has the right to call for similar treatment. This bill shows, however, how Federal expenses climb. We took over from the States the Federal care and treatment of lepers because even those States, except Louisiana, which wanted to care for them, could not find any community willing to accept a leper hospital. Now the whole bill for care is on the United States, and Hawaii under the law has a right to cut in.

The work of the Delegate from Hawaii [Mr. HOUSTON] is much more varied and very much more difficult than many imagine.

The chairman of the committee, the gentleman from Texas [Mr. WILLIAMS], is willing and anxious to do his full part for fair and proper legislation for both Hawaii and Alaska. He is handicapped because laws for continental United States seldom fit Hawaiian and Alaskan situations. The chairman made a good selection when he named the gentleman from Illinois [Mr. PARSONS] as the head of the subcommittee to investigate and iron out the leprosy situation. Mr. PARSONS has developed this substitute bill after much study. He deserves credit.

Also, I thank the Delegate for dropping his plans for immediate payments and settlements and going along with the subcommittee.

Mr. Chairman, I have held my place on the committee all of these years—nearly 20—because, being a Pacific coast Member, I am anxious to do my full part for the proper treatment and advancement and development of our two Territories—Hawaii and Alaska. One is our outpost and a producer of great commodity values as well as substantial revenues for the United States. The other is not only a producer but is a reservoir of treasure, undiscovered resources, and much of it a habitable place where in time 6,000,000 or more of our overflow population will live in comfort and contentment.

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition to the joint resolution.

The CHAIRMAN. Does any member of the committee desire recognition in opposition to the joint resolution? [After a pause.] If not, the gentleman from Wisconsin is recognized for one hour.

Mr. STAFFORD. Mr. Chairman, this is an endeavor to have the camel stick his nose under the tent and throw upon the National Government a burden that properly belongs to the Territory of Hawaii. I can not criticize the Delegate from Hawaii for seeking to unload on the National Government these financial burdens that are properly a charge upon Hawaii; yet, as I said in my colloquial discussion with the gentlemen, if the number of leper cases were as general throughout the United States as they are in Hawaii, we would not have undertaken the national hospital at Carville. Because the cases were so exceptional throughout the country, we found it was not advantageous to throw that burden, for humanitarian reasons, upon the respective States, but to undertake that load from a national standpoint. It was a burden that properly belonged to the States. There is no question but what, as far as Hawaii is concerned, it is so general throughout the islands, not by reason of the troops being there but because of conditions that prevailed before the United States ever took possession of the islands, that we are called upon, or the gentleman is seeking to impose that burden that is entirely local, upon the National Government.

Mr. KELLER. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from "Little Egypt."

Mr. KELLER. I would like to know how the gentleman concludes that this would have been a matter for the States instead of for the General Government?

Mr. STAFFORD. I did not think I would be called upon at any time by any Democrat, or any man who professed to be a Democrat, to explain to him that the care of the health is a matter pertaining solely to the States and not to the National Government. I would suggest that the gentleman read something of Thomas Jefferson, and after having read some works of Thomas Jefferson, if the gentleman then thinks the care of the health is a national function, I will give further consideration to trying to enlighten the gentleman on Democratic principles.

I am fundamental in my opposition, and I differ from the gentleman from Illinois in that everything that pertains to the States, of a local character, such as the regulation of the health, the regulation of the morals, belongs to the States and not to the National Government. The gentleman is counter to that proposition, especially in the control of the regulations of drinking beverages. The gentleman believes that the National Government should supervise conditions in lower Illinois, known as "Little Egypt." I do not.

The condition prevailing in Herrin County, represented by the distinguished gentleman who has made this report, is a matter that pertains to the State of Illinois, and I believe the gentleman from Illinois believes in that principle, and does not wish to have the national Government invade the province that pertains particularly to his little district or some little foul spot in his district.

Mr. PARSONS. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. PARSONS. I may say for the information of the gentleman, while I have no brief either for or against Herrin or Herrin County, which happens to be Williams County, it is not in my district.

Mr. STAFFORD. Then I acquit the gentleman of being obliged to represent that district which is sometimes guilty of the gravest kind of disorder.

Mr. KELLER. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman.

Mr. KELLER. With great pleasure I announce that Herrin is a part of my district, and there is no better town in America than Herrin.

Mr. STAFFORD. But it sometimes gets off the reservation.

Mr. SABATH. Will the gentleman yield?

Mr. STAFFORD. Here is a real States' rights Democrat. I yield to the gentleman from Illinois.

Mr. SABATH. I did not know that that county was in the district represented by my colleague, Mr. KELLER. I know it has been inhabited by splendid people, wonderful people, and that law and order prevailed for many, many years, until prohibition came in. Ever since prohibition came in crime has been rampant over there, as well as in many other sections of the country. If the gentleman from Wisconsin will help us repeal the eighteenth amendment or modify the Volstead Act, from that moment on I know that law and order will again prevail there, as well as all over the United States.

Mr. STAFFORD. Is the gentleman from Illinois making that request of me, when I have been a member of the subcommittee that has been continually considering that question? The gentleman should make his appeal to the gentleman who is counter to the efforts to bring about relief from these conditions down in Herrin County.

Mr. KELLER. There are not any such conditions as that.

Mr. SABATH. The gentleman from Wisconsin is one of the outstanding advocates of the repeal of the eighteenth amendment and the amendment of the Volstead Act. I realize and appreciate that, but I simply say he should continue in his efforts so that we can force an early vote.

Mr. STAFFORD. Well, I am working day and night. Even when the gentleman is out in Illinois I am working day and night trying to bring it about.

Mr. SABATH. The gentleman knows that I have been working while he was still in Wisconsin.

Mr. STAFFORD. Oh, the gentleman has been working assiduously.

Mr. LINTHICUM. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. LINTHICUM. Does not the gentleman think that if the gentleman from Herrin would come in with the people who are opposed to prohibition it would help Herrin?

Mr. STAFFORD. From my knowledge of conditions, it would help any Democrat who believes in State rights in his return to this body.

Mr. KELLER. I thank the gentleman for the recommendation.

Mr. TILSON. Mr. Chairman, what is the matter before the House?

Mr. STAFFORD. The question of whether the National Government should assume exclusively State functions.

Mr. TILSON. That is not what I have been hearing for the last 10 minutes.

Mr. STAFFORD. Or whether the Territory should continue to assume its proper burdens of local self-government. If the gentleman was awake—and I assume he is always awake—he realizes it was the gentleman from "Little Egypt" who started this excursion as to conditions in Herrin County. Naturally I had to acquaint him with some Jeffersonian principles. That is what misled me.

Mr. BOYLAN. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BOYLAN. Directing attention to the subject under discussion, the gentleman knows that leprosy is a peculiar disease. It is singled out as an exceptional disease throughout the world. The gentleman would not want each State to have a leprosy hospital, would he?

Mr. STAFFORD. As I stated originally, if the conditions were so general as to warrant a leprosarium in each State, the Federal Government would not have been warranted in establishing a national hospital for such cases at Carville, La.; but it was because there were rather isolated cases, perhaps only one from a State, that Congress felt justified in having them collected and their treatment coordinated at Carville, La.

Mr. BOYLAN. The gentleman would not want them scattered all over the United States with an institution in each State?

Mr. STAFFORD. Here we have, through the ingenious activity of the Delegate from Hawaii, an effort in seeking to impose upon the Federal Government a burden that is purely territorial and local in its nature, and to which the United States has not contributed. It is not at all a burden that should be placed upon the National Government.

Mr. BOYLAN. Is it not a national menace?

Mr. STAFFORD. The people are not staying away from Hawaii because there is leprosy there.

Mr. BOYLAN. Is that why the gentleman is staying away?

Mr. STAFFORD. I am staying away for other reasons. People have not been staying away from Hawaii all these years because there is leprosy there. I was over there years back.

Mr. Chairman, I do not wish to take up further time. I object to the Public Health Service trying to extend its activities to intrude upon matters that are purely local and throw the burden more and more upon the National Government. Every day we hear protests from the people at home against the burdens of National Government, and yet here to-day we are proceeding to consider legislation that will ultimately provide for an additional expense. I have registered my protest. If the committee wishes to vote this resolution favorably, that is their privilege.

The CHAIRMAN. If there is no further debate, the Clerk will read the joint resolution for amendment.

The Clerk read the joint resolution for amendment, as follows:

Resolved, etc., That the Surgeon General of the United States Public Health Service is authorized and directed to—

(1) Institute a survey by officers of the Public Health Service to determine the adequacy of facilities and extent to which provision is made for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and to report upon remedial legislation providing for the further control and eradication of the disease in the Territory.

(2) Prepare an estimate of the cost of the construction and equipment of a receiving station and hospital for the care and treatment of leprous persons, including the acquisition of necessary grounds for the location of said station and hospital, and an estimate of the yearly cost of maintaining and operating such station and hospital.

In the preparation of this estimate the Surgeon General shall ascertain from the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, and the Secretary of Agriculture whether any military, naval, or other reservation suitable for the purpose is available for transfer, to be used for the location of said station and hospital, and shall consider also the cost of the purchase of the present Kalihi receiving hospital, its equipment and supplies, including the acquisition of the ground upon which the hospital is located and including such reconstruction or additional buildings as may be necessary.

The Surgeon General shall report his findings and estimates on the opening day of the second session of the Seventy-second Congress.

Mr. WILLIAMS of Texas. Mr. Chairman, I move that the committee do now rise and report the joint resolution back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. COOPER of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the joint resolution (H. J. Res. 361) to authorize the Surgeon General of the United States Public Health Service to make a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes, and had directed him to report the same back to the House with the recommendation that it do pass.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WILLIAMS of Texas, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

CALENDAR WEDNESDAY BUSINESS

Mr. SANDLIN. Mr. Speaker, I ask unanimous consent that further Calendar Wednesday business be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

LEGISLATIVE APPROPRIATION BILL

Mr. SANDLIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Janitors under the foregoing shall be appointed by the chairmen, respectively, of said committees, and shall perform under the direction of the Doorkeeper all of the duties heretofore required of messengers detailed to said committees by the Doorkeeper, and shall be subject to removal by the Doorkeeper at any time after the termination of the Congress during which they were appointed.

Mr. SANDLIN. Mr. Chairman, I ask unanimous consent to return to line 3, on page 14, in order to offer a committee amendment.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to return to page 14 in order to offer a committee amendment. Is there objection?

There was no objection.

Mr. SANDLIN. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The gentleman from Louisiana offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. SANDLIN: On page 14, line 3, strike out the following: "Norman E. Ives."

Mr. SANDLIN. Mr. Chairman, I will state that if this name is left in this bill and the economy bill becomes a law, the Invalid Pensions Committee would be left without salary for this position. By striking out the name, the committee will be permitted to have this position. I also understand from the chairman of the Invalid Pensions Committee that the present occupant of this position will not be disturbed if this name is stricken out and the economy bill does not go through as written.

The committee amendment was agreed to.

The Clerk read as follows:

For clerk hire necessarily employed by each Member, Delegate, and Resident Commissioner, in the discharge of his official and representative duties, in accordance with the act entitled "An act to fix the compensation of officers and employees of the legislative branch of the Government," approved June 20, 1929, $2,200,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Perhaps my inquiry is not pertinent to the amendment just offered by the gentleman from Louisiana, striking out the name of Mr. Ives, but I notice on page 17,

line 7, the name of a specific person. Does the gentleman's proposal also apply in this instance?

Mr. SANDLIN. No; it does not apply to Mr. Lewis.

Mr. STAFFORD. Will the gentleman repeat the real purpose of having the name of Mr. Ives stricken out?

Mr. SANDLIN. He is a retired employee of the Interior Department; and if the proposal of the Economy Committee is carried out, he could not serve in an active position.

Mr. STAFFORD. To which proposal does the gentleman refer?

Mr. SANDLIN. The proposal in the economy bill with reference to retired employees being appointed to any other position in the Government.

Mr. STAFFORD. Does he occupy the status of one of the retired employees?

Mr. SANDLIN. Yes; he does.

Mr. STAFFORD. What salary does he get as such?

Mr. SANDLIN. He gets $1,200 as retirement annuity.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Salaries: Clerk, $4,000 and $800 additional so long as the position is held by the present incumbent; inspector under section 20 of the act approved January 12, 1895 (U. S. C., title 44, sec. 49), $2,820; assistant clerk and stenographer, $2,400; for expenses of compiling, preparing, and indexing the Congressional Directory, $1,600; in all, $11,620, one half to be disbursed by the Secretary of the Senate and the other half to be disbursed by the Clerk of the House.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Will the gentleman inform the committee as to the maximum salary that the clerk of the Joint Committee on Printing receives under this or any other authorization of Congress?

Mr. SANDLIN. Four thousand eight hundred dollars.

Mr. STAFFORD. Here you make provision for expenses of compiling, preparing, and indexing the Congressional Directory, $1,600. To whom does that emolument go?

Mr. SANDLIN. It is paid out under the order of the Joint Committee on Printing. I do not know the individual or individuals who are paid from the amount.

Mr. STAFFORD. Does it go to the clerk of the joint committee?

Mr. SANDLIN. I do not know.

Mr. STAFFORD. I suppose this is an additional emolument to that which he is receiving as an employee on the permanent roll?

Mr. SANDLIN. I can not say as to that. The joint committee controls that fund.

Mr. STAFFORD. The gentleman does not know of any person about the Capitol who is performing this character of work and receiving only $800?

Mr. SANDLIN. I do not.

Mr. STAFFORD. So naturally it would be assumed that he is receiving some other basic pay and that this is an emolument?

Mr. SANDLIN. That could be assumed by the gentleman if he wants to assume it. To be frank with the gentleman, I do not know.

Mr. STAFFORD. The gentleman's acquaintance with conditions prevailing around the Capitol certainly would not lead him to believe that there are any employees receiving as little as $800?

Mr. SANDLIN. The amount is $1,600.

Mr. STAFFORD. One-half to be disbursed by the Senate and one-half by the House.

Mr. SANDLIN. That is only the method of disbursement. The total is $1,600. It is paid $800 by the House and $800 by the Senate. I think there are a good many around the Capitol working for $1,600.

Mr. STAFFORD. There may be stenographers employed by Members of Congress who receive that amount, but there are no political attachés who are working for the political establishment of the Government in responsible positions who get as little as $1,600.

The pro forma amendment was withdrawn.

Mr. PATTERSON. Mr. Chairman, I move to strike out the last two words, and ask unanimous consent to return to page 17, line 8, for the purpose of making a point of order on the item of $420, which is not authorized by law.

Mr. SANDLIN. Mr. Chairman, for the present, I object.

Mr. PATTERSON. Will the gentleman reserve his objection so that I can make a statement about it?

Mr. SANDLIN. Yes.

Mr. PATTERSON. Mr. Chairman, this bill came out of the Committee on Accounts about three or four years ago and was passed in the interest of the gentleman who held the position at that time, Mr. Ladd, but there has been no resolution passed pertaining to the present employee holding this office. There is no law authorizing this $420, and I hope the gentleman from Louisiana will not object to returning to it because here we say we are in favor of economy——

Mr. SANDLIN. Mr. Chairman, I admit the point of order would be good if we should return to the paragraph, but let me make this statement:

The information the committee received was that when the salaries of the different positions of the Government here were gone over a few years ago, the salary of this place was not increased, because of this additional sum, and for that reason it is taken care of by this provision in the bill.

If I did not think this was a meritorious case and if I did not believe the employee was earning this salary, I would certainly not object to returning to the item. I will say to the gentleman from Alabama that I am as much in favor of an economical administration of this Government as the gentleman is, at the same time I do not propose to cut the salary of some specific employee who, I believe, is earning every dollar he is receiving. If I had not believed this, I would not have allowed it to be written in the bill. I think this is a case where the employee should receive the salary, because he is earning it, and for that reason I would object to striking it out.

The CHAIRMAN. Objection is heard.

The Clerk read as follows:

For salaries and expenses of maintenance of the office of legislative counsel, as authorized by law, $75,000, of which $37,500 shall be disbursed by the Secretary of the Senate and $37,500 by the Clerk of the House of Representatives.

Mr. LUCE. Mr. Chairman, when this item has been reached in the past, for several years members of the Committee on Ways and Means and others of the leading committees have taken the opportunity to speak in approval of the great help given to the Congress by this service.

I see none of such members here at the moment, and so I presume to do it by reason of the fact that this winter I have had unusual occasion to see and to profit by the very admirable, efficient, loyal work of this agency. I think a word of testimony to its value should be recorded, and at the same time I would recall that a dozen years ago, when this agency was young, there were Members who criticized its purpose severely and attempted to block appropriations for it. In this period it has won its permanent place in the institutions of our Government.

The Clerk read as follows:

Capitol Grounds: For care and improvement of grounds surrounding the Capitol, Senate and House Office Buildings; Capitol power plant; personal and other services; care of trees; plantings; fertilizers; repairs to pavements, walks, and roadways; purchase of waterproof wearing apparel; maintenance of signal lights; and for snow removal by hire of men and equipment or under contract without compliance with sections 3709 (U. S. C., title 41, sec. 5) and 3744 (U. S. C., title 40, sec. 10) of the Revised Statutes, $120,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I direct my inquiry to the chairman having the bill in charge as to the principal item of expenditure of $120,000 for the care and improvement of the Capitol Grounds.

Mr. SANDLIN. I think I can give the gentleman the items. There is $73,000 for salaries and wages, $25,000 for a sprinkling system, $6,000 for sundry supplies and repairs.

Mr. STAFFORD. Where is there any sprinkling system for the Capitol Grounds?

Mr. SANDLIN. The gentleman will notice that they have started the installation of a sprinkling system. Instead of going around with a hand hose, they are putting pipes underground.

Mr. STAFFORD. I have never seen any sprinkling of the grounds by hand hose.

Mr. HARDY. If the gentleman will go out to the east front, he will see that pipes have been put through the grounds. They turn on the water and the ground is sprinkled automatically.

Mr. STAFFORD. I have never seen any sprinkling, and it seems to me that it has not been necessary on account of the climatic conditions, the abundant rainfalls during the summer season.

Mr. SANDLIN. The gentleman may have overlooked it.

Mr. STAFFORD. The gentleman says they are installing an additional sprinkling system.

Mr. SANDLIN. To take the place of the hose system.

Mr. STAFFORD. Have the grounds ever been sprinkled by hose?

Mr. SANDLIN. My information is that they have.

Mr. STAFFORD. I have been around here with my eyes open, and I have never seen any sprinkling of the Capitol Grounds by hose. Of course, I take the gentleman's word for it.

Mr. SANDLIN. I acknowledge that the gentleman is a keen observer, but he has overlooked that.

Mr. STAFFORD. It may have been done in the night.

Mr. SANDLIN. I have seen it done in the early morning.

Mr. STAFFORD. What are the other items?

Mr. SANDLIN. I have given the gentleman the items—$73,000 for salaries and wages, $25,000 for the sprinkling, $6,000 for supplies and repairs.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Capitol garages: For maintenance, repairs, alterations, personal, and other services, and all necessary incidental expenses, $7,540: *Provided*, That the employees engaged in the care and maintenance of the Senate garage shall be transferred to the jurisdiction of the Architect of the Capitol on July 1, 1932, without any reduction in compensation as the result of such transfer: *Provided further*, That hereafter the underground space in the north extension of the Capitol Grounds shall be under the jurisdiction and control of the Architect of the Capitol, subject to such regulations respecting the use thereof as may be promulgated by the joint action of the Vice President of the United States and the Speaker of the House of Representatives.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the paragraph just read. My purpose is to get some information in regard to this expensive subterranean garage to the west of the ornate Senate Office Building. How much has been expended for the sole purpose of creating an underground garage for the benefit of automobiles used by the Senators of the United States?

Mr. SANDLIN. This garage was authorized under a special act of Congress. I have not the date at hand, but I will put it in the RECORD.

Mr. STAFFORD. Was there a special authorization, or did they proceed under some general authorization in an appropriation bill? I do not recall any special provision being incorporated in a general appropriation act or any special act of Congress authorizing the construction of a subterranean garage for the benefit of the Senators of the United States, involving an expense of more than a million dollars.

Mr. SANDLIN. In that act they adopted a definite plan which provided for this garage.

Mr. STAFFORD. I would like to see that, and also I would like to know the name of the person who originated the tunnel for the street cars approaching the northwesterly corner of the Senate Office Building.

I would say, offhand, that it took several hundred thousand dollars to provide for that subway I described as a tunnel a moment ago. I would like really to know who designed that proposal, and who approved it, and what the cost is. I know sufficient about the program to know that it has cost the taxpayers a mighty tidy figure.

Mr. SANDLIN. The gentleman is correct. I have no quarrel with the gentleman. It was expressly provided by an act of Congress.

Mr. STAFFORD. When was that passed? Was it a rider upon an appropriation act?

Mr. HOLADAY. Mr. Chairman, if the gentleman will yield, this was carried in the general appropriation for the beautification of the Plaza between the Capitol and Union Station.

Mr. STAFFORD. As I understand it, the plan for the Plaza originated with the former Representative from Kentucky, Ben Johnson, who was then chairman of the Committee on the District of Columbia. It was the idea to condemn the property from the Union Station down to the Peace Monument and have it so arranged that there would be an unobstructed view to the Peace Monument to visitors coming by railway to the Union Station. Some one at some time has constructed an obstruction to that view, for the accommodation, perhaps, of the Senators of the United States who use automobiles.

Mr. HOLADAY. This is a part of the plan of the Park and Planning Commission. I may say to the gentleman that I opposed it at the time it was considered.

Mr. STAFFORD. I am very glad that the gentleman took that position, and I regret that he was unsuccessful in his effort to stop it. What was the ground of his opposition? I hope it was in line with what I regard as being an undue waste of public money.

Mr. HOLADAY. That was my position. I took the position that it was an unnecessary expenditure and a waste of public funds.

Mr. STAFFORD. Has the gentleman any information as to the total expenditure of that submerged architectural monstrosity?

Mr. HOLADAY. The cost of that garage was not so great. As the gentleman will recall, the building was built on about a level, and then over the garage on toward the Capitol it was filled in, so that the cost of the garage itself was not such a great item.

Mr. STAFFORD. Oh, I know that the granite facing on the bridge that crosses over the subway, for the accommodation of the street-car traffic, cost many thousand dollars. I am told that the entire subterranean structure has cost the Government over a million dollars.

Mr. HOLADAY. The Park and Planning Commission conceived the idea that the beauty of the whole project would be lost unless the street cars were submerged. It is one of the expensive and, as I consider, unreasonable plans that are constantly being forced upon the Government by the Park and Planning Commission.

Mr. STAFFORD. The Park and Planning Commission is not pretending to take the street cars from directly in front of the Union Station. They are observed there, and yet merely for the casual transportation of street cars underground, a little more than a quarter of a mile away, they wish them submerged.

Mr. HOLADAY. I quite agree with the gentleman in his sentiments.

Mr. LAGUARDIA. Mr. Chairman, I think after the landscaping is entirely completed, it will not be as ugly as the gentleman from Wisconsin suggests.

Mr. STAFFORD. But they have destroyed the prime purpose that Mr. Johnson had in mind, to have an unobstructed view for those who came here by the Union Station to see the Peace Monument.

Mr. LAGUARDIA. And the Capitol?

Mr. STAFFORD. No; the Peace Monument. When they were throwing up the dirt around the Plaza along B Street I inquired of some officials connected with the Capitol what the purpose was. They did not tell me the real purpose was to build a subterranean garage. I am not objecting to the Senators having a garage, but I think it would have been more economical to have a modern garage contiguous to the Senate Office Building rather than to have this structure which can not be justified.

Mr. LaGUARDIA. I think by the time the gentleman comes back next session and the landscaping is complete, it will satisfy his æsthetic taste.

Mr. STAFFORD. I have not the æsthetic taste of the Park and Planning Commission, which would destroy the prime purpose of viewing the Peace Monument and the equestrian monument erected by the Government in honor of General Grant. That is all obstructed by these æsthetes who block the original purpose entirely out of view. As I said, the practical thing would have been to erect a separate garage. I think the time is coming when we will have to erect a separate garage for the Members of the House rather than to have the automobiles scattered everywhere around the Capitol, but when we do, I hope they will not go to the extent of marring the beauty of the Capitol by the erection of some structure for the sole purpose of benefiting the street-car company.

Mr. SANDLIN. Mr. Chairman, for the benefit of the gentleman from Wisconsin, this improvement is provided for in the act of March 4, 1929, entitled "An act to provide for the enlargement of the Capitol Grounds." One of the provisions is for the removal of the street-car tracks from Delaware Avenue and B Street, and the relaying of them, and an underground structure extending from Delaware to New Jersey Avenue.

Mr. STAFFORD. Then I am acquitted in my own conscience of having neglected my duty, because it was passed before I entered the House.

Mr. SANDLIN. I am giving the gentleman the reason why we provided the money for this.

Mr. STAFFORD. I was under the impression that it had escaped me and that it had been passed through the House after my return to Congress. I withdraw the reservation of objection.

Mr. PATTERSON. Mr. Chairman, I move to strike out the paragraph and to appeal to my colleague from Louisiana to investigate the propriety of this and return to it later. I hope he will consider this request and look into the matter.

I think if he will investigate it, he will find it is entirely justifiable. To-day we started out with Calendar Wednesday, and we did not expect this bill to be read just now. Under those conditions, I feel the gentleman ought to grant us the privilege of returning to that, unless he indorses it entirely. The man there now is absolutely without any experience. This man was given that after years of experience, and he has built up the office.

Mr. SANDLIN. I have tried to make it plain to the gentleman that I do not know the man who is there at all. I never heard of him.

Mr. PATTERSON. The previous resolution was before our committee before I became a member, and we made a thorough study of it, and I think the gentleman will find that no more just request could be made.

Mr. SANDLIN. It has been explained to me by those present in the writing of the 1929 legislative pay act, and it was stated in our hearing that this was continued because this position was not increased in 1929 as the others were.

Mr. PATTERSON. That was not brought out before our committee when this original resolution was passed.

Mr. SANDLIN. I am not responsible for what was or was not brought out before the gentleman's committee.

Mr. PATTERSON. I am a member of the committee and I tell the gentleman that the resolution passed before the 1929 pay readjustments.

Mr. SANDLIN. Now, if the gentleman will pardon me, I do not talk very much, for the reason that the CONGRESSIONAL RECORD costs about $46 a page to print.

Mr. STAFFORD. If the gentleman will yield, I am willing to have all my discussions on the floor eliminated from the CONGRESSIONAL RECORD. If the gentleman thinks I am talking to get my remarks in the RECORD, I will ask unanimous consent to have them stricken out.

Mr. O'CONNOR. Mr. Chairman, I object.

Mr. STAFFORD. I am here for the orderly discussion of legislation.

Mr. PATTERSON. The gentleman could not accuse me of taking undue time.

Mr. SANDLIN. This bill will not be completed to-day, and I will consider the request made by the gentleman from Alabama.

Mr. PATTERSON. I thank the gentleman; that is what I wish.

The pro forma amendment was withdrawn.

The Clerk read as follows:

LIBRARY BUILDING AND GROUNDS

Salaries: For chief engineer and all personal services at rates of pay provided by law, $46,960: *Provided*, That the Architect of the Capitol may continue the employment under his jurisdiction of Damon W. Harding, but not beyond June 30, 1934, notwithstanding any provision of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and any amendment thereof, prohibiting extensions of service for more than four years after the age of retirement.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the proviso.

Mr. SANDLIN. It was explained to us that this gentleman had been working over there in this position ever since the Library Building was erected, and they thought he could give better service in this position than a new man. He knows where all the wiring of the building is, and it was stated he is a very valuable employee.

Mr. STAFFORD. But I believe the Committee on Economy is bringing in, as one of their recommendations, enforced retirement of all persons who are employed beyond the age of retirement.

Mr. SANDLIN. That is true.

Mr. STAFFORD. Here they are singling out a special individual. Let us get the picture. How old is he?

Mr. SANDLIN. Sixty-five. There is now under contract an addition to this Library Building. I know nothing about it except what the officials over there say about him.

Mr. STAFFORD. What officials, if I may ask?

Mr. SANDLIN. The Architect of the Capitol, who is in charge of that work at the Library. The hearings give a very clear statement of it.

Mr. STAFFORD. What salary does he now receive?

Mr. SANDLIN. Two thousand six hundred dollars.

Mr. STAFFORD. Now, the proviso would change existing law so that this individual, beyond his retirement age, could be continued for another four years.

Mr. SANDLIN. I was mistaken. He has had two extensions. He is 69. This would extend him two years more.

Mr. STAFFORD. It has been heretofore extended two years?

Mr. SANDLIN. Four years. This would extend him until he is 71 years old, if this is allowed to remain in.

Mr. STAFFORD. I see the gentleman from Texas rising.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. I will be glad to yield.

Mr. BLANTON. Do I understand the gentleman from Wisconsin to intimate that because a man has reached the age of 69 years he is no longer capable and efficient?

Mr. STAFFORD. I take the position that when a man reaches the age of 69, willing or not, he should be retired.

Mr. BLANTON. Then we will retire some of the ablest men in the United States. We will retire some of the biggest heads of big business in the United States. We would retire some of the ablest Senators who sit in the other end of the Capitol. We would retire some men who are much more valuable to the country than some of us youngsters are just now.

Mr. STAFFORD. There may be exceptional cases. When the virile, aggressive, pungent Representative from Texas reaches the threescore-and-ten period, which is far distant, I know he will still be serviceable, but the gentleman is exceptional.

Mr. BLANTON. Well, I take it that this man is exceptional. It is an exceptional case. This committee must have some reason for this. They do not come in here spasmodically and make recommendations to the House without some good reason.

Mr. STAFFORD. Oh, this is a political employee, the gentleman must remember.

Mr. BLANTON. But a necessary one. They have passed on the matter. The committee is making its recommendations to the Congress. The committee is composed of 35 Members of the House.

Mr. STAFFORD. And this man may be keeping somebody else out of employment. I will listen to the gentleman from Louisiana.

Mr. SANDLIN. I will say to the gentleman from Wisconsin that Mr. Lynn, the Architect of the Capitol, said this:

> The recommendation of the Architect of the Capitol is that he be retained until June 30, 1934, in order that we may utilize his valuable and highly experienced services during the period of the construction of the addition and annex to the Library of Congress. In order to insure this retention, it is the desire of the Architect of the Capitol to have the necessary legislation passed to continue his services.

Mr. Bond, who is working under Mr. Lynn, said this:

> Mr. Harding has been employed in the Library of Congress since 1898. He entered the service about one year after the building was opened, and his service has been continuous except for the time when the Architect of the Capitol asked that he be transferred to the Capitol in connection with the old House Office Building wiring. He has personal knowledge of everything pertaining to the electrical equipment of the building, and a lot of it is not of record. It is mentally preserved with him, and we feel that we would like to retain him at least until these two buildings are completed—that is the annex building and the addition—and the entire electrical equipment installed.

Mr. STAFFORD. Mr. Chairman, the gentleman from Louisiana has made a good case as to the retention of this individual who has in his possession certain technical information that no other man may have. I am sufficiently acquainted with expert builders to know that they acquire information about construction work that can not be handed down. Therefore, I withdraw the reservation of the point of order.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

Apropos of what was embraced within the reservation of the point of order, and apropos of the continual effort to retire Government employees in the very prime of life and pay them big retirement fees and let them continue to draw big salaries, I want to point the attention of the gentleman from Wisconsin to the office in the rotunda of the Capitol where all the statues are placed.

Mr. STAFFORD. The chamber of horrors?

Mr. BLANTON. Statuary Hall is its name. Over in the corner presides Andy Smith, the CONGRESSIONAL RECORD clerk, who has been working for the Government loyally and faithfully in this Capitol for 57 years. He is 77 years old. He is on the job right now. He is able, efficient, energetic, and better qualified than any other man in the Nation to handle that position. Would you retire him, forsooth, because he is 77 years old? We know he is able to do his work, and we know that he does it well. And no man half so well qualified can be found to take his place.

I want to point the attention of the gentleman from Wisconsin [Mr. STAFFORD] to Hon. William Tyler Page, who, until we Democrats wrested the power of authority from our brother Republicans, was the clerk of this House—an able, efficient Clerk, than whom there has never been an abler one. He is a great historian and is one of the best-informed men in the United States Capitol, and is one of the loyal, patriotic citizens of the United States. He has been employed in this Capitol for over 50 years. Does the gentleman want to retire him because, forsooth, he has reached up in years?

For the benefit of some of our new colleagues who are serving their first term in this House I want to crave your indulgence long enough to give them a few facts about this faithful public servant.

William Tyler Page was born near here at Frederick, Md., October 19, 1868. He is one of the lineal descendants of Carter Braxton, signer of the Declaration of Independence. He was given his middle name because he is a collateral descendant of President John Tyler. He was educated in the public schools of Baltimore and at the Frederick Academy.

William Tyler Page began his service as an employee of this Government on December 19, 1881, when he was appointed a page in the Clerk's office of the House of Representatives. He has been a faithful employee ever since, his service being continuous, and he has rounded out more than 50 years of loyal service to the United States. He was elected Clerk of this House on May 19, 1919, and continued in such position until last December.

William Tyler Page is senior warden of St. Columba's Episcopal Church, is author of Page's Congressional Handbook, and during the World War he wrote the American's Creed, which was officially adopted by the Commissioner of Education, who was authorized to select a creed.

I am sure that it will be worth while for me to quote from the remarks of Mr. Matthew Page Andrews, representative of the Vigilantes and chairman of the committee of award, the following:

> In March, 1917, the city of Baltimore, through Mayor James H. Preston, offered a prize of $1,000 for the best creed. Committees were then appointed to pass upon the creeds submitted. These committees were (1) a committee on manuscripts, consisting of Porter Emerson Browne, Henry S. Chapin, Hermann Hagedorn, and representatives from leading American magazines; (2) a committee on award, consisting of Matthew Page Andrews, Irvin S. Cobb, Hamlin Garland, Ellen Glasgow, Julian Street, Booth Tarkington, and Charles Hanson Towne; (3) an advisory committee, consisting of Dr. P. P. Claxton, United States Commissioner of Education, and other national and State officials.
>
> Several thousand creeds were submitted to the committee on manuscripts prior to the closing of the contest on September 14, 1917. Fifty of these were turned over to the committee on award, and "creed No. 384" was selected as the best. The envelope containing the author's name was opened in New York City March 6, 1918.
>
> It was then disclosed that the author of No. 384 was William Tyler Page, of Friendship Heights, Md. [Applause.] His creed was selected because it was not only brief and simple but remarkably comprehensive of the best in American ideals, history, and tradition, as expressed by the founders of the Republic and its greatest statesmen and writers. This creed will be read for the first time by Doctor Claxton, United States Commissioner of Education, to whom I now present it on behalf of the national committee on award. [Applause.]
>
> Chairman CLAXTON. The creed is as follows:
>
> "THE AMERICAN'S CREED
>
> "I believe in the United States of America as a government of the people, by the people, for the people, whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign Nation of many sovereign States; a perfect Union, one and inseparable, established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrified their lives and fortunes.
>
> "I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies."
>
> This is a creed very fitting to be announced at this time, and the good thing about it is that it is not new, but it sums up the fundamental faith of all of the greatest of our leaders from the beginning until now; a creed that can be recommended not only to those who may come from the shores of Europe or Asia to make their home among us and become of us but to those of our own flesh and blood who come from the shores of eternity to grow up among us and to take our places and to carry on our institutional life and to support and defend the country.
>
> I am asked to make this explanation, that the first clause—"I believe in the United States of America," is from the preamble to the Constitution of the United States; that the second clause, "a government of the people, by the people, for the people," is from the preamble to the Constitution of the United States, Daniel Webster's speech in the Senate of January 26, 1830, and Abraham Lincoln's Gettysburg speech.
>
> "Whose just powers are derived from the consent of the governed," is from the Declaration of Independence.
>
> "A democracy in a republic," is in substance from No. 10 of the Federalist, by Madison, and Article X of the amendments to the Constitution of the United States.
>
> "A sovereign Nation of many sovereign States," from 'E pluribus unum," the great seal of the United States, and Article IV of the Constitution of the United States.
>
> "A perfect union," goes back to the preamble to the Constitution.
>
> "One and inseparable," Webster's speech in the Senate of January 26, 1830.
>
> "Established upon those principles of freedom, equality, justice, and humanity," from the Declaration of Independence.
>
> "For which American patriots sacrificed their lives and fortunes," from the Declaration of Independence and Lincoln's Gettysburg Address.

"I therefore believe it is my duty to my country to love it," in substance from Edward Everett Hale, the man without a country.

"To support its Constitution," from the oath of allegiance, section 1757 of the Revised Statutes of the United States.

"To obey its laws," from Washington's Farewell Address and from Article VI of the Constitution of the United States.

"To respect its flag," the national anthem, The Star-Spangled Banner; Army and Navy regulations; War Department circular on flag etiquette, April 14, 1917.

"And to defend it against all enemies," from the oath of allegiance, section 1757 of the Revised Statutes of the United States.

That is part of the record, Mr. Chairman, of one of our faithful employees, and he has served in this Capitol for over 50 years. Why, it would be foolish to talk about retiring him simply because he will soon be 64 years of age.

Let me call attention to another loyal, faithful employee, who is 72 years of age, and who has been working here continuously since 1880—over 52 years, if you please. I refer to Sam Robinson. Who could do his work better than he does it? He comes on duty about 12 noon every day, when the House meets, and he works until about midnight every night. He is active, efficient, trustworthy, and thoroughly dependable. Before he retires each night all copy for the CONGRESSIONAL RECORD is in the Government Printing Office. Because of his splendid services we are going to provide in this bill that Sam Robinson is not to be retired. And I sincerely hope that no Member will oppose that provision.

Why, you might as well talk about retiring our present efficient Doorkeeper, Joe Sinnott, for whom we all have affection. He has reached the top and has started down the other side of the hill. Where is there a man in this Nation who could make a better Doorkeeper of the House of Representatives? He has served the House of Representatives at a time when we could pay him only a small salary, incommensurate with his manifold duties and the real value of his service, yet he worked loyally and faithfully in a menial position for years.

It makes me tired to see on this floor continually efforts being made to retire Government employees because they have served 20 or 30 years, or have reached the age of 45.

Mr. WITHROW. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. WITHROW. Did you not vote to unseat Mr. Page and put another man in his place?

Mr. BLANTON. I did that from the standpoint of party regularity only. I knew when I did that that we were going to take care of him. When I did that we had already prepared a resolution that we were going to present here to take care of him, and our good friend Joe Rogers. If I had had my way on it, I would have put onto that resolution a further provision to take care of our former efficient Doorkeeper, Bert Kennedy, one of the best men we have had here in charge of that office, and also I would have taken care of our good friend Frank Collier, our former splendid Postmaster, who rendered able service to every man in this House, whether he was a Democrat, a Republican, a Socialist, or a Mugwump. [Laughter.] All of us liked him.

Why did we not take care of Bert Kennedy and Frank Collier? The time has come when we ought to take that matter up and do justice to those two men. They are receiving a little salary the equivalent of that paid a janitor. I hope the very next bill that the Committee on Accounts brings in will be amended to carry an appropriate salary for Bert Kennedy and for Frank Collier.

Mr. MEAD. We have one or two minor employees over in the House Office Building who are in the same category. They ought to be protected.

Mr. BLANTON. Of course they ought to be; and I want to help you do it.

[Here the gavel fell.]

The Clerk read as follows:

For the Register of Copyrights, assistant register, and other personal services, $249,380.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I assume the salary of the librarian is fixed by law?

Mr. SANDLIN. It is fixed by law at $10,000.

Mr. STAFFORD. He receives only $10,000?

Mr. SANDLIN. Yes.

Mr. STAFFORD. I was wondering what his salary was. What does the Register of Copyrights receive, if the gentleman has that information?

Mr. SANDLIN. He receives $5,600.

The pro forma amendment was withdrawn.

The Clerk read as follows:

DISTRIBUTION OF CARD INDEXES

For the distribution of card indexes and other publications of the Library, including personal services, freight charges (not exceeding $500), expressage, postage, traveling expenses connected with such distribution, expenses of attendance at meetings when incurred on the written authority and direction of the librarian, and including not to exceed $62,010 for employees engaged in piecework and work by the day or hour and for extra special services of regular employees at rates to be fixed by the Librarian; in all, $180,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Did the committee make any reduction in the appropriation for the distribution of the card indexes which are now under consideration?

Mr. SANDLIN. No. It was increased $9,500 on the explanation of the librarian that the work had increased.

Mr. STAFFORD. I believe this is a reimbursable item?

Mr. SANDLIN. It is. There is a little profit.

The pro forma amendment was withdrawn.

The Clerk read as follows:

INDEX TO FEDERAL STATUTES

To enable the Librarian of Congress to revise and extend the index to the Federal Statutes, published in 1908 and known as the Scott and Beaman Index, to include the acts of Congress down to and including the acts of the Seventieth Congress, and to have the revised index printed at the Government Printing Office, as authorized and directed by the act approved March 3, 1927, as amended June 14, 1930, the unexpended balance of the appropriation for this purpose in the legislative appropriation act for the fiscal year 1932 is continued available for the fiscal year 1933.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. For a long time I have been of the opinion that the Scott and Beaman Index was not of much value to any persons except the West Publishing Co. and other law publishing companies. As I recall, in the last session of Congress there was some authorization to appropriate a considerable amount of money for bringing this index down to date. Certain persons connected with the Library of Congress have called my attention to the needlessness of this elaborate compilation, and, as I said, it is only utilized by some large law-book publishing houses.

Mr. SANDLIN. The index to Federal Statutes is directed by the act of March 3, 1927, as amended, and to carry out the provisions of those acts this appropriation is made.

Mr. STAFFORD. Has the gentleman's committee made any investigation as to the real need of this so-called Scott and Beaman Index? This is a large amount of money to keep extant a certain index of the Federal Statutes, and I have been informed it is of but very little current value except to law publishing houses.

Mr. LaGUARDIA. I thought it was just the reverse. I think the law publishers have a better index than we have.

Mr. STAFFORD. For that reason this is of very little value. We are giving this honorarium to some Government employees for the upkeep of a compilation of statutes that I dare say is never referred to by any Member of Congress.

Mr. SANDLIN. I will say that the legislative counsel uses this index a good deal.

Mr. STAFFORD. The legislative counsel is one of the beneficiaries of this compilation.

Mr. SANDLIN. No; the gentleman is wrong. It is done by the Library.

Mr. STAFFORD. Originally Mr. Beaman, one of the legislative counsel, when employed by the Government as a member of the Library staff, received this gratuity to the extent of several thousand dollars. I have been told by persons connected with the Library of Congress, and particularly the law library, that this is of very little current value.

Here is another instance where the Government could save money. We get started on something and some employee is desirous of having his hand in the public crib and keeps holding on to the purse strings and never gives up. I am quite certain if the committee would investigate this matter, even though it is authorized by law, they would not appropriate for it.

Mr. SANDLIN. Mr. Chairman, it would certainly seem to me it is very important that the Committee on the Judiciary and the Members of Congress generally should know——

Mr. STAFFORD. Has the gentleman ever examined this index?

Mr. SANDLIN. I have never had occasion to examine it.

Mr. STAFFORD. I have had it sent to me, and it is of no current value at all. Not only that, but the cost of publishing it at the Government Printing Office is a waste of money.

Mr. SANDLIN. I am very glad to have the gentleman's suggestion and I shall look into it thoroughly.

Mr. STAFFORD. I brought the matter up for that purpose, so that next year when we are confronted with the same condition of a depleted Treasury as we are to-day, the gentleman will strike out some of these needless appropriations.

Mr. SANDLIN. Of course, the gentleman understands that the appropriation is made by authority of law.

Mr. STAFFORD. If it were not by authority of law, I would use the bludgeon of a point of order and strike it out.

Mr. SANDLIN. The members of the Committee on the Judiciary were instrumental in having this legislation passed and I understand they are favorable to its continuation.

Mr. LAGUARDIA. We use the established public works every time we have occasion to look up a Federal statute. I think every lawyer does this.

Mr. STAFFORD. There is not a lawyer in the country that uses it, and I dare say there is not a Member of Congress who uses this needless publication.

The pro forma amendment was withdrawn.

The Clerk read as follows:

CONTINGENT EXPENSES OF THE LIBRARY

For miscellaneous and contingent expenses, stationery, supplies, stock, and materials directly purchased, miscellaneous traveling expenses, postage, transportation, incidental expenses connected with the administration of the Library and Copyright Office, including not exceeding $500 for expenses of attendance at meetings when incurred on the written authority and direction of the Librarian, $9,000.

Mr. BLANTON. Mr. Chairman, on page 35, line 16, I move to strike out the words "traveling expenses."

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 35, line 16, strike out the words "traveling expenses."

Mr. BLANTON. Mr. Chairman, I have just had compiled and sent to me an official, certified statement of the traveling expenses of the general counsel of the Veterans' Bureau since 1923.

It is astonishing that they would allow this man to attend all the various conventions over the country and thus waste a sacred fund that we set apart for that bureau to rehabilitate disabled veterans.

For the benefit of my colleagues, so they will have a picture of it before them, I ask, Mr. Chairman, unanimous consent to revise and extend my remarks and to put in the RECORD this salary account and some other excerpts that I want to bring to your attention.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. I wish you would read this in the RECORD in the morning. Here is the letter from Gen. Frank T. Hines, Director of the Veterans' Administration, with the travel account of William Wolff Smith certified as correct, to wit:

VETERANS' ADMINISTRATION,
Washington, April 25, 1932.

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

MY DEAR MR. BLANTON: This is in compliance with your request of April 23, 1932, asking for complete information as to the travel performed by Maj. William Wolff Smith since February 1, 1923, regarding all trips outside of Washington.

Attached hereto you will find a summary of each trip made and a summarization of the total travel performed. The data furnished includes, by trips, the period of travel, points of travel, purpose of travel, and cost of travel, the latter item being divided into the cost of transportation and Pullman, per diem, and other expenses.

The data indicates that Major Smith was on travel status during the period covered for a total of 562 days, the total cost involved being $7,510.40.

You requested a special itemization of the trip performed to Paris. Major Smith made two trips to Europe during this period, and you will find inclosed photostat copies of the vouchers with supporting papers covering each of these trips.

The data submitted relative to Major Smith's travel is complete, with the exception of a trip made during the current month to Columbia, S. C., and Norfolk, Va. This trip was made in connection with war-risk litigation. The voucher has not as yet been submitted, and detailed information relative to this trip is, therefore, not available.

I trust that the information submitted herewith presents the facts which you desire.

Very truly yours,

FRANK T. HINES, *Administrator.*

Summary statement of travel, William Wolff Smith, period May 18, 1923, through March 11, 1932

Period	Number days	Transportation and Pullman	Per diem	Other expenses	Total
1923					
May 18-23	6	$24.10	$16.00	$2.50	$42.60
May 23-June 29	37	106.75	26.90	9.10	141.85
Aug. 29-Sept. 2	12	108.68	29.00	6.35	144.23
1923					
Sept. 21-23	3	16.28	11.00	12.60	39.88
Oct. 6-28	23	283.09	90.00	21.03	396.02
Dec. 28-31	4	23.78	16.00	5.35	44.13
1924					
Jan. 12-16	5	62.20	18.00	5.60	85.80
May 17-25	9	62.20	35.00	5.60	103.80
July 11-Aug. 17	5	[1] 70.00	20.00		90.00
Sept. 12-21	10	67.05	37.00	7.50	110.55
1925					
Mar. 18	1	2.14			2.14
Apr. 1-5	5	48.27	18.00	8.45	74.72
May 4-6	3	40.43	11.00	5.60	57.03
May 16-June 1	17	107.23	63.00	11.50	181.73
Sept. 1-8	8	55.86	19.00	5.60	80.46
Sept. 28-Oct. 12	15	116.92	55.00	11.70	183.62
Oct. 28-Nov. 1	5	38.44	15.00	6.30	79.74
1926					
Mar. 24	1	[1] 1.75	3.00		4.75
Apr. 1-4	4	40.42	13.00	5.50	58.92
May 12-21	10	114.43	37.00	13.80	165.23
July 10-Aug. 10	33	307.29	145.50	26.83	479.62
Sept. 22	1	21.91	6.00	3.70	31.61
Oct. 8-15	8	[2] 8.85	45.00	1.00	54.85
Dec. 3	1	7.15	3.00	1.80	11.95
1927					
Jan. 7-12	6	63.05	30.00	8.15	101.20
Jan. 27-31	5	60.16	27.00	5.95	102.11
Apr. 20-May 16	27	160.37	153.00	37.50	350.87
Aug. 28-Sept. 4	8	[1] 19.70	40.50	5.00	65.20
Sept. 9-Oct. 19	41	594.78	196.00	71.81	862.59
1928					
May 15-21	7	60.26	34.50	8.95	103.71
July 9-12	4	284.71	100.00	20.23	404.94
Oct. 2-21	20	160.16	70.50	17.05	247.71
Nov. 22-24	3	[2] 6.00	13.50	1.60	21.10
1929					
Jan. 12-16	5	70.01	26.50	6.25	101.76
Apr. 24-29	6	64.31	28.50	6.55	99.36
May 13-June 4	22	132.55	133.50	33.25	299.30
July 21-27	7	[1] 7.50	33.00	1.50	42.00
July 30-Aug. 2	4	18.04	22.50	1.50	42.04
Sept. 2-4	3	23.78	15.00	4.00	42.78
Sept. 23-Oct. 7	15	39.18	81.00	8.50	128.68
Oct. 14-25	12	93.11	63.00	8.20	164.31
Nov. 9	1	2.22			2.22
Nov. 12-20	9	62.26	46.50	7.85	116.61
Dec. 9-12	4	23.78	21.00	5.70	50.48
1930					
Mar. 25-Apr. 13	20	131.86	112.50	16.80	261.16
May 13-17	5	63.20	22.50	4.85	90.55
June 29-July 6	8	86.00	30.00	4.95	91.04
Aug. 9-13	5	42.03	24.00	5.30	71.33

[1] Per diem and transportation allowed only for travel from London to Paris and return and for time consumed in travel and conference.
[2] Gas and oil.

Summary statement of travel, William Wolff Smith, period May 18, 1923, through March 11, 1932—Continued

Period	Number days	Transportation and Pullman	Per diem	Other expenses	Total
1930					
Aug. 17-26	10	$76.94	$54.00	$12.55	$143.49
Sept. 27-Oct. 20	24	[1] 30.95	132.00	6.00	168.95
Nov. 11-15	5	63.20	22.50	5.00	90.70
1931					
May 12-19	8	67.38	40.50	8.65	116.53
June 12-20	9	[1] 16.19	52.50	3.00	71.69
Sept. 16-29	14	97.75	67.50	12.70	177.95
Nov. 16-30	15	76.37	55.00	12.65	144.02
1932					
Mar. 8-11	4	41.36	17.50	5.85	64.71
Total	562	4,435.16	2,545.50	529.74	7,510.40

[1] Gas and oil.

Mr. BLANTON. The following is the expense voucher that William Wolff Smith turned in for his pleasure trip abroad, to attend the American Bar Association Convention, but much of which General Hines turned down and refused to allow, to wit:

GENERAL INSTRUCTIONS

1. This form of voucher will be used in accounting for actual necessary expenses of travel. Where an account is too large to be stated on this form, use continuation sheets, and fasten them together in the upper left-hand corner. Fill in the form on the back of this voucher, showing how transportation requests were used. Accounts must embrace each and every item of expenditure pertaining to the period for which the account is rendered.

2. Each account must be sworn to by the person rendering it, in the form of oath prescribed on the face of this form. Officers and employees traveling upon official business of the bureau, other than those receiving a per diem allowance, or mileage, in lieu of subsistence or actual expenses, under express provisions of law, are expected to travel as though on their personal business, and will be allowed their actual travel expenses, usual and essential to the ordinary comfort of travelers, as explained and embraced in the travel regulations of this bureau as published in General Order No. 18. The provisions of this order must be strictly observed in order to avoid suspensions and disallowances in the settlement of accounts. Copies of the order will be furnished upon application.

Itemized schedule of travel expenses and other expenses incurred under stress of urgent or unforeseen public necessity

Date, 1927, and character of expenditure	Amount: Transportation items only	Amount: Items other than transportation
July 11. Washington, D. C., to New York, N. Y., via Pennsylvania R. R. (Pullman included)	$11.91	
Transfer of baggage, home to station, Washington	1.90	
Tip to station porter, Washington	.25	
July 12 Tip to Pullman porter, New York	.25	
Tip to station porter, New York	.25	
Transfer of baggage, station to hotel	.75	
Tip to hotel porter	.25	
Transfer of baggage, hotel to dock	.75	
Tip to hotel porter	.25	
Tip to porter at dock	.25	
July 12. Sailed steamship Berengaria New York to London	278.85	
Steamer chair	2.00	
Tip to deck steward	5.00	
Tip to cabin steward	5.00	
July 19. Arrived in London (remained in London, July 19 to 26, 1924, inclusive).		
July 27. Left London for Paris	35.00	
July 27, 28, 29, 30, and 31, inclusive, spent in Paris in connection with matters re French subrogation cases; reimbursement for traveling expenses from July 27 to July 31, 1924, inclusive, at $4 per diem in lieu of subsistence		$20.00
Aug. 1. Left Paris for Naples		
Aug. 7. Sailed from Naples for New York, steamship Duilio (claimed fare from Paris to New York)	296.25	
Tip to deck steward	5.00	
Tip to cabin steward	5.00	
Steamer chair	2.00	
Aug. 17. Arrived in New York		
Tip to porter at dock	.25	
Transfer of baggage, dock to station	1.00	
Tip to station porter, New York	.25	
Left New York for Washington (Pennsylvania R. R.)	10.04	
Tip to Pullman porter	.25	
Tip to station porter, Washington	.25	
Transfer of baggage, station to home	1.90	
Reimbursement for traveling expenses July 17, 1925, at $4 per diem in lieu of subsistence		4.00

Itemized schedule of travel expenses and other expenses incurred under stress of urgent or unforeseen public necessity—Contd.

Date, 1927, and character of expenditure	Amount: Transportation items only	Amount: Items other than transportation
Aug. 17. Baggage consisted of a trunk and two suitcases. The two latter were too heavy to carry. Receipts for the above travel have been lost and it is impracticable to secure duplicates.		
Total	$664.85	$24.00
Total of column 1		664.85
Total of column 2		24.00
Total		688.85

Mr. BLANTON. And here is a copy of General Hines's decision refusing to allow all of this account to William Wolff Smith, certifying that Smith went abroad for personal reasons to attend the American Bar Association Convention:

UNITED STATES VETERANS' BUREAU,
OFFICE OF THE DIRECTOR.

To ASSISTANT DIRECTOR, *Finance Service.*
From the DIRECTOR.
Subject: Travel expenses—general counsel—re: Subrogation cases.

It would appear proper to me for the Government to stand the transportation expenses from London to Paris and return for the conferences referred to of July 28, 29, 30, and 31.

In view of the fact that the general counsel went abroad for the purpose of attending the meeting of the American Bar Association in London, and this attendance was for personal reasons, I do not feel justified in authorizing his transportation at Government expense to and from England.

FRANK T. HINES, *Director.*

And here is the travel account for his other trip abroad that William Wolff Smith tried to get out of the Government, and did get the major part of it, to wit:

Itemized schedule of travel and other expenses

1927	Character of expenditure	Amount
Sept. 9	Leave Washington, D. C., 12.25 a. m., arrive New York, N. Y. 6 a. m.	
	Hotel porter (3 pieces) Washington, D. C.	$0.25
	Taxi to station from hotel, Washington, D. C.	1.00
	Transfer of trunk from Washington, D. C., to New York City dock (including 3 pieces baggage)	3.30
	Station porter, tip	.25
Sept. 10	Pullman porter, tip	.25
	Station porter, New York City	.25
	Taxi to hotel from station	1.00
	Hotel porter, tip (arrival)	.25
	Taxi to dock from hotel	1.25
	Hotel, New York City (room)	2.50
	Hotel porter (leaving)	.25
	Transfer of trunk from boat to Cherbourg, France, to Paris	2.50
	Dock porter (6 pieces) 25 cents each	1.50
10	Leave New York City 10 a. m. steamship Leviathan.	
16	On board Leviathan.	
16	Arrive Cherbourg, France, 4.29 a. m.	
	Leave Cherbourg, France, 10.30 a. m.	
	Arrive Paris, France, 4.20 p. m.	*France*
	Porter from boat to tender	20
	Tender through customs to station	20
	Stateroom steward	$6.00
	Dining-room steward	$5.00
	Deck steward	$2.00
	Cabin boy (shoe shine)	$1.00
	Steamer chair	$2.00
	Steamer rug	$1.00
		France
	Train porter (Pullman)	10
	Station porter (Paris)	10
	Hotel porter (Paris)	40
	Taxi from station to hotel	30
17	Taxi from hotel to Trocadero (convention hall), Paris; necessary on account of official papers being carried	16
18	....do	16
19	....do	16
20	....do	16
21	....do	16
22	....do	16
23	....do	16
24	....do	16
25-29	Paris, France.	
29	Leave Paris 12 noon (personal business).	
Oct. 11	Arrive Paris 9 a. m.	
	Leave Paris 9.35 a. m.	
	Taxi from hotel to railroad station, Paris	30
	Hotel porter	40
	Station porter	10

Itemized schedule of travel and other expenses—Continued

	Character of expenditure	Amount
1927		
	Train porter (Pullman)	$0.10
	Porter baggage station through customs	.20
	Customs to tender	.20
	Transfer of trunk from Paris to boat in Cherbourg (not included in railroad ticket)	1.42
Oct. 11	Railroad fare Paris to Cherbourg, France	10.00
	Leave Cherbourg 7.30 p. m.	
12-17	On steamship Leviathan.	
	Stateroom steward	6.00
	Dining-room steward	5.00
	Deck steward	2.00
	Cabin boy (shoe shine)	1.00
	Steamer chair	2.00
	Steamer rug	1.00
17	Arrive New York 10 a. m.	
	Dock porter (6 pieces)	1.80
	Transfer of trunk and baggage from dock to hotel, New York City	3.00
	Taxi, dock to hotel	1.50
	Hotel porter	.25
18	New York City.	
19	Leave New York City 12.40 a. m.	
	Hotel porter	.25
	Station porter	.25
	Taxi from hotel to station	1.00
	Pullman porter	.25
	Arrive Washington, D. C., 7.05 a. m.	
	Taxi from station to hotel	1.00
	Transfer of trunk and baggage	.75
	Station porter	.25
	Hotel porter	.25
Sept. 9	Per diem	6.00
10	To noon, $3; from noon to midnight, $3.50	6.50
11-29	Noon, 18½ days, at $7	129.50
Oct. 1	From noon to midnight	3.50
12-16	5 days, at $7	35.00
17	To 10 a. m., $3.50; from noon to midnight, $3	6.50
18	Per diem	6.00
19	....do	3.00
	Baggage too heavy to carry (6 pieces).	

Mr. BLANTON. And the following two documents executed by General Hines will throw some light to this trip abroad:

OCTOBER 21, 1927.

Maj. WILLIAM WOLFF SMITH,
General Counsel United States Veterans' Bureau,
Washington, D. C.

DEAR SIR: The travel order issued to you under date of August 2, 1927, is hereby amended for the purpose of authorizing your detail in New York City, N. Y., for a period not to exceed two days for the purpose of attending the ratifying convention of the American Legion, held in that city on October 18.

No additional transportation expenses are involved. Six dollars per diem in lieu of subsistence will be allowed (D. O.—Convention).

This travel order is issued in accordance with Public Act No. 600, making appropriations for the Executive Office and sundry independent executive bureaus, etc., which states that not to exceed $4,000 may be expended by the Veterans' Bureau from the appropriation "Salaries and expenses, Veterans' Bureau, 1928," for the expenses, except membership fees, of employees detailed by the director to attend meetings of associations for the promotion of medical science and annual national conventions of such organizations as may be recognized by the director in the presentation or adjudication of claims under authority of section 500 of the World War veterans' act, as amended, including reimbursement to employees, for similar travel heretofore authorized, from the appropriation for the fiscal year in which the travel was performed.

Very truly yours,

FRANK T. HINES, *Director.*

UNITED STATES VETERANS' BUREAU,
Washington, November 3, 1927.

Maj. WILLIAM WOLFF SMITH,
Room 1046, Arlington Building, Washington, D. C.

DEAR SIR: In the audit of your account for the period from September 9, 1927, to October 19, 1927, in which you claim $286, it has been found necessary to make deductions in the aggregate of $18.19, as indicated below; therefore, your account has been approved in the sum of $267.81 instead of the amount claimed.

Prorate reduction to bring expenses within appropriation of $4,000.

For the director:

HAROLD W. BREINING,
Assistant Director.

Mr. BLANTON. I want my colleagues to note that this William Wolff Smith, general counsel of the Veterans' Bureau, has been traveling all over the United States and Europe having a good time ever since he entered the bureau in 1923. And remember that he draws a salary of $9,000 per year and additional retired pay of $187.50 per month as a disabled officer, when he had only 13 days' service before the armistice. Note that he pays $5 tips on boats and $2 for steamer chairs to recline in, and is generous with public money Congress gave the Veterans' Administration to use in granting relief to sick and disabled veterans.

I do want to commend the bureau for the fact that when he went to Europe they would not allow all of his expenses. They only allowed certain parts of same. General Hines cut the rest of it off, and I want to commend him for it. But he should not have allowed him to go at all.

It is ridiculous and absurd for every department of Government to let their little bureau chiefs travel all over the United States and Europe at Government expense. You will find that the travel account of almost every bureau chief or subbureau chief in the United States and out of it amounts, in some cases, to more than his salary.

This condition exists in every bureau; and if you will read the hearings of the subcommittees of the Committee on Appropriations in bringing out the various supply bills, you will find that the traveling-expense accounts that have been submitted are astounding. We must put a stronger limitation on them. They are going to bankrupt the Government if we do not stop them. I want you to carefully look over these travel accounts of William Wolff Smith.

Mr. LAGUARDIA. How is he getting along? How does he feel these days?

Mr. BLANTON. Well, he is taking up hospital space in Mount Alto Hospital now that some disabled veteran ought to be occupying. I have applications from bedridden veterans, veterans who saw the front with my colleague from New York [Mr. LAGUARDIA], who are afflicted with wounds from shot and shell. They are bedridden now and can not get in a hospital and this great general counsel is occupying a room over there that they ought to have. He is not entitled to it by law and the Government ought not to be paying for it. If we made him go to a private hospital and pay his own expenses he would get well very quickly.

Mr. LAGUARDIA. We would at least find out whether he is well and able to perform his duties or is really sick.

Mr. BLANTON. When I was on the bench I was trying a murder case once, and I had a big bunch of veniremen summoned to pick the jury from, and there must have been 150 witnesses there, summoned from all over the State. Some of them were prominent physicians and surgeons who were away from their practice, and when the case was called the defendant was not there and his lawyers stated he was sick and could not be tried.

He was down at his home, 7 or 8 miles distant. They said he was unable to come to court, because he was very sick, and they produced a doctor's certificate. I called three of the best doctors in town and said, "You go down there, take a stretcher and the sheriff, and if the man is really sick, leave him there. But if you think he is simulating, if you think he is able to come to court, you bring him back," and they brought him into court on the stretcher. After the district attorney began the examination of witnesses he waked up and began to take an interest in the proceedings, and appeared as well as anybody. That is my idea of this man's trouble out to Mount Alto. He does not want to be tried. He does not want to answer some pertinent questions that I am going to ask him.

The Clerk read as follows:

For any expense of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the board, $500.

Mr. LUCE. Mr. Chairman, I move to strike out the last word in order to call attention to the fact that once more the appropriation for the Library of Congress has received the approval of this body without criticism, barring only that of one minor function imposed upon it by Congress itself.

Whenever one of the agencies of the Government succeeds year after year in thus fully meeting the approval of our Appropriating Committee, and of the House itself, it is testimony to the efficiency of the administration thereof that ought to have at least a word of recognition.

While I am on my feet I would like to get in the RECORD another word of recognition. It may not be given in any

official way but ought to be made as an acknowledgment of the gratitude of the Government for the beautiful building, with its wonderful collection, known as the Folger Shakespeare Library [applause], which was added formally to the attractions of the Capital a few days ago.

While the giver intrusted the care of this to the trustees of one of our colleges, it is in essence a gift to the Nation, a contribution to the culture of America that we may well here recognize with a word of thankfulness for the lofty spirit of the man who made a gift we shall always prize by reason of its adornment of the Capital, its contribution to scholarship, and its fitting tribute to the greatest of all the writers of the English language. [Applause.]

The Clerk read as follows:

GOVERNMENT PRINTING OFFICE

Public printing and binding: To provide the Public Printer with a working capital for the following purposes for the execution of printing, binding, lithographing, mapping, engraving, and other authorized work of the Government Printing Office for the various branches of the Government: For salaries of Public Printer, $10,000, and Deputy Public Printer, $7,500; for salaries, compensation, or wages of all necessary officers and employees additional to those herein appropriated for, including employees necessary to handle waste paper and condemned material for sale; to enable the Public Printer to comply with the provisions of law granting holidays and half holidays and Executive orders granting holidays and half holidays with pay to employees; to enable the Public Printer to comply with the provisions of law granting 30 days' annual leave to employees with pay; rent, fuel, gas, heat, electric current, gas and electric fixtures, bicycles, motor-propelled vehicles for the carriage of printing and printing supplies, and the maintenance, repair, and operation of the same, to be used only for official purposes, including operation, repair, and maintenance of motor-propelled passenger-carrying vehicles for official use of the officers of the Government Printing Office when in writing ordered by the Public Printer; freight, expressage, telegraph, and telephone service; furniture, typewriters, and carpets; traveling expenses; stationery, postage, and advertising; directors, technical books, newspapers and magazines, and books of reference (not exceeding $500); adding and numbering machines, time stamps, and other machines of similar character; rubber boots, coats, and gloves; machinery (not exceeding $300,000); equipment, and for repairs to machinery, implements, and buildings, and for minor alterations to buildings; necessary equipment, maintenance, and supplies for the emergency room for the use of all employees in the Government Printing Office who may be taken suddenly ill or receive injury while on duty; other necessary contingent and miscellaneous items authorized by the Public Printer: *Provided*, That inks, glues, and other supplies manufactured by the Government Printing Office in connection with its work may be furnished to departments and other establishments of the Government upon requisition, and payment made from appropriations available therefor; for expenses authorized in writing by the Joint Committee on Printing for the inspection of printing and binding equipment, material, and supplies and Government printing plants in the District of Columbia or elsewhere (not exceeding $1,000); for salaries and expenses of preparing the semimonthly and session indexes of the CONGRESSIONAL RECORD under the direction of the Joint Committee on Printing (chief indexer at $3,480, 1 cataloguer at $3,180, 2 cataloguers at $2,460 each, and 1 cataloguer at $2,100); and for all the necessary labor, paper, materials, and equipment needed in the prosecution and delivery and mailing of the work; in all $3,000,000, of which $500,000 shall be immediately available, to which shall be charged the printing and binding authorized to be done for Congress, the printing and binding for use of the Government Printing Office, and printing and binding (not exceeding $2,000) for official use of the Architect of the Capitol when authorized by the Secretary of the Senate; in all to an amount not exceeding this sum.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word, and I do so to ask the chairman of the subcommittee a question. Are there many reductions made in appropriations this year—in the appropriation for the same activity in the last appropriation bill? I refer to the appropriations in the Government Printing Office.

Mr. SANDLIN. Not under the Printing Office. The appropriations for printing for the other departments are in other bills. These appropriations are for the legislative printing.

Mr. LAGUARDIA. In all the confusion, turmoil, excitement, noise, and stampede for economy we have heard and read in the newspapers that economies were going to be made in the public printing. I hope we have not arrived at that stage where it will be impossible for the people of the country to get any public documents on request. Does the gentleman know just how far this economy plan is going to cut into the appropriation for the Government Printing Office?

Mr. SANDLIN. I can not give the gentleman the information. I am not a member of the Economy Committee. Their bill was not available until a short time ago.

Mr. LAGUARDIA. The gentleman will be on guard to see that as far as it is necessary the printing for the legislative branch and the printing for the Government will not be curtailed beyond necessity?

Mr. SANDLIN. I do not think there ought to be any economy that would interfere with the proper administration of any department.

The pro forma amendment was withdrawn.

Mr. HARDY. Mr. Chairman, I move to strike out the last word. I think most of the Representatives do not understand the significance of this item which is carried in this bill. Last year $2,500,000 was carried and this year this has been raised to $3,000,000. The object of this item is to cover the cost of printing done for the legislative branches of the Congress. We have over here a public-printing plant which does the printing for all departments of the Government. That plant is supposed to be operated at cost. All the work that goes through the plant is charged up at a certain figure, and all collected from it equals the amount paid out, with a profit of about $80,000 a year, which goes into the Treasury. It has been necessary to raise the amount of $2,500,000 to $3,000,000 because the smaller amount does not cover the cost of printing that we have had done for the Congress this year. I have been making some inquiry about this. In private industry a man who has a job of printing done wants to know what he is going to pay for the job before he gets it done.

In the Congress of the United States I have found nobody who has any supervision in any way, shape, or form over the amount of printing that is done for the Congress. A resolution is brought in authorizing a committee to have certain printing done. The chairman of that committee or the clerk sends the work to the Public Printing Office to be done. Nothing whatever is known about the cost of the job to be done. Cost has no determining factor with what is printed or how much. The result is that our printing bill mounts higher and higher each year. Of course, gentlemen have heard the CONGRESSIONAL RECORD talked about and its costing so much per page. It costs about $42 a page as it runs, and more when the copies are bound. That runs to about $600,000 in a session, and in a long session like this it will run nearer $750,000. The thought I have in mind is that no person, no committee, no authority in this Congress has anything to say about how much printing shall be done or what the cost of the printing is.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. HARDY. Yes.

Mr. SABATH. Under the rules of the House a certain number of copies of each document is permitted to be printed. Does the gentleman maintain that the Public Printer prints any number that he desires in disregard of the rules and laws of the House?

Mr. HARDY. No; I do not refer to that at all.

Mr. JOHNSON of Washington. That is all established by a rule of the Joint Committee on Printing.

Mr. HARDY. What I mean is how many pages of a document you are going to have printed. They do not consider the cost of these hearings before they are ordered. We do not consider the cost of anything here. We get done what we want done. Who sets the charges? The Public Printer, of course. He tries to set them at actual cost. The cost is high as printing goes, and there is a reason for this which I shall explain.

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. HARDY. Yes.

Mr. ARENTZ. The other day the gentleman was speaking about the cost of hearings before the different committees and the amount of material that is inserted in some hearings which might just as well be left out. Along that line it seems to me that the committee, whether it is a subcom-

mittee or a full committee, should be able to audit its hearings and delete such portions as are either duplications or are useless, with the result that the argument the gentleman uses against some of these hearings would not lie. It certainly would be a saving in money if it is done.

I admit that oftentimes these hearings contain a great deal of matter that is irrelevant and useless, but at the same time the committee could cut that down to a point where all of the meat of the arguments would be in the hearings and at the same time a saving effected.

Mr. HARDY. The gentleman is entirely right about it. I am not finding fault with any particular thing whatever, but I do want to call attention to the cost of things done for the Congress at the Public Printing Office. A page of 10-point type in hearings like the one I hold in my hand costs $5.22. If there are figures in it, it may cost $12 a page, and if there is heavy tabular work it will cost $21 a page. The average cost per page of hearings runs about $10.

I am going now to take the time to tell a few things about the public-printing plant. We have the finest job-printing plant in the world, perhaps. We do about $14,500,000 worth of printing annually in that shop, all done for Government activities. The printing plant cost about $4,500,000 and the equipment has cost about $4,500,000. We have $9,000,000 invested in the plant. It occupies 22 acres of floor space. There are 404 typesetting machines, including 175 linotypes; fast-running presses, every imaginable modern improvement and equipment that a printing plant could desire. They have laboratories for the testing of paper and materials, and they make their own printing ink. They have a fine modern photo-engraving plant for making cuts, and so forth. They have a large binding establishment. The plant is kept in the finest condition of any printing plant in the country. About $300,000 a year is spent for its improvement and in the replacement of materials. It employs 5,040 people. The best working conditions prevail there of any printing plant in the country. The job printers get from $1 to $1.05 an hour, the linotype printers $1.05 to $1.15 an hour with 15 per cent extra for night work, one and a half times that scale for Sundays and holiday work, 30 days' annual vacation, all of the holidays, and the Saturday afternoons off with pay. The Saturday afternoon off that we inaugurated last year cost $500,000 annually and added 6½ per cent to the cost of printing.

Jobs are under the civil service, and the retirement act gives the workers a feeling of security not felt in private industry.

Much of the work is done under high pressure, rush jobs that have to be gotten out regardless of cost. The business man back home is careful about having his work done so as not to have to pay extra for overtime for his work. Government officials and employees are not so careful. About 1,000 people are being employed at night-work rates at the public-printing plant at this time. This is what helps to make Government printing expensive.

Mr. JOHNSON of Washington. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. JOHNSON of Washington: Page 89, line 8, strike out the period, insert a colon, and add the following: "*Provided*, That all envelopes furnished for the speeches of Members shall be paid for at 10 per cent above cost."

Mr. LAGUARDIA. Mr. Chairman, I reserve a point of order on that amendment.

Mr. JOHNSON of Washington. Mr. Chairman, I think it is a limitation. If the Members order speeches which are in the CONGRESSIONAL RECORD to be printed for them in pamphlet form, the Members pay for those speeches. An effort was made some years ago by the Joint Committee on Printing to provide that the Members should also pay for the cheap manila envelope in which the speeches are placed.

Members are frequently charged that speeches are printed at Government expense. They are not. The envelope is given to the Member free of cost. It is a very small cost, it is true; but if the Members were obligated by an amendment like this to pay the trifling cost of the light-weight manila envelopes in which the printed speeches are sent out, plus 10 per cent, they would be then free to say that the speeches were not printed at Government cost, and the Government would be the gainer 10 per cent above the cost of the envelopes. I had hoped that this would not be considered out of order. It will raise a little money for the Government. It will leave the Members of Congress in a correct position in their statements that they are printing speeches entirely at their own expense.

Only the other day I passed the minority or the majority room and I saw sacks and sacks and sacks of matter being sent out, undoubtedly political speeches made by Members. There should not be a cent of cost to the Government, as far as we can relieve the Government of this cost, in behalf of every Member who sends out speeches, whether he is engaged in an effort to retain his seat in the House of Representatives or to help the political party to which he belongs. I am quite serious about this, and I hope the amendment will be adopted. I do not care whether the saving to the Treasury is small or large. Probably it is simply one of these little leaks that no one watches.

Mr. LAGUARDIA. Mr. Chairman, I urge the point of order.

Mr. BANKHEAD. Mr. Chairman, may we again have the amendment reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment offered by Mr. JOHNSON of Washington.

Mr. LAGUARDIA. Mr. Chairman, I press the point of order. It is a limitation.

Mr. JOHNSON of Washington. Mr. Chairman, it is not quite a limitation, but it is money saving.

The CHAIRMAN. Does the gentleman make his point of order?

Mr. LAGUARDIA. Yes, Mr. Chairman.

Mr. STAFFORD. Mr. Chairman, it comes within the third section of the Holman rule, which states that "or by reduction of the amount of money covered by the bill." On the face of it, it shows there will be a saving to the Treasury of the United States. Because of that fact, it is in order on this paragraph, which relates to the printing of envelopes as well as other printing for the use of Members of Congress and others.

Mr. LAGUARDIA. Mr. Chairman, it does more than that. It provides for the sale of those envelopes at a profit. It is the same as if it provided for a fee for a service.

Mr. STAFFORD. To that extent it saves more for the Government. Under the provision of the Holman rule it is in order.

Mr. JOHNSON of Washington. It is so valuable for the membership that I hope the gentleman will not press the point of order.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule. The Chair does not think the amendment is germane, nor does the Chair think it comes within the meaning of the third provision of the Holman rule, because it does not seek to reduce an appropriation; but in the opinion of the Chair, it seeks to raise revenue.

Therefore the Chair will hold that it is not germane, and the point of order is sustained.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, for a great many years I served as a member of the Joint Committee on Printing. Back in the days when Champ Clark was Speaker and Woodrow Wilson was President a gentleman from Indiana, Mr. Barnhart, brought out a printing reform bill from that committee. The rules in those days with regard to Calendar Wednesday permitted every single Wednesday in a session to be used by one committee. That printing reform bill was used as a buffer on every Wednesday for two solid

sessions against other legislation. It contained many desirable reforms. It would have saved millions of dollars. At one time, shortly after the armistice, by a rider to an appropriation bill, I saved six or seven million dollars in one year alone in an effort at printing reform. The method was changed completely.

Now, with reference to the amendment I have offered, I am sorry it is subject to a point of order, as at the moment I see no other way to offer it. If I buy $500 worth of my printed speeches made on this floor and reported in the CONGRESSIONAL RECORD, perhaps with a small extension, should I not be able to pay $40 or $50 more for the manila envelopes as long as I am paying for the printing of the speech itself?

Mr. ARENTZ. Will the gentleman yield?

Mr. JOHNSON of Washington. I yield.

Mr. ARENTZ. Does the gentleman not think the Members ought to pay for envelopes in which are sent out farm bulletins? If they must pay for the envelopes which contain their speeches, let us pay for all of them.

Mr. JOHNSON of Washington. Oh, no. The answer to that is very simple. We authorized the distribution of certain Government documents, and they are printed by the Government, to addresses furnished by us on the theory that our constituents need the information in that bulletin. But if I send a speech, no one has asked me to send that speech. It is volunteered on my part. The speech may or may not convey some information of value, but it is mainly sent out in behalf of the Member.

Mr. ARENTZ. No one asks you to send them a list of farm bulletins, do they?

Mr. JOHNSON of Washington. And I do not do it, either, as a volunteer proposition.

Mr. ARENTZ. But some of us do.

Mr. STEVENSON. Will the gentleman yield?

Mr. JOHNSON of Washington. I yield.

Mr. STEVENSON. I think the gentleman's amendment is a very judicious one, except that I do not think the Members should be penalized by charging them 10 per cent profit.

Mr. SANDLIN. Let me suggest to the gentleman from Washington [Mr. JOHNSON] that I think a proper amendment to meet the situation would be the following: "*Provided*, That no funds appropriated herein shall be used to pay for envelopes to be used in sending out speeches."

Mr. JOHNSON of Washington. Will not the distinguished chairman of the subcommittee offer such an amendment himself?

Mr. SANDLIN. If the gentleman suggests such an amendment, I shall accept it.

Mr. BLANTON. Mr. Chairman, to give the gentleman time to prepare his amendment, I move to strike out the last word.

Mr. Chairman, with all due regard to the criticism that is made by our friends the newspaper boys of Members sending out excerpts from the RECORD, I think it is of more benefit to the people of the United States than all the rest of the money that is spent by the Government. Members pay for the expense of printing the excerpts. And the small cost to the Government is negligible.

Suppose the big newspapers should get it in for our friend from New York [Mr. LAGUARDIA] because he voted with us to kill the sales tax, because he does this, or because he does that, and they play him up in an improper way before his people or before the people of the country. He has his redress. He can have reprints made of what he did say from the daily RECORD of this Congress and send it to the people, if he wants to pay for the printing of the speeches.

Suppose the dry people in the United States—and there are some of them outside of Congress as well as in, in Illinois and in other places—in Illinois on election day, in Illinois on primary day. [Laughter.] Suppose they get it in for our friend from New York because he is a wet and they played him up. He has got a right to show what his exact stand is. It is a very valuable right and of interest to all of the people.

A very prominent newspaper reporter in the Capitol who reports for a whole string of papers told me the other day that they liked Senator SHEPPARD; that Senator SHEPPARD was one of the finest of fellows and was a personal friend, but their papers were wet and would not permit them to ever play him up in a proper way because he was an extreme dry. Is not that unfortunate for Senator SHEPPARD? But that situation does exist. The boys in the gallery take likes and dislikes to us because we are either for or against something they want. That is shown here and there in their little articles. They are human beings just like everybody else. We can not blame them; they are human. That is exemplified in the kind of articles they send out.

I used to think the Associated Press was the gospel. I believed everything I saw with "A. P." on it. Their representatives are splendid young fellows, but sometimes they take dislikes to us and their articles are colored by the way they feel at the time they write the articles. Associated Press dispatches were sent to the Dallas News and the San Antonio Express, two big papers in my State, about what once transpired here on the floor, but the Associated Press article on that matter that appeared in my home paper was entirely different and did me a great injustice. When I checked the matter up with the papers it developed in this instance that when the national Associated Press article reached Dallas it was there rewritten and the part that went to my home was specially edited. That is the way they are handled.

The CONGRESSIONAL RECORD is a daily protection for every Member of Congress. It is a protection to the people the Members of Congress represent. Never take away the right of Congressmen to send excerpts from the RECORD to the people.

Did you know that I have had speeches of my colleagues printed at my own expense? I have had reprints made of speeches of different colleagues that struck me as being of outstanding value, that were in the interest of the people of this country, paid for it out of my pocket, and sent them to the people of the country. That is the way to let the people of the country know exactly what they want to know. Now, that the gentleman has his amendment ready, I will yield the floor.

[Here the gavel fell.]

Mr. JOHNSON of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 39, line 8, strike out the period, insert a colon and add the following: "*Provided*, That no funds appropriated herein shall be used to pay for envelopes in which speeches of Members are wrapped or mailed."

Mr. LAGUARDIA. Mr. Chairman, I make a point of order against the amendment in that it implies an investigation on the part of the Public Printer to ascertain what goes into the envelopes.

Mr. JOHNSON of Washington. I reply to the point of order by stating that nothing is supposed to go into any franked envelope that is not an official statement from this RECORD.

Mr. LAGUARDIA. Suppose we send parts of the CONGRESSIONAL RECORD; what would happen in that case?

The CHAIRMAN. The Chair thinks the amendment offered by the gentleman from Washington is proper. The Chair overrules the point of order.

Mr. JOHNSON of Washington. Mr. Chairman, may I say just a few words in support of the amendment? The cost of these envelopes in very large quantities will be very small. I imagine they can be bought now as low as 65 cents a thousand, and by paying that small charge the Members will relieve themselves of criticism, and it will be a trifling, petty charge.

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the amendment. As the amendment is drawn, and we saw how hurriedly it was drawn, it does not do what the gentleman has in mind.

I submit that we may draw envelopes to send out speeches or any part of the CONGRESSIONAL RECORD. We may draw envelopes and send out any public document, but if we have reprints made—I do not know whether that is what the gentleman from Washington has in mind or not—of the CONGRESSIONAL RECORD, then it would seem that no part of the funds appropriated shall be used for such envelopes.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. JOHNSON of Washington. The gentleman says draw envelopes. He means from the small stationery allowance?

Mr. LAGUARDIA. No; I do not. I refer to manila envelopes which are marked "Part of CONGRESSIONAL RECORD." I do not know what I will do to comply with the gentleman's requirements, unless I submit everything I send out to the Public Printer.

Mr. JOHNSON of Washington. I venture the assertion that the gentleman uses his stationery allowance in a month.

Mr. LAGUARDIA. Oh, yes.

Mr. SIROVICH. How much would this save the Government of the United States altogether?

Mr. LAGUARDIA. I do not think it would be very much.

Mr. SIROVICH. Would it be $2,000 or $3,000?

Mr. JOHNSON of Washington. It would be a great deal more.

Mr. SIROVICH. How much?

Mr. LAGUARDIA. The gentleman from Texas [Mr. BLANTON] said it would not save the Government $5,000 a year.

Mr. SIROVICH. How much does the gentleman from Texas say it would save?

Mr. BLANTON. It is such a bagatelle compared with other savings we might make. Let us go after the hundreds of millions of dollars of waste. Let us go after the big waste and not after these bagatelles.

Mr. ARENTZ. In our office we have a series of envelopes running from the size of the CONGRESSIONAL RECORD down to the smaller sizes. Does the gentleman refer to the medium-size envelopes or the smaller envelopes?

Mr. JOHNSON of Washington. Envelopes in which are placed the printed speeches of the Members, paid for by themselves, extracts from the RECORD which are sent to the public.

Mr. LAGUARDIA. Now, gentlemen, I submit that after all we have certain responsibilities here as legislators. When I am requested to send out any part of the CONGRESSIONAL RECORD or the complete RECORD, or any public document, I do so as a part of my official duties. Therefore, I believe we should be provided with envelopes in which to send out those matters. I know there is a great deal of timidity on the part of some of the Members by reason of this mania, this hysteria, and this insane drive for economy. I for one am not ashamed nor afraid. I am going to stand up and I am going to resist it because I know the source from which it comes. I think it is wrong for the gentleman or anybody else to take the floor to-day and make a grand-stand play on this question of envelopes. I do not know how other Members feel about it, but I say it is picayune, and I say it is unworthy of even receiving the attention of this House.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. Right now I am getting several hundred requests a day from people scattered here and there in all the States to send them copies of House Joint Resolution 355. Suppose I did not have the right to send them in Government envelopes? Suppose I had to pay for the envelopes in which to send them? I would not send them. Your constituents are writing me for them, and I send them. I paid to have extra copies of the resolution printed, but the Government ought to furnish the envelopes.

Mr. LAGUARDIA. Every Member of Congress must go into his own pay to do some of the necessary research work connected with our legislative duties. Many Members specialize in certain branches of legislation and they get demands from all over the country and not alone from their own districts. I get mail from other districts, as the gentleman from Texas stated, and other Members do. I get requests from all parts of the country as to matters in which I have taken an active interest. I could not afford to buy the envelopes necessary to send out all of the information that was requested of me with reference to the tax bill.

Mr. JOHNSON of Washington. If the gentleman will permit, I will ask unanimous consent to insert, after the words "speeches of Members," the words "printed in the CONGRESSIONAL RECORD and reprinted."

Mr. LAGUARDIA. This is the third time we have had an amendment of this kind. Gentlemen, let us vote it down.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent to modify my amendment.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to modify his amendment. Is there objection?

Mr. SIROVICH. Mr. Chairman, I object.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last two words. I do not want to detain unduly the committee, but I would like to know precisely upon what I am voting in connection with this proposition. I think it is a small matter and it may be there is no vast economy involved in the proposition, yet it does present a principle that might make an appeal to some members of the committee.

We have a stationery allowance or account of $125 a session, and I understand that when we draw these manila envelopes that are sent to our offices to send out bills and things of that sort, they are charged to this stationery account. Is that true?

Mr. JOHNSON of Washington. I think not.

Mr. BANKHEAD. I have not sent out a speech to my district, except to two counties a few days ago, for 10 years, so I am not familiar with what goes on in this regard. I would like to have this explained so we will know exactly what is involved if the amendment should be agreed to.

I am not at all inclined to support the amendment unless it involves the proposition where a Member for political purposes wants to send out a vast number of speeches, aside from the employment of correspondence as to his usual official duties. In this event there may be some merit in the gentleman's suggestion that the Member ought to pay for it, inasmuch as it is a matter of promoting his personal preferment. Is that the question involved?

Mr. JOHNSON of Washington. Yes; that is it. Let me read the amendment as it would read if I may be permitted to amend it:

Provided, That no funds appropriated herein shall be used to pay for envelopes in which speeches of Members printed in the CONGRESSIONAL RECORD and reprinted are wrapped or mailed.

This limits it entirely to paying the small cost of the envelope for the speeches that you do pay for.

Mr. STEVENSON. Mr. Chairman, how is this going to be determined? The printer or the people who wrap and mail these things would not wrap or mail them until the Member has some idea of how much the envelopes are going to cost.

Mr. JOHNSON of Washington. That is not it. The gentleman is the hard-working chairman of the Committee on Printing, and the gentleman knows that if a Member orders 1,000 or 5,000 or 20,000 speeches he gets an estimate of the cost and a bill and he pays the bill.

Mr. STEVENSON. And he would pay for these envelopes at the time he pays for the speeches?

Mr. JOHNSON of Washington. Yes; that is the whole purpose of the amendment.

Mr. STEVENSON. Has the gentleman taken out that provision that provided for payment of 10 per cent profit?

Mr. JOHNSON of Washington. That is out of it. When he orders an estimate of the cost of the speeches, he would get an estimate on the cost of the cheap envelopes which the Government is now compelled to pay for.

Mr. COCHRAN of Missouri. Will the gentleman from Alabama yield?

Mr. BANKHEAD. I yield to the gentleman from Missouri.

Mr. COCHRAN of Missouri. The gentleman from Alabama said that the Members of the House have an allow-

ance of $125 for stationery. If the economy bill passes, the gentleman can say that the Members formerly had that allowance.

Mr. BANKHEAD. Is that the contribution my friend desired to make to this debate?

Mr. COCHRAN of Missouri. The Economy Committee has edged in on the stationery allowance and also on the mileage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. JOHNSON].

The question was taken; and on a division (demanded by Mr. JOHNSON of Washington) there were—ayes 6, noes 47.

So the amendment was rejected.

The Clerk read as follows:

No part of any money appropriated in this act shall be paid to any person employed in the Government Printing Office while detailed for or performing service in any other executive branch of the public service of the United States unless such detail be authorized by law.

Mr. SANDLIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. SANDLIN: On page 41, after line 3, insert the following new paragraph:

"The Public Printer may continue the employment under his jurisdiction of Samuel Robinson, CONGRESSIONAL RECORD messenger, notwithstanding the provisions of any act prohibiting his employment because of age."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order. I think it would be rather charitable to really retire some of our good, old, faithful employees.

Mr. SANDLIN. Does not the gentleman think Sam is faithful?

Mr. STAFFORD. I like him as well as I do any person about the Capitol.

Mr. BLANTON. Oh, he is up here at nights until 1 o'clock.

Mr. STAFFORD. I sometimes think it would really be charitable to some of these old employees to really force them from the pay roll of the Government, so they may have a little retirement and not drop dead in their tracks.

Mr. SABATH. The gentleman knows that Sam is the youngest old man around the Capitol.

Mr. BANKHEAD. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Alabama, and I recall the deserved tribute the gentleman from Alabama paid to the person under consideration.

Mr. BANKHEAD. I want to say to the gentleman from Wisconsin that I agree with him that probably, as a general proposition, his attitude might be justified, but there is a matter not only of sentiment involved here with reference to this amendment, but this old man is peculiarly well acquainted with all the Members——

Mr. STAFFORD. Mr. Chairman, I do not intend to press the point of order, but the responsibility of his dropping dead or being struck by a passing automobile in his advancing years will not be upon me if I withdraw the point of order.

Mr. BLANTON. Sam would rather be struck dead than have his salary taken away from him.

Mr. STAFFORD. He would have retirement pay and good retirement pay.

I do not press the point of order, Mr. Chairman.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

In order to keep the expenditures for printing and binding for the fiscal year 1938 within or under the appropriations for such fiscal year, the heads of the various executive departments and independent establishments are authorized to discontinue the printing of annual or special reports under their respective jurisdictions: *Provided*, That where the printing of such reports is discontinued the original copy thereof shall be kept on file in the offices of the heads of the respective departments or independent establishments for public inspection.

Mr. GOSS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. Goss: Page 42, line 17, after the word "inspection," insert a new paragraph as follows:

"That in the expenditure of appropriations in this act each contracting officer shall, unless in his discretion the interest of the Government will not permit, purchase or contract for within the limits of the United States, only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more, if such excess of cost be not unreasonable."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. GOSS. Mr. Chairman, I offered the amendment to this appropriation bill because it appears in all the other bills. If there is a purchase of any large amount of supplies for the Government Printing Office, like paper and other things, they could carry out and function the same as other departments of the Government. I recognize that it is subject to a point of order.

Mr. STAFFORD. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. STAFFORD. The gentleman is quite well acquainted with the fact that foreign sulphite is used in the manufacture of paper in this country.

Mr. GOSS. Yes.

Mr. STAFFORD. Under this amendment, the American mills, which buy raw Swedish sulphite pulp, would be barred from selling their product to the Government Printing Office.

Mr. GOSS. Not at all; if the contracting officer feels that, in his discretion——

Mr. STAFFORD. In my city there are cardboard manufacturers who find it necessary to purchase foreign pulp, and they would be barred from contracting with the Government Printing Office to supply their manufactures.

Mr. GOSS. I think if the gentleman will examine my amendment, he will see that it does not.

Mr. STAFFORD. Mr. Chairman, I make the point of order that it is legislation on an appropriation bill.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

Purchases may be made from the foregoing appropriation under the "Government Printing Office," as provided for in the printing act approved January 12, 1895, and without reference to section 4 of the act approved June 17, 1910 (U. S. C., title 41, sec. 7), concerning purchases for executive departments.

Mr. GOSS. Mr. Chairman, I reserve a point of order on the paragraph. Mr. Chairman, I offered my amendment to the other paragraph because I thought that it would protect us better. I would like to hear from the chairman of the subcommittee.

Mr. SANDLIN. I made no point of order against the gentleman's amendment. The Government is making purchases of general supplies under the act of 1910, and this permits them to make the purchases without reference to that act.

Mr. GOSS. Mr. Chairman, I withdraw the point of order.

The Clerk read as follows:

SEC. 2. No part of the funds herein appropriated shall be used for the maintenance or care of private vehicles.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. HARDY. Mr. Chairman, I have an amendment as a new section that I desire to offer following section 2.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will state to the gentleman from Colorado that it was the purpose of the Chair at this time, the reading of the bill having been concluded down to the bottom of page 42, to recognize the gentleman from Louisiana to move that the committee do now rise.

Mr. STAFFORD. That will not prevent the gentleman from Colorado offering his amendment when the committee resumes its session.

The CHAIRMAN. It will not; and the Chair will recognize him for that purpose and for the purpose of having the amendment reported.

Mr. HARDY. I think if the chairman of the subcommittee will permit the amendment to be offered now it will be a good deal better than to take it up to-morrow, when we have this large omnibus bill to consider.

Mr. BLANTON. Mr. Chairman, I withdraw the point of order of no quorum.

The CHAIRMAN. The gentleman from Colorado offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HARDY: Page 42, after line 25, insert a new section, as follows:

"SEC. 3. The salaries of Senators, Representatives, Delegates, and Resident Commissioners shall be at the rate of $9,000 per annum during the fiscal year 1933."

Mr. BACON. Mr. Chairman, would it be in order to offer a substitute to that amendment?

The CHAIRMAN. The gentleman, of course, can offer a substitute; but the Chair suggests that the substitute be offered when the committee again resumes its session. The Chair stated that he was going to recognize the gentleman from Louisiana to move that the committee do now rise.

Mr. BACON. I ask unanimous consent that the substitute be read now for information.

The CHAIRMAN. Without objection, the Clerk will read the substitute.

The Clerk read as follows:

Substitute by Mr. BACON for the amendment offered by Mr. HARDY:

"After June 30, 1932, the compensation of Senators, Representatives in Congress, Delegates from the Territories, Resident Commissioners from Porto Rico, and Resident Commissioners from the Philippine Islands shall be at the rate of $7,500 per annum."

Mr. SANDLIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11267 and had come to no resolution thereon.

EVENING SESSION—RULES OF PROCEDURE

The SPEAKER. Unanimous consent has been granted for the consideration of bills unobjected to on the Private Calendar in the House as in the Committee of the Whole from 8 o'clock until 11 o'clock to-night, and it is the understanding of the Chair that they will be considered under the rules of the House in existence at the time that that consent was granted—that is, that one objection will be sufficient to prevent the consideration of a bill. The Chair thinks he should make this statement at this time because he is going to ask the gentleman from Illinois [Mr. RAINEY] to act as Speaker pro tempore to-night.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. IGOE, on account of illness.

To Mr. CHAVEZ, for to-day, on account of illness.

RECESS

Mr. SANDLIN. Mr. Speaker, I move that the House now stand in recess until 8 o'clock to-night.

The motion was agreed to; accordingly (at 3 o'clock p. m.) the House stood in recess until 8 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order by the Speaker pro tempore, Mr. RAINEY, at 8 o'clock p. m.

The SPEAKER pro tempore (Mr. RAINEY). Under unanimous-consent agreement heretofore entered into, the House is now in session until 11 o'clock p. m. to-night for the purpose of considering bills, unobjected to, on the Private Calendar, commencing where the call left off on March 9.

May the present occupant of the chair suggest that from the point where the last call stopped to the end of this calendar there are 495 bills. On the 9th of March the House remained in session until 10.30, and it was possible to call only 38 bills. The condition of the public business is such that it may be some time before there is another call of this calendar, and the present occupant of the chair desires to suggest to-night that if parties who object to bills will, as far as possible, make their objections and not reserve them, it will expedite business greatly; and if the proponents of bills desiring to explain their bills will ask permission to extend their remarks in the RECORD, and do it, we will be able to make some considerable progress to-night.

The Chair simply makes these suggestions. The Chair is powerless to carry them into effect, but he submits the matter to Members of the House and to their judgment and asks for their cooperation.

SENELMA WIRKKULA

Mr. PITTENGER. Mr. Speaker, I rise to prefer a unanimous-consent request, by direction of the chairman of the Committee on Claims. The Senate passed on yesterday the bill H. R. 1770, with an amendment. By direction of the chairman of the Committee on Claims, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1770) for the relief of Senelma Wirkkula, also known as Selma Wirkkula, Alice Marie Wirkkula, and Bernice Elaine Wirkkula, with a Senate amendment and agree to the Senate amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. STAFFORD. Mr. Speaker, a question of order. Is the bill which the gentleman desires to call up the first bill on the Private Calendar?

The SPEAKER pro tempore. No. It is a bill which has already passed the House and the Senate, with a Senate amendment. The gentleman is asking for consideration of a House bill with a Senate amendment.

Mr. PITTENGER. The House passed the bill, H. R. 1770. When the Senate passed it, it placed on there the 10 per cent attorney's fee limitation, which was overlooked when the House passed the bill. There is no objection to the amendment. In fact, I want it on there.

Mr. STAFFORD. The only question is that we are not privileged, under the order of the House, to consider any business except bills on the Private Calendar. The gentleman can bring it up the first thing to-morrow morning.

Mr. PITTENGER. Well, it is a unanimous-consent request.

The SPEAKER pro tempore. The Chair holds it is a unanimous-consent request. The House can do as it pleases.

Mr. STAFFORD. I have already examined the bill, and I understand the Senate amendment is the 10 per cent attorney's-fee clause. I shall not interpose any objection, but it violates the order of the House, which provided for consideration only of bills unobjected to on the Private Calendar after the star.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 15, after "Minnesota," insert: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The Senate amendment was agreed to.

ORDER OF BUSINESS

Mr. PARKS. Mr. Speaker, in view of what the Speaker has said, may I submit an inquiry?

The SPEAKER pro tempore. The gentleman will state it.

Mr. PARKS. I understood it had already been agreed that after to-night we were to have night sessions here to clear up this Private Calendar. Am I correct in that?

The SPEAKER pro tempore. There is no agreement as to that.

Mr. PARKS. I understood the statement had been made, as I read it in the RECORD that we were to have a session night after night until we cleared this calendar.

The SPEAKER pro tempore. No. That was to consider other business, the economy program and the legislative bill, but not the Private Calendar. The unanimous-consent request extended only to this evening, and then only until 11 o'clock.

The Clerk will call the first bill on the Private Calendar.

FLORIAN FORD

The Clerk called the first bill on the Private Calendar, H. R. 5940, for the relief of Florian Ford.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, the sum of $175 to Florian Ford, in full settlement for his loss through the burning of his barn and other property, located on land under the police jurisdiction of the Crow Indian Agency, under authorization of Federal officers engaged in the capture of George Bolton on October 29, 1926.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MRS. G. A. BRENNAN

The Clerk called the next bill on the Private Calendar, H. R. 4244, for the relief of Mrs. G. A. Brennan.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

JUDD W. HULBERT

The Clerk called the next bill on the Private Calendar, H. R. 1921, for the relief of Judd W. Hulbert.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object to the present consideration of the bill.

Mr. WEST. Will the gentleman reserve his objection?

Mr. EATON of Colorado. I will reserve the objection.

Mr. WEST. This bill for the relief of Mr. Hulbert is a meritorious proposition. This bill has been reported before, and the case is one that has received considerable attention, and the facts in the case show that Mr. Judd W. Hulbert is entitled to the relief that is proposed in this bill. I would appreciate it if I may have an opportunity for my colleague, the gentleman from Mississippi [Mr. DOXEY], who prepared the report on this bill at the last session, to make a statement in connection with it at this time.

Mr. DOXEY. I will ask the gentleman to state his objection if he will, please, so that if I can satisfy it I will be delighted to do so.

Mr. EATON of Colorado. The record shows that the bill has been here before; it has been objected to before. The man received settlement for his injuries, payable at the rate of $66.67 per month, and becoming dissatisfied with the amount of his monthly income, in 1922 he arranged for and obtained a lump-sum settlement of $2,542.73, which has been in his possession since April, 1922. Now he seeks to have the $66.67 reinstated and the full amount paid from the time the $2,542.73 would be paid him as if the $66.67 had been payable to him from April, 1922, to the present time.

He has had two adjudications and now wants a third adjudication. It seems entirely unfair to others who are in like circumstances for him to be permitted to make a guess in 1918, another guess in 1922, another guess in 1930 as to what he might be entitled to receive as proper compensation for the injury suffered.

Mr. DOXEY. If the gentleman from Colorado will withhold his objection for a moment, I will briefly try to explain the cause of the guesses, as the gentleman terms them.

This old man was past 60 years of age when he received this injury. The only information of any kind that I have on it was obtained when I was a member of that committee. I am not now a member of that committee. As the chairman stated, we had quite extensive hearings. This bill was objected to at the last Congress, and after it was objected to the gentleman who objected, after he ascertained the merits of the case, said he wished that he could withdraw his objection and that the bill could be passed.

Mr. Hulbert was awarded $66.67 by the Compensation Commission on account of an 80 per cent disability. According to the hearings and according to the record, this man was persuaded that the amount of his award was going to be reduced, although he was totally disabled; that his award was going to be reduced to $14 at once. We had witnesses before this subcommittee. We ferreted out the reason why the old man wanted a lump-sum settlement and we found it was due to rumors that his award was going to be cut down.

After he received the lump-sum settlement, which, under the law, could be made him at that time, the committee determined that it was absolutely inadequate, that he had been imposed on, that he had been overreached, you might say, not so much by the committee but by possibly those who had advised him. Not only did we have Mr. Hulbert before us but we had the Government doctors examine him, and they reported unanimously that he was not only 80 per cent disabled but totally disabled.

The only relief this bill gives, which is a very nominal relief, is that of reinstating to the extent that he may draw the $66 less the amount of the lump sum paid him. That is the explanation of it.

Mr. O'CONNOR. Mr. Speaker, I make a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. O'CONNOR. It is my impression that some of the gentlemen in the House this evening are under the impression that we are operating under the old rule.

Mr. PATTERSON. We are, according to the statement of the Speaker.

Mr. STAFFORD. We will continue to operate under the old rule for some time.

Mr. O'CONNOR. I make the point of order that, the rule having been adopted on Saturday without reservation, the Private Calendar can not be considered under the old rule.

Mr. PARKS. But the agreement to have this night session had been obtained prior to the adoption of that rule.

Mr. O'CONNOR. In that respect, whether or not an agreement was made as to the holding of the night session, on Saturday last we adopted a rule offered by the Rules Committee, of which I am a member, and with which rule I had considerable to do in offering suggested amendments——

Mr. BLANTON. Mr. Speaker, I make a point of order. If we can not carry out the understanding under which we came here to-night, to consider these private bills, there is going to be no night session to-night. This afternoon the Speaker said that we would consider these bills under the old rule, which was in effect at the time we unanimously agreed to have this night session. If that is not going to be carried out, I am going to make a point of no quorum at this moment.

The SPEAKER pro tempore. The Speaker made that statement, and the Chair has his statement before him.

Mr. BLANTON. That is the rule under which we are operating. That was the old rule in effect when we made this unanimous-consent agreement. We would not have granted unanimous consent if it had not been for the old rule, because we are not yet prepared to operate under this new rule. We are going to have to organize some machinery, and we are going to organize some machinery. We are going to stop all bad bills if we have to organize in the House to do it.

Mr. O'CONNOR. Mr. Speaker, I was not aware of the statement of the Speaker of the House this afternoon. I

have no purpose in rising at this time except to see the regularly adopted rules of the House carried out. I know the gentleman from Texas has opposed this progressive rule, as we call it, for the consideration of the Private Calendar. I did want, however, to call the attention of the House to the fact that some day—and we have long waited that day—we must operate under this new rule. Now, if unknown to me the statement of the Speaker of the House this afternoon was that we are operating under the unanimous-consent agreement heretofore made, I withdraw my point of order.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, much as I sympathize with this claimant and his claim, I must object in the interest of fairness to all.

Mr. BLANTON. Mr. Speaker, we are operating under the old rule, are we not?

The SPEAKER pro tempore. We are.

Mr. O'CONNOR. Mr. Speaker, to make it clear and so the RECORD may show it at this point, I will state that we are now at this moment, at 8.14 p. m., on the 26th day of April, 1932, operating in violation of the rules of the House of Representatives.

Mr. BLANTON. I hope the Speaker will not so rule.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I wish to say in defense of the position of the Speaker—in view of the criticism leveled against the ruling of the Speaker, as shown by the attitude of the gentleman from New York here to-night—that the rule which was adopted late on Saturday, with hardly a corporal's guard present, provides that on Saturdays it shall be in order to consider bills on the Private Calendar. It does not prevent unanimous-consent agreements to consider bills unobjected to on the Private Calendar on any other day or at any night session, and that is the way we are proceeding to-night.

Mr. O'CONNOR. Mr. Speaker, nobody in this House respects the Speaker, his statements, or his submission of unanimous-consent requests to this House more than I do, and any criticism I make is not directed against the Speaker of this House; but I am saying that on Saturday last we adopted a rule which we have been struggling to adopt for years.

Mr. PARKS. Mr. Speaker, I ask for the regular order.

The SPEAKER pro tempore. The regular order is, the Clerk will call the next bill.

GALLUS KERCHNER

The Clerk called the next bill, H. R. 2027, for the relief of the legal representatives of Gallus Kerchner, deceased.

Mr. STAFFORD. Mr. Speaker, I object.

WILLIAM BARDEL

The Clerk called the next bill, H. R. 4408, for the relief of the estate of William Bardel.

Mr. STAFFORD. Mr. Speaker, I object.

MRS. J. J. BRADSHAW

The Clerk called the next bill, H. R. 798, for the relief of Mrs. J. J. Bradshaw.

The SPEAKER pro tempore. There is a similar Senate bill on the Speaker's table.

Mr. BLACK. Mr. Speaker, I ask unanimous consent to substitute the Senate bill for the House bill.

There being no objection, the Clerk read the Senate bill (S. 3095), as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay to J. J. Bradshaw and Addie C. Bradshaw, out of any money in the Treasury not otherwise appropriated, the sum of $897 in full settlement of all claims against the Government for hospital and medical expenses and physical pain and suffering due to an injury Addie C. Bradshaw received by being struck by a United States naval ambulance in the city of Norfolk, Va., on or about September 10, 1927.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 798) was laid on the table.

MAY L. MARSHALL, ADMINISTRATRIX

The Clerk called the next bill, H. R. 804, for the relief of May L. Marshall, administratrix of the estate of Jerry A. Litchfield.

Mr. BLANTON. Mr. Speaker, reserving the right to object, the Secretary of War recommends that the same action be taken in this case as was taken in the claim of George W. Boyer and that it be referred to a court. It seems to me this is the proper action to be taken in order that the matter may be adjudicated by the court. There was a companion case which was so submitted.

Mr. SNOW. The court fixed the responsibility.

Mr. BLANTON. And how much damage was ascertained?

Mr. SNOW. Whatever they claimed.

Mr. BLANTON. Does not the gentleman from Maine think we ought to take the same action in this case?

Mr. SNOW. No; I think it would be very unfair to force this widow to go into court and take the same action over again when the court has already decided that the United States was responsible for whatever damage there was, including damage to the barge.

Mr. BLANTON. Has the gentleman got that decision?

Mr. SNOW. Yes; absolutely.

Mr. BLANTON. I shall not raise any further objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $5,000 to May L. Marshall, administratrix of the estate of Jerry A. Litchfield, who was killed on the night of December 7, 1925, in a collision between the barge *Pine Grove* and the highway bridge at Coinjock, N. C., while said bridge was owned and operated by the United States, and by the lowering of the draw of said bridge on the pilot house of the barge *Pine Grove*, in which said Jerry A. Litchfield was a passenger: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to, or received by, any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive, any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding.

SEC. 2. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider was laid on the table.

CHASE E. MULINEX

The Clerk called the next bill (H. R. 1230) for the relief of Chase E. Mulinex.

Mr. PATTERSON. Mr. Speaker, reserving the right to object, as I understand the regulations of the department, they are allowed to credit these accounts up to $10,000 where there is any default or where any money is lost and the amount involved here is less than $1,000. With this precedent established in the Post Office Department, unless I can get some explanation of this matter, I shall object for the time being.

Mr. STAFFORD. I hope the gentleman will withhold his objection.

Mr. PATTERSON. I withhold it.

Mr. BLACK. Mr. Speaker, we have passed a great number of bills of this type where postmasters have had their funds in banks that failed, and they were only asking for the definite amount they had in the bank less the dividends that were paid them and with the assignment of remaining dividends to the United States. There is no question about this man being owed this money.

Mr. PATTERSON. Does not the Post Office Department have the right to credit this man in this amount, if they see

fit to do so, and is not the limit larger than the amount involved in this bill?

Mr. BLACK. No.

Mr. STAFFORD. I do not understand they have such power. We have any number of bills of similar import here.

Mr. PATTERSON. They certainly do in cases of theft.

Mr. BLACK. No. The department has recommended the passage of this bill.

Mr. PATTERSON. I think they have the right to credit his account, anyway.

Mr. STAFFORD. No.

Mr. PATTERSON. They have in the case of loss of postage stamps by theft, for instance.

Mr. STAFFORD. No; not in the case of loss of postage stamps.

Mr. BLACK. We have had a number of bills for all kinds of cases of that sort.

Mr. PATTERSON. But only up to a certain amount.

Mr. STAFFORD. There is no general law pertaining to any such policy.

Mr. PATTERSON. No; no law, but a regulation.

Mr. STAFFORD. There could not be a regulation authorizing crediting such accounts in any amount unless it was based upon a law.

Mr. BLACK. I think the gentleman has made a good suggestion and there should be a law to that effect, but until we get a general law I think we should pass these bills.

Mr. PATTERSON. I withdraw my objection in view of the explanation the gentleman has made.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of Chase E. Mulinex, postmaster at Tolley, N. Dak., in the sum of $1,209.35, due the United States on account of the loss of postal funds resulting from the failure of the First National Bank of Tolley, Tolley, N. Dak.: *Provided*, That the said Chase E. Mulinex shall assign to the United States any and all claims he may have to dividends arising from the liquidation of said bank.

With the following committee amendment:

In line 5 strike out "$1,209.35" and insert in lieu thereof "$529.33 in his postal account and in the sum of $680.02 in his Treasury savings account."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider was laid on the table.

DANIEL S. SCHAFFER CO. (INC.)

The Clerk read the next bill on the Private Calendar, H. R. 1419, for the relief of Daniel S. Schaffer Co. (Inc.).

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I reserve the right to object.

Mr. LINTHICUM. Mr. Speaker, this is the claim of Daniel S. Schaffer & Co. (Inc.) who had three contracts for the building of Bancroft Hall and Isherwood Hall at the Naval Academy. After he made the subcontract with J. Henry Miller (Inc.), the principal contractor, the Government started to build other buildings at Holabird, Camp Meade, Dundalk, and so forth, and they let cost-plus contracts in these places, and through this action they fixed a higher wage than prevailed generally. The consequence was that the Schaffer Co. had to pay a higher scale of wages than were paid at the time the contract was made.

Mr. BLANTON. The only point to be considered is whether or not, after we pass this bill, amended and reduced, according to the suggestion of the department, it will not be enlarged in another body. If the gentleman will assure us that he will see to it that the amount will not be raised somewhere else, that we will hold it to the amount the department suggests, I have no further objection.

Mr. LINTHICUM. I will assure the gentleman that, so far as I can and so far as the gentleman from Maryland [Mr. GAMBRILL], whose bill it is, is concerned, we will do that.

Mr. BLANTON. And that if it is raised, you will bring it back and give us an opportunity to vote on it?

Mr. LINTHICUM. I certainly will.

Mr. BLANTON. With that assurance, I shall not object.

Mr. PATTERSON. Reserving the right to object, I understand that this party lost on account of the fact that he had to employ people at higher wages.

Mr. LINTHICUM. Yes.

Mr. PATTERSON. Suppose that the wages had gone down, did any of these parties ever pay anything back to the Government?

Mr. LINTHICUM. I never heard that they did, but I presume there are some people honest enough to do so. This matter was gone into thoroughly by the Navy Department and they have recommended the payment of this sum. They have cut off some $16,000 already. This company lost really $33,368.72.

Mr. STAFFORD. The difficulty I had in considering the bill after reading the report was whether Schaffer & Co. as subcontractors might not have had his damages included in the claim of the principal contractor, whose right was recognized under general law. The general law did not extend to subcontractors, but it did to the principal contractor. Where is there any evidence to show that this subcontractor did not receive his claim for damages through the principal contractor?

Mr. LINTHICUM. I do not know whether the gentleman is acquainted with J. Henry Miller & Co., but they are large contractors, and they lost $48,000, which they never received from the Government, so far as I am aware. I am absolutely sure that this company did not get anything through J. Henry Miller (Inc.).

Mr. STAFFORD. Would the gentleman have any objection to the usual amendment with relation to attorney's fees?

Mr. LINTHICUM. I do not think there are any attorney's fees in this case; still, I have no objection.

Mr. STAFFORD. With that assurance, I withdraw the reservation of objection.

Mr. Speaker, I ask unanimous consent to substitute the bill S. 3270, an identical bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Daniel S. Schaffer Co. (Inc.) the sum of $17,765 to reimburse said Daniel S. Schaffer Co. (Inc.) for losses incurred by it during 1917 and 1918 as subcontractors for metal furring, lathing, plastering, and board lining in connection with the east and south wings of Bancroft Hall, of the groined arched ceiling of the mess hall and mess-hall extension of Bancroft Hall and of Isherwood Hall, both of said buildings forming a part of the United States Naval Academy at Annapolis, Md., the said contracts in connection therewith being known, respectively, as contracts Nos. 2416, 2416T, and 2437, and said sum is hereby appropriated.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 6, after the word "appropriated," insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The House bill was laid on the table.

THERESA M. SHEA

The next business on the Private Calendar was the bill (H. R. 2033) for the relief of Theresa M. Shea.

The SPEAKER. Is there objection?

Mr. MOUSER. Mr. Speaker, I reserve the right to object, so that the gentleman from New York [Mr. CELLER] may give me an explanation to some of the objections that I have. In the first place, I do not think this legislation ought to be considered until we have a statement from the claimant.

Mr. CELLER. The statement of the claimant is in the jacket of the bill.

Mr. MOUSER. If it is in the report, I have failed to find it.

Mr. CELLER. Last year when the bill was on the calendar it was objected to on the ground that there was no statement from the claimant in the record. I remedied that by requesting the statement, and she submitted the statement and it is in the papers in possession of the committee.

Mr. MOUSER. Is that statement attached to the report?

Mr. CELLER. I do not know what happened to it in the Claims Committee. It was submitted, and in that statement the woman outlined all the facts and circumstances of the accident. She was crossing this particular street at the intersection of what is known as Willoughby Avenue and Broadway, in the Borough of Brooklyn, in the city of New York, on this night about 10 o'clock. It was raining, and as she reached about the middle of the street, at the middle of the crosswalk, she was struck down by this truck, driven by somebody in the employ of the Post Office system, who did not sound his horn, who had no chains on his rear or front wheels, and who was driving at a rate of speed beyond the realm of caution. There was an eyewitness, a disinterested person, who brought out every fact the claimant indicated in her affidavit.

Mr. MOUSER. Mr. Speaker, I shall ask that this bill be passed over without prejudice.

The SPEAKER pro tempore. The bill will remain on the calendar if the gentleman objects, as a matter of course.

Mr. CELLER. This is a meritorious bill. We satisfied every objection that was raised. The gentleman from Texas [Mr. BLANTON] last year objected because it was not down to $2,000. We cut it down to $2,000. Mr. Box, then a Member from Texas, than whom there was no more distinguished and careful Member of the House, carefully sifted all of the evidence in the case and agreed to the claim being paid.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MOUSER. Yes.

Mr. BLANTON. Every objection that has been made here by the gentleman from West Virginia and others of us has been met.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. The gentleman objected that there was not a statement, and they got a statement from the claimant.

Mr. MOUSER. The statement is not attached to the report.

Mr. BLANTON. It is in the files. They reduced it to $2,000, which was demanded. It occurs to me that the bill ought to pass in its present form.

Mr. MOUSER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. MOUSER. Has the gentleman any objection to an amendment that this shall be in settlement of all claims against the Government?

Mr. CELLER. I shall gladly accept that amendment.

Mr. MOUSER. As well as the usual attorneys' fees amendment?

Mr. CELLER. Yes.

Mr. MOUSER. In view of the statement the gentleman has made I withdraw my reservation of objection.

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. The difficulty I had at the last session, as shown by the report, that this claimant did not cross the thoroughfare, according to the report, at the intersection, but midway in the block, with a raised umbrella, and walked deliberately into a passing postal truck.

Mr. CELLER. That is what the driver said.

Mr. STAFFORD. That is what the postmaster of Brooklyn said of this accident.

Mr. CELLER. Oh, he simply repeated the story of his driver. You can not expect a man who drives a truck and runs down somebody to accept all of the blame. He was simply trying to excuse himself by making that statement. There is a statement here of a disinterested person.

Mr. STAFFORD. Yes; but she refused absolutely to give any testimony whatsoever to the post-office inspector when he went there to get that testimony.

Mr. CELLER. That is not true.

Mr. STAFFORD. It is according to the statement in the report.

Mr. CELLER. But the report is in error, because all of the while the post-office authorities said there was no statement, the statement was in the record and was made as far back as 1920. I can give the gentleman my word for that, because I procured that statement from this Mrs. Coyle and put it in the papers of the Claims Committee. Why it was not seen by the department is beyond me; but because they did not see it, they had no right to say that there was no statement. That is their negligence.

Mr. STAFFORD. The gentleman, upon his position as a Representative, states that there is such a statement and that this accident occurred at the crossing and not midway of the street?

Mr. CELLER. I do state that.

Mr. STAFFORD. What does the statement of the claimant show?

Mr. BLACK. That is not the statement of the claimant; that is the statement of an eyewitness.

Mr. CELLER. It is as I stated, that she was walking along at the crosswalk and not in the middle of the block.

Mr. STAFFORD. And from the gentleman's examination of the facts he believes it was the fault of the postal chauffeur?

Mr. CELLER. I do.

Mr. STAFFORD. I withdraw the reservation of the objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Theresa M. Shea, of Brooklyn, N. Y., out of any money in the Treasury not otherwise appropriated, the sum of $2,500 in compensation for injuries sustained on March 9, 1918, when struck and knocked down by a United States mail motor truck.

With the following committee amendment:

Page 1, line 6, strike out "$2,500" and insert "$2,000."

The committee amendment was agreed to.

Mr. MOUSER. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MOUSER: Page 1, line 6, after the figures "$2,000," insert the words "in full settlement of all claims against the Government."

The amendment was agreed to.

Mr. MOUSER. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MOUSER: At the end of the bill insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CHARLES C. BENNETT

The Clerk called the next bill on the Private Calendar, H. R. 5235, for the relief of Charles C. Bennett.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOUSER. Mr. Speaker, reserving the right to object, the investigation shows negligence on the part of claimant. I may say, in view of the seriousness of the injury and the fact that, although the claimant was driving on the wrong side of the road, the operator of the Government vehicle suddenly turned across in front of claimant. If the gentleman will consent to an amendment reducing the amount of $5,000 to the actual amount of his expenses, namely, $2,174, I will have no objection. Otherwise I will be compelled to object.

Mr. SCHAFER. Mr. Speaker, in the last Congress I reported that bill after careful consideration and study of the evidence to the Claims Committee, which reported it unanimously. The War Department Board of Inquiry indicated that the Government was responsible by reason of the negligence of its agent, the driver of the car, and that board, after careful investigation and hearing, rendered a decision to reimburse Mr. Bennett in the amount of $2,174.60. Therefore it was not unreasonable for the committee to follow that evidence and that decision, together with the other facts, and recommend the usual amount that we pay in these cases, $5,000.

Mr. MOUSER. It is true the Government has already paid the claimant $565.75, simply recognizing a moral obligation. There is no evidence of negligence that would sustain a court of law to so instruct a jury.

Mr. PATTERSON. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. PATTERSON. The statement of the evidence referred to by the gentleman from Wisconsin [Mr. SCHAFER], who looks very carefully after these claims, is the thing that convinced me.

Mr. SCHAFER. I might state that the report of the Army Board, as incorporated on page 2 of this committee report, even recommended that the reimbursement be made to the claimant in the amount of $2,174.60.

Mr. MOUSER. I am willing to follow that recommendation, as I told the gentleman.

Mr. SCHAFER. But the recommendation of the Army Board, while establishing the liability of the Government, does not establish the amount that should be carried in the bill, because this House has uniformly adopted policies with reference to the amounts to be carried in a bill for these disabilities. I hope the gentleman will not try to overturn the unanimous report of the Committee on Claims, both in the last Congress and in this Congress, and try to overturn the findings of the Army Board as to liability.

Mr. MOUSER. There are two bills on this calendar tonight that have been passed by the Claims Committee, where the Government has already paid the money during the last session of Congress; so that does not mean anything.

Mr. PATTERSON. Reserving the right to object, will the gentleman accept an amendment reducing the per cent in the proviso from 20 to 10?

Mr. LAMBETH. No; I can not accept such an amendment.

Mr. MOUSER. I will ask the gentleman if he will accept the amendment I referred to?

Mr. LAMBETH. This is a case with which I am personally acquainted; and I think if the gentleman had studied the case as I have and as the members of the Claims Committee have, he would not expect me to agree to any reduction in the amount.

Mr. SCHAFER. There is no use taking up any more time. I shall not expect the gentleman to accept such an amendment, and I will not accept it as a member of the Claims Committee. We will soon have a chance under the rule recently adopted where one Member of this House will not prevent consideration of a meritorious claim like this.

I call for the regular order, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOUSER. Mr. Speaker, I object.

FRANK BAGLIONE

The Clerk called the next bill on the Private Calendar, H. R. 4833, for the relief of Frank Baglione.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOUSER. Mr. Speaker, reserving the right to object, I think the amount is excessive. Originally the claimant entered a claim for $848, as shown by the report on page 2. He has already been paid $250. If the gentleman will accept an amendment making that amount $600, I will not object.

Mr. BLACK. Mr. Speaker, in the absence of the author of the bill I would not feel warranted in accepting such a great cut. This boy is evidently permanently injured by an accident caused through no fault of his own.

Mr. MOUSER. There is no evidence that this boy was permanently injured. He was attending school. The only thing he claims is that he has headaches occasionally. His father is claiming the right to collect from the Government because of being away from his work several months. That is not a proper claim. It could not be considered in court.

Mr. BLACK. He was compelled to take care of this boy for 17 weeks. The mother could not do it. There is enough medical evidence to show that the boy is permanently injured.

Mr. MOUSER. There is no evidence that he is permanently injured.

Mr. BLACK. Absolutely.

Mr. STAFFORD. If the gentleman will yield, I came to the same conclusion as the gentleman from Ohio, that there is no evidence in the report to show that this boy is permanently injured.

Mr. BLACK. The boy is continually having headaches, according to the report. He is doing his best to attend school.

Mr. STAFFORD. When I was in high school, I had continual headaches, but not the headaches I have at present.

Mr. BLACK. I insist the gentleman from Wisconsin has been giving headaches to all of us. [Laughter.] The evidence is that this boy is an ambitious boy, doing his best to get along in school, but he is having these headaches, which the doctors say are the result of this injury. I will not try to interpret all the medical terms in these various reports, but there is no doubt about it that for a long period of years this boy required medical attention. They say he is always having these headaches. I think the boy is entitled to the money. I will make a reasonable arrangement with the gentleman.

Mr. MOUSER. The original claim was $848, and he has been paid $250.

Mr. BLACK. That is the only amount that the department could take care of under the law. This is for the additional injury, the continuing injury, and for the 17 weeks that the father could not work.

Mr. MOUSER. I will be fair to the gentleman. Will he consent to make it $1,000?

Mr. BLACK. Make it $2,500.

Mr. SCHAFER. Mr. Speaker, I call for the regular order; there is no use bartering and trading over injuries.

Mr. MOUSER. I object.

RESTITUTION OF EMPLOYEES OF POST OFFICE AT DETROIT, MICH.

The Clerk called the next bill, H. R. 5256, a bill for the restitution of employees of the post office at Detroit, Mich.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, it appears from the report that these supervisory officials who are sought to be reimbursed under this bill were negligent in the performance of their duties. If such be the fact, what obligation is there upon the Government to relieve them, especially supervisory officials who fail to perform the duty of scrutinizing the work that is immediately before them?

Mr. McLEOD. If the gentleman will read the last paragraph of the report by the Postmaster General, he will see that apparently there was no negligence.

Mr. ARENTZ. Will the gentleman from Michigan yield?

Mr. McLEOD. Certainly.

Mr. ARENTZ. There have been a number of post-office bills; and in every case where there was a robbery or where there was an embezzlement, the post-office inspector has investigated and claimed that some of the men were responsible. They have not only collected from the bonding company, but they have hooked different clerks that may have been in contact with this embezzler from time to time, clerks who have absolutely nothing to do with the embezzlement.

Mr. PATTERSON. Mr. Speaker, the gentleman from Wisconsin is contributing a great deal through the careful scrutiny he gives these bills, but, as has been pointed out by the gentleman from Nevada, this practice on the part of the inspectors has grown to such an extent that it almost amounts to an abuse.

Mr. ARENTZ. The post-office inspector makes his investigation and seeks to fasten this onto clerks and assistant clerks, and the result is they are threatened with being fired if they do not pay. The purpose of this bill is to reimburse employees whose money has been taken.

Mr. McLEOD. There was one employee who refused to take the reduction in rank or contribute money. He was forced to take the reduction. The balance of them paid from $1,000 to $2,000.

Mr. STAFFORD. Is the gentleman satisfied that the supervisory official was not negligent in the performance of his duties?

Mr. McLEOD. I believe so.

Mr. STAFFORD. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter Wiggle, the sum of $2,150.75; to Alden Catton, $1,821.92; to George D. Walker, $1,821.92; to James P. Murray, $1,000; to Charles C. Kellogg, $1,493.26; and to James P. Bacon, $1,000, these sums having been collected by the Post Office inspection department in the amounts named from these employees' personal funds to make up a shortage of funds embezzled by Charles E. Mussey, a clerk in the Detroit post office, and who committed suicide on August 17, 1926.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MARY MURNANE

The Clerk called the next bill, H. R. 5998, for the relief of Mary Murnane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $609 to Mary Murnane, of New Haven, Conn., in compensation for injuries sustained January 19, 1926, in the city of New Haven, Conn., when struck by a United States Post Office Department motor vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$609" and insert "$100."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ALLOWANCE OF CERTAIN CLAIMS FOR EXTRA LABOR ABOVE THE LEGAL DAY OF EIGHT HOURS AT CERTAIN NAVY YARDS

The Clerk called the next bill, H. R. 987, for the allowance of certain claims for extra labor above the legal day of eight hours at certain navy yards certified by the Court of Claims.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call attention to the fact that this bill contains 91 pages. There are 1,377 claimants. It takes 89 printed pages to name all of the claimants and the different amounts they are to get. It involves $332,342.74 that will be taken out of the Treasury if this bill passes. I want to submit to our distinguished minority leader whether or not it is a wise policy to take up a bill of this stupendous magnitude and character, involving $332,342.74, and pass it in two minutes? There could be a dozen mistakes in the sets of 1,377 names of claimants in 89 pages and there could be a dozen mistakes in figuring out the amounts that are due each one of the 1,377 claimants. Does our distinguished minority leader, who used to run this House, think it is wise to take up a bill of this character and pass it in two minutes without even reading it?

Mr. SNELL. I will answer the gentleman if he will give me time.

Mr. BLANTON. That is what I want to know.

Mr. SNELL. In the first place, there is not a single claim in this bill that has not been to the Court of Claims and been passed on.

Mr. BLANTON. How do we know they are correct?

Mr. SNELL. They have been passed upon by the United States Court of Claims. Every claim in this bill has been there.

Mr. BLANTON. Why, then, does not the Appropriations Committee make an appropriation to pay these claims?

Mr. SNELL. Because they have not been authorized, and that is the reason I am trying to get an authorization. As a matter of fact, I do not know a single claimant named in this bill; not a single claimant resides or votes in my district.

The only reason I have any interest in this bill is because a respectable workingman came to my office two or three years ago and said the Government is not fair to small claimants. I heard the gentleman's argument, and finally I said, "Produce your proof." He came there and we spent an entire afternoon together in going over the matter. You can not find a black mark against these claimants from the beginning to the end, and what could I do except present these claims to the American Congress? This matter has been passed upon twice by the House, once by the Senate, and has been recommended and approved by every Secretary of the Navy for the last 40 years. Every one of these claims has been to the Court of Claims and passed upon by the Court of Claims. Now, the only question is: Is the Government going to pay small claimants or not? It does not make a bit of difference to me whether it is a claim of $2 or a claim of $200,000.

Mr. BLANTON. I want to say to the gentleman from New York that I am more anxious to pay small claimants than I am large ones. I never object to small claims.

Mr. SNELL. These are all small claims of workingmen in Brooklyn.

Mr. BLANTON. I want to say that these 1,377 claims——

Mr. SNELL. There are only 600, as a matter of fact.

Mr. BLANTON. This bill specifically names 1,377 claims.

Mr. SNELL. Six hundred of them have been approved.

Mr. BLANTON. I have carefully counted them myself, and there are 1,377 separate, distinct claimants named specifically in 89 pages of the bill.

Mr. SNELL. What difference does it make whether there are 6 or 600? These claims have been to the Court of Claims, and that court has passed on each individual claim.

Mr. BLANTON. The gentleman from Marion, Ohio, just called attention to the fact that we have on this Calendar two bills that were passed in the last Congress, and have been already paid.

Mr. MOUSER. I say there are bills on this Calendar which have passed this House and the Senate and which have already been paid. If the gentleman from Texas does

not see fit to object, as much as I dislike to do so, I feel constrained to object.

Mr. BLANTON. I would rather have the gentleman object, if he will do it. It would save me the trouble.

Mr. MOUSER. Involving, as it does, this large amount of money, I do not think it is proper legislation to be on the Private Calendar.

Mr. BLANTON. Then why does not the gentleman object to it, and let us get it off of the Private Calendar.

Mr. SNELL. How could it be considered otherwise?

Mr. MOUSER. We could have a special rule for its consideration.

Mr. SNELL. You can not get a special rule for claims. That has never been done in the history of the Congress.

Mr. STAFFORD. The gentleman is mistaken about that.

Mr. BLANTON. Mr. Speaker, it is refreshing to find a new Member here who indicates that he will object to bad bills once in a while.

Mr. SNELL. There has not been a private claim considered under a rule for years. I really do not care what you do with this bill. I am only interested in the principle involved here.

Mr. BLANTON. It is too big a bill to pass here in five minutes without reading and without proper consideration.

Mr. SNELL. That has nothing to do with it. If it is a proper bill and these claims are just, the bill should be passed.

Mr. MOUSER. These claims go back to 1878.

Mr. BLANTON. Mr. Speaker, since no other Member will object to the bill, I object.

As I have unanimous consent to extend my remarks, I want to give my reasons more clearly for objecting to this bill.

It embraces 91 printed pages. It seeks to pay 1,377 separate, distinct claims, with a specific amount for each claim, paid to different claimants, practically none of the amounts being the same. All of the amounts aggregate $332,342.74, and if we pass this bill here to-night in two minutes without reading it and without debate, it will take out of the Treasury the stupendous sum of $332,342.74, to raise which in cash we will have to provide new items of taxation upon the already overtaxed people of the United States.

Let me mention just 2 of these 1,377 different claims, which are on page 87 of the bill. Here is one:

To Mary A. Curran, executrix of the estate of John J. Curran, deceased, late claimant in his own right, and as sole heir of Murty Curran, deceased, $1,032.94.

Here is another:

To Everett Gildersleeve, Emma Francis Hathaway, Josephine Hewitt, and Ruth Clark, sole heirs of Samuel W. Gildersleeve, deceased, $873.33.

Here is another one on page 80 of the bill:

To Ida M. Hoffacker, Susie A. Antrim, Margaret Meager, Fannie Fort, Harry Tantum, Elmer Tantum, Fred Tantum, and Walter Tantum, sole heirs of Henry N. Bennett, deceased, $457.63.

Who here knows whether the above are "the sole heirs of Henry N. Bennett, deceased," or the "sole heirs of Samuel W. Gildersleeve, deceased," or "the sole heir of Murty Curran, deceased"? They might be, and they might not be the sole heirs. Remember, the above are just three claims. There are 1,374 other claims embraced in this 91-page bill, some payable to one person, and some of the claims payable to numerous persons, and in many instances, to the purported sole heirs of persons deceased.

There are undoubtedly many errors and mistakes made regarding some at least of these 1,377 claims, and respecting some at least of these 2,000 personages who are to be benefited by this $332,342.74 bill.

Why a case in court involving $332,342.74 would be carefully tried by a bevy of good lawyers who would devote probably at least a week of hearing testimony.

These claims are 40 years old. It seems strange, indeed, to me that if they are so meritorious they could not have been passed in the last 40 years.

I can not permit such a large bill, involving so many persons, and such a large amount of money, to be passed here at a night session without reading, and without consideration, when it is 91 printed pages, and would take $332,342.74 out of the Treasury; hence I object to the bill.

JAMES E. FRASER

The Clerk called the next bill, H. R. 1260, for the relief of James E. Fraser.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, here a certain sculptor entered into a contract with the Government to do certain work. There was delay connected with the inauguration of the work by reason of the building of the Memorial Bridge. I have had some difficulty in seeing wherein the Government should bear the expense, to the extent of $17,000, for the delay in the construction of the Ericsson Memorial.

Mr. BACON. Mr. Speaker, may I say in reply to the gentleman that this contract was entered into on May 19, 1921, for a certain site. After the contract was entered into the Government changed its mind about the site and dillydallied around for three years. Meanwhile the contract was entered into for a specific cost. Through no fault of the sculptor, the man who contracted to build the fountain, but entirely through fault of the Government in delaying for three years the selection of the site, he sustained a loss of over $22,000. This bill is only for $17,000. So, in effect, he really contributes $5,000 to the cost of the memorial.

This bill has been before several Congresses and has received great attention from Colonel Grant, who makes a very strong recommendation in favor of the passage of the bill.

Mr. STAFFORD. With the statement of the gentleman from New York and after reading the report that the delay may have taken away the profit of the sculptor, I shall not press the objection, if the gentleman agress to the customary attorney's fees amendment.

Mr. BACON. I agree to that.

Mr. STAFFORD. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $17,008.37 to James E. Fraser, of New York City, N. Y., to compensate the said Fraser for losses suffered by him in the designing and erection by the said Fraser of the Ericsson Memorial in the District of Columbia under his contract with the United States dated May 19, 1921, said memorial having been completed by the said Fraser and accepted by the United States November 29, 1927.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: In line 13, after "1927," insert a colon and the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEANNETTE WEIR

The Clerk called the next bill, H. R. 1290, for the relief of Jeannette Weir.

Mr. MOUSER. Mr. Speaker, reserving the right to object, I have carefully gone over the records in this case. My sympathy goes out to the family. The daughter of this woman ran into a truck and was killed. There was clearly no negligence on the part of the driver. However, due to the shock in the family because of the death of the child the mother suffered great mental anguish. One of her children died shortly after the accident. If the gentleman will agree

to amend the amount to $500, I am willing to permit the bill to go through without any objection on my part, purely on account of the circumstances of the family.

Mr. COCHRAN of Missouri. Mr. Speaker, in the first place, the child is not dead——

Mr. MOUSER. One of the children in the family died. I do not mean to say it was this child that died.

Mr. COCHRAN of Missouri. The gentleman is accepting the report of the Post Office Department. If the Post Office Department had made a report to the effect that the driver was responsible for this child's injury, naturally, that man would have lost his position.

Mr. MOUSER. Yes.

Mr. COCHRAN of Missouri. The gentleman will find that in any large city you can seldom get the Post Office Department to say that the driver is in any way responsible unless it happens, as very rarely happens, that the man is intoxicated.

Mr. MOUSER. There are other reports here where they say the driver was at fault.

Mr. COCHRAN of Missouri. This child was crossing the street. There were no witnesses. The truck struck this child, and I am willing to admit that there is no evidence here to show that it was through the negligence of the Government employee, but there is no evidence to show that the child was responsible. There is some evidence in the file.

This bill has been before the House three times, first at $2,500, and I agreed to a reduction; second, at $2,000, and I agreed to another reduction, to $1,000, in the last Congress.

It has gone to the Senate twice; it has been cut down to a thousand dollars, and I can not agree to any further reduction.

Mr. MOUSER. Does the gentleman think that there is any evidence, as far as the record goes, that the driver of the Government truck was negligent?

Mr. COCHRAN of Missouri. I say no, as far as the report of the committee shows.

Mr. MOUSER. Then, there is no legal obligation on the part of the Government. There is nothing here but the mental anguish of the mother, and if the gentleman gets $500, that would seem to be liberal.

Mr. COCHRAN of Missouri. As I have said, this claim has been twice reduced by the House, and I can not agree to a third reduction. The gentleman from Wisconsin [Mr. SCHAFER] knows all about this claim.

Mr. SCHAFER. As the gentleman from Missouri states, the amount of the claim has been reduced, and if there had been positive evidence of negligence of the agent of the Government the amount recommended by the committee would have been $5,000.

Mr. MOUSER. Will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. MOUSER. Why does not the Claims Committee put it in the report. There is nothing in the report showing any negligence at all.

Mr. SCHAFER. The Claims Committee can not print all of the evidence that is produced before the committee. On some bills the evidence is contained in a file 6 inches thick.

Mr. MOUSER. The Claims Committee could put in four or five lines showing a summary of the evidence.

Mr. SCHAFER. I suggest that the gentleman become a member of the Claims Committee, and one of us will resign.

Mr. MOUSER. Oh, the gentleman is unfair, we are trying to be helpful, and he is engaging in generalities. Mr. Speaker, I withdraw my objection, and will offer an amendment later.

Mr. COCHRAN of Missouri. I hope the gentleman will leave the $1,000 stand.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, in full settlement of all claims against the Government of the United States, to Jeannette Weir for injuries sustained by being struck by a United States mail truck January 4, 1922.

Mr. MOUSER. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Line 5, strike out the figures "$1,000" and insert in lieu thereof "$750."

The amendment was agreed to.

Mr. MOUSER. Now, Mr. Speaker, I offer the following amendment, the usual amendment relating to attorney's fees.

The Clerk read as follows:

At the end of line 9, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

R. W. DICKERSON

The Clerk read the next bill on the Private Calendar, H. R. 1292, to extend the benefits of the United States employees' compensation act to R. W. Dickerson.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. I object.

ANNA LOHBECK

The Clerk read the next bill on the Private Calendar, H. R. 1322, for the relief of Anna Lohbeck.

The SPEAKER pro tempore. Is there objection?

Mr. MOUSER. Reserving the right to object——

Mr. STAFFORD. Reserving the right to object, the objection I raised when the bill was up before was that the claimant was clearly at fault in this action.

Mr. COCHRAN of Missouri. The reason the gentleman from Wisconsin [Mr. STAFFORD] objected before is that he maintained the driver of the truck was not on duty. The gentleman did not raise the question before that the claimant was at fault. There is nothing in the evidence to show that the claimant was at fault. On the contrary, it shows that the driver of the truck was at fault. The driver was on duty.

Mr. MOUSER. The gentleman from Missouri is correct in saying that the main question is whether the Army sergeant was acting in his line of duty.

Mr. COCHRAN of Missouri. The driver was acting under instructions from his superior officer. The organization stationed at Jefferson Barracks, Mo., was at the rifle range, which is about 25 miles from the barracks. The men returned to the barracks, and when they arrived they discovered that they had left the cooking utensils at the rifle range. The officer ordered the sergeant back to the rifle range to get them, and he was on his way back to the barracks when he struck this woman.

Mr. MOUSER. The question seems to grow out of whether or not he was within the line of his duty. In other words, in a court of law, if the master be held liable for the negligence of the servant, it will have to be shown that the servant was acting within the scope of his employment.

I find here a disagreement as to the actual facts, and I see that the same committee found that the sergeant did actually go on this mission with the knowledge of his superior officer—at least, he tacitly consented. I have a further question here as to whether or not in the gentleman's opinion $1,500 is excessive, considering the nature of the injury.

Mr. COCHRAN of Missouri. This woman is permanently injured, and it is a deserving case and the bill should be passed.

Mr. SCHAFER. Mr. Speaker, the gentleman made a powerful argument in reference to the necessity of an agent

acting within the scope of his employment. I think we should all realize that when you serve in the Army or the Navy as an enlisted man you are subject to Army discipline, and you are within the scope of the Army employment 24 hours a day, seven days a week, and 365 days a year, and the gentleman from Ohio knows that from his experience in the Army.

Mr. MOUSER. In view of the gentleman's explanation, as far as I am concerned, I withdraw my objection. The gentleman says that this woman is in need of nursing?

Mr. COCHRAN of Missouri. The evidence shows that the lady needs this money now that she is permanently injured.

Mr. MOUSER. I withdraw the reservation of objection.

Mr. STAFFORD. Mr. Speaker, I withdraw my reservation of objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 to Anna Lohbeck as payment in full for personal injuries sustained by being struck by an automobile driven by Sergt. Wurrel Sturdivant, of the United States Army.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

ARTHUR H. TEEPLE

The next business on the Private Calendar was the bill (H. R. 1786) for the relief of Arthur H. Teeple.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur H. Teeple the sum of $154.10 to reimburse him for expenses incurred in procuring medical and hospital treatment as a result of injuries incurred while engaged in mounted drill as a member of Troop E, One hundred and sixteenth Regiment Idaho National Guard Cavalry, at Camp John M. Regan, Boise, Idaho, June 15, 1927.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PINKIE OSBORNE

The next business on the Private Calendar was the bill (H. R. 2013) for the relief of Pinkie Osborne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Pinkie Osborne, of Elizabethtown, Hardin County, Ky., the sum of $5,000 in full settlement of all claims against the United States for injuries arising out of gunshot wound inflicted by the discharge of a machine gun in Elizabethtown on April 6, 1918: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$3,500."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

HEIRS OF HARRIS SMITH

The next business on the Private Calendar was the bill (H. R. 2036) for the relief of the heirs of Harris Smith.

Mr. BLACK. Mr. Speaker, I ask unanimous consent that this bill be laid on the table, as the bill has already been passed.

Mr. MOUSER. Mr. Speaker, I reserve the right to object in order to call attention to the facts in this case. I am not reflecting upon anybody, but this bill was reintroduced at this session of Congress, reported by the committee, notwithstanding the fact it was passed during the last Congress and the money paid to the claimants. It seems to me there should be some check in the Claims Committee that would determine bills that are duplicated, which might escape the notice of the Committee of the Whole House or the Members of the House and result in a double payment by the Government.

Mr. BLACK. The chairman of the Committee on Claims called the attention of the House to this mistake. In fact, the bill might have passed if he had not done so.

The SPEAKER pro tempore. The bill will be laid on the table.

HEDWIG GRASSMAN STEHN

The next business on the Private Calendar was the bill (H. R. 2042) for the relief of Hedwig Grassman Stehn.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object in order to hear what the gentleman from New York has to say on behalf of the bill.

Mr. CELLER. Mr. Speaker, this bill is the result of injuries sustained by this woman, who comes from Brooklyn. She was walking about 6 o'clock in the evening along what is known as the Shore Road in Brooklyn, adjoining what is known as Fort Hamilton. Numerous battleships and destroyers are apt to anchor right below the drive. An explosion occurred on the lighter *Amackassin*. As a result of the explosion the woman was hit on the left shoulder blade by some missile that came from the ship. A board of inquiry was had, composed of various Army officers attached to Fort Hamilton.

They came to the following judgment, that the injury was due to an explosion which took place on the United States Army steam lighter *Amackassin* as a result of fire on that vessel, while she lay at the dock at Fort Hamilton on December 5, 1920. That the injury was due to accident, not the fault of any officer or agent of the United States or any other person; that it was not the necessary result of military operations.

This, of course, was no accident due to any cause that could be attributed to the woman herself, who was peaceably walking along. It may be that there was no negligence on the part of the military authorities, but nevertheless the explosion occurred on this ship as a result of which this missile, this very large missile, as it was discovered later, lodged in her left shoulder. The injuries consisted of her right arm being broken, the right shoulder blade fractured, and bruises on the head. The injuries are believed to be permanent. As a result of that she is 50 per cent disabled.

The woman came down to see me some months ago, and I saw her. She insisted upon my seeing her injuries. She has in her left shoulder blade a huge hole about the size of two baseballs thrown together, right at the tip of the shoulder blade. She can not lift her arm. If corroboration is desired on that point, the gentleman from Wisconsin [Mr. SCHAFER] also saw the injury, and I would ask the gentleman, in the interest of justice, to make a statement with reference to what he saw.

Mr. SCHAFER. I will state that I was a subcommittee that reported this bill in the prior Congress, and I had a little difficulty in the consideration of the bill because some lawyers from New York wanted to come down and see me. I told them I did not need to see them; that there was plenty of evidence in the folder. That is the reason why we have the 5 per cent attorney fee limitation.

The report indicates serious disabilities, and if the gentleman reads the physical condition as outlined therein, very carefully, I must corroborate the statement of my colleague that this woman is seriously injured. I have personally seen her.

Mr. EATON of Colorado. Is $5,000 the correct amount?

Mr. SCHAFER. Yes. That would be the amount, in the judgment of the committee.

Mr. EATON of Colorado. I withdraw my objection.

Mr. SCHAFER. There are some of us who know that an injury like this would draw ten or fifteen thousand dollars in a court of law. We have no opportunity to increase the

amount. Five thousand dollars is only too little for an injury like this.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hedwig Grassman Stehn the sum of $5,000 in full settlement of all claims against the Government of the United States resulting from serious permanent injuries due to the explosion of munitions on board the United States Government steam lighter *Amackassin: Provided*, That no part of the amount appropriated in this act in excess of 5 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 5 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JOHN O'TOOLE

The Clerk called the next bill on the Private Calendar, H. R. 2117, for the relief of John O'Toole.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN of Missouri. Reserving the right to object——

Mr. STAFFORD. Reserving the right to object, this claim was heard prior to the compensation act of 1916, and I object.

Mr. COCHRAN of Missouri. Reserving the right to object——

The SPEAKER pro tempore. Objection is heard.

Mr. COCHRAN of Missouri. Mr. Speaker, I ask for recognition.

Mr. STAFFORD. I will withdraw the objection in order to give the gentleman an opportunity to make an explanation.

Mr. COCHRAN of Missouri. Just a few minutes ago I had a bill on the calendar where a young man, Mr. Dickerson, lost his right hand in a machine at the Naval Academy. That man is now a resident of my district. He is married and has children. He was injured in 1916. The gentleman from Colorado [Mr. EATON] objected to my bill. I asked for an opportunity to be heard and I did not even get that opportunity when objection was raised. Here is a bill introduced by the gentleman from Colorado, who objected to my bill, where the gentleman asks the same consideration for his constituent that I asked for mine and his constituent was injured in 1910. I would like to know from the gentleman from Colorado why he objected to my bill.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. COCHRAN of Missouri. Mr. Speaker, I want an explanation as to why the gentleman objected to my bill.

Mr. CLARKE of New York. Mr. Speaker, I shall have to object, because I do not want any altercations on the floor to-night.

Mr. COCHRAN of Missouri. I should like to know why the gentleman objected to my bill.

Mr. STAFFORD. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. STAFFORD. Every bill that has been reported by the Committee on Claims on the calendar at this Congress, seeking to extend the provisions of the employees' compensation act of 1916, for injuries occurring prior to that date, has been objected to, and the gentleman from Colorado is within his rights in objecting to the gentleman's bill, and this bill referred to an accident that occurred in 1910 and is objectionable for the same reason, and I object.

Mr. COCHRAN of Missouri. So that is the reason the gentleman objected to my bill? Under the new rule I might be able to get consideration at a later date.

Mr. EATON of Colorado. That is all. There was no intention to deprive the gentleman from Missouri [Mr. COCHRAN] from explaining his bill. There have been a number of bills of this type. None have passed. All have been objected to at this Seventy-second Congress when it appeared that the claimant was injured prior to the enactment of the employees' compensation act.

The SPEAKER pro tempore. Objection is heard. The Clerk will call the next bill.

ELSIE M. SEARS

The Clerk called the next bill on the Private Calendar, H. R. 2189, for the relief of Elsie M. Sears.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elsie M. Sears, of Plymouth, Mass., the sum of $250 in full compensation for personal injuries and damage to her clothing as the result of an accident which she suffered, without negligence on her own part, on the 23d day of July, 1926, while in the Federal building in said Plymouth.

With the following committee amendment:

In line 6, strike out "$250" and insert in lieu thereof "$50."

The committee amendment was agreed to.

Mr. MOUSER. Mr. Speaker, I offer an amendment, which I have sent to the desk.

The SPEAKER pro tempore. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MOUSER: In line 7, strike out the word "compensation" and insert in lieu thereof "all claims against the Government."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WALTER E. SWITZER

The Clerk called the next bill, H. R. 2574, for the relief of Walter E. Switzer.

Mr. MOUSER. Mr. Speaker, I object.

WALLACE E. ORDWAY

The Clerk called the next bill, H. R. 2777, for the relief of Wallace E. Ordway.

Mr. STAFFORD. Mr. Speaker, I object.

OWNERS OF STEAMSHIP "EXMOOR"

The Clerk called the next bill, H. R. 2841, for the relief of the owners of the steamship *Exmoor*.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Magee Bros. (Ltd.), of Philadelphia. Such sum represents the amount which was paid by them to the United States as security for an immigration fine on account of the landing from the steamship *Exmoor* at Philadelphia in June, 1924, of a Chinese seaman named Chow Fat, said sum having been declared forfeited by a decision of the Department of Labor dated August 23, 1924, but subsequently having been ordered paid back to them by a decision of the Department of Labor dated November 17, 1924, but which amount had been covered into the Treasury of the United States by the collector of customs at Philadelphia less the amount of expenses incurred.

With the following committee amendments:

Page 1, line 5, strike out "$1,000" and insert in lieu thereof "$950.33."

Page 2, beginning with line 2, after the figures "1924," strike out the remainder of the bill and insert "less the amount of the expense incurred."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

LAUREN GOSNEY

The Clerk called the next bill, H. R. 3375, for the relief of Lauren Gosney.

Mr. MOUSER. Mr. Speaker, I object.

Mr. BLACK. Mr. Speaker, I ask unanimous consent that this bill be laid on the table.

Mr. MOUSER. This is one of the claimants that has already been paid.

The SPEAKER pro tempore. Without objection, the bill will be laid on the table.

There was no objection.

DAVID C. JEFFCOAT

The Clerk called the next bill, H. R. 3467, for the relief of David C. Jeffcoat.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. STAFFORD. Will the gentleman withhold his objection?

Mr. EATON of Colorado. I will reserve the right to object.

Mr. STAFFORD. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. STAFFORD. As I read this bill the claimant seeks the privileges of the employees' compensation act for an injury that occurred subsequent to the enactment of that law. I have prepared an amendment, although I do not know that it will be acceptable to the author of the bill. Perhaps it will remove the objection of the gentleman from Colorado. Perhaps the gentleman from Colorado is predicating his objection upon the fact that this injury occurred prior to the enactment of the employees' compensation act. I have prepared the following amendment as a substitute:

Strike out all after the enacting clause and insert the following:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of David C. Jeffcoat as to whether he suffered an injury while employed in the Postal Service compensable under the employees' compensation act, and occurring after the date of its enactment, in the same manner and to the same extent as if said David C. Jeffcoat had made application for the benefits of said act within the 1-year period required by sections 17 and 20: *Provided*, That no benefit shall accure prior to the enactment of this act."

Would that remove the objection of the gentleman from Colorado?

The purpose of this substitute is to vest in the Employees' Compensation Commission authority to ascertain whether the injury occurred after the enactment of the employees' compensation act; and if so, whether it is a compensable injury under that act.

Mr. EATON of Colorado. I was not mistaken as to the date this injury occurred. If it is the sense of the House that this type of claimant should be permitted to have compensation and that the statute of limitations should be waived, I think now is as good a time as any for the House to express itself and permit a bill of this type to be passed. I do not stand alone in the objection. I have not been alone in the objection. There are probably 19 bills of the same type which have been considered at preceding sessions to which objection has been made.

Mr. STAFFORD. If the gentleman from Colorado will permit, as I understand the legislative policy of those who have been called upon to review all bills reported on the Private Calendar, it is that if an injury has occurred subsequent to the enactment of the employees' compensation act and, perchance, the claimant did not know, or waived, his right to file his claim within a year following the accident, that we will vest in the Employees' Compensation Commission authority to investigate that claim to see whether the injury occurred under the terms of that act; and if so, to grant him relief from the date of the passage of the relief act.

That was the established policy in the last Congress, and although some bills were objected to at an earlier session by some Member of the House, I think those bills will be reached again and we will have a uniform policy to which, I believe, the gentleman will subscribe whereby a Government employee who has unwittingly failed to file his claim within the statutory 1-year period may have his day in court. Perchance, he did not know that such a law exists, and because of that he should not be barred from the rights which the Government says he should have because of an injury which he suffered while in the service of the Government. The purpose of the proposed substitute is to insure that the injury occurred after the enactment of the workmen's compensation act of September, 1916.

Mr. PATTERSON. If the gentleman will yield, I want to support what the gentleman from Wisconsin has said. That was the policy which was adopted toward the close of the last Congress. If the substitute proposed by the gentleman from Wisconsin should be adopted, I think this would be a good bill and other bills in the same class would be good bills. I believe we should allow these people to have their day in court, where these injuries occured after the passage of the act.

Mr. EATON of Colorado. Of course, the gentleman understands this is not a personal matter with me. From the beginning of this session it has been my personal view that this type of bill ought to be allowed to pass without objection. I am very glad that the gentleman and others who have spoken have suggested this policy, so that bills of this type which are reported by the Committee on Claims can be given favorable consideration, bills where the only right that has not been availed of by the claimant is that he did not come in before the statute of limitations expired.

Mr. PATTERSON. Let me say further to the gentleman that the distinguished gentleman from West Virginia, the minority whip of this House—than whom there is no more earnest or able Member—made a study of these bills. He made several speeches in regard to the matter and made quite a contribution. He came to the conclusion that these people should have their day in court.

Mr. SCHAFER. I now have a case pending before my subcommittee of the Claims Committee where a nurse, physically fit 100 per cent at the time she entered the Government service, was employed in a tuberculosis hospital taking care of active cases of tuberculosis. She came in contact with these active cases in the course of her employment, and she contracted an active pulmonary tuberculosis while still on the pay roll. She did not know she could file a claim with the United States Compensation Commission, and her old dependent father and mother will be prevented from getting what is due them if the House is going to adopt the policy of not extending the statute of limitations. There is no use of the Committee on Claims spending any time in considering that bill if it is to be the policy of the House not to extend the statute of limitations under these justifiable circumstances.

Mr. EATON of Colorado. Will the gentleman yield further?

Mr. STAFFORD. Yes.

Mr. EATON of Colorado. Would it not be in order at the present time to ask unanimous consent that there be reinstated on this calendar, immediately after the star for the next consideration of bills on the Private Calendar, the several cases of this type which during this session have heretofore been passed over, so that every one of these cases would have exactly the same consideration by this House which you are now proposing to give to this case? I submit it is only fair to each one of these claimants that this be done.

Mr. STAFFORD. Mr. Speaker, the gentleman from Colorado [Mr. EATON] has called attention to a fact that I think deserves the attention of the present Speaker as majority leader. Early in the consideration of this calendar objection was made by a certain Member of the House, who was ignorant of the policy that had been established by those who pass on these bills in review, as to giving a privilege to those claimants who were ignorant of the act or who suffered injury subsequent to the enactment of the employees' compensation act. I hope at some future time, if we are going to have another night to consider bills on the Private Calendar unobjected to, and I hope there will be many, that it may be your pleasure to reinstate these eight or nine bills that were unwittingly objected to, similar in purport to the bill

that is now going to be considered without objection. I will give the present Speaker a list of these bills so he may consider asking, at some future time, the consideration of the bills that were objected to, which, as the gentleman from Colorado has said, should be passed as the present one is about to be passed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to receive the claim of David C. Jeffcoat as if it had been filed within the time specified by the compensation act of September 7, 1916, as amended. Any payments to be made as compensation shall begin with the date of the passage of this act.

Mr. STAFFORD. Mr. Speaker, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD:

Strike out all after the enacting clause and insert the following:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of David C. Jeffcoat as to whether he suffered an injury while employed in the Postal Service compensable under the employees' compensation act and occurring after the date of its enactment, in the same manner and to the same extent as if said David C. Jeffcoat had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the enactment of this act."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ATCHISON, TOPEKA & SANTA FE RAILWAY CO.

The Clerk called the next bill, H. R. 3582, for the relief of the Atchison, Topeka & Santa Fe Railway Co.

Mr. PATTERSON. Mr. Speaker, I reserve the right to object.

Mr. BLACK. Mr. Speaker, this bill is for the relief of a railroad which, by understanding with the Government, reconstructed some revetment work that had been washed by a flood of the river. The department recommends this bill. There is no doubt about the understanding; there is no doubt about the construction; there is no doubt about the Government engineers passing upon it; there is no doubt about the price of the job. The claim is here for one-fourth of the entire job, and it comes here with the approval and recommendation of the department. It is a just claim. If the railroad company had not done this, the Government would have had to do the job. It is a fair and just and reasonable claim, and I think it ought to pass. I do not think there is any question about the claim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Atchison, Topeka & Santa Fe Railway Co., out of any money in the United States Treasury not otherwise appropriated, the sum of $7,420.83 as a reimbursement to the said railway company of one-fourth of the cost and expense of work performed in 1923 in protecting the bank of the Missouri River near Eton, Mo., the same having been done by the railway company at its own cost and expense to meet an emergency, at the request of the engineer officers of the United States and upon assurances of said officers that one-fourth of the cost of the work would be borne by the United States.

With the following committee amendment:

Page 2, line 3, strike out the words "at the request of the engineer officers of the United States and upon assurances of said officers" and insert "with an understanding.

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider laid on the table.

WILLIAM KNOUREK

The Clerk called the next bill, H. R. 3693, for the relief of William Knourek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay William Knourek, deputy collector of internal revenue of the State of Illinois, the sum of $421, being the value of internal revenue stamps charged to him and stolen at Chicago, Ill., in May, 1919.

Mr. STAFFORD. Mr. Speaker, I offer an amendment, in line 5, after the word "Illinois," insert "out of any money in the Treasury not otherwise appropriated."

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: In line 5, after the word "Illinois," insert "out of any money in the Treasury not otherwise appropriated."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LELA B. SMITH

The Clerk read the next bill on the Private Calendar, H. R. 3811, for the relief of Lela B. Smith.

The SPEAKER pro tempore. Is there objection?

Mr. PATTERSON. Reserving the right to object, I want to know why it is necessary to pass this bill; is she not entitled to something under the law?

Mr. CLAGUE. No; she is not entitled to it; that is, there is no law providing for it.

Mr. PATTERSON. Why should we make a special act for this woman?

Mr. CLAGUE. We have passed a dozen similar bills in the last few years.

Mr. MOUSER. This is the customary amount allowed in these cases.

Mr. PATTERSON. Is there a certain amount allowed under the law?

Mr. MOUSER. No; nothing under the law, except what they may get in the form of a gratuity.

Mr. PATTERSON. Is she entitled to a pension?

Mr. CLAGUE. No; this will be in full for all claims.

Mr. PATTERSON. This man was a lieutenant.

Mr. CLAGUE. He was a lieutenant in the Reserve Corps, and was at Marshall Field when the accident occurred.

Mr. MOUSER. He left a widow and five children with practically no property. This amount is equivalent to six months' pay, and is the amount which is customary to allow in these cases. He was killed in the line of duty, and due to no fault of his own.

Mr. PATTERSON. I have no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lela B. Smith, widow of Harry A. Smith, late lieutenant, Air Corps Reserve, United States Army, who was killed in an airplane accident while in the line of duty at Marshall Field, Fort Riley, Kans., on October 1, 1929, the sum of $1,181.22, being a gratuity equal to six months' pay at the rate received by Lieut. Harry A. Smith at the time of his death.

With the following committee amendment:

Line 6, before the word "lieutenant," insert the word "second."

The amendment was agreed to.

Mr. MOUSER. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

At the end of the bill strike out the period, insert a comma, and add the following: "being in full settlement of all claims against the Government of the United States."

The amendment was agreed to.

Mr. MOUSER. Now, Mr. Speaker, I offer the following attorney fee amendment.

The Clerk read as follows:

Provided, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated

in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

HARRY W. WARD

The Clerk read the next bill on the Private Calendar, H. R. 3812, for the relief of the estate of Harry W. Ward, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $75.41 to the estate of Harry W. Ward, deceased, of Redwood Falls, Minn., for actual financial loss sustained by Harry W. Ward, without negligence on his part, through refund already made to the Post Office Department, wherein postal funds for which he was responsible as postmaster at Redwood Falls, Minn., were on deposit in the First National Bank at Redwood Falls, Minn., which said bank failed under date of July 21, 1925, and was liquidated, none of said sum being repaid from the assets of said bank.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

W. A. BLANKENSHIP

The Clerk read the next bill on the Private Calendar, H. R. 4071, for the relief of W. A. Blankenship.

The SPEAKER pro tempore. Is there objection?

Mr. PATTERSON. Reserving the right to object, according to the report of the Secretary of Agriculture, this man suffered no loss.

Mr. JOHNSON of Washington. Let me explain to the gentleman. This bill passed the last Congress too late to be considered by the Senate. The fact is this man's claim was $2,000. I forced him to strike out his claim for injury to his crops and injuries to his family. The situation is this: This amount of this bill has been reduced to the pitiable sum of $350.

Mr. PATTERSON. The Department of Agriculture takes the position, after investigation——

Mr. JOHNSON of Washington. I think these investigations have cost more than the $350. They stated that during the first session of the Seventieth Congress an identical bill was introduced, and so on, and on a request of the Committee on Claims the department made a report thereon and forwarded copies of the correspondence. The department's view, as stated in the letter, is that Blankenship may be entitled to $100; but they said that if it should be established that the slide would continue, he should be allowed an additional sum, not exceeding $350. I have seen this, the place and the damage, which in my opinion was fully $2,000, but I have not asked for any more special inquiries by Government agents. This man's house is damaged because the Government was building a public highway there and diverted a creek so that the creek undermined his house, and the diverted water entered his meadow and changed his meadow into a swamp. I have seen the man's home some years ago; and so far as the house was concerned, not a door would shut properly nor could a window be opened.

Mr. STAFFORD. I am sure the gentleman from Alabama just wanted to hear the explanation of the gentleman from Washington.

Mr. PATTERSON. Oh, I am not so sure about that. I ask the gentleman from New York [Mr. BLACK] to make a statement.

Mr. BLACK. Mr. Speaker, I think the gentleman ought to agree to this. The department recognizes $350 in addition to the $100, provided there is satisfactory evidence warranting the payment of the $350. The Committee on Claims thinks there is such satisfactory evidence, but the gentleman from Washington is not asking the $100 in addition to the amount stated in the bill.

Mr. PATTERSON. I withdraw my reservation of objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. A. Blankenship, of Randle, Wash., the sum of $350 in full settlement of all claims against the Government on account of damages to his property resulting from the construction of the Purcell Creek section, Randle-Yakima Forest Road project, Rainier National Park, Lewis County, State of Washington.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ENZA A. ZELLER

The next business on the Private Calendar was the bill H. R. 4233, for the relief of Enza A. Zeller.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object. Will the author of the bill accept an amendment in lieu of the committee amendment, in the approved form, which provides that no benefit shall accrue prior to the approval of this act?

Mr. MAAS. Yes; certainly.

Mr. STAFFORD. Before that stage is reached, I reserve the right to object. I would like to have the author of the bill explain how mounting a horse at a camp on the part of a hostess is within line of duty of a hostess.

Mr. MAAS. She was on duty at the time, and it was a part of her duty to entertain these boys and keep up her own health. The War Department reports that there is no question that she would have come under the compensation act had she filed a claim within the proper time. The reason she did not file the claim within the proper time was due to a defect in the X-ray machine at the post hospital. She did not want to cause any trouble. They told her it was not going to be serious because of the defect in this equipment; but as time went on, she found that she had a permanent injury, and she has been rendered incapable of permanent employment since that time.

Mr. STAFFORD. Will the gentleman explain just wherein the injury was in the line of employment?

Mr. MAAS. That was accepted. It comes under the terms of the compensation act, which provides that it is in the line of duty if it is not due to her own misconduct, and this was in no sense her own misconduct. It was a part of her duty, as she was expected to entertain these boys, and she was on duty at the time.

Mr. STAFFORD. There is no question that she was on duty at the time, but it seems to me that the duties of a hostess do not extend to getting on horses and riding around the country.

Mr. MAAS. Under the compensation laws, if you are on duty and the injury is not the result of your own misconduct, it is interpreted to be in the line of duty. That is recognized as the basic principle.

Mr. STAFFORD. I have some acquaintance with the real duties of a hostess, and I have thought her work was to entertain them around the camp. I did not think her duty was to mount horses.

Mr. MAAS. I happen to be quite familiar with this; and if the gentleman will permit, a part of the training of these boys is horseback riding. They found it was desirable to have the hostess able to ride and accompany these boys on the boat, and also in order to keep up her own health.

I hope the gentleman will not object, as this bill has passed the House once before and simply failed to be reached in the Senate.

Mr. STAFFORD. I am willing to take the broad view that perhaps in her province of entertainment she should go horseback riding with the boys; but under reservation of objection, I will ask whether the gentleman will be willing to accept the customary amendment, as follows:

That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Enza A. Zeller, on account of injuries sustained upon June 28, 1922, while

employed by the War Department, in the same manner and to the same extent as if said Enza A. Zeller had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefit shall accrue prior to the approval of this act.

Mr. MAAS. Yes; I accept that.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Enza A. Zeller, employed as a hostess in the United States Army at Fort Snelling, Minn., as reimbursement for expenses actually incurred by her as the direct result of personal injuries received by her during the course of her employment at Fort Snelling, Minn., and as full compensation for said injury, the pain and suffering from the same, including loss of earnings, and any permanent disability resulting from said injury.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That sections 17 and 20 of the act entitled 'An act to provide compensation for employees of the United States suffering injuries, and for other purposes,' approved September 7, 1916, as amended, are hereby waived in favor of Enza A. Zeller, a former employee of the War Department."

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment as a substitute for the amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado as a substitute for the committee amendment:

Strike out all after the enacting clause and insert: "That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Enza A. Zeller on account of injuries sustained upon June 28, 1922, while employed by the War Department, in the same manner and to the same extent as if said Enza A. Zeller had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefit shall accrue prior to the approval of this act."

The substitute for the committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. During this entire session when the majority leader has asked for night sessions, he has asked for them from 8 o'clock until 10.30 p. m. For some reason, in preferring the request yesterday, the gentleman stated it should continue until 11 o'clock p. m. Would the Speaker object to a motion to adjourn being made at 10.30, the usual hour for adjourning? We are all worked down.

The SPEAKER pro tempore. The Chair would not object.

Mr. BLANTON. The Chair will entertain a motion at 10.30?

The SPEAKER pro tempore. Yes.

Mr. BLANTON. I shall make that motion at 10.30.

MRS. LAWRENCE CHLEBEK

The Clerk called the next bill on the Private Calendar, H. R. 4234, for the relief of Mrs. Lawrence Chlebek.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I have this bill marked for objection.

Mr. MAAS. What did the gentleman find objectionable in the bill?

Mr. STAFFORD. There was no fault on the part of the Government just because the snow fell from the heavens and turned into slush.

Mr. MAAS. I will say that all of the information is not available in the report. Even so, from the report, if the gentleman will examine it, he will find that there was negligence. The Treasury Department itself denies any negligence; but, as a matter of fact, they permitted snow and slush to remain on the marble steps. It is the common practice, certainly in all private buildings, to put sawdust or salt or ashes on those steps. This woman slipped because of the fact that the snow had been permitted to accumulate.

In addition to that, there was a faulty drain pipe which had been leaking. It was at a half-freezing temperature. The step was slippery. The ambulance driver and the police surgeon both testified that the step was in a negligent condition.

Mr. STAFFORD. How can the Government recognize the principle that we will be held responsible for accidents flowing directly from an act of God?

Mr. MOUSER. Will the gentleman yield?

Mr. MAAS. Certainly.

Mr. MOUSER. I may say that I have a great respect for the judgment of the gentleman from Wisconsin on these bills, but I wonder if the gentleman from Wisconsin has considered this claim. This claim goes further than an act of God. It will be my position to recommend claims that are worthy, just as much to object to those that are unworthy. But the act of God ceased on the outside of the building where it was snowing. The tracks of the people who had a right to enter that building for public business made these steps and marble floors slippery. It seems to me it was negligent, in view of that condition, not to put something on that floor so that the people would not fall down and break their necks.

Mr. STAFFORD. No amount of protection can prevent the accumulation of slush on the steps of Government buildings.

Mr. MOUSER. But this was inside of the building.

Mr. MAAS. This was inside of the building. This was not on the outside steps. It was snow that had been tracked inside.

Mr. STAFFORD. How frequent it is in my home city, through the winter season, for the slush or moisture to be tracked inside! The Government is not obligated to keep that floor mopped all the time.

Mr. MOUSER. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. MOUSER. There are cases where business men have left an icy condition in front of their place of business, without putting ashes or salt or sawdust there, where people have slipped, and those business men have been held answerable in damages.

Mr. STAFFORD. I know the law of Wisconsin, which does not hold a property owner to any liability by reason of the conditions of a sidewalk occurring through acts of nature.

Mr. MOUSER. Will the gentleman yield further?

Mr. STAFFORD. Yes.

Mr. MOUSER. Let me say further that the law is uniform in all States as to there being no responsibility for acts of God; but after the act of God when human agency can enter in to save life or property, there is a duty then on the part of people to safeguard the safety of the public. This was on the inside of a Federal building; and because of the public bringing in snow as they entered, as they had a right to do upon public business, the marble steps became so slippery that this woman fell.

The department, in its report, admits responsibility. The matter has been decided on the question of merit. The objection is confined to the amount asked in the original bill, $2,000. Only $500 is asked here. Having in mind at the outset the admission of the department that they are liable, that this slush was on the inside of the building, on the stairway of the building, the only objection could be as to the amount. This woman was the mother of 14 children. I think if the sponsor of the bill would lower his claim to $500 that the Congress would pass it. There is in this record this additional fact, that the condition of the stairway was very dangerous, being wet and slippery from many people coming in and onto it out of the storm. It would seem that there must have been some duty there for some servant to mop up the slippery condition of the floor.

Mr. HOWARD. Mr. Speaker, in view of the fact I have a sick friend here who has a bill on the calendar that he hopes to have reached, I call for the regular order.

Mr. STAFFORD. I object.

JEFF DAVIS CAPERTON AND LUCY VIRGINIA CAPERTON

The Clerk called the next bill, H. R. 4859, for the relief of Jeff Davis Caperton and Lucy Virginia Caperton.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, will the author of the bill accept an amendment to the effect that no benefit shall accrue prior to the approval of the act and in the form of other bills of like kind?

Mr. HALL of Mississippi. I have no objection to it whatever.

Mr. EATON of Colorado. Then I have no objection.

Mr. HALL of Mississippi. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 194) be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Jeff Davis Caperton and Lucy Virginia Caperton, parents of J. P. Caperton, who was killed August 24, 1918, at Nitro, W. Va., when a freight train backed into the ambulance he was driving while in the performance of his duties.

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Jeff Davis Caperton and Lucy Virginia Caperton arising out of the death of J. P. Caperton on August 24, 1918, in the same manner and to the same extent as if said Jeff Davis Caperton and Lucy Virginia Caperton had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the approval of this act."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

KENNETH G. GOULD

The Clerk called the next bill, H. R. 4885, for the relief of Kenneth G. Gould.

Mr. PATTERSON. Mr. Speaker, I object.

Mr. STAFFORD. Will the gentleman withhold his objection?

Mr. PATTERSON. I will; but I intend to object.

Mr. STAFFORD. I understand there is a favorable report from the Secretary of War as to this claim.

Mr. PATTERSON. But I understand this lieutenant took the matter in his own hands; whereas if he had gone through the regular routine, this bill would not have been necessary. I see my colleague present, and I would very much like to yield to him, but under the circumstances I shall have to object.

Mr. HESS. This was the first assignment this lieutenant had ever had. He was ordered from Cincinnati to the Walter Reed Hospital. Not knowing the regulations of the War Department he crated and shipped his household effects to Washington and he paid for them the sum of $199.50. The War Department recommends the payment of the claim. The bill passed the last Congress toward the end of the session but failed of passage in the Senate because of the lack of time.

Mr. STAFFORD. What is the gentleman's fundamental objection to the bill?

Mr. PATTERSON. My fundamental objection is that a man who is an officer in the United States Army should know the regulations. He took the matter in his own hands, and therefore he should not be reimbursed.

Mr. STAFFORD. The gentleman will agree that when an officer of the United States Army, the Navy, or the Marine Corps is ordered to change his station, he is entitled to an allowance for the shipment of his household goods.

Mr. PATTERSON. Absolutely.

Mr. STAFFORD. It appears from the report that this young officer did not understand the regulations.

Mr. PATTERSON. He should have understood them.

Mr. STAFFORD. He is not being reimbursed any more than he would have received if these goods had been shipped according to regulations. The Government is not out anything. This bill merely seeks to recompense him for the money he paid out.

Mr. PATTERSON. Mr. Speaker, for the present I shall object.

Mr. EATON of Colorado. Will the gentleman withhold his objection for a moment?

Mr. PATTERSON. Yes.

Mr. EATON of Colorado. It appears that this bill is in the interest of economy because this young officer saved the Government $20 or $25. This officer by his conduct saved the Government real money, even though that saving was not made in accordance with the exact regulations. Under those circumstances does not the gentleman think he is entitled to be reimbursed for the money he spent? Does not the gentleman think he has learned his lesson and is entitled to get his money back?

Mr. PATTERSON. It will not hurt him to wait a few more days and learn more. For the present I object.

A. W. HOLLAND

The Clerk called the next bill, H. R. 5265, for the relief of A. W. Holland.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, as I recall this is a bill that is similar to many that might be presented in behalf of fourth-class postmasters in a growing country, where they need additional help. There is no question but what he was put to additional expense by reason of the growth of the office, but he received the benefit of the advanced position of his office. Why should we adopt an exceptional rule in this case?

Mr. McKEOWN. Unfortunately this man did not receive the benefit of it. He was appointed under a prior administration, and that has been the reason why he did not receive it.

Mr. STAFFORD. He received it for a short time, up to June 30, 1914, when he was ousted on account of politics, I suppose.

Mr. ARENTZ. If the gentleman were placed in the same situation and his office was made a third-class office, what would he do under the circumstances? Just permit the mail to take care of itself? With a town jumping from a few hundred to 6,000 he either had to employ extra clerks or let the mail pile up.

Mr. STAFFORD. Coming from the fast-growing and overpopulated State of Nevada, I am rather surprised that the gentleman has any concept of the conditions referred to in this bill. I will yield to the gentleman who comes from an oil-gushing district, where towns grow up overnight.

Mr. McKEOWN. I will state to the gentleman that this was the first big discovery and the town grew overnight to 6,000 population just like a mining town.

Mr. STAFFORD. I had some difficulty in bringing myself around to the conclusion that this man was giving the attention to the office that it required.

Mr. McKEOWN. Oh, he had to go to work and put in his own money and earn money for the Government and the Government states that the money was earned, but he did not get what was coming to him at all. He paid out $1,000 for clerk hire.

Mr. STAFFORD. Is this the case where a doctor was the postmaster?

Mr. McKEOWN. Oh, he is called a doctor, but he is like a lot of lawyers who are called judges. He was not a doctor at all.

Mr. STAFFORD. Is he an Indian doctor or a horse doctor?

Mr. McKEOWN. I do not think he is either one, to tell the truth about it.

Mr. STAFFORD. I was under the impression that this doctor was not performing his duty as postmaster, but was running around the country with his pill case.

Mr. McKEOWN. No; he performed all the service he could.

Mr. STAFFORD. Upon the assurance of the gentleman that he did perform all the services required, including his pill practice, I withdraw the objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $900 to A. W. Holland in payment of extra services as postmaster at Drumright, Okla., a post office of the fourth class.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KENNETH G. GOULD

Mr. BLACK. Mr. Speaker, I ask unanimous consent to return to the prior bill, H. R. 4885, for the relief of Kenneth G. Gould. I understand from the gentleman from Alabama [Mr. PATTERSON] that he has received some additional information that would tend to make him withdraw his objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the title of the bill.

Mr. PATTERSON. Mr. Speaker, under reservation of objection I wish to make this statement. Of course I knew there was no additional cost to the Government other than that which would have been involved anyway. This bill was introduced and sponsored in the House by our late beloved Speaker, Mr. Longworth. It passed the House last session, and since it does not incur any additional expense to the Government, and perhaps not quite as much, I withdraw my objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury of the United States is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $186.17 to Kenneth G. Gould, lieutenant in the Medical Corps Reserve, as reimbursement for cost of shipment of personal property.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

MARY AGNES RODEN

The Clerk called the next bill, H. R. 5592, to reimburse the estate of Mary Agnes Roden.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to inquire of the chairman of the committee as to the policy of the committee in making recommendations for the payment of amounts of $5,000 to estates by reason of the death of the intestate. Does the committee consider whether there are any children surviving or any immediate heirs, or do they just appropriate the money for the payment of debts or payment to heirs in case there are heirs?

Mr. BLACK. I will say to the gentleman there have been times when we have made provision in the bill to have the bill itself see to it that the heirs or the children are properly taken care of, but, generally, the committee would prefer that the minor children of an intestate be taken care of under the courts of their own State. In this case I have no particular evidence as to the family situation. There is no doubt, as the gentleman sees, that there is liability here and that the estate should have some compensation; but unless it were called to our attention that there was real need of protection for the children, through the congressional act, we would leave it to the State.

Mr. STAFFORD. Does the gentleman's committee investigate as to whether there are any children or any immediate heirs?

Mr. BLACK. This is one of those cases that was reported by a prior committee so that we had no subcommittee of our own committee on this bill.

Mr. STAFFORD. Some time ago there was a bill introduced by our deceased Member, Mr. Rutherford, of Georgia, in which he sought to pay $5,000 to the widow of the deceased. The widow had only married the deceased a few months before, and the intestate left a number of children by a prior marriage. I took it upon myself to allot only a small amount to the widow, $1,000, and provided that $4,000 should go to the guardian of the children under a certain age. I do not think we should be overgenerous in paying $5,000 to an estate where there are no dependent children or immediate relatives.

Mr. Speaker, I object for the time being so that the committee may ascertain the facts in the case.

J. O. WINNETT

The Clerk read the next bill on the Private Calendar, H. R. 6274, for the relief of J. O. Winnett.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

J. M. PACE

The Clerk read the next bill on the Private Calendar, H. R. 8251, for the relief of James M. Pace.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, this bill seeks to reimburse the postmaster for $21,476.99 alleged losses. I can see where the Post Office Department would not contest it, but I doubt whether it ought to be passed by unanimous consent, and I object. A bill that would take $21,476.99 out of the Treasury ought not to be passed in a minute, without reading and

AMY TURNER

The Clerk read the next bill on the Private Calendar, H. R. 7308, for the relief of Amy Turner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent to Amy Turner, formerly Amy Byrnes, for the lands embraced in her stock-raising homestead entry, Billings 028219, upon fulfillment of the usual requirements but without reference to her second marriage or the time of its consummation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WILL A. HELMER

The Clerk read the next bill on the Private Calendar, H. R. 1448, for the relief of Will A. Helmer.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I had this bill marked for objection. I see the author of the bill is here, and I would like to hear some statement in favor of this claim. As I understand the case from the report, the Government during the war, shortly after taking possession of Camp Custer in Michigan, at Battle Creek, the home of the gentleman from Michigan, entered into an arrangement whereby the Michigan Central Railroad running parallel about a mile distant from the heights on which Camp Custer is located, agreed with the Government to lay a track up to the camp.

I understand that the quartermaster, or whoever the official of the Army was, became rather impatient and entered upon the land for the proposed right of way; that subsequently the railroad company did lay the track. Why did not the claimant pursue his remedy against the railroad company, which had obligated itself to secure this right of way, rather than seeking relief from the Government?

Mr. HOOPER. I shall be glad to answer the gentleman. There was a dispute between the Government and the railroad whether the Government or the railroad was the one to pay to this man damages, which the War Department ad-

mits he sustained. Mr. Helmer, by long course of negotiations back and forth between the railroad and the Government, was led by the point where the statute of limitations runs against the claim. He has always claimed that the Government entered on the property without right, when everything was in a turmoil in the newly built Camp Custer, and that the Government acted arbitrarily, and I think the evidence proves it.

Mr. STAFFORD. Mr. Speaker, under reservation of objection, I want to give further consideration to this claim. I make the point of order that there is no quorum present.

Mr. KELLER. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. STAFFORD. Yes.

GOVERNMENT SALARIES, 1893 TO 1931 COMPARED WITH COST OF LIVING

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including some tables that I have had worked out on the expense of living in the city of Washington.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KELLER. Mr. Speaker, in the accompanying series of tables, the attempt has been made to show the trend in Government salaries in comparison with changing living costs during the period of almost 40 years, from 1893 to 1931. The year 1893 is used as a starting point simply because this is the earliest year for which the data regarding Government salaries are readily available, but the period is sufficiently long to give a fairly complete picture of the subject. For the earlier years, the information regarding cost of living is incomplete, but the figures used, as computed by Dr. Paul H. Douglas, are believed to be substantially accurate.

Table 1 compares the average salary of Government employees in the District of Columbia with the cost of living in the United States, and also shows the relative purchasing power of such salaries in terms of the year 1893 as a base. It will be noted that from 1893 until the beginning of the World War Government salaries in the District of Columbia remained almost stationary, the average being $1,096 in 1893 and $1,141 in 1915, whereas during this period cost of living in the District of Columbia increased about 40 per cent. After 1915 Government salaries rose steadily, and in 1931 were almost 90 per cent higher than in 1915. Meanwhile, however, the cost of living had increased very sharply up to 1920, and up to 1931 remained at a considerably higher level than salaries. As a result the "real wages"—that is, the purchasing power of salaries—remained below the level of 1893 for practically the whole period. The purchasing power of Government salaries was almost 50 per cent lower during the war period than it had been in 1893, and did not reach the earlier level until 1931, when the decline in living costs in combination with the wage increases of 1929 and 1930 brought the purchasing power of Government salaries back to the 1893 level.

Table 2 compares the trend of Government salaries in the District of Columbia with average annual earnings of salaried employees in manufacturing industries in the United States. The latter figures are as compiled by Doctor Douglas from the reports of the United States Census and other authoritative sources. It will be noted that in 1893 the average Government salary was $1,096, as against $954 in private employment. By 1901, however, private salaries had become greater than Government salaries, and in general this disparity increased steadily up to 1928, the latest year for which data regarding the private salaries are available. In that year it appears that Government salaries were about 70 per cent higher than in 1893, whereas private salaries had increased approximately 168 per cent.

Table 3 (and Chart 3) shows the trend of salaries of Congressmen over the period 1893 to 1931, in comparison with trend of living costs in the United States, and also computes by years the purchasing power of such salaries in terms of 1893 as a base. In 1893 the annual salary of a Congressman was $5,000, having been thus established in 1866. In 1907 it was increased to $7,500, and in 1925 to $10,000. The 1907 increase was roughly in line with increased cost of living, but beginning with the extremely sharp increases in living costs as a result of the war, the purchasing power of the salaries of Congressmen fell to almost one-half of what it had been in 1893, and even the salary increase of 1925 did not restore equilibrium. As in the case of the salaries of Government employees, the purchasing power of the salaries of Congressmen was not restored to its 1893 level until about 1931.

TABLE 1.—*Average salary of Government employees in the District of Columbia, and purchasing power of salary in relation to 1893*

Year	Average amount [1]	Salary index, 1913=100	Cost of living index, [2] 1893=100	Relative purchasing power of salary, 1893=100
1893	$1,096	100.0	100.0	100.0
1895	1,114	101.6	97.0	104.7
1897	1,073	97.9	100.0	97.9
1899	1,009	92.1	102.0	90.3
1901	1,040	94.9	108.0	87.9
1903	1,067	97.4	116.0	84.0
1905	1,065	97.2	115.0	84.5
1907	1,090	99.5	126.0	79.0
1909	1,105	100.8	121.0	83.3
1911	1,109	101.2	132.0	76.7
1913	1,134	103.5	137.0	75.5
1915	1,141	104.1	140.4	74.4
1917	1,342	122.4	204.7	59.8
1918	1,381	126.0	241.6	52.2
1919	1,494	136.3	249.4	54.7
1920	1,570	143.2	270.5	52.9
1921	1,593	145.3	229.9	63.2
1922	1,629	148.3	219.2	67.7
1923	1,655	151.3	224.2	67.5
1924	1,708	155.8	223.3	69.8
1925	1,776	162.0	230.3	70.3
1926	1,809	165.1	230.5	71.6
1927	1,838	167.5	223.4	75.0
1928	1,866	170.3	222.4	76.6
1929	2,043	186.4	221.8	84.0
1930	2,076	189.6	213.6	88.8
1931	2,147	195.9	190.0	90.9

[1] Sources: 1893 to 1915—Monthly Labor Review, June, 1920 (p. 21). Based on reports to the Commission on Reclassification; 1917 to 1927—Personnel Classification Board. Closing report of wage and personnel survey, Washington, 1931 (p. 221); 1928 to 1931—Report of the Bureau of the Budget.

[2] Cost of living index numbers from 1893 to 1914, by Paul H. Douglas, Real Wages in United States (p. 60). (These figures are for the country as a whole, separate data for Washington not being available); from 1914 to 1931, U. S. Bureau of Labor Statistics, converted to a 1893 base from Douglas's indexes, and are for the city of Washington.

TABLE 2.—*Comparison of annual salaries of Government employees in the District of Columbia and annual earnings of salaried employees in manufacturing in the United States*

Year	Annual salary		Annual earnings of salaried employees in manufacturing [1]	
	Average	Index, 1893=100	Average	Index, 1893=100
1893	$1,096	100.0	$954	100.0
1895	1,114	101.6	973	102.0
1897	1,073	97.9	1,006	105.5
1899	1,009	92.1	1,045	109.6
1901	1,040	94.9	1,048	109.9
1903	1,067	97.4	1,067	113.9
1905	1,065	97.2	1,121	117.5
1907	1,090	99.5	1,144	119.9
1909	1,105	100.8	1,188	124.5
1911	1,109	101.2	1,277	133.9
1913	1,134	103.5	1,294	135.6
1915	1,141	104.1	1,327	139.1
1917	1,343	122.4	1,552	162.7
1918	1,381	126.0	1,765	185.0
1919	1,494	136.3	1,999	209.5
1920	1,570	143.2	2,243	235.1
1921	1,593	145.3	2,236	234.4
1922	1,629	148.3	2,164	226.8
1923	1,655	151.3	2,325	243.0
1924	1,708	155.8	2,299	241.0
1925	1,776	162.0	2,348	246.1
1926	1,809	165.1	[2] 2,407	252.3
1927	1,838	167.5	[2] 2,482	260.2
1928	1,866	170.3	[2] 2,554	267.7
1929	2,043	186.4		
1930	2,076	189.6		
1931	2,147	196.9		

[1] Douglas, Paul H. Real Wages in the United States, 1890–1926, p. 301.

[2] Douglas, Paul H., and Jannison, Florence Tye. The Movement of Money and Real Earnings in the United States, 1926–1928, p. 22.

TABLE 3.—*Salary, and purchasing power of salary, of Congressmen, 1893–1931*

Year	Annual salary of Congressmen [1]		Index of cost of living in the United States [2] (1893=100)	Relative purchasing power of salary (1893=100)
	Amount	Index (1893=100)		
1893	$5,000	100.0	100.0	100.0
1895	5,000	100.0	97.0	103.1
1897	5,000	100.0	100.0	100.0
1899	5,000	100.0	102.0	98.0
1901	5,000	100.0	108.0	92.6
1903	5,000	100.0	116.0	86.2
1905	5,000	100.0	115.0	87.0
1907	7,500	150.0	126.0	119.0
1909	7,500	150.0	121.0	124.0
1911	7,500	150.0	132.0	113.6
1913	7,500	150.0	137.0	109.5
1915	7,500	150.0	141.8	105.8
1917	7,500	150.0	192.2	78.0
1918	7,500	150.0	235.4	63.7
1919	7,500	150.0	254.1	59.0
1920	7,500	150.0	281.4	53.3
1921	7,500	150.0	239.3	62.7
1922	7,500	150.0	225.8	66.4
1923	7,500	150.0	230.8	65.0
1924	7,500	150.0	230.4	65.1
1925	10,000	200.0	237.1	84.4
1926	10,000	200.0	236.4	84.6
1927	10,000	200.0	233.1	85.8
1928	10,000	200.0	230.4	86.8
1929	10,000	200.0	230.5	86.8
1930	10,000	200.0	220.9	90.5
1931	10,000	200.0	199.9	100.1

[1] Salaries of Members of Congress taken from act of July 28, 1866 (ch. 296); act of Feb. 26, 1907 (ch. 1635); and act of Mar. 4, 1925 (ch. 549).

[2] Cost of living index numbers from 1893 to 1914, by Paul H. Douglas, Real Wages in the United States, p. 60; from 1914 to 1931, U. S. Bureau of Labor Statistics, converted to a 1893 base from Douglas's indexes.

SUGGESTIONS FOR BUSINESS RECOVERY

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of business recovery.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAMNECK. Mr. Speaker, if faith were as constant as hope, we might be able to get somewhere as a nation and as a people in our efforts to stimulate business recovery. I am disappointed that there has not been a more favorable reaction to President Hoover's relief program. I am not seeking to discredit it. I gave it my indorsement and support in the hope and belief that it would stimulate business recovery, start the wheels of industry, benefit agriculture, and put idle millions to work.

I believe still that it will be helpful in the end. However, it has apparently failed in the accomplishment of its chief purpose, at least up to this time—that of restoring confidence. There was a feeling of optimism for a while, but that apparently has died away, leaving a lack of confidence still, which is always a chief requisite to any undertaking that concerns the public welfare.

A balanced Budget, and some definite idea as to the increase of taxes in amount and where the increase is to fall, would help the situation. Investigation of short selling, bonus legislation, extravagance and criminal waste in government, are also important factors in retarding progress.

Barring violations of the obnoxious prohibition law, we are a law-abiding, peace-loving people. We try to be patient and want to be patriotic. Under existing conditions, the patience of the people is sorely tried and their faith severely tested. The average American citizen is in such a muddle at this time that he finds it as difficult to maintain his balance as it is for the Government to balance its Budget.

The people can not be blamed for their lack of faith. They have been fooled many times. In 1928 Mr. Hoover said in his speech of acceptance that the Republican Party victory would mean "a job for every man." William Green, president of the American Federation of Labor, protesting a sales tax upon the necessities of life, recently placed the number of unemployed in the country at 8,000,000 people.

In the summer of 1930, about the time the Hawley-Smoot tariff bill was passed, Republican Party leaders assured the country that prosperity was just around the corner. Mr. Hoover was elected President in 1928, the crash came in October, 1929, and now in 1932 Congress is seeking to repair the damage done—a stupendous undertaking that is causing much quaking.

What is our trouble? Faith is gone. Fortunately, hope lingers, and yet, referring again to this relief program, I sometimes wonder whether the people have not reached the conclusion, in the absence of any appreciable results, that it is not just another "delusive hope that points the way to a distant good." The Hoover program does not go far enough. It does not reach. It is only temporary in character, and therefore affords no solid foundation upon which to build.

Our chief trouble, as I see it, is a lack of confidence in ourselves and our ability to do things. Our part in the war to make the world safe for democracy cost billions of dollars, to say nothing of the sacrifice of the very flower of young American manhood. That was a struggle for a principle at the sacrifice of millions of human lives in the allied armies. Now we are fighting depression, which involves the saving of human life and, in addition, improving our economic situation to afford the means of a livelihood for millions who are now feeling the pangs of hunger and asking only for a chance to work.

With a national wealth approaching $400,000,000,000, unlimited resources and unlimited credit, we are in a position where we can relieve this situation and contribute to the immediate peace, happiness, and contentment of all the people. Two accomplishments are necessary. One is to apply credit or currency expansion and, second, to revise certain existing laws which are harmful.

It is argued that expansion of credit or currency will cheapen money. So it would, but it would enhance the price of all commodities and increase the purchasing power of consumers. The Nation's Business and Business Week say that inflation is the cure that should be applied. It has been tried before with success, not only in this country but other countries. It would not endanger the gold standard but encourage business and finally bring us a prosperity that would abide.

If we are to have prosperity, relief legislation, temporary in character, must be supplemented by legislation of a definite, permanent character. It is said the Government is now borrowing $300,000,000 a day. That is not getting anywhere. The debt is only piling up. A final day of reckoning must come and the Government must prepare for that day. There are many sources of revenue available to avert this situation and, in addition, permit the lowering of taxes which are so burdensome upon the people. I will point the way in a moment.

Business recovery is absolutely necessary before we can have prosperity. When they can be brought back multiplied millions will find profitable employment. Until these millions are put to work and wages started there can be no prosperity. Employment of these millions will add to the purchasing power of the people.

The cost of government is staggering. This cost must be met by taxation. Business men all over the country are protesting, and only a few days ago called at the White House in great numbers to protest personally against taxes being piled up, with no reduction in public expenditures. There are at the present time 1,552,000 Federal workers. The annual pay roll is $1,501,000,000 a year. The Nation's Business figures that this means 1 employee to every 50 voters.

American farmers alone are required to dig up $777,000,000 dollars in taxes each year. That required a lot of digging with farm products at low-level prices. Only recently 60,000 farms, embracing a million acres of land, were sold for taxes in Mississippi. Railroads pay $400,000,000 annually. They are but little better off than the farmers. Those who smoke cigarettes and have no other virtue pay on cigarettes, women on cosmetics, and so on down the line. Bootleggers alone escape.

Home owners in American cities are having their troubles, too. Thousands are out of work and unable to pay their taxes and stand to lose their homes. Some one will say: "That is their fault." It is not their fault. They are the victims of a situation over which they have no control. Ill-advised legislation is responsible for our present predicament and intolerable suffering. The way to remedy these conditions is to repeal the laws that have brought about these conditions.

The Hawley-Smoot tariff law not only paralyzed industry and prostrated agriculture, but has cost the Government more than a billion dollars a year in the loss of export business. Enforcement of the prohibition law is costing another billion dollars. Repeal of the eighteenth amendment and the placing of a tax upon intoxicating liquors would add more than a billion dollars to our revenues. An additional $750,000 could be saved to the people in the elimination of useless bureaus, commissions, and boards. These all total $3,750,000,000—a pretty sum.

With this legislation enacted into law, lowering tariff rates, adding the revenues from the liquor business, and the saving of hundreds of millions in the abolishment of useless functions of government, the Government would be in shape to square up all deficits and meet other pressing obligations, with enough left to help the bonus along. More important, perhaps, is the fact that with these revenues acquired taxes could be lowered and the people given a breathing spell.

This action is absolutely necessary to restore confidence. It is essential to business recovery. It is the one guaranty of a "job for every man," with all due apology. It is up to the Government to arouse itself from its lethargy and take the lead as a "go-getter." A word from the White House and cooperation along bipartisan lines, such as we have become accustomed to during this session of Congress, would turn the trick, lift the gloom, and sound the death knell of Old Man Depression. That is the one means by which Congress can do something to benefit the people, by which I mean—the people.

Banks, railroads, building and loan companies, insurance companies, and farmers to a certain extent, have already been provided for. If anyone is getting any benefit from Mr. Hoover's relief program, they are the people. It will take a long while for any good effects from this relief legislation to filter down to the man on the street. What he needs is action on the program I have outlined to give us something substantial upon which to build.

There are other things which this Government could do and should do. It should mix less in European affairs and attend strictly to its own business in our domestic affairs. The Government at this time is competing with American citizens and American taxpayers in 250 lines of private business. This is not fair or just. If the Government can not keep out of private business in any other way, it should enforce the law in restraint of trade against itself, and, while it is doing that, it might give attention also to trusts and other combinations of great capital, which are denying to others all the rights which they claim for themselves, and would limit to themselves.

My comments on conditions and remedies up to this point have been more of a general nature, and I therefore desire to make some specific recommendations, as follows:

First. Provide credit for industry by amending the Reconstruction Finance Corporation, which would extend to business the same privileges that it does to banks. At this writing credit facilities for business through the banks is practically at a standstill.

Second. Guarantee bank deposits, because, in my judgment, it is only by this method that we can absolutely restore confidence in the financial institutions. Bank failures and antihoarding campaigns will be things of the past if this proposal is enacted into law by the passage of the so-called Steagall bill.

Third. Pass the home loan discount bank bill, which would release hundreds of millions of dollars now frozen in the various building and loans throughout the country. This could be accomplished by the passage of the so-called Luce bill recommended by President Hoover in one of his early messages to Congress.

Fourth. Embargo temporarily all basic commodities, such as wheat, corn, cotton, copper, oil, manganese, coal, farm machinery, and all farm products. The embargo should, of course, apply to all by-products of the basic commodities enumerated.

Fifth. Reduce governmental expenses by discontinuing a greater part, at least, of all Federal-aid appropriations to the States, and by the elimination of all unnecessary activities of the Federal Government.

Sixth. Resume trade relations with Russia; protect these relationships with proper restrictions to avoid any dumping of Russian goods in the United States.

Seventh. Cause a moderate inflation of currency, which would result in the increase in commodity prices. This could be done by the issuance of currency against the gold reserve and by the Federal Government stabilizing silver by purchasing bullion at a specified price and issuing currency against the supply of silver held by the Treasury of the United States.

Eighth. Provide means for construction loans for home construction only. This could be done either through the building and loan companies, insurance companies, or by loans from the postal-savings accounts.

Ninth. Legalize and tax beer. The taxes raised from this activity could be applied in reducing the taxes against legitimate business.

These suggestions, if put into operation, together with what the Government has already done to relieve the present deplorable conditions, is in my opinion all that any government could do under the circumstances, and if they will not bring the results that we hope for, the future does not look bright.

FEDERAL AID FOR VOCATIONAL EDUCATION

Mr. SUTPHIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SUTPHIN. Mr. Speaker, the Hon. A. Harry Moore, Governor of New Jersey, in his inaugural address in January, 1932, made the following statements:

> In this period of industrial depression we must turn attention to our agricultural resources, determinedly seek methods and resolutely adopt procedures that will promote the full utilization of these resources. My information is that the agricultural output of New Jersey could easily be doubled, provided needed help is given.

Mr. Speaker, I feel that the future of a part of the agricultural development of my district depends upon the help given to the agricultural department of our public schools through the Federal aid for vocational education.

I have received many protests from prominent educators in my district and I beg to call your attention to a few points brought out by one township superintendent of schools. The students in the vocational-education department of his schools are studying the following subjects: Agriculture, horticulture, animal husbandry, and care of estates from the gardener's standpoint. President Hoover in 1923, while a member of the Cabinet, stated:

> There is no better economy than the economy of adequate training for the pursuits of agriculture, commerce, industry, and the home.

The students who receive training in the vocational-educational departments of the public schools in my district find ready employment locally, due to the type of the territory.

There are 1,250,000 students in the public schools in the United States enrolled in the courses in vocational education. These boys and girls are receiving a good practical education and many of them will be unable to pursue their studies further than the courses offered in our public school system. Again quoting Mr. Hoover's remarks in 1923, where he states in regard to the cost of vocational education:

> This cost can not be regarded as constituting a serious financial burden upon the community. It is approximately the cost of a medium-sized battleship.

The storm of protest aroused by the proposal of the Economy Committee to discontinue this appropriation has, I understand, caused the committee to reconsider, and they are proposing an alternative course, which to my mind is simply an attempt to slowly and surely abolish vocational education rather than destroy it by immediate action.

Many communities, relying upon the Federal Government to keep its legislative promises, have erected buildings to provide the necessary equipment to teach these students. In my own district, in one instance, these courses are so popular that the classes are already overcrowded and space and equipment for three times the number of students now enrolled is needed. These students are not children of wealthy parents but in many instances of those who at present are unemployed. These parents derive hope and comfort from the fact that this great Government provides training for their children which they themselves are unable to provide. The destruction of this hope and comfort in the discontinuing of their children's vocational education will further tend to increase the resentment already breeding in the hearts of many of these unemployed. They will say "Our Government has done little for us in this depression, and now proposes to throw out the educational opportunities of our children. What can the future hold for them?"

The American public school is doing more than any other agency to make good citizens for the future, to perpetuate American institutions, and to establish American ideals. Let us not, under the guise of economy, break down the confidence and wholehearted support that the American people have always given our public school system.

A survey covering five years shows that the money spent by the Federal Government is a paying investment. For example, a boy who elects to take vocational agriculture is required to devote six months in some practical work on the farm under the supervision of a teacher. Accurate cost accounts have been kept for the 5-year period to ascertain the labor income from this practical work. The total labor income from this source during a period of five years amounted to $23,637,924.25. The total amount appropriated for this worth-while activity during this 5-year period was $10,418,460. Would it be good economy for the Federal Government to discontinue an activity which not only makes such a valuable contribution to the labor income of the Nation but which at the same time is training these young people for lives of usefulness?

It is my earnest and sincere hope that every Member of the House of Representatives will vote against this attempt to abolish the appropriation for vocational education entirely or to suspend or curtail it in any measure.

ADJOURNMENT

Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 27, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Wednesday, April 27, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

INDIAN AFFAIRS

(10.30 a. m.)

Tribal and individual affairs of the Osage Indians (S. 3085).

LABOR

(10.30 a. m.)

To amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings (S. 3847).

NAVAL AFFAIRS

(10.30 a. m.)

To authorize the President to dispense with unnecessary naval shore establishments (H. R. 11333).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

541. A letter from the Secretary of War, transmitting a report dated April 23, 1932, from the Chief of Engineers, United States Army, on preliminary examination of Steinhatchee River into Deadmans Bay, Fla.; to the Committee on Rivers and Harbors.

542. A letter from the Secretary of War, transmitting a report dated April 23, 1932, from the Chief of Engineers, United States Army, on preliminary examination of channel in Horseshoe Cove, Dixie County, Fla., from the mainland to the Gulf of Mexico; to the Committee on Rivers and Harbors.

543. A letter from the Secretary of War, transmitting a report dated April 22, 1932, from the Chief of Engineers, United States Army, on preliminary examination of channel from Beaufort Inlet, N. C., via the Inland Waterway and Neuse River to New Bern; to the Committee on Rivers and Harbors.

544. A letter from the Secretary of War, transmitting a report dated April 22, 1932, from the Chief of Engineers, United States Army, on preliminary examination of the Hocking River for the distance it flows through Athens County, Ohio; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KNUTSON: Committee on Indian Affairs. H. R. 8393. A bill providing for payment of $100 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States; with amendment (Rept. No. 1133). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 11246. A bill authorizing the Boca Chica Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Rio Grande at Boca Chica, Tex.; with amendment (Rept. No. 1134). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MONTET: Committee on Military Affairs. H. R. 3037. A bill for the relief of James J. Gianaros; without amendment (Rept. No. 1129). Referred to the Committee of the Whole House.

Mrs. KAHN: Committee on Military Affairs. H. R. 8669. A bill for the relief of George W. Edgerly; without amendment (Rept. No. 1130). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 9053. A bill for the relief of Carl C. Baxter; with amendment (Rept. No. 1131). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 10107. A bill for the relief of Weymouth Kirkland and Robert N. Golding; with amendment (Rept. No. 1132). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHANNON: A bill (H. R. 11615) to establish a holiday to be known as Jefferson's Birthday; to the Committee on the District of Columbia.

By Mr. CONDON: A bill (H. R. 11616) declaring November 11 a legal holiday, to be known as Armistice Day; to the Committee on the Judiciary.

By Mr. HASTINGS: A bill (H. R. 11617) to amend section 15 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. JOHNSON of Texas: A bill (H. R. 11636) to amend an amendment to the Federal highway act, approved May 21, 1928 (45 Stat. L. 683); to the Committee on Roads.

By Mr. TINKHAM: A bill (H. R. 11637) to provide for the promotion of janitors and cleaners in the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. GIBSON: A bill (H. R. 11638) to amend section 7 of an act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, and for other purposes; to the Committee on the District of Columbia.

By Mr. CARTER of Wyoming: A bill (H. R. 11639) to authorize extensions of time on oil and gas prospecting permits, and for other purposes; to the Committee on the Public Lands.

By Mr. TINKHAM: A bill (H. R. 11640) to amend section 211 of the Criminal Code, as amended (relating to certain nonmailable matter); to the Committee on the Judiciary.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11641) to protect national banks; to the Committee on Banking and Currency.

By Mr. MONTAGUE: Resolution (H. Res. 204) providing for the consideration of House Joint Resolution 97, a joint resolution proposing to amend the Constitution of the United States to bar aliens from being counted in congressional apportionments; to the Committee on Rules.

By Mr. McSWAIN: Resolution (H. Res. 205) for the consideration of H. R. 11051, a bill to provide for the leasing and other utilization of the Muscle Shoal properties, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CULKIN: A bill (H. R. 11618) granting an increase of pension to Caroline E. Schmidling; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 11619) granting a pension to Sarah Nants; to the Committee on Invalid Pensions.

By Mr. GRISWOLD: A bill (H. R. 11620) granting an increase of pension to Elizabeth R. Smith; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 11621) granting a pension to Maude Holmes; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 11622) granting an increase of pension to Mary Entsminger; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 11623) granting an increase of pension to Elizabeth Perry; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 11624) for the relief of Thomas A. Heard; to the Committee on Military Affairs.

By Mrs. OWEN: A bill (H. R. 11625) for the relief of Aurora Booth; to the Committee on Claims.

By Mr. PARKER of New York: A bill (H. R. 11626) granting an increase of pension to Lovina Whitney; to the Committee on Invalid Pensions.

By Mr. PARSONS: A bill (H. R. 11627) granting a pension to Jessie Carter; to the Committee on Pensions.

By Mr. REED of New York: A bill (H. R. 11628) granting an increase of pension to Emma Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11629) granting an increase of pension to Selena Luxford; to the Committee on Invalid Pensions.

By Mr. SCHNEIDER: A bill (H. R. 11630) granting an increase of pension to Julia Don Levy; to the Committee on Invalid Pensions.

By Mr. THOMASON: A bill (H. R. 11631) granting a pension to Rosa Wilson; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 11632) granting a pension to Cordie Brandenburg; to the Committee on Invalid Pensions.

By Mr. GREEN: A bill (H. R. 11633) for the relief of George Preston Thomas; to the Committee on Military Affairs.

By Mr. PEAVEY: A bill (H. R. 11634) granting an increase of pension to Sarah A. Dearborn; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 11635) for the relief of George B. Barrett; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7067. By Mr. ANDREWS of New York: Petitions from 1,075 employees of the Buffalo post office, urging opposition to the several pay-cut measures being proposed for postal employees and President Hoover's economy (furlough) plan; to the Committee on Economy.

7068. By Mr. BOEHNE: Petition of C. T. Lamb Division, No. 414, Brotherhood of Locomotive Engineers, of Petersburg, Ind., urging support of the bill known as the Parker bill; to the Committee on Interstate and Foreign Commerce.

7069. By Mr. CULKIN: Petition of the Common Council of the City of Oswego, N. Y., urging the repeal of the eighteenth amendment; to the Committee on the Judiciary.

7070. Also, petition of Oswego Falls Corporation, Fulton, N. Y., and 20 other paper mills of central and northern New York, opposing any tariff legislation, countervailing, equalizing, or otherwise, on wood pulp or pulpwood; to the Committee on Ways and Means.

7071. By Mr. JENKINS: Petition signed by 23 citizens of southern Ohio, protesting against the passage of House bills 8092 and 8759, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

7072. By Mr. LINDSAY: Petition of the American Agricultural Chemical Co., New York City, Horace Bowker, president, opposing an increase of the Federal transfer tax on stock sales; to the Committee on Ways and Means.

7073. Also, petition of National Federation of Federal Employees, opposing the so-called omnibus economy bill for certain reasons; to the Committee on Economy.

7074. By Mr. MEAD: Petition of the Common Council of the City of Buffalo, favoring payment of the soldiers' bonus; to the Committee on Ways and Means.

7075. Also, petition of the Disabled Provisional Officers of the World War; to the Committee on Military Affairs.

7076. Also, petition of the New York State Department of the Reserve Officers' Association of the United States opposing reduction in military appropriations and favoring an appropriation sufficient to provide inactive duty and the training of pilots; to the Committee on Appropriations.

7077. Also, petition of San Antonio Chapter, Disabled Emergency Officers of World War; to the Committee on Military Affairs.

7078. By Mr. PARKER of Georgia: Petition of Dr. Walter E. Simmons, mayor city of Metter, and nine other citizens of the State of Georgia, urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

7079. Also, petition of William H. Berans and 53 other residents of Savannah, Ga., urging the immediate payment of the remaining 50 per cent of the World War veterans' adjusted-service certificates; to the Committee on Ways and Means.

7080. By Mr. RUDD: Petition of Carroll S. Smith, New York City, favoring the passage of House bill 11207; to the Committee on Economy.

7081. Also, petition of Baker, president Local 411, West Point, N. Y., opposing reduction of the Federal employees' salaries and payless furloughs; to the Committee on Economy.

7082. Also, petition of the American Agricultural Chemical Co., New York City, opposing increase of the Federal transfer tax on stock sales; to the Committee on Ways and Means.

7083. Also, petition of Cooperative G. L. F. Credit Corporation, Ithaca, N. Y., favoring the passage of the Norbeck-Steagall bill; to the Committee on Banking and Currency.

7084. Also, petition of M. J. Strathowe, Maspeth, Long Island, N. Y., opposing the suspension for one year of Federal aid for vocational education; to the Committee on Economy.

7085. Also, petition of American Legion Auxiliary, Queens County, N. Y., opposing reduction of hospitalization and compensation of World War veterans; to the Committee on Economy.

7086. Also, petition of Manahan Chemical Co., New York City, opposing the passage of the Muscle Shoals bill; to the Committee on Military Affairs.

7087. Also, petition of William J. Olvany (Inc.), New York City, favoring the passage of House bill 9975; to the Committee on Public Buildings and Grounds.

7088. By Mr. SANDERS of New York: Petition of Tony Ippolito and seven other World War veterans of Avon, N. Y., favoring immediate payment of the balance of the soldiers' bonus; to the Committee on Ways and Means.

7089. By Mr. SELVIG: Petition of Cloquet Commercial Club, Cloquet, Minn., favoring enactment of House bill 8688, providing for a compensating duty to be paid on pulpwood shipped into the United States by countries whose currency is depreciated; to the Committee on Ways and Means.

7090. Also, petition of Railroad Employees' National Pension Association, urging enactment of railroad pension bill, H. R. 9891; to the Committee on Labor.

7091. Also, petition of C. C. Stetson, St. Paul, Minn., favoring retrenchment of Government expenses wherever possible; to the Committee on Appropriations.

7092. Also, petition of C. W. Bjorness, Helmer Gaustad, and others, of Henning, Minn., and vicinity favoring immediate cash payment of bonus certificates; to the Committee on Ways and Means.

7093. Also, petition of Selmar Waldemar, Richard Berg, and others, of Henning, Minn., and vicinity urging immediate cash payment of adjusted-compensation certificates; to the Committee on Ways and Means.

7094. Also, petition of Shipmasters Association of Duluth, Minn., opposing decommissioning of the U. S. S. *Paducah* and any cancellation of training cruises for Naval Reserve; to the Committee on Appropriations.

7095. Also, petition of Park Region District and County Medical Society of Minnesota, opposing House bill 7525; to the Committee on Appropriations.

7096. Also, petition of George Morck and others, of Skime, Minn., favoring payment of soldiers' bonus; to the Committee on Ways and Means.

7097. Also, petition of Minnesota Vocational Agriculture Instructors Association, numbering 75 instructors in Minnesota, urging continued appropriation to maintain valuable agricultural training; to the Committee on Appropriations.

SENATE

WEDNESDAY, APRIL 27, 1932

(Legislative day of Monday, April 25, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 3095) for the relief of J. J. Bradshaw and Addie C. Bradshaw.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1770) for the relief of Senelma Wirkkula, also known as Selma Wirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula.

The message further announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 194. An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton; and

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.).

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 804. An act for the relief of Mary L. Marshall, administratrix of the estate of Jerry A. Litchfield;

H. R. 1230. An act for the relief of Chase E. Mulinex;

H. R. 1260. An act for the relief of James E. Fraser;

H. R. 1290. An act for the relief of Jeannette Weir;

H. R. 1322. An act for the relief of Anna Lohbeck;

H. R. 1786. An act for the relief of Arthur H. Teeple;

H. R. 2013. An act for the relief of Pinkie Osborne;

H. R. 2033. An act for the relief of Theresa M. Shea;

H. R. 2042. An act for the relief of Hedwig Grassman Stehn;

H. R. 2189. An act for the relief of Elsie M. Sears;

H. R. 2841. An act for the relief of the owners of the steamship *Exmoor;*

H. R. 3467. An act for the relief of David C. Jeffcoat;

H. R. 3582. An act for the relief of the Atchison, Topeka & Santa Fe Railway Co.;

H. R. 3693. An act for the relief of William Knourek;

H. R. 3811. An act for the relief of Lela B. Smith;

H. R. 3812. An act for the relief of the estate of Harry W. Ward, deceased;

H. R. 4071. An act for the relief of W. A. Blankenship;

H. R. 4233. An act for the relief of Enza A. Zeller;

H. R. 4885. An act for the relief of Kenneth G. Gould;

H. R. 5052. An act to authorize the incorporated town of Juneau, Alaska, to use the funds arising from the sale of bonds in pursuance to the act of Congress of February 11, 1925, for the purpose either of improving the sewerage system of said town or of constructing permanent streets in said town;

H. R. 5256. An act for the restitution of employees of the post office at Detroit, Mich.;

H. R. 5265. An act for the relief of A. W. Holland;

H. R. 5940. An act for the relief of Florian Ford;

H. R. 5998. An act for the relief of Mary Murnane;

H. R. 6487. An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of improving and enlarging the capacity of the municipal light and power plant, and the improvement of the water and sewer systems, and for the purpose of retiring or purchasing bonds heretofore issued by the town of Petersburg;

H. R. 6713. An act for estimates necessary for the proper maintenance of the Government wharf at Juneau, Alaska;

H. R. 7308. An act for the relief of Amy Turner;

H. J. Res. 361. Joint resolution to authorize the Surgeon General of the United States Public Health Service to make a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes; and

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Cousens	Johnson	Reed
Austin	Cutting	Jones	Robinson, Ark.
Bailey	Dale	Kean	Robinson, Ind.
Bankhead	Dickinson	Kendrick	Schall
Barbour	Dill	Keyes	Sheppard
Barkley	Fess	King	Shipstead
Bingham	Fletcher	La Follette	Shortridge
Black	Frazier	Lewis	Smoot
Blaine	George	Logan	Steiwer
Borah	Glass	McGill	Stephens
Bratton	Glenn	McKellar	Thomas, Idaho
Brousard	Goldsborough	McNary	Thomas, Okla.
Bulkley	Gore	Metcalf	Townsend
Bulow	Hale	Morrison	Trammell
Byrnes	Harrison	Moses	Tydings
Capper	Hastings	Neely	Vandenberg
Caraway	Hatfield	Norbeck	Wagner
Carey	Hawes	Norris	Walcott
Connally	Hayden	Nye	Walsh, Mass.
Coolidge	Hebert	Oddie	Watson
Copeland	Howell	Patterson	White
Costigan	Hull	Pittman	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

SENATOR FROM GEORGIA

Mr. GEORGE. Mr. President, I send forward the credentials of the Senator designate from Georgia, Hon. JOHN S. COHEN, and ask that they be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate the certificate of appointment, which will be read.

The Chief Clerk read the certificate, as follows:

STATE OF GEORGIA,
EXECUTIVE OFFICE,
Atlanta.

A proclamation by his Excellency Richard B. Russell, jr., Governor of the State of Georgia

To the Senate of the United States:

Whereas a vacancy now exists in the office of Senator in the Congress of the United States from the State of Georgia by reason of the death of Hon. William J. Harris:

Therefore, I, Richard B. Russell, jr., Governor of the State of Georgia, by authority of the Constitution of the United States and the act of the General Assembly of Georgia, approved August 16, 1913, do hereby designate and appoint Hon. JOHN S. COHEN, of the county of Fulton, this State, to the office of Senator in the Congress of the United States, vice Hon. William J. Harris, deceased, to serve until the people of this State fill the vacancy by election as provided by law, and until his successor is duly qualified.

In witness whereof I hereunto set my hand and cause the great seal of the State of Georgia to be affixed at the capitol, in the city of Atlanta, this State, on the 25th day of April, in the year of our Lord 1932, and of the independence of the United States one hundred and fifty-sixth.

By the governor.

RICHARD B. RUSSELL, JR.,
Governor.

[SEAL.]

JOHN B. WILSON,
Secretary of State.

The VICE PRESIDENT. The credentials will be placed on file.

Mr. GEORGE. The Senator designate is present, and I request that he now be given the oath of office.

The VICE PRESIDENT. The Senator designate will present himself at the desk and receive the oath of office.

Mr. COHEN, escorted by Mr. GEORGE, advanced to the Vice President's desk, and, the oath prescribed by law having been administered to him, he took his seat in the Senate.

CATTARAUGUS, ALLEGANY, AND OIL SPRINGS INDIAN RESERVATIONS, N. Y. (S. DOC. NO. 87)

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, in further response to Senate Resolution No. 248, of the Seventy-first Congress (dated April 16, 1930), a final report on an examination made of the receipts of moneys arising from the leasing of lands and properties of the Indians on the Cattaraugus, Allegany, and Oil Springs Reservations, in the State of New York, referred to in his preliminary report submitted on January 12, 1931 (S. Doc. No. 253, 71st Cong., 3d sess.), which, with the accompanying report, was referred to the Committee on Indian Affairs and ordered to be printed.

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a list of documents and abstract books on file in the Indian warehouses at Chicago, Ill., St. Louis, Mo., and San Francisco, Calif., which are not needed or useful in the transaction of current business of the department and have no permanent value or historical interest, and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. NYE and Mr. PITTMAN members of the committee on the part of the Senate.

ANNUAL REPORT OF THE PUBLIC BUILDINGS COMMISSION (S. DOC. NO. 88)

Mr. SMOOT. Mr. President, I submit the annual report of the Public Buildings Commission for the calendar year 1931, and ask that it may be printed, with illustrations.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the board of aldermen of the city of Chelsea, Mass., protesting against the proposed closing of navy yards on the Atlantic seaboard by the Secretary of the Navy, which was referred to the Committee on Naval Affairs.

Mr. LA FOLLETTE presented petitions, numerously signed, of sundry citizens of the State of Wisconsin, praying for the passage of Senate bill 1197, known as the Frazier farm relief bill, and other farm relief measures, especially the so-called Swank bill (H. R. 7797) and the so-called Wheeler bill (S. 2487), which were referred to the Committee on Agriculture and Forestry.

Mr. WALSH of Massachusetts presented a memorial, numerously signed, of sundry citizens of the State of Massachusetts, remonstrating against the proposed 10 per cent tax on sporting goods in the pending tax bill, which was referred to the Committee on Finance.

Mr. TYDINGS presented a petition of a committee of the Young Men's Democratic Club of the eighth ward, of Baltimore, Md., praying for the immediate payment in cash at full face value of adjusted-compensation certificates (bonus) of World War veterans, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Port Deposit, Md., remonstrating against the imposition of taxes on automobiles, gasoline, and, in general, on the motor industry in the pending tax bill, which was referred to the Committee on Finance.

Mr. BARBOUR presented a resolution adopted by the Board of Education, Essex County Vocational Schools, of Newark, N. J., protesting against the proposed withdrawal of Federal aid for vocational education to the States, which was referred to the Committee on Appropriations.

He also presented resolutions adopted by the Board of Directors of the Employers' Association of North Jersey, N. J., protesting against the passage of legislation providing for the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, and also favoring the prompt enactment of pending tax legislation so that the country may make early adjustment thereto, which were referred to the Committee on Finance.

Mr. ASHURST presented a telegram from Kibbey, Bennett, Gus T. Smith, and Rosenfeld, of Phoenix, Ariz., with reference to pending legislation proposing to restrict or prevent removal to the Federal courts of suits brought in State courts against foreign corporations, which was referred to the Committee on the Judiciary.

He also presented a telegram, in the nature of a memorial, from employees of the post office at Prescott, Ariz., signed by Alva Sims, president, and W. E. Lawson, secretary, remonstrating against proposed changes in working stand-

ards and reductions in the compensation of postal employees, which was referred to the Committee on Appropriations.

He also presented a telegram, in the nature of a memorial, from the Arizona Rural Letter Carriers' Association, signed by W. A. Brown, secretary, Phoenix, Ariz., remonstrating against the proposed 10 per cent cut in appropriations for the Post Office Department, which was referred to the Committee on Appropriations.

BETTERMENT OF DENTAL MATERIALS

Mr. HASTINGS presented a letter from the L. D. Caulk Co., of Milford, Del., which was ordered to lie on the table and to be printed in the RECORD, as follows:

[The L. D. Caulk Co., originators and manufacturers of dental filling materials and dental specialities]

MILFORD, DEL., *April 13, 1932.*

Hon. DANIEL O. HASTINGS,
United States Senate, Washington, D. C.

DEAR SENATOR: There is a small appropriation—approximately $10,000—which has for a number of years been carried in the Budget for the Bureau of Standards, which is the basis of cooperation between the Bureau of Standards and the American Dental Association for scientific investigations for the betterment of professional dental service in the interest of the general health.

The American Dental Association has shared in the expense of this work by an annual appropriation of its own, and is very much interested that the work should be continued for the general good, and as a member of the American Dental Association I ask your support of it.

The provision relates to the investigation of dental materials by the Bureau of Standards.

I will thank you greatly for your personal interest in this matter.

Very truly yours,

THE L. D. CAULK CO.,
G. LAYTON GREIS, *President.*

PREFERENCE OF VETERANS IN CIVIL-SERVICE EMPLOYMENT

Mr. REED. Mr. President, at my request in the last Congress there was inserted in the CONGRESSIONAL RECORD some comprehensive material on the subject of the preference of veterans in the civil-service employment of the Government. In the present Congress there is pending legislation proposing the consolidation of certain governmental agencies, which proposal has long been advocated by the American Legion. I have had submitted to me through Maj. Paul J. McGahan, former American Legion national executive committeeman from the District of Columbia, who was chairman of the Legion's national committee on veterans' preference last year, a copy of a resolution on these subjects adopted by the Legion at its Detroit convention and the report of this special committee.

I believe it will serve the convenience of the members of the Senate if this material appears in the CONGRESSIONAL RECORD, so as to complete the information available from the Legion. I therefore send the letter and the report to the desk and ask unanimous consent that they may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter and report are as follows:

THE AMERICAN LEGION,
DEPARTMENT OF THE DISTRICT OF COLUMBIA,
Washington, D. C., April 25, 1932.

Hon. DAVID A. REED,
United States Senate, Washington, D. C.

DEAR SENATOR REED: On two previous occasions you have done me the honor to give consideration to some studies that I have undertaken with regard to the preferential rights of former service men and women under the civil service of the Federal Government. For a number of years I have been actively connected with the local and national considerations by the American Legion of this subject. Under date of November 22, 1929, you caused to be inserted in the CONGRESSIONAL RECORD the first serious brief prepared by the American Legion, and on March 2, 1931, you again caused to be inserted in the CONGRESSIONAL RECORD another treatise.

At the last national convention of the American Legion, held in Detroit in September, 1931, consideration was again given to the subject of veteran preference in the civil service and the proposed consolidation under the Civil Service Commission of the personnel activities of the Federal Government.

At that convention, as chairman of the legion's national committee on veteran preference, I drafted and introduced—and the convention approved and adopted—the following resolution:

"Whereas the American Legion in its national convention assembled in Omaha, 1925; Paris, 1927; San Antonio, 1928; and Boston, 1930, declared its opinion that the Congress of the United States should abolish the United States Bureau of Efficiency, the United States Personnel Classification Board, and the United States Workmen's Compensation Board and transfer their functions to the United States Civil Service Commission; and

"Whereas it is the conviction of ex-service men and women, particularly those in the employ of the Federal Government, that the preferential rights of veterans as established by basic law and presidential Executive orders have continued to be seriously transgressed and that particular efficiency ratings should be based upon fact and not utilized under the 'general average' clause of congressional appropriation acts as a method of distributing salaries; and

"Whereas during the period since the Boston convention powerful and influential organizations and groups of national scope have renewed and continued the effort to divest the veteran of existing rights; and

"Whereas there are known to be under consideration at the present time plans and programs for the consolidation of the personnel functions of the United States civil service; and

"Whereas a special committee of the American Legion to study these matters and make recommendations to the national legislative committee regarding them was authorized at the Boston convention in Resolution 290, which committee has actively functioned the past year: Therefore be it

"*Resolved by the American Legion in its thirteenth annual convention assembled, this 24th day of September, 1931, in Detroit, Mich.*, That the position heretofore taken by the American Legion with regard to the consolidation heretofore mentioned and the protection of the preferential rights of veterans in the civil service is hereby reiterated and reaffirmed; that the national legislative committee is again instructed to keep the subject of veterans' preference legislation in its major program for the ensuing sessions of Congress until desired remedies as have been previously outlined in detail shall have been obtained; and be it further

"*Resolved*, That there is hereby established as a permanent committee of the American Legion a committee on veterans' preference, to serve annually and to be of such size as the national commander shall deem necessary, the duty of which shall continue to be to study all the questions involved and submit its recommendations and suggestions to national headquarters and the national legislative committee for the information and guidance of all concerned."

This resolution was prompted by the developments encountered by the special committee of the national organization of which I was the chairman and which were reviewed in the report prepared for the American Legion by that committee, which I am inclosing for your special attention.

Since you were good enough to cause to be printed in the CONGRESSIONAL RECORD these previous American Legion studies of a situation which is now actively before the Congress in proposed legislation, may I not suggest that this letter and the report on the special committee's activities for last year be printed in the CONGRESSIONAL RECORD? I believe they will round out and complete for the ready reference of your colleagues in the Senate and the Members of the House these views of the veterans themselves.

The federally employed veteran is much in the public attention just now, and, appreciating your long-sustained interest, I am venturing to submit this request. I told you a year ago that the veteran was still a long way from that position of preference in Federal employment that is promised him. You will note that the President's commission took pretty much that view, and perhaps if the consolidation of the personnel agencies can be brought about, as we have so long contended, there will be a betterment of things from all angles involved.

Faithfully yours,

PAUL J. MCGAHAN,
Past National Executive Committeeman,
The American Legion.

REPORT OF THE NATIONAL COMMITTEE ON VETERANS' PREFERENCE OF THE AMERICAN LEGION

[Paul J. McGahan, Washington, D. C., chairman; Norman L. Marks, New York City; Edward L. Mulrooney, Wilmington, Del.; Al P. Boyle, Chicago, Ill.; Dr. A. D. Houghton, San Fernando, Calif; Arthur D. Healey, Boston, Mass.; Staten Hankins, Austin, Tex.; and Thomas J. Salter, Las Vegas, Nev.]

The Thirteenth National Convention of the American Legion will mark the receipt of the first results of a national committee of the Legion on the question of the preferential rights of veterans under the Federal civil service. The only action that the committee above named will ask is that a permanent national group to study this subject and its ramifications be set up and hereafter be a permanent feature in the national activities.

This report is going to include as integral parts two documents which have heretofore appeared in the CONGRESSIONAL RECORD of the Congress of the United States. By means of these reports a rather comprehensive picture of civil-service preference to ex-service men and the American Legion's last-assumed position in this regard are presented:

The first of these two CONGRESSIONAL RECORD extracts are the remarks of United States Senator DAVID A. REED, of Pennsylvania, in the Senate on Friday, November 22, 1929. On that occasion Senator REED's observations, together with a letter of the chairman of this committee, who was then a member of the national executive committee representing the District of Columbia Department; a memorandum from Harlan Wood, then department commander of the District of Columbia Department; a copy of the important

Executive order signed by President Coolidge two days before he went out of office; and a report prepared by a special committee of the District of Columbia Department of the Legion occupied some 10 pages in the CONGRESSIONAL RECORD.

In this collection of data is to be found the most comprehensive and accurate recital of the preference rights under the Federal civil service of veterans. Particular attention is invited to the brief of the special committee of the District of Columbia Department. The committee which drafted this document was composed of comrades whose knowledge of the subject was such that even though more than three years has passed since it was prepared, no one of its statements or premises has been challenged. It might be stated at this point that it was as a consequence of this document that a special commission appointed by former President Coolidge to examine into the question of the application of veterans' preference reached the conclusions which made it possible for Mr. Coolidge to enunciate the Executive order under which very favorable treatment to veterans in the civil service was given.

The second of the extracts from the CONGRESSIONAL RECORD above referred to is likewise taken from remarks made in the United States Senate by Senator DAVID A. REED, of Pennsylvania, on March 2, 1931. On that occasion Senator REED, at the request of your committee, caused to be inserted a letter which set forth the details of an inquiry from the Hon. Thomas E. Campbell, head of the United States Civil Service Commission, who was chairman of an advisory committee convened by President Hoover to reopen the subject of the preferential rights afforded veterans and make recommendations to the President for revision or termination. It contains the text of Chairman Campbell's letter outlining the scope of the inquiry, which was addressed to National Commander Ralph T. O'Neil, who had in turn directed the chairman of your committee to make the American Legion reply. This reply in full text, which was submitted to Chairman Campbell and the members of his committee on January 1, 1931, likewise is printed in full in Senator REED's remarks as of March 2, 1931.

A careful study of these two documents hereinabove mentioned will give to the interested person a comprehensive view of the whole topic of veterans' preference in the Federal service and the difficulties which currently beset it. In addition, it is confidently believed by this committee that they will be compelling implements in causing the national convention at Detroit to adopt the resolution being submitted by this committee, which calls for the permanent establishment of a national American Legion committee to give continuous study to the problems of the preferential employment of veterans not only under the Federal Government but under State or local government as well.

For a great many years it has been a principal in American Government that the survivor of military or naval service should have a preferential right, subsequent to his or her discharge from the Federal military service to civil employment primarily this preferential right began under the Federal Government, but as the years have passed and the Nation has been involved in international conflict this same veterans' preference has been accorded to civil employees of the various States and respective municipalities and local political units.

The Federal civil service at the present time aggregates approximately 650,000 persons, and it should be of more than passing interest to legionnaires to know that approximately 125,000 of these scattered from one end of the United States to the other are persons male and female who at one time or another were part of the Military or Naval Establishment of the Nation. How many there are who likewise have this same veterans' status and are the beneficiaries of preferential status and treatment under State and municipal civil-service laws and requirements, this year's temporary committee now submitting this report has no data to refer to.

But the position of the legion is that the veteran is entitled to preference in appointment to positions under the Federal, State, and local Governments, because of having served the country in a time of need, and further, that in the event of reduction of personnel the efficiency of the veteran being equal or superior to that of a nonveteran, the veteran shall be retained in service. On this the legion in all its representations has been and will be firm, believing that it is not asking anything that is inequitable or anything that will in any measure impair that efficiency which the taxpayer has a right to demand of the civil government and indeed which must be exacted regardless of any entering conditions.

Preference to veterans under the civil service of the Federal Government is a grant by an act of Congress. It represents an effort to bestow upon those who served the Nation in a time of great distress, to be regarded as an expression of the good will and interest in individual well-being, on the part of the people of the Nation.

Foreign nations have long recognized the principles of rewarding within the civil-employment list of the State the returned veteran. One of the fields which your committee would commend to the permanent committee which it is confident the national convention at Detroit will direct be established, is the assembling of comprehensive data relative to the manner in which the other nations deal with the preferential treatment of their veterans in the matter of civil employment, be it state or local. It is the belief of your committee that Fidac, through its officers and headquarters, would be delighted to furnish the American Legion with comprehensive data in this respect.

The World War tremendously enlarged the number of veterans in the United States. The principle of veterans' preference had been established prior to the World War. So far as the Federal Government is concerned, there were thousands of individuals employed by it when the call to the colors came in 1917, who went forth then into military and naval careers. At this time there came that huge enlargement of the Federal civil service. When the war was over, there followed extensive revamping of the structure and personnel of the Federal civil service. It has in the subsequent years grown in size.

Washington, the seat of the Federal Government, naturally has the greatest concentration of Federal employees. It was not long after the American Legion was organized that the legionnaires of the District of Columbia department, all of them veterans and the majority of them federally employed, discovered to their sorrow that the preference to veterans established and proclaimed by law and buttressed by presidential Executive order, were failing to preserve not only their rights but the rights of every other federally employed veteran—whether he be Civil War, Spanish-American War, or former enlisted or commissioned personnel.

In the administration of the late President Harding the question of a real definition of the preferential rights of veterans was considered, not only as to appointment but also to retention in the service where reductions and consolidations were contemplated.

The District legionnaires started a battle to insure the protection of the veteran in the rights which it was felt the law intended they should have. Because the separation from the service and other incidents that so disturbed the District of Columbia legionnaires were not being felt to the same concentrated degree in other parts of the country, and because the Legion membership in other departments was apathetic to the situation, since their contact with the federally employed veteran was comparatively remote, this situation then appeared to be merely a local one to the city of Washington and not national in its import.

It must be said to the credit of the District of Columbia legionnaire, who, incidentally, is representative of the United States, since the majority have come to Washington from other places, that they then and there sought to make the issue a national one.

Resolutions seeking to remedy the conditions were taken to various national conventions; and finally, in 1925, at Omaha, the national convention of the American Legion, at the behest principally of the District of Columbia department, called upon the Congress to abolish the United States Bureau of Efficiency, the United States Personnel Classification Board, and the United States Workman's Compensation Board, and to transfer their functions to the United States Civil Service Commission, and take such other steps as might be necessary to place entirely within the control of the United States Civil Service Commission all Federal personnel matters, and eliminating the existing "general-average clause" from appropriation bills, establish a system which would not only give the veteran those preferential rights accorded to him or her by law upon entering the Federal service but preserve for him and her those preferential rights decreed by Executive order in connection with normal advancement, salary increases, promotion, and retention in the service when a reduction in personnel was contemplated or a consolidation of agencies was to be undertaken.

This committee can not help but comment at this point that, despite the fact that the seriousness of a situation which had its reflection in the attitude toward veterans under State and municipal and civil-service laws, failed to have its impression upon the Legion as a whole.

In subsequent national conventions, at Philadelphia, Pa., in 1926; Paris, France, in 1927; San Antonio, Tex., in 1928, these views were reaffirmed. At Boston in 1930, being convinced that the subject was one in which the American Legion could have more than an academic interest, the national convention adopted a resolution reaffirming the oft-reiterated attitude of the national body on the subject and directed that a committee to study it and to make recommendations to the national legislature committee and the national organization for the guidance of both be established. The committee which is submitting this report was established as a consequence of that mandate.

In the meanwhile very powerful influences were seeking to bring about the total abolition of any preferential rights for veterans. Leading in this movement was the National Civil Service Reform League, with headquarters in New York. Collateral with this movement was that of certain independent and governmental agencies, among the latter of which was the Personnel Classification Board, which were giving study to a personnel program for the Federal civil service. At the same time the National Federation of Federal Employees was likewise studying the entire subject of the classified Federal service. These were the principal agencies identified with the Federal aspect of the question. Numerous agencies having to do with the State and municipal phases were likewise active. This summary brings us to a report on what has proven to be the major activity of this committee now reporting and which doubtless will be the field to which the permanent committee must of necessity address itself in future considerations of the whole subject of whether or not the veterans shall be preferred and those preferences made permanent.

As an exhibit which this committee feels should be regarded as an integral part of this report, and which is appended hereto, is the report of the President's Advisory Committee on Veterans' Preference, which was submitted to President Hoover on April 21, 1931. This President's advisory committee is the body which most recently has considered the subject of veterans' preference in all of its ramifications. It was headed up as chairman by Gov. Thomas E. Campbell, the president of the Civil Service Commission, and included Gen. Frank T. Hines, Veterans' Administrator;

Congressman Royal C. Johnson, chairman of the House of Representatives Committee on Veterans' Legislation; Attorney General Seth W. Richardson; and John Thomas Taylor, vice chairman of the American Legion's national legislative committee. It was to this commission that the briefs previously referred to as having been inserted into the CONGRESSIONAL RECORD by Senator REED were presented by the chairman of this committee appearing for the national organization.

The President's committee considered the subject at various times from December, 1930, until late in April following. On April 24 President Hoover issued an Executive order amending the civil-service rules relating to veterans' preference.

In the annual report of the Civil Service Commission covering the fiscal year ending June 30, 1931, which has been prepared to be submitted to Congress when that body convenes next December, the effects of this new Executive order will be described in the following language:

"The Executive order of April 24, 1931, made the following changes in veterans' preference regulations:

"Under the new order a disabled veteran, to receive the addition of 10 points to his earned rating, must have an existing service-connected disability, whereas the former order allowed the 10-point preference to all disabled veterans. It is not expected that this change will reduce the number of disabled veterans appointed, but under the new provision those whose opportunity for appointment is enhanced by the 10-point addition, and by being placed at the top of the register in competition only with other 10-point preference eligibles, are those who were disabled in service and whose disability remains.

"The order allows the 10-point preference to officers and enlisted men who are retired and who establish the present existence of service-connected disability.

"When an appointing officer passes over a veteran eligible and appoints a nonveteran whose name appears on the same certificate with a rating the same as or lower than that of the veteran eligible, he must file the reasons therefor with the Civil Service Commission, to become a part of the veteran's record. Prior to the new order it was required that the appointing officer record his reasons in the department concerned. It is expected that the change will have the effect of causing appointing officers to exercise more in considering the relative merits of veteran and nonveteran eligibles.

"The 10-point preference is allowed also to widows of veterans, and to wives of veterans with service-connected disability in cases where the veterans themselves are disqualified for examination by reason of their disability.

"The order authorizes the Civil Service Commission to hold quarterly examinations for positions for which eligible registers exist, which examinations shall be open only to men and women entitled to the 10-point preference. The eligibles resulting from the quarterly examinations are to be placed at the head of the appropriate register in competition with other 10-point preference eligibles only.

"Other preferences established by former Executive orders under the general provision of law remain unchanged. These include the addition of 5 points to the earned ratings of veterans not entitled to the 10-point preference and the preferences relating to age limitations, apportionment, physical requirements, training, and experience, and reduction of force."

Your committee invites particular attention to the fact that from the issuance of the Executive order of March 3, 1923, which first provided for a 10-point preference for disabled veterans to June 30, 1931, 11,527 appointments in the Federal service were made of 10-point preference eligibles.

For the fiscal year ending June 30, 1931, 2,012 disabled veterans were appointed, as compared with 1,892 in the preceding year, and also 153 veterans' wives and widows entitled to the 10-point preference were appointed in the 1931 fiscal year as against 104 in the preceding year.

The great extent to which the American Legion must be committed to being eternally vigilant in protecting the preference rights and interests of veterans can probably be best appreciated when it is realized that during the period from July 1, 1919, to June 30, 1931, there have been 685,062 persons appointed to the classified service of the Government, and of these an aggregate of 169,395 were veterans with preference. Of this latter number 11,527 have been appointed since July 1, 1923, with 10-point preference, indicating that at least that many disabled men and women have been given Federal employment, and it must not be overlooked that there were 157,868 other veterans also appointed.

Some idea of the material benefit that the 5 and 10 point credit allowed to veterans may be had in the fact that figures compiled in 1930, according to official statistics of the United States Civil Service Commission, show that of 7,304 veterans appointed in that year, 904, or 12.4 per cent earned ratings of less than 70 per cent on the occasion of their examinations and became eligible for appointment through the addition to their earned rating allowed under the regulations. A computation made at the same time shows that of 9,362, 10-point preference eligibles appointed in a period of seven years, 1,657 or 17.7 per cent of this particular group had earned examinations ratings of less than 70 per cent, the required passing mark for ordinary competitors.

The Coolidge Executive order and the Hoover Executive order each became effective during the middle of a fiscal year. As a consequence, it is impossible to obtain a set of figures for a given 12-month period showing the operation of veterans' preference as now administered for 12 consecutive months. There exists, however, the probability that the report of the Civil Service Commission for the fiscal year ending June 30, 1932, will contain such a set of figures, and this committee earnestly recommends the study of that report by the permanent Legion committee which is now being set up.

Through the courtesy of the United States Civil Service Commission your committee is able at this time, however, to furnish the figures for the fiscal year ended June 30, 1931, showing by departments and independent offices the number of preference and nonpreference eligibles in the Federal civil service certified, appointed, and passed over. These figures disclose the personnel activities of 32 Federal departments and offices blanketing the entire United States.

They reveal that in the 12-month period from July 1, 1930, to June 30, 1931, out of the many thousands of persons who had taken civil-service examinations for positions in the Government, 98,994 had been certified as qualified for appointment, and that 33,417 had been appointed. In making this number of appointments out of the entire list of eligibles, 10,362 had been passed over when appointments were being made and persons on the registers below them given the places.

The figures just cited cover the preference and nonpreference group as a whole. In the 12-month period there were 70,046 nonpreference eligibles certified for positions, and of this number 23,742 were given appointments as 7,203 were passed over.

Now come the figures in which the Legion should be particularly interested, and we will treat of the 10-point preference group first. In this field a total of 7,131 were certified for Federal employment, and while the appointing officers were selecting 2,069 of these for appointment, they passed over 1,127.

In the 5-point preference field there was an aggregate of 21,817 veterans certified for appointment, and as 7,806 were being appointed to positions 2,032 were passed over.

Particular attention is invited to these figures because one of the amendments to civil-service regulations made in the Hoover order of April was aimed to prevent unjustified passing over of a veteran high on the eligible list and giving the job to a person beneath him on that list. The conclusion is rather inescapable that appointing officers are still passing over veterans to a larger degree than they are passing over nonpreference eligibles who have been certified to them. This situation is one to which this committee points emphatically and urges the permanent committee to take under close scrutiny.

In passing, this committee desires to make it clear that it does not believe that all of this apparent passing over of veterans can be attributed to a disinclination on the part of appointing officers to appoint nonveterans over veterans. It must be remembered that when a person on an eligible list is passed over in connection with the making of an appointment, that person retains his or her position on the eligible list and not infrequently is subsequently given an appointment. It has been brought to the attention of this committee as an example that appointing officers have found instances where a disabled veteran could not possibly perform the duties incident to the position then vacant because of the very nature of their disabilities. However, this committee is firmly convinced that since the disabled, the widows and wives, and the veterans generally are the special interest of the Legion, this aspect of the situation must be carefully watched in order that injustices may not be done.

The table just referred to and discussed is likewise included in the appendix to this report.

As has been previously noted by your committee, the principal attack on the preference accorded veterans has been to the effect that the number appointed to positions has been disproportioned to the number of nonpreference competitors appointed and that their advent into the Federal service has impaired its efficiency. It will not be until the report of the Civil Service Commission for the fiscal year ending June 30, 1931, is presented to Congress in December that it will be possible to indicate the class of positions and low rate of pay of the positions to which the bulk of veterans entering the Federal service this last fiscal year have been appointed.

It is highly significant in view of the criticisms that have been made, however, that the Hoover Advisory Committee in its report to him on these points upheld the contentions to the contrary advanced by your committee, to wit, the Hoover committee said at one point: "Your committee recognizes, of course, that under the preference statutes of Congress this larger proportion of appointments to veterans is warranted."

"The committee gave especial consideration to the classes of positions in the examinations for which veterans have competed and received appointment. The total number of veterans who received appointment in the executive civil service last fiscal year was 9,269. Of this number, 8,100 were appointed to positions where the maximum salary they could receive on appointment was $1,800 a year, and many of them received much less than $1,800. There were 883 veterans appointed as unskilled laborers. More than 2,500 entered the Postal Service; 1,755 received mechanic appointments in the navy-yard service; 337 in the engineer department at large; more than 500 in the prohibition-enforcement service; 635 in the Immigration and Customs Services; and 488 were appointed as guards. Only 73 veterans were appointed in the group of positions with a salary range from $3,200 to $4,000 a year; 25 in the salary range from $4,000 to $5,200 a year; 1 was appointed as principal agronomist at $5,600; and 1 was appointed as assistant technical director at $8,000.

"This showing, as established from the official records of the Civil Service Commission, in the view of your committee, does not

seem to support any claim that veteran preference as at present administered seriously affects the efficiency of the Government service."

Your committee for the moment desires to express the opinion that a survey of the positions to which during the fiscal year of 1931 the Civil Service Commission informs it 10,063 preference appointments were made out of a total number of 38,461 appointments, it will be found again that the vast majority of these were in the smaller salaried positions.

There is another reason why the American Legion should have a permanent committee on veterans' preference, as is being recommended by this committee, and which we believe will be approved by the Detroit convention. The Federal Government for a number of years, through various agencies, has been engaged in a study of the Federal personnel problems. This study has been participated in by the Congress and by agencies of the Government which have to do with personnel matters. The Welch Act of May 28, 1928, called for a survey by the Personnel Classification Board of certain phases of governmental wage policy and wage administration. During the third session of the Seventy-first Congress two voluminous reports were transmitted to Congress by the director of the Personnel Classification Board. One of these is known as House Document No. 773 of the Seventy-first Congress, third session, and the other is designated House Document No. 772 of the Seventy-first Congress, third session. The first mentioned is a printed book of 289 pages, the second embraces some 1,327 pages, and these are likewise included in the appendix to this report, which is being made as extensive and comprehensive as possible in order that the permanent committee may have ready access at national headquarters. Particular attention is invited to House Document No. 773, which is entitled "A Personnel Program for the Federal Civil Service." This is a report prepared by Herman Feldman, Ph. D., professor of industrial relations the Amos Tuck School of Administration and Finance of Dartmouth College, and economic advisor to the Field Service division of the Personnel Classification Board.

Particular reference should be made to Doctor Feldman's discussion beginning on page 135 of Preferences and Apportionment. In considerable detail extending from page 135 to page 138 Doctor Feldman discusses the entrance preference accorded to veterans. While your committee does not see eye for eye with Doctor Feldman in his conclusions, it nevertheless can not refrain from expressing its gratification at his expression and sentiment with regard to preference for disabled veterans, and for purposes of this report it desires to set forth Doctor Feldman's own language on this point, which is as follows:

"In all fairness a distinction must be made between those who were on the military rolls during the World War and those whose service resulted in disabling injury. With regard to the latter, there appears little doubt that the Government is justified in going far, even though at the expense of a certain amount of efficiency, to make it possible for wounded veterans to earn a living. This has been specially necessary because so many private concerns which voiced eternal gratitude when the war was in progress have not shown sufficient alacrity to provide suitable places for these veterans, thus making it difficult for some of them to secure other employment. The preferences given to these disabled men appeal to every human sympathy."

In this same report Doctor Feldman, on page 191, starts a discussion of "retention preferences of veterans," which is concluded on the following page. Your committee making this report is particularly interested in this phase of Doctor Feldman's conclusions. This interest arises out of the fact that unquestionably when the next or an ensuing Congress takes up the problem of legislative remedy of the ills of the Federal personnel situation, the report prepared by Doctor Feldman will be given serious consideration.

It has been the opinion of this committee that the efficiency-rating system now in vogue in the Federal Government, due principally to the effect of the "general-average clause" in appropriation bills, has not resulted in the rating of Federal employees for their actual efficiency, but, on the contrary, has been principally a method of allocating the employees into the various salaried groups for which a lump-sum appropriation is made.

Executive orders have sought to give the veteran a preference for retention in the service in the event of a reduction in the personnel of any part of the Federal service. The effect of these orders has never been entirely satisfactory to the veterans or to veteran organizations. This committee and officials of the Legion, particularly those identified with the national rehabilitation committee and the national legislative committee, have had personal contact with countless cases where the veteran, guaranteed a preference in Federal employment, has, when reductions in force have become necessary, been the victim of this juggling with efficiency rating and found himself dropped from the rolls.

The criticism of Doctor Feldman on this point is that the veteran organizations intimidate administrative officers into retaining inefficient men and women by protesting against their being dropped.

This committee feels impelled to observe at this time that the American Legion position has always been that the civil service of the Federal Government should be maintained on the most efficient basis, and that in advocating the cause of the federally employed veteran it at no time has insisted that an incompetent be retained. This committee believes that it would be advantageous, just as Doctor Feldman suggests, if it were readily possible for a conference with a high executive authority or a central personnel agency, and would point out that it is precisely for that purpose that it is recommended that there be a permanent committee within the Legion to deal with the problems involved. This committee would go even further than this by observing that it is rather doubtful that the ideal for the Government, as outlined by Doctor Feldman, can ever be attained. In any event there can be no doubt in anyone's mind that such a permanent Legion committee would do other than cooperate to the end of a complete mutual understanding with any public official willing to consult with it.

This committee realizes and appreciates that Doctor Feldman has made a painstaking and conscientious study of the personnel problem. It also appreciates that he, perhaps, did not have the facilities for particularizing on the problem of the veteran in Federal employment that was enjoyed by the two special committees that examined into the veterans question for Presidents Coolidge and Hoover.

When the Congress begins its consideration of this subject, it is the recommendation of this committee that the national legislative committee pay particular attention to seeing to it that the data assembled by the Coolidge and Hoover committees relative to veterans' preference be given consideration. This same recommendation for active observation and action on behalf of the federally employed veteran is also made as a charge to the permanent Legion committee on veterans' preference which this committee believes will be established.

In concluding this report the members and chairman of this committee desire to thank the national commander for the honor paid them in their appointment to serve the American Legion and the veterans generally during the past year.

The committee desires especially to express its appreciation of the courtesies extended to it by Gov. Thomas E. Campbell, of the Civil Service Commission, the chairman of President Hoover's advisory committee on veterans' preference, and the members of that committee.

In compiling this somewhat lengthy report and assembling the numerous exhibits attached herewith the committee has been actuated with a desire to place in the permanent files at national headquarters of the American Legion in Indianapolis, Ind., and available to the proposed permanent committee which it feels sure will be created, the most comprehensive collection of data on the subject of veterans' preference that it was possible for it to assemble.

Respectfully submitted.

For the committee: PAUL J. MCGAHAN, *Chairman*
National Committee on Veteran Preference.

WASHINGTON, D. C., *September 25, 1931.*

ENLARGED PUBLIC-WORKS PROGRAM—EMERGENCY CONSTRUCTION BONDS

Mr. WAGNER. Mr. President, several days ago I communicated with Prof. Edwin R. A. Seligman, of Columbia University, New York City, who is probably one of the leading economists of the world, and I asked for his opinion as to the proposal incorporated in the bill which I have introduced providing a loan for an enlarged public-works program at this time to help solve the unemployment situation. I have in my hand his response, which I ask may be read for the benefit of the Senate.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

COLUMBIA UNIVERSITY,
New York, April 23, 1932.

Senator ROBERT WAGNER,
Committee on Foreign Relations, United States Senate.

MY DEAR SENATOR: I beg to acknowledge your letter of April 20. The situation is, indeed, a difficult one, and the trouble is that none of us can be absolutely sure that we are right in either our diagnosis or our suggested remedy. In the main, however, I think that you are on the right track. I have always felt that we should treat this emergency of peace very much as we treat the emergency of war, and that we should be perfectly justified in issuing a large emergency peace loan, as we did a Liberty war loan.

There are, of course, certain differences. When we issued the Liberty loan the banks were in good condition, everybody was optimistic and enthusiastic. To-day the situation in those respects is just the reverse. It would not be so easy to place the loan, and the issue of so large a loan would undoubtedly still further depress the market value of existing loans, thus increasing rather than decreasing our difficulties.

On the other hand, I believe that that is about the only way in which we can make a start for the better. All the efforts, and they have been well-considered ones, that are being made by the Government now are good so far as they go, but easy money is not adequate. I doubt whether even if capital were made entirely costless—that is, if the discount rate were reduced to zero—the wheels of industry would be set in motion again at once. The industrialist to-day is more anxious about a possible market for his goods than the cost of producing those goods.

What we need, therefore, is not simply more available credit, although that is good so far as it goes, but the actual setting of

the wheels of industry into motion. I do not see how there is any other recourse at present, except a program of Government outlay on a large scale.

We must, of course, distinguish between the balancing of the ordinary Budget, which is imperative, and the creation of an extraordinary or emergency Budget, and I concede that there are always strong arguments to be advanced against Government in business or Government outlays of the kind contemplated because of the inevitable waste and red tape which inhere with us in Government activity. If it were possible to have private industry initiate the movement, it would be far preferable; but under the circumstances it seems to me that the program you sketch out is on the whole the lesser of the evils.

If we are not very careful, we shall see in this country an almost irresistible movement toward real inflation through fiat money. That must be prevented at all costs, and a project like yours is one of the surest antidotes to that deplorable eventuality.

As I have said at the outset, the responsibility is great, and one can not be too sure of his diagnosis, but the time has come, in my opinion, for some constructive efforts on a really large scale. What has thus far been done at Washington is in the nature of a palliative. I think that we are ready now for something positive, and we must not forget the great dangers of inaction and further drifting.

You can make whatever use you want to of these lines. I have refrained hitherto from any public expression of my views because I did not want to appear to be a pessimist, and I am not a pessimist as to the final outcome, but we do need at Washington a great deal more constructive and forward-looking thinking than has yet been manifest.

Faithfully yours,

EDWIN R. A. SELIGMAN.

GOVERNMENT PAY CUTS OR FURLOUGHS

Mr. COSTIGAN presented a communication from the Chemical Society of Washington, D. C., relative to proposed pay cuts or furloughs in the Government service, which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

CHEMICAL SOCIETY OF WASHINGTON,
Washington, D. C.

To the United States Senate:

The Chemical Society of Washington (local section of the American Chemical Society), incorporated for the advancement of chemistry and the promotion of chemical research, whose membership comprises both Government and non-Government chemists, desires to bring to the attention of Congress certain facts which have not been given due weight in the consideration of Government economies by means of proposed pay cuts or furloughs in the Government service.

The Chemical Society feels that it can authoritatively speak for the scientific group of Government employees because of its intimate and first-hand knowledge of the scientific service. It is not the society's desire to speak primarily of the effect which the proposed reductions would have on the individual employee, a matter which has already been adequately presented, but to call attention to the effect which such reductions would have on the efficient conduct of the Government service, and consequently on the interest of the American people.

The society believes that most scientific employees have remained in the Government service because of the stability of employment which has heretofore existed and because of the opportunity to contribute to the health, welfare, and progress of the American people through scientific discovery. A feeling of security and freedom from financial worry is necessary to permit creative mental effort, without which problems can not be effectively attacked. Every bureau includes numerous scientific employees who have remained in the service at considerable financial sacrifice. The differential in salaries between Government service and private employment, especially in the higher grades of the service, was clearly shown by the "wage and personnel" survey conducted by the Personnel Classification Board and reported to Congress in 1931 (71st Cong., 2d sess., H. Doc. 771).

Any of the various proposals for reductions directly affect the elements of security and stability, and as such can not help but work to the serious and lasting detriment of the scientific work of the Government. The building up of competent scientific staffs at the various bureaus has been a process of years of growth and effort. The destruction of confidence which would now occur would undoubtedly result in the disruption of these highly efficient organizations, when the return of industrial prosperity inevitably brings with it the attraction of much more remunerative private employment. In a recent address Dr. L. V. Redman, president of the American Chemical Society, an organization comprising 18,000 chemists distributed throughout the country, and director of research in an important industry, stated that industrial concerns generally repented the great economic loss which resulted from the disorganization of their scientific staffs during the depression of 1921, by dismissals and pay reductions, and are strongly opposing the repetition of that mistake at the present time. The advocates of pay reductions in the Government service propose that the Government shall now make the same mistake.

In addition to the vital importance of preserving the confidence of the scientists already employed, nothing should be done which will increase the widespread feeling now existing that the Government service does not offer a desirable career for the young chemist.

The Chemical Society believes that the proposed reductions would result in no economies but ultimately in an actual increase in expenditures. They would result in an increase in unemployment, decrease in purchasing power, and set an example for further wage reduction in all fields of employment throughout the country. The society is furthermore opposed to the principle of effecting national economies by placing an undue portion of the burden on all Government employees.

The Chemical Society is not convinced that any form of pay reduction is necessary or desirable. However, if one of the plans must be adopted temporarily, the furlough plan would be the least detrimental.

In conclusion, the Chemical Society of Washington believes that in this present time of stress it should not be hastily concluded that the many projects of scientific control and research which have been undertaken by the executive departments at the direction of Congress are unimportant, unnecessary, or unwise. By and large these projects are of the utmost importance to the health, the safety, the security, and the economic welfare of the American people, and they are prosecuted by men and women who are no less capable, industrious, and purposeful than their fellow scientists in any other branch of activity, and who have a profound consciousness of public service and an abiding loyalty to the Nation.

THE CHEMICAL SOCIETY OF WASHINGTON,
By EDWARD WICHERS, *President.*
JAMES H. HIBBEN, *Secretary.*
J. F. COUCH.

APRIL 18, 1932.

APPROPRIATION FOR ERADICATION OF GRASSHOPPER PLAGUE

Mr. NORBECK. Mr. President, I am not unmindful of the opposition there is to appropriation bills and the determined effort to reduce same, even the agricultural appropriation bill, but this bill contains an item of $1,450,000 to aid in the extermination of grasshoppers, a pest that threatens the well-being of half a dozen States. The grasshopper eggs are hatching while we are quibbling.

I ask, Mr. President, that there may be printed in the RECORD a letter from Hon. C. W. Pugsley, president of South Dakota State College, which is self-explanatory.

There being no objection, the letter was ordered to lie on the table and to be printed in the RECORD, as follows:

SOUTH DAKOTA STATE COLLEGE OF
AGRICULTURE AND MECHANIC ARTS,
Brookings, April 21, 1932.

Hon. PETER NORBECK,
United States Senate, Washington, D. C.

MY DEAR SENATOR NORBECK: We are becoming more concerned every day about the grasshopper situation in this and adjoining States. We know that you feel the same way, but that you are having difficulty persuading your fellow Members of Congress that the situation is serious. It occurred to me that your position might be strengthened if you had an exhibit of grasshopper eggs. We are sending such an exhibit under separate cover by special-delivery parcel post, and trust that it will arrive in good condition.

These eggs came from Britton, S. Dak., in the northeastern part of the State. Professor Severin, of the entomology department, is receiving many samples of eggs from there and elsewhere now. That section of the State, as you probably know, was not severely damaged last year, but if conditions are ripe for grasshoppers this year the indications are that the damage will be severe. I think that it is safe to say that the potential grasshopper damage in South Dakota is much greater at this time than it was last year because of the greatly increased number of fertile eggs covering a much larger area.

When the package arrives you will find that it consists of a large glass jar, inside which you will find a bottle or mailing tube containing the eggs and soil. Empty the packing material out of the larger jar, open the smaller container, and empty its contents into the larger jar. Sprinkle very slightly with water, just enough to have the soil slightly damp but not enough to make it in any sense sticky or muddy. Screw the lid of the large jar on and set the jar on the top of your desk.

If the eggs have not been damaged in transit by too much heat or lack of humidity you should have plenty of grasshoppers within five days to show your friends. Nothing will be needed in the way of artificial heat; the room temperature with the jar on your desk is all that is needed.

In this connection it may interest you to know that the entomologists of the department of agriculture and of State College last year took about a square foot of surface sod from one-half to 2 inches deep from a fence row near Hamill, in Tripp County, on the farm of Mr. Fenenga. They found that fully 50 per cent of the eggs in this square foot of soil had already hatched. They put the soil in a 2-quart jar and threw it in the car, where it was left for three or four days. When they reached the laboratory with the jar they counted 6,403 live grasshoppers. They made no effort to count the eggs unhatched or the dead hoppers. Professor Severin tells me that it is not unusual at all to find 10,000

grasshopper eggs in a square foot of soil, and that they can be found in many parts of the State to-day in that quantity.

We sincerely hope that the appropriation for grasshopper control may be made very soon. Every day's delay now is likely to mean the inability to destroy thousands of hoppers. It will be some time after the appropriation passes before contracts can be let for the poison, the mixture made, the poison shipped to the counties, and the counties organized for the distribution of the bait.

Our extension service is doing everything possible to make the preliminary organizations, but, of course, they can not proceed beyond a certain point. If the Federal money is to be spent at all, it will accomplish much more if it is available early in the season. As a matter of fact, a delay may mean that the grasshoppers will get such a start in some areas that poison will be completely wasted.

You know, of course, that these hoppers do not hatch out all at once. It is necessary for whoever is supervising the work to instruct the farmers to watch their fields and poison the hoppers as they appear and as they start intensive feeding in the fields of grain. That means constant vigilance, thorough instruction, and well-organized communities. It also means a tremendous amount of poison since the grasshoppers can not all be destroyed at once. The time of hatching is likely to extend over a period of a month and a half or more, depending on conditions.

May I add that three things are possible in connection with the outbreak this summer. One is that weather and other conditions may be ideal for the development of fungus diseases and parasites sufficient to prevent serious damage. If that condition occurs, it will mean that we will have to have lots of rain at the right time, especially during the months of May and June.

The second possibility is that weather conditions and other conditions may be so ideal for hatching of billions of eggs and the development of the hoppers that several times the amount of money suggested in the bill for poisons would not be ample.

It is quite possible, however, that an ample appropriation made in time will so curtail the outbreak that crops can be saved amounting to thousands of times the value of the bait.

I have heard rumors from some of my acquaintances in Washington that you have been opposed in your efforts in connection with this grasshopper-control appropriation by some of your fellow Congressmen, who say that the appropriation should not be made until it is known that the eggs were going to hatch. That is one of the reasons that we are sending you this shipment of eggs. They are beginning to hatch now, and the tests made during the entire winter convince our entomologists that fully 90 per cent of the eggs went through the winter in a fertile condition.

It seems to me that in a case of this kind where there is a chance to save so many millions of dollars that the appropriation should be made early in order to accomplish the most. Much of it will not need to be spent if the eggs do not hatch or if the season is adverse to a grasshopper outbreak. It also seems to me that it is rather shortsighted of the Government to loan hundreds of thousands of dollars to farmers in this area for seed and then to leave the farmer at the mercy of a menace which it is impossible for him to control without Government aid.

I am having this letter and a package of the eggs sent to each Member of the South Dakota congressional delegation, but to nobody else.

Sincerely yours,

C. W. PUGSLEY, *President*.

REGULATION OF INTERSTATE TRUCKS AND BUSSES—ARTICLE BY WILLIAM HIRTH

Mr. HAWES. Mr. President, I trust there will shortly be reported to the Senate a comprehensive bill giving jurisdiction to the Interstate Commerce Committee to control and regulate interstate traffic of trucks and bus carriers.

William Hirth, publisher of the Missouri Farmer, an authority on the subject of farm problems and an expert in the matter of roads, has addressed an open communication to me, and I ask unanimous consent to have it inserted in the body of the RECORD, and that it may be referred to the Committee on Interstate Commerce for its consideration. I believe it will be a valuable contribution to the discussion which will soon follow.

There being no objection, the communication was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Hon. HARRY B. HAWES,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: As per my promise to you when I recently appeared before the Senate Interstate Commerce Committee, I herewith submit my views on the necessity of giving the Interstate Commerce Commission the power to fix the rates of interstate truck and bus carriers, and to surround the latter with other regulations in the interest of sound public policy. When witnesses appear before a congressional committee the frequent questions asked by the members make it difficult to follow a consecutive line of thought, and I therefore welcome this opportunity to restate what I intended to say in a more coherent manner.

In this connection I am glad to note that the Interstate Commerce Commission has asked Congress for the above authority, and if it is granted I hope the commission will not proceed upon the theory that it must go through a long process of experimentation, for the need for this character of regulation is immediate and acute. Also, I am not in accord with the suggestion of the commission that the railroads and water lines be encouraged to make a greater use of our public highways. As I will endeavor to show later, the congestion on the highways is already such that there is little room left for the motorist.

There is an old and oft-repeated saying that "competition is the life of trade," and thus it is not surprising that many Members of Congress, as well as laymen, have welcomed the new competition which trucks and busses have offered to the railroads during the last few years. But there is another old saying that "all is not gold that glitters," and I think this applies most forcibly in the present instance. That, generally speaking, competition should be preserved in all the great fields of industry goes without saying, but we should always have a care lest such competition leads to demoralization and thus becomes a vice rather than a virtue, and I think this is inevitable in the realm of transportation unless Congress takes a hand and formulates a definite nation-wide policy with reference to interstate truck and bus carriers which are expanding their operations by leaps and bounds, and which under existing conditions are a law unto themselves.

A MENACE TO FARM ORGANIZATIONS

It happens that I am the president of the Missouri Farmers' Association, which besides its larger centralized marketing agencies operates elevators and exchanges in nearly 400 Missouri towns, and when I tell you that our yearly volume of business in grain, livestock, poultry and dairy products, feed, flour, fertilizer, etc., is in excess of $100,000,000 you will appreciate that in these times of depressed farm prices not only is our association overwhelmingly the largest farm organization in any State in the Union but it is a question whether there is a larger one in the country; and, therefore, the problem of transportation is one of tremendous importance to us. That our nearly 400 elevators and exchanges, in which our thousands of farmer members have an investment of approximately $5,000,000, have saved the farmers of Missouri millions of dollars during the last 15 years in an increased price for farm commodities and in a lowered price of feed, flour, fertilizer, etc., is true beyond question, and in proof at the end of the year the profits earned by these elevators and exchanges are divided among our members in proportion to the business each has done, and thus these agencies are operated on a purely cost basis, and more than this a cooperative can not hope to achieve.

In addition to the above elevators and exchanges as late as three years ago we were also operating approximately 350 livestock shipping associations, which gather up the local hogs, cattle, calves, and sheep when they are ready for market, and then they are shipped by rail to the big stockyard centers to our cooperative livestock commission companies, through which they are sold to the packers, order buyers, butchers, etc., and through these terminal marketing agencies we have returned several million dollars in saved commission charges to our members in Missouri and to the members of allied farm organizations in the adjoining States. However, when three years or more ago the trucks appeared upon the scene we suddenly found ourselves confronted by an entirely new situation, and as time has gone on this situation has become increasingly menacing to the very existence of our association; during the early stages of truck expansion the trucker said to the farmer, "Why should you go to the trouble of hauling your livestock to town when I am glad to come to your farm and get it and when I am willing to haul it to market for only a little more than you would have to pay to ship it by rail?" This argument appealed to so many farmers that in a little while we found it impossible to gather up a weekly carload shipment at many points, and as a result many of our livestock shipping associations have gone out of existence, and at this time the strongest of them are seriously menaced.

FARMER HASN'T THOUGHT IT THROUGH

Perhaps at first thought you will say, "If the trucker can offer a more convenient service to the farmer than the railroads, why should not the farmer avail himself of it?" And everything else being equal, this should decide the matter; but the facts are that the "shrink" of livestock by truck is much greater than by rail, and this is true because as the trucks whirl around the innumerable curves on the average highway at a speed of 40 or 50 miles per hour and go up and down hill the livestock is constantly lunging from side to side or from end to end, with the result that it often reaches the stockyards in such a nervous condition that it will neither drink nor eat, and thus a good "fill" is impossible; also many truckers deliver the farmers' livestock to packers who buy direct (not through a public stockyard) on the theory that this will save the farmer the usual selling commissions, feed, yardage charges, etc., and many farmers "fall" for this argument without considering the fact that this policy undermines the great competitive livestock markets where packers and other buyers are compelled to bid against each other, and which situation the livestock producers of the country should maintain at all hazards. When livestock is shipped by rail the movement is much less violent than by truck, and hence when it arrives at the stockyards it is not only ready for a good fill but with fewer bruises, and also the railroads are interested in preserving the great central livestock markets, and thus it can be seen that the average farmer could well afford to ship by rail even if he is compelled to haul his livestock to the nearest shipping point and even though the rail rates were somewhat higher, and I cite these facts merely to show that shipping by truck is not in fact in the interest of the farmer,

and if it were the big farm organizations would be the first to give their hearty approval.

It is true that the farmer is not compelled to pay selling commissions, yardage, etc., when his livestock is delivered to a direct packer buyer, but since such a packer is a mere "camp follower" of the big public stockyards in point of price, and since he names without competition the price he is willing to pay, and from which there is no appeal, is it not safe to assume that in the end the farmer loses more than the commissions, yardage, etc., he would pay at a big terminal market? Certainly the direct packer buyer has a reason for wanting to do business in this way, and certainly this reason is not in the interest of the livestock producer, except that trucking has expanded so rapidly that the farmer as yet has not seen both sides of the picture.

A few years ago the marketing of livestock by the big cooperatives seemed one of the finest fields that beckoned to us, and this not only because our big terminal market commission companies were returning hundreds of thousands of dollars in saved commission charges to our members annually but by controlling livestock from the country shipping point to the stockyards we were getting in a fair way to stabilize terminal market prices. But with thousands of unregulated trucks breaking down our livestock shipping associations and delivering livestock to direct packer buyers, and thus weakening the big central competitive markets, and by ignoring our terminal market agencies at other times, this means that one of the greatest opportunities of the cooperative movement has been largely shot into a cocked hat, and as a result the big Corn Belt cooperatives have been greatly enfeebled.

In the meantime, during the last two years the trucker has begun to say to our farmers, "If you will allow me to haul your livestock, and happen to need feed, such as bran, shorts, tankage, poultry feed, fertilizer, etc., I have made arrangements to buy these commodities at the wholesale price, and I will gladly deliver them to your door on this basis in order to get a back haul"; and then the truckers get as much out of the farmer as they can, figuring that they are killing two birds with one stone—first, that in this way they secure a pledge of the farmer's livestock and, second, that even though the back-haul charge is largely nominal, it is that much "velvet" in any case. First, the trucks broke up many of our livestock shipping associations, and now they menace the existence of our nearly 400 elevators and exchanges, in which, as I have said, our members have an investment of $5,000,000, and this because when the truckers offer to deliver feed, fertilizer, etc., to the farmer's door at the wholesale price plus a nominal back-haul charge, neither a cooperative agency nor an independent dealer can long hope to hold their own against such competition. And if somebody asks, "Does not this mean cheaper service to the farmer?" I ask the counterquestion, "Suppose it does on the commodities I have mentioned, but suppose that this practice destroys the big cooperatives, which we have spent years in building up and which market the farmers' grain, livestock, poultry, and dairy products direct to the big consuming centers, and which offer the only hope of the farmer ever having anything to say about what he shall receive for the fruits of his toil?" In this case will not the farmer in the end have traded his birthright for a mess of pottage? We can not pay the operating expense of our elevators and exchanges throughout the year without making a modest profit on feed, flour, fertilizer, etc., and this is why I say that the trucks have begun to menace the existence of these agencies.

OUR ENTIRE DISTRIBUTIVE MACHINERY THREATENED

In their zeal to get a back haul of some kind the livestock truckers and other truckers have almost completely captured the less-than-carload hauling of local merchants, and yet, in my opinion, the latter are penny-wise and pound-foolish, for already certain truckers are peddling merchandise direct to the townspeople just as they are peddling feed to the farmer, and therefore does not this practice threaten to destroy those of our independent merchants who have thus far survived the deadly competition of the chain stores? Certain truckers are also buying up the choice eggs and chickens of the farmer, while the inferior grades are left for our elevators and exchanges and the local merchants to handle as best they can, and thus the demoralization grows apace and threatens the distributive machinery of the whole Nation in which hundreds of millions of dollars are invested.

So serious had these conditions become that in the winter of 1930 the executive committee of our association sponsored certain truck and bus bills in the Legislature of Missouri, and as a result these measures were passed by comfortable majorities. These bills regulate the size of trucks and busses, and give our State public-service commission the right to fix the intrastate rates of such carriers, and yet with St. Louis and Kansas City (which are our principal markets) located on the State lines of Illinois and Kansas, the latter provision is very largely meaningless. The National Stockyards, which are our leading livestock market, are located in East St. Louis, on the Illinois side, while by driving a few blocks farther upon one pretext or another the truckers who haul to the Kansas City Stockyards can likewise qualify as interstate carriers, and thus they are in position to snap their fingers in the face of our public-service commission, and the only remedy in sight is for Congress to give the Interstate Commerce Commission the power to fix the rates of interstate truck and bus carriers; then and not until then will order come out of chaos, as it did years ago when the Interstate Commerce Commission and our various State public-service commissions put an end to a similar demoralization with reference to the railroads.

LONG HAULS IMPORTANT FACTOR

In order to defend ourselves as best we can, some months ago we began to operate local trucks in certain communities, gathering up the livestock that was ready for market, and then shipping it by rail; at one point where the truckers were charging 50 cents per hundredweight for hauling livestock to East St. Louis, our trucks charged 13 cents per hundredweight to bring the livestock into the local shipping point, and after adding the rail charge, the total charge to the farmer amounted to 35 cents per hundredweight, thus effecting a saving for the farmer of 15 cents per hundredweight; thereupon one of the leading truckers reduced his charge to 35 cents, while another cut to 25 cents, and this merely goes to show that under existing conditions we are powerless to combat the situation, for faced with the loss of their business, the truckers will reduce their rates almost to the vanishing point—and the mere fact that they can not long exist on such a basis offers no comfort, for when one trucker is forced out, there are always two new and inexperienced ones to take his place. And until the interstate trucks are brought under control the enforcement of a fair intrastate rate is greatly handicapped—first, because, as I have said, our livestock movement (which is the backbone of the trucking business) is very largely interstate, and because the enforcement of intrastate rates substantially higher than the interstate rates would soon bring on a public outcry, and hence early action by Congress is the only solution.

And here is another practical certainty that stares us in the face: In the course of the average year, our association ships in several thousand carloads of corn, oats, etc., from the outside States, and we also ship hundreds of carloads of eggs, poultry, sweet cream, and butter to the distant eastern markets, and all of these hauls are long ones in which the railroads are indispensable; therefore, if the trucks and busses are permitted to pick off the cream of the short-haul traffic, in the end will not the Interstate Commerce Commission be compelled to greatly increase the rail rates on the long hauls, a character of traffic for which the trucks are not practical? Already the existing rail rates on grain and cattle out of the distant Northwest, West, and Southwest are a burden which, under the present low price of grain and livestock is almost unbearable, while if there is any material increase in these long-haul rates, they will become utterly confiscatory, and this is likewise true of long merchandise hauls, which, in the end, must come out of the consumer's hide. And, therefore, should not this long-haul problem have the serious thought of Congress? If in this character of traffic the railroads are indispensable, then can not anybody see the direction into which we are drifting? If the long-haul rail rates are materially increased, it will place tens of thousands of farmers who live long distances from the central markets in an almost impossible position, and I, therefore, have little patience with those who are constantly looking for a chance to "pound" the railroads without rhyme or reason, and who are too short-sighted to see what it is leading up-to.

POUNDING HIGHWAYS TO PIECES

And now I desire to mention a phase of this matter which, in my opinion, is the most incongruous of all. During recent years our Government and the several States have invested approximately $12,000,000,000 in hard-surfaced highways which cover the country from end to end. Ostensibly these highways were built in the interest of the motorist, and yet no sooner were they ready for service when they were appropriated for private gain by the owners of trucks and busses, and this without compelling these carriers to contribute anything to the original construction cost of these highways, or even to contribute substantially to their maintenance—for such contribution as they make in the latter respect through license fees and a gasoline tax amount to a mere bagatelle, claims to the contrary notwithstanding.

No. 40, the main highway between St. Louis and Kansas City, cost approximately $10,000,000. It has been in use only about four years, and already I think I am safe in saying that 5 per cent of it has been resurfaced, and during the last year its deterioration has been rapidly increasing, and all because of the incessant pounding of the giant trucks and busses which cease neither day nor night. I understand that recently the ex-chairman of our State highway commission made the statement that this great highway will have to be completely rebuilt during the next three years, and in this case the bonds for its original construction will not have run half their maturity period; and if he is right, as I am sure he is, then where are we to get the millions of dollars that will be needed to replace it? In the meantime, as the trucks and busses increase, deadly accidents are likewise increasing, and this not only because of increasing congestion but because the motorist can not see past these huge trucks and busses, and thus he must be content to frequently trail them for a considerable distance, or take chances of a collision with an on-coming car, truck, or bus if he passes them. As a matter of fact, if this character of traffic keeps on increasing, the time is not far distant when the motorist will be driven off our leading highways entirely; and yet it was presumably in his interest that the Government and the States invested the gigantic sum of $12,000,000,000 in our great highway system; and, in my opinion, this situation constitutes the most idiotic and indefensible performance of its kind in the history of our country, and the only way in which we can hope to somewhat make amends is to compel trucks and busses to henceforth contribute their full share toward highway maintenance, and to fix their rates sufficiently high to enable them to do so.

Confined to the motorist, our highways would have lasted almost indefinitely, but, as things stand, the damage done by trucks and busses to our nation-wide highway system already mounts into hundreds of millions of dollars, and how much longer will our Government and the States continue a policy so unsound? Nearly all our leading highways parallel the railroads which are compelled to adhere to published rates, while the trucks and busses are free to prey upon their most desirable patronage as they please, and to make whatever rates they please, and in all decency is this fair?

In saying these things I certainly do not do so as a special pleader for the railroads, for as president of the Missouri Farmers' Association, and chairman of the Corn Belt Committee, which speaks for the big farm organizations of the Central States, I not only vigorously opposed the railroads in the Western Rate case some years ago, but I did likewise with reference to the 15 per cent freight increase for which they asked in 1931, and the records of the Interstate Commerce Commission will bear out this statement. But I can see what a menace the unregulated trucks have become to the continued existence of great cooperatives like the Missouri Farmers' Association, and likewise I see the menace they are with reference to the long-haul rates in which, as the picture looks now, the railroads will be indispensable for a long while to come. All in all, the situation is a good deal like it was years ago when the railroads were a law unto themselves, and when Congress was finally compelled to give the Interstate Commerce Commission authority over interstate rates, leaving it to the public-service commissions of the State to adjust intrastate rates accordingly, and in my opinion it is imperative that Congress adopt a similar policy with reference to trucks and busses, and no time should be lost in doing so—and I repeat that trucks and busses should be compelled to contribute their full share toward the maintenance of our highways, and that their rates should be fixed with this end in view.

A MISGUIDED TRANSPORTATION POLICY

And here I can not refrain from saying that in my opinion the general attitude of Congress during recent years toward our nation-wide transportation problem has been neither constructive nor in the interest of sound public policy. If it is really true that the railroads are the "backbone" of our transportation system, then why should not Congress have long since thrown a protecting arm around them, not in the interest of Wall Street, but to the end that rail rates might have been forced down to a minimum in the interest of all the people?

Is it consistent, on the one hand, to say through the Esch-Cummins Act that the railroads are entitled to a net return of 5½ per cent and then, on the other hand, to appropriate hundreds of millions of dollars for highways and deep waterways and permit private individuals and corporations to use these subsidized agencies for private gain practically free of charge and thus make it impossible for the railroads to earn the net which the Esch-Cummins Act vouchsafes to them? Is such a policy fair to the railroads, or is it sound from a public standpoint? Should not Congress determine what agency or agencies can best serve the transportation needs of most of our people and then protect such agency or agencies in order that the rates may be kept as low as possible? If it is wise to have only one telephone and one light and power company in the same city in order to give the people the benefit of the lowered operating costs, should not the same general principle apply to transportation as near as possible? In other words, when we encourage as many different modes of transportation as Joseph's coat had colors do we not increase the general burden on the public?

For a good many years we have had a certain type of so-called statesmen who have posed as "friends of the people" by everlastingly jumping onto the railroads, and usually these gentlemen dwell long and loud upon the sins of Wall Street, and in this latter connection I would like to see Congress surround railroad financing with sufficient safeguards so that racketeering bankers will be compelled to choose between jail and decency, for it is perfectly true that there have been many conscienceless and indefensible performances in these premises. But granting that stringent safeguards of this kind are needed, we should realize that the railroads are a tremendous factor in the Nation's prosperity, and this is true because 50 cents or more out of every dollar they collect for service immediately finds its way into the pockets of the approximately 2,000,000 men and women they employ in normal times, yet this is only half the story, for in normal times the railroads consume 25 per cent of the output of our steel mills, 25 per cent of the output of our coal mines, and 20 per cent of the output of our lumber and cement mills, and thus indirectly they supply employment to perhaps a million or more additional workers. Also in practically every State the railroads are our heaviest taxpayers, and therefore they make a heavy contribution to the support of our public schools and higher institutions of learning, and in paying the costs of State, county, and municipal government; and finally, billions of dollars of railroad securities are owned by our great life-insurance companies and savings banks, and have we any funds in our Nation that are more sacred or more entitled to the solicitude of our Government?

EXISTENCE OF RAILROADS AT STAKE

For the above reasons it seems to me that Congress should lose no time in putting an end to the demoralization which has been created by the rapidly expanding truck and bus traffic, a situation which at this hour threatens to drive every railroad in the country upon the rocks; next, I think it should stop using the money of our taxpayers in creating new agencies of transportation which are appropriated for private gain—certainly the least the taxpayer can ask in these premises is that these new agencies shall reimburse the Government and the States dollar for dollar. In my opinion, unless a policy of this kind is adopted, not a railroad in the country will escape a receivership, and in the ensuing chaos the people will, as usual, be compelled to "pay the fiddler." As matters now stand, the railroads personify a giant bull who has a ring in his nose and who is tethered to a tree, and thus completely at the mercy of competing trucks, busses, pipe lines, deep waterways, and airplanes, which are free to assault him as they will, while the Government and the States look on unconcerned; yea, more than unconcerned, for the service of the trucks, busses, deep waterways, and airplanes is being subsidized at tremendous public expense, and that this policy, if continued, means the early destruction of the railroads, lock, stock, and barrel, is as certain as the rising and setting of the sun. Already many branch lines have been abandoned, and thus the doors are locked on hundreds of small-town stations in which only yesterday an obliging station agent was known by his first name to every man, woman, and child. And when the deep snows and blizzards of winter come these towns will be without service, for the trucks and busses are fair-weather birds which come and go when and as they please. If the railroads have outlived their usefulness, then perhaps the impending tragedy is inevitable, but should not Congress and the States make sure that this is really true? No one will deny that these competing agencies of transportation have a rightful place in the picture, but they should be so regulated that they will not undermine and demoralize our entire transportation structure.

WILLIAM HIRTH.

REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on Foreign Relations, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3191. An act for the relief of Anne B. Slocum (Rept. No. 601);

H. R. 7119. An act to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes (Rept. No. 602); and

H. R. 9393. An act to increase passport fees, and for other purposes (Rept. No. 603).

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2352) amending the act entitled "An act authorizing the Court of Claims to hear, determine, and render judgment in the civilization fund claim of the Osage Nation of Indians against the United States," approved February 6, 1921 (41 Stat. 1097), reported it without amendment and submitted a report (No. 605) thereon.

INVESTIGATION OF CAMPAIGN EXPENDITURES IN 1932

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 174) for an investigation of campaign expenditures of presidential, vice presidential, and senatorial candidates in 1932, reported it with an additional amendment.

ENROLLED BILL PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on the 26th instant that committee presented to the President of the United States the enrolled bill (S. 3570) to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927.

EXECUTIVE REPORTS OF THE FOREIGN RELATIONS COMMITTEE

As in executive session,

Mr. BORAH, from the Committee on Foreign Relations, reported favorably the nomination of Oscar S. Heizer, of Iowa, now a Foreign Service officer of class 4, and a consul, to be a consul general of the United States of America; and also sundry nominations of officers in the Diplomatic and Foreign Service.

He also, from the same committee, reported favorably the following treaties:

Executive B, Seventy-second Congress, first session, a treaty of arbitration and conciliation between the United States and Switzerland, signed at Washington on February 16, 1931; and

Executive F, Seventy-second Congress, first session, a treaty of establishment and sojourn, signed by the plenipo-

tentiaries of the United States and the Republic of Turkey at Ankara on October 26, 1931.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NORRIS:

A bill (S. 4496) to amend the Federal water power act, as amended; to the Committee on Interstate Commerce.

By Mr. BORAH:

A bill (S. 4497) to add certain lands to the Boise National Forest; to the Committee on Public Lands and Surveys.

By Mr. SCHALL:

A bill (S. 4498) relating to per diem pay for bailiffs of the district courts of the United States; to the Committee on the Judiciary.

By Mr. SHEPPARD:

A bill (S. 4499) to amend an act entitled "An act to legalize the incorporation of National Trade Unions"; to the Committee on the District of Columbia.

By Mr. JONES:

A bill (S. 4500) to amend the act of June 19, 1912, by providing for a 35-hour week on all Government works, and for other purposes; to the Committee on Education and Labor.

A bill (S. 4501) granting a pension to Laura M. Brewer (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH of Massachusetts:

A bill (S. 4502) granting a pension to Josephine E. Tanner; to the Committee on Pensions.

A bill (S. 4503) for the relief of Julia M. Holland; to the Committee on Naval Affairs.

By Mr. LOGAN:

A bill (S. 4504) for the relief of James Lowe; to the Committee on Claims.

By Mrs. CARAWAY:

A bill (S. 4505) to correct the military record of Jess Hooten; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 4506) for the relief of Fred Childress; and

A bill (S. 4507) for the relief of W. A. Peters (with an accompanying paper); to the Committee on Claims.

By Mr. GLENN:

A bill (S. 4508) granting a pension to Gus Colboth (with accompanying papers); to the Committee on Pensions.

By Mr. CUTTING:

A bill (S. 4509) to amend the act approved February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Public Lands and Surveys.

By Mr. FRAZIER (by request):

A bill (S. 4510) to authorize exchange of small tribal acreage on the Fort Hall Indian School Reserve in Idaho for adjoining land; and

A bill (S. 4511) to amend sections 328 and 329 of the United States Criminal Code of 1910 and sections 548 and 549 of the United States Code of 1926; to the Committee on Indian Affairs.

CHANGE OF REFERENCE

Mr. WALSH of Massachusetts. Mr. President, on January 25 I introduced a bill dealing with the powers of the Federal Trade Commission, which is known as Senate bill 3256, entitled "A bill to protect and foster trade and commerce, to supplement the powers of the Federal Trade Commission, and for other purposes." The bill was referred to the Interstate Commerce Committee. Similar bills dealing with the same subject are under consideration before the Committee on the Judiciary. I therefore ask that the Committee on Interstate Commerce may be discharged from the further consideration of this measure and that it be referred to the Committee on the Judiciary.

The VICE PRESIDENT. Without objection, that order will be made.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. COHEN submitted an amendment proposing a payment to Mrs. Julia Wheeler Harris, widow of Hon. William J. Harris, late a Senator from the State of Georgia, intended to be proposed by him to the second deficiency appropriation bill for the fiscal year 1932, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENTS TO REVENUE AND TAXATION BILL

TARIFF ON COPPER

Mr. HAYDEN, Mr. WHEELER, and Mr. VANDENBERG jointly submitted amendments intended to be proposed by them to House bill 10236, the revenue and taxation bill, which were referred to the Committee on Finance and ordered to be printed.

TAX ON BOATS

Mr. WHITE submitted an amendment intended to be proposed by him to House bill 10236, the revenue and taxation bill, which was referred to the Committee on Finance and ordered to be printed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 804. An act for the relief of Mary L. Marshall, administratrix of the estate of Jerry A. Litchfield;

H. R. 1230. An act for the relief of Chase E. Mulinex;

H. R. 1260. An act for the relief of James E. Fraser;

H. R. 1290. An act for the relief of Jeannette Weir;

H. R. 1322. An act for the relief of Anna Lohbeck;

H. R. 1786. An act for the relief of Arthur H. Teeple;

H. R. 2013. An act for the relief of Pinkie Osborne;

H. R. 2033. An act for the relief of Theresa M. Shea;

H. R. 2042. An act for the relief of Hedwig Grassman Stehn;

H. R. 2189. An act for the relief of Elsie M. Sears;

H. R. 2841. An act for the relief of the owners of the steamship *Exmoor;*

H. R. 3467. An act for the relief of David C. Jeffcoat;

H. R. 3582. An act for the relief of the Atchison, Topeka & Santa Fe Railway Co.;

H. R. 3693. An act for the relief of William Knourek;

H. R. 3811. An act for the relief of Lela B. Smith;

H. R. 3812. An act for the relief of the estate of Harry W. Ward, deceased;

H. R. 4071. An act for the relief of W. A. Blankenship;

H. R. 4233. An act for the relief of Enza A. Zeller;

H. R. 4885. An act for the relief of Kenneth G. Gould;

H. R. 5256. An act for the restitution of employees of the post office at Detroit, Mich.;

H. R. 5265. An act for the relief of A. W. Holland; and

H. R. 5998. An act for the relief of Mary Murnane; to the Committee on Claims.

H. R. 5940. An act for the relief of Florian Ford; to the Committee on Indian Affairs.

H. R. 7308. An act for the relief of Amy Turner; to the Committee on Public Lands and Surveys.

H. R. 5052. An act to authorize the incorporated town of Juneau, Alaska, to use the funds arising from the sale of bonds in pursuance to the act of Congress of February 11, 1925, for the purpose either of improving the sewerage system of said town or of constructing permanent streets in said town;

H. R. 6487. An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of improving and enlarging the capacity of the municipal light and power plant, and the improvement of the water and sewer systems, and for the purpose of retiring or purchasing bonds heretofore issued by the town of Petersburg;

H. R. 6713. An act for estimates necessary for the proper maintenance of the Government wharf at Juneau, Alaska; and

H. J. Res. 361. Joint resolution to authorize the Surgeon General of the United States Public Health Service to make

a survey as to the existing facilities for the protection of the public health in the care and treatment of leprous persons in the Territory of Hawaii, and for other purposes; to the Committee on Territories and Insular Affairs.

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932; to the Committee on Appropriations.

VOLUNTARY ASSESSMENT OF CAPITAL—ARTICLE BY A. LEO WEIL

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Voluntary assessment of capital is urged by lawyer to cure depression and sustain tottering social structure." The article appeared in the Pittsburgh Press, and was written by A. Leo. Weil, of the law firm of Weil, Christy & Weil, of Pittsburgh, Pa.

There being no objection, the article was ordered to be printed in the RECORD as follows:

VOLUNTARY ASSESSMENT OF CAPITAL IS URGED BY LAWYER TO CURE DEPRESSION AND SUSTAIN TOTTERING SOCIAL STRUCTURE—DEMANDS FOR CHANGES IN ECONOMIC FINANCIAL GOVERNMENTAL STRUCTURE GROWS—DISCONTENT SERIOUS, PITTSBURGH ATTORNEY SAYS; CHALLENGES WEALTH AND POWER

By A. Leo. Weil

There is nothing so blind as power and capital, except more power and more capital, and capital is one form of power.

The depression has affected capital more than labor. Capital, however, can stand it longer than labor. Capital losses, until they reach the stage of capital dissipation, produce hardship but not despair. Unemployment produces despair. Despair has no conscience. It follows any "will-o'-the-wisp" that promises relief, just or unjust, reasonable or unreasonable, transient or permanent.

The unemployed have neither the means, the mood, nor the men to provide remedies. Suggestions of economists, such as insurance against unemployment, old-age pensions, pensions for those by accidents incapacitated, and the like, are only for the employed. When normalcy has been restored they can be adopted and operated. Meanwhile they do not help. The billions voted and to be voted by Congress and by State and municipal governments are only for relief, and must be expended under constitutional and governmental restraints and regulations, and are not designed to make the wheels of industry revolve.

Seven to ten millions of unemployed, counting five to the family (a reasonable estimate considering the group) means 35,000,000 to 50,000,000 of the population of this country, nearly 30 per cent, and over 40 per cent of the whole population. As the pinch becomes more painful, this group will become more and more discontented and insistent upon changes in our economic, financial, social, and governmental structures to afford them relief.

History shows that no social structure can long endure with such a large percentage of its inhabitants driven to desperation, and this particularly in a democracy. What has capital proposed as a remedy? Nothing. Capital, in its blindness, remains inactive, oblivious to the escaping steam and smoke of the smouldering volcano which it sits beside with its robes of purple tightly drawn, and which at the first molten flow will be consumed.

But what can capital do to cure the depression? It can start the wheels of industry, give employment to the unemployed, put into circulation the wages of labor, and make this era of depression but a nightmare that came across the sleep of a prosperous Nation, whose granaries and warehouses were full, and which had capital and capacity in men and machines to supply the world.

Obviously the next question is, How can capital do this? The answer is simple; the wonder is that it has not been long ago suggested.

Let capital make a voluntary assessment upon itself of say 5 per cent. The capital of the United States in 1930, as compiled by the National Industrial Conference Board, was stated to be $329,700,000,000, with an income of $71,000,000,000 per annum. This would yield, if every interest paid its share, nearly $16,500,000,000. If only 50 per cent paid up it would yield nearly $8,250,000,000. These figures are given merely as illustrations.

This assessment could be made, in the judgment of those in charge, upon corporations as well as individuals and be limited, if thought advisable, to those exceeding a certain minimum of income or capital. This fund, through committees appointed by contributors, could be allotted to respective communities. By local committees under the supervision and control of the general committee or State committees, as desired (all appointed by those who contributed the fund), this money, without any restraints such as apply to funds voted by the Government, could be used, to illustrate, to tear down and rebuild the slum districts; to open, widen, and improve streets; to open and improve parks, playgrounds, and the like; to build bridges, subways, and the like; to improve waterfronts; and to countless other improvements that would permanently benefit and enrich the city.

These direct activities would employ large numbers of the unemployed, and the structural material—iron, steel, lumber, brick, plumbing, concrete, etc.—would create a demand that would reopen the shutdown industries and give employment to those who had been thrown out of employment by these industries for the want of demand. The wages paid would go into circulation, affecting the department stores and other commercial establishments of every kind, and the demand for supplies of all these would in turn create a market for manufactured goods of every variety, and thus put into operation all of those industries now closed down, the resumption whereof would offer employment. If these improvements were inaugurated in every city in the United States, the imagination would be staggered by the demand for products thereby created.

It will be objected that this is a "counsel of perfection" and presupposes a magnanimity, altruism, and unselfishness not reasonably to be expected of capital. I am unwilling so to estimate capital. In these later generations capital has given evidence of these traits and this trusteeship of wealth in the foundations aggregating hundreds of millions and philanthropic and charitable donations and bequests aggregating other hundreds of millions. But however this may be, based upon the most selfish considerations, capital could well afford to make this voluntary assessment and reap therefrom benefits largely in excess of its appropriation. Examine some of these returns to capital:

With these National, State, and city bond issues for relief aggregating many billions, who will be taxed to pay interest upon the bonds and ultimately the principal thereof? Chiefly the property holders, those who enjoy large incomes, the owners of securities, stocks, bonds, mortgages, and the like. In other words, capital. And how much of this vast sum thus repaid will have been wasted in inefficiency if not direct dishonesty? And yet these enormous sums will have been expended only for relief, not to remedy the evil of unemployment. The amount of these taxes imposed by the Government will possibly aggregate the amount of this proposed voluntary payment.

Capital will be benefited by the revival of industry and the removal of this depression to an amount almost inconceivable except to the trained actuary. Stocks and bonds and mortgages and real estate will regain their market values, dividend and interest payments will be resumed, which combined with these market values will aggregate manyfold the amount contributed to cure and remove the depression. Based solely on the cold-blooded calculation of a profitable investment, the return to the investors would be many hundred per cent.

As an insurance, a guaranty of the permanency and stability of capital, and to ward off and guard against attacks and assults upon capital, the amount of this contribution would be none too great. Revolutions are not always by armed force. They may arise by legislation and law as well. This is especially true of a democracy. An aroused people can not be denied. In their desperation they do not always demand that which is best. Much depends upon leadership, and leaders are not always wise and tolerant, farseeing and patriotic. The times are pregnant with murmurings of resentment. The longer present conditions continue, the louder those now suppressed murmurings will become until they may find voice in fierce cries and peremptory demands.

Capital in this country could be largely redistributed in perhaps a single generation by confiscatory taxes and taxes upon income and inheritance. It behooves all thoughtful men, and especially capital, to heed our present social conditions and the signs, which history tells us, have had their parallels in other countries preliminary to upheavals of society and of government. No revolution has ever occurred when times were good, people were prosperous, and workers were employed. An investment to-day in insurance and guaranty of permanence and stability of capital in the future is indeed well worth while.

This assessment upon capital to cure our present-day ills must be voluntary; it must come from within, not from without, not by government or by force. The reward will be great. Let capital overwhelm its own greed, selfishness, and love of possession, and make the heart throb and the soul soar with the gladness, the happiness of a great deed gloriously done, evidencing the acknowledgment by capital of its trusteeship of wealth and demonstrating its identity with humanity. If such happiness could be bought, whatever the price, it could not be too high.

Will capital exercise its power to cure the depression?

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199), reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. BANKHEAD. Mr. President, I want to preface my remarks by reading a statement formerly made by the Senator from Delaware:

The Constitution, however, did give to the legislative branch of the Government judicial powers in one particular when it provided that each House shall be the judge of the elections, returns, and qualifications of its own Members.

This authority is perfectly plain. In exercising this power it becomes the duty of the House of Representatives and of the Senate to act solely in a judicial capacity, separate and distinct from their capacity as legislators. There is no legal appeal. The only appeal from the decision so made is public opinion; but if public opinion overrules the decision, it does not get rid of the precedent established. It becomes the duty of every Member of

the legislative body at such times to render a decision undisturbed by the clamor of the multitude.

Mr. President, with that statement I am in full accord. It had not been my purpose to discuss this case until the developments on yesterday. I am sure that every Member of this body on both sides of the Chamber will agree that since I came here I have engaged in no buttonholing of Senators; I have engaged in no electioneering with them; I have not in any way pressed my claims in this case. I have felt that, as the Senator from Delaware stated, in the decision of a contested-election case each Member of the Senate, under the Constitution and under his oath of office, is acting as a judge, or, at least, in a semijudicial position, and, from that standpoint, Mr. President, I have been content for the Members of this body to pass upon the law and the facts of this case as they may be directed and controlled by their judgments and consciences.

I have made no appeal to friends upon this side of the Chamber, as every man here will testify. I have not wanted to inject any political controversy into the decision of a judicial question. I have said nothing to any Member upon this floor that a litigant could not with propriety state to a judge trying his case. It is upon that principle that I ask for a final decision in this contested-election case.

I have felt, since so many statements were made yesterday which are not supported by any facts in this record and which can not be supported by any truthful testimony, that if I quietly acquiesced there might be drawn, from some sources at least, an inference that I did not care to meet them. It is my purpose, however, Mr. President, in this discussion to refrain from personalities and, so far as possible, to stay within the record, and to address myself to the deliberate judgment and to the consciences of Members of this body. Of necessity it may be necessary here and there to make some references that are not entirely in the record, but wherever that may be done they will be responsive to statements made upon the floor of the Senate and carried into the permanent CONGRESSIONAL RECORD as statements by the speaker who spoke here yesterday.

A good deal has been said about the primary election in Alabama and the part that I took in it. I think it has been made perfectly clear here that the action taken in 1928 was not directed against the contestant in this case. The record shows—and the resolutions were put into the record by the contestant himself—that in 1922 the same resolutions were adopted requiring an oath of loyalty by a candidate and different qualifications for the candidate than for the voter. In 1926 the same resolutions were put into the record imposing these same qualifications upon candidates and different qualifications for candidates than those for voters. In 1924 there was not put into the record a resolution which was passed by the Democratic State executive committee, but as it is a matter of official record and as it was used throughout the campaign in Alabama I feel free to read into the record that resolution adopted subsequent to the primary. The primary was conducted by a subcommittee on arrangements. On August 23, 1924, the committee passed the following resolution:

> That no elector who in the general election to be held in November, 1924, supports the candidates for presidential elector of any party other than the Democratic Party shall be entitled to vote or to be a candidate in any primary election held by the Democratic Party in Alabama, except a primary election held after any subsequent general election in which such elector did support the nominees of the Democratic Party.

In other words, a permanent rule was established by the committee after the primary in that year to give notice that that was the law of the party, of course always with the right to change it; and it is only necessary to call to the memory of Senators here the fact that in the year 1924, when that resolution was adopted the contestant in this case was the standard bearer of the Democratic Party for the highest office in the gift of the people of that State. Under that resolution, of necessity, acting under the organization of his party, he went before the people of Alabama in that election and held his credentials under that action.

Mr. President, the contestant made a speech here in 1928 on the subject of party loyalty. I am merely pointing this out to show that the action of the Democratic Party in 1930 was in line with all former attitudes and actions and beliefs of the contestant in this case.

In the CONGRESSIONAL RECORD of April 13, 1928, we find the following:

> Mr. HEFLIN. Mr. President, some weeks ago the Irish World, a Roman Catholic newspaper, threatened the Democratic Party with dire disaster if it should fail to nominate Governor Smith, of New York, for the high office of President of the United States. That newspaper served notice upon the Democratic Party that if it failed to nominate Governor Smith the Catholics would bolt the ticket; that they would not support the Democratic ticket to be nominated at Houston. This is an unbecoming threat and an un-American act. It violates every principle of American tolerance. It is in keeping, however, with the record of the Roman Catholic political machine regarding the National Democratic ticket. They bolted the Democratic ticket in 1916 because President Wilson refused to go to war with Mexico on behalf of the Catholic Church; they bolted the Democratic ticket in 1920, and in 1924 they bolted the Democratic ticket again. They have bolted the last three National Democratic tickets. They are really not entitled to participate in a Democratic primary or convention or to have one of their number run as a candidate on the regular Democratic ticket.

That is the doctrine for which the contestant stood throughout his political career until the year 1930.

Mr. President, by innuendo, by suggestions if not by direct charge, it has been asserted here that I had a part in preventing the contestant from being a candidate in the Democratic primary in 1930. There is nothing upon which such a statement can be based. Everybody in Alabama, I think, knows that I stood for leniency at that time, not because I thought it was due the contestant, but because I thought under all the conditions it would be best to change the fixed rule and policy of the party and let the contestant become a candidate in that primary.

Here is a statement published by me in the newspapers of Alabama. I want to read briefly from it. This was before the primary:

> I have believed since the last election that all Democrats who declined to vote for Governor Smith as the Democratic nominee should be invited to return to the party, and that any person qualified to vote in the primary should be allowed to run as a candidate. * * * I have believed and still believe that it is dangerous to the party welfare in Alabama to take any course that will continue discord and strife among the rank and file of the party. I have believed and still believe that if all the leaders of those who refused to support the straight Democratic ticket in the last election are excluded from being candidates that many voters in resentment will go out of the party to support such leaders in an independent movement.
>
> * * * * * * *
>
> A report is in circulation throughout the State that some members of the party personally desire to exclude all from being candidates who did not support all the Democratic nominees in the last election but will not vote to do so on account of a promise to me to vote otherwise. If there are such members—

And I say there were none—

> I certainly appreciate their personal loyalty to me. I take this occasion to say that in view of the serious consequences that may follow whatever action the committee takes, I am quite content for each member of the committee to vote on his own responsibility and according to his own judgment for what he believes is best for the party under all the circumstances. The responsibility is not mine, and, even if I could, I do not care to assume it.
>
> If there are any members of the committee who want to vote to put the bars up on candidates, but who feel constrained not to do so on account of any statement made to me, I wish to say that if they construe any such statement as a commitment or promise made to me, they are hereby relieved from any assurance they may have given me as to how they will vote on any subject coming before the committee.
>
> I have not changed my views, and this statement is made for the purpose of letting the committeemen and the public know that I am asking no consideration personal to me by any member of the committee in reaching his own conclusion about the wisest thing to do when the committee takes action.
>
> I recognise that the usual caution practiced by candidates would have kept me silent on this highly controversial subject. I have always openly and frankly expressed my views on public questions of importance to my party and to the people of our State. I recognize the right of others to do the same, and I admire a respectful exercise of it by others.

If being silent and colorless on issues of general public interest is a necessary qualification for a candidate or an officeholder, then I am out of place in public life.

That is the statement that you heard so much about here yesterday, carrying the implication that I had not acted in good faith; that I had released certain delegates pledged to me; and, Mr. President, the matter went far enough to mention the names of the members from my congressional district, Mr. Ogden and Mr. Cobb, who live at Vernon, and three members who live in my own little home town.

I call your attention to the fact that it was admitted here that the three men in my own little town, two of whom were my warm personal and political friends, and the other professing to be, all voted to let Mr. Heflin or any other candidate run in that primary election.

Oh, but they say that Mr. Ogden had some agreement or that I requested him to vote differently. But Mr. Ogden was put upon the stand in Birmingham and testified as a witness in the oral hearings there. He is a man of high standing, a banker, a cottonseed-mill owner, with large farming interests, a member of the State legislature, nominated and elected without opposition in the last primary and election to the legislature—the first office he ever held—after this primary was ordered. Let us see what Mr. Ogden said when the contestant's attorney was examining him as a witness.

He first says—page 2838:

I will ask you to refresh your recollection, if this didn't occur in substance between you and Mr. Childers—

Before the committee met—

If you didn't ask Mr. Childers to join you in voting to put up the bars and if Mr. Childers didn't tell you that he had talked with Mr. Arthur Fite and promised that he wouldn't vote to put up the bars?

Mr. OGDEN. I have no recollection whatever of that conversation.

And with Mr. Gibson, also?

I don't remember such a conversation.

And wasn't your reply to that, "John," meaning Mr. John H. Bankhead, "wants it done"?

No, sir; I never did make that remark.

You heard it here yesterday.

No, sir; I never made that remark that John Bankhead wanted it done.

Then he was asked about talking with me on this subject:

Did you have a conversation with Mr. Bankhead with reference to putting up the bars or the action of the committee?

Yes, sir.

How long was that before the committee met?

I went down to Montgomery. I went through Birmingham here going to the committee meeting.

And met Mr. Bankhead here?

Yes, sir; I went to his office.

I will ask you if Mr. Bankhead didn't tell you that if the bars were not put up and let Heflin and Locke in the primary they would be nominated?

No, sir.

What did he say about that?

I asked Mr. Bankhead what he thought we should do. I had made up my mind that I thought the bars ought to be put up, and I told Mr. Bankhead that I wanted his opinion as to whether he thought I was right or not, and he told me, he said, "I am not going to advise you what to do about it.

Not going to advise you one way or the other?

No, sir.

So there the Senate can well see the basis for the imputations that I was acting with connivance, or not in good faith.

Possibly for prejudicial purposes the subject of the Alabama Power Co. was brought into this discussion yesterday, and the statement was made that Mr. E. W. Pettus, the chairman of the Democratic executive committee, was an attorney for the Alabama Power Co., and that Mr. Jerome Fuller, the chairman of the Democratic campaign committee during that campaign, was an attorney for the Alabama Power Co. I say that neither of those gentlemen was an attorney for that company either in 1930 or since that time.

It is stated that all of the attorneys for the Alabama Power Co. were supporting me. As a matter of fact, I do not know who the local attorneys for the Alabama Power Co. here and there may be in Alabama, but I assume the statement was correct, because practically every lawyer in Alabama, both Democrats and Republicans, supported me in that election, with two outstanding exceptions—men who were and are attorneys for the Alabama Power Co. One of them was Mr. Arthur Fite, with whom I had correspondence that has been referred to here, and who lives in my home town, an attorney, and for years an attorney for the Alabama Power Co. On the ticket of the "independents," led by Senator Heflin, with only three nominees for State offices, Senator, governor, and lieutenant governor, one of those nominees, Mr. Powell, is an attorney for the Alabama Power Co.

I have had no connection with the Alabama Power Co. in any way for the last 8 or 10 years. I am stating what has been stated on every stump in Alabama and through the newspapers in Alabama throughout the campaign. Eight or ten years ago I had a small retainer from that company. When the agitation over Muscle Shoals came up, I was not in accord with the Alabama Power Co. having Muscle Shoals, and on that account, so that I could have complete liberty of action without embarrassment either to myself or to my client, I tendered my resignation as local attorney for that company, and since that time I have had no sort of connection, direct or indirect, with the Alabama Power Co.

It was stated here that Mr. Aarhus had a lead that some officer of the Alabama Power Co. was in conference when I was agreed upon as a candidate for the Senate. No conference was ever held on my candidacy. No such thing ever happened. I will not embarrass others by making a statement upon the subject, but it is well known that some of the representatives of the Alabama Power Co. in Alabama did not originally favor my candidacy in the Democratic primary. They preferred getting another candidate in the race.

A great deal has been said here about a Democratic machine in Alabama. The contestant has frequently stated upon this floor that for years he had been the leader of the Democratic Party in Alabama, so if any machine has ever been built up, of course, he was the head of it. But I want to say, as a matter of justice to the people of Alabama, I feel impelled as their representative here, at least for the present, to assert here, so that it may go into the RECORD, that there has been no political machine in Alabama, and, in accordance with the political philosophy, with the independence of thought, and the independence of action, of the voters in that State, it would be absolutely impossible for anyone to build up a political machine in that State.

If Mr. Pettus—and I say this upon my responsibility—the chairman of the Democratic executive committee, ever did a single thing to promote my nomination in that primary, I never heard of it. I have reason to believe he voted for me, but beyond that, Mr. Pettus, the chairman of the Democratic executive committee, took no part, because it is the policy in our State for our party officials, instead of trying to control and manipulate a machine and nominate a ticket, to be neutral, to be impartial between all of the candidates. Mr. Pettus has faithfully pursued that course from the time of his election as chairman.

Mr. President, the Senate heard a good deal said about absentee ballots, that a certain number of questionnaires had been sent out, and that about 2,000 had been returned undelivered. Senators know how natural that is. A man away from home, on business, gets a ballot sent to him, and a year later a questionnaire is sent to him at that address, and, of course, he is not there, because he got the ballot at that address on account of his being temporarily there. Senators heard the statement about 5,000 questionnaires not being answered. Everybody knows there is no obligation to answer a questionnaire of that sort, calling upon a voter to state how he voted.

Mr. President, many of those absentee ballots which were sent out were not voted, and I want to give the Senate from the record some reason why they were not voted. If Senators will examine page 57 of the majority report, and bear in mind that the lists of applications for absentee ballots were obtained from the probate judges, who were required

to keep a record of them, they will find that there were sent out to applicants for absentee ballots these two letters, which were put in evidence at the oral hearing at Birmingham:

NATIONAL SECRET SERVICE,
HEADQUARTERS SOUTHERN DIVISION,
October 31, 1930.

DEAR SIR: Investigation shows that you have applied to the probate judge for an absentee ballot for delivery to the election officials on November 4, or that some one using your name has done so.

Every absentee ballot in this section is under close surveillance. In order to legally cast an absentee ballot you must actually reside in the precinct in the county in which you propose to vote. You are required to make an affidavit that you are a bona fide resident of the precinct in which you propose to vote, and that you will be absent from the county on that day by reason of your regular business and in the performance of your regular duties.

You can not actually live in one county and claim to reside in another and claim to vote in the county were you claim to live instead of the county where you actually reside.

You must also apply for an absentee ballot yourself. A ballot brought to you by some one else is an illegal ballot.

Any illegal ballot sent through the United States mail may subject you to a charge of using the mails to defraud.

If you have been misled, or misinformed, or induced to send an illegal ballot to the probate judge, or some one else has used your name without your consent, you have a right to demand that the ballot you sent or the one sent in under your name be returned to you and destroy it.

All illegal absentee ballots not properly withdrawn will be investigated further.

All illegal ballots sent through the mails will be called to the attention of the United States district attorney for action by the

J. H. GRAY,
Chief of Special Agents, Southern Division.

The next letter is short and reads:

NATIONAL SECRET SERVICE,
HEADQUARTERS SOUTHERN DIVISION,
October 31, 1930.

DEAR SIR: You are under surveillance. Any conduct on your part constituting a violation of State or Federal election laws will be promptly handled by the proper authorities.

J. H. GRAY,
Chief of Special Agents.

Mr. President, the evidence developed that there was no such organization as the National Secret Service in Birmingham, or in that section; that there was no such man as J. H. Gray, who signed himself as chief of special agents; and, more important than that, the evidence developed that those letters were delivered for distribution to the campaign mentor, the most active man for the contestant, the man who has been appearing here as his chief counsel—Judge Horace Wilkinson—at his office in Birmingham. Judge Wilkinson was present when the witness testified to taking these documents and delivering them to him, and he did not even cross-examine him.

Can not Senators well understand, with threats like that, why a large number who had applied for absentee ballots did not return them? Still we hear the criticism indulged in here that a large number were sent out and not returned.

Mr. President, it was said that of the ballots which were returned, 4,500, four-fifths were for me. The figures presented to both parties to this contest by the supervisor working under the Senator from Delaware show that I got 61.58 per cent and that the contestant got 38.42 per cent, instead of my receiving four-fifths, as has been asserted here.

There are so many things that are injected in this case which are not in the record that it would be impossible for me, within reasonable limitations, to deal with all of them. A great charge was made here about the ballot boxes in De Kalb County. It was stated that the contestant had been defrauded of 500 votes in that county and they had to go to court to get the ballot boxes. But, Mr. President, information was not brought to you that there was no evidence to sustain such a claim, although the Republican probate judge of that county, a Republican and a supporter of the contestant, was put upon the stand as a witness for the contestant. The ballot boxes were kept because there was a contest over local offices, the Democrats contesting the Republicans.

It has been stated all through the record that De Kalb County was under the control and had been for years under the control of the Republican Party; that those in control were friendly to the contestant, all the county officials were for him, the election machinery favorable to him; and any reasonable man knows that even if the Democrats wanted to practice fraud, if they had no opportunity to put their hands upon the ballot box, there could be no fraud practiced by them. Any reasonable man would know further that if they had the opportunity to perpetrate a fraud for me they could have done the same thing for their county ticket and had it declared elected instead of defeated.

Mr. President, if any Member of this body desires any information from me or any statement from me about any matter which has been injected into the case—or any of the numerous unsupported statements, I will say in addition that have been injected into the case—I shall be glad to answer such inquiries.

I want to speak in a very general way, and to submit especially to the Senator from Nebraska [Mr. NORRIS] that he may, as courts sometimes do, grant a rehearing upon the question of the validity of the primary. The subject, of course, has been well discussed. There is, however, one aspect that I want to submit. Section 601 defines what is a political party. Section 624 provides:

Any qualified elector who is also a member of a political party as herein defined, participating in a primary election, shall be entitled to vote at such primary election and shall receive the official primary ballot of the political party and no other.

The point I have in mind for consideration is that section 612 as presented by the Senator from Wisconsin [Mr. BLAINE] does not purport to deal and does not deal with the qualifications of voters in any respect. It deals solely with the qualifications of candidates. Section 612 must be construed in connection with sections 624 and 672, which authorize the State committee to fix the qualifications of candidates.

Mr. President, there is a word in section 612 which to my mind has not yet had proper consideration in reaching a proper construction of the section. Section 612 does not say shall have the right "to vote." It says, "shall have the right to participate in such primary election." What does the word "participate" mean? Is it confined merely to voting? I submit not. Let me read from a section of the constitution of Alabama which sheds direct light upon the construction of that word. Section 183 reads:

No person shall be qualified to vote or participate—

To vote or participate!—

in any primary election, party convention, mass meeting, or other method of party action of any political party or faction who shall not possess the qualifications prescribed in this article for an elector or who shall be disqualified from voting under the provisions of this article.

So the constitution of our State recognizes that the word "participate" covers more ground than the mere word "vote"—"qualified to vote or participate in any primary election." How may one participate except by voting? He may participate by being an election officer not qualified to vote in a party primary being conducted by him, but in which he can not vote. We have the same officers for both the Democratic and Republican primaries. In De Kalb County two Republican officers and one Democratic officer serve to hold the Democratic primary as well as the Republican primary. Those Republican managers are qualified electors, but they are not qualified to vote in a Democratic primary because they do not possess the qualifications fixed by the party, but they are designated by law to participate in the Democratic primary, to conduct and manage it, to give out the ballots, to count the returns and certify the results—"participating," Mr. President, in another way than as voters and themselves not even voting in the Democratic primary. It includes voters, election officers, election watchers, and candidates.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER (Mr. LEWIS in the chair). Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BANKHEAD. I yield.

Mr. HASTINGS. I invite the attention of the Senator to the heading of section 612, as follows:

Who may vote in primary elections.

That is the heading. Has the Senator any explanation of what that means?

Mr. BANKHEAD. It is simply an expression by the codifier. No such title is ever written into a law in the State of Alabama. When the codifier got ready to incorporate in the code the amendment or the full act he of his own accord probably thought, as some Senators here think, that that is what it meant. But the codifier's view upon that subject certainly does not control any court or anyone acting as a lawyer or a judge in deciding what is really covered and intended by the language of the statute itself.

Let us follow that a step further. There is another expression in section 612 which has not received any consideration here in the discussion of the proper construction of that section. I refer to the words "subject to" the qualifications fixed by the State executive committee.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BANKHEAD. I yield.

Mr. TYDINGS. Before the Senator leaves the subject of absentee ballots, as I recall it, he said he received about 61 per cent of those cast.

Mr. BANKHEAD. Yes; I read the figures.

Mr. TYDINGS. How did the proportion of absentee ballots compare with the total of all the ballots?

Mr. BANKHEAD. About 2 per cent more were cast for me than the percentage of the total number of ballots of the State showed.

Mr. TYDINGS. In other words, eliminating the absentee ballots, the percentage of votes cast for the Senator from Alabama as against Heflin was about 60 per cent?

Mr. BANKHEAD. Substantially the same proportion.

Mr. BLACK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to his colleague?

Mr. BANKHEAD. I yield.

Mr. BLACK. It might be pertinent to state that the figures my colleague has, as I understand it, are based on the actual reports made by the voters as to how they voted.

Mr. BANKHEAD. Yes; and compiled by the supervisor working under the direction of the chairman of the subcommittee, the Senator from Delaware [Mr. HASTINGS].

"Subject to." What does that mean? Does it mean the same qualifications? I submit that it does not. I submit that it means acquiescing in, subordinate to, the qualifications fixed for the candidate. It will be recalled that the law as reenacted in the code under section 601 gives the right to qualified voters to vote in that primary who are "members of any political party."

Does anyone take the position that the amendment of section 612 repeals section 624? That position is not tenable because since the amendment of section 612, section 624 has been reincorporated in the code of 1927. If the construction is accepted, that same argument as to section 612 necessarily results in the emasculation if not the repeal of section 624 carried along with section 612 in the code. It also destroys the effect of section 672 which authorizes the State committee to fix the qualifications for its candidates, at the same time leaving in the code, to work harmoniously with it, the provision that white electors who are members of the party have the right to vote in the primary.

Now, let us reread section 612 in view of that:

All persons who are qualified electors under the general election laws of this State—

And now I will incorporate the provisions of section 624 here—

and who are members of any political party which has registered the percentage of vote required by section 602—

Because that is what constitutes a political party—

shall have the right to participate in such primary.

Now let us read it in this way.

All persons who are qualified electors under the general election laws of this State, and who are members of any political party which has registered the necessary percentage, shall have the right—

Now, let us substitute proper words for "participate"—

Shall have the right to vote or become a candidate—

Because "participate" includes both—

in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidates.

The candidate may participate by accepting the qualifications fixed for him; the voter may participate by accepting the qualifications fixed for the candidate.

If a member chooses to come in, Mr. President, he enters, whether as a voter or as a candidate, subject to the action of the committee in respect to qualifications, political or otherwise, prescribed for its candidates. He must respect and acquiesce in this action as a voter and as a candidate.

So, Mr. President, when we give section 612 a construction, which is consistent with the other sections in the code, which is consistent with a reasonable construction, and which does not lead to absolutely absurd results, and when we take into consideration what "participate" includes and what "subject" means, it is perfectly apparent, as the able and fearless Senator from Wisconsin [Mr. BLAINE] pointed out, though not elaborating the argument as I have done, that section 612 simply requires those who participate in the primary to consent to and acquiesce in the qualifications fixed for the candidate.

However, Mr. President, why should we strain at the construction of that statute when the decisions are practically unanimous to the effect that, when there is no action preceding the election to invoke the power of the court but where the parties go to the people speculating upon the result, it is then too late to raise such a question. I want to read into the RECORD the names of the different States that have directly and specifically passed upon that question. They are Massachusetts, Illinois, Missouri, Nebraska, Idaho, Texas, Montana, Wisconsin, Kansas, Ohio, Indiana, Michigan, Colorado, Iowa, Mississippi, Minnesota, Washington, and South Dakota—18 States. The same rule is laid down in Ruling Case Law and in Corpus Juris.

Mr. President, I am not going to take the time to go into a discussion of the various facts involved in this case. I should be pleased to do so, because every line of investigation in this case leads to the conclusion that there has been no fraud in the Alabama election. It was stated before the subcommittee by the attorney for the contestant in this case that they did not dispute the truthfulness of the certificate of returns, so far as the fact of their execution by election officers is concerned. They took the broad position, Mr. President, that all of the election officers participating in that election signed those certificates, but that they were merely arbitrarily made up. That direct explicit confession is contained in the printed arguments in this case; that they were arbitrarily made up in 2,043 election boxes in Alabama, with more than a third of the election officers who signed those returns not voting for me, as shown by the ballots over here as recounted by the subcommittee. Only 62 per cent of the election officers voted for me, and still we hear the charge made here that 38 per cent of election officers, not favorable to my candidacy, signed and swore to false certificates of returns, which did not truly state the result of the vote in the ballot boxes.

We hear the suggestion later that ballot boxes may have been substituted on the day of election. How absurd that is to a thoughtful mind! The elections were held in country schoolhouses—and 72 per cent of the population of Alabama is rural as distinguished from urban—the elections were held in the broad, open light of the courthouses, in public places, everywhere attended, Mr. President, by election officers selected by the organization representing the independent party of which the contestant here was a candidate. The law gives each party the right to submit a list of names of persons to serve as election officers, and, although that

independent party was not a legal party as defined by the law of Alabama, by unanimous consent it was recognized as such, and it is shown by the actual ballots as well as by statements made at the very beginning of this contest and all through the record that officers were selected, one inspector at least and one clerk in each voting box, where the contestant had known supporters, with one or two exceptions. The ballots themselves show that to be true. And yet thoughtful men who are engaged in analyzing facts and making up a judicial decision are asked to accept a mere suggestion that under those conditions while the election was proceeding there may have been a substitution of ballot boxes during the day.

Oh, they say, if ink had been used in numbering the ballots, it would have been more difficult to make erasures. There is no evidence, Mr. President, in the whole 250,000 ballots here, of any erasures of the numbers. If one was going to substitute ballots, every man knows that he could substitute them numbered in ink just as well as he could if they were numbered in pencil.

Now they come forward and say, "But the change was made at the courthouse." That statement was made here yesterday—that ballots were substituted at the courthouse. Is any thoughtful man prepared to accept that suggestion as a proven fact in the case? Does not any thoughtful person know that if substitution of ballots throughout all the courthouses in Alabama in the quietude of the night was proceeding, they would have been substituted in such a way as to comply with the requirements of the law? Could not a ballot numbered in ink be substituted in the quietude of the courthouse, where the contestant said it all took place, just as well as one numbered in pencil could be substituted or one not numbered at all? And if the substitution was being carried on by experts, it would have been done doubtless in a more precise and correct way in conformity with the directory provisions of our statute than could have been done by average men and women serving as election officers possibly for the first time in their lives and without legal training sufficient to pass a civil-service examination upon all the directory provisions of our splendid law.

Mr. President, there are one or two things further to which I desire to call attention before I conclude. Beyond the mere presumption which the law affords as to the correctness of the sworn returns of officials of an election—and an election officer is entitled to the same presumption of truthful and correct returns as is any other official under the law—there is no question, in fact, it is admitted, that the certificates upon which my certificate of election is based were signed in all the boxes in Alabama by Bankhead supporters and Heflin supporters and by Republicans who did not vote for either one of us. In every box in the State of Alabama at the closing of the polls the certificates were posted, and they are here now reposing in the committee room, with not a word of testimony to impeach a single one of them. Instead of impeaching them by testimony, Mr. President, the oral testimony at Birmingham, where the contestant placed upon the witness stand a large number of election officers, shows that every one of them on cross-examination said that the count in his box was honest and that the certificate of the result truly represented the ballots cast in that particular box. Their complaint was about other trivial matters—no impeachment of the returns; no impeachment of the truthful counting of the ballots.

Then would any fair-minded man, acting judicially, say that because of certain irregularities which it is claimed afford an opportunity for fraud, you must presume that fraud did occur?

That, to my mind, Mr. President, is a dangerous doctrine for this great court to establish in this country. That is a standard of moral conduct on the part of the average man or woman serving as election officials and representing both parties that I should greatly regret to see established as a rule and guide to judge the conduct of others. To say that because one had a chance to steal it should be presumed that he did steal, is a strange doctrine to be asserted here upon the floor of the Senate in an effort to secure a decision that you can not tell who was really elected in Alabama.

That was not the only test. The questionnaire was a test, the answers coming from 1,005 boxes in Alabama, nearly half, a complete cross-section of the State, and the answers of those voters being in correspondence with their ballots here. Would any judge weighing the facts, even in a police court, say that you could go into 1,005 boxes, nearly half of them, out of 61 counties in Alabama, and substitute 50,000 to 75,000 votes, as has been alleged here by the contestant, without that fact showing up in the 4,500 answers to the questionnaires sent to the absentee voters?

Any fair, judicially minded investigator of the facts must, I say, recognize that that many ballots could not be substituted in that many boxes without its showing up in the answers of the absentee voters.

Were any other tests made? I am trying to address myself to men who want to get the truth about this transaction, who want to record their votes under the duty, as I conceive it and as the Senator from Delaware [Mr. HASTINGS] has stated that he conceived it, to cast a judicial vote and not a legislative vote.

Were any other tests made that ought to convince any fair-minded man?

Certain suspicious ballots were brought to the attention of the committee. I promptly secured the names from the supervisor of the voters in that list of tightly folded ballots with other suspicious circumstances and sent them to three counties with the request that some notary public be sent to get their affidavits about how they voted. The answers came back, Mr. President. Out of the most suspicious lot of ballots in their appearance that the supervisor could find—because he was requested to do that—the answer came back showing 100 per cent of correctness from every voter in those ballots, whose ballot showed that he voted for me; and then, Mr. President, with a full conviction of honesty and fairness, based upon my knowledge of the spirit which governed the Alabama election, I did not hesitate or halt. I wrote a letter to the chairman of the subcommittee—and you will find it in the hearings—in which I said: "If there are any other suspicious ballots in any box in Alabama that you want to have investigated, I will undertake to investigate them"; and I went further. I said, "If the committee will pay the expense, I will investigate and get the evidence about how everybody in Alabama voted"; and I have not had any reply from the chairman of the subcommittee. Yet Senators gravely stand here and talk about a "presumption of fraud," which leaves them in doubt about whether to brand all of the election officials in Alabama as perjurers, whether they voted for me or voted for the contestant or did not vote at all.

You can not reach any conclusion other than that I received 50,000 majority in Alabama except by branding as corrupt, as conspirators, as perjurers all of the election officers in Alabama. I challenge any man to deny that statement. It is admitted that they signed these certificates, and signed them on the night of the election, and posted them as the law requires; and there they are, under their certificate and oath of office as election managers.

Then I called upon the subcommittee—I am going to conclude in a minute—to check, in those ballot boxes, the tally sheets, one tally sheet kept by a Democratic clerk and one tally sheet kept by an independent or Republican clerk, and mark down the votes, tallying them as the vote was called from the ballot by the election officers. They had two tally sheets. I boldly called upon them to do that, because I had been willing from the beginning to accept any challenge or any test which would show either that I received 50,000 majority or that the election was fraudulent and stolen. I have those tally sheets here, county by county. Anybody who wants to may examine them. I asked them not only to check the tally sheets against the certificate of the results for United States Senator but to check them from United States Senator clear down the State, district, and county ticket. That was done, and here they are, nearly 50 per

cent of them made by clerks who did not vote for me, showing a complete correspondence of the tally sheets in every box in Alabama, not only in the vote for United States Senator but in the vote for every officer upon that ticket.

Will some man in search of truth, will some man who is trying to make a judicial finding upon the facts, point out how there could be a substitution of ballots? No erasure of Heflin's name on votes tallied for him shows over there. It could not be changed on those tally sheets without taking large numbers of tallies off his list. So you would be obliged to conclude that there was a complete substitution of every tally sheet in the State in order to find that the tally sheets that are there now did not originally correspond with the number of votes certified by the election officers.

Is any man going to try to reach that conclusion, acting judicially and in a search for the truth? I think not.

One more test and I am not going to detain you longer. The contestant called upon the subcommittee to furnish him a list showing how every voter in Alabama whose ballot was numbered voted in that senatorial race. His attorney said, and it is in the record, that he regarded that information as the most important matter involved in this case, because it would afford them the information under which they could go back to Alabama and check up with the voters to see whether or not their ballots had been cast as they appear over here in the countingroom. I knew that a compliance with that request would result in the exposure of the secrecy of the ballots. I believed that if the point was brought to the attention of the subcommittee, and they considered the legal question involved, which is the law everywhere, of preserving the secrecy of the ballot, that request might have been denied. But no, Mr. President, I made no objection of any sort to the committee furnishing that information. I was delighted when they furnished it, because I believed, in view of the purpose for which counsel for the contestant stated they wanted the information, that if they would go and check up, that would end entirely this crusade, these tirades against the honor and good name of the election officials and county officials and the men and women of my State.

What happened? That list was furnished, a separate poll list. Some of you Senators have probably noted a sample copy of those poll lists. A separate poll list was printed for every county, 64 counties, by precincts, giving the names of the election officers under the list of names, showing there the number of the ballot they cast. They got that list, as I got a copy of it, some eight months ago. They started to make those lists early in August, not later than the 1st of September, and they were submitted to the parties county by county as they were completed.

Mr. President, what has developed from it? The contestant has asserted time and again that his supporters were so numerous in Alabama that he believed he got a majority of more than 100,000 votes. He has asserted with every appearance of pride what a great interest his supporters took in his campaign, how they fought by the thousands to hear his speeches. He had a complete county organization in every county in Alabama. He got those lists showing how the voters voted for the purpose of sending them down through his precinct organizations and securing the information about the large number of substituted ballots. The committee spent several thousand dollars making up those lists.

What is the situation now? We went down to Birmingham by agreement. I agreed to it, believing that if I did not the witnesses, according to practice, would be brought to Washington. But, accepting any test that anybody wanted to have made, I agree to go down to Birmingham, while Congress was in session, and there, before a commissioner agreed upon between us, give the contestant full opportunity right there, where the witnesses were available, to prove his charges of fraud. Did he do it? No; he did not. Out of 117,000 voters upon those poll lists marked as having voted for me, not counting the unnumbered ballots, he produced evidence of only one, except as to some absentee voters, whose ballots appeared to have been changed, and even that was disputed by one of his neighbors, who said he saw him vote a straight Democratic ticket—one, I say, was the only one traced to the election box out of 117,000 marked ballots.

Who is going to leap to a conclusion, because a pencil was used or because some other irregularity occurred, that we can not tell who was elected in that election? Is every test of the honesty of the count, whose honesty and truthfulness is shown, to be swept aside? Are all the ballots to be swept aside simply to worship at the shrine of legal technicality, a literal compliance with many directory provisions of the election law, practically every one of which involved in this case has specifically been before the supreme court of our State, and in each instance complained of here, the Supreme Court of Alabama has ruled that those provisions were and are directory and do not affect the validity of the count?

I have decisions from 35 States in the brief, holding that in the wisdom of the courts an election will not be set aside because of the ignorance of election officers, because of their omissions and neglects, even of their fraud, unless it is shown that those irregularities affected and changed the result; the will of the people is the great thing to be ascertained.

If the position of the chairman of the subcommittee is correct, wherever a majority of the voters are of one party and the election machinery is in the hands of the other party, what would be the only thing necessary to have a ballot box eliminated from the count? Under the ideas presented here all that would be necessary would be for the election officers of the minority party in a particular precinct to fail to number the ballots, to use a pencil, or fail to fold the ballots, then go to court and say, "Oh, here was an opportunity for fraud. Throw them out."

I submit that that is not consistent with fundamental legal principles. It does not conform to the decisions in 35 States in America, and there are no decisions to the contrary about which I know.

It has been pointed out here that in the same statute upon which my credentials are based, and which is so vigorously commented upon in the minority report because of irregularities, the legislature of Alabama, as a part of the same law, setting up the requirements for numbering and using ink, says those things are directory, and shall not affect the result of the election—not in those words, but it says that nothing but fraud which changed the result of the election shall be ground for setting it aside.

Mr. President, I do not know how many more speeches are to be made on this contest. There are, of course, a great many other questions involved in the case. I stand here holding credentials from a sovereign State of this Union. I am here with as clean credentials, so far as my personal conduct is concerned, as those of any Member of the Senate, and that fact is recognized everywhere. The Nye committee had agents in Alabama for months, and so far as my conduct was concerned, either in securing the nomination or the election, I did nothing which is subject to any kind of criticism. So that the question of the qualifications of the candidate from the standpoint of the manner in which he secured his election is eliminated from this case.

There is one group of Senators here who believe that because of a strained and literal construction of one section of the code, the fixed policy of both parties in Alabama should be stricken down; that Representatives over in the House of Representatives who came here with their names upon the ballot under the same primary under which I came here are not legally there, because their names were not legally upon the ticket, a holding which, if it had extraterritorial effect, would result in disqualifying every officer in Alabama elected upon the Democratic ticket, from governor to constable.

The construction which is sought to be put upon section 612 has not been the policy of our parties. They have acted otherwise over a long period of years in absolutely good faith. It is shown here that the Republicans in Alabama recognized that doctrine. The supreme court of my State

held, when a mandamus under the statute was in question, that a political party had the absolute power to fix any reasonable qualifications for candidates, and stated in the Lett case that the decisions were practically unanimous that party loyalty was a reasonable qualification and within the power of the committee.

The construction of these statutes, the operation of them by the political parties in Alabama, he Supreme Court of Alabama, must be overturned before the Senate can reach the conclusion that my name was not legally upon the ballot.

Mr. President, I know that no one, after looking into the facts in this case, can say that I was not honestly elected, even if the burden were upon me to show that I was.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Hull	Pittman
Austin	Couzens	Johnson	Reed
Bailey	Cutting	Jones	Robinson, Ark.
Bankhead	Dale	Kean	Robinson, Ind.
Barbour	Dickinson	Kendrick	Schall
Barkley	Dill	Keyes	Sheppard
Bingham	Fess	King	Shipstead
Black	Fletcher	La Follette	Shortridge
Blaine	Frazier	Lewis	Smoot
Borah	George	Logan	Steiwer
Bratton	Glass	McGill	Stephens
Brousseard	Glenn	McKellar	Thomas, Idaho
Bulkley	Goldsborough	McNary	Thomas, Okla.
Bulow	Gore	Metcalf	Townsend
Byrnes	Hale	Morrison	Trammell
Capper	Harrison	Moses	Tydings
Caraway	Hastings	Neely	Vandenberg
Carey	Hatfield	Norbeck	Wagner
Cohen	Hawes	Norris	Walcott
Connally	Hayden	Nye	Walsh, Mass.
Coolidge	Hebert	Oddie	Watson
Copeland	Howell	Patterson	White

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

MISSOURI RIVER BRIDGE AT OMAHA, NEBR.

Mr. HOWELL. Mr. President, from the Committee on Commerce, I report back favorably with amendments the bill (S. 4401) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr., and I submit a report (No. 604) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate proceeded to consider the bill.

The amendments were, in line 7, after the figures "1930" and the comma, to insert "heretofore extended by an act of Congress approved February 20, 1931," and in line 8, after the word "hereby," to insert the word "further," so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr., authorized to be built by the Omaha-Council Bluffs Missouri River Bridge Board of Trustees by act of Congress approved June 10, 1930, heretofore extended by an act of Congress approved February 20, 1931, are hereby further extended one and three years, respectively, from June 10, 1932.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to; and the bill was ordered to be engrossed and read a third time.

The bill was read the third time and passed.

AGRICULTURAL RELIEF

Mr. HOWELL. Mr. President, less than two months from now the great political parties will select their standard bearers to present the party records and party promises to the people for another decision at the polls.

If that accounting were made now instead of next November, what would be the record? To answer that question, as the voters will demand that it be answered, we must recall what promises were made to the voters four years ago, and determine whether those promises have been fulfilled.

Four years ago the Republican Party and the Democratic Party made solemn promises to the American farmers. Have these promises been fulfilled? Let us see.

The Republican platform promised agriculture equality with industry. I read from its 1928 platform:

The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industries to insure its prosperity and success.

Now, I read the following extracts from the platform of the Democratic Party:

Producers of crops whose total volume exceeds the needs of the domestic market must continue at a disadvantage until the Government shall intervene as seriously and as effectively in behalf of the farmer as it has intervened in behalf of labor and industry. There is a need of supplemental legislation for the control and orderly handling of agricultural surpluses in order that the price of the surplus may not determine the price of the whole crop. Labor has benefited by collective bargaining and some industries by the tariff; agriculture must be as effectively aided.

The Democratic Party in its 1924 platform pledged its support to such legislation. It now reaffirms that stand and pledges the united efforts of the legislative and executive branches of government, as far as may be controlled by the party, to the immediate enactment of such legislation, and to such other steps as are necessary to place and maintain the purchasing power of farm products and the complete economic equality of agriculture.

Mr. President, as one method to give this equality to agriculture, the Democratic platform pledged the party to an enactment as follows:

We pledge the party to an earnest endeavor to solve this problem of the distribution of the cost of dealing with crop surpluses over the marketed units of the crop whose producers are benefited by such assistance.

This means the equalization-fee plan.

I continue the quotation:

The solution of this problem would avoid Government subsidy to which the Democratic Party has always been opposed. The solution of this problem will be a prime and immediate concern of a Democratic administration.

Mr. President, can anyone seriously contend that these promises have been fulfilled? As a matter of fact, no one will contend that agriculture has been placed on a basis of equality with other industries. I have at hand the April 1 issue of "The Agricultural Situation," published by the United States Department of Agriculture, which shows that the level of farm prices is approximately 60 per cent of the pre-war level, while the level of prices of products purchased by farmers is approximately 120 per cent of the pre-war level, thus giving agriculture a purchasing power of only 50 per cent. The farmer's dollar therefore is worth only 50 cents in exchange for the industrial commodities which he purchases. Is there any equality in this situation?

I call attention further to the fact that this inequality is much worse now than it was in 1928 when these promises of equality were made. This same bulletin of the Department of Agriculture shows that the purchasing power of the farmer's dollar in 1928 was 90 compared with 50 now. In other words, the inequality of agriculture with industry as expressed by the ratio between the two price levels has widened 40 points. It has reached a state that is well-nigh intolerable.

Yet what has Congress done about it? What steps have been taken by this Congress to remedy this situation? Congress has been here nearly five months, with power to ameliorate the situation and remove at least to a degree this inequality, and yet nothing has been done except to hear the pleas of the spokesmen for the farmers beseeching Congress to come to agriculture's relief. Is anything to be done? If so, there is no time to lose. Little more than a month remains of this session. Moreover, if Congress does not act it can not avoid the definite charge that it has not had the will to act. We must not go before the country subject to such an indictment. Something must be done—and done at once.

CALL OF THE ROLL

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PATTERSON in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Hull	Pittman
Austin	Couzens	Johnson	Reed
Bailey	Cutting	Jones	Robinson, Ark.
Bankhead	Dale	Kean	Robinson, Ind.
Barbour	Dickinson	Kendrick	Schall
Barkley	Dill	Keyes	Sheppard
Bingham	Fess	King	Shipstead
Black	Fletcher	La Follette	Shortridge
Blaine	Frazier	Lewis	Smoot
Borah	George	Logan	Steiwer
Bratton	Glass	McGill	Stephens
Broussard	Glenn	McKellar	Thomas, Idaho
Bulkley	Goldsborough	McNary	Thomas, Okla.
Bulow	Gore	Metcalf	Townsend
Byrnes	Hale	Morrison	Trammell
Capper	Harrison	Moses	Tydings
Caraway	Hastings	Neely	Vandenberg
Carey	Hatfield	Norbeck	Wagner
Cohen	Hawes	Norris	Walcott
Connally	Hayden	Nye	Walsh, Mass.
Coolidge	Hebert	Oddie	Watson
Copeland	Howell	Patterson	White

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199) reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

The VICE PRESIDENT. The question is on agreeing to the resolution.

Mr. HASTINGS obtained the floor.

Mr. NORRIS. Mr. President, does the Senator from Delaware particularly desire to speak now?

Mr. HASTINGS. No; I am perfectly willing that the Senator from Nebraska shall proceed, if he desires to do so.

Mr. NORRIS. I thank the Senator.

The VICE PRESIDENT. The Chair recognizes the Senator from Nebraska.

Mr. NORRIS. Mr. President, it is always an unpleasant task that confronts the Members of the Senate when they are compelled to vote on a question like that which is now presented to us. As I look at it, however, such a question goes away beyond any personality. I agree most heartily with the Senator from Alabama [Mr. Bankhead] when he said, in substance, that we ought to pass upon a question of this kind as a judge would pass on it in a court of justice. Personal friendship and personal feeling must be cast aside. I think the question ought to be considered in an absolutely nonpartisan manner. It is one time when consideration of partisanship—even agreeing, for the sake of the argument, that such questions have their places—ought to be eliminated.

The Senate acts in a judicial capacity when it is passing on the right of some one to a seat in the body, if it ever acts in such a capacity. As I look at it, we are sitting as a court—as a supreme court—rendering a judgment that is final, a judgment from which there is no appeal. We must act upon our several responsibilities as members of that court. We are only human and, of course, being human, are liable to err. We know that we will disagree often upon questions of the most vital importance.

As I look at the question, it is similar to the question which the Senate passed upon in the so-called Vare case, from Pennsylvania, and in the Smith case, from Illinois. In those cases it was conceded that Mr. Vare and Mr. Smith had been elected at the general election. We rejected them, however, on account of irregularities occurring in the primaries. The legal question was then raised whether we had any right to consider the primaries. It was claimed, on the one hand, that the election was final unless there was fraud in the election itself. It was said that, even conceding the irregularities in the primaries and the use of immense sums of money, all those things were exposed before the election; that the electorate knew all about them; and that, in face of the facts, they elected Mr. Smith and Mr. Vare.

I am not disputing but that there is some reason in that argument; and if we can not go back to the primary, that argument must prevail; but some of us believed that the primary, regardless of what may have been said by courts, was an integral part of the election, and we took judicial notice of the fact that in Pennsylvania and in Illinois the primary was the real deciding contest, more important than the election itself. So, as we looked at it, at least, it was no argument to say that Mr. Vare was elected in Pennsylvania, because we said, "If you control the primary in Pennsylvania, you have thereby controlled the election; and it will take a political revolution in a State like Pennsylvania to overthrow the result of the primary." We relied upon section 5, article 1 of the Constitution, which reads as follows:

Each House shall be the judge of the elections, returns, and qualifications of its own Members.

That provision of the Constitution of the United States means that the Senate is the judge—the sole judge, the final judge—of the qualifications of every man who seeks admittance into this Chamber as a Member. So we claimed not only have we the right but we are confronted with the responsibility to act. If we want to keep the Senate above suspicion, if we want a Senate that is untrammeled and uncoerced by outside influences, if we want the Senate to be composed of Members who are under no obligations outside of the Senate so far as their duties here are concerned, then it is up to us to face that responsibility and to act accordingly.

I believed then and I believe now that our position was perfectly logical; and not only that, but that we would have been derelict in our duty had we not faced the responsibility. We must not forget, Mr. President, that a government such as ours is supposed to be founded upon the consent of the governed, and that if we coerce the electorate, if we wrongfully influence the voter, no matter what the means or the methods may be, we are striking at the very foundation of free government. It was no answer to say that Mr. Vare and Mr. Smith were honest, upright, patriotic men. Even if we should concede, for the sake of the argument, that if they had been seated their official duties and work would have been untainted and unquestioned, we were, nevertheless, as we looked at it, establishing a precedent under which, if carried to its logical conclusion, the highest legislative body in the Government would have gradually drifted to anarchy; and if the theory were carried to its logical conclusion, our Government would necessarily have to fail.

So we are confronted here with a fundamental principle of free government. It is not my intention to cast any aspersions upon any of the candidates in this contest, or even to suggest that the committee that has had charge of the contest has been improperly influenced. I want to concede, to begin with, that so far as I know everybody has been acting in good faith.

Being a supreme court in matters of this kind, we can not escape the responsibility of our decision. We ought, I think, to pay due respect to the decisions of our State courts and our Federal courts. We ought particularly to follow, if we can, the courts of Alabama so far as the election machinery of that State is concerned. Nevertheless, not one of those decisions is conclusive upon our action or is binding upon us.

They ought to be persuasive; we ought to follow them, if we can; we ought to place ourselves in the same position as though we were members of the Supreme Court of the United States or of a State court, where presented in the argument perhaps there would be conflicting decisions, and all of them could not be followed; or if there were only one line of decisions, if we thought it were violative of the fundamental principles of our Government, if it were not applicable to the present day and present civilization, we ought not to hesitate to overrule it, because all judges, as well as all men, are human; and if no decision had ever been modified, if no decision of any court had ever been overruled,

we should be a century behind where we are now in our position in the civilized world.

If there were no legislatures, and the law were made only by decisions of the courts, yet as human progress goes onward, as civilization increases, as intelligence and education of men and women become better and more universal, we will find that the decisions of one age will not apply to the civilization of another. That is the history of our common law as it has grown up through many years of decisions; but the decision of 100 years ago may not apply to the civilization of to-day. The law that would rule in a country that was unorganized, uneducated, uncivilized, would not be sufficient if applied to a high state of civilization.

With these preliminary remarks, Mr. President, I desire to consider as nearly as I can, and as well as I am able, what to me is the vital legal proposition involved in this contest; and it is not without difficulty. I concede, to begin with, that there is room for difference of belief and of judgment and of decision. Nevertheless, I believe that as I proceed I shall be able to convince those who will follow me that the weight of authority, and the reason for the judgment that I am going to reach, come from a proper construction in the light of the present day and age of the decisions that have been rendered even in Alabama.

Section 612 of the Code of Alabama reads as follows. It is headed:

612. (521) Who may vote in the primary election: All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidate.

Remember, "for its candidate."

Reading again from the same section:

The State executive committee may delegate to the several county executive committees the power to prescribe the qualifications of voters in any primary election for the nomination of candidates for offices to be filled by the vote of a single county.

Mr. HASTINGS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. NORRIS. I yield.

Mr. HASTINGS. I should like to call the attention of the Senator to the fact that those words, "for its candidate," were written into the law in the year 1919, so as to make certain that the primary could be held at public expense.

Mr. NORRIS. Yes. I thank the Senator for his suggestion.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. NORRIS. Yes.

Mr. BORAH. I should like to ask the Senator from Delaware what difference that makes as to the construction of the statute.

Mr. HASTINGS. The words "for its candidate" must have been put in there for some purpose, and that is the reason why I called attention to the matter.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. I do.

Mr. DILL. Was not that purpose so that the primary expenses would be paid at public expense?

Mr. NORRIS. Section 672 of the Alabama Code reads as follows:

672. Assessments and qualifications of candidates; how fixed: Any executive committee of a party may fix assessments or other qualifications as it may deem necessary for persons desiring to become candidates for nomination to office at a primary election; but no assessment shall be made by a committee for any county having by the last or a future census a population of less than 45,000, and in larger counties such assessment shall not exceed 2 per cent of one year's emolument of the office sought, and for unremunerative or party office it shall not exceed $10 for one filled by the vote of a single county, and if filled by the vote of a subdivision greater than one county not over $20, and if filled by the vote of the whole State it shall not exceed $50.

I have read the entire section, but, of course, only a small part of it applies to this particular case. I want to read that part again:

Any executive committee of a party may fix assessments or other qualifications as it may deem necessary for persons desiring to become candidates—

This applies to candidates. Remember, the section I read before refers to persons who can vote, and that section says:

All persons who are qualified electors under the general election laws of this State shall have the right to participate in such primary elections, subject to such political or other qualifications as may be prescribed by the State executive committee or governing body of such political party for its candidate.

In pursuance of that law the Democratic executive committee adopted the following regulation:

Be it resolved—

1. That a primary election be, and the same is hereby, called to be held at the several polling places in this State, at the hours fixed by law, on the second Tuesday in August, 1930, for the nomination of Democratic candidates for offices to be filled in the general election next succeeding and that the candidates of the Democratic Party for all State, district, circuit, Federal, and county offices to be filled in the general election to be held in November, 1930, be nominated in the primary election to be held on the second Tuesday in August, 1930, under the provisions of the statutes of Alabama governing primary elections.

2. That the following persons shall be entitled to vote in said election and none other, namely:

Qualified white electors of this State who believe in the principles of the Democratic Party and who agree and bind themselves by participating in said primary to abide by the results of said primary election, and to support the nominees of the Democratic Party therein.

3. The following persons, and none other, shall be eligible to be candidates for nomination in this primary, namely:

Qualified white electors who possess the qualifications fixed by law by the respective offices for which they are candidates for nomination: *Provided, however*, That no person shall become a candidate for any State, district, Federal, or circuit office or have his or her name printed upon the Democratic ballot in the primary election to be held on the 12th day of August, 1930, if such person either voted a Republican presidential ticket in November, 1928, or openly or publicly opposed the election of the nominees, or either of them, of the Democratic convention held at Houston, Tex., in 1928, or who opposed the election of Democratic electors for President or Vice President in November, 1928. Such proposed candidates shall also be required to pay the assessment fixed by this committee on or before the date limited for paying such assessment and for the filing of declaration of their candidacy.

4. That candidates for nomination for all of said offices, except as herein provided for, shall within such time as may be specified by this committee file with the chairman of the State Democratic executive committee a declaration of candidacy as follows:

I hereby declare myself to be a candidate for the Democratic nomination in the primary election to be held on the second Tuesday of August, 1930, for the office of ———.

I hereby certify that I did not vote a Republican presidential ticket in November, 1928, or openly and publicly oppose the election of the nominees of the Democratic Party or either of them, and that I did not oppose the election of the Democratic electors for President or Vice President in November, 1928.

I further agree to abide by the result of the primary election in which I am a candidate and to support the nominee of the Democratic Party in such election. I further certify that I am a qualified white elector of the State of Alabama and possess qualifications fixed by law for the office for which I am a candidate.

It will be observed that this committee, by these rules and regulations, fixed a different qualification for a candidate at that primary from that which they fixed for an elector at that primary. There can be no dispute about that. In other words, the elector, the person who wanted to vote, had to have certain qualifications; but the candidate had to have certain other qualifications, different from those of the elector.

It was contended that under the law which I have quoted the committee had no authority to fix one qualification for the voter in the primary and a different qualification for the candidate. That was the question at issue; and an attempt was made to take it into court and get a judicial construction of it. I do not care now to reread these sections; but Senators, I think, will have no difficulty in reaching the conclusion that there are two sets of qualifications in the regulations.

I do not believe that a fair construction of the statute will lead to any other conclusion than that the committee was by the law deprived of the right of prescribing different qualifications for candidates and for electors.

An action was commenced by Mr. Wilkinson, who was Senator Heflin's attorney. That action was an application for an injunction restraining the officials of a county from paying the expenses of the primary of 1930, alleging that the primary was illegal and void. It was commenced against the proper officials of the county. The circuit court before which the action was commenced denied the plantiff's application by sustaining a demurrer and dismissing the case, on the ground that the court had no jurisdiction.

The case went to the supreme court, was argued there, and the supreme court affirmed the decision of the lower court, entirely and solely on the ground that the court below had no jurisdiction. Even though the attorneys for both sides asked the court to consider the merits, the majority of the court refused to do so, saying that if they had no jurisdiction, they had no right to consider the case, and that they would examine that question first.

They went at length into a discussion of the law and the precedents to determine whether they had jurisdiction to issue an injunction in this kind of a case, and they decided that, under the law of Alabama, they had no such right. Hence they never touched the merits of the question. They did not refer to them anywhere, in any way, except to say they had been asked by both sides to pass upon the merits, but that they declined to do so because they thought they had no jurisdiction, and that it would be useless for them to go into the merits. So that, as far as the majority of the court was concerned, they never considered any of the questions which are involved here before us. They never considered the question as to whether this was a lawful primary or an illegal primary, that being the only question involved, as far as the merits of the case were concerned.

One member of the court, Judge Thomas, dissented, did not agree with a majority of the court; but found, upon an examination, that the court did have jurisdiction, and hence, finding that the court did have jurisdiction, he went into the merits of the case. So that while the discussion of the merits took place entirely in this so-called dissenting opinion, there is nothing in the dissenting opinion, so far as this case before us is concerned, that was questioned in any degree by any other member of the court in that case.

Judge Thomas, after finding that the court had jurisdiction, delivered quite an elaborate opinion. A good deal of it is taken up with the question of jurisdiction. He discusses the jurisdictional question at greater length than the majority of the court does and reaches a different conclusion, as I have said.

Right at the beginning Judge Thomas said:

> The importance of the question presented for decision justifies a further expression of opinion to that which has been said. The matter would have been simple had the State executive committee only followed the clearly expressed mandate of sections 612 and 672 of the code, and prescribed like qualifications for electors and candidates. The duty of this court in the premises is merely to follow the law and declare its application upon the resolutions as to the rights of qualified electors and candidates.

After discussing the jurisdictional question, and coming to the merits of the case, Judge Thomas said, after reviewing the facts as I have, quoting the law:

> Certain corollaries may be deduced from the statutes and decisions as: (1) That primary elections held in this State at public expense must be called and held in substantial compliance with organic and statutory law. (2) That executive committees of political parties have the right to declare political or other qualifications and tests of loyalty and affiliation for electors and candidates alike, and not different or double qualifications.

Further on the judge said:

> (4) It is the legislative intent that, as to affiliation and party loyalty, all electors may become candidates, and all candidates may be electors. (5) That it is the purpose and reasonable interpretation of sections 612, 672 of the code—

The ones I have read—

> as a part of that important system, when construed together, not to authorize a test or qualification by the committee that was inapt, unreasonable, and arbitrary to party loyalty and affiliation as to a candidate that is not likewise applied to an elector, or vice versa.

Mr. HATFIELD. Mr. President, that was a dissenting opinion, was it not?

Mr. NORRIS. Yes. It is the only opinion, however, in this case passing upon the merits presented to us. All the other judges held that they had no jurisdiction, without considering the merits. I pause longer to say that in this case no judge, by intimation or express terms or otherwise, has found any fault with the judgment of Judge Thomas in his dissenting opinion. So that at least we must reach the conclusion that, as far as the Supreme Court of Alabama is concerned, but one judge has expressed an opinion upon the merits or the legality of the primary, and that was the judge from whose opinion I am now reading.

Mr. BLAINE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BLAINE. Does the statement the Senator just made apply only to the Wilkinson case, or does it apply also to the Lett against Dennis case?

Mr. NORRIS. The Lett case, I think, does not controvert the opinion rendered by the judge in this case, although there is a difference of opinion as to that. I have not yet come to the Lett case.

Mr. BLAINE. The Senator expects to discuss that case?

Mr. NORRIS. Yes; somewhat.

Mr. BLAINE. Judge Thomas concurred with the majority opinion in the Lett case.

Mr. NORRIS. Yes.

Mr. BLAINE. In which the court held, in effect, that the executive committee of a party could fix the qualifications of a candidate.

Mr. NORRIS. Yes. I prefer not to go into that until I get to it.

Mr. BLAINE. I am not asking the Senator to go into it now.

Mr. NORRIS. I contend that there is nothing in the Lett case which conflicts with the dissenting opinion in the Wilkinson case. Let me read further:

> The Constitution leaves the matter of domestic regulation and control to the legislature, with the power of reasonable regulation, and the legislature left it to the governing body of the party, after expressly declaring that electors and candidates be subject to and may participate in the primary under the same and like political or other qualifications. (7) The only interpretation of sections 612, 672, code, that is reasonable is that contained in its plain and simple language—that the same tests of party loyalty and affiliation be prescribed for party electors and for party candidates. This uniformity the resolution in question failed to provide as it should have done. (8) The legislature required this discharge of duty of the party's committee, if it decides, and is to hold a party primary at public expense. (9) The law exacts of this court the construction of the law as duly enacted, and I conceive it my duty to do so as to these statutes and the resolution in question.

Further on he said:

> It follows from this material departure in the resolution from the requirements of law that the primary election called is not the kind of a primary that may be held under the law and at public expense in the State of Alabama. The right of payment therefor from public funds is a matter of public concern that may be duly challenged by the taxpayer's bill on the ground of failure in material respects to comply with the statute in the primary called.

Mr. President, up to that time, as far as any judicial opinion has been expressed by the Supreme Court of Alabama, or any other court in Alabama, so far as I know, we have only the opinion of this judge, who, in so many words, says that the primary was null and void under the law of Alabama.

The Senator from Wisconsin [Mr. BLAINE] refers to what is known as the Lett case, and it has been referred to by other Senators. I concede, to begin with, that there is some difficulty in harmonizing the Lett case with the case from which I have been reading, although it in no respect refers to this decision, and the opinion in the Lett case was concurred in by the judge who wrote the opinion from which I have just been reading, and who said, in the little note at the end, that he concurred in the result. He said in so many words that he concurred in the result, and then referred to the case from which I have been reading as a place where

the reader could find his opinion upon the law expressed at length.

The Lett case was a quarrel which went up from the Republican Party. Not many of us knew there was a Republican Party down in Alabama, but it seems there was one. I suppose there are two or three officers down there holding Federal jobs, anyway. I read a statement of the case:

The Chilton County Republican executive committee called a primary election to be held "with the State primary election on August 12, 1930." In the call resolution all qualified voters, regardless of past party affiliations and who believe in the principles of the Republican Party and pledge themselves to support the nominees of such party in the primary, were invited to participate. But as to one desiring to become a candidate, there was an additional requirement that he state "under oath how he or she voted in the last general election of 1928—that is, whether said proposed candidate supported the Republican ticket or the Democratic ticket or voted a split ticket." This oath was required to be filed with the chairman and kept on file open to inspection, as well as published in a newspaper published in said county.

I wish Senators would remember that because of one construction put upon the action of the court in this case and of the Republican committee, as already alluded to by the Senator from Delaware. Senators will notice that there is nothing in this requirement to the effect that one who did not support the ticket could not become a candidate, but in order to become a candidate he must take an oath, and that oath must be filed and published in the newspapers. So it is fair to say, I think, that if the candidate who refused to take the oath had taken the oath, he would have had no further difficulty. In other words, the object of this was to acquaint the voter with the partisan activities of the candidate to show whether he had always been loyal, always supported the ticket, or whether he had not, so as to let the partisan Republican who wanted to vote against any man who had not always during his lifetime supported the straight ticket, yellow dog and all, have the information upon which he could act. But this man refused to file the oath and then commenced a mandamus action. The court said:

M. F. Lett desired to become a candidate in said primary for the office of member of the board of education of Chilton County, and complied with all requirements of said executive committee as to such candidacy save one. He declined to make the oath above outlined. For his declination to conform with this requirement the chairman refused to certify his name as a candidate for said office, and this mandamus proceeding was resorted to for the purpose of compelling such certification.

This man was a candidate. The court denied the mandamus action. I want to invite attention to what the judge said who wrote the opinion. The opinion was written by Judge Gardner, of the Alabama Supreme Court:

We have concluded the standard of qualification for the candidate is properly and legally fixed by the resolution, and petitioner's argument would but result in an enlargement by operation of law of the qualification of those not candidates. With this he is not concerned, and is therefore in no position to question, as it would not affect the requirements of the resolution as to himself. His rights are to be determined by the fixed standard as to candidates, and the only statutory provision applicable thereto is section 672 of the code.

In other words, the court declined to take up the other section of the code which requires the committee to fix the same qualifications for candidates that it does for electors, and said to this man who applied for a mandamus writ, "You are in court as a candidate claiming a writ as a candidate. You are claiming under this very statute. It is nothing to you as to what the other section referred to in the other case says."

Judge Thomas, the judge who wrote the first opinion from which I have quoted, added this to the opinion:

I concur in much that Judge Gardner has said, yet I prefer to limit my concurrence to the result. I have heretofore adverted to the construction that should be given or the meaning of sections 612, 672 of the code, and find no necessity to repeat the same.

Then he refers to the case from which I first read. So the judge who wrote the first dissenting opinion evidently, at least, reached the conclusion that there was no conflict between his opinion and the opinion of the court in the Lett case, the last one from which I have read.

Now, Mr. President and Senators, if there be, as I concede there is, among lawyers here who are just as conscientious about it as I am, some disagreement as to whether the cases are at all in conflict, then it is up to us, it seems to me, as the supreme and final court, to follow, if we want to follow, as we ought to follow as nearly as we can, the decisions of the Alabama court, the course that seems to us under all the circumstances reasonable and proper. When we come to that, what kind of authority is given by the Alabama statute to the executive committee of a political party? To my mind the statute gives to the party committee, the executive committee of a political party, not holding any office, not acting under any oath of office, being responsible not to the State, but responsible only to a political party, the absolute right, when we follow it down to its logical conclusion, and the absolute power to say to the voters of Alabama who their candidate shall be, and to deprive the electorate, if they so wish, of the right to act and to vote freely and openly for candidates of their choice.

We will recognize here, I take it, that the Democratic nomination in Alabama is equivalent to election, the same as we recognized in the Vare case that the Republican nomination in Pennsylvania was equivalent to election. So when we have three men selected not by any official and not by anyone who holds an office or who is responsible to the people or the State or the county and who themselves are likewise not responsible to any official or organization or State or district or county, and when we give to that kind of a committee the absolute authority to say who can be a candidate and who can not, we have made a thrust at the very cornerstone of representative government. Carried to its logical conclusion, if spread over the country and this authority exercised, it would mean that our Republic would disappear from the earth and upon its ruins would stand a monarchy, a government not responsible to the people, a government absolutely contrary to the one which we cherish and which we claim is one that exists by virtue of the consent and approval of the people; because by that action we would have taken away from the people the right to select their own rulers. There is no doubt about that. There can be no doubt about it.

That same committee of three men, if they wanted to keep anyone off the ballot, no matter who he might be, under that authority could find some reason to do it. They could compel the man to make affidavit, and refuse him the right to run for office if he had declined to vote for a road supervisor. They could put any other qualification of that kind upon him. Their power would be practically unlimited in that respect, and they could absolutely deprive the people of an opportunity to vote in a Democratic primary for anyone that the committee desired to keep out of the primary. I do not believe anybody can dispute that.

It is conceded, I think, that a party has the right to regulate its affairs within reasonable limits. I have an idea that the line of reason in Alabama would be extended much further than it is in some of the States. But when we say to a committee in a free Republic, an unauthorized committee—I mean a committee holding no office, holding no authority from the people—when we confer upon that kind of a committee the right to say who can be candidates and who can not, we are upon the verge of the destruction of our democratic form of government.

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Georgia?

Mr. NORRIS. I yield.

Mr. GEORGE. Let me remind the Senator that the committee is elected by the people in the same primary election, and the committee, until the next primary is held, of course, is comprised of the actual officers in charge of party affairs; but this committee is elected by the people voting in the primary at each election.

Mr. NORRIS. And that same committee, I take it, though they have not done it here, would have authority to fix the qualifications of anybody who ran as successors of the members of the committee. If they wanted to per-

petuate themselves or their kind, they could prescribe qualifications that would shut out of the primary anybody who was competing for the position of committeeman, I take it, under this statute.

Mr. GEORGE. I want to make this suggestion to the Senator. If he can imagine any reasonable qualification which could be prescribed that would admit only the present committeemen to run to succeed themselves, I would be very glad to have the Senator do it.

Mr. NORRIS. I think I can easily imagine it. I remember in one of our great cities where a Republican committee was organized about 10 or 15 or 20 years prior to the time of which I speak, and there never had been anybody taken off the committee, nobody ever added to it except by the committee itself. It was finally discovered that they were selecting delegates to the State convention regularly without the intervention of the county convention or a primary. This committee, if they wanted to do what the Senator thinks never would happen, if they wanted to perpetuate themselves in office, could see that the candidates whom they would admit as candidates were men for whom nobody would vote. They could go to the jails and the prisons and get men there to become candidates and prescribe rules that would keep out all decent men.

Mr. GEORGE. I want to say to the Senator that I do not conceive that under the Alabama statute or any other statute any committee could prescribe other than a reasonable regulation, and therefore I wanted the Senator to understand my position on this point.

Mr. NORRIS. I am glad to get it. I recognize that some of the Senator's colleagues on the committee take the same attitude; in other words, that under this law the rule would have to be reasonable. Let us concede that for the sake of argument and see where it leads us. I propounded to the Senator from New Mexico [Mr. BRATTON] this proposition when he was arguing the question. I said, "Suppose the committee established a rule that would prohibit anybody from being a candidate who has not voted for every Democratic candidate in the preceding election, including road overseer, and a man would say, 'I voted for everybody from President down, but when I got down to road overseer I did not vote for him.' Suppose they fixed a qualification that would prevent that kind of a man from becoming a candidate in the primary, would that be reasonable?"

The Senator from New Mexico said he thought it would, but some other people would think it would be unreasonable probably. So we are approaching the field of no limitation. We would come to the proposition of what is reasonable and what is unreasonable. To my mind the whole thing is unreasonable.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. I yield.

Mr. DILL. I want to ask the Senator whether he bases his contention that the primary is illegal, and therefore that Mr. Bankhead could not be seated, upon the law of Alabama or upon the action of the committee under the law?

Mr. NORRIS. The action of the committee under the law I take it would of course be a part of the law. I think the action of the committee, as the judge in Alabama said, was null and void and hence the primary was illegal.

Mr. DILL. The Senator has been arguing against the law.

Mr. NORRIS. I know I have.

Mr. DILL. And I wanted to get the Senator's view, whether he thought that law made the primary illegal?

Mr. NORRIS. No; I am not trying to convey that idea. This is the conclusion I want to draw, that the law is such an unreasonable one that we ought, as judges here, to construe it strictly; in other words, we ought not to be lenient and engraft on it, by construction, additional powers that are not in it, because I think the law is already unreasonable.

Mr. DILL. Does not the Senator think that is stretching the right of Senators in determining the qualifications of candidates a long way, especially when taken in the light of the other provisions of the Constitution which give each State the right to select its Senators and to have them here as its representatives?

Mr. NORRIS. That same argument was made in the Vare case; it has been made in every contested-election case where a man has been put out of the Senate. It was said that the Constitution provides that each State is entitled to two Senators. That is true; but the courts have held that if by their own acts or by their own laws States disqualify themselves it is up to them and it is not the fault of the Senate.

Mr. DILL. But does not the Senator see the difference between the action of a committee as the result of a law, which he thinks is bad, and the moral taint that attaches to the use of sums of money so great as to constitute an act in itself corrupt?

Mr. NORRIS. Mr. President, in the Vare case there was no evidence that anybody had been personally bribed to vote for Mr. Vare; there was no evidence in the Smith case that anybody had actually sold his vote to Smith; but the Senate assumed that the expenditure of the vast sums of money involved was corrupt in itself, and disqualified the candidate who was the beneficiary of such expenditure. That was our judgment, as I understand. There was no direct proof of the bribing of individuals or anything of that kind. We assumed, as I think we ought to and as I think we had to, that the expenditure of such vast sums of money was in itself a corruption of the electorate and disqualified the man for whom the money was spent; hence we held he could not be seated.

Mr. GEORGE. Mr. President, on that point——

Mr. NORRIS. Allow me to finish answering the question, and then I shall yield to the Senator from Georgia.

Mr. GEORGE. I merely wanted to ask the Senator then if in both cases we did not have in mind moral corruption, not legal corruption.

Mr. NORRIS. Nobody that I know of said there was legal corruption, because in order to convict John Doe of selling his vote or John Smith of buying a vote there would have to be concrete evidence of that concrete fact.

Mr. GEORGE. The Senator from Nebraska is a very able and a very fair Senator, and I want to ask him the direct question if we did not proceed in the Smith and Vare cases on the distinct premise that there was moral corruption involved and necessarily inferable from the use of money?

Mr. NORRIS. I think that would be a proper conclusion; I do not doubt that at all.

Mr. GEORGE. I merely wanted to suggest that to the Senator in order to see if we were in agreement on it.

Mr. NORRIS. I have not any doubt whatever about it.

I want to answer, if I have not forgotten it, the question propounded by the Senator from Washington [Mr. DILL], whether I can see any difference between this kind of a primary and the kind of primary that nominated Mr. Vare. I want to say that, in my judgment, the kind of primary which the Alabama law provides the State committee could hold—whether it was done in this case or not I am not saying—would lead to the condition where the corruption made possible would be worse than that arising from the spending of money.

What would happen? The tyrant who gets upon the throne may, even during his life, be the best man on earth. His successor, however, will grasp a little more power, and a little more will be grasped by the next man, until tyranny follows. It is a principle recognized by all students of government that a democracy sometimes is expensive and inefficient because it makes mistakes, and that, perhaps, the most efficient government in the world is an absolute monarchy. History shows, however, and our knowledge of human nature convinces us, that in time an absolute monarchy becomes corrupt. I am talking now about what would happen if there were continued to be carried on the kind of primary which may be held in Alabama under the laws of that State. The first three men selected might be perfectly pure. I do not know about the Alabama State committee; so far as I know they were all right; I am not making any personal

charge against them. The next man would be a little worse, and the next would take advantage to keep somebody out. Eventually we should have an autocracy that would be worse than a government such as would be the result of the buying of votes and the expenditure of millions of dollars, as was done in the primaries in Pennsylvania and in Illinois. We would reach the same point. It would be reached by the use of money in the one case, and in the other, while the money would probably be there it would be money that would control a committee, almost invisible in its power, almost unlimited in its influence.

So I feel, when we have to consider that kind of a law and that kind of a primary, that we are justified in being technical, if we have an opportunity to do so, and saying that by no construction will we reach out and give this kind of a committee more power, because eventually it will mean destruction, just as surely as the sun rises in the East.

Mr. President, there is a great difference of opinion about party loyalty. I am not criticizing the man who does not agree with me; it will be considered probably by most people that I am extreme on one side of that question, and perhaps I am. For argument's sake, let us admit it. I do concede that a party has the right, within reasonable limitations, to regulate itself; but I do not believe any party ought to have the power to do what the Alabama law gives the committee the right there to do. In other words, that is a State where a Democratic nomination means the election; it is the election; it is the real test as to who is going to be Senator or governor or Member of the House of Representatives, and so on down through the list. It is the primary that settles the question; and if one controls the primary he thereby, through that instrumentality, controls the election.

Take this case. It was generally stated in the newspapers, although it is claimed in defense now that similar action was taken previously as affecting other candidates as well as Heflin, it was spread all over the country at the time this happened that the committee in Alabama had read Senator Heflin out of the Democratic Party in Alabama; that they were not going to let him run; and that is what they did by this regulation. To my mind, it is no defense to say that they did the same thing with some other candidate in 1922 or in 1926. It shows that they are traveling along. The next regulation they make will probably require a man to swear that he not only supported the Democratic ticket from President to road overseer at the last presidential election but that he did so four years before that time, and then four years prior to that time; and the next one will provide that in order to be a candidate one's father must have belonged to the Democratic Party. There is not any limit to it. And such a regulation would be more reasonable than one providing that a person could not run if he had not voted for road overseer on the Democratic ticket. To my mind, it is perfectly foolish to say that a man ought to be kept out of any particular party because he did not vote for road overseer or assessor or tax collector or candidate for any other office on a certain ticket. That is carrying it to the extreme.

Is there any Senator who has been here during the last six years who doubts for a moment that Senator Heflin is a Democrat? There is not a Senator here who doubts it. Most of us on this side did not agree with him at all; he was a bitter partisan Democrat; but from a party standpoint he was as good a Democrat as there was in the United States. He has fought Democratic battles all over the United States, and the Democrats were glad to get him to assist them; but, for some reason, the machine did not want him to stay in the Senate, and so they had the committee in Alabama adopt a resolution providing that nobody could be a candidate in the Democratic primary in Alabama unless he supported the Democratic candidate for President at the last election.

Mr. President, speaking now in rather general terms, I think it is appropriate to say here that according to my notion—and I believe the country will come to it some day—there is only one way to settle the party affiliation of an individual, and that is to take his own statement. Why should any man who has been a Republican all his life not be able, if he wants to, to go over into the Democratic Party to-morrow? What happens in the elections? Both parties go out and plead with the independent voters to vote their ticket, to vote for their candidate. If they are practicing what they preach, if they want to be consistent, they ought to say down in Alabama that no man who can not show that he has been a Democrat and his father before him a Democrat, and that he is going to be a Democrat as long as he lives, shall vote for Democratic candidates.

It is to the independent voter of this country that we owe every step of progress which we have ever made. What would the contention of the other side lead us to? What would be the use of having candidates and primaries? None whatever. All we would have to do would be to hold an election and have on the official ballot the designation "Democratic ticket," "Republican ticket," and any other ticket that might want to get on the ballot, the citizen to vote one or the other; and when all was over, if a majority of people had voted for the Democratic ticket, then let the Democratic committee select the Democratic officers. Why is not that just the same? Why is not that logical? Why is not that what we are coming to if no man dare scratch his ticket without being deprived of one of the sacred rights of citizenship?

I want to say to you, Mr. President, that the doctrine that a man ought to be punished because he will not vote a "straight" ticket is undemocratic; it is monarchial; it means, in the end, the destruction of human liberty, and you can not get away from it.

We have in the White House a man who, while holding an office under a Democratic President, and campaigning for the election of Democratic officials all over the country, almost overnight went over into the Republican Party. Did he not have a right to do that? Has anybody questioned it? Would you deprive him of his right to vote because he did it? If the election laws were in the hands of a partisan committee, he would not have been allowed to vote. He would not have been allowed to become a candidate. As one of my colleagues says, he could not have become the great leader that he has become. He could not have led us into the bright field and fortunate condition of universal happiness and prosperity as he has. [Laughter.]

Mr. President, the evils of this party spirit are not imaginary. They are real. Great men before our time have been impressed with them. I want to read you what George Washington said, not when he was running for office but in the maturity of his age, after our country had been founded, after the Constitution had been adopted, after he had served for eight years as President of the United States, in the maturity of his experience. I want to read you what he said in that memorable Farewell Address to the American people about the spirit of party. He said:

> I have already intimated to you the danger of parties in the State, with particular reference to the founding of them on geographical discriminations. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.
>
> This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind. It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness and is truly their worst enemy.

He is speaking of the party spirit.

> The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result gradually incline the minds of men to seek security and repose in the absolute power of an individual, and sooner or later the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purposes of his own elevation on the ruins of public liberty.
>
> Without looking forward to an extremity of this kind (which nevertheless ought not to be entirely out of sight), the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.
>
> It serves always to distract the public councils and enfeeble the public administration. It agitates the community with ill-founded

jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which find a facilitated access to the Government itself through the channels of party passion. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency it is certain there will always be enough of that spirit for every salutary purpose; and there being constant danger of excess, the effort ought to be by force of public opinion to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent its bursting into a flame, lest, instead of warming, it should consume.

Mr. President, I believe that if our Government is to be perpetuated and continued, the words of George Washington, the Father of Our Country, must be heeded, not only in one section of the country but in all sections of the country.

When any State undertakes to delegate the powers of government to an unofficial committee, moved by party considerations, controlled by all the influences that we know control parties, we ought to hesitate; we ought to stop, to look, and to listen, and see if there is not danger just ahead of us. We ought to see if this kind of government, perpetuated and continued, will not ultimately mean just what Washington said would happen unless we took heed.

Mr. SHIPSTEAD. Mr. President, I should like to ask the Senator from Nebraska a question.

First, I desire to state that I agree with everything the Senator has said about this law of Alabama. I think it is repugnant to every principle of the American system of government. The Senator is entitled to the thanks of the American people for his pillory of the party spirit. However, I find in the Constitution this provision:

> The times, places and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations.

I should like to ask the Senator, since he believes that this law is repugnant to American institutions, as I also believe it is, whether he thinks that the State has the right by itself to enact legislation providing for primary elections in this manner.

Mr. NORRIS. Mr. President, in my judgment, the question asked me by the Senator is not involved. I am saying that under the law of Alabama itself, taking it for granted, taking the law as it exists—or, rather, as it existed at the time the primary was held, because I understand it has been changed since—taking the law as it existed then, and the best judgment of the Alabama courts, that primary was null and void. So we are not compelled even to say that we would set aside the law.

I submitted my argument on the general proposition for the purpose of convincing the Senate—and I hope all those who may hear or read what I have said—that we are justified, because of that law being unreasonable, in weighing any doubt against the legality of this primary. I think under the decisions of the Alabama courts we can properly say that it was null and void; and our authority comes from the section of the Constitution which I read, which says that we are the sole judges of the qualifications of men who come here to become Members of the Senate. We can say, "If you have obtained your election"—and that is what it means in Alabama—"by virtue of a primary so unreasonable, so unjust as to have been declared null and void by your own court, we will not admit you. We claim the right to pass on those qualifications." And when the Senator refers to the provision of the Constitution which says that the States shall hold elections, and so forth, I should like to cite him also to the provision of the Constitution which says that the Federal Government shall guarantee to every State a republican form of government.

We are not confronted now with the necessity of nullifying the Alabama law. It has been nullified by the Democratic Party in Alabama already.

Mr. GEORGE. Mr. President, I have been very much interested in the statement of the able Senator from Nebraska; and in a great many respects there is no material difference between the Senator and myself upon this important question.

The evils of the party system and excess party spirit I am free to concede. The advisability of the resolution calling the primary, if authorized by law, I am free to question. I do not assume, however, that I have authority to suggest or to attempt to regulate the primary elections of a sister State. The question is not whether we are here considering a wise party policy, but whether the candidate who comes here out of the primary, through the election, ought, for any infirmity in the law itself, or anything done by a political committee in virtue of the law, to be held by the Senate not entitled to his seat.

All that the Senator from Nebraska said about the Vare case and about the Smith case meets with my entire approval. The Senator participated in those cases. So did I, in a very humble way. In the Smith case I took the position that it made no difference whether the primary law was a part of the general election law of the State, whether it had been integrated into the election law, the fact being that Mr. Smith had passed through the primary, obtained through the primary the right to go on the ballot in the general election, and had subsequently been elected to this body.

There was not anything wrong with the primary in the Smith case. There was not anything wrong with the election in the Smith case, so far as the Senate knew. There was not anything wrong with the primary election in Pennsylvania in the Vare case. My meaning is that there was no infirmity in the primary law of the State of Illinois, nor in the manner of calling or holding the primary election, so far as shown. What was the wrong? It was the moral wrong of Mr. Smith, who, as chairman of the Utilities Commission of the State of Illinois, with power to fix the rates of public utilities, accepted large sums of money from those utilities, and used that money to defray his expenses in the primary. We thought that the amount of money used and the source from whence it came justified the exclusion of Mr. Smith.

Nothing that occurred in the primary could cure the moral defect found in Mr. Smith; nothing that occurred in the election could restore him to moral health, because Smith was affected with an incurable disease. There was not anything wrong with the primary in Illinois, let me repeat, but there was something wrong with Mr. Smith.

I think I may say that there is a vast difference between a Senator elect who appears at the bar of the Senate and seeks admission against whom charges involving moral fitness are made and one who, because of some law of the State, with which we do not agree, is challenged on that account. The fair-minded Senator from Nebraska, of course, concedes that the law referred to has been the law through a period of years, and that the same rule, in substance, has been applied in other elections. Presumably the contestant in this case had the advantage of it in a preceding election, because there could have been little use of having a similar rule unless the rule should operate to exclude some one from the primary. The point I make is that the law had existed for many years, and the executive committee of the party had exercised exactly the same power in previous primary elections.

I believe that it would have been unwise for the executive committee of my party in my State to attempt to exercise any such power as was exercised in Alabama in 1930. Publicly I declared that no such regulation as that should be adopted, and the basis upon which I put my declaration was substantially the same broad ground of sound public policy upon which the distinguished Senator from Nebraska puts his objection in this case.

The point is, however, that as between a candidate who is morally unfit, which no election, even an election unopposed, and no primary nomination can cure or remedy, and a candidate who comes here affected only by the infirmity of a law of his own State, conceding the infirmity to exist,

a law which stands upon the statute book, which the courts of the land have not stricken down, either because not invited to do so, or because they could find no grounds upon which they could legally strike it down, the cases are vastly different, it seems to me, as different as the day from the night.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. NORRIS. Of course the Senator will do me the justice of saying that while I argued the injustice of the law itself, I did not say that the contestee should be denied a seat because I opposed that law. I claim that the law was violated by the committee, and that on account of that violation the primary was null and void.

Mr. GEORGE. I am glad we get to that point. There is no Member of this body, and I have known no Member of the Senate during my service, who universally views every great question and every moral question with a higher degree of fairness than the distinguished Senator from Nebraska.

Now I come to the question which the Senator raises, and I invite his attention, while I may repeat what he has said. In the first place, Alabama has a system somewhat peculiar. The law of the State defines a political party, and it defines it mechanically, in a sense. A political party in Alabama is an assemblage or association of voters who agreed in the last preceding general election in that State upon candidates, and who cast 25 per cent or more of the votes cast in the last general election.

Mr. President, that leads me to this observation: Section 612 is as the Senator from Nebraska has read it; but, before again reading section 612, permit me to read section 624 of the Code of Alabama:

> Any qualified elector who is also a member of a political party as herein defined—

How defined? Simply as those voters who associated themselves in the last preceding election held in the State of Alabama, if their vote amounted to 25 per cent or more of the total vote cast in the State in that election. That is a political party, and the Code of Alabama is regulating that kind of a political party, and none other.

To come back to section 624:

> Any qualified elector who is also a member of a political party as herein defined, participating in a primary election, shall be entitled to vote at such primary election and shall receive the official primary election ballot of the political party and no other.

That provision applies not only to Democrats; it applies to Republicans, it applies to Socialists, if in the preceding general election they were able to cast, for particular candidates or particular measures, 25 per cent of the votes cast in the election.

Now I come to section 612. That section, properly construed, in the light of the provision I have just read, simply means this, that all persons who are qualified electors and who are also members of a political party are entitled to vote in the primary election of that party.

The language to which the Senator called attention, that is, "subject to the same political qualifications prescribed by the party authorities for their candidates," may be subject to the interpretation and construction which the Senator has placed upon it. Indeed, that may be the natural interpretation of the words and language. But I do not think that is the true construction of the act. I do not wish to get into that field of argument, because it seems to me that in law and in morals the case should be decided without raising hair-splitting distinctions in an attempt to construe this particular statute.

Bear in mind that the law of Alabama is dealing with political parties as defined by the code; and, as defined by the code, a political party is simply a group of men who voted for the same candidates in the last general election, if the group represented 25 per cent of the total vote cast in the State.

Bear in mind that the form of the ballot is prescribed; and it is declared that all qualified electors who are members of a political party may obtain the ballot of that party and may obtain the ballot of no other party.

The primary purpose of section 612 is not to declare who is entitled to vote. That is not the purpose of the section. The primary purpose, as I think, when we consider all applicable sections together, is a rule of construction which lawyers know quite well.

This section intended another thing. The black-letter type says "Who may vote in a primary election," it is true, but in every code State, as far as I know, there are opinions of the courts holding that the black-letter type is not a part of the section. The weight of authority is to that effect, at least. The black-letter type expresses the idea of the one who makes the index.

One purpose of section 612 was to emphasize the fact that the governing authorities of a political party have the right to lay down qualifications for its candidates.

It is true that in another section of the code it is expressly said that "Any executive committee of a political party may fix assessments or other qualifications as it may deem necessary for persons desiring to become candidates for nomination to office," and so forth. But section 612, in my opinion, although I do not desire to overemphasize the point, because I do not think this matter ought to be decided upon it, was intended to make clear beyond all peradventure that the executive committee or governing authorities of a political party in Alabama could fix the qualifications of candidates for office.

Mr. President, whether they should be allowed to do that is a different question, but the fact that they are permitted to do it, so long as they are restricted to reasonable qualifications of candidates, can not result in the harm which the Senator from Nebraska contemplates. In other words, it can not result in the destruction of republican government. If it is a reasonable qualification, it is one which a voluntary association of men for political purposes ought to have the right to prescribe. Whether they do prescribe it and do insist upon the right to prescribe it, is of course a question of policy.

The Senate is sitting as a court in this matter, and no court can say, or ought to say, that a voluntary association of men for political purposes may not prescribe reasonable qualifications for the candidates of the group. Indeed, I undertake to say that no court can rightly say that under the Constitution of the United States or the constitution of any State in the Union, because when any court undertakes to say such a thing it seems to me that it violates the primary and fundamental right of association between citizens for moral, religious, educational, or political purposes. The political group can be regulated and the State may say that it must not prescribe an unreasonable qualification.

I have no hesitancy in saying to the Senator that a rule that a candidate for public office in Alabama should be barred because he voted for all the ticket down to road commissioner and refused to vote for the candidate for road commissioner, or other candidate on the ticket, would be an unreasonable rule which, in my opinion, should be stricken down.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. GEORGE. I yield.

Mr. NORRIS. I preface my interruption by saying that I fully agree with the Senator's last statement; but I want to call attention to the fact that the Senator from New Mexico [Mr. BRATTON], a man whose judgment upon a legal proposition I would respect as much as the opinion of any other man in this body, or outside of it for that matter—and I know the Senator from Georgia has the same respect for his opinion—does not agree with the Senator from Georgia. He thinks that would be reasonable. That only calls to mind—and that is the purpose of my interruption—the great difficulty that would arise.

Mr. GEORGE. The Senator is quite right, but I think the able Senator from New Mexico may not have fully considered his answer or he may not have fully appreciated the question propounded by the Senator from Nebraska. If the Senator should believe that some one candidate on the party ticket was corrupt and the Senator should strike his name, as he would, a rule that would exclude the Senator from

participating in the next primary following would seem to me to be unreasonable. The rule would seem to be clearly unreasonable. But if the Senator did not stop at that, the situation would be different. It would be different if he should oppose the ticket, the head and front of the ticket—that is, the candidates who represented the policies and principles of the party itself and because of those policies and principles. I agree with the Senator that no one but the individual voter can ordinarily determine what he is—that is, whether he is a Democrat or Republican. Particularly is this true at this time in the history of the country. It is one thing for the party to lay down a reasonable rule, and what is a reasonable rule, of course, depends upon all the facts and circumstances of the case.

Mr. President, I want to come to the two cases considered by the Alabama courts. In the first instance the case of Wilkinson was an equitable proceeding in a court of chancery. All that court decided was that the court of equity had no jurisdiction of the case. One justice of the supreme court, on appeal, thought differently, and proceeded to state what he believed to be the true view of the law. Aside from the value of his opinion, he believed that the court had jurisdiction and he therefore should have said what he believed the law to be. But the other judges held that the court did not have jurisdiction, and being of that opinion, the majority of the court properly withheld judgment on the merits.

The Lett case——

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. GEORGE. I yield.

Mr. NORRIS. I do not want to be understood as finding fault with the court in that case, because they did not go into the merits.

Mr. GEORGE. I so understood the Senator.

Mr. NORRIS. They reached the conclusion that they had no jurisdiction, and having reached that conclusion they did not write an opinion.

Mr. GEORGE. I think, under the Alabama statute, they were compelled to reach that decision, because they have a statute dealing directly with the power of a chancery court in election cases, which seems to restrict the courts of that State in election cases.

The rule promulgated by the Republican county committee in the Lett case is different from the rule promulgated by the Democratic executive committee in the case at bar. The rule in the Chilton County case promulgated by the Republican committee did require more of the candidate than it did of the voter. The candidate refused to comply with the rule; and the committee, construing the rule, said, "You can not get your name on the ballot." As applied, the rule of the Republican county committee and the rule of the Democratic State committee under consideration present much the same situation, if not the same situation. Lett made his application upon the law side of the court.

Mr. NORRIS. I can not quite agree with the Senator about the real thing that happened. Mr. Lett declined to make the affidavit, and, therefore, the chairman of the committee refused to accept his application.

Mr. GEORGE. That is correct.

Mr. NORRIS. He did not say by that act that, if Lett had taken the oath and had shown that he voted for a Democrat instead of a Republican for President, he would have declined to receive the application.

Mr. GEORGE. No; there is not any express declaration, but his failure to make oath as required by the Republican committee effectively excluded him from the primary.

Mr. NORRIS. It does not follow under that construction that if he had made the oath and complied with it, he would have been kept off the ticket.

Mr. GEORGE. It does not necessarily follow; but in the Lett case a qualification was required of the candidate which was not also required of the voter, and that requirement of the candidate as interpreted and applied by the party committee effectively excluded the candidate from a place on the party ballot in the primary election.

What I am getting at is that that case is authority for the proposition that the Republican County Committee of Chilton County had the right to prescribe qualifications for a candidate. That case is authority for the proposition that having prescribed reasonable qualifications for the candidate, he had to meet them. That case is further authority, direct authority, as it seems to me, that when the county committee called the primary, put the machinery of the party in motion, one who could and did qualify and who got the nomination in the primary was entitled to go on the Republican ticket as the nominee of that party in the county election.

Mr. BLAINE. And there was no dissenting opinion in the Lett case?

Mr. GEORGE. No.

Mr. BLAINE. Judge Thomas, who dissented in the Wilkinson case, concurred in the majority opinion in the Lett case.

Mr. GEORGE. Exactly.

Mr. NORRIS. Mr. President, may I ask the Senator a question at that point?

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Nebraska?

Mr. GEORGE. Certainly.

Mr. NORRIS. Following the question of the Senator from Wisconsin, is it not fair therefore to assume that at least in the judgment of Judge Thomas there was no conflict between his opinion in the Wilkinson case and his agreement with the result reached in the Lett case?

Mr. GEORGE. Exactly. It is entirely fair to Judge Thomas to say that he saw no necessary conflict with the view expressed by him in the Wilkinson case. But what does follow? Judge Thomas recognized this fact, which is fundamental it seems to me, that the party officials, having brought into life a primary election in Chilton County and having prescribed a reasonable qualification for a candidate which was different from and additional to the qualifications prescribed for the voter, nevertheless agreed that the primary must continue to the selection of the nominee of the Republican Party in Chilton County for the particular county office.

Judge Thomas undoubtedly thought, unquestionably thought—and he may have been right—that when the additional qualification was fixed for the candidate, that the same qualification ipso facto applied to the voter; or he may have thought that the fact that the class of voters had been enlarged, that a privilege had been granted to the voter which the candidate himself did not enjoy, was not a reason which the candidate could urge against the rule fixing the qualifications of the candidate.

The point I reach is that when the primary was brought into being by the proper party officials, the fact that they prescribed an erroneous rule in that they required more of the candidate than of the voter, the fact that they prescribed an illegal qualification for the candidate did not wholly void the primary. It could not wholly void that primary, because the voters who had a right to go into the primary and vote constituted at last the party for which the committee had spoken in the first instance. The voters could have gone in the primary and said, "We will disregard the illegal rule. We will wipe away the illegal qualifications fixed. We will not be bound or fettered by them. You are merely our agents to make reasonable, legal qualifications." Now, is not that law and is not that common sense? After all, good law is common sense.

If that is not the law, what result have we here? We have a distinguished former Member of this body, Mr. Heflin, going into the general election in Alabama, organizing a political party, deliberately taking his chances at the polls as the candidate of that party, with the knowledge that if he should lose he could still come into court—and the Senate is the court—and say to the court, "They beat me in the election. I took my chances there. Had I won, I would have said nothing more, but now I come here and petition you to upset the election, because Mr. Bankhead's name should not have been on the ballot"—for no moral wrong

in Mr. Bankhead, but upon a ground existing before the election.

I am not speaking to the Senator from Nebraska, because the Senator and myself occupy the same boat, but I would rather be John Bankhead and walk out of this body than to be a member of the regular organization on the other side, who could and did swallow Smith and Vare with all of their corruption, and yet vote to exclude John Bankhead for mere infirmity in State law or party resolution. Our friends can not and will not, I am persuaded, face the country on such a record.

Mr. President, is it not right in morals and in law to say to Senator Heflin, "You knew this primary had been called. You knew the resolution had kept you out. You knew the law of your State. You did nothing to prevent Mr. Bankhead's name going on the ballot in the general election following his selection in the primary. You had 30 days' notice after the certificate was filed with the secretary of state; ample opportunity to have taken appropriate steps to prevent Mr. Bankhead's name from appearing upon the ballot as the party candidate."

The constitution of Alabama does not require a political party to hold a primary; but, on the other hand, the constitution of Alabama says to the legislative, the judicial, and the executive branches of the State government, "You can not make a party primary compulsory. You are forbidden by the express language of the constitution from requiring any political party to hold a primary election."

There are several ways in which one may get his name on the ticket in the general election. He may get his name on the ticket through a primary. He may get his name on the ticket through caucus action. He may get his name on the ticket through a petition signed by a given number of electors. He may get his name on the ticket as the representative of a political faction, as I interpret the law of Alabama.

If the executive committee of the Democratic Party of the State called the primary, if it had the power to call it, if it had the power to prescribe reasonable rules and regulations under which the primary should be held, then Mr. Bankhead had the right to enter the primary if qualified.

The rule is that timely objection must be made to the entry of a name as a party candidate upon the official ballot, and if timely objection is not made, after the election the successful candidate has a clear title to the office if the election is free from fraud. If I am excluded by my party from its primary and, as I think, illegally excluded, why should I not exhaust my rights and remedies before the general election is held and before the people go to the polls and vote? They have the right to assume that my opponent, the party nominee, is entitled to a place on the ticket as the party's nominee if I do not challenge it. I can not refrain from the doing of the things which I ought to do, take my chances at the election, and then, perchance, if defeated, come into court and ask the court to set the election aside for causes existing before the election, the election being free and fair.

Mr. President, I am not going to cite authorities. They may be found in the report. Only two States, so far as I know, have failed to follow the rule. Montana had a different rule; the decision of the Montana court was doubted, expressly questioned, if not finally overruled. The State of Kentucky adopted a different rule in one case, or, at least applied it. The distinguished Senator from Kentucky [Mr. LOGAN], who comes from the court of last resort of that State, will bear me out in the statement that the Kentucky court has now adopted the general rule.

Now, Mr. President, I am going to discuss the merits of this contest. Former Senator Heflin, in his position yesterday, was entirely right in maintaining that some one was elected at the November, 1930, election in Alabama. If Senator Bankhead was not elected, Senator Heflin was elected, and we must not dodge the question. An election was held under the authority of law; somebody was elected; and it is the duty of the Senate to say who was elected, unless, of course, the Senate finds it impossible to determine who received the highest number of votes cast by the legally qualified electors participating in the election.

The opposition to Senator Bankhead has never undertaken to discover and determine the legal votes cast in that election. It has not undertaken the primary duty of determining what votes were legal and for whom cast. It has looked for irregularities; it has looked for failure of election officers to comply with provisions of the law; it has looked for flyspecks; but it has not inquired whether John Doe in precinct No. 1, of Jefferson County, for instance, was a legally qualified elector and whether his vote was counted as he cast it. And on account of irregularities we are asked to declare this election void.

I ask Senators to bear with me for a moment. Let us make a concrete case of it—and the only way by which we can test any question of law is by making a concrete case of it. Here is John Doe, a legally qualified voter in precinct No. 1, let us say, in Jefferson County, Ala. On this particular election day John Doe went to the polls. When he got there, he found that the sheriff of the county had not provided an election booth. Jefferson County is one in which there is a city or town of more than 3,000 population. John Doe is a good citizen; he has paid his taxes; he is entitled to vote; but the sheriff of the county has not provided an election booth. For the fault of the sheriff is John Doe to be denied the right to cast his vote and to have it counted? My good friend the Senator from Delaware [Mr. HASTINGS] says, "No; I would not put it on that narrow ground"; but let us go a little farther. John Doe asks for a ballot; the law of Alabama says that a ballot must be furnished him, and that when it is furnished him, the election officer must tear off the stub and put his initials on the stub of the ballot. John Doe is a good citizen; he is an honorable citizen; he has paid his taxes; he supports the churches and does everything that a good citizen should do. He takes the ballot furnished him. He can not make the election officer tear off the stub and, if he tears it off, he can not compel him to put his initials on it. But it is said John Doe, finding no booth and not being able to get a ballot with a stub detached and properly marked, must not be allowed to vote and his vote can not be counted; opportunity for fraud is too great.

Let us go another step. The election managers take the ballot from John Doe but do not number it. The law provides they shall number it, but they do not number it, or, perchance, one of the managers gets out a lead pencil and numbers it in pencil, when the law says he shall number it in ink. Is John Doe to be deprived of his vote on that account? There was no booth; the stub was not taken off the ballot; the election officer did not initial the stub; he did not put the number on the ballots. John Doe is yet a man who has paid his taxes; he is entitled in morals and in law to vote and to have his vote counted; but the Senate is asked to throw out his vote; the Senate is asked to throw out the votes of 250,000 John Does because the sheriff did not build a booth and the election manager did not detach the stub and did not put his initials on the stub and did not number the ballot or, if he numbered it, he did not number it with pen and ink.

Then we come to the final, crowning infamy of it all in denying John Doe the right to vote and to have his vote counted as cast. He not only did not find the booth and the stub was not detached and the ballot was not numbered but when the election managers finally counted the ballots they did not roll his ballot, but folded it and put it in a box unsealed. Poor John Doe, who has done nothing but pay his taxes, live an upright and godly life, walk before his fellow citizens as a man without fault, blame, or blemish is disfranchised.

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Nebraska?

Mr. GEORGE. I yield.

Mr. HOWELL. Is it not a fact that throughout this country John Doe always has suffered from just such things time and again?

Mr. GEORGE. Oh, yes; that may be true.

Mr. HOWELL. The will of John Doe has been negated because of the fact that ballot boxes were not closed, because of the fact that the rules providing for the safety of the ballots were not followed; in fact, that is just exactly where the enemies of good government do their evil work——

Mr. GEORGE. I understand that.

Mr. HOWELL. Through neglecting to do these things, and these things are important. I remember last year in an election held in the State of Nebraska the election commissioner failed to put his initials upon the ballots of absentee voters; and although with those ballots the election had been carried, the supreme court held that because the election commissioner had not put his initials upon the ballots therefore the election was lost.

Mr. GEORGE. Yes.

Mr. HOWELL. So John Doe is suffering from that sort of thing all over this country.

Mr. GEORGE. I do not want the Senator to argue in my time. If the Supreme Court held that, in the absence of a statute expressly declaring that if the initials did not appear upon it, the ballot must be declared void, the decision of the court is to be regretted, because the voter's right to cast his ballot and to have it counted ought not to depend, and in sound law does not depend, upon the uncertainty of petty election officers fully discharging all directory duties placed upon them. If the law of the State expressly declares that the ballot must be held void if any particular requirement has not been complied with, then I grant that the court must hold as the distinguished Senator from Nebraska says the court did hold in his State. The Alabama statute in express terms declares, however, that no irregularity, nor any number of irregularities, not even fraud, not even corruption, shall invalidate or void the election or change the result thereof, unless the candidate who was not declared elected can be shown to have received the greater number of legal votes cast by the qualified electors in the election.

Mr. HOWELL. Mr. President, how are you to determine, in the case of fraud, whether the ballots cast for the candidate who was declared elected were fraudulent ballots or not? When there is fraud, you can not trace it out. The fraud is to accomplish a result; and if enough fraudulent ballots are introduced——

Mr. GEORGE. I beg the Senator's pardon; if there is fraud, and if there is any proof of it, you can trace it out. Fraud is never presumed. It must always be proved; and I desire to call the Senator's attention to what happened in this case.

Late last autumn both the contestant and the contestee were given complete list of voters who participated in the Alabama election, and they were given the information as to how each voter voted; but there has been no showing, and no attempt to show, that the voters did not in fact vote and were not in fact entitled to vote just as they were recorded.

Mr. HOWELL. Mr. President, after the ballots are put in the box, is it not almost impossible to tell whether or not the ballots were fraudulent and which ones were fraudulent.

Mr. GEORGE. Oh, no. If the Senator, for instance, finds a precinct in which 50 citizens voted and is given the information for whom those 50 citizens are represented to have voted, why can not he, through his friends in that district, ascertain from the 50 voters in that district whether they did in fact vote for A or vote for B, as they were recorded by the election managers? It presents no insuperable difficulty. If there is fraud, generally it can be shown, especially when it is alleged to have occurred in every county in the State of Alabama, in every precinct, and when the same kind of fraud appeared in the counties where the officers were of the Republican Party and where they were of the Democratic faith, and especially where the same sort of alleged irregularity from which fraud is suspected occurred in the votes cast for both Senator Bankhead and Senator Heflin.

Mr. HOWELL. Mr. President——

Mr. GEORGE. If fraud upon that scale existed, it would be quite possible to ascertain it. Then, again, it must be assumed that the entire force of election officials of a State, charged with the responsibility of conducting a fair election, would never sit down and certify the results of an election if there had been wholesale fraud in every county in that State in the face of abundant evidence of the existence of that fraud.

Mr. HOWELL. Mr. President, I have had some experience in attempting election reforms, and I know that we could not trace fraud; and for that reason we were compelled entirely to reform the laws. I am amazed that the Senator suggests that it is a simple and easy matter to prove fraud in an election.

Mr. BLACK. Mr. President, will the Senator yield to me to ask the Senator from Nebraska a question?

Mr. GEORGE. I yield for a question.

Mr. BLACK. In the case the Senator is discussing did you have numbered ballots, so that you had the names of the people who voted, and how they voted, and all you had to do was to ask a man whether he had been marked right or wrong?

The Senator says he could not find that out. Did you have numbered ballots?

Mr. HOWELL. Mr. President, we found that the poll books contained names, and we could not find the voters, and we could not prove that the voter was not there. We found where the ballot boxes had been taken out and the ballots entirely changed and remarked, and it was impossible to trace down and prove the extent of the fraud.

Mr. GEORGE. That was fraud if you found that, I want to say to the Senator—palpable fraud. That is not the case here.

Mr. HOWELL. Of course it was fraud. The fraud was general in this particular section, and it was impossible to trace it down to any individual who was a candidate. It was beyond his means.

Mr. GEORGE. There was general fraud, which would, of course, invalidate the election. I am not discussing that sort of case, because this is not that sort of case.

Mr. HOWELL. No; but the only reason why I am speaking of this is that the Senator has insisted that where there is fraud you can trace the fraud. I insist that you can not trace it. It is impracticable to trace it.

Mr. GEORGE. Mr. President, I insist that you can, and I insist that that is what you are required to do by every American court; but I do not care to argue the matter with the Senator any further.

Mr. President, let us see what the record in this contest reveals.

The total number of ballots counted by the supervisors was 248,942.

The supervisors found that 6,238 of these ballots were not cast for either candidate for the Senate.

The supervisors counted 242,704 votes for Senator.

Nineteen thousand two hundred and thirty-six of these ballots were rejected by the supervisors because of one or more of the alleged irregularities pointed out in the minority report filed by the Senator from Delaware [Mr. HASTINGS].

From the total number, 242,704, if we subtract the 19,236 ballots which the supervisors thought ought to be rejected, we have a balance of 223,468 votes cast for Senator in the November, 1930, election in the State of Alabama.

The supervisors gave to Mr. Bankhead 134,430 of these votes. They gave to Mr. Heflin 89,038 of these votes.

Taking away from Mr. Bankhead every classification of ballots that can be said to be considerable, and giving to former Senator Heflin the benefit of every doubt that can be raised upon this record, we have the following:

The supervisors found and counted 7,439 ballots which should be rejected, according to the supervisors. They could not say for whom they were cast; but they agreed that these votes ought to be thrown out, being illegal, in the opinion of the supervisors. Let us deduct all of these votes from Senator Bankhead's total. Certainly Senator Heflin re-

ceived some of them; but let us charge them all to Senator Bankhead. Subtracting the 7,439 from 134,430, we have a balance of 126,991 for Senator Bankhead.

There were 2,335 votes which were permitted to be cast upon what were said to be incomplete affidavits or challenged oaths and for other irregularities, pointed out by the supervisors. Some of these votes were certainly cast for Senator Heflin; but let us take every one of them away from Senator Bankhead and leave Senator Heflin's vote unimpaired. Still we have a balance for Senator Bankhead of 124,656 votes against 89,038 for Senator Heflin.

Much has been said about the absentee ballots. According to all of the figures furnished us by the supervisors, properly analyzed, 11,391 absentee ballots were cast in the election. There were counted and identified some 3,834 absentee votes. Of the absentee ballots counted and identified Senator Bankhead received 2,325. Senator Heflin received and was credited with 1,509.

Let us assume that there is too much doubt about the absentee ballots to permit the committee to count any of them; and, subtracting the absentee ballots identified, we have the following:

Senator Bankhead, 122,331 votes.

Senator Heflin, 87,529 votes.

Then there were absentee ballots totaling 7,556 which could not be identified; that is to say, it could not be determined for whom they were cast. Some of them certainly were cast for Senator Heflin, because he received about 40 per cent of every particular classification of the ballots cast in the election, and Senator Bankhead received about 60 per cent. But take them all from Senator Bankhead, and we have a total left for Senator Bankhead of 114,775 against 87,529 for Senator Heflin.

Then there were three counties in which the record here shows that the ballots were burned. It is shown from the testimony of witnesses whom Senator Heflin himself yesterday declared to be men of honor and integrity that they were openly burned; that the public in some instances was invited to come and see the ballots burned. The officials made affidavit to the fact that they were burned because they thought they were not required to keep them more than 30 days, and in one instance because the sheriff was going out of office, and he did not wish to leave the ballots in his office, and he, therefore, decided to burn them before his successor took office. Whether the officers of Alabama are telling the truth, I do not know; but I would not stand upon this floor and charge that every election officer in the State of Alabama, many of them Republicans, many of them Democrats, had falsified their oaths, had disregarded the duty which they were sworn to perform.

Under the primary law of the State of Alabama—and the Senator from Nebraska [Mr. NORRIS] has reminded us that the primary in Alabama usually determines the election, and that is true—under the primary law of the State of Alabama the ballots might be lawfully destroyed within 30 days after the primary election. Therefore there was some basis upon which these three officers acted. But let us assume that the ballots in these three counties were unlawfully and corruptly destroyed—that is, for the purpose of covering up fraud.

The counties in question are Bibb, Henry, and Houston. Without enumerating the vote cast in each of the counties, permit me to say that the total vote cast in the three counties for both Senator Bankhead and Senator Heflin was 8,394. Now, let us say that these votes should be given, all of them, to Senator Heflin. Add to Senator Heflin's vote all of the ballots as disclosed by the official returns in the counties of Henry, Bibb, and Houston, or 8,394, and we have the final total of 114,775 votes for Mr. Bankhead and 95,923 for Mr. Heflin, or a clear majority of 18,852 votes in favor of Mr. Bankhead.

Let me call attention to one other fact. The votes cast for both Senator Bankhead and Senator Heflin as counted by the supervisors total 223,468; 114,775 is a clear majority of the total, and 114,775 is the irreducible minimum of the 150,000 votes received by Senator Bankhead in the election, according to the official returns.

Finally, I repeat that I am wholly unable to see how any Senator who voted to seat Smith, of Illinois, in the light of the record in his case can vote to exclude Senator Bankhead because he ran under a law of his State and under a resolution of his party with which you may not agree. No fault can justly be imputed to him and no fraud is charged against him.

EXECUTIVE SESSION

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

REPORTS OF COMMITTEES

Mr. McKELLAR reported favorably from the Committee on Post Offices and Post Roads certain nominations of postmasters in Tennessee.

Mr. ODDIE reported favorably from the Committee on Post Offices and Post Roads sundry nominations of postmasters.

THE JUDICIARY

The Chief Clerk read the nomination of E. Coke Hill, to be district judge, district of Alaska, Division No. 4.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert W. Colflesh to be United States attorney, southern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Lewis L. Drill to be United States attorney, district of Minnesota.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of C. W. Johnson to be United States attorney, northern district of Texas.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of R. John Allen to be United States marshal, district of Wyoming.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McNARY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, all postmaster nominations on the calendar are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. FLETCHER. I ask that all Army nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, all Army nominations are confirmed en bloc.

The Senate resumed legislative session.

ANALYZING THE FEDERAL BUDGET—ADDRESS BY DAVID LAWRENCE

Mr. FESS. Mr. President, I have a manuscript containing an address delivered by David Lawrence over the radio on April 24, 1932, entitled "Analyzing the Federal Budget," which contains some very interesting data. I would like to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We hear a great deal of loose talk nowadays about the high cost of government. In the first place, what do we mean by "government"? Shall we visit upon the Federal Government all the sins of the several States and the cities? Combined, all three units spend about thirteen and a half billion dollars a year, of which the Federal Government spends less than one-third. In the last decade the Federal Government has been paying off the public debt at the rate of about $9,000,000,000 and has been yielding surpluses. We heard nothing about the high cost of government

until something happened to income. What we are facing to-day is the high shrinkage of income.

This, to be sure, brings us face to face with the necessity of balancing the Budget, for the shrinkage in income has been about 50 per cent. Instead of taking in four billions a year for the Federal Government, we have been collecting only about two billions.

The Federal Government's Budget is being cut. Congress is struggling with the problem to-day and so is the Executive. Unfortunately the task is being made more difficult by the vast amount of pressure exerted on the one hand by those who insist the Budget can be cut sufficiently to avoid all increased taxes and those who insist it should not be cut so as to affect their particular projects or interests.

Now, let us see just what there is to the theory that the Government has suddenly become an extravagant and wasteful institution, and that all the Budget surgeons have to do is to eliminate the wasteful or extravagant or superfluous bureaus and it will bring about a balanced Budget without increased taxation or increased borrowing.

I have to-night reclassified the official estimates for the new Budget. I am not taking into account anything in the way of economies that have been projected in the last few weeks, for I shall try to explain those to you next Sunday night, but I am dealing now with the recommendations made to Congress last December which furnish a basic outline of what has to be done in order to balance the Budget.

Out of the $4,000,000,000 Budget, the entire expense of all the departments, bureaus, commissions, independent establishments, Congress, and the legislative establishment amounted to about $504,000,000.

Just think of it. If we abolished the entire civil establishment of the Government, we would save only a half billion dollars. How, then, can we say that by cutting out "useless bureaus" we can meet a deficit which for the year ending June 30 next amounts to two billions and a half dollars?

Now, just keep in mind this $504,000,000, and we shall build up the items showing how the rest of the Budget is spent, at least how the estimates for the year beginning next July were made up when submitted to the present Congress for further economies and cuts.

The next big item is the Army and Navy. It amounts to $659,000,000. Who says we should abolish our national defense? Is the world ready yet for complete disarmament? Do the violations of treaties in the Far East recently indicate we have reached the point where we can discard the Army and Navy? Well, you will say they should at least be efficiently administered. Let us grant that and concede there are some economies to be effected, but we certainly will not find we can dispense with the whole $659,000,000 for the Army and Navy.

Thus far, adding the $504,000,000 for the civil establishment and the $659,000,000 for the Army and Navy, we add up to $1,163,000,000.

We come next to the interest on your Liberty bonds and Government securities. We certainly can not repudiate those commitments. Our banks have them in their vaults. They are a part of the capital structure of the Nation. We can not revise that commitment or cut it in any way. The interest amounts to $640,000,000. Think of it—almost as much as the Army and Navy combined.

So, adding once more, we have counted up to $1,803,000,000.

We come now to the cost of veterans. This amounts to $1,123,000,000 a year. I talked about this two weeks ago and shall only say in passing that regardless of what we may think of the item, the Government has taken a commitment to its veterans which, if it decides to repudiate or revise, we might as well say frankly will be met with the opposition of veterans and their friends and it would be next to impossible to get such repudiation through Congress. Indeed, we shall be lucky if this item is not increased. There are, of course, some economies in administration and certain inequities that can be straightened out, but the most that has been recommended thus far by anybody in a position of responsibility is a cut of only $80,000,000.

But again continuing with the estimates, we find the items I have mentioned thus far, namely, $1,803,000,000, when combined with the veterans item, makes a total of $2,926,000,000.

We took in during this current fiscal year less than $2,000,000,000 in income, so if we merely want to meet the obligations I have just enumerated we would have to borrow money or increase taxes so as to get more revenue.

Now, there are two more items left that I have not dealt with. One is an item of $363,000,000 for improvements. This includes public roads, public buildings, rivers and harbors, and general construction, all urged upon the Government as a means of diminishing the ill effects of unemployment and helping the producers of raw materials and giving work to skilled as well as unskilled labor. Maybe we don't need all of that $363,000,000 this year for public works, but there again the question is whether the commitments and authorizations made in past years can or should be revised.

There is another item of $155,000,000, which is the cost of running the Post Office Department—that is the deficit. It is one of the reasons why there is now planned an increase in postage rates. But that's only another form of taxation, so whoever says we need not increase revenues by taxes or other revenue-raising measures payable by the public isn't again carefully examining our shrunken revenues.

All these items thus far count up to $3,444,000,000, and to this must be added $496,000,000 as the annual installment payment on the public debt. This item is not to be confused with the annual interest. It is known as sinking fund and is designed to diminish the principal every year.

So the total Budget thus adds up to close to about four billions.

Now, let us consider this Budget in another way. We hear much conversation about "less government in business," much "government competition with business," and so on.

Let me ask you what competition with business there is as between the Army and Navy and the business world? Where does the Navy buy its supplies; where does it buy its materials? From private business.

Again, what competition is there between the expenses of the Veterans' Bureau and the business world? Don't the veterans spend their money buying things from private business firms, stores, and individuals?

What competition is there between the money spent for interest and sinking fund on the public debt and the business world? The interest goes to the holders of securities—the American people.

What competition is there between the roads and buildings constructed and the business world which indeed profits from their construction? There are no Government contractors or laborers—for virtually all of these public works private builders are engaged.

What competition is there between the Post Office Department and the public? Would the Nation repeal the parcel post act or would it turn over the carrying of the mails to private contract and could any private concern make money out of it if the Government insisted on regulation, which it would, of course, do, lest such a Government-granted monopoly would lead to excessive prices for postage and carrying of packages? And who carries the mails? Why, the railroad and steamship companies, and now the aviation companies—they receive a large part of the Government's money.

Now, let us take all the independent commissions and boards—they cost exactly $53,000,000 a year. If we abolished them all, we wouldn't be able to balance the Budget, because the $53,000,000 is a little more than 1 per cent of the whole Budget.

We hear much comment about the costs of the various departments. For instance, we look over the departmental appropriations and we discover that the Agricultural Department spends $197,000,000. We find this to be one of the largest items. But when we examine it what do we learn? Why, that $109,000,000 of the amount is for public roads. And who wants those roads? The automobile industry, which has urged them for a generation. And without those roads we could not have made the automobile as popular a piece of merchandise as it is for the American people. So actually the Agricultural Department spends about $88,000,000 net and not $197,000,000. And would you say $88,000,000 is an excessive amount to spend annually to care for the interests of the American farmer, whose total output is on the average worth between nine and ten billion dollars a year, and has gone as high as twelve billions? That represents a big purchasing power, and we are all dependent on it and want agriculture sustained.

Let us look at the Treasury Department. Here we find in the list that the department costs $293,000,000. But out of this we must take $146,000,000 for public buildings. So the Treasury Department itself spends only $147,000,000, and out of that we find that we could logically subtract $33,000,000, which is the cost of collecting the billions in taxes and revenues and $20,000,000 for gathering of customs duties. This would make the net cost of the Treasury, if we eliminate the cost of collecting taxes, in the neighborhood of ninety millions, and even this is hardly a fair reflection of what the Department of the Treasury does, for it has the Public Health Service and miscellaneous activities that have been under that department virtually from the beginning of the Republic.

My purpose is merely to show you that the Government departments as a whole—all of them, including the independent offices—do not cost us a half billion out of our four billion, and you can not abolish them all. Even if you cut them 50 per cent, you could save but $250,000,000—a big saving, to be sure, but it would not avoid the need for some new taxation.

Next week I shall tell you just what the economy plan thus far is and what progress has been made since the estimates were submitted last December.

But in all this discussion of waste I think we should bear in mind that there are certain offsets which are rarely counted. For instance, the average salary of the higher executives of the Government is about $12,000 a year. How many corporations in America doing a business of $100,000,000 a year pay their presidents $12,000 a year? How many business men with a responsibility for spending $100,000,000 a year would take a salary of $12,000 a year? Why, we know they run from $50,000 to $100,000 a year and there are many subexecutives, vice presidents, and so on, who get in excess of $12,000 a year in the larger corporations.

The Government of the United States gets the benefit of the services of its executives at low cost. These men who come here for reasons of patriotism and fidelity to the public interest are many of them able to get many times $12,000 a year in private business. The Government gets the benefit of their ability and

talents. It mounts up to a saving of many millions of dollars a year, possibly offsetting to no small extent the inevitable waste or inefficiency that here and there creep in governmental operation.

But when we come to cutting the Budget so as to avoid new taxes let us not be misled by taking up isolated items of waste and regarding it as characteristic of the whole governmental establishment. I have enumerated the items that involve commitments. They can not be repudiated. A private business may repudiate contracts, break contracts, repudiate commitments. The Government of the United States can not do that. It can not break faith. And that is one of the principal reasons why you can not tear down the Budget structure with a wave of the hand. It can be cut, it is being cut, but we can not cut it deeply enough to avoid increased taxes.

NATIONAL FOREST RESERVATION COMMISSION

The PRESIDENT pro tempore. The Chair, under authority of the act approved March 1, 1911 (Public, No. 435), appoints the Senator from Georgia [Mr. GEORGE] as a member of the National Forest Reservation Commission, to fill the vacancy thereon caused by the death of Hon. William J. Harris, late a Senator from the State of Georgia.

JEFF DAVIS CAPERTON AND LUCY VIRGINIA CAPERTON

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 194) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton, which was to strike out all after the enacting clause and insert:

That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Jeff Davis Caperton and Lucy Virginia Caperton arising out of the death of J. P. Caperton upon August 24, 1918, in the same manner and to the same extent as if said Jeff Davis Caperton and Lucy Virginia Caperton had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the approval of this act.

Mr. McKELLAR. On behalf of the Senator from Mississippi [Mr. HARRISON], I move that the amendment of the House be concurred in.

The motion was agreed to.

HOUSE CONTINGENT EXPENSES

Mr. JONES. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 375) to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932, and I ask for its present consideration.

The PRESIDENT pro tempore. The joint resolution will be read for the information of the Senate.

The joint resolution was read and considered, as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932:

For expenses of special and select committees authorized by the House, $15,000.

For furniture and materials for repairs of the same, including labor, tools, and machinery for furniture-repair shops, $6,500.

For stenographic reports of hearings of committees other than special and select committees, $5,000.

The joint resolution was ordered to a third reading, read the third time, and passed.

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199) reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. HASTINGS obtained the floor.

RECESS

Mr. McNARY. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 4 o'clock and 55 minutes p. m.) took a recess until to-morrow, Thursday, April 28, 1932, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 27 (legislative day of April 25), 1932

DISTRICT JUDGE

E. Coke Hill to be district judge, district of Alaska, division No. 4.

UNITED STATES ATTORNEYS

Robert W. Colflesh to be United States attorney, southern district of Iowa.

Lewis L. Drill to be United States attorney, district of Minnesota.

C. W. Johnson to be United States attorney, northern district of Texas.

UNITED STATES MARSHAL

R. John Allen to be United States marshal, district of Wyoming.

PROMOTIONS IN THE REGULAR ARMY

Arvo Theodore Thompson to be first lieutenant, Veterinary Corps.

John Henry Read, jr., to be colonel, Ordnance Department.

Robert John Binford to be colonel, Infantry.

John Augustus Brockman to be colonel, Infantry.

James Hutchings Cunningham to be lieutenant colonel, Coast Artillery Corps.

Simon Bolivar Buckner, jr., to be lieutenant colonel, Infantry.

John Kimball Brown to be lieutenant colonel, Cavalry.

William Henry Halstead to be major, Infantry.

Randolph Gordon to be major, Infantry.

Charles McDonald Parkin to be major, Infantry.

Oakley George Kelly to be captain, Air Corps.

Bernard Tobias Castor to be captain, Air Corps.

James Alexander Mollison to be captain, Air Corps.

Harold Webster Beaton to be captain, Air Corps.

Lawrence Brownlee Savage to be captain, Quartermaster Corps.

Richard Clark Jacobs, jr., to be captain, Infantry.

Richard Earl Moore to be captain, Infantry.

Charles Stricklen Shadle to be captain, Chemical Warfare Service.

Roy Jacob Herte to be first lieutenant, Infantry.

Arthur Edwin Watson, jr., to be first lieutenant, Coast Artillery Corps.

James Oka Wade to be first lieutenant, Infantry.

Brookner West Brady to be first lieutenant, Infantry.

Harry McNeill Grizzard to be first lieutenant, Infantry.

Charles Herman Deerwester to be first lieutenant, Air Corps.

Charles Winslow O'Connor to be first lieutenant, Air Corps.

Bernard Alexander Bridget to be first lieutenant, Air Corps.

Josiah Ross to be first lieutenant, Infantry.

Charles Arthur Bassett to be first lieutenant, Air Corps.

Grant Albert Williams to be first lieutenant, Cavalry.

Herbert Kelly Moore to be major, Veterinary Corps.

Harry Dubois Southard to be chaplain with the rank of major.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

Lieut. Col. Edwin Gunner to Infantry.

POSTMASTERS

ARKANSAS

William H. Tucker, Casa.

Douglas O. Dover, Cove.

Legrand K. Charles, Eureka Springs.

Bertha E. Millian, Lexa.

Maud Jackson, Sherrill.

William M. Dugal, Strong.

Dalton Matthews, Vilonia.

Robert L. Maddox, Winslow.

CALIFORNIA

Belle Hicks, Armona.

Thurlow T. Workman, Bloomington.

Peter D. McIntyre, Blythe.

John H. B. Speer, Delano.

Elvira J. Brown, Denair.

John H. Dodson, El Cajon.

Charles H. Coffey, jr., Gonzales.
Thomas P. Cosgrave, Madera.
William C. Werry, Palo Alto.
Edward A. Baker, Point Loma.
George R. Comings, Ramona.
Ernest R. Rhymes, Sanitarium.
Chauncey P. Wright, San Pedro.
Earle R. Hawley, Stockton.
Clarence G. Carratt, Templeton.
Clyde W. Holbrook, Venice.

COLORADO

John E. Harron, Alamosa.
Thomas F. Beck, Aspen.
Frank J. Stewart, Cedaredge.
George Haver, Eckley.
Idamay Spurlock, Fairplay.
Cora M. Johnson, Fountain.
Crissa B. Pond, Grand Junction.
Harry D. Steele, Holly.
John C. Kessenger, Limon.
Fred A. McDaniel, Oak Creek.
Martha H. Foster, Olathe.
Edna A. McCormick, Sedgwick.
Henry M. Newkirk, Swink.
James L. Allison, Woodmen.

CONNECTICUT

Earle C. Martin, Bridgeport.
Ethyl O. Engisch, Cornwall Bridge.
James F. Holden, Forestville.
Clarence L. Clark, Old Lyme.
James T. Rooney, Sound View.
Clarence B. Emery, Terryville.
Thomas J. Crockett, Unionville.

DELAWARE

Charles L. Talpey, Claymont.
William H. Evans, Newark.

GEORGIA

Will E. Davis, Boston.
J. Arthur Westbrook, Powder Springs.
Hubert H. Berry (Mrs.), Sparta.
Emmett D. Dial, Woodstock.

HAWAII

Alice J. Brown, Paia.
Joseph F. Xavier, Puunene.
William K. Kelii, Wahiawa.

ILLINOIS

Francis W. Craig, Apple River.
Sherman Dorand, Ashland.
Edwin C. O'Brien, Barry.
Elliott O. Andrews, Belvidere.
Clarence E. Snively, Canton.
S. Elmer Simpson, Carrollton.
Louis C. Schultz, Chebanse.
Verda M. Mulhall, Davis.
John E. Heffron, East Dubuque.
Robert R. Davis, Equality.
Jacob L. Pfundstein, Erie.
George F. Batty, Greenfield.
Samuel T. Little, Hillsboro.
Jessie A. Livingston, Livingston.
Harry B. Potter, Marshall.
Guy A. Meyers, Milledgeville.
Charles E. Hartman, Mount Carroll.
William Georger, New Baden.
Minor S. Miller, Pearl City.
John N. Taffee, Pinckneyville.
Jesse L. Jones, Rantoul.
Harry Hutchins, Rockton.
Willis D. Comland, Seaton.
Edward P. Devine, Somonauk.
Harold E. Ward, Sterling.
John Wacker, Techny.
Kate M. Weis, Teutopolis.
LeRoy Gammon, Thebes.
Christian Andres, Tinley Park.
Clarence C. Cary, Utica.
Arthur Justus, Warren.
Mark Simpson, Waterman.
Lela Seneff, Westfield.
Harry L. Dean, Witt.

INDIANA

T. M. Long, Butler.
Elston H. Elliott, Lynn.
Ira J. Wilson, Muncie.
Claude L. Worster, North Liberty.
Oscar Standeford, Orleans.
Glenn H. Newby, Russiaville.

IOWA

Albert A. Emigh, Atlantic.
Royal E. Hutton, Bancroft.
John J. Ethell, Bloomfield.
Joseph M. Jacobs, Delta.
Mary E. Coy, Farragut.
William C. Upham, Fredericksburg.
Albert L. Mensing, Lowden.
Howard H. Tedford, Mount Ayr.
Frank C. McClaskey, Toledo.
Ralph Hunte, Springville.
Marion H. Barnes, Wapello.

KANSAS

William T. Perry, Belleville.
Gerald G. Smith, Burr Oak.
Arnold C. Heidebrecht, Burrton.
Wilfrid Cavaness, Chanute.
Edward L. Kier, Courtland.
Raymond C. Ogden, Eudora.
John E. Mock, Geneseo.
Susie W. Rhine, Gove.
Robert H. Rippetoe, Havana.
Charles F. Schafer, Jewell.
Ross W. Gault, Lebo.
Hiram W. Joy, Quinter.
Eldon C. Newby, Randolph.
Bessie Custer, Satanta.
Michael Fischer, Tipton.
Floy W. Sellers, Towanda.
Charles J. Roy, Wilsey.

KENTUCKY

Edna W. Morin, Alexandria.
James I. Harlan, Barlow.
Howard C. Pentecost, Corydon.
John M. Burkholder, Crofton.
William E. Keller, Eminence.
Mollie L. Nolan, Harlan.
Claude T. Winslow, Mayfield.

LOUISIANA

Robert A. Giddens, Coushatta.
Jesse L. Beasely, Harrisonburg.
Claude H. Wallis, Houma.
Mattie B. Peyton, Keatchie.
Walter C. Miller, Logansport.
Aimie B. Garrett, New Roads.
Chester C. Heinemann, Rayville.
Esther E. Harlan, Swartz.
Nannie H. Rogillio, Water Proof.
Ector R. Gammage, Westlake.

MAINE

Charles W. McClintock, Fairfield.

MARYLAND

Elmore H. Owens, Perryville.
Robert L. Hall, Pocomoke City.

MASSACHUSETTS

James J. Murtaugh, Hopkinton.
John A. Bell, Leicester.
Fred W. Trasher, Marblehead.
Charles H. Sawyer, Northampton.
Albert S. Hopkins, Norton.

Annie K. Adams, Onset.
Everett W. Carpenter, Palmer.
Walter L. Williams, Peabody.
Aloysius B. Kennedy, Rochdale.
Philip Morris, Siasconset.
Charles M. Edwards, Sterling.
Stephen C. Luce, Vineyard Haven.

MICHIGAN

Hazel M. Foster, Baldwin.
John H. Ter Avest, Coopersville.
J. Gail Show, Elsie.
James B. Haskins, Howard City.
Fred C. Putnam, Kalamazoo.
Frank J. Gehringer, Lenox.
Estella R. Newcomb, Le Roy.
Howard L. Barber, Merrill.
Howard L. Vaughan, Ovid.
Nettie C. Grayson, Pellston.
Charles H. Heath, Richmond.
Florence M. Watson, Three Oaks.

MINNESOTA

Charles L. Coy, Alexandria.
William Peterson, Atwater.
Carl H. Schuster, Biwabik.
Mae Kirwin, Chokio.
Edward B. Anderson, Elbow Lake.
George Leng, Grand Marais.
Anthony L. La Freniere, Grand Rapids.
Oscar W. Erickson, Kensington.
Herbert M. Hauck, Mankato.
Ross Andrews, Meadowlands.
Sidney D. Wilcox, Park Rapids.
Erick G. Berglund, Pennock.
Elizabeth K. Ries, Shakopee.
Lillian A. Peterson, Villard.
Joseph Trojohn, Woodlake.

MISSISSIPPI

Everett H. Badger, Columbus.

MISSOURI

George R. Steiner, Belle.
Robert D. Gardner, Center.
Glade Bradbury, Clarksdale.
Charles A. Mitchell, Clinton.
Louis N. Walker, Holmes Park.
Thomas W. Box, Lamar.
John B. Wilson, Maysville.
John L. Wilkinson, Piedmont.
Jordan W. Schaaf, St. Marys.
Harry H. Forman, Shelbyville.

MONTANA

Wedsel J. Hartman, Broadview.
George C. Core, Choteau.
Avory W. Dehnert, Denton.
George W. Patterson, Havre.
Lee Jellison, Hobson.
Robert T. Richardson, Missoula.
Arnold D. Ferris, Sidney.
Claude C. Alexander, Stanford.
Robert Parsons, Sweetgrass.
Thomas E. Devore, Whitehall.
Maurice D. Holmes, White Sulphur Springs.

NEBRASKA

Frank G. Smith, Ashton.
Louis H. Deaver, Cody.
J. Ned Allison, Gering.
Claude A. Sheffner, Hay Springs.
Given G. Reber, Naper.
Frank A. Bartling, Nebraska City.
Nettie E. Jollensten, Ogallala.
William M. Baskin, Stapleton.

NEW HAMPSHIRE

Ralph E. Messer, Bennington.
Ruth G. Hicks, Canaan.
Mina S. Roberge, Cascade.
Alice M. Sloane, Conway.
James P. Farnam, Hanover.
Effie P. Gibson, Kingston.
Harry D. Eastman, North Conway.
Everett F. Tozier, Salmon Falls.
John H. Garvin, jr., Sanbornville.
Eleazer F. Baker, Suncook.
Willis R. Morrison, Tilton.

NEW JERSEY

William G. Z. Critchley, Allendale.
Andreas H. Fechtenburg, Harrington Park.

NORTH CAROLINA

Andrew J. DeHart, Bryson City.

NORTH DAKOTA

Anton A. Ficker, Amidon.
William H. Lenneville, Dickinson.
Paul M. Bell, Elgin.
Peder T. Rygg, Fairdale.
Olaf A. Bjella, Epping.
Benjamin L. Anderson, Grenora.
Charles L. Erickson, Lankin.
Ora J. Goshorn, Rhame.
John W. Campbell, Ryder.
Arthur T. Graf, Streeter.
Austin R. Johnson, Wildrose.
Mary E. Swartwout, Wimbledon.

OHIO

Roy S. Grunder, Creston.
Roy F. Judge, Milan.
Edward P. Harker, Rossford.
Egbert H. Mack, Sandusky.
Ernest G. Lergier, Weston.
Bertus H. Moore, Williamsport.

OREGON

Fitzhugh G. Lee, Junction City.
James W. Dunn, St. Benedict.
William C. Foster, Tillamook.

PORTO RICO

Carlos F. Torregrosa, Aguadilla.
José Mayol, Arecibo.

RHODE ISLAND

Thomas F. Lenihan, Westerly.

SOUTH DAKOTA

Lottie M. Johnson, De Smet.
Linville Miles, Langford.
C. Albert Zeitner, Mission.
William R. Amoo, Morristown.
Fred S. Williams, Pierre.
Charles Furois, St. Onge.
Edna L. Brown, Timber Lake.
Carl O. Steen, Veblen.
Goodwin L. Hansen, Wasta.
Edward A. Wearne, Webster.
Charles G. Kuentzel, White Rock.

TEXAS

Lillie J. Tolleson, Bardwell.
John W. Stegall, Holliday.
John A. Wilson, Knox City.
Bassett R. Miles, Luling.
George F. Bates, Lyons.
Mabel E. Bryant, Rockport.
Hal M. Knight, Sterling City.
Ben M. Vick, Valentine.
Oliver P. Maricle, Wichita Falls.

VERMONT

George E. King, Barton.
Reginald W. Buzzell, Newport.
Casper W. Landman, South Londonderry.
Cecile M. Beaton, South Ryegate.
Lester K. Oakes, Stowe.
Claude C. Duval, West Burke.

WASHINGTON

Julia Enger, Toledo.
William F. Cantrell, Toppenish.
Rodse M. Illy, Uniontown.
Robert J. Robertson, White Salmon.

WEST VIRGINIA

Lawrence Barrackman, Barrackville.
Henry A. Russell, Berkeley Springs.

WISCONSIN

Elizabeth Croake, Albany.
Orestes K. Hawley, Baldwin.
Castor H. Kuehl, Brillion.
Earl H. Herbert, Coleman.
Frank M. LeCount, Hartford.
Edward H. Moore, Lakemills.
Frederic D. Keithley, Land O'Lakes.
Norma E. McNutt, Oxford.

WYOMING

Elizabeth L. Murphy, Edgerton.
Glenwood C. Long, Lingle.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 27, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

To our Merciful Father in Heaven we offer our tributes of praise and gratitude. Incline our hearts toward Thee as we tarry in the multitude of Thy blessings, so free and full. May it always be our delight to spend our strength and zeal on the very best themes of human thought and life. We beseech Thee, our Father, that this warring, weeping old world may not go back to the trenches of hate. O bring a fresh redemption to it that shall honor Thee and bless humanity and return it to its rest. Lord God of Hosts, be with this Congress. To the troubled in spirit, to those cumbered with heavy cares, and unto all be Thou a blessing. Vouchsafe Thy guidance to direct us through these hours. We are gathered from diverse ways, from different experiences, yet united in common desire. Almighty God, administer unto us the wisdom and the faith that cometh from the infinite source of all truth. Amen.

CALL OF THE HOUSE

Mr. LaGUARDIA. Mr. Speaker, there was a very interesting and important session of the House on yesterday, and I am sure the entire membership want to hear the reading of the Journal. I make the point of no quorum.

The SPEAKER. Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 54]

Abernethy	Crisp	Hogg, Ind.	Murphy
Allgood	Crowe	Horner	Owen
Andresen	Darrow	Hull, Morton D.	Ransley
Andrews, N. Y.	Doutrich	Igoe	Shreve
Beck	Dowell	Jeffers	Smith, W. Va.
Brumm	Drane	Johnson, Ill.	Stalker
Burtness	Erk	Johnson, S. Dak.	Stokes
Campbell, Pa.	Estep	Kendall	Strong, Pa.
Canfield	Finley	Kurtz	Sullivan, Pa.
Cavicchia	Flannagan	Larrabee	Swick
Chapman	Free	Lehlbach	Thatcher
Chase	Freeman	Lewis	Tucker
Chavez	Gillen	Loofbourow	Watson
Chiperfield	Goldsborough	Ludlow	Wolfenden
Cochran, Pa.	Greenwood	McFadden	Wyant
Collier	Griswold	McGugin	
Connolly	Hart	Magrady	

The SPEAKER. Three hundred and sixty-five Members have answered to their names. A quorum is present.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 22, 1932:

H. R. 8397. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1933, and for other purposes;

H. R. 8779. An act granting certain lands to the board of commissioners of the Orleans levee district in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 9066. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa;

H. R. 9143. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Elbowoods, N. Dak.;

H. R. 9301. An act to extend the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark.;

H. R. 9974. An act to authorize appointment of public-school employees between meetings of the Board of Education;

H. R. 10088. An act to revive and reenact the act entitled "An act authorizing the South Carolina and the Georgia Highway Departments to construct, maintain, and operate a toll bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.," approved May 26, 1928; and

H. R. 10489. An act to provide for the extension and widening of Michigan Avenue, in the District of Columbia, and for other purposes.

On April 23, 1932:

H. R. 5272. An act for the relief of Frank Bayer; and

H. R. 8087. An act authorizing the Secretary of the Interior to vacate withdrawals of public lands under the reclamation law, with reservations of rights, ways, and easements.

On April 25, 1932:

H. R. 5848. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Richmond, Va., in June, 1932;

H. R. 882. An act for the relief of G. W. Wall;

H. R. 1202. An act for the relief of Lehde & Schoenhut;

H. R. 2594. An act for the relief of the State National Bank of Wills Point, Tex.;

H. R. 3265. An act for the relief of W. J. Shirley;

H. R. 3373. An act for the relief of Fireman's Fund Insurance Co.;

H. R. 3909. An act for the relief of Helen Patricia Sullivan;

H. R. 4329. An act for the relief of Alton B. Platner; and

H. R. 7788. An act authorizing the granting by the Secretary of War of a right of way to the Georgia Highway Department.

On April 26, 1932:

H. R. 2086. An act for the relief of Francis Engler; and

H. R. 5259. An act for the relief of Steve Fekete.

On April 27, 1932:

H. R. 10362. An act to require the approval of the General Council of the Seminole Tribe or Nation in case of the disposal of any tribal land.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1196. An act authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have, or claim to have, against the United States, and for other purposes; and

S. 4123. An act to amend the District of Columbia traffic acts, as amended.

MESSRS. CLYDE PANGBORN AND HUGH HERNDON, JR.

Mr. HORR. Mr. Speaker, I ask unanimous consent to address the House out of order for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HORR. Mr. Speaker, some time ago there appeared here as a guest of the House of Representatives a man outstanding in aviation, one who had conquered the great Atlantic. He was our guest on that day, and the House very appropriately received him as their guest, the Lone Eagle of the Atlantic, Colonel Lindbergh.

To-day we have with us two young men who started at New York City, flew around the world, landed at Japan, and from there made the first and only nonstop flight across the Pacific Ocean. Those two young men represent the best there is of American manhood—clean-cut, vigorous, and courageous.

To-day they are our guests, and we are glad to have them with us. I take pleasure in presenting to you from the galleries Mr. Clyde Pangborn and Mr. Hugh Herndon, jr., the first and only men to make a nonstop flight across the Pacific, "the Double Eagles of the Pacific." [Applause.]

ULDRIC THOMPSON, JR.

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the bill (H. R. 10851) for the relief of Uldric Thompson, jr., recently passed by the Committee on Indian Affairs, may be rereferred to that committee.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

PHILIPPINE INDEPENDENCE

Mr. BARBOUR. Mr. Speaker, I ask unanimous consent to extend my remarks on the question of Philippine independence.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BARBOUR. Mr. Speaker, the Legislature of California three years ago approved a joint resolution memorializing and petitioning Congress to restrict the immigration of Filipinos into the United States.

Several bills were presented during the Seventieth, Seventy-first, and Seventy-second Congresses by Representatives from California with a view to bringing about the results desired by the California Legislature. Some of these bills have been the subject of extensive hearings by the Committee on Immigration and Naturalization, but none was enacted into law, because it seemed to be the judgment of Congress not to exclude or restrict Filipinos coming to the United States while the islands remain under the American flag.

The official representatives of the Filipino people have contended that their people were entitled to the rights and privileges guaranteed by the Constitution pending the grant of their national independence which American Presidents and the Congress have promised. The independence issue has of late become a pressing problem demanding early solution. Various Philippine independence bills were submitted during the early part of the present session of Congress. Both the Senate Committee on Territories and Insular Affairs and the House Committee on Insular Affairs have reported out bills looking to the grant of independence, after extensive hearings were held. The House of Representatives this month by a vote of 306 to 47 passed H. R. 7233, granting independence after a period of eight years following the establishment of the government of the Philippine Commonwealth provided for in the bill.

Congressman WELCH of California, who is a member of the House Committee on Insular Affairs, took active part in the discussion of the bill. He himself presented a Philippine independence bill similar to the one presented by Senators HAWES and CUTTING, and Congressman HARE in the House, with a provision that would adequately remedy the question of Philippine immigration.

The Welch bill contained a provision that would remedy the question of Filipino immigration by excluding Filipinos from entering continental United States. This provision was inserted in the Hare bill, which originally contained no immigration provision. While the bill provides for complete independence eight years after the people of the Philippine Islands establish a commonwealth government, which, pursuant to the provision of the bill, may add two years to that time. The immigration provision, however, goes into effect 60 days after the President signs the bill.

While the hearings were being held on the Philippine independence bill all the Members of the House of Representatives from the State of California submitted a statement to the effect that—

Any bill changing the status of the Philippine Islands should contain a provision excluding Philippine immigrants from entering the United States.

My colleagues and I have since had an opportunity to vote for the passage of a Philippine independence bill, and our approval was based not only upon the ground that it would settle satisfactorily the question of Philippine immigration but that it would be a fulfillment of a moral obligation of the United States to the people of the Philippines.

CONTINGENT EXPENSES

Mr. BYRNS. Mr. Speaker, I offer the following resolution, and ask unanimous consent for its immediate consideration.

The SPEAKER. The gentleman from Tennessee offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Joint Resolution 375

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932:

For expenses of special and select committees authorized by the House, $15,000.

For furniture and materials for repairs of the same, including labor, tools, and machinery for furniture repair shops, $6,500.

For stenographic reports of hearings of committees other than special and select committees, $5,000.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, will the gentleman explain briefly the occasion, particularly, for the first item of $15,000 for special and select committee expenses?

Mr. BYRNS. That is made necessary by the increased amount needed for the Committee on Internal Revenue Taxation; also an investigation which was authorized in January, directing the Committee on Interstate and Foreign Commerce to investigate holding companies, and also by another investigation which was authorized in February, authorizing the Committee on Coinage, Weights, and Measures to investigate the depressed value of silver. These amounts are pressing.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The resolution was agreed to.

THE TARIFF

Mr. POU, from the Committee on Rules, submitted the following privileged resolution (H. Res. 195), which was read and referred to the House Calendar and ordered printed:

House Resolution 195

Resolved, That immediately upon the adoption of this resolution the bill H. R. 6662, with the amendment of the Senate thereto, be, and the same is hereby, taken from the Speaker's table to the end that the amendment of the Senate be, and the same is hereby, concurred in.

AMENDMENT OF THE LEGISLATIVE APPROPRIATION BILL

Mr. BANKHEAD. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 203), and ask for its immediate consideration.

The SPEAKER. The gentleman from Alabama calls up a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 203

Resolved, That after the adoption of this resolution it shall be in order in the consideration of H. R. 11267, the legislative appropriation bill, for the chairman of the Economy Committee or any member of the Economy Committee acting for him, by direction of that committee, to offer an amendment to said bill, any rule of the House to the contrary notwithstanding. On said amendment there shall be two hours of general debate, one-half to be controlled by the chairman of the Economy Committee and one-half by the ranking minority member of that committee. At the termination of such debate the amendment shall be considered under the 5-minute rule as an original bill and shall be considered by titles. Each title as it is read shall be open to four amendments, said amendments not being subject to amendment, and no further amendments shall be entertained by the Chair. The provisions of clause 7, Rule XVI, or clause 2, Rule XXI, shall not apply to the substitute amendment offered to Title I of the Economy Committee amendment. At the conclusion of the consideration of the bill in the Committee of the Whole House on the state of the Union the committee shall rise and report the bill to the House with the amendments, including the amendment offered by the Economy Committee as amended, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the Economy Committee amendment. The previous question shall be considered as ordered on the bill and Economy Committee amendment, including the amendments to the Economy Committee amendment to final passage without intervening motion except two motions to recommit, and such motions to recommit shall be in order, any rule of the House to the contrary notwithstanding.

Mr. BANKHEAD. Mr. Speaker, does the gentleman from Indiana desire to make any suggestion with reference to time for debate on the rule?

Mr. PURNELL. I will say to the gentleman from Alabama that I have had considerably more requests for time than I have time. I hoped it might be possible to extend the debate on the rule.

Mr. BANKHEAD. What would the gentleman suggest?

Mr. PURNELL. I would suggest to the gentleman that he ask unanimous consent to extend the time for debate 30 minutes.

Mr. BANKHEAD. I will state to the gentleman from Indiana that there have been some requests for additional time on this side.

Mr. Speaker, I ask unanimous consent that the time for the discussion of the rule be fixed at one and one-half hours, one-half the time to be controlled by the gentleman from Indiana and one-half by myself, and that the previous question shall be considered as ordered at the expiration of that time.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. I yield.

Mr. LAGUARDIA. In the time to be consumed on the discussion of the rule, which the gentleman stated would be divided between the gentleman from Indiana and the gentleman from Alabama, is it understood that one-half the time will be allotted to Members who are opposed to the rule?

Mr. BANKHEAD. I can not speak for the gentleman from Indiana; but, as far as this side is concerned, I think I will be able to satisfy the Democratic Members.

Mr. LAGUARDIA. Mr. Speaker, may I ask the gentleman from Indiana, if the gentleman from Alabama will permit, if those opposed to the rule will have an opportunity to be heard?

Mr. PURNELL. I will say to the gentleman that it is my intention to yield at least one-half of the time on this side of the House to those who are opposed to the rule.

Mr. BLANTON. Mr. Speaker, I reserve the right to object.

Mr. SCHAFER. Mr. Speaker, I object to extending the time on such a gag rule so greatly restricting the time for consideration of such an important matter.

Mr. BLANTON. Mr. Speaker, I want to ask the gentleman from Alabama a question.

The SPEAKER. The Chair understands the gentleman from Wisconsin objects, so there is no use reserving the right to object or discussing the matter if objection is heard.

The gentleman from Alabama is recognized for one hour.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. BANKHEAD. If it is not to be taken out of my time and if the gentleman will submit a very brief question, I yield.

Mr. BLANTON. May we have an understanding with the gentleman from Alabama that he will later permit a substitute rule to be offered, to be voted upon before the gentleman moves the previous question? Some of us are not satisfied with the rule, although we are heartily in favor of most of the committee's bill for economy. We want a little more leeway to properly amend it in a few particulars under the general rules of the House.

Mr. BANKHEAD. Mr. Speaker, I will answer the gentleman. I do not think that is a fair request for the gentleman from Texas to make of the Rules Committee. There is opposition to this rule from the Rules Committee itself.

The SPEAKER. The gentleman from Alabama is recognized for one hour, and his time is going on.

Mr. BANKHEAD. I will say to the gentleman from Texas that if in the judgment of the House the rule which is now offered should not prevail, then they will vote down the motion for the previous question and a substitute rule may be offered throwing the whole question open to general debate and amendment.

Mr. BLANTON. That is my idea of what ought to be done. It is absolutely necessary that we pass a rule in order to make this economy program in order on this appropriation bill. No Member here who favors economy and retrenchment can afford to vote against the rule. But under its present provisions no Member not on the committee can be assured of his right to offer a bona fide amendment, as members of the committee are entitled to recognition, and they can absorb the privilege of offering the four amendments to each title. I heartily approve of practically all of the provisions of the Economy Committee's bill. I believe that the consolidation of the War and Navy Departments alone will save $100,000,000 annually. But I want to enlarge the exemption in the bill. Why not permit a substitute to be offered for the rule by agreement?

Mr. BANKHEAD. I can not make that concession.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

Mr. BANKHEAD. Mr. Speaker, I do not yield for a parliamentary inquiry.

The SPEAKER. The gentleman from Alabama does not yield for a parliamentary inquiry.

Mr. BANKHEAD. Mr. Speaker, I do not yield because my time is running. I tried to get the time extended.

Mr. Speaker, I wish to make a very brief statement in my opening remarks with reference to the purpose of this rule and what freedom of action under its provisions may be allowed to the members of the committee if the rule is adopted. I hardly think it is necessary for me to undertake to explain the mechanics of this rule. I assume that each Member of the House who is interested in the matter has a copy of the resolution before him.

The statement has been made in the press, and it will be made in the argument on this rule, that it is a gag rule. Admittedly it does attempt to restrict some liberty of action under the general rules of the House as we ordinarily consider bills under the 5-minute rule, but it does provide an opportunity under the 10 titles of this bill for members of the committee to offer 40 different amendments to the amendment that will be offered by the Economy Committee, and I want to state to you my conception of what the chairman of the committee, under this rule, will do, and what would be the order of priority in the offering of the four amendments to each title that will be allowed under this rule.

If you will take section 102 of the bill as an illustration—because I imagine that is the section about which most of this controversy will rage—under the rule as now offered, the gentleman from Iowa [Mr. RAMSEYER], for instance, if

he desires to do so, will, under this rule, have the privilege of presenting the so-called President's program with reference to economy in Government salaries, and submit it as a whole proposition, and it is made germane under this rule to throw it open to the full consideration of the House. In addition to that, an amendment to that proposition or to the committee amendment will be in order.

I want you to particularly hear this statement, gentlemen: We have entered into a "gentlemen's agreement" in the Rules Committee—and I want to state to you that it will be carried into effect by the Chairman of the Committee of the Whole, the gentleman from North Carolina—that some gentleman, I do not know who it will be, and it does not make any difference, will be recognized for the purpose of offering an amendment raising the limit of exemption from $1,000 to $2,000. So you will have an opportunity to vote on that proposition. In addition to that, an amendment will be in order to strike out each one of the titles of the bill in toto, or an amendment to strike out any section of either of the titles in toto. In addition to that, gentlemen, if this rule prevails and the bill comes out of the Committee of the Whole and goes back into the House, this rule provides an opportunity for a separate vote on each amendment that may have been adopted. So when you look at the importance of this great question, gentlemen, and when you analyze the liberty of action that is given under the terms of this rule, I submit to the candid consideration of the House that it is not entitled to be called what we ordinarily call a gag rule.

Mr. BLANTON. Will the gentleman yield?

Mr. BANKHEAD. Very briefly.

Mr. BLANTON. I am supporting the committee's bill for economy, but I want to amend it in a few particulars. If the members of the committee see fit to claim their right to offer the four amendments that are allowed for each title, then no other Member of this House, other than the members of the committee, could offer any amendment whatever. That is the biggest portion of the gag part of it.

Mr. BANKHEAD. I want to say to the gentleman from Texas that he, in my opinion, need have no apprehension upon that score.

Mr. SNELL. Will the gentleman yield?

Mr. BANKHEAD. I will yield, but I would like to finish my statement to the gentleman from Texas. I say—and if I am not authorized to say it I want to be corrected—that in order that Members of this House may have as full and free an opportunity in the circumstances as possible to register their opposition to this Economy Committee program or any feature of it, I feel it would be the duty of the Chairman of the Committee of the Whole to recognize for the offering of amendments gentlemen who desire to oppose some specific and controversial question. I want to say to the gentleman from Texas—and I want to say it to all the Members of this House—that as far as I understand the spirit and purpose of this rule—and I am sure that is the spirit which actuated the members of the Committee on Rules itself—that we desired to bring in a rule that would give to the Members of this House a fair and reasonable opportunity to register their views on all phases of this bill without entering into a discussion here that might take two or three weeks, as happened in connection with the tax-bill proposition.

That is what the committee had in mind. We may have subjected ourselves to the criticism of the membership, but we do feel that in view of the grave importance of this question, in view of the condition of our Federal Treasury, and in view of what has come to all of us, I think, a public demand upon the part of the people of this country, its business organizations and its individuals, to try, if we can, to reduce the burdens of government, Federal, State, county, and municipal, that surely this House will not deny to its membership a rule that will give you, as the representatives of those taxpayers, an opportunity to consider in a thoroughly general and liberal way the basic proposition involved. I will now yield to the gentleman from New York.

Mr. SNELL. I wanted to suggest to the gentleman from Alabama that he offer an amendment to the rule giving the Economy Committee the right to offer perfecting amendments authorized by the committee, outside of the four amendments that are offered from the floor of the House.

Mr. BANKHEAD. I have not had any indication from the chairman of that committee that he has any amendment to offer.

Mr. SNELL. Provided they had any special perfecting amendments to offer. It would seem to me that should be provided in the rule, and then that would not take from the House the opportunity of offering these four amendments.

Mr. BANKHEAD. I do not know whether there will be objection to that on the part of those who are against the rule and against considering this question at all or not. I think it ought to be incorporated in the rule.

Mr. McDUFFIE. There will be no objection to that.

Mr. BANKHEAD. There will be no objection; but has the gentleman in mind any committee amendments that he proposes to offer of a substantive nature?

Mr. McDUFFIE. There are one or two that the committee has agreed to by way of amendments it is going to offer to-day; and as to any other perfecting or clarifying amendments, the committee, of course, feels there will be no objection.

Mr. SNELL. Will the gentleman from Alabama yield for one or two more questions?

Mr. BANKHEAD. I have only a short time. The time was not extended, as the gentleman knows.

Mr. SNELL. I realize that. I wanted to have the time extended so that the House would clearly understand the situation.

As I understand from talking to the gentleman from Alabama and also the chairman of the Committee of the Whole, the chairman will recognize two on the minority side and two on the majority side on each title to offer amendments as we go along with the bill, and that he also expects as the fourth amendment to recognize some one who desires to strike out the major portion of the title or the entire title. Is this the gentleman's understanding?

Mr. BANKHEAD. If the gentleman had that understanding with the gentleman from North Carolina [Mr. WARREN] I am sure he will carry it out. I have not discussed the details of recognition at all with the gentleman from North Carolina.

Mr. SNELL. That is the way I understand it and I want to be sure my understanding is correct.

Mr. BANKHEAD. I would like to get this question cleared up and then I shall reserve the balance of my time. I will say to the gentleman from New York [Mr. SNELL] that a little later in the debate I think we can have an understanding.

Mr. Speaker, I reserve the balance of my time.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. BANKHEAD. I have promised all the time I have, I will say to my friend from Missouri.

I yield five minutes to the gentleman from New York [Mr. O'CONNOR] in opposition to the rule.

Mr. O'CONNOR. Mr. Chairman, I believe this is one of the most important amendments to the bill. You have heard it discussed before. It raises the exemption to $2,000. It takes care of practically two-thirds of the employees of the Government. As I said this afternoon, of the 1,023,000 employees of the Government, 681,000 would not be affected. The cut would affect only 341,000 employees, or those with salaries above $2,000, and then 11 per cent of that excess.

As I tried to say when my time expired this afternoon, while my amendment saves only about $18,500,000 as compared with the $67,000,000 which it is claimed would be saved under the Economy Committee plan, I think the amount involved is no answer because, as I said this afternoon, the Economy Committee started at the wrong end. It started to look for $67,000,000 to save and then to spread it over practically all Government employees, instead of taking what would be a fair, reasonable, and equitable cut in the salaries of the employees and looking for the other savings elsewhere.

I heard the gentleman from Iowa [Mr. RAMSEYER] talk about the crisis we are in or facing or what not. I heard his plea, as to the effect on business of what we do here on

salary reduction. I tried to interrupt him to ask him whether or not he thought the amendments he caused to be adopted to the tax bill, the increasing of income taxes and the increasing of estate taxes, had helped business in any way.

Mr. RAMSEYER. I wish to correct the gentleman. My amendment went to the estate tax and not to the income tax

Mr. O'CONNOR. Well, then, the estate tax. Even that had the reverse effect on business and did not help business in any way.

Then the gentleman says that if you take $50,000,000 out of this bill, as my amendment does, you should find $50,000,000 somewhere else. That is no answer in equity. The answer is this: Is this the last economy proposal this committee is going to offer in this session of Congress? Is this its whole job—an attempt to save merely $200,000,000 out of a Budget of $4,000,000,000? When the country is talking about reducing Government expenses by 50 per cent, is this all you can do by way of effecting that saving? Fifty million dollars does not amount to a great deal under the circumstances, because it must be that the committee is coming in with other consolidations and with other reorganizations to save additional money. The fallacy is that the committee started out the very first thing to take one-third of the $200,000,000 it proposed to save from the employees of the Government. I submit that policy was wrong; that salaries should have been the last thing to be touched. Reduce them if necessary; lower salaries and eliminate positions if necessary; but the committee should have first sought some other place to effect savings instead of taking one-third of the entire savings from the employees of the Government.

I can not believe that this bill represents all the economy you propose to effect before we adjourn this session or before another fiscal year.

I therefore submit that my amendment will at least give some measure of assurance to the little fellow who is getting $2,000 a year or less. If you take from the Government employee receiving $2,000 a year $110, or about $10 a month, that may be just the differential, just the margin, between living and merely existing. If you take $1,000 off a $10,000 man, that is not comparable to taking $10 a month off a $2,000 employee. The latter may deprive a man from living in the place where he now lives; it may make him surrender his life insurance; it may make him give up that little margin of pleasure; it may cause him to take his children out of school.

This furlough plan supported by the gentleman from Iowa [Mr. RAMSEYER] is the most unfair of all plans. To salaries of $4,300 it means much more of a reduction to every employee of this Government than this 11 per cent plan. For instance, the $1,800 man under the furlough plan will lose $150; under the 11 per cent Economy Committee plan he will lose only $88. Under my plan he loses nothing. The furlough plan is just adding insult to injury as compared with the Economy Committee plan. I am accepting the Economy Committee plan in preference to the furlough plan but making the exemption $2,000 instead of $1,000. My plan will permit a man to live and not put him in the position of merely existing. [Applause.]

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I yield 30 minutes to the gentleman from Indiana [Mr. PURNELL], to dispose of as he sees fit.

Mr. PURNELL. Mr. Speaker, I yield myself five minutes. Mr. Speaker, I intend to support this rule, and I sincerely hope it will be adopted by the House. [Applause.] Neither the rule nor the bill which it makes in order is entirely satisfactory to me, but this House can not afford to go before the country and take the position that it is opposed to the consideration of any measure which offers any hope of economy. [Applause.]

The country is not interested in the intricacies of rules or methods of procedure. It is not interested in the details of this rule nor the bill which it makes in order, but it is vitally interested in having us as Representatives put into practice as quickly as possible a rigid program of economy. Agriculture, industry, and labor have all taken their cuts. It is high time that the Federal Government take its cut. This rule opens the way for that procedure. Now is the time for us to give evidence of our own good faith to the country by first of all reducing our own salaries. [Applause.] I shall welcome an opportunity to vote to reduce my own.

Mr. HARDY. Will the gentleman yield?

Mr. PURNELL. I have not the time; my time is very limited, as the gentleman knows.

I do not want to find fault, but I think our friends on the other side of the aisle who are clothed with responsibility have the cart before the horse. I think we should have first brought in a program of economy. We should have whittled appropriations to the bone and cut to the last penny before going to the country asking for additional taxes. We should have only called on the people to contribute in increased taxes that which is necessary to balance the Budget after all economy efforts had been exhausted.

But, be that as it may, here is an opportunity to do a real service and give evidence to the country of our own willingness to bring about a rigid economy program. I sincerely hope the House will speedily adopt this rule and immediately take up the consideration of the bill. [Applause.]

I now yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I have been bringing rules into this House for several years, but this is an entirely different and new rule.

From my point of view this rule is not a gag rule; it is a fair rule, and if the gentleman from North Carolina, who will be in the chair during the consideration of the bill, will state to the House his understanding of the proposition I made to the gentleman from Alabama [Mr. BANKHEAD], so that there will be no question about recognition for making the individual motions, I do not think that anybody can reasonably object to the rule.

Mr. BANKHEAD. I have had a conversation with the gentleman from North Carolina, and he is here and can speak for himself.

Mr. SNELL. I yield to the gentleman from North Carolina, who will be in the chair, to answer for himself.

Mr. WARREN. I stated to the gentleman from Alabama this morning, and will state to the House, that if the rule is adopted, it will be my purpose and my desire to recognize two gentlemen on each side of the House to offer vital amendments.

I go further and say that I will not consider any pro forma or dummy amendment, that all of them must be vital amendments affecting the bill itself.

Mr. SNELL. And one thing further. If at the fourth amendment some gentleman is on his feet and wants to strike out an important part of the title under consideration or the entire title, that gentleman should be recognized to offer that amendment.

Mr. WARREN. I would regard that as a most vital amendment and subject to recognition.

Mr. SNELL. With that assurance upon the part of the gentleman who will be in the chair during the consideration of this legislation, certainly the bill will be fairly considered in the House, and it will give every man a fair chance.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Not at present. As I understand the situation, the country as a whole does not care whether this is brought in under a rule or in any other way. What the country wants is to have this House go on record for an economy program, it does not make any difference how or when or where.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Not now. If by any chance it should go out to the country to-day that the House of Representatives, which has a record for considering things with a fair degree of efficiency and consideration, refuses to consider an economy program, it will be one of the worse catastrophes that

has ever happened to this country. If you do not want the rule as it is now, vote down the previous question and write your own rule, but do not defeat the rule.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I have already told the gentleman that I could not yield.

Mr. YATES. I want to know whether there will be separate votes.

Mr. SNELL. There are to be 40 separate votes.

Mr. YATES. Will there be a separate vote upon the 11 per cent?

Mr. SNELL. Yes.

Mr. YATES. I want to vote against it.

Mr. SNELL. The gentleman will have plenty of opportunity to do it. He will have a right to vote for the President's program, for the 11 per cent program, or for the program of the gentleman from Missouri [Mr. COCHRAN]. There will be plenty of opportunity to vote on each one of these propositions, but, gentlemen, we must consider an economy program here to-day. [Applause.]

Mr. BANKHEAD. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Speaker, this is a gag rule. There is no question about that, because the gentleman from Alabama [Mr. BANKHEAD], in explaining the rule, stated, "We will permit a certain gentleman to offer an amendment increasing the exemption to $2,000." There is the evidence, you all heard it—not that the House would permit the offering of amendments, but that "we, your rulers, will permit a gentleman to offer an amendment increasing the exemption to $2,000." If that is not a clear exhibition of a gag, I would like to know what it is. The father of the House, that lovable gentleman from North Carolina [Mr. POU], chairman of the Committee on Rules, was quoted in a paper the other day as having said, "It is the damnedest rule we ever got." That is the sentiment of a gentleman old in years and honors, and loved and esteemed by all, and I take his word against the world.

We had a bill under consideration not long ago raising a revenue of approximately $1,000,000,000, and no rule was sought on that. It was thrown open here, but now comes along a cut that is equivalent to about $200,000,000, or one-fifth of that amount, and we are bound hand and foot, and gagged by a rule. What does it say? Speaking of the time allowed, it says:

> One-half to be controlled by the chairman of the Economy Committee and one-half by the ranking minority member of that committee.

It does not say whether the ranking member of the minority is opposed to the bill or in favor of the bill. Both sides might be in favor of it, and where are we going to get off at that rate of going?

Then here is another thing new in legislation. We are presented with the spectacle of the four horsemen. Each one of these horsemen has a right to offer an amendment, we are told. Oh, it is said that we will be taken care of. How do we know we will be taken care of? Perhaps the four horsemen may each offer 10 amendments, and if they offer 10 amendments, the four horsemen of the committee will have offered the 40 amendments that are allowed to the bill. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Mr. Speaker, I yield five minutes to the chairman of the committee, the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, the language quoted by my good friend from New York [Mr. BOYLAN] and attributed to me was not directed against the merits of the rule or the rule itself but at the difficulty in drafting such a rule. It has been an exceedingly difficult rule to get in shape, and I may have used language in effect as quoted by my friend, but it was not used in the way attributed to me.

Mr. Speaker, this is a most important moment in the history of this House. I have seen the cost of government mounting from year to year without any successful effort put forth to curb expenses. Since 1925 the cost of government has increased more than a billion dollars, and at this moment we have pending in another body a bill which will increase the burden of taxation to the American people something more than $2,000,000,000. The hour has struck when we must do something to reduce the expenses of government. The gentleman from New York [Mr. SNELL] very properly said that one of the worst things that could happen this morning is for the House to defeat this rule. Of course the rule is not exactly what many gentlemen would desire, it is not exactly what I would desire, but any gentleman who wishes to can pick flaws in almost any program of economy. The propaganda that has been put in motion against this bill has been something tremendous. Our desks every morning have communications protesting against this provision in the bill or that provision in the bill. We created an Economy Committee, composed of Republicans and Democrats, a nonpartisan committee, and these gentlemen have submitted to the House a program of economy which will save more than $200,000,000. For God's sake, let us not slap that committee in the face this morning; let it not go forth to the American people that at the very first opportunity the House of Representatives has had we have voted down a proposal to economize in the sum of $200,000,000, and that is the message that will go forth if you defeat this rule.

All the money which the American people will get to run their Government will come from their own taxation. We read in the press reports from abroad that any debt to America is not even considered in the budgets of European nations. When I remember that during the war we were going all over America begging people to buy Liberty bonds down to $50, that we might pour the proceeds into the coffers of the European nations, I say no nation except a nation of hogs would repudiate such obligation. [Applause.] If they do repudiate it I, for one, shall be always opposed hereafter to sending any American to sit in at any of their hyprocritical, scheming conferences called for any purpose. [Applause.]

Mr. Speaker, I do not claim to be any more virtuous than any other Member of this body. I do not claim to be any more earnestly in favor of economy than other gentlemen here are; but I repeat, we can not afford to vote down this proposition this morning. We ought to stay here until winter comes, if necessary, to carry out our pledge to the American people and to save now $200,000,000. [Applause.]

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, this is not the last day of the session of Congress. The fiscal year does not commence until July 1. I submit that it is not fair for any Member to take the floor and send word to the country that if this rule is not adopted there will be no economy. That is not a correct statement. We are justified in voting down this rule on the contents of this hodgepodge, miscellaneous bill brought in by the Committee on Economy. [Applause.]

I, for one, do not believe in legislation by selectivity. The limitation of amendments—and the selection of such amendments—is just that. I have never seen such a spectacle in 14 years, where the members of the Rules Committee, becoming rattled and demoralized, bring exhibits onto the floor of the House, put the Chairman of the Committee of the Whole on the parliamentary spot as to what he would do contrary to his rights and privileges and duties in presiding over the Committee of the Whole. It is only fair to add that the whole House has confidence in the gentleman from North Carolina, Mr. WARREN, who is an excellent Chairman. Our complaint is not against him. It is against this rule.

Mr. Speaker, I call attention to a statement made by the distinguished gentleman from New York [Mr. O'CONNOR], a member of the Rules Committee, who frankly informed the House:

> If the rule does pass, I shall seek to obtain recognition to increase the exemption from $1,000 to $2,000. I have fought in the Rules Committee for an exemption of at least $2,500. It was impossible to get recognition at that figure. Lower figures were

offered and a compromise was worked out that possibly a figure of $2,000 would be fixed, and on the theory that this is better than nothing or twice as good or many times as good as the $1,000 exemption, I hope to be recognized, if this rule does by any chance pass, to offer that exemption.

That is enough to prove that it is a gag rule of the worst kind. [Applause.] The gentleman frankly stated he had to submit and accept a lower figure in order to obtain recognition. I wonder how many of the members of the Committee on Rules have made a study of this bill. Let the country know that all we ask to-day is not to slap this rider, covering every department of the Government, flying right in the face of the Constitution, on an appropriation bill, but bring it before the House, under the rules of the House, for intelligent discussion. [Applause.]

The gentleman from North Carolina [Mr. POU] stated that word had been received from Europe, from foreign countries, that we were to expect no payment of the debts. That, indeed, is a startling piece of information; but, Mr. Speaker, if that is true, we must deal with that subject on its merits and not make the underpaid employees of the Government pay the debts of Europe. [Applause.]

I submit to every Member of the House the repeated statements made by the President of the United States that this was no time to reduce the wage scale; that this was no time to lower the purchasing power of the American people; and yet, disregarding all that admonition, disregarding every sound principle of economics, here, in a play to the boxes—not a play to the galleries but in a play to the boxes—there is brought forth a bill of this kind.

Why the abolition of the Army and Navy Transport Service? I dare the committee to tell all of the truth as to who inspired that. If that is passed, I will promise you a scandal that will stink to heaven. I know what is back of it, and so do some of the other members of the Economy Committee. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Speaker, in the 11 years I have had the privilege of serving here I have never seen a rule brought in on any bill, important or unimportant, that contained the vicious provisions which this bill contains.

Some one has said apologetically in behalf of the rule that it was neither a rule for the full consideration of the proposal nor was it a gag rule. That is one of the things I object to. I would rather be frankly and openly gagged so I could go home to my people and say that my hands were tied and my mouth was closed and I was never afforded an opportunity to present the views which they wanted presented, or the amendments which they desired adopted. But this rule goes to the country with the declaration that four amendments may be offered to each title. The folks back home will think that title means subject and that four amendments may be offered to each subject matter, and they will wonder why you sat in your seat silent, apparently unwilling to present their views and unable to even get a vote on the amendments which they desired to have considered and voted upon.

Consider this bill by title. Title I has 12 sections. Each one deals with a separate and distinct subject matter.

Title II has 10 sections, each one dealing with a separate and distinct subject. Title III has 24 sections, and each and every one of them dealing with a vital and independent subject matter, but to each title four amendments may be offered, and no more! In all probability you will not even get a chance to move to strike out one of these sections, because the four privileged amendments will already have been offered by those who have the privileged right to be recognized, two on the Democratic side and two on the Republican side.

This bill, which contains revolutionary provisions, which commits the United States Government to leading the country in wage slashing; this bill, which commits the United States Government to the dishonor of taking from honorably discharged veterans those benefits which Congress and the American people have said rightly belong to them, was written behind closed doors. This bill is filled with provisions of which you do not know the meaning or effect. No one opposed to any of these provisions had an opportunity to appear before the committee and present his views to the committee, and no one, apparently, is going to be permitted to appear before this House and explain why any of these provisions should not be adopted or to move to strike them out. To the four amendments that may be offered, no one can offer an amendment to perfect such an amendment. Think of it, think of it! Probably an amendment will be offered which needs to be perfected. Neither you nor I nor anyone can offer an amendment to perfect such an amendment. It must be swallowed raw and whole. You are not going to be given the right to vote your own judgment. You must vote for one of the selected amendments offered to a provision of the bill. You will have to content yourself with the sorry satisfaction of voting for the lesser of two evils.

I hope this rule will be voted down and the Committee on Rules instructed thereby to bring in a proper rule, to let this House consider what is in the bill, amend, and vote on it intelligently and in an orderly, legislative way. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield two minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, there are many provisions in this bill that I would like to vote for.

If we adopt this rule we might be forced to vote for the entire bill in the end and be classed with those in the House voting against economy.

I have heard of orators yielding to the intoxication of rhetorical moments making rash statements. We now see the Economy Committee yielding to the intoxication of a crusading desire to effect economy and report much rash legislation. I can not possibly vote for this gag rule, although I wish to vote for many of the items therein. I would vote cheerfully to decrease my own salary. I would vote for the President's "stagger" plan of employment; but when a rule would allow possibly only five minutes on a side to consider extremely important amendments, like the consolidation of the Army and Navy, I can not support it. The whole two hours of general debate might be taken up with matters but little explanatory of its most important items by those who will be allowed to speak during that time. Therefore, I repeat, I am going to vote against this rule, for I think it is better to defeat this method of legislation, even though it might be interpreted as a vote against any economy measure. It would seem that the Economy Committee might well have reported several separate bills to be considered in the usual orderly way of our procedure.

Mr. PURNELL. Mr. Speaker, I yield two minutes to the gentleman from Indiana [Mr. WOOD]. [Applause.]

Mr. WOOD of Indiana. Mr. Speaker, I accept the challenge thrown down by the gentleman from New York and I repeat what has been said by the gentleman from the State of North Carolina, that if this rule is voted down there will be no economy bill passed by this House. [Applause.]

Mr. GILCHRIST. How does the gentleman know?

Mr. WOOD of Indiana. I know by reason of the experience we have had before this committee, which has been working for more than six weeks. There is not an item and there is not a title in this bill but what has been opposed by somebody.

The whole country is looking to this Congress for a reduction in the expenditure of public money, yet the very people who are sending us these telegrams and these letters demanding that this be done are likewise asking that this thing or that thing be not touched. So do not be deluded. If this rule is voted down and if this measure is to be considered subject to the rules of the House, there will not be one of the titles, in my opinion, that will pass this House.

All of us must make sacrifices. During the war we made these sacrifices for the benefit of this country. I want to say to you that to-day this country is in worse condition

economically by far than it was then. You can not content yourselves by saying you voted against this bill because you did not like this item or that item. If that were to be the excuse or the reason for the excuse there is no chance whatever to pass an economy bill worthy of the name.

I repeat that if we do not accept this rule to-day no economy bill will pass this House. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield two minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Speaker, I am in direct opposition to the philosophy of my friend from Indiana who has just spoken. [Applause.] I believe that if the news should go out to this country that this gag rule has been overwhelmingly defeated it would be a splendid inspiration to the people of this Nation. It would be a declaration that Congress is opposed to retreating into the swamp any farther and that we intend to so act as to assure an upward trend in employment and purchasing power in this country. [Applause.]

I have returned this morning after a campaign in my own district, once the workshop of the world, a workshop that was filled with competent, willing workers. The mills still there able to produce abundantly, but thousands of workers are unemployed because there is no purchasing power left among the people. Therefore the mills can not be set to the task of production.

Now, you come here and ask that the United States Government accept the counsel of defeat, embrace the cult of despair, and say, "We are in the swamp now; we must go down farther still." My friends, there is no bottom to these quicksands. Make this 11 per cent cut now, and you can not stop there. You will have to cut again in the future.

Instead, I want to urge the spirit of the message General Foch sent in the darkest days of the World War. With darkness and discouragement around him he sent a telegram to Paris which ought to be in the minds of all of us to-day. He said:

> My left is giving away, my right is retiring, in consequence I am ordering a general offensive, a decisive attack from the center.

Let us end these policies which betoken defeat and despair. Let us stop retreat and go forward. Let us attack this depression instead of surrendering to it. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield the balance of my time to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I agree with the gentleman from Pennsylvania that we are to-day facing an attack, and the attack is being made upon Congress because no tangible results have been obtained in the bringing about of economies, and this rule is the first step in an effort to make an effective attack on governmental extravagances.

There is just one thing before this House at this time, and that is not the merits of this economy bill; it is whether or not this Congress is going to permit itself to vote upon the question of economy. I am not for everything in this bill. There is no man here who is. I shall vote against some of its provisions. I have been opposed all along to this method of trying to bring about economy, because you can not do it. The Congress should give the Executive the power which he requests, and then we would get action without this trading and quarreling and shadow boxing on the floor. This rule is the method selected by the organization in power for the purpose of considering this economy legislation; and regardless of the attitude of those in power, I conceive it to be the duty of all those desiring economy legislation to accept the only method of consideration proposed and to go along with this rule and attempt to help our brethren in any effort that might prove effective.

I say to Republicans: We can not afford as the minority party to place a single stone in the path of those responsible for legislation in any apparent effort to bring about the economy which the American people are demanding. [Applause.]

The purpose of this rule is to do one thing. It is to bring this bill before the House. It is not a gag rule as gag rules are oftentimes defined. It is a liberal gag rule. [Laughter and applause.]

Those familiar with the rules understand that all rules reported from the Committee on Rules to some extent deprive individuals of rights which they would otherwise have under the general rules of the House. Therefore all rules are gag rules, varying only in degree. This rule permits two hours' general debate, and as has been explained by the gentleman from New York [Mr. SNELL], an opportunity will be given to vote on the 11 per cent wage cut or upon the furlough plan. Those favoring a higher exemption than $1,000 will have an opportunity to so vote, and provision is made so that a square vote can be had on the elimination of any title in the bill. A bill bringing about well-balanced consolidations, eliminations, and economies can not be written on the floor or in a mass meeting any more than a proper tax bill could be written on the floor. Some one must assume the responsibility; and even though our majority friends have protested in other days that they would never permit legislation to be brought on the floor other than under the general rules of the House, yet it is evident that they are learning from experience, and the leaders are to be congratulated upon this effort, unsuccessful though it may be.

If the House is to accomplish results, it must be able to function. All legislation is a matter of compromise. Our constituents want action. The taxpayers want relief, and they are not interested in the niceties of parliamentary procedure, and I hope that this rule will be adopted. [Applause.]

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I want to state to the Members of the House that in response to the suggestion made by the minority leader, the gentleman from New York [Mr. SNELL], immediately upon the conclusion of the time devoted to the debate on the rule, I shall offer an amendment to the proposed rule in the following language:

> Page 2, line 4, after the word "Chair," strike out the period, insert a colon, and add the following:
> "*Provided*, That this limitation on the right to offer amendments shall not apply to amendments that may be offered by direction of the Economy Committee."

In the event gentlemen may have misunderstood the purport of this—and I want to say candidly that it was offered for the purpose of liberalizing still further the provisions of the rule—if the Economy Committee in the consideration of this bill sees fit to bring in an amendment of some sort that they want to suggest, that amendment may be open to free amendment regardless of the rule here, and the amendment shall not be included in the four amendments that are provided for under the rule.

I think all gentlemen who are familiar with the rules of the House will understand the purpose of this. It is not to further restrict, but it is for the purpose of liberalizing opportunity of amendment under the rule and not to have any of the four amendments taken away from them.

A number of gentlemen suggested the amendment that has been proposed here, gentlemen who are interested in liberalizing to this extent the rule that is now presented. I do not care to take further time to explain it. I think all gentlemen understand it.

I desire to state a few words in conclusion in reference to the general proposition involved in the rules.

Mr. MAY. Will the gentleman permit a suggestion?

Mr. BANKHEAD. What is the gentleman's suggestion?

Mr. MAY. I want to hear the amendment read, because I was unable to hear it.

Mr. BANKHEAD. It will be reported at the desk again in a moment, and I do not wish to make a further explanation of it.

Mr. GLOVER. Will the gentleman yield for one question?

Mr. BANKHEAD. What is the question?

Mr. GLOVER. If I understand the gentleman's amendment, it simply liberalizes the rule so that the membership of the House, outside of the committee, may offer these four amendments.

Mr. BANKHEAD. That is exactly the purpose of it. I can not submit to any further interruptions, although I would like to do so.

I want to make this concluding statement with reference to the general proposition involved in the rule.

This is no pleasant duty that the members of the Rules Committee are engaged in here this morning. No member of the Rules Committee and no Member who shall support a Committee on Economy are deriving any pleasure out of that effort. If we had our own will and way about it, a measure of this sort would not be presented to the House of Representatives for its consideration. The only justification on earth for this bill is the urgent, emergent necessities of our Government, and that is the whole proposition presented here. [Applause.]

I want to say to you that as far as a great number of the personnel in the Government service are concerned, including those I have heard from in my district and in other sections of Alabama, they have directed me, so far as I could say it for them, recognizing this is a temporary emergency measure for the great Government that for years and years has employed them, that has never failed them at pay day and has given them liberal terms for retirement at the expiration of their service, that as far as they are concerned they are willing in this hour of extreme necessity to go along themselves and make some little sacrifice to preserve the integrity of our Government's financial standing. [Applause.]

I can not subscribe to the doctrine that has been announced here that the taxpayers of the United States should be burdened with the duty of preserving the wage scale of industry in America, nor do I believe that this resolution will have any serious effect with reference to the pay roll of those engaged in industry. They have already reduced their pay rolls. The great brotherhoods of railroad people have voluntarily taken a cut. Every town official in this country has voluntarily, or by action of the municipal board, taken a reduction in order to meet the desperate emergencies of the present situation.

Now, gentlemen, here is the question, and I submit it to you in all candor. It is not a pleasure, as I say, for us to bring this rule here. This legislation does not represent your individual wishes or mine. The question here, and the only question, and it is your individual responsibility, and I am not censuring your action—I am only answerable to my own conscience and to my own constituency—it is an individual proposition, Will you vote, by voting against this rule, to deprive the House of Representatives of even the naked opportunity of considering this program of economy? [Applause.]

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 2, line 4, after the word "Chair," strike out the period, insert a colon, and add the following:

"*Provided*, That this limitation on the right to offer amendments shall not apply to amendments that may be offered by direction of the Economy Committee."

Mr. BANKHEAD. Mr. Speaker, I move the previous question.

Mr. BLANTON. Mr. Speaker, can not we withold that until we vote on this amendment?

The SPEAKER. The gentleman from Alabama moves the previous question.

The question was taken; and the Speaker announced that the noes seemed to have it.

Mr. BANKHEAD. Mr. Speaker, may I be allowed to make a statement? I want to say that this is a matter of a little embarrassment to me. I thought that I had six minutes remaining, excluding two that I promised to yield to the gentleman from New York [Mr. CULLEN]. I do not want to put myself in the position of breaking faith with the gentleman, and I therefore ask unanimous consent that the gentleman from New York may have two minutes outside of the time allowed on the rule.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CULLEN. Mr. Speaker, I am opposed to the adoption of this rule. Surely we are not going to act so hastily in a matter of such vital importance and of such far-reaching consequences.

It seems to me that all fair-minded Members of Congress must realize that a measure involving a reduction in American living standards for the thousands of Government employees should be considered most carefully and acted upon in a thoroughly deliberate and conscientious way.

I consider this destructive legislation with the label of economy attached, and it has now reached the stage where the Government itself might be disrupted and the efficiency of the departments seriously impaired. It will also threaten the security of and of necessity be an undue hardship to the thousands of efficient men and women who work for the Government.

Is it not time to halt this scramble? Is it not the duty of the membership here to point out the cruel inconsistencies and the deplorable results of these disconnected and unrelated series of moves?

We should call a halt to what has become a misdirected and mad rush for economy. There are sane and sound ways of avoiding the bludgeoning of employees and paralyzing the necessary functioning of our Government.

The proposed bill is what I would term a legislative monstrosity and is not worthy of intelligent or honest discussion, and if we do our duty as we should, this rule and bill should be soundly and decisively beaten.

I yield to my colleague [Mr. MEAD].

Mr. MEAD. Mr. Speaker, I appreciate the honor of closing the debate on this rule. I am not going to vote for this rule or any rule with undue haste. I challenge any man or Member of the House, or member of the Economy Committee, to prove to this House that a wage reduction is the proper way out of this crisis. Look at the experience of Europe in reduction of wages, the destitution and ruin it brought to them. I ask you to look at the experience of private industry of America, to what happened to the coal, the iron and steel, the railroad industries. I say to you and to the Economy Committee that these wage cuts are only sinking America deeper in the mire, and I plead to you to kill this rule, which is not pointing the way out. It is beneath the dignity of this body. Let us carefully consider this question before we act. [Applause.]

PUBLIC WELFARE DEMANDS DEFEAT OF FEDERAL WAGE-CUT MEASURES

This House is now confronted with an imposing bill which, in substance, proposes sweeping cuts in Federal and postal wages, the drastic reduction of existing employment standards, and the nullification of many enlightened labor advances made during recent years. This legislation, if enacted into law, is certain to have a profound and far-reaching effect on the public welfare, the efficiency and dependability of the public service, and the well-being of labor generally. Therefore the moving purpose that prompts this legislation must be of extraordinary moment so as to give warrant to its sponsors in urging its adoption. It must be grounded in a proper concern for the national welfare and for the restoration and maintenance of prosperity. By this test it must be judged. If it fails in this, it fails in everything.

While this campaign to cut Federal wages has been going on for many months, and while many men have advocated such salary cuts on this floor, there has been no bill of particulars presented as to just what these wage-cut proponents have in mind as to why wages should be reduced, or as to what was expected to be accomplished by such reduction. Various arguments have been advanced in support of wage slashing, but they have been general rather than specific, and despite its far-reaching importance there has been no program or definite declaration of purpose set down by the wage-cut advocates. In a general way the changes have been rung in turn on the following wage-cut arguments: It has been urged that the wages of Federal employees

should be cut because workers in private industry have had their wages reduced. The reduction in the cost of living has been another argument advanced to justify a wage reduction.

Another reason cited has been the declining returns of agriculture and industry, the necessity of reducing taxes, and the good psychological effect that a cut in Federal wages will have in public sentiment and industry generally. The crowning reason advanced, however, in support of the proposed wage cuts has been that the National Budget must be balanced and that the saving effected through a reduction in Federal wages was part of a general program to achieve this end. Broadly speaking, it has been conceded that Federal and postal employees now receive a modest wage for service performed. Little or nothing has been said by the wage-cut advocates as to what effect these wage reductions will have on the return of normal business conditions or the restoration of prosperity. On this major item of the whole proposition they have been exceedingly vague, if not altogether silent.

The foregoing summarizes the wage-cut situation from its proponents' point of approach. This summary shows that they expect, through the enactment of Federal wage-cut legislation, to accomplish certain things, and it is to be assumed that they recommend this legislation with the thought that its adoption will promote the public interest. On this score I take sharp issue and declare that in every item and particular these wage-cut proposals are fundamentally unsound and that they will do none of the things that their advocates say they will do.

The present business depression, dating from the stock-market crash of November, 1929, has been a season of retrenchment extraordinary. Salary slashing has been the order of the day, resulting finally in a vicious circle of wage cuts, lessened consumption, and declining business volume. It is a familiar story. The record is so complete that none can disregard it. Each succeeding wage cut has made matters worse, benefiting none and injuring all.

Moreover, in the past seven years every European country has been afflicted with this same wage-cutting policy, and with exactly the same results. There is no exception to the rule. Unemployment, misery, and destitution, declining production volume and investment returns, higher taxes, reduced public revenues, and disorganized business generally have followed in the wake of wage reductions. The record is complete, and all who run may read. The coal miners have suffered sharp reduction in wages. More recently the employees in the iron and steel industries had their wages cut, and still more recently the railroad workers were compelled to accept a 10 per cent wage cut on the general proposition that it was essential for the welfare of the transportation industry. What has been the result? Did these wage cuts increase the market value of the concern, bring greater returns to their operators, stimulate and increase production, or tend to promote local or national prosperity? These wage cuts did none of these things. They caused the exact opposite to happen.

One of the chief reasons advanced for a reduction in Federal wages is the fact that a heavy national deficit of more than $2,000,000,000 is in prospect for the current fiscal year. Accepting that estimate, let us inquire how this deficit happens to be? It is not due to increased Federal expenditures, many of which were intended to answer unemployment needs, as it was due to a sharp drop in Federal income, a drop that has kept pace step by step with the wage cuts that have been made in private industry. According to President Hoover's annual message, the fall in Federal receipts for the present fiscal year amounted to $1,683,000,000, of which $1,034,000,000 was in individual and corporate income taxes alone. Simply stated, reduced wages have resulted in less consumption, and this in turn has set in motion a series of reductions which has finally found its full reflection in a staggering annual loss in wealth production throughout the country. Here we find the major cause of the present national deficit; that is, a wage-cutting policy resulting in a stupendous loss in national income. Now it is seriously proposed that the Government on its own account, and as an example, order a sharp cut in the wages of its own employees, and to do this thing on the general concept that the public interest will be served thereby. Could any proposal be more absurd? It would make a bad situation much worse.

Mr. BANKHEAD. A parliamentary inquiry. Did the Speaker put the question on my amendment?

The SPEAKER. The Chair put the question on the motion of the gentleman for the previous question.

Mr. BANKHEAD. I move the previous question on the amendment.

Mr. LAGUARDIA. What happened to the vote that we have already had?

The SPEAKER. The Chair did not announce the vote. The Chair said that the noes appeared to have it, and then the gentleman from Alabama asked that the gentleman from New York might proceed for two minutes.

The previous question was ordered.

Mr. BANKHEAD. Mr. Speaker, I ask for a vote on the amendment.

The question was taken; and on a division (demanded by Mr. BANKHEAD), there were 205 ayes and 14 noes.

So the amendment was agreed to.

Mr. BANKHEAD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was being taken, when Mr. BANKHEAD demanded the yeas and nays.

The yeas and nays were ordered.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. My inquiry is as to whether or not this vote means that we are voting in favor of the adoption of the rule?

The SPEAKER. No; it does not. The House is voting now on the previous question.

Mr. McCORMACK. And if the previous question is adopted, then the question will come upon adopting the rule?

The SPEAKER. That is correct.

The question was taken; and there were—yeas 315, nays 60, not voting 56, as follows:

[Roll No. 55]

YEAS—315

Adkins	Carden	Disney	Hancock, N. Y.
Aldrich	Carley	Dominick	Hancock, N. C.
Allen	Carter, Calif.	Doughton	Hardy
Allgood	Cartwright	Douglas, Ariz.	Hare
Andrew, Mass.	Cary	Douglass, Mass.	Harlan
Andrews, N. Y.	Celler	Doutrich	Hart
Arnold	Chindblom	Doxey	Hartley
Auf der Heide	Chiperfield	Drewry	Hastings
Ayres	Christgau	Dyer	Haugen
Bacharach	Christopherson	Eaton, N. J.	Hawley
Bachmann	Clague	Ellsey	Hess
Bacon	Clancy	Eslick	Hoch
Baldrige	Clark, N. C.	Evans, Calif.	Holaday
Bankhead	Clarke, N. Y.	Fiesinger	Hollister
Barton	Cole, Iowa	Fish	Holmes
Beedy	Cole, Md.	Fishburne	Hooper
Black	Collins	Flannagan	Houston, Del.
Bland	Colton	Foss	Howard
Blanton	Condon	French	Huddleston
Bloom	Connery	Fuller	Hull, Morton D.
Boehne	Cooper, Ohio	Fulmer	Hull, William E.
Bohn	Cooper, Tenn.	Gambrill	Jacobsen
Boileau	Corning	Garber	Jenkins
Boland	Cox	Garrett	Johnson, Okla.
Bolton	Coyle	Gasque	Johnson, Tex.
Boylan	Crail	Gibson	Johnson, Wash.
Brand, Ga.	Cross	Gifford	Jones
Brand, Ohio	Crosser	Gilbert	Kading
Briggs	Crowther	Gilchrist	Kahn
Britten	Crump	Glover	Karch
Browning	Culkin	Golder	Kelly, Ill.
Brunner	Cullen	Goldsborough	Kelly, Pa.
Buchanan	Dallinger	Green	Kemp
Buckbee	Davenport	Greenwood	Kerr
Bulwinkle	Davis	Gregory	Ketcham
Burch	Delaney	Guyer	Kinzer
Burdick	DeRouen	Hadley	Kleberg
Busby	Dickinson	Haines	Kniffin
Byrns	Dickstein	Hall, Ill.	Kopp
Cable	Dies	Hall, Miss.	Kuns
Campbell, Iowa	Dieterich	Hall, N. Dak.	Kvale

LaGuardia	Michener	Reilly	Temple
Lambertson	Millard	Rich	Thomason
Lambeth	Miller	Robinson	Thurston
Lanneck	Milligan	Rogers, Mass.	Tierney
Lanham	Mitchell	Rogers, N. H.	Tilson
Lankford, Ga.	Mobley	Rudd	Timberlake
Lankford, Va.	Montague	Sabath	Treadway
Larsen	Montet	Sanders, N. Y.	Turpin
Lea	Moore, Ky.	Sanders, Tex.	Underhill
Leavitt	Morehead	Sandlin	Underwood
Lehlbach	Mouser	Schneider	Vinson, Ga.
Lewis	Nelson, Me.	Seger	Vinson, Ky.
Lichtenwalner	Nelson, Wis.	Seiberling	Warren
Lindsay	Niedringhaus	Selvig	Wason
Linthicum	Norton, Nebr.	Shallenberger	Watson
Lonergan	Norton, N. J.	Simmons	Weaver
Lovette	O'Connor	Sirovich	Weeks
Lozier	Oliver, Ala.	Smith, Idaho	Welch, Calif.
Luce	Oliver, N. Y.	Smith, Va.	Welsh, Pa.
McClintic, Okla.	Overton	Snell	West
McClintock, Ohio	Palmisano	Snow	White
McCormack	Parker, Ga.	Somers, N. Y.	Whitley
McDuffie	Parker, N. Y.	Sparks	Whittington
McGugin	Partridge	Spence	Wigglesworth
McKeown	Peavey	Stafford	Williams, Tex.
McLaughlin	Perkins	Steagall	Williamson
McMillan	Person	Stevenson	Wilson
McReynolds	Pettengill	Stewart	Wingo
Maas	Polk	Strong, Kans.	Withrow
Major	Pou	Sullivan, N. Y.	Wolcott
Maloney	Prall	Sumners, Tex.	Wolverton
Manlove	Pratt, Harcourt J.	Sutphin	Wood, Ga.
Mansfield	Pratt, Ruth	Swank	Wood, Ind.
Mapes	Purnell	Sweeney	Woodruff
Martin, Mass.	Rainey	Taber	Woodrum
Martin, Oreg.	Ramseyer	Tarver	Wright
May	Rayburn	Taylor, Colo.	Yon
Mead	Reed, N. Y.	Taylor, Tenn.	

NAYS—60

Almon	Englebright	James	Ramspeck
Amlie	Evans, Mont.	Johnson, Mo.	Rankin
Arentz	Fernandez	Keller	Reid, Ill.
Barbour	Fitzpatrick	Kennedy	Romjue
Beam	Frear	Loofbourow	Schafer
Bowman	Fulbright	McSwain	Schuetz
Butler	Gavagan	Moore, Ohio	Shannon
Cannon	Goodwin	Nelson, Mo.	Shott
Carter, Wyo.	Goss	Nolan	Sinclair
Cochran, Mo.	Granfield	Parks	Summers, Wash.
Cooke	Hill, Ala.	Parsons	Swanson
Curry	Hill, Wash.	Patman	Swing
De Priest	Hogg, W. Va.	Patterson	Tinkham
Driver	Hopkins	Pittenger	Williams, Mo.
Eaton, Colo.	Horr	Ragon	Yates

NOT VOTING—56

Abernethy	Crisp	Hope	Murphy
Andresen	Crowe	Hornor	Owen
Beck	Darrow	Igoe	Ransley
Brumm	Dowell	Jeffers	Shreve
Burtness	Drane	Johnson, Ill.	Smith, W. Va.
Campbell, Pa.	Erk	Johnson, S. Dak.	Stalker
Canfield	Estep	Kendall	Stokes
Cavicchia	Finley	Knutson	Strong, Pa.
Chapman	Free	Kurtz	Sullivan, Pa.
Chase	Freeman	Larrabee	Swick
Chavez	Gillen	Ludlow	Thatcher
Cochran, Pa.	Griffin	McFadden	Tucker
Collier	Griswold	McLeod	Wolfenden
Connolly	Hogg, Ind.	Magrady	Wyant

So the previous question was ordered.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Crisp with Mr. Thatcher.
Mr. Canfield with Mr. Dowell.
Mr. Tucker with Mr. Burtness.
Mr. Gillen with Mr. Shreve.
Mr. Chapman with Mr. Swick.
Mr. Larrabee with Mr. Wyant.
Mr. Abernethy with Mr. Erk.
Mr. Igoe with Mr. Hogg of Indiana.
Mrs. Owen with Mr. Johnson of South Dakota.
Mr. Ludlow with Mr. McFadden.
Mr. Griswold with Mr. Estep.
Mr. Collier with Mr. Beck.
Mr. Drane with Mr. Campbell of Pennsylvania.
Mr. Chavez with Mr. Darrow.
Mr. Jeffers with Mr. Ransley.
Mr. Smith of West Virginia with Mr. Connolly.
Mr. Hornor with Mr. Kendall.
Mr. Griffin with Mr. Free.

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on agreeing to the resolution.

Mr. CANNON. Mr. Speaker, I demand a division of the question. I ask for a separate vote on the substantive proposition contained in the sentence beginning in line 1 on page 2 and ending with line 4, as follows:

Each title as it is read shall be open to four amendments, said amendments not being subject to amendment, and no further amendments shall be entertained by the Chair.

Mr. BANKHEAD. Mr. Speaker, I suggest to the gentleman from Missouri that by the action of the House that portion of the rule has already been amended. As I understand it, the gentleman is asking for a separate vote on something that is not now in the resolution. I submit it is not divisible under the circumstances. The resolution as it now stands on which the previous question has been ordered, so far as the portion to which the gentleman refers is concerned, reads as follows:

Each title as it is read shall be open to four amendments, said amendments not being subject to amendment, and no further amendments shall be entertained by the Chair: *Provided*, That the limitation on the right to offer amendments shall not apply to amendments that may be offered by direction of the Economy Committee.

The gentleman from Missouri, as I understand it, despite the former action of the House in incorporating that amendment, is asking for a separate vote on something not now before the House.

Mr. O'CONNOR. Mr. Speaker, I desire to be heard on that point.

Mr. BANKHEAD. The gentleman is asking for something not now in the resolution.

Mr. O'CONNOR. Mr. Speaker, all the House did was to adopt the amendment offered by the gentleman from Alabama [Mr. BANKHEAD], and now, of course, that sentence, beginning on page 2, as amended, is entirely before the House. We have not yet adopted that sentence either by itself or as amended. That is the parliamentary situation.

Mr. BANKHEAD. And the previous question has been ordered on the part of the resolution now before the committee as amended.

The SPEAKER. The Chair calls the attention of the gentleman from Alabama to paragraph 6 of Rule 16:

On the demand of any Member, before the question is put, a question shall be divided if it include propositions so distinct in substance that one being taken away a substantive proposition shall remain.

The Chair has examined this substantive proposition. If you take away from the bill all of that language—

Each title as it is read shall be open to four amendments, said amendments not being subject to amendment, and no further amendments shall be entertained by the Chair—

there would still be the remainder of the resolution. It occurs to the Chair that it is a substantive proposition.

Mr. TILSON. Mr. Speaker, will the Chair hear me for a moment?

The SPEAKER. Certainly.

Mr. TILSON. In order to constitute a substantive proposition after the division of a question each of the parts must be complete so that it will stand alone. And it must work both ways. Let us try to work it in the other direction than that just suggested by the Chair. Suppose the House should vote down the first part of the proposition, what would be left if only the portion to which the gentleman makes objection remains? The four lines singled out by the gentleman from Missouri would not be a substantive proposition. It would not be a workable rule. In fact, it would mean nothing standing alone. If the House in its wisdom, when it comes to vote separately, should vote to retain the portion which the gentleman from Missouri wishes to cut out, and to eliminate the rest of the rule, what kind of a substantive proposition shall we have?

Mr. CANNON. If the sentence on which a separate vote is requested is removed, it will leave a complete and workable rule. The effect of such removal is immaterial in construing the rules of the House.

The sentence which I have quoted, and on which I ask a separate vote, is a substantive proposition among many other substantive propositions, and under section 6, Rule XVI, and a separate vote can not be denied.

Mr. TILSON. The gentleman must admit, though, that his proposition might be voted down and the other propo-

sition voted up. Suppose it should happen that the portion which the gentleman wishes to strike out was, contrary to his wishes, retained, and the other portion which he would like to have stand, should be, in the wisdom of the House, stricken out, then where would the gentleman be left? Only this one small portion of the rule would be left. It would not be a substantive proposition as far as the rule is concerned.

Mr. CANNON. The rule provides that on request there shall be a separate vote on every substantive proposition.

Mr. RAMSEYER. If the gentleman is correct, there could be a separate vote on every sentence in this rule.

Mr. CANNON. On every sentence which embodied a substantive proposition.

Mr. TILSON. The gentleman had his right before the previous question was ordered. The gentleman then had the right to move an amendment. Why did he not do it then? Why did not the gentleman have the previous question voted down and move his amendment? That was the time to act. The previous question having been ordered, if the gentleman can pick out one proposition and have it voted upon, he can pick out any other and have a separate vote on it.

Mr. CANNON. The gentleman is absolutely right. That is precisely what the rules of the House provide.

Mr. TILSON. After the previous question has been ordered can we have a vote upon every individual sentence in this rule? I do not believe that it can be done after the adoption of the previous question.

Mr. ADKINS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ADKINS. As I understand, this resolution has been read and amended and the previous question has been ordered. After all that procedure, is an amendment now in order?

The SPEAKER. This is not in the form of an amendment. It is provided for by the rules of the House of Representatives, which the Chair intends to read, and which he will read for the benefit of the membership.

Paragraph 6, Rule XVI:

"On the demand of any Member, before the question is put, a question shall be divided if it include propositions so distinct in substance that one being taken away a substantive proposition shall remain."

Now, as the gentleman from Connecticut says, if you take away the first substantive proposition—that is, all of this resolution except that included on page 2 in line 1 down to line 4—there would be nothing left except that language and the title. But on the contrary, if you take away the proposition which the gentleman from Missouri has suggested, you still have a complete rule for the consideration of this resolution.

Mr. TILSON. But the Chair must not assume that the House will necessarily take the action suggested by the gentleman from Missouri. The reverse action may be taken.

The SPEAKER. The House is supposed to act intelligently under the rules of the House of Representatives. That may be an unusual presumption, but nevertheless it is presumed to act intelligently.

The gentleman from Missouri has asked for a division of the resolution. It occurs to the Chair that if the provision that the gentleman from Missouri has suggested is voted out there will be a complete special rule remaining. So it seems to the Chair it comes within the spirit of the rule. However, the Chair will be glad to hear any gentleman on the question.

Mr. RAMSEYER. The Speaker proceeds on the assumption that the demand for a separate vote on that sentence beginning in line 1, page 2, is in the form of an amendment. It is not. If the Chair yields to the demand of the gentleman from Missouri, there will not be two propositions before the House. It will be improper for the Chair to divide this unless there are two propositions, each of which stands on its own legs. To say that the House will act intelligently on the matter, of course, is a compliment to the House, but the rules do not go on that assumption. If the Speaker will permit me to repeat, there is no division, under the rules, unless when the division is made each proposition is a substantive proposition and will make sense in itself standing alone.

The SPEAKER. What does the gentleman from Iowa say to the language in this rule? The Chair is only attempting to construe the language of the rule:

On the demand of any Member, before the question is put, a question shall be divided if it include propositions so distinct in substance that one being taken away a substantive proposition shall remain.

Mr. RAMSEYER. But that means if either one is taken away the other one, standing alone, is a substantive proposition. Now, if the Speaker is right in the way he appears to be inclined, why could not there not be a separate vote on the next sentence, and a separate vote on the next sentence? Any one of those sentences is as much of a substantive proposition as the sentence on which the gentleman from Missouri seeks a separate vote. Now, what is left of the rule? If either of those sentences is voted on, you would have a substantive proposition left, but the test is that after dividing the parts divided each presents a substantive proposition.

Mr. BLANTON. Mr. Speaker, would the Chair hear me for a moment?

The SPEAKER. The gentleman from Texas.

Mr. BLANTON. A division has always been applicable only to that which has been placed in a bill. This resolution is exactly the same as an appropriation bill that has passed the amendment stage and is ready to be voted upon. Suppose this were an appropriation bill before the House, could any Member ask for a separate vote on a provision that was already in the bill, that was not put in by way of amendment in the Committee of the Whole? Certainly not. A separate vote on appropriation bills can only be asked for with respect to amendments that have been put in in Committee of the Whole. This resolution has passed the amendment stage. It comes before the House already amended, with the previous question adopted.

Certainly you could not take up each substantive proposition and ask for a separate vote. I submit that is the rule.

Mr. CANNON. Mr. Speaker, let me remind the Chair of two notable instances in which this identical question was presented and determined, both of them within the memory of the present distinguished occupant of the chair.

On April 8, 1908, in the Sixtieth Congress, Mr. John Dalzell, of Pennsylvania, chairman of the Committee on Rules, brought in a rule providing for the consideration of the naval appropriation bill, just as Mr. BANKHEAD, the chairman of the present Committee on Rules, has brought in this rule providing for the consideration of the legislative appropriation bill. The rule proposed exactly the kind of legislative program provided by this rule. Mr. John J. Fitzgerald, of New York, demanded a separate vote on one clause in the rule, a clause comparable in all respects with the clause on which we are demanding a separate vote to-day.

In this connection it may be recalled that the Committee on Rules at that time consisted of but three members, Mr. Dalzell, of Pennsylvania, Mr. Speaker Cannon, of Illinois, and Mr. John Sharp Williams, of Mississippi. Speaker Cannon was at that time at the zenith of his power. His control of the legislative program of the House was absolute and undisputed. He was referred to in every newspaper as the czar.

He had personally supervised the drafting of that rule. But when Mr. Fitzgerald demanded a separate vote on one of the five propositions carried by the rule the request was so obviously within his rights under the section of the rules of the House which the Speaker has just read that, although it was vigorously objected to by Mr. Dalzell and other parliamentarians on the majority side, Speaker Cannon held that he was entitled to a separate vote upon that one clause and put the question.

Mr. BANKHEAD. Has the gentleman from Missouri before him the case he refers to?

Mr. CANNON. It will be found in the proceedings of the first session of the Sixtieth Congress, page 4509, April 8, 1908.

And while the gentleman is about it he may make note of a precedent of the second session, Sixty-second Congress, page 5006, which I will also cite.

In the Sixty-second Congress, Bob Henry, of Texas, from the Speaker's own State, at that time chairman of the Committee on Rules, reported a rule for the consideration of the Post Office appropriation bill, a rule which provided a legislative program for the consideration of the bill similar to that provided in this resolution. Mr. James R. Mann, of Illinois, one of the ablest parliamentarians who ever sat in the House, demanded a separate vote on one clause of the rule—in its general effect such a clause as that on which we are now asking a separate vote in this rule. And Mr. Speaker Clark, of Missouri, against the vigorous protest of Members of the Committee on Rules, held that under the section which the Speaker has just read, section 6 of Rule XVI of the Rules of the House, Mr. Mann was entitled to a separate vote on the clause and granted it.

I could cite innumerable instances, Mr. Speaker, throughout the procedure of the House supporting and confirming the inherent right of a Member to rise and demand a separate vote upon any substantive provision which, taken away from the proposition before the House, would leave another substantive proposition. It is a right which has come down to us from the First Congress, and when properly invoked has never been denied from that time to this.

As the Speaker has well said, the clause at bar is in itself a complete substantive proposition, and if removed, it leaves a complete and workable rule. The only effect of the removal of that provision will be that instead of Members of the House being limited to four amendments to a title—all of which will undoubtedly be monopolized by members of the committee—any number of legitimate amendments may be offered and every Member of the House will be permitted to participate in the formulation of this important legislation. But if you leave this proposition in the rule, there will not even be opportunity to offer one amendment to a section. In the very first title there are 16 sections, and under this clause you can not touch 12 of them. You must take them or leave them as the committee crams them down your throat. This one clause is the gag in the rule, and with it in operation the average Member of the House who is not on the committee might as well be a thousand miles away so far as any influence he may be able to exert in the drafting of this legislation is concerned.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. CONNERY. Mr. Speaker, if the Chair should rule in favor of the gentleman from Missouri, that would eliminate the three lines being the sentence starting in line 1 of page 2 and ending with the word "Chair," in line 4, and would leave the situation as though we brought it in under suspension of the rules, except that two motions to recommit would be in order.

Mr. CANNON. The gentleman is correct. The elimination of this one sentence will practically throw the bill open to consideration under the rules of the House, the fairest system of legislative procedure ever devised.

Mr. LaGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. LaGUARDIA. In reply to the query of the gentleman from Massachusetts [Mr. CONNERY], if the Chair holds the gentleman's request for a separate vote valid, then the House would vote on the question of four amendments. If the House voted that down, then it means that this rule makes germane to an appropriation bill that which otherwise would not be germane. That is right, is it not?

Mr. CANNON. If the House should vote down this proposition it makes no change except that it will give us the right to offer more than four amendments, to consider fully all sections of the bill. It will permit participation by all Members of the House instead of restricting participation to members of the committee. It will give us the right to discuss the bill at length and to change it if we think it should be changed. It takes away the gag feature. [Applause.]

Mr. LaGUARDIA. If after the gag portion is taken off does the House still have the opportunity of voting down the rule?

Mr. CANNON. Certainly. By dividing the question, the House is given the opportunity to adopt or reject a part of the rule or all of the rule.

Mr. RAMSEYER. Will the gentleman yield?

Mr. CANNON. I yield to the gentleman.

Mr. RAMSEYER. The gentleman says there are two substantive propositions here. Is this the only sentence that contains a substantive proposition?

Mr. CANNON. There are a number of others containing substantive propositions, and the gentleman or any other Member may ask for a separate vote on any of them.

Mr. TILSON. Mr. Speaker, may I restate my proposition? I thoroughly agree with the principle announced by the gentleman from Missouri that where there are two substantive propositions, each of which will stand alone, regardless of which one may be voted up and which one may be voted down, then it may be divided; but where there are two propositions, as here, one of which is simply one of the provisions in the other and which of itself means nothing, there can be no division. Here is a rule with several provisions in it. The gentleman from Missouri would like to have a separate vote on one of these provisions. If it should be voted out, it is true there would be a workable rule left; but what happens if the other part is voted out instead?

Again let us suppose that after the gentleman demands a separate vote on this one sentence, I ask the Speaker to give us a separate vote on the next one, which begins on line 7, so as to eliminate it.

From line 7 down to line 14 may be cut out and still leave a substantive proposition. But let us suppose that, instead of this happening, the other portion, the resolving clause and the first part of the rule, is cut out. Suppose the House obstinately votes down my proposal and votes to cut out the other proposition. There would be nothing left except the sentence I tried to eliminate. In other words, one part of the rule will stand alone as a substantive proposition while the other will not. In order to come within the rule providing for a division of a motion, each and every part after the division must be a substantive proposition capable of standing alone and making sense after all the other parts have been taken away.

I wish to ask the Chair this parliamentary question: Whether if I ask a separate vote on the paragraph beginning in line 7—which, as I have shown, can well be cut out and leave a perfectly workable rule—will the Chair recognize me for this purpose? It would seem that I am just as much entitled to a separate vote on this provision as is the gentleman from Missouri on the provision in question.

The SPEAKER. The Chair is ready to rule. The Chair has already read the rule to the House. An examination of this particular rule shows that it contains a number of substantive propositions. In a ruling made by Mr. Speaker Cannon on April 6, 1908 (RECORD, p. 4509), he said:

> The Chair is prepared to rule. On a careful examination of this rule, the Chair finds that there are five substantive propositions and five only, so that if the gentleman demands a separate vote upon either or all of them, a separate vote will be taken.

The Chair has examined the rule in that case. If the House had adopted two substantive propositions and left out three substantive propositions, it would not have known what it was all about. The House could not possibly have known what it was considering if it had been so foolish as to adopt two of the substantive propositions and reject three, or reject two and adopt three.

As the Chair said a while ago, it is the presumption that the House, in voting upon the proposition, will act intelligently and not emasculate the rule.

The rule is quite specific. It provides that if there is a substantive proposition left a Member is entitled to a division.

The Chair overrules the point of order.

Mr. WOODRUFF. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOODRUFF. In case the language mentioned by the gentleman from Missouri is stricken from the rule the net result will be that the House will vote to consider this bill under the general rules of the House?

The SPEAKER. The Chair understands that is the practical effect of it; yes.

Mr. BANKHEAD. Mr. Speaker, on what part of the rule will the first question come?

The SPEAKER. The gentleman from Missouri [Mr. CANNON] has demanded a vote on the substantive proposition commencing with the word "each" in line 1, of page 2, and going down to and including the word "Chair" in line 4.

Mr. BANKHEAD. Mr. Speaker, is that on the section of the resolution as it has been amended by the House? That is not what the gentleman requested.

The SPEAKER. The gentleman from Missouri did not say anything about the amendment. The Chair does not know what is in the gentleman's mind.

Mr. BANKHEAD. If the Chair will pardon me, the gentleman distinctly announced he was not asking for a separate vote on that part of the resolution as amended by the House, but he was asking a separate vote upon it in its original form.

The SPEAKER. That is what the Chair stated.

Mr. BANKHEAD. What happens to the amendment?

The SPEAKER. The amendment remains in the resolution.

The question is on agreeing to that part of the resolution beginning with the word "each" in line 1, page 2, of the resolution and ending with the word "Chair" in line 4.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. As I understand the situation, that particular provision was amended in the House. The Chair is now submitting something which has been amended, but without including the amendment. We can not possibly be dealing with the matter which the Chair is now referring to. The Bankhead amendment is now a part of this provision, be it substantive or otherwise.

The SPEAKER. If the gentleman from Michigan will allow the Chair to state it once more, the gentleman from Missouri did not include in his demand the amendment now in the resolution. The gentleman could include in his demand the amendment that had been agreed to.

Mr. MICHENER. Exactly. We are considering this provision as amended. If this is true, then the gentleman from Missouri has no right to go back and ask for consideration of a provision which was in the resolution when we commenced its consideration, but which is now changed by amendment.

The SPEAKER. The Chair has read the rule once, and if necessary, will read it again. It specifically authorizes any Member of the House to ask for a division and the gentleman from Missouri has asked for a division and has asked that certain language be voted on separately. If that language is disagreed to, the balance of the special rule will be a substantive proposition.

Mr. O'CONNOR. May I respectfully point out to the Chair the practical effect of the Chair's ruling? The Chair rules that a division is possible, but what is happening is that we are dividing a sentence and we are having a vote on a part of a sentence that has been amended. I submit there can not be a division unless it is a substantive proposition, and in this instance the Chair is leaving out a part of the sentence in question.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. Would it be in order for the gentleman from Missouri to withdraw his request, so that the House may vote down this rule on its merits? We are ready to do it.

Mr. CANNON. Mr. Speaker, it has been frequently held that it is not a part of the Speaker's duty to determine the effect of an amendment or the effect of any proposition presented for the consideration of the House. He is not required to pass on hypothetical questions.

The SPEAKER. The gentleman from Missouri is correct.

Mr. HUDDLESTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HUDDLESTON. Mr. Speaker, may a separate vote on a part of a substantive proposition be taken, or must it be upon the entire proposition?

The SPEAKER. The Chair thinks it is possible to have this division made.

Mr. HUDDLESTON. The proposition has been amended. Can a separate vote be demanded upon part of the proposition when it includes other parts?

The SPEAKER. The Chair overrules the points of order. The question is on agreeing to that portion of the resolution on which a separate vote is demanded by the gentleman from Missouri [Mr. CANNON].

Mr. RAMSEYER. Mr. Speaker, the question is on the division. On what part of the resolution are we voting?

The SPEAKER. The Chair will state it.

The question is on agreeing to that portion of the resolution beginning in line 1 with the word "each" and ending in line 4, of page 2, with the word "Chair."

The question was taken, and the portion of the resolution referred to was rejected.

The SPEAKER. The question is on agreeing to the balance of the resolution.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. BANKHEAD. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

Mr. SNELL. Will the Speaker state just what we are about to vote on at the present time?

The SPEAKER. If the Chair can get order, he will state the situation. The House has disagreed to that portion of the resolution beginning with the word "each" in line 1, page 2, and down to the word "Chair" in line 4. That language is no longer in the resolution. The balance of the resolution is intact; and the question now is, Will the House adopt the resolution with that portion referred to eliminated from the resolution? The previous question has been ordered, and the yeas and nays have been ordered.

Mr. HARLAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HARLAN. What has happened to the Bankhead amendment?

The SPEAKER. The Bankhead amendment is in the resolution. The Clerk will call the roll.

The question was taken; and there were—yeas 219, nays 164, not voting 48, as follows:

[Roll No. 56]

YEAS—219

Adkins	Cary	Ealick	Holaday
Aldrich	Chindblom	Evans, Calif.	Hollister
Allgood	Chiperfield	Fiesinger	Hooper
Andrew, Mass.	Christopherson	Fishburne	Hope
Arnold	Clague	Flannagan	Houston, Del.
Bacharach	Clancy	Foss	Howard
Bachmann	Clark, N. C.	Free	Huddleston
Bacon	Clarke, N. Y.	French	Hull, Morton D.
Baldrige	Cole, Iowa	Fuller	Hull, William E.
Bankhead	Collins	Fulmer	Johnson, Okla.
Barton	Cooper, Ohio	Garber	Johnson, Tex.
Beedy	Cooper, Tenn.	Garrett	Jones
Bland	Corning	Gasque	Kahn
Blanton	Cox	Gilbert	Kerr
Bohn	Crisp	Glover	Ketcham
Bolton	Cross	Green	Kinzer
Bowman	Crowther	Gregory	Kleberg
Brand, Ga.	Crump	Guyer	Kniffin
Brand, Ohio	Culkin	Hadley	Knutson
Briggs	Darrow	Hall, Ill.	Lambertson
Britten	Davenport	Hall, Miss.	Lambeth
Browning	Davis	Hancock, N. Y.	Lanham
Buchanan	De Priest	Hancock, N. C.	Lankford, Va.
Bulwinkle	DeRouen	Hardy	Larsen
Burch	Dickinson	Hare	Lea
Busby	Dies	Hart	Leavitt
Byrns	Disney	Hastings	Lovette
Cable	Dominick	Haugen	Lozier
Campbell, Iowa	Doughton	Hawley	Luce
Cannon	Douglas, Ariz.	Hess	McClintic, Okla.
Carden	Doxey	Hill, Ala.	McClintock, Ohio
Carter, Calif.	Drewry	Hoch	McDuffie
Cartwright	Elsey	Hogg, W. Va.	McGugin

McLaughlin	Parker, N. Y.	Smith, Idaho	Vinson, Ga.
McLeod	Parsons	Snell	Vinson, Ky.
McMillan	Patterson	Sparks	Warren
McReynolds	Polk	Stafford	Wason
McSwain	Pou	Steagall	Watson
Mansfield	Pratt, Harcourt J.	Stevenson	Weaver
Mapes	Pratt, Ruth	Stokes	Weeks
Martin, Mass.	Purnell	Strong, Kans.	West
Michener	Rainey	Sumners, Tex.	White
Millard	Ramseyer	Swank	Whitley
Miller	Rasaspeck	Swanson	Whittington
Milligan	Rayburn	Taber	Wigglesworth
Mitchell	Reilly	Tarver	Williams, Tex.
Mobley	Rich	Taylor, Colo.	Williamson
Montague	Rogers, Mass.	Taylor, Tenn.	Wilson
Moore, Ky.	Sabath	Temple	Wingo
Moore, Ohio	Sanders, N. Y.	Thomason	Wood, Ga.
Morehead	Sanders, Tex.	Thurston	Wood, Ind.
Mouser	Sandlin	Tilson	Woodruff
Norton, Nebr.	Selberling	Timberlake	Woodrum
Oliver, Ala.	Shallenberger	Treadway	Wright
Parker, Ga.	Simmons	Underwood	

NAYS—164

Allen	Driver	Kemp	Pettengill
Almon	Dyer	Kennedy	Pittenger
Amlie	Eaton, Colo.	Kopp	Prall
Andrews, N. Y.	Eaton, N. J.	Kunz	Ragon
Arents	Englebright	Kvale	Rankin
Auf der Heide	Evans, Mont.	LaGuardia	Reed, N. Y.
Ayres	Fernandez	Lamneck	Reid, Ill.
Barbour	Fish	Lankford, Ga.	Robinson
Beam	Fitzpatrick	Lehlbach	Rogers, N. H.
Black	Frear	Lewis	Romjue
Bloom	Fulbright	Lichtenwalner	Rudd
Boehne	Gambrill	Lindsay	Schafer
Bolleau	Gavagan	Linthicum	Schneider
Boland	Gibson	Lonergan	Schuetz
Boylan	Gifford	Loofbourow	Seger
Brunner	Gilchrist	McCormack	Selvig
Buckbee	Golder	McKeown	Shannon
Burdick	Goldsborough	Maas	Shott
Butler	Goodwin	Major	Sinclair
Carley	Goss	Maloney	Sirovich
Carter, Wyo.	Granfield	Manlove	Smith, Va.
Celler	Greenwood	Martin, Oreg.	Snow
Christgau	Griffin	May	Somers, N. Y.
Cochran, Mo.	Haines	Mead	Spence
Cole, Md.	Hall, N. Dak.	Montet	Stewart
Colton	Harlan	Nelson, Me.	Sullivan, N. Y.
Condon	Hartley	Nelson, Mo.	Summers, Wash.
Connery	Hill, Wash.	Nelson, Wis.	Sutphin
Connolly	Holmes	Niedringhaus	Sweeney
Cooke	Hopkins	Nolan	Swing
Coyle	Horr	Norton, N. J.	Tierney
Crail	Jacobsen	O'Connor	Tinkham
Crosser	James	Oliver, N. Y.	Turpin
Cullen	Jenkins	Overton	Welch, Calif.
Curry	Johnson, Mo.	Palmisano	Welsh, Pa.
Dallinger	Johnson, Wash.	Parks	Williams, Mo.
Delaney	Kading	Partridge	Withrow
Dickstein	Karch	Patman	Wolcott
Dieterich	Keller	Peavey	Wolverton
Douglass, Mass.	Kelly, Ill.	Perkins	Yates
Doutrich	Kelly, Pa.	Person	Yon

NOT VOTING—48

Abernethy	Collier	Igoe	Ransley
Andresen	Crowe	Jeffers	Shreve
Beck	Dowell	Johnson, Ill.	Smith, W. Va.
Brumm	Drane	Johnson, S. Dak.	Stalker
Burtness	Erk	Kendall	Strong, Pa.
Campbell, Pa.	Estep	Kurtz	Sullivan, Pa.
Canfield	Finley	Larrabee	Swick
Cavicchia	Freeman	Ludlow	Thatcher
Chapman	Gillen	McFadden	Tucker
Chase	Griswold	Magrady	Underhill
Chavez	Hogg, Ind.	Murphy	Wolfenden
Cochran, Pa.	Hornor	Owen	Wyant

So the resolution was agreed to.

The following pairs were announced:

On the vote:

Mr. Canfield (for) with Mr. Griswold (against).
Mr. Wyant (for) with Mr. Larrabee (against).
Mr. Kurtz (for) with Mr. Ludlow (against).
Mr. Tucker (for) with Mr. Erk (against).
Mr. Collier (for) with Mr. Ransley (against).
Mr. Chapman (for) with Mr. Gillen (against).

Until further notice:

Mr. Crowe with Mr. Thatcher.
Mrs. Owen with Mr. Burtness.
Mr. Smith of West Virginia with Mr. Campbell of Pennsylvania.
Mr. Jeffers with Mr. Dowell.
Mr. Igoe with Mr. Stalker.
Mr. Hornor with Mr. McFadden.
Mr. Drane with Mr. Finley.
Mr. Chaves with Mr. Swick.
Mr. Abernethy with Mr. Beck.

Mr. CONNERY. Mr. Speaker, I wish to announce that the gentleman from New Mexico, Mr. CHAVES, has asked me to state that if he were present he would have voted "no."

Mr. SANDLIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, the legislative appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. WARREN in the chair.

The Clerk read the title to the bill.

The CHAIRMAN. When the committee rose on yesterday, the reading of the legislative appropriation bill had been completed down through page 42. At the time the committee rose, there was pending an amendment offered by the gentleman from Colorado [Mr. HARDY] and a substitute to that amendment offered by the gentleman from New York [Mr. BACON]. The Clerk will now report the pending amendment of the gentleman from Colorado and the substitute by the gentleman from New York.

Mr. LaGUARDIA. Mr. Chairman, the substitute amendment by the gentleman from New York was simply read for information. It had not been formally presented as a substitute.

Mr. SIMMONS. The record is clear about that.

The CHAIRMAN. The Chair understood that it had been offered. But the question now is on the adoption of the amendment offered by the gentleman from Colorado [Mr. HARDY], which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HARDY: Page 42, after line 25, insert a new section, as follows:

"SEC. 3. The salaries of Senators, Representatives, Delegates, and Resident Commissioners shall be at the rate of $9,000 per annum during the fiscal year 1933."

Mr. LaGUARDIA. Mr. Chairman, on that I make the point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LaGUARDIA. That it is legislation on an appropriation bill and not in the form of a limitation. It simply seeks to amend existing law by changing the rate of salary now fixed by law, and there is nothing in the amendment itself from which the Chair can infer a saving under the Holman rule.

The CHAIRMAN. The Chair overrules the point of order.

Mr. McDUFFIE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McDUFFIE. My understanding, which may have been erroneous, was that having a privileged amendment under the rule, it could now be offered despite the fact that an amendment is pending. I ask the Chair to rule on that proposition.

The CHAIRMAN. The Chair was under the impression that the gentleman from Alabama would offer his amendment after the legislative bill has been concluded; that is, at the end of page 43. The committee is now at the beginning of page 43. The amendment of the gentleman from Colorado [Mr. HARDY] was pending when the committee rose, and the Chair thinks it is now in order and should be disposed of before the gentleman from Alabama offers his amendment.

Mr. DYER rose.

The CHAIRMAN. For what purpose does the gentleman from Missouri rise?

Mr. DYER. I rise to offer an amendment to the amendment of the gentleman from Colorado.

The CHAIRMAN. The gentleman from Colorado has the floor.

Mr. DYER. Mr. Chairman, will the gentleman yield for the purpose of changing his amendment in one particular?

Mr. HARDY. No; I could not do that. Mr. Chairman, in all the debate that has gone on here about economy I have heard several Members say that they would be glad to vote a reduction in salaries for themselves. I think that that is a matter that ought to be taken up by the House by itself alone and not brought here in an omnibus proposition. The Members of this House know that we are going to have some economies in government and we know that

we are going to have some reductions in salaries. We know that while we do not care to touch our salaries particularly, as most Members can not live on what they get, yet we are going to do it, and I say we ought to have a chance to show the country that we are brave enough to vote a cut in our own salaries before we declare a cut in the salary of others. I think we should vote for this amendment I have proposed at this time and avoid the charge that we are not willing to cut our own salaries. Let us take this $1,000 reduction in salary for the fiscal year 1933, and bring the matter to a focus right now.

Mr. LEHLBACH. Mr. Chairman, will the gentleman yield?

Mr. HARDY. Yes.

Mr. LEHLBACH. The form of the gentleman's amendment is that the salary shall be $9,000 for the fiscal year 1933?

Mr. HARDY. Yes.

Mr. LEHLBACH. If later an 11 per cent reduction in all Government salaries or a month of forfeiture is agreed to in lieu of the furlough, will that be taken from the $9,000?

Mr. HARDY. I think the gentlemen of this House have enough sense to meet that when they come to it.

Mr. McDUFFIE. Mr. Chairman, I rise in opposition to the amendment. The program which we have agreed to present as an economy proposal deals with this very proposal. Why should the House, knowing as we do that we are going to deal with the salaries of Members of the House in the general program of economy, vote now on this proposition and later on vote again? I suggest that the gentleman withdraw his amendment and let the salaries of the Members of the House be treated either under the President's plan or under the committee's plan along with other salary reductions.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. HARDY. The charge is already very prevalent in newspapers and particularly in the special columns of political writers that many Members of this House will not vote for the economy plan because it includes their own salaries.

Mr. McDUFFIE. No sensible man on this floor believes such charges on the part of the newspapers.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. DYER. Suppose the amendment which has been made in order by the rule fails, suppose that should be voted down, then we would not have any reduction in the salaries of Members?

Mr. McDUFFIE. If that amendment is voted down, certainly the gentleman will have an opportunity to offer an amendment, even his amendment, as soon as we shall have finished the committee amendment.

Mr. DYER. Very well.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word. It is rather remarkable to find the chairman of the Economy Committee, which has been filling the press and feeding the American people with propaganda in favor of economy and reducing governmental expenditures, including salaries, standing up on the floor of the House and opposing an amendment to commence their economy program by reducing the salaries of Members of Congress.

I believe that I know the reason why the gentleman wants to defeat this amendment now. He knows that there are not enough votes in this House to swallow the 68-page bill, upon which there are no printed hearings, the 68-page bill which was first available on Monday of this week and on which the committee report was not available until this morning; a bill making many drastic changes in the long-established policies of our Nation, such as our national defense. In these times of unrest among the nations of the world, and with the critical situation as it is in the Far East, at a time when our debtor nations are indicating they will not pay their honest debts to us, as the chairman of the Rules Committee indicated, should America, in this omnibus bill, without careful and mature consideration give to one bureaucrat the authority and direction to consolidate and demoralize the arms of our national defense? The chairman of the Economy Committee hopes to gather a few more votes for his indefensible bill by putting the Members of Congress on the spot and forcing them to vote against any cut in their own salaries if they vote against the bill because of some of its indefensible provisions.

Now, the gentleman from Alabama says that after the pending section is passed that the question of considering the salary reduction for the Members of Congress can be considered if the so-called economy amendment is defeated. He well knows that under the rules of the House it takes a unanimous consent to go back to a section which has been considered for the purpose of offering an amendment. I ask that every Member of this House, particularly every member of the Economy Committee, who has been advocating the reducing of salaries of the underpaid Federal employees to stand on the floor of the House and vote to reduce his own salary before talking about and voting to reduce the salaries of other Federal Government officers and employees. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The question was taken; and on a division (demanded by Mr. HARDY) there were—ayes 73, noes 134.

Mr. SCHAFER. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. SANDLIN and Mr. HARDY to act as tellers.

The committee again divided, and the tellers reported there were ayes 150 and noes 158.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. In expending appropriations or portions of appropriations contained in this act for the payment for personal services in the District of Columbia in accordance with the classification act of 1923, as amended, the average of the salaries of the total number of persons under any grade in the Botanic Garden, the Library of Congress, or the Government Printing Office shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Mr. BYRNS. Mr. Chairman, I offer the amendment which I have sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BYRNS: On page 43, after line 23, insert a new section, as follows:

"SEC. 4. The detail of the present incumbent as attending physician at the Capitol shall be continued until otherwise provided by law."

Mr. BYRNS. Mr. Chairman, I ask for a vote on the amendment.

Mr. BLANTON. Mr. Chairman, I reserve a point of order merely to ask the gentleman a question. Does the gentleman think it wise to make this permanent law?

Mr. BYRNS. I will say to the gentleman that I think his point of order comes too late, as I had asked for a vote. But I will say this simply provides that the House and Senate may have some control over who is detailed, and not permit the War Department or the Navy Department every year or two to make a change.

Mr. BLANTON. If the gentleman fully realizes that his amendment as worded does make it permanent law, and the gentleman really desires to do that, and thinks it is wise, I shall not object.

Mr. BYRNS. I am more than willing, as far as I am concerned.

Mr. BLANTON. I will withdraw the point of order.

Mr. BRITTEN. It is permanent law as applied to the present officer who is detailed here?

Mr. BYRNS. The gentleman is entirely correct.

Mr. BRITTEN. I think the gentleman's amendment ought to be unanimously approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

Mr. BYRNS. Mr. Chairman, I ask unanimous consent to return to page 21, after line 10, for the purpose of offering an amendment, which I ask to be read for the information of the Members.

The CHAIRMAN. The Clerk will read the amendment for information.

The Clerk read as follows:

Page 21, after line 10, insert the following as a new paragraph:

"For assistants in compiling lists of reports to be made to Congress by public officials; compiling copy and revising proofs for the House portion of the Official Register; preparing and indexing the statistical reports of the Clerk of the House; compiling the telephone and Members' directories; preparing and indexing the daily calendars of business; preparing the official statement of Members' voting records; preparing list of congressional nominees, and statistical summary of elections; preparing and indexing questions of order printed in the Appendix to the Journal pursuant to House Rule III, for recording and filing statements of political committees and candidates for election to the House of Representatives pursuant to the Federal corrupt practices act, 1925 (U. S. C., title 2, secs. 241–256); and for such other assistance as the Clerk of the House may deem necessary and proper in the conduct of the business of his office, $5,000: *Provided*, That no part of this appropriation shall be used to augment the annual salary of any employee of the House of Representatives."

Mr. SNELL. Reserving the right to object, I would like to have that amendment explained a little.

Mr. BYRNS. I will say to the gentleman this appropriation has been carried for a long time, and certainly as long as I have been a member of the committee. There has been no limitation on it heretofore, with reference to the manner in which it shall be used. The committee was of opinion that the salaries of employees of the House in the Clerk's office should not be augmented by the addition of any sum from this appropriation. Therefore in the Committee on Appropriations it was ordered stricken out, with direction to the Subcommittee on Appropriations to eliminate it, and to provide that it should not be used to augment the salaries of employees of the House. It was eliminated and it is not now in the bill. I am offering it here upon my own responsibility. I want that understood. I have not been authorized by the committee to offer it, nor even by the subcommittee. I am asking unanimous consent to have this amendment adopted, because I am told by the Clerk of the House that he will be in a very difficult situation if some provision is not made by which he has some fund which he can use, in order to do the work enumerated in this amendment.

Mr. SNELL. I did not hear the entire amendment. Will the gentleman explain in a few words what it does?

Mr. BYRNS. It provides that $5,000 shall be appropriated to be used by the Clerk of the House of Representatives, or so much thereof as may be necessary, in compiling lists and reports to be made to Congress and for public officials, compiling copy and revising proofs for the House portion of the Official Register, and a great many other things set forth in the amendment which has been read.

Mr. SNELL. Have we always made a provision of this character to take care of this work?

Mr. BYRNS. Such provision has always been made, but there has been no limitation, such as is carried by this amendment, preventing augmenting the salaries of those already on the rolls.

It was my purpose in offering this amendment to see to it that no employee of the House had his salary increased from this sum. If it is used it must be used to employ temporary employees to do this extra work.

Mr. SNELL. Will it be necessary to bring in outside people to do this work?

Mr. BYRNS. I am so told by the Clerk of the House of Representatives.

Mr. SNELL. How many were brought in last year, and how much was the cost?

Mr. BYRNS. I could not tell the gentleman.

Mr. SNELL. If extra assistants are needed, and a good case can be made for their employment, I shall not object.

Mr. RAGON. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. RAGON. I want to ask the gentleman whether last year this $5,000 did not go to employees in the Clerk's office?

Mr. BYRNS. I have been told that, but I do not know whether it is true or not. I have been told that this money has been used for the purpose of augmenting salaries.

Mr. SNELL. This bill will be before the House for two or three days. I wish the gentleman would withdraw his amendment until we can secure further information.

Mr. BYRNS. I have given the gentleman all the information I have.

Mr. HOLADAY. Will the gentleman yield?

Mr. BYRNS. Certainly.

Mr. HOLADAY. I think I can give the gentleman some information.

Mr. SNELL. I wish the gentleman would.

Mr. HOLADAY. Investigation has disclosed that the money appropriated was divided up among certain men who are already on the pay roll. The committee were of the opinion that there was no legal justification for that, and perhaps it was not justified on other grounds. Therefore, the Appropriations Committee cut out that amount.

This amendment provides the same sum of money, but requires that it shall be paid to employees who are not on the pay roll; in other words, new employees.

Mr. SNELL. If in the past the old employees could do it, why can they not do it now, but without compensation?

Mr. HOLADAY. That is the question.

Mr. BYRNS. I am told by the present Clerk of the House that he needs some sum like this to take care of this additional work, and that without it he does not know how he is going to get along.

Mr. JOHNSON of Washington. Mr. Chairman, reserving the right to object, the same thing came up in 1913, and the same plea then was made, that it was needed in order to take care of election contests, but it really amounted to a bonus and extra pay to the Clerk. This resolution should have a reservation as to the exact sum to be paid to the Clerk.

Mr. BYRNS. It provides that none of it shall be paid to any employee of the House, that no part of this sum shall be used to augment any salary.

Mr. JOHNSON of Washington. There should be no doubt about it; it should be made clear that it can not be used as a bonus or to increase salaries.

Mr. SNELL. I wish the gentleman would withdraw the amendment for the time being, that we may get further information.

Mr. STAFFORD. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. STAFFORD. Mr. Chairman, the narration of the work as stated in the amendment shows without question that it is work that should be done by some employee of the House, preparing and indexing the daily calendars of business; preparing the official statement of Members' voting records; preparing list of congressional nominees, and statistical summary of elections; compiling the decisions which are required by the rules of the House, and preparing the Journal of the House. Every specific enumerated item of work should be done, and has been done.

It has been claimed by members of the Committee on Appropriations that this money has been parceled out to some members of the Clerk's force. They wish to correct that, and they have inserted a proviso which forbids that in the following words:

Provided, That no part of this appropriation shall be used to augment the annual salary of any employee of the House of Representatives.

Mr. SNELL. Will the gentleman yield?

Mr. STAFFORD. With the permission of the gentleman from Tennessee.

Mr. BYRNS. I yield to the gentleman.

Mr. SNELL. Is it not a fact that these are a part of the duties of the Clerk?

Mr. STAFFORD. No; some of these activities are not a part of the duties of the Clerk.

Mr. SNELL. Who should do the work?

Mr. BYRNS. The Clerk can not do all of these things. During a period of the year he must have help. He does not know whether he will need all of the $5,000 or not. He may or he may not.

Mr. SIMMONS. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. SIMMONS. Is there a Budget estimate for this?

Mr. BYRNS. Yes; there is a Budget estimate. It came up in the regular way.

Mr. SNELL. For the present I shall have to object. The gentleman can bring up this matter during the consideration of this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. SNELL. Mr. Chairman, I object for the present.

Mr. McDUFFIE. Mr. Chairman, I offer an amendment.

Mr. LaGUARDIA rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. LaGUARDIA. Mr. Chairman, I rise to move to strike out the last word, because I want to inquire of the gentleman from Alabama something about the procedure. I would like to inquire of the gentleman from Alabama just what the procedure will be from this point on. As I understand it, his amendment is now germane, and the gentleman is going to offer the entire bill as one amendment?

Mr. McDUFFIE. Yes.

Mr. LaGUARDIA. And then proceed with general debate?

Mr. McDUFFIE. That is correct.

Mr. LaGUARDIA. Does the gentleman know whether we will have a night session?

Mr. McDUFFIE. Yes. It is our intention to go on this evening and possibly to-morrow evening.

Mr. LaGUARDIA. On general debate only?

Mr. McDUFFIE. There are only two hours of general debate, and we expect to go on and finish this bill as soon as possible.

Mr. STAFFORD. May I ask whether there will be any recess for supper, or dinner? What is the purpose of the gentleman? To have us continue in session until we adjourn to-night or take a recess?

Mr. McDUFFIE. I thought we might continue here until a late hour, 10.30 or 11 o'clock, without a recess, and finish as much of the bill as possible.

Mr. STAFFORD. The purpose is to consider this bill under the 5-minute rule as soon as general debate is finished?

Mr. McDUFFIE. Yes.

Mr. STAFFORD. Without any recess?

Mr. McDUFFIE. Yes.

Mr. LaGUARDIA. After the gentleman's amendment is offered and it is before the House, under the rule it will be read by titles, and then, as I understand, it is open to amendment under the rules of the House?

Mr. McDUFFIE. That is correct.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

Does the gentleman from Alabama desire to have the first reading of the amendment dispensed with?

Mr. McDUFFIE. Mr. Chairman, I would like to have Title I read. It is not very long.

The CHAIRMAN. The Chair will state to the gentleman from Alabama that, of course, the amendment must be read in full and by title when we come to the reading of the amendment for amendment under the 5-minute rule. Does the gentleman now wish to have Title I read?

Mr. McDUFFIE. We are going to consider the amendment by titles.

The CHAIRMAN. But there are two hours of general debate preceding the consideration of the amendment under the 5-minute rule.

Mr. McDUFFIE. Then, Mr. Chairman, I ask unanimous consent that the first reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, with the understanding that it be printed in the RECORD at this point, as if read, I shall not object.

Mr. SIROVICH. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard, and the Clerk will report the entire amendment.

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: At the end of page 43 insert the following:

"PART II

"TITLE I—COMPENSATION REDUCTION OF FEDERAL EMPLOYEES

"COMPENSATION DEFINED

"SECTION 101. As used in this title, the term 'compensation' means any salary, pay, wage, allowance (except allowances for subsistence, quarters, heat, light, and travel), or other emolument paid for services rendered in any civilian or noncivilian office, position, employment, or enlistment; and includes the retired pay of judges, and the retired pay of all commissioned, warrant, enlisted, and other personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Lighthouse Service, and the Public Health Service; but does not include payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of employees.

"SCHEDULE OF TEMPORARY REDUCTIONS

"SEC. 102. (a) During the fiscal year ending June 30, 1933, the compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of $1,000 or less shall be exempt from reduction; and compensation at an annual rate in excess of $1,000 shall be reduced by 11 per cent of the amount thereof in excess of $1,000.

"(b) For the purposes of determining the percentage of reduction under this section applicable to any office, position, employment, or enlistment, the compensation for which is calculated on a piecework, hourly, or per diem basis, the annual rate of compensation shall be held to be the total amount which would be payable for the regular working hours and on the basis of 307 working days, or the number of working days on the basis of which such compensation is calculated, whichever is the greater.

"EXEMPTIONS FROM REDUCTION

"SEC. 103. Section 102 of this title shall not apply to—

"(a) any office, position, employment, or enlistment the compensation for which is expressly fixed by international agreement, or

"(b) compensation paid under the terms of any contract in effect on the date of enactment of this act, if such compensation may not lawfully be reduced, or

"(c) any office the compensation of which may not, under the Constitution, be diminished, in the case of any incumbent, during the term for which he was elected or during his continuance in office, unless the application of such section to such office will not result in a diminution of compensation prohibited by the Constitution, or

"(d) any office, position, employment, or enlistment the compensation for which is adjustable to conform to the prevailing local rate for similar work; but the wage board or other body charged with the duty of making such adjustment shall immediately take such action as may be necessary to effect such adjustment, or

"(e) Commissioners of the United States Shipping Board, members of the Federal Farm Board (except the Secretary of Agriculture), members of the International Joint Commission, United States Section, or members of the Board of Mediation.

"GOVERNMENT CORPORATIONS

"SEC. 104. In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of sections 101, 102, and 103 to offices, positions, and employments under such corporations and to officers and employees thereof.

"SUSPENSION OF SATURDAY HALF HOLIDAYS

"SEC. 105. (a) The provisions of the act entitled 'An act providing for Saturday half holidays for certain Government employees,' approved March 3, 1931 (U. S. C., Supp. V, title 5, sec. 26a), shall be inoperative during the fiscal year ending June 30, 1933, and the provisions of law amended by such act shall apply as if such act had not been enacted.

"(b) The provisions of the act entitled 'An act to provide a shorter work week for postal employees, and for other purposes,' approved February 17, 1931 (U. S. C., title 39, sec. 83[...]), shall be inoperative during the fiscal year ending June 30, 1933, except in the case of employees of the Railway Mail Service, and the provisions of law amended by such act (except in so far as they relate to employees of the Railway Mail Service) shall apply as if such act had not been enacted.

"REMITTANCES FROM CONSTITUTIONAL OFFICERS

"SEC. 106. In any case in which the application of the provisions of this title to any person would result in a diminution of compensation prohibited by the Constitution, the Secretary of the Treasury is authorized to accept from such person, and cover into the Treasury as miscellaneous receipts, remittance of such part of the compensation of such person as would not be paid to him if such diminution of compensation were not prohibited.

"REDUCTIONS INAPPLICABLE WHEN COMMODITY PRICE LEVEL RISES

"SEC. 107. If at any time prior to June 30, 1933, the President finds that for a period of 120 days the average wholesale commodity price level is within 10 points as high as the average wholesale commodity price level of the year 1926, indicated by the figure 100 in the revised index of the Bureau of Labor Statistics ieffect, and upon the issuance of such proclamation to that effect, and upon the issuance of such proclamation the foregoing provisions of this title shall cease to be in effect.

"LIMITATION ON JURISDICTION OF COURTS

"SEC. 108. No court of the United States shall have jurisdiction of any suit against the United States or against any officer, agency, or instrumentality of the United States arising out of the application of any provision of this title, unless such suit involves the Constitution of the United States.

"PERMANENT SALARY REDUCTIONS

"SEC. 109. Beginning July 1, 1932, the salary of each of the members of the International Joint Commission, United States Section, shall be at the rate of $5,000 per annum.

"SEC. 110. Beginning July 1, 1932, the salaries of the commissioners of the United States Shipping Board, the members of the Federal Farm Board (except the Secretary of Agriculture), and the members of the Board of Mediation shall be at the rate of $10,000 per annum.

"SEC. 111. Beginning July 1, 1933—

"(a) The salaries of the appointive members of the Federal Reserve Board, the commissioners of the Interstate Commerce Commission, the Administrator of Veterans' Affairs, and the commissioners of the United States Tariff Commission shall be at the rate of $10,000 per annum.

"(b) The salaries of all judges (except judges whose compensation may not under the Constitution be diminished during their continuance in office), if such salaries are in excess of $10,000 per annum, shall be at the rate of $10,000 per annum.

"APPROPRIATIONS IMPOUNDED

"SEC. 112. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any other purposes but shall be impounded and returned to the Treasury.

"TITLE II—PROVISIONS AFFECTING PERSONNEL

"SUSPENSION OF PROMOTIONS AND FILLING OF VACANCIES

"SEC. 201. All provisions of law which confer upon civilian or noncivilian officers or employees of the United States Government or the municipal government of the District of Columbia automatic increases in compensation by reason of length of service or promotion are suspended during the fiscal year ending June 30, 1933; but this section shall not be construed to deprive any person of any increment of compensation received through an automatic increase in compensation prior to July 1, 1932.

"SEC. 202. No administrative promotions in the civil branch of the United States Government or the government of the District of Columbia shall be made during the fiscal year ending June 30, 1933: *Provided*, That the filling of a vacancy, when authorized by the President, by the appointment of an employee of a lower grade, shall not be construed as an administrative promotion, but no such appointment shall increase the compensation of such employee to a rate in excess of the minimum rate of the grade to which such employee is appointed unless such minimum rate would require an actual reduction in compensation. The President shall submit to Congress a report of the vacancies filled under this section up to November 1, 1932, on the first day of the next regular session. The provisions of this section shall not apply to commissioned, commissioned warrant, warrant, enlisted personnel, and cadets of the Coast Guard.

"SEC. 203. No appropriation available to any executive department or independent establishment or to the municipal government of the District of Columbia during the fiscal year ending June 30, 1933, shall be used to pay the compensation of an incumbent appointed to any civil position under the United States Government or the municipal government of the District of Columbia which is vacant on July 1, 1932, or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filling of which may be authorized or approved in writing by the President of the United States, (b) to temporary, emergency, seasonal, or cooperative positions, or (c) to commissioned, commissioned warrant, warrant, enlisted personnel cadets, and of the Coast Guard. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between July 1, 1932, and October 31, 1932, shall be submitted to Congress on the first day of the next regular session: *Provided*, That such impounding of funds may be waived in writing by the President of the United States in connection with any appropriation or portion of appropriation, when, in his judgment, such action is necessary and in the public interest.

"COMPULSORY RETIREMENT FOR AGE

"SEC. 204. On and after July 1, 1932, no person rendering civilian service in any branch or service of the United States Government or the municipal government of the District of Columbia who shall have reached the retirement age prescribed for automatic separation from the service, applicable to such person, shall be continued in such service, notwithstanding any provision of law or regulation to the contrary: *Provided*, That no such person heretofore or hereafter separated from the service of the United States or the District of Columbia under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment under the United States or the District of Columbia: *Provided further*, That this section shall not apply to any person named in any act of Congress providing for the continuance of such person in the service.

"SEC. 205. The provisions of this part of this act providing for temporary reductions in compensation and suspension in automatic increases in compensation shall not operate to reduce the rate of compensation upon which the retired pay or retirement benefits of any officer or employee would be based but for the application of such provisions, but the amount of retired pay shall be reduced as provided in Title I.

"TEMPORARY REDUCTION OF TRAVEL ALLOWANCES

"SEC. 206. During the fiscal year ending June 30, 1933—

"(a) the traveling and per diem allowances provided for in sections 3, 4, 5, and 6 of the subsistence expense act of 1926, approved June 3, 1926 [U. S. C., Sup. V, title 5, §§ 823–826], shall not exceed the amounts of $5, $4, $6, and $5, respectively, in lieu of the amounts set forth in such sections;

"(b) all provisions of law which authorize the payment of mileage to officers of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37) are hereby suspended and in lieu thereof such officers shall be entitled to allowances for travel only as provided for civilian employees of the Government, and the subsistence expense act of 1926, as modified by this section, shall apply to such travel: *Provided*, That all appropriations available for the payment of such mileage during the fiscal year 1933 shall be construed as being available for the payment of the allowances herein provided;

"(c) the mileage allowance of Senators, Representatives in Congress, and the Delegate from Hawaii is reduced 25 per cent; the allowance to the delegate from Alaska provided by section 1 of the act of May 7, 1906, the allowance to the Resident Commissioners from the Philippine Islands provided by section 8 of the act of July 1, 1902, and the allowance to the Resident Commissioner from Porto Rico provided by section 36 of the act of March 2, 1917, are reduced by 25 per cent; and

"(d) the traveling allowances provided for in the act entitled 'An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes,' approved February 28, 1925 (U. S. C., title 39, sec. 633), shall not exceed $2 per day.

"OVERTIME COMPENSATION

"SEC. 207. During the fiscal year ending June 30, 1933, no officer or employee of the Government shall be allowed or paid a higher rate of compensation for overtime work, for night work, or for work on Sundays and holidays. In so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work during the day during which the overtime work or night work is to be performed, and work on Sundays and holidays shall be performed by substitutes in lieu of persons who have performed a week's work during the same week.

"LIMITATIONS ON AMOUNT OF RETIRED PAY

"SEC. 208. (a) After the date of the enactment of this act no person holding a civilian office or position, appointive or elective, under the United States Government or the municipal government of the District of Columbia or under any corporation, the majority of the stock of which is owned by the United States, shall be entitled, during the period of such incumbency, to retired pay from the United States for or on account of services as a commissioned officer in any of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37) at a rate in excess of an amount which when combined with the annual rate of compensation from such civilian office or position makes the total rate from both sources more than $3,000; and when the retired pay amounts to or exceeds the rate of $3,000 per annum such person shall be entitled to the pay of the civilian office or position or the retired pay, whichever he may elect. As used in this section, the term 'retired pay' shall be construed to include credits for all service that lawfully may enter into the computation thereof.

"(b) This section shall not apply to officers on the emergency officers' retired list created by the act of May 24, 1928, and shall not apply to any person retired for disability incurred in line of duty.

"PERSONNEL REDUCTIONS—MARRIED PERSONS

"SEC. 209. In any reduction of personnel in any branch or service of the United States Government or the District of Columbia, married persons (living with husband or wife) employed in the class to be reduced, shall be dismissed before any other persons employed in such class are dismissed, if such husband or wife is

also in the service of the United States or the District of Columbia. In the appointment of persons to the classified civil service, preference shall be given to persons other than married persons living with husband or wife, such husband or wife being in the service of the United States or the District of Columbia.

"TEMPORARY ASSIGNMENTS IN POSTAL SERVICE

"SEC. 210. During the fiscal year ending June 30, 1933, the Postmaster General may, when the interest of the service requires, temporarily assign any clerk to the duties of carrier or any carrier to the duties of clerk, and in an emergency may assign any post-office employee to the duties of a railway postal clerk, or any railway postal clerk to the duties of a post-office employee without change of pay-roll status.

"TITLE III—MISCELLANEOUS PROVISIONS

"TRANSFER OF APPROPRIATIONS

"SEC. 301. Not to exceed 15 per cent of any appropriation for an executive department or independent establishment, including the municipal government of the District of Columbia, for the fiscal year ending June 30, 1933, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933, shall be included in the annual Budget for the fiscal year 1934.

"PHILIPPINE SCOUTS

"SEC. 302. The President is authorized at any time to disband the Philippine Scouts or to reduce the personnel thereof.

"VOCATIONAL EDUCATION

"SEC. 303. (a) Notwithstanding the provisions of section 1 of the act entitled 'An act to provide for the further development of vocational education in the several States and Territories,' approved February 5, 1929 (U. S. C., Supp. V, title 20, sec. 15a), not more than $1,500,000 is authorized to be appropriated for the purposes of such section for the fiscal year ending June 30, 1934.

"(b) For the fiscal year ending June 30, 1934, and for each of the nine fiscal years thereafter, (1) the annual appropriations (for the purpose of cooperating with the States) provided for by sections 2, 3, and 4 of the act entitled 'An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure,' approved February 23, 1917 (U. S. C., title 20, secs. 12–14, inclusive), for each year, shall be $300,000 (in the case of sec. 2), $300,000 (in the case of sec. 3), and $100,000 (in the case of sec. 4), less than the appropriation for the same purposes, respectively, for the year preceding such year, respectively; (2) the minimum allotment of funds to any State, under each of such sections, for each year, shall be $1,000 less than the minimum allotment for the year preceding such year, respectively; and (3) the additional appropriations (for the purpose of providing the minimum allotment to the States) provided for by such sections for each year, shall be $2,700 (in the case of sec. 2), $5,000 (in the case of sec. 3), and $9,000 (in the case of sec. 4) less than the appropriation for the same purposes, respectively, for the year preceding such year, respectively.

"(c) In lieu of the annual appropriations provided for in section 7 of such act of February 23, 1917 (U. S. C., title 20, sec. 15), for the Federal Board for Vocational Education there is authorized to be appropriated for such board, for the fiscal year ending June 30, 1934, and for each fiscal year thereafter, not more than $200,000, for the purposes set forth in such section. With respect to any fiscal year prior to the fiscal year ending June 30, 1934, the provisions of such section shall remain in effect.

"(d) For the fiscal year ending June 30, 1934, and for each of the nine fiscal years thereafter, the amount authorized to be appropriated under section 4 of the act entitled 'An act to extend the provisions of certain laws to the Territory of Hawaii,' approved March 10, 1924 (U. S. C., title 20, sec. 29), shall be $3,000 less than the amount authorized to be appropriated for the preceding fiscal year; and the amount authorized to be appropriated under section 1 of the act entitled 'An act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Porto Rico,' approved March 3, 1931 (U. S. C., Sup. V, title 20, sec. 30), shall be $10,500 less than the amount authorized to be appropriated for the preceding fiscal year, and the amounts expended for each of the purposes set forth in such section shall be proportionately reduced.

"LIMITATIONS ON EXPENDITURES FOR PRINTING AND BINDING, PAPER, AND STATIONERY

"SEC. 304. During the fiscal year ending June 30, 1933, not more than $9,000,000 shall be expended for printing and binding for the use of the United States and the District of Columbia done at the Government Printing Office, of which $2,000,000 shall be for printing and binding for the use of the legislative branch of the Government. The amount available hereunder for the executive departments and independent establishments, the judiciary, and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several departments and establishments, the judiciary, and the government of the District of Columbia as, in his judgment, the needs of the service may require. Nothing in this section shall be construed to authorize the discontinuance of any report or publication specifically required by law. This section shall not apply to printing and binding for the use of the Patent Office.

"SEC. 305. During the fiscal year ending June 30, 1933, not more than $400,000 shall be expended for paper furnished by the Government Printing Office for the use of the several executive departments and independent establishments and the government of the District of Columbia. The amount available hereunder for the executive departments and independent establishments and the Government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several executive departments and independent establishments, and the government of the District of Columbia, as, in his judgment, the needs of the service may require. This section shall not apply to expenditures for paper used in the course of manufacture by the Bureau of Engraving and Printing.

"SEC. 306. During the fiscal year ending June 30, 1933 (1) not more than $16,000 shall be available for expenditure for stationery for Senators and the President of the Senate, and for committees and officers of the Senate, (2) not more than $44,000 shall be available for expenditure for stationery for Representatives, Delegates, and Resident Commissioners, and for the committees and officers of the House of Representatives, and (3) each Senator, Representative, Delegate, and Resident Commissioner shall be allowed $90 for stationery allowance or commutation therefor, to be paid out of the sums provided in (1) or (2), as the case may be.

"WEST POTOMAC PARK HEATING PLANT

"SEC. 307. Until otherwise provided by law no further obligations shall be incurred under the appropriation of $750,000 for the construction of a heating plant in West Potomac Park, contained in the second deficiency act, fiscal year 1931.

"ARMY TRANSPORT SERVICE, NAVAL TRANSPORTATION SERVICE, AND PANAMA RAILROAD STEAMSHIP LINE

"SEC. 308. The Secretary of War is authorized and directed to discontinue the Army Transport Service. He shall transfer the sea-going vessels used in such service to the United States Shipping Board. The Secretary of War shall dispose of as much of the property of the United States (other than vessels) used in connection with such service as is not indispensable to the Army or the War Department, and shall take such action as may be necessary to discharge the obligations of the United States growing out of such service existing at the time of such discontinuance. Thereafter no part of appropriations heretofore or hereafter made shall be available for the continuance of such service, and appropriations and unexpended balances of appropriations the expenditure of which is made unnecessary by this section shall not be expended but shall be impounded and returned to the Treasury.

"SEC. 309. The Secretary of the Navy is authorized and directed to transfer the vessels *Henderson*, *Chaumont*, *Kittery*, *Sirius*, and *Vega*, together with any cargo vessels not in commission which are not indispensable to the naval service, to the United States Shipping Board. The Secretary shall discontinue the operation of that part of the naval transportation service now carried on with the use of such vessels and shall dispose of as much of the property used in connection therewith as is not indispensable to the Navy. The Secretary shall take such action as may be necessary to discharge the obligations of the United States existing at the time of such transfer growing out of the use of such vessels. Appropriations and unexpended balances of appropriations, the expenditure of which is made unnecessary by this section, shall not be expended but shall be impounded and returned to the Treasury.

"SEC. 310. No action shall be taken under the provisions of section 308 or 309 until the Secretary of War or the Secretary of the Navy, as the case may be, has negotiated contracts with private shipping interests for the performance of the services for which the vessels referred to were operated, under the terms of which, in the judgment of the President, such services will be performed efficiently, at reasonable charges, with accommodations substantially of equal class with those afforded by the services discontinued, and at less cost. Any such contract shall provide that the rates for Government passenger (including employees and their families) and freight business shall be at least 25 per cent less than the published conference rates for similar commercial passenger and freight business. Any such contract shall be renewable on the same terms, at the option of the Government, and the contract shall so provide.

"SEC. 311. The vessels transferred to the Shipping Board under sections 308 and 309 shall be disposed of in accordance with the provisions of section 5 of the merchant marine act, 1920 (U. S. C., title 46, sec. 864), except that sums received from such disposition less expenses incurred under this section shall be covered into the Treasury as miscellaneous receipts. Between the time of transfer and the time of disposition of such vessels, the board shall provide for their care and maintenance, either by contract or otherwise, whichever will effect the greater economy.

"SEC. 312. The Panama Railroad Co. is hereby authorized and directed to discontinue the operation of the Panama Railroad Steamship Line and such company shall take such action as may be necessary to dispose of the vessels used by such line and to

wind up its affairs. The Secretary of War is authorized and directed to take such action as may be necessary on his part to carry out the purposes of this section. No action shall be taken under the provisions of this section until contracts have been negotiated with private shipping interests for the performance of the services for the Government theretofore performed by the Panama Railroad Steamship Line, under the terms of which, in the judgment of the President, such services will be performed efficiently, at reasonable charges, with accommodations substantially of equal class with those afforded by the Panama Railroad Steamship Line, and at less cost. Any such contract shall provide that the rates for Government and the Panama Railroad Co. passenger (including employees and their families) and freight business shall be at least 25 per cent less than the published conference rates for similar commercial passenger and freight business. Any such contract shall be renewable on the same terms, at the option of the Secretary of War, and the contract shall so provide.

"SEC. 313. Under sections 308 and 309 neither the Secretary of War nor the Secretary of the Navy shall sell or otherwise dispose of docks, yards, wharves, depots, terminals or real estate in connection therewith, except that either may lease such properties for periods of not to exceed five years and at rentals which will provide a reasonable return on the cost thereof. The net proceeds from the sale or lease of property by the Secretary of War and the Secretary of the Navy under sections 308, 309, and this section shall be covered into the Treasury as miscellaneous receipts.

"REORGANIZATION OF SHIPPING BOARD

"SEC. 314. (a) The United States Shipping Board shall be composed of four commissioners to be hereafter appointed by the President, by and with the advice and consent of the Senate. One of such commissioners shall be appointed from the States touching the Pacific Ocean, one from the States touching the Atlantic Ocean, one from the States touching the Gulf of Mexico, and one from the States touching the Great Lakes, but not more than one shall be appointed from the same State. Not more than two of the commissioners shall be appointed from the same political party.

"(b) Terms of office of the first commissioners appointed under this section shall expire, as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, and one at the end of four years after the date of the enactment of this act. The term of office of a successor to any such commissioner shall expire four years from the date of the expiration of the term for which his predecessor was appointed, except that a commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(c) Notwithstanding the provisions of subsection (a), the United States Shipping Board as constituted upon the date of the enactment of this act shall continue to function until the date of reorganization of the commission pursuant to the provisions of such subsection. The board shall be deemed to be reorganized upon such date as four of the commissioners appointed as provided in such subsection have taken office, and no such commissioner shall be paid salary, as such commissioner, for any period prior to such date.

"(d) This section shall be held to reorganize the United States Shipping Board, and, except as herein modified, all laws relating to such board shall remain in full force and effect, and no regulations, action, investigations, or other proceedings under any such laws existing or pending on the date of the enactment of this act shall abate or otherwise be affected by reason of the provisions of this section.

"(e) Whenever under existing law the concurrence of four or more of the commissioners is required, such requirement of law shall, after the reorganization of the board provided by this section, be held to be complied with by the concurrence of three commissioners.

"(f) After June 30, 1932, no officer or employee of the United States Shipping Board or the United States Shipping Board Merchant Fleet Corporation shall receive a salary at a rate in excess of $10,000 per annum. The provisions of Title I of this act shall not apply to any person whose compensation is reduced by reason of this subsection.

"(g) Two hundred thousand dollars of the unexpended balance of the allotment of $500,000 made available to the United States Shipping Board Merchant Fleet Corporation for experimental and research work, by the independent offices appropriation act, fiscal year 1930, and continued by subsequent appropriation acts, shall not be expended, but shall be covered into the Treasury as miscellaneous receipts.

"(h) The sums available for expenditure, during the fiscal year ending June 30, 1933, for personal services of employees of the United States Shipping Board Merchant Fleet Corporation assigned to and serving with the United States Shipping Board are reduced by $167,000, from the pay roll of March 31, 1932, and the amounts of reduction applicable to the various bureaus shall be as follows: (1) Bureau of Research, $30,000, (2) Bureau of Law, $103,000, (3) Bureau of Traffic, $9,000, (4) Bureau of Construction, $5,000, and (5) Bureau of Operations, $20,000.

"(i) The United States Shipping Board Merchant Fleet Corporation shall, during the fiscal year ending June 30, 1933, transfer from the operating funds and cover into the Treasury as miscellaneous receipts the sum of $1,988,240.

"INCREASES IN CERTAIN CHARGES AND FEES

"SEC. 315. After the date of the enactment of this act, the price at which additional copies of Government publications are offered for sale to the public by the Superintendent of Documents shall be based on the cost of printing and binding, plus 30 per cent, and such cost shall be in lieu of that prescribed in the public resolution approved May 11, 1922 (U. S. C., title 44, sec. 220).

"SEC. 316. After the expiration of 30 days after the enactment of this act (but in no event prior to July 1, 1932), the base fee of $25 provided by section 4934 of the Revised Statutes, as amended (U. S. C., Supp. V, title 35, sec. 78), to be paid upon the filing of each original application and upon each renewal application for patent, except in design cases, and on issuing each original patent, except in design cases, is hereby increased to $30.

"SEC. 317. Section 4934 of the Revised Statutes, as amended (U. S. C., Supp. V, title 35, sec. 78), is amended by adding at the end thereof the following:

"'On filing each petition for the revival of an abandoned application for a patent, $10.'

"SEC. 318. The Secretary of Commerce shall make such charges as he deems reasonable for special statistical services; special commodity, technical, and regional news bulletins and periodical services; lists of foreign buyers, and World Trade Directory Reports, and the amounts collected therefrom shall be deposited in the Treasury as miscellaneous receipts.

"SEC. 319. Section 5 of the act entitled 'An act to establish in the Department of the Interior a Bureau of Mines,' approved May 16, 1910, as amended and supplemented (U. S. C., title 30, sec. 7), is amended to read as follows:

"'SEC. 5. For tests or investigations authorized by the Secretary of Commerce under the provisions of this act, as amended and supplemented, except those performed for the Government of the United States or State governments within the United States, a fee sufficient in each case to compensate the Bureau of Mines for the entire cost of the services rendered shall be charged, according to a schedule prepared by the Director of the Bureau of Mines and approved by the Secretary of Commerce, who shall prescribe rules and regulations under which such tests and investigations may be made. All moneys received from such sources shall be paid into the Treasury to the credit of miscellaneous receipts.'

"SEC. 320. Section 8 of the act entitled 'An act to establish the National Bureau of Standards,' approved March 3, 1901, as amended and supplemented (U. S. C., title 15, sec. 276), is amended to read as follows:

"'SEC. 8. For all comparisons, calibrations, tests, or investigations performed by the National Bureau of Standards under the provisions of this act, as amended and supplemented, except those performed for the Government of the United States or State governments within the United States, a fee sufficient in each case to compensate the National Bureau of Standards for the entire cost of the services rendered shall be charged, according to a schedule prepared by the Director of the National Bureau of Standards and approved by the Secretary of Commerce. All moneys received from such sources shall be paid into the Treasury to the credit of miscellaneous receipts.'

"SEC. 321. Sections 318, 319, and 320 shall take effect July 1, 1932.

"TRANSFER OF FISH-CULTURAL STATIONS TO STATES OR TERRITORIES

"SEC. 322. Upon the application of any State or Territory, the Secretary of Commerce is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any fish-cultural station or fish hatchery located in such State or Territory, together with all personal property used in connection therewith. If any such State or Territory shall cease at any time to use a station or hatchery so transferred, for fish-cultural purposes, or shall at any time permit its use for any other purposes, or shall attempt to alienate the station or hatchery, title thereto shall revert to the United States.

"TRANSFER OF AGRICULTURAL EXPERIMENT STATIONS TO STATES OR TERRITORIES

"SEC. 323. Upon the application of any State or Territory, the Secretary of Agriculture is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any agricultural experiment station located in such State or Territory, together with all personal property used in connection therewith.

"RESTRICTIONS ON TRANSFER OF ARMY AND NAVY PERSONNEL

"SEC. 324. The President is authorized, during the fiscal year ending June 30, 1933, to restrict the transfer of officers and enlisted men of the military and naval forces from one post or station to another post or station to the greatest extent consistent with the public interest.

"TITLE IV—REORGANIZATION OF EXECUTIVE DEPARTMENTS

"DECLARATION OF POLICY

"SEC. 401. In order to further reduce expenditures and increase efficiency in government it is declared to be the policy of Congress—

"(a) to group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes;

"(b) to reduce the number of such agencies by consolidating those having similar functions under a single head;

"(c) to eliminate overlapping and duplication of effort; and

"(d) to segregate regulatory agencies and functions from those of an administrative and executive character.

"DEFINITIONS

"SEC. 402. When used in this title—

"(1) The term 'executive agency' means any commission, board, bureau, division, service, or office in the executive branch of the Government, but does not include the executive departments mentioned in title 5, section 1, United States Code.

"(2) The term 'independent executive agency' means any executive agency not under the jurisdiction or control of any executive department.

"POWER OF PRESIDENT

"SEC. 403. For the purpose of carrying out the policy of Congress as declared in section 401 of this title, the President is authorized by Executive order—

"(1) To transfer the whole or any part of any independent executive agency, and/or the functions thereof, to the jurisdiction and control of an executive department or another independent executive agency;

"(2) To transfer the whole or any part of any executive agency, and/or the functions thereof, from the jurisdiction and control of one executive department to the jurisdiction and control of another executive department; or

"(3) To consolidate or redistribute the functions vested in any executive department or in the executive agencies included in any executive department.

"SEC. 404. The President's order directing any transfer or consolidation under the provisions of this title shall also designate the records, property (including office equipment), personnel, and unexpended balances of appropriations to be transferred.

"SAVING PROVISIONS

"SEC. 405. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

"(b) No suit, action, or other proceeding lawfully commenced by or against the head of any department or executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, powers, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the department or executive agency or other officer of the United States to whom the authority, powers, and duties are transferred.

"(c) All laws relating to any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title, shall, in so far as such laws are not inapplicable, remain in full force and effect, and shall be administered by the head of the executive agency to which the transfer is made or with which the consolidation is effected.

"STATUTORY AGENCIES

"SEC. 406. Whenever, in carrying out the provisions of this title, the President concludes that any executive department or agency created by statute should be abolished and the functions thereof transferred to another executive department or agency or eliminated entirely the authority granted in this title shall not apply, and he shall report his conclusions to Congress, with such recommendations as he may deem proper.

"DISAPPROVAL OF EXECUTIVE ORDER

"SEC. 407. Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be transmitted to the Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission: *Provided*, That if Congress shall adjourn before the expiration of 60 calendar days from the date of such transmission such Executive order shall not become effective until after the expiration of 60 calendar days from the opening day of the next succeeding regular or special session: *Provided further*, That if either branch of Congress within such 60 calendar days shall pass a resolution disapproving of such Executive order, or any part thereof, such Executive order shall become null and void to the extent of such disapproval.

"REPORT TO CONGRESS

"SEC. 408. The President shall report specially to Congress at the beginning of each regular session any action taken under the provisions of this title, with the reasons therefor.

"TITLE V—PUBLIC WORKS ADMINISTRATION

"CREATION AND ORGANIZATION

"SEC. 501. There is hereby created at the seat of Government an establishment to be known as the Public Works Administration. There shall be at the head of such administration an officer to be known as the Administrator of Public Works, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall hold his office for the term of six years. Such administrator shall receive a salary of $10,000 per year, payable monthly, and under the direction of the President shall have the control and management of the various bureaus, agencies, activities, and services that the President may under this title transfer to and consolidate in the Public Works Administration.

"CONSOLIDATION OF PUBLIC WORKS BY PRESIDENT

"SEC. 502. (a) The President is authorized, by Executive order, to transfer to the Public Works Administration, and to consolidate and coordinate therein, the whole or any part of all bureaus, agencies, offices, activities, and services, whether now existing in any executive department, independent establishment, or as an independent activity, having to do or that are concerned with the architectural, engineering, surveying, designing, drafting, construction, and/or purchasing activities of the Government relating to public works, and/or that are engaged in the making of plans, specifications, contracts, and/or the supervision of public construction, and the transfer of any activity to the Public Works Administration shall carry with it such property, fixtures, records, and files as may be necessary to the proper functioning of such activity under the administrator, but no provision of this act shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the Chief of Engineers, or of the Corps of Engineers, or of the officers of the Corps of Engineers of the United States Army, with respect to rivers and harbors, navigation, flood control, and other civil functions and activities, all of which shall remain as now provided for by existing law.

"(b) The Administrator of Public Works shall utilize the services of the Corps of Engineers, or the officers of the Corps of Engineers of the United States Army, whenever and wherever practicable in all other public works, construction, and activities. The Secretary of War, upon the request of the Administrator of Public Works, may continue, as under existing law, to detail officers of the Corps of Engineers of the United States Army for duty in such other public works, construction, and activities, to the end that the Corps of Engineers of the United States Army and the officers of the Corps of Engineers of the United States Army may be used whenever practicable in such other public works, construction, and activities, and when so detailed with the consent of the Secretary of War and the Chief of Engineers shall be under the supervision and direction of the Administrator of Public Works.

"(c) The Bureau of Yards and Docks of the Navy Department shall remain as now provided by existing law, and no provision of this act shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the said bureau and the chief thereof, or the officers and engineers therein. The Secretary of the Navy, upon the request of the Administrator of Public Works, may detail officers and engineers of such bureau for other duties in such public works, constructions, and activities; and the Administrator of Public Works shall utilize the services of such officers and engineers whenever practicable; and when so detailed with the consent of the Secretary of the Navy the said officers and engineers shall be under the supervision and direction of the Administrator of Public Works.

"(d) All officers of the United States Army and/or Navy detailed as aforesaid to serve in the Public Works Administration shall retain their military and naval rank and succession and receive the compensation, commutation, and emoluments provided by law in the case of Army and/or naval officers of the same rank not detached from the regular service; and such payments shall be made out of funds appropriated for use of the Public Works Administration.

"(e) All strictly military, naval, and national-defense construction, improvement, maintenance, and administration shall be and remain in the Army and Navy under the Secretary of War and under the Secretary of the Navy, as now provided by existing law.

"(f) The provisions contained in this title shall not apply to the power and authority now vested in the Architect of the Capitol and the United States Supreme Court Building Commission.

"(g) All authority, power, and duties now vested by law in the head of any executive department, independent establishment, or office in and over any bureau, agency, office, officers, or branch of the public service, or in respect of any function or service transferred to the Public Works Administration under this title, or in or over any contract or business arising therefrom or pertaining thereto, shall be vested in and exercised and performed by the administrator.

"(h) All valid contracts and agreements entered into by any bureau, agency, office, officer, or branch of the public service, and in force at the time of transfer to the Public Works Administration, shall be assumed and carried out by the administrator.

"(i) Under the direction of the President, the Administrator of Public Works shall have the power, by order or regulation, to consolidate, eliminate, or redistribute the functions of the bureaus, offices, agencies, activities, and services transferred, under the provisions of this title, to the Public Works Administration and to create new ones therein, and, by rules and regulations not inconsistent with law, shall fix the functions thereof and the duties and powers of their respective executive heads.

"(j) No consolidation, elimination, redistribution, or coordination of the bureaus, offices, agencies, activities, or parts or functions thereof, as provided by this title shall be effected and no new ones shall be created under the authority of this title unless such action shall either in itself or in relation to the entire Public

Works Administration be clearly productive of economy in public expenditures.

"(k) Whenever any Executive order of the President or any order or regulation of the administrator is issued under this section, the President shall thereupon transmit to the Senate and House of Representatives a copy of such order or regulation, except that if the Congress is not in session at the time of such issuance, then the copy of the order or regulation shall be transmitted at the commencement of the next regular or special session of the Congress. Unless an act disapproving the order or regulation issued is enacted within 60 calendar days after the receipt of the copy of the order or regulation by both Houses, the order or regulation issued shall take effect on the day following the expiration of such 60-day period. If the session during which the copy of the order or regulation is received terminates in less than 60 days after the receipt of the copy by both Houses, an act disapproving the order or regulation may be enacted at any time within 60 calendar days after the commencement of the next regular or special session of Congress, but if such an act is not enacted such order or regulation shall take effect on the day following the expiration of such 60-day period.

"APPOINTMENT OF EMPLOYEES

"SEC. 503. (a) The Administrator of Public Works may appoint, in accordance with the provisions of the civil service laws, from time to time such assistants, architects, engineers, and experts in design and drafting as may be necessary to carry out the purposes of this title.

"(b) The personnel on duty at the time of the transfer of any bureau, agency, office, activity, or service shall be transferred to and given appointment in the Public Works Administration, subject to such change in designation and organization and reduction in personnel, salary, classification, or otherwise, as the administrator may deem necessary.

"(c) Such of the employees as have a civil-service status at the time of transfer shall retain that status. The salaries of such employees shall be fixed in accordance with the classification act of 1923, as amended (U. S. C., title 5, ch. 13; U. S. C., Supp. V, title 5, ch. 13).

"EXISTING LAW AND REGULATIONS UNCHANGED

"SEC. 504. (a) All laws relating to such bureaus, agencies, offices, activities, and services as are transferred to the Public Works Administration, so far as the same are applicable, shall remain in full force and effect, except as herein modified, and shall be administered by the administrator.

"(b) All orders, rules, and regulations in effect with respect to any activity at the time it is transferred shall continue in force until modified, superseded, or repealed by the administrator.

"(c) All unexpended appropriations in respect of any bureau, agency, office, activity, or service transferred to the Public Works Administration shall be as available for expenditure by the Public Works Administration as though said administration had been originally named in the law authorizing such appropriations.

"SERVICES FOR OTHER DEPARTMENTS

"SEC. 505. (a) Whenever any executive department, independent establishment, or other agency or activity of the Government shall be in need of any service or matter coming within the purview of the functions of the Public Works Administration, such department, establishment, agency, or activity shall make appropriate request in writing to the Administrator of Public Works, who shall forthwith place his administration at the service of the department, establishment, agency, or activity making the request.

"(b) All estimates for public work and construction coming within the purview of the Public Works Administration at the time such estimates are made shall be made by the administrator and all appropriations for public work and construction shall be made directly to the administration: *Provided*, That said administrator shall make a book charge against the executive department, independent establishment, or agency of the Government covering the cost of any services, public work, or construction performed for such department, establishment, or agency. The amount thereof shall be reported promptly to the department, establishment, or agency for whom services, public work, or construction has been done, and such department, establishment, or agency shall enter the cost of such services, public work, or construction upon its books and the amount of such cost shall be treated as a part of its expenditures in making its annual report to the President and/or the Congress.

"MISCELLANEOUS

"SEC. 506. (a) Quarters for the Public Works Administration shall be provided by the Public Buildings Commission.

"(b) It shall be the duty of the administrator to standardize designs, plans, and specifications, so far as practicable and desirable, with a view to effecting the utmost economy consistent with suitable construction.

"(c) The administrator, at the close of each fiscal year, shall make a report in writing to the Congress, which shall be printed. Such report (1) shall give an account of all moneys received and disbursed by him and the administration, and shall state for what purpose and on whose account expenditures have been made; (2) shall describe in detail what has been done under section 502 of this title, and shall insert a chart showing the set-up of his administration; and (3) shall make such recommendations with respect to legislation and other matters as to him shall seem appropriate.

"(d) The Administrator of Public Works is authorized to make such rules and regulations, in accordance with law, as may be necessary and proper for the purpose of carrying the provisions of this title into full force and effect.

"TITLE VI—NATIONAL DEFENSE REORGANIZATION ACT

SHORT TITLE

"SEC. 601. This title may be cited as the 'national defense reorganization act.'

"ESTABLISHMENT OF DEPARTMENT OF NATIONAL DEFENSE

"SEC. 602. (a) There is hereby established at the seat of government an executive department to be known as the Department of National Defense, at the head of which shall be a Secretary of National Defense, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive the same compensation as other heads of executive departments.

"(b) There shall be in the Department of National Defense three Assistant Secretaries, to be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as may be required by law or prescribed by the Secretary of National Defense. The Assistant Secretaries shall receive compensation at the rate of $10,000 per annum. The Assistant Secretaries shall be known, respectively, as the Assistant Secretary for the Army, the Assistant Secretary for the Navy, and the Assistant Secretary for Aviation.

"TRANSFER OF WAR AND NAVY DEPARTMENTS, AND COORDINATION OF ACTIVITIES

"SEC. 603. (a) The Department of War and the Department of the Navy and all that pertains thereto are transferred to the Department of National Defense, and the Department of War and the Department of the Navy shall cease to exist as separate executive departments.

"(b) The offices of Secretary of War, Secretary of the Navy, Assistant Secretaries of War, and Assistant Secretaries of the Navy are abolished, and the functions, powers, and duties vested in and imposed upon such officers are hereby vested in and imposed upon the Secretary of National Defense.

"SEC. 604. The Secretary of National Defense is authorized—

"(a) For the purpose of perfecting the organization and coordinating the activities of the Department of National Defense (1) to consolidate, eliminate, or redistribute the functions of offices, bureaus, or agencies, to create new ones, and fix the powers, duties, and functions of their executive heads, and (2) to take such other action, not inconsistent with the provisions of this title, as he may deem necessary;

"(b) To consolidate or to coordinate the activities of the Air Corps of the Army and aviation units, services, and organizations of the Navy and Marine Corps; and

"(c) To recommend to Congress from time to time such legislation as he deems necessary to perfect such organization and coordination of the activities of the Department of National Defense, or of such consolidation or coordination of the Air Corps of the Army and aviation units, services, and organizations of the Navy and Marine Corps.

"MISCELLANEOUS

"SEC. 605. (a) The Secretary of National Defense shall cause a seal of office to be made for the department, of such device as the President shall approve, and judicial notice shall be taken thereof.

"(b) The administration of the Department of National Defense shall be governed by the laws in force with respect to the Department of War and the Department of the Navy at the time of their transfer under this title, in so far as such laws are not inconsistent with the provisions of this title and are not inapplicable.

"(c) All orders, rules, regulations, and permits or other privileges made, issued, or granted by or in respect of the Department of War or the Department of the Navy, and in effect at the time of the transfer of such departments under this title, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed.

"(d) All unexpended appropriations in respect of the Department of War or the Department of the Navy shall be available for expenditure by the Department of National Defense and shall be treated as if the department had been originally named in the laws making the appropriations.

"TIME OF TAKING EFFECT

"SEC. 606. This title shall take effect upon the enactment of this act, except that sections 603 to 605, inclusive, shall take effect when the Secretary of National Defense and the Assistant Secretaries of National Defense have taken office.

"TITLE VII—PARTICULAR CONSOLIDATIONS EFFECTED

"BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION

"SEC. 701. The Secretary of Commerce is authorized and directed to consolidate and coordinate the Steamboat Inspection Service and the Bureau of Navigation of the Department of Commerce in a bureau in such department to be known as the Bureau of Navigation and Steamboat Inspection, to be under the direction of a chief of bureau who shall be appointed by the Secretary of Commerce.

"SEC. 702. (a) The Secretary of Commerce is authorized and directed to transfer to the Bureau of Navigation and Steamboat Inspection the records and property, including office equipment, of the Bureau of Navigation and the Steamboat Inspection Service.

"(b) The Secretary of Commerce is authorized and directed to transfer to such bureau such officers and employees of the Bureau of Navigation and the Steamboat Inspection Service as in his judgment are indispensable to the efficient operation of such bureau. Such transfer of officers and employees shall be without

changes in classification or compensation, but the Secretary may make such changes in the titles, designations, and duties of the officers and employees transferred as he may deem necessary to carry out the purposes of sections 701 to 704, inclusive, of this title. The Secretary is authorized to dismiss such officers and employees of the Steamboat Inspection Service and the Bureau of Navigation as are not, in his judgment, indispensable to the efficient operation of the Bureau of Navigation and Steamboat Inspection.

"(c) The consolidation and coordination herein provided for shall be effected not later than July 1, 1932, and when the Secretary of Commerce declares such consolidation and coordination has been effected, the duties, powers, and functions vested in the Steamboat Inspection Service and the Bureau of Navigation shall be exercised by the Bureau of Navigation and Steamboat Inspection, and the Steamboat Inspection Service and the Bureau of Navigation shall cease to exist.

"SEC. 703. All proceedings, hearings, or investigations commenced or pending before the bureau and the service abolished shall be continued by the Bureau of Navigation and Steamboat Inspection. All orders, rules, regulations, permits, licenses, enrollments, registrations, and privileges which have been issued or granted by the bureau and the service abolished and which are in effect shall continue in effect until modified, superseded, revoked, or repealed. All rights, interests, or remedies accruing or to accrue out of any provision of law or regulation relating to, or out of action taken by, the bureau and the service abolished shall be valid in all respects and may be exercised and enforced.

"SEC. 704. Appropriations and unexpended balances of appropriations available for expenditure by the bureau and the service abolished shall be available for expenditure by the Bureau of Navigation and Steamboat Inspection in the same manner as if such bureau had been named in the laws providing for such appropriations, except that such parts of such appropriations and such unexpended balances as may not be absolutely necessary for the purposes of such bureau shall not be expended but shall be impounded and returned to the Treasury.

"TRANSFER OF PERSONNEL CLASSIFICATION BOARD TO CIVIL SERVICE COMMISSION

"SEC. 705. The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Personnel Classification Board to the Civil Service Commission, and upon the issuance of such order—

"(a) the Personnel Classification Board and the position of director of classification shall be abolished;

"(b) all records and property, including office furniture and equipment, of the board shall be transferred to the Civil Service Commission; and

"(c) such of the officers and employees of the board, as in the judgment of the President, are indispensable to the efficient operation of the Civil Service Commission, shall be transferred to such commission, and all other officers and employees of such board shall be dismissed.

"SEC. 706. Any transfer of officers or employees under section 705 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 705 to 708, inclusive, of this title.

"SEC. 707. (a) All orders, determinations, rules, or regulations made or issued by the Personnel Classification Board, and in effect at the time of such transfer, shall continue in effect to the same extent as if such transfer had not been made, until modified, superseded, or repealed by the Civil Service Commission.

"(b) All provisions of law relating to the Personnel Classification Board and the director of classification shall continue in force with respect to the Civil Service Commission, in so far as such provisions of law are not inconsistent with the provisions of sections 705 or 706.

"SEC. 708. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Personnel Classification Board as the President deems necessary shall be available for expenditure by the Civil Service Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

"INTERNATIONAL WATER COMMISSION ABOLISHED

"SEC. 709. The International Water Commission, United States and Mexico, American section, is hereby abolished. The powers, duties, and functions of such section of such commission shall be exercised by the International Boundary Commission, United States and Mexico, American section. This section shall take effect July 1, 1932.

"TRANSFER OF RADIO DIVISION OF THE DEPARTMENT OF COMMERCE TO THE FEDERAL RADIO COMMISSION

"SEC. 710. The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Radio Division of the Department of Commerce to the Federal Radio Commission, and upon the issuance of such order—

"(a) the Radio Division shall be abolished;

"(b) all records and property, including office furniture and equipment, of the divisions shall be transferred to the Federal Radio Commission; and

"(c) such of the officers and employees of the division as, in the judgment of the President, are indispensable to the efficient operation of the Federal Radio Commission shall be transferred to such commission, and all other officers and employees of such division shall be dismissed.

"SEC. 711. Any transfer of officers or employees under section 710 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 710 to 713, inclusive, of this title.

"SEC. 712. (a) All orders, determinations, rules, or regulations made or issued by the Department of Commerce in respect of the Radio Division or by the Radio Division and in effect at the time of such transfer shall continue in effect to the same extent as if such transfer had not been made until modified, superseded, or repealed by the Federal Radio Commisson.

"(b) All provisions of law relating to the Radio Division shall continue in force with respect to the Federal Radio Commission in so far as such provisions of law are not inconsistent with the provisions of sections 710 or 711.

"SEC. 713. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Radio Division as the President deems necessary shall be available for expenditure by the Federal Radio Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

"TITLE VIII—INTERDEPARTMENTAL WORK

"SEC. 801. Section 7 of the act entitled 'An act making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes,' approved May 21, 1920 (U. S. C., title 31, sec. 686), is amended to read as follows:

"'SEC. 7. (a) Any executive department or independent establishment of the Government, or any bureau or office thereof, if funds are available therefor and if it is determined by the head of such executive department, establishment, bureau, or office to be in the interest of the Government so to do, may place orders with any other such department, establishment, bureau, or office for materials, supplies, equipment, work, or services, of any kind that such requisitioned Federal agency may be in a position to supply or equipped to render, and shall pay promptly by check to such Federal agency as may be requisitioned, upon its written request, either in advance or upon the furnishing or performance thereof, all or part of the estimated or actual cost thereof as determined by such department, establishment, bureau, or office as may be requisitioned; but proper adjustments on the basis of the actual cost of the materials, supplies, or equipment furnished, or work or services performed, paid for in advance, shall be made as may be agreed upon by the departments, establishments, bureaus, or offices concerned. Bills rendered or requests for advance payments made pursuant to any such order shall not be subject to audit or certification in advance of payment.

"'(b) Amounts paid as provided in subsection (a) shall be credited, (1) in the case of advance payments, to special working funds, or (2) in the case of payments other than advance payments, to the appropriations or funds against which charges have been made pursuant to any such order, except as hereinafter provided. The Secretary of the Treasury shall establish such special working funds as may be necessary to carry out the provisions of this subsection. Such amounts paid shall be available for expenditure in furnishing the materials, supplies, or equipment, or in performing the work or services, or for the objects specified in such appropriations or funds. Where materials, supplies, or equipment are furnished from stocks on hand, the amounts received in payment therefor shall be credited to appropriations or funds, as may be authorized by other law, or, if not so authorized, so as to be available to replace the materials, supplies, or equipment, except that where the head of any such department, establishment, bureau, or office determines that such replacement is not necessary the amounts paid shall be covered into the Treasury as miscellaneous receipts.

"'(c) Orders placed as provided in subsection (a) shall be considered as obligations upon appropriations in the same manner as orders or contracts placed with private contractors. Advance payments credited to a special working fund shall remain available until expended.'

"SEC. 802. (a) Notwithstanding the provisions of this title, such section 7, as in force prior to the date of the enactment of this act, shall remain in force with respect to the disposition of funds transferred thereunder prior to such date.

"(b) Nothing in this title shall be construed to authorize any Government department or independent establishment, or any bureau or office thereof, to place any orders for material, supplies, equipment, work, or services to be furnished or performed by convict labor, except as otherwise provided by existing law.

"(c) The provisions of this title are in addition to and not in substitution for the provisions of any other law relating to working funds.

"TITLE IX—PROVISIONS APPLICABLE TO VETERANS

"GENERAL ADJUSTMENT OF VETERANS' BENEFITS

"SEC. 901. Notwithstanding the provisions of law in effect at the date of enactment of this act, except as to those persons who have attained the age of 65 years, or those persons who served in the active military or naval forces and who actually suffered an

injury or contracted a disease in line of duty as a result of and directly attributable to such service, or those persons who, in accordance with the World War veterans' act, 1924, as amended, or the laws granting military or naval pensions, are temporarily totally disabled or permanently and totally disabled as a result of disease or injury acquired in, or aggravated by, active military or naval service, or those persons who while in the active military or naval service engaged in actual combat with, were under actual fire of, or served in the zone of active hostilities against, the armed forces of the enemy in any war in which the United States was engaged, no allowance, compensation, retired pay, pension, hospitalization or domiciliary care under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, the laws governing the granting of domiciliary care by the Veterans' Administration, or the emergency officers' retirement act of May 24, 1928, shall be payable or granted to any person whose net income as defined by the Administrator of Veterans' Affairs, was $1,500 or over, if single, and $3,500 or over, if married, for the year preceding the enactment of this act or the year preceding the filing of application for benefits, whichever is the later. The minimum amounts above specified shall be increased by $400 for each person dependent upon the applicant during the period prescribed. Such benefits shall not be paid or granted during any year following that in which the net income plus allowance for dependents exceeds the prescribed amounts: *Provided*, That irrespective of the income for a preceding year, upon submission of proof satisfactory to the administrator of reduction in income during the current year below the amounts specified herein, when prorated monthly, such benefits as may otherwise be authorized shall be allowable from the date of administrative determination. Payments of Government insurance, allowance, compensation, retired pay, or pension shall not be considered as income within the provisions of this section. The Secretary of the Treasury is hereby directed, upon request, to transmit to the administrator a certificate containing the information required by the administrator to carry out the purposes of this section affecting each person who is applying for or receiving such allowance, compensation, retired pay, pension, hospitalization, or domiciliary care, and such certificate shall be conclusive evidence of the facts stated therein. As to allowance, compensation, retired pay, or pension being paid, or hospitalization or domiciliary care being furnished, at the date of enactment of this act, this section shall take effect six months after such date, and no continuance or granting of allowance, compensation, retired pay, pension, hospitalization, or domiciliary care shall thereafter be authorized except in accordance herewith. As to pending claims and claims filed after the date of enactment of this act, the provisions of this section shall take effect on such date: *Provided*, That this section shall not apply to such persons as are entitled to benefits described in this section on account of the death of any person who served in the active military or naval service.

"VETERANS IN INSTITUTIONS

"SEC. 902. The first two paragraphs of subdivision (7) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 482), are hereby amended to read as follows:

"'Effective as of the first day of the third calendar month following the month during which this amendatory act is enacted, where any person shall have been maintained as an inmate of the United States Soldiers' Home, or of any national or State soldiers' home, or of St. Elizabeths Hospital, or maintained by the Veterans' Administration in an institution or institutions, for a period of 30 days or more, the compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, shall thereafter not exceed $20 per month so long as he shall thereafter be maintained: *Provided*, That if such person has a wife, a child or children, or dependent parent or parents, the difference between the $20 and the amount to which the veteran would otherwise be entitled except for the provisions of this subdivision may be paid to the wife, child or children, and dependent parent or parents in accordance with regulations prescribed by the administrator.

"'All or any part of such compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, of any mentally incompetent inmate of such institution may, in the discretion of the administrator, be paid to the chief officer of said institution to be properly accounted for and to be used for the benefit of such inmate: *Provided, however*, That in any case where the estate of such mentally incompetent veteran without dependents, derived from funds paid under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, or the emergency officers' retirement act of May 24, 1928, equals or exceeds $3,000, payment of compensation, pension, allowance, or retired pay shall be discontinued until the estate is reduced to $3,000, and this proviso shall apply to payments due or accruing prior or subsequent to the date of enactment of this amendatory act: *Provided further*, That if such person shall be discharged from such institution as competent, such sum shall be paid as is held in trust for him by the United States or any chief officer of an institution as a result of the laws in effect prior and/or subsequent to the enactment of this amendatory act: *Provided further*, That if in the judgment of the administrator a mentally incompetent person without dependents, receiving compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, requires institutional care for his mental condition and his guardian or other person charged with his custody refuses to accept or permit the continuance of the institutional care offered or approved by the administrator, compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, payable, shall not exceed $20 per month so long as the need for such institutional care shall continue. The administrator in his discretion, upon showing of proper treatment in a recognized reputable private institution, may waive the reduction provided by this subdivision.'

"EMERGENCY OFFICERS' RETIRED PAY

"SEC. 903. (a) In the administration of the act of May 24, 1928, entitled 'An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War' (U. S. C., Supp. V, title 38, secs. 581 and 582), no officer or former officer shall receive retired pay thereunder, unless he served as a member of the Military or Naval Establishment between April 6, 1917, and November 11, 1918, inclusive, and within such period actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to such service, or unless he served a period of 90 days or more between April 6, 1917, and November 11, 1918, inclusive, and actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to service between November 12, 1918, and July 2, 1921, inclusive, and unless he has been or is found by the former Veterans' Bureau or the Veterans' Administration to be not less than 30 per cent permanently disabled as a result thereof prior to May 24, 1928, or within one year thereafter, in accordance with the rating schedule and amendments promulgated pursuant to subdivision (4) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 477), in force at that time, and unless he is found by the Veterans' Administration to be not less than 30 per cent permanently disabled at the time of the enactment of this act under such rating schedule as amended and in effect at the date of the enactment of this act: *Provided*, That no person shall be retired without pay except in accordance with the foregoing provisions of this section, except that the degree of disability required for retirement without pay shall be less than 30 per cent and more than 10 per cent permanent disability.

"(b) The Veterans' Administration is hereby authorized and directed to review all claims heretofore filed under the emergency officers' retirement act of May 24, 1928, and to remove from the rolls of retired emergency officers the names of such officers as are not found to be entitled to retirement under subdivision (a) of this section. The Administrator of Veterans' Affairs is further authorized and directed to cause to be certified to the Secretary of War or the Secretary of the Navy, as the case may be, the names of those officers who are removed from the rolls, and the Secretary of War and the Secretary of the Navy are hereby authorized and directed to drop from the emergency officers' retired list and the Army and Navy registers the names of such officers. Payment of emergency officers' retired pay, in the case of any officer whose name is removed from the rolls or transferred to the list of those retired without pay by reason of the provisions of this section, shall cease on the first day of the third calendar month following the month during which certification or transfer is made, as the case may be. The Administrator of Veterans' Affairs is hereby authorized and directed to transfer the name of each officer removed from the rolls of those entitled to emergency officers' retired pay, to the compensation rolls of the Veterans' Administration, and to pay, commencing with the first day of the third calendar month following the month during which certification is made by the administrator of the name of the officer removed from the rolls, as herein provided, compensation in accordance with the provisions of the World War veterans' act, 1924, as amended, notwithstanding that no previous application for compensation has been made.

"(c) The review of all claims authorized and directed under subdivision (b) of this section shall be final, except for one reconsideration. No rerating or review shall thereafter be authorized in such claims.

"(d) After the expiration of one year following the enactment of this act no review, appeal, or other consideration shall be authorized in connection with any claim for emergency officers' retirement upon which a decision has at any time been rendered by the Veterans' Administration or Bureau.

"(e) No person shall be entitled to benefits under the provisions of this section, except he shall have made valid application under the provisions of the emergency officers' retirement act of May 24, 1928.

"(f) All provisions of the emergency officers' retirement act of May 24, 1928, in conflict with or inconsistent with the provisions of this section are hereby modified and amended to the extent herein specifically provided and stated as of the date of enactment, May 24, 1928.

"REPEAL OF PER DIEM ALLOWANCES

"SEC. 904. Section 203 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 492), is hereby amended to read as follows:

"'SEC. 203. That every person applying for or in receipt of compensation for disability under the provisions of this title and every person applying for treatment under the provisions of subdivisions (9) or (10) of section 202 hereof, shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of the United States or by a duly qualified physician designated or approved by the

administrator. He may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the administrator, be paid his reasonable traveling and other expenses. If he shall neglect or refuse to submit to such examination, or shall in any way obstruct the same, his right to claim compensation under this title shall be suspended until such neglect, refusal, or obstruction ceases. No compensation shall be payable while such neglect, refusal, or obstruction continues, and no compensation shall be payable for the intervening period.'

"LIMITATION OF RETROACTIVE BENEFITS

"SEC. 905. Section 305 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 494), is hereby amended to read as follows:

"'SEC. 305. The Veterans' Administration may at any time review a claim for benefits under this act, or the laws governing the granting of Army and Navy pensions, and in accordance with the facts found and the law applicable, award, and, diminish, or increase allowance, compensation, or pension, but no allowance, compensation, or pension shall be awarded as a result of such review for any period more than six months prior to date of administrative determination. Where the time for appeal prescribed by regulations has expired a claimant may make application for review upon the evidence of record at the time of the last adjudicatory action but no allowance, compensation, or pension, or increased allowance, compensation, or pension, as a result of such review, shall be awarded for any period more than six months prior to date of application. No review of any claim shall be made except as provided herein. Except in cases of fraud participated in by the beneficiary, no reduction in allowance, compensation, or pension shall be made retroactive, and no reduction or discontinuance of allowance, compensation, or pension shall be effective until the first day of the third calendar month next succeeding that in which such reduction or discontinuance is determined. The proviso in the paragraph under the heading "Pension Office" in the act entitled "An act making appropriations to supply further urgent deficiencies in the appropriations for the fiscal year ending June 30, 1894, and for prior years, and for other purposes," approved December 21, 1893 (U. S. C., title 38, sec. 58), is hereby repealed: *Provided*, That as to those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty and as the result of and directly attributable to combat with the enemy during war service, the limitations of this section shall not apply.'

"TRANSFER FROM COMPENSATION TO PENSION ROLLS

"SEC. 906. The first paragraph of section 200 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 471), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"'*Provided further*, That where no active military or naval service was rendered between April 6, 1917, and November 11, 1918, no compensation shall be payable for disability or death resulting from injury suffered or disease contracted during active service in an enlistment entered into after November 11, 1918, or for aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered or contracted in, or such recurrence was caused by, the active military or naval service in an enlistment entered into after November 11, 1918: *Provided further*, That the Administrator of Veterans' Affairs is hereby authorized and directed to transfer to the general pension rolls for the Regular Establishment the names of those persons in receipt of compensation who, by reason of the enactment of this amendatory act are no longer entitled to compensation, and to pay such persons pension in accordance with the rates provided for under the general pension laws, but this transfer shall not take effect until six months following the date of the enactment of this amendatory act: *Provided further*, That this act, as amended, and the laws governing the granting of Army and Navy pensions shall not be construed to deny the right of any person to receive pension on account of active military or naval service subsequent to November 11, 1918: *Provided further*, That the provisions of section 602 of this act, as amended, shall not be construed to authorize the payment of compensation contrary to the provisions of this amendatory act.'

"TESTIMONY IN SUITS UPON INSURANCE CLAIMS

"SEC. 907. The first paragraph of section 19 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 445), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"'*Provided further*, That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of denial of the claim, except that if in a preliminary proceeding prior to trial of the claim sued upon, it is shown by the plaintiff to the satisfaction of the court that relevant and material testimony is available from any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, the court shall stay all proceedings in the suit until the statement of such person is submitted to the Administrator of Veterans' Affairs who shall cause the claim to be immediately reviewed, and in case the administrator allows such claim, the suit shall be dismissed, but if the administrator disallows the claim, such person may be a witness in the trial of the cause: *Provided further*, That the last preceding proviso shall apply to all suits pending on the date of the enactment of this amendatory act against the United States under the provisions of the war risk insurance act, as amended, or this act, as amended.'

"REVIVAL OF GOVERNMENT INSURANCE RESTRICTED

"SEC. 908. Sections 305 and 309 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, secs. 516, 516b), are hereby repealed as of the date of their enactment, and notwithstanding the provisions of section 602 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 571), no additional payments shall be made under such sections or the third proviso of section 408 of the war risk insurance act, as amended, except to those persons actually receiving payments on the date of enactment of this act, or in those claims where, prior to the date of the enactment of this act, it has been determined by the Veterans' Administration that all or part of the insurance is payable under such sections and the interested person or persons entitled thereto have been informed of such determination: *Provided*, That where a beneficiary receiving insurance payments under such sections dies and there is surviving a widow, child or children, or dependent mother or father, of the veteran, the remaining unpaid installments shall be paid to the following permitted class of beneficiaries in the following order of preference: (1) To the widow of the veteran if living at date of death of the beneficiary; (2) if no widow, then to the child or children of the veteran, share and share alike; (3) if no wife, child, or children, then to the dependent mother of the veteran; (4) if no wife, child or children, or dependent mother, then to the dependent father of the veteran, but no payments under this proviso shall be made to the heirs or legal representatives of any beneficiaries in the permitted class who die before receiving the monthly installments to which they are entitled, and the remaining unpaid installments shall be paid to the beneficiary or beneficiaries in the order of preference prescribed in this proviso: *Provided*, That this section shall not be construed to affect any claim wherein it is determined by the Administrator of Veterans' Affairs that the insured actually contracted disease or suffered injury in line of duty between April 6, 1917, and November 11, 1918, inclusive, as the result of and directly attributable to actual combat with the enemy during war service, and as the result of such disease or injury, dies or has died or becomes or has become permanently and totally disabled, and as to those cases adjudication shall be made under the law in effect prior to the enactment of this act, in the same manner as if this act had not been enacted, except that the first proviso of section 305 of the World War veterans' act, 1924, as amended, limiting the class of beneficiaries, shall be applicable to any case payable under this section: *Provided further*, That the uncollected compensation available under the provisions of the law in effect prior to the enactment of this act must be based upon disease or injury as described in this section.

"LIMITATION UPON ATTORNEYS' FEES IN INSURANCE SUITS

"SEC. 909. The proviso preceding the last sentence in section 500 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 551), is hereby amended to read as follows:

"'*Provided, however*, That wherever a judgment or decree shall be rendered in an action brought pursuant to section 19 of Title I of this act the court, as a part of its judgment or decree, shall determine and allow reasonable fees for the attorneys of the successful party or parties and apportion same if proper, said fees not to exceed 10 per cent of the amount found due under the judgment or decree and to be paid by the Veterans' Administration out of the payment made under the judgment or decree.'

"JOINT COMMITTEE ON VETERANS' LAWS

"SEC. 910. There is hereby created a joint congressional committee which shall be composed of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Such committee shall conduct a thorough investigation of the operation of the laws and regulations relating to the relief of veterans of all wars and persons receiving benefits on account of service of such veterans and report a national policy with respect to such veterans and their dependents. The committee shall report to the Senate and House of Representatives not later than February 1, 1933, the results of its investigation, together with such recommendations for legislation as it deems advisable.

"The committee is authorized to sit and act, whether or not the Senate or House of Representatives is in session, at such times and places as it may deem advisable, and to call upon various departments of the Government for such information and for such clerical assistance as may be necessary, using the services of employees on the Government pay roll.

"TITLE X—SPECIAL PROVISIONS

"SEPARABILITY CLAUSE

"SEC. 1001. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SUSPENSIONS AND REPEALS

"SEC. 1002. All acts and parts of acts inconsistent or in conflict with those provisions of this act which are of temporary duration are hereby suspended during the period in which such provisions

of this act are in effect. All acts or parts of acts inconsistent or in conflict with those provisions of this act which are of permanent nature are hereby repealed to the extent of such inconsistency or conflict."

Mr. SIROVICH (interrupting the reading of the bill). Mr. Chairman, I withdraw my objection.

The CHAIRMAN. Is there objection to dispensing with the first reading of the amendment?

There was no objection.

Mr. BLANTON. The understanding is that the bill is going to be printed in the RECORD.

The CHAIRMAN. That is the understanding.

Mr. LAGUARDIA. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. LAGUARDIA. For the purpose of ascertaining whether or not the House should be advised when there is any change in a plan that the House has adopted. I was under the impression we were going to read this amendment so the committee could adjust itself and prepare for the general debate. If the gentleman from Alabama is going to proceed now, my suggestion to the gentleman is that it would be quite proper to finish general debate now, if that is what the gentleman has in mind.

Mr. McDUFFIE. I have in mind going further than general debate to-day. I have in mind working this evening.

Mr. LAGUARDIA. All right; but it is hardly fair, after a long session, to commence title 1 of the amendment which means the very existence of hundreds of thousands of people.

Mr. McDUFFIE. I do not think so.

Mr. LAGUARDIA. Of course, we differ there, and the gentleman is within his rights in differing from me; but I do not believe we ought to take that up to-day, and if the gentleman from New York [Mr. SIROVICH] withdraws his objection, I shall renew it.

Mr. BLANTON. Mr. Chairman, I make the point of order that such objection comes too late. The Chair had ruled.

The CHAIRMAN (Mr. WARREN). When the gentleman from New York asked unanimous consent to dispense with further reading of the bill the Chair thinks the RECORD will show that he asked if there was objection. The Chair heard none, and it was so ordered. It was understood by the gentleman from Texas [Mr. BLANTON] that the amendment as a whole would be printed in the RECORD.

Therefore, any further objection, the Chair thinks, comes too late.

Under the rule the gentleman from Alabama [Mr. McDUFFIE] is recognized for one hour and the gentleman from Indiana [Mr. WOOD] is recognized for one hour.

Mr. SIROVICH. Mr. Chairman, the time having been allotted to the gentleman from Alabama [Mr. McDUFFIE] and the gentleman from Indiana [Mr. WOOD], and each having one hour, will they yield half of their time to the opposition?

The CHAIRMAN. That is within the province of the two gentleman whom the gentleman from New York has mentioned.

Mr. SIROVICH. Could we find that out now?

The CHAIRMAN. That is not within the knowledge of the Chair. The Chair is unable to advise whom they are going to recognize.

Mr. COCHRAN of Missouri. Will the gentleman from Alabama yield for a question?

Mr. McDUFFIE. I yield for a question.

Mr. COCHRAN of Missouri. I would like to ask the gentleman whether or not he will yield some time to me for the purpose of yielding to some Members who are opposed to various parts of the bill, and are anxious to secure some time.

Mr. McDUFFIE. Mr. Chairman, it has never been the purpose of the committee or any member of the committee to deny the opposition an opportunity to be heard against this bill, and I shall yield time to the gentleman from Missouri for the purpose of having him express his opposition or doing as he pleases with such time as he may have.

Mr. COCHRAN of Missouri. Will the gentleman tell me how much time he will yield me?

Mr. McDUFFIE. Our idea is to yield half the time to the opposition to the bill. I think this would be perfectly fair.

Mr. COCHRAN of Missouri. Then the gentleman will yield one-half hour to me to dispose of as I see fit.

Mr. SABATH. There may be others who are opposed to some other propositions.

Mr. O'CONNOR. Why does not the gentleman from Alabama yield one-half hour to the member of the committee in opposition to the amendment and let him use it? Then the gentleman has no responsibility in the matter.

Mr. McDUFFIE. I shall do that.

Mr. Chairman, I may not be able now to occupy more than 10 minutes in order that other proponents of the bill may be heard. Of course, within the limited time, it is absolutely impossible to cover the many subjects included in our program. I can only make a few general observations about the economy program without undertaking to deal singly or item by item with the provisions of the bill.

I doubt if any Member of this House, other than those who were members of this committee, has the slightest idea of the task and the overwhelming burden this committee assumed when it undertook to carry out your instructions. I doubt if there is anything as nearly impossible or as difficult as the one thing of withdrawing the strong arm of the Federal Treasury, which has been extended within the last 10 or 12 years in so many directions, touching almost every business and, indeed, touching even the social life of the citizens. It is practically impossible of accomplishment by a political body. People have grown used, if you please, to the benefits, the blessings, if we may call them that, which Uncle Sam has extended within this time.

The cost of government within the last 10 years has mounted $1,000,000,000. We are living now in times of great economic distress. Day after day we read in the press where men and women are marching almost in mob formation upon courthouses, upon capitols of States, demanding, if you please, that the cost of government be brought down.

Realizing the necessity of economizing, if our Nation is to stay on an even keel financially, your committee set about to do all it could in an intelligent way to present you certain proposals which might be immediately adopted and which will save the Treasury, not for 1945 but for the year 1933, approximately $200,000,000 if adopted. We have not covered the entire field; we have merely scratched the surface.

A committee several years ago under President Harding's administration undertook this same or a similar problem. After two years of hearings, going into this and that department, with a view of doing away with overlapping, and consolidating similar work in one agency, or by joining many agencies, finally made a report to this House after laboring for two years.

I mention that to give you an idea of the difficulties that we have had in the time the committee had to cover the entire field and bring to you a bill dealing with the entire consolidation of the Government.

We have brought you a bill which, of course, has been condemned from one end of the country to the other by certain minority organizations and high-powered propagandists who have flooded you with telegrams. The committee itself is not satisfied with the bill as a whole. In other words, no one of us agreed to all of its provisions. This happens in practically all bills presented. But we recognized that in these provisions there are many things that should have the attention of Congress, and we have brought them here in one bill for your consideration. It now becomes your responsibility.

Under the rule agreed upon by the House, let us hope we will not spend two weeks on the bill, let us hope that we will get through and do justice not only to the employees and the various agencies of the Government but justice to the Government and the taxpayers. [Applause.] Let us hope

that we may get along and settle this problem one way or the other in two days.

I do not know what you will do with this bill, but your constituents will watch your vote on it. We have submitted the problem to you; and if you see fit to kick it out entirely, that is your responsibility, and you will then go home to answer your own constituents for your action on this floor. We do not say the bill is perfect, but it is the best we could do in the time allotted to us.

There have been certain organizations that have complained bitterly, more especially as to the question of the reduction of salaries. Labor organizations have even gone far enough to condemn certain persons of the committee, including myself, writing into our districts that we were hostile to labor by proposing a reduction of salaries; that we are setting an example or precedent on the part of the Government that will be followed by private industry everywhere, and that there is a principle involved rather than men's pay. You can not make me believe that. I believe the Federal employees are more interested in their pay than the preserving of a principle that makes the smaller-salaried man bear greater burdens.

Some newspapers of the country, and especially those in Washington, have vigorously protested the reduction of salaries of Government employees, and yet I dare say that every last one of them have reduced the salaries of their own employees. Of course, they wish every dollar possible expended in Washington, by the employees of the Government.

We are not legislating here for the benefit of any men or set of men. We are trying to speak for all the people, for the inarticulate masses of the country, some of whom have not got enough money to-day to send you a telegram. [Applause.] Personally, I refuse to be dictated to or wear the collar of any man or set of men. I never have done it, and it is too late now to begin. Remember, gentlemen, any man who has a job with Uncle Sam is fortunate indeed in these days of trial and stress.

I recognize there are lower salaries involved in the bill, but the cost of living has gone down more than we propose to reduce any salaries, and we do not propose to go below the thousand-dollar man. You say that that is a small salary. Indeed it is, but it is a much bigger salary than it was three years ago, and a man who could live upon it three years ago can live on a little bit less at a time like this, at least for one year. I am glad to say that notwithstanding the many protests we have had, we have also received some wonderful letters from employees, patriotic men and women, if you please, who say that if the Government needs a small part of their salary at a time like this they are perfectly willing to give it to the Government. That is the proper kind of spirit to show, rather than seek condemnation of the committee for suggesting a small sacrifice in the hour of their country's need. I am not here to legislate for minorities.

My personal opinion is that the highly paid and high-powered propagandists, the organized minorities, the bureaucrats have almost destroyed representative government in this country. [Applause.] What are you going to do about it? If your business income is cut in two, what course should you follow? If in your own home you have many servants highly paid and your income is cut half in two, will you increase the servants and raise their salaries? No. The argument of some gentlemen here is that the way to prosperity is to engage more employees and pay them more. I can not follow that sort of reasoning. Acting as one of the directors, as we all are, of a great business concern, the United States Government, I feel differently. We must effect economies in government if we are to put our Government on a sound financial basis.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. BYRNS. Mr. Chairman, before the gentleman proceeds will the gentleman permit me to make this suggestion? The gentleman from Alabama has only 30 minutes. I think we ought to have greater opportunity to discuss this matter under general debate. There are one or two features in the bill that I desire to discuss. I know that the gentleman from Alabama can not begin to cover the bill in 30 minutes. So far as I am concerned, provided the House will be a little generous with me when we come to one or two of these features under the 5-minute rule, I am quite willing not to take any time in general debate, so that the gentleman from Alabama may not feel it necessary to reserve any time for me. I am willing that he should take it all himself.

Mr. DOUGLAS of Arizona. Mr. Chairman, I am very much in the same situation as the gentleman from Tennessee [Mr. BYRNS]. My understanding is that certain time under general debate would be allotted to me for the purpose of explaining certain provisions of the amendment now under consideration. In view of the fact that 30 minutes is a very limited period in which the gentleman may attempt to explain the amendment, I take this occasion to cede to him any time that he might have allotted to me, provided when the particular sections that have been allotted to me here under discussion are reached under the 5-minute rule, there will be sufficient leniency with respect to time to permit me adequately to explain them.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. SNELL. I think two hours are altogether too short a time in which to discuss this bill under general debate; and before we get started upon it, I think that the time ought to be increased. I think the gentleman ought to have a full hour for himself, or even more, in which to explain the provisions of the amendment. I wish the gentleman in charge would ask unanimous consent to increase the time for general debate by three or four hours.

Mr. SABATH. That can not be done now.

Mr. BLANTON. We would have to rise to do that.

Mr. McDUFFIE. I am quite willing to do that. I do not want to be selfish or presumptuous. I hate to take any time. It is true that no one can cover this subject within a few moments. I do agree that we should have a little more time under general debate. However, if we are going to extend the time under the rules of the House to any great length, we will be here longer that we were on the tax bill, because I understand there are many who are opposed to various propositions in the bill.

I am not inclined to make the time any longer than is absolutely necessary. I now yield to the gentleman from New York [Mr. SIROVICH], to ask me the question he had in mind.

Mr. SIROVICH. If I am interfering with the gentleman, I prefer to allow him to go ahead and I shall ask my question later.

Mr. McDUFFIE. Mr. Chairman, I can not take this bill up section by section. The pay-cut plan as offered by the committee explains itself. It simply means that every man on the Government pay roll, without exception, shall have an exemption of $1,000 before the taxation of his salary is applied. After exempting $1,000, the committee decided the fairest and best plan was to apply a cut of 11 per cent. That does not hit the $1,000 man, even though he has a position with Uncle Sam, who is a great paymaster, and who gives him his sick leave and his annual leave. Under the committee plan, neither one of those leaves is disturbed.

The thousand-dollar man does not contribute a dime to his Government in taxation or otherwise. Personally I believe every citizen ought to contribute a little something to his Government. He becomes more interested in it. He realizes then how money gets into the Treasury. It is easy to get money out of the Treasury, but the great problem always confronting the Congress is how to replenish the Treasury. Be that as it may, the committee decided upon this plan even though there were those on the committee who, though opposed to a pay cut, thought it was and is the fairest and best plan. After the pay-cut plan we go to the other sections.

Mr. UNDERHILL. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. UNDERHILL. Why 11 per cent instead of 10 per cent?

Mr. McDUFFIE. It is the difference in the amount to be saved. Under that plan we save $67,322,000. A 10 per cent cut would reduce that probably $1,000,000 or more. Let us take the man who has a salary of $1,200, under the committee's plan he would give up $22 for the fiscal year 1933 only, the cut applying only to that year unless the Congress affirmatively decides otherwise. For the $1,800 man there is a tax of only $88 a year. Under the committee's plan you will note from the tables that the smaller-salaried man bears less burden than the high-salaried man. The higher the salary the greater the amount to be taken, while under the furlough system, or the staggering plan, the reverse is true—or was true before the plan was dressed by its proponents. However, the furlough plan takes more money in the long run from the employee. A majority of the employees, I believe, prefer the pay cut or the committee's plan to the furlough or staggering. "Staggering" is a very proper designation for that plan. Whatever you call it, it means a reduction in salaries. It can not be applied to the legislative branch of the Government.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. McDUFFIE. I yield.

Mr. BRITTEN. The House generally knows or understands the difference between the requirements of the bill and the President's ideas about salaries, but there were several other differences between the committee and the President. Does the gentleman know any place where those differences are printed so that we can get them and analyze them for ourselves?

Mr. McDUFFIE. Does the gentleman mean as to salary reductions?

Mr. BRITTEN. Not only that, but as to other sections of the amendment.

Mr. McDUFFIE. I do not know. I have a print of the first suggestions of the President. Each member of the committee has one. There is a committee print of the President's salary-reduction plan that is available to every Member of the House.

Mr. BRITTEN. We have that, but I thought the gentleman had some other data showing the President's suggestions as compared with the suggestions which he is now presenting.

Mr. McDUFFIE. I have in my office one copy, and the members of the committee each have a copy, but there are not sufficient copies for all the Members of the House. I am not quite sure that certain Members of the House or the committee care to have the differences between the President's original plans and the committee's plans set out in the RECORD. The President's plan, in principle, if you please, with the exception of the pay cut and a few other items, is included in this bill. There were, of course, some changes. For instance, the President suggested that we cut out the Philippine Scouts or have the Philippine government pay that expense. We eliminated that item from the bill and authorized the President to disband the scouts, if necessary. He has that authority now, and can save $5,000,000 by disbanding the Philippine Scouts.

The President made the suggestion, if you wish it in detail, to cut out all the vocational education immediately. The committee decided otherwise.

Mr. BRITTEN. I would like to save some of the gentleman's time. Will the gentleman be good enough to insert in the RECORD the President's suggestions to-night, so that we may see those to-morrow?

Mr. McDUFFIE. The President's general suggestions have already been printed in the RECORD. I do not mind putting his detailed original suggestions in the RECORD, yet I would rather consult my Republican colleagues on the committee before I do that, and I think if the gentleman understood it, he would rather not do that. I wish to avoid partisanship in the consideration of this bill.

Mr. BRITTEN. I do not understand the President's suggestions were confidential in any sense.

Mr. McDUFFIE. Not at all.

Mr. WOOD of Indiana. The President's plan will be entirely presented before this evening is over.

Mr. McDUFFIE. The gentleman does not mean all that the President originally suggested to the committee, of course.

Mr. WOOD of Indiana. That is it.

Mr. McDUFFIE. The gentleman does not mean everything the President suggested to the committee will be presented?

Mr. WOOD of Indiana. No.

Mr. McDUFFIE. The gentleman refers to the President's views as included in this bill?

Mr. WOOD of Indiana. Yes.

Mr. McDUFFIE. Now, Mr. Chairman, there are certain exemptions from this salary reduction. Compensation fixed by international treaty; compensation with reference to the terms of any contract in effect on the date of the enactment of this act, and any office, of course, which can not be reduced under the Constitution, and any one of the employees who is drawing an annuity from a fund contributed to exclusively by employees.

Section 104 is part of the plan. It simply directs the heads of corporations now organized and operated by the United States Government to carry out the salary-reduction theory.

Then comes the Saturday half holiday, and the provisions of the act with reference to employees. That does not affect the railway postal employees, because they are taken care of under a separate act. Then we made some permanent salary reductions.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. McDUFFIE. Mr. Chairman, I yield myself five additional minutes.

There is no pleasure in doing what we have done. Whatever we do would hurt some one. Whatever we do is going to affect or will be felt by everybody on Uncle Sam's pay roll—the Congressmen themselves, their employees, their mileage, their stationery. We have tried to go all down the line from the President. Of course, we could not reach the President's salary, but we have provided that those who can not be reached under the Constitution could contribute such of their salary as they may see fit, and the Treasury of the United States is authorized to accept it.

There are some very excellent gentlemen holding high places in Washington. The question came up as to whether all salaries should be reduced. If you could see the letters which have come to my desk and the telegrams which have poured into this committee from all over the country, you would become convinced that the people of this Nation are thoroughly interested in the reduction of Federal salaries. Some go far enough to say, "Cut them in half." People talk about bureaus and commissions. The average man, unless he has had much contact with them, does not always understand what those terms mean, and does not know in detail what these bureaus or commissions are doing, but every man and every taxpayer knows something about salaries, and when we talk about reducing salaries, then he understands what we are doing for him. If we do not reduce salaries at this session of Congress in some reasonable way, my prediction is that in the next session of Congress salaries will be reduced even more than they probably should be reduced.

I do not look for flush times immediately. God knows I hope for them and long for them, but I do believe that for a period of years we will not return to that heyday of prosperity that existed in 1929. Therefore I say, if matters grow worse, there will be such demand in this country for a reduction of everything in the way of Government expenses that this Congress will be forced to do more than it wishes to do when it comes to the reduction of salaries.

Mr. MAY. Will the gentleman yield?

Mr. McDUFFIE. I yield for just a question.

Mr. MAY. Is it not a fact that the telegrams and letters the gentleman is receiving, like the letters and telegrams the rest of us are receiving, are more directed at the cost

of government without particular reference to salaries than they are directed to salaries in particular?

Mr. McDUFFIE. I was speaking of the telegrams and letters I received. Most of these letters urge a reduction in salaries.

Mr. MAY. And many of them likewise complain against the multiplicity of bureaus and boards.

Mr. McDUFFIE. Yes; I understand. It is not altogether a question of urging a reduction in salaries; one question for you is how you are going to do it? The President's plan, the staggering plan, the furlough plan, or whatever you choose to call it, means a cutting of salaries.

These very people who are crying out against the principle of cutting Government salaries, if you please, know that practically 90 per cent of the industries of this country have reduced salaries. The churches, schools, States, counties, even the nurses in the hospitals of the country, have suffered a reduction in salary. The largest body of laboring men in America, 2,000,000, the railway laborers, accepted a 10 per cent reduction in pay.

Mr. BLANTON. Will the gentleman yield?

Mr. McDUFFIE. For a question only.

Mr. BLANTON. And the employees of the Government prefer the committee's plan to the furlough plan of the President. Is not that so?

Mr. McDUFFIE. I do not know that I can answer that question.

Mr. BLANTON. All of those I have heard from prefer the committee plan.

Mr. McDUFFIE. I think the $1,200 man invariably prefers taking a cut of $22 instead of a cut of $100.

[Here the gavel fell.]

Mr. McDUFFIE. I yield myself the remaining five minutes.

Mr. Chairman, we have provided also for charges for certain services rendered in certain departments in the hope that we might make those activities more self-sustaining. We have provided that the Bureau of Standards and the Bureau of Patents may make charges for special services, and we have made a similar provision for the Department of Commerce, where they gather statistics for certain organizations throughout the country. We need that revenue as a part of the economies of Government and expect that for the year 1933 it will amount to $725,000.

We have provided for a few consolidations. In addition to that, we have granted the President of the United States, at his suggestion, authority by Executive order to reorganize the entire Government by consolidations, not by the changing of statutes, of course, or by abolishing anything created by statute. That authority can only be delegated by Congress; but he is given broad powers. Yet either House of Congress may veto his order. There are many things he has indicated to the committee that he could do within 30 days and effect great savings. Therefore, I hope this bill will be passed and will reach him in time for his suggestions to reach the House for its approval so as to save money for the year 1933.

Mr. SCHAFER. Will the gentleman yield?

Mr. McDUFFIE. Just for a question.

Mr. SCHAFER. Will the gentleman give the House some explanation for the radical proposal to give a Cabinet officer the authority to consolidate the Army and the Navy, to create and expand, as well as to eliminate and consolidate?

Mr. McDUFFIE. That explanation will be given by the gentleman from Tennessee [Mr. BYRNS] before the bill is voted upon. The gentleman from Wisconsin sat on the committee considering that question for some time. The gentleman is opposed to consolidation of the Army and Navy, but the gentleman heard practically only those who were in the Army and the Navy and those connected with them, who always have been and always will be opposed to it. [Applause.] There is but one thing for us to do, and that is for this Congress to assert itself if it believes it can, and place these two great arms of the Government under one executive head without impairing the national defense.

Mr. CLANCY. Will the gentleman yield for a question?

Mr. McDUFFIE. I yield.

Mr. CLANCY. Is it true that the committee is bringing in an amendment compelling the sale of docks and piers in the port of New York?

Mr. McDUFFIE. The committee decided that the transport service of the Army and the Panama Canal Railroad Co. might well be dispensed with for two reasons. One is that we believe private interests can do that work as cheaply or more cheaply than the Government is now doing it. The other is we have to have a merchant marine upon which we are spending millions. This service will be helpful to the merchant marine, the operators, and owners of which are taxpayers of this Government, who help to pay for the Army and Navy transport service. We are the only great Nation on earth that maintains such a service.

In other words, the principle is that if private enterprise can do anything as cheaply or more cheaply than the Government can do it, that private enterprise should have the opportunity to perform the service. The amendment which the gentleman speaks of was adopted by the committee, and it provides that no docks or piers can be disposed of by any executive head of this Government or the President himself without authority of the Congress.

Now, gentlemen, we are building a great heating and lighting plant in the District of Columbia. The Treasury Department is building one that will cost about $5,000,000. The Treasury Department, through its experts, says that one plant can serve the entire city. However, provision was made some time ago for an additional plant called an auxiliary plant, to be constructed near the Munitions Building, at a cost of $750,000. There was a difference of opinion in the War Department, and it became a question of policy and judgment on the part of this committee, and the committee thinks that if one large plant can heat all the buildings, it would be unwise to spend $750,000 to build an auxiliary plant. So we have suspended for 1933 the amount to be carried for that item. [Applause.]

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I want to talk for just a minute about the Panama Railroad situation. At the request of the Secretary of War and the then chairman of the Military Subcommittee I became a director of the Panama Railroad three or four years ago. I have watched its operations pretty closely ever since.

The Panama Railroad carries most of our stuff down to the Canal Zone in four ships that are operating between the port of New York and the Canal Zone. This line was started in 1854, and it has operated continuously since 1894. Of course, the railroad company runs a lot of other things besides the steamships. The steamships of the railroad company, operating along through the years, have shown a profit when you come to consider their operation on the basis of rates that are charged by other concerns. The total profit has averaged over the last five years $441,000. If, on the other hand, instead of figuring on that basis we figure on the basis of the actual receipts and disbursements—and, mind you, the steamship line gives the Government a rate 25 per cent below the regular tariff rates, and they carry the Panama Canal and Panama Railroad employees and their families back and forth to the port of New York for $30 each way. It is absolutely necessary that those employees, if they are to continue efficient, shall have a chance to come north into a better climate.

The total operations, beginning in 1919, have shown a loss of $49,000 based on cash receipts over those 13 years, a very insignificant amount.

By this bill it is proposed that the President obtain a contract from private shippers so that we can tell what the private shippers will charge before the proposed law goes into effect. It is also provided that they be required to give a discount of 25 per cent below published tariffs in transporting employees. That would mean carrying them for from $70 to $75, and it means that they practically can not afford to come to the United States; it means an extra burden on them and practically cuts out that trip for them.

It is absolutely necessary, I say, to have them make this trip north if they are to continue efficient.

The concerns in whose interest this provision is put in the bill are the United Fruit Line, the Grace Co., the Colombian Steamship Line, the American Line, the Steamship Corporation, and a number of others. These lines are now operating on a mail subsidy from the United States upon which they will be paid in 1932, $7,333,000. In 1933, $9,383,000 will be paid; and these lines hold construction loans from the United States Government amounting to $56,000,000.

Why should we pay more or force our employees to pay more when in normal times we can operate these lines and break even? Why should we not keep these ships and keep them running so we can have the facilities and take care of our situation? During the war there were no private ships down there, and in other normal times there have not been many, until the subsidy proposition went into effect, and that subsidy is costing the Treasury of the United States more than ten times every year to operate those ships than the total loss altogether ever was.

It is absolutely ridiculous, it seems to me, to abolish these lines at this time and put an additional burden on the Treasury and on the employees of the Panama Canal and the Panama Railroad.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks by putting in tables showing the details of the statements I have made to the committee.

The CHAIRMAN (Mr. WOODRUM). Is there objection to the request of the gentleman from New York?

There was no objection.

The matter referred to is as follows:

Net revenue of Panama Railroad Steamship Line, without taking into consideration the savings to the Government effected by carrying Government freight and passengers at rates from 25 to 50 per cent below tariff, estimated over this period to be about $10,000,000

Year	Profit	Loss
1919	$3,126,000	
1920		$118,000
1921		629,000
1922		719,000
1923		369,000
1924		559,000
1925		198,000
1926		285,000
1927		49,000
1928	102,000	
1929	47,000	
1930		153,000
1931		245,000
Total for 13 years	3,275,000	3,324,000
		3,275,000
Net loss, actual cash		49,000

The report of the Committee on Economy states that discontinuance of the line will result in a saving to the Government of about one-half million dollars a year, and also, that in order to exist, it must take over a million dollars a year purely private business from private lines. These are deliberate misstatements, as is shown by the statistics below, setting forth the operations of the steamship line during the poorest period of its operations. The statement relative to savings is ridiculous, for the steamship line receives absolutely no appropriations from Congress and is actually a source of economy to the Government.

Fiscal year	Gross revenue plus savings by carrying Government business below tariff rates	Gross operating expenses including depreciation	Total net profits	Capital investment of steamers less accrued depreciation	Per cent of return on investment
1927	$2,511,000	$2,076,000	$435,000	$1,890,000	23
1928	2,768,000	2,188,000	580,000	1,726,000	33
1929	2,645,000	2,090,000	555,000	1,595,000	35
1930	2,382,000	2,010,000	372,000	1,475,000	25
1931	2,024,000	1,763,000	261,000	1,398,000	19
Annual average over period	2,466,000	2,025,000	441,000	1,617,000	27

NOTE.—The gross revenue includes business to South America, averaging about $400,000 annually, which in December, 1931, was given up for the benefit of American steamship lines.

Abandonment of the Panama Railroad Steamship Line will have serious effects upon the operation of the canal; one of these will be increased costs. The latest attempt of private steamship lines to discontinue or to curtail the activities of the Panama Railroad Steamship Line, whose operations during the construction of the canal, as now, have resulted in saving the Government many millions, should be bluntly frustrated.

Additional expenditures will be incurred by the Government if the Panama Railroad Steamship Line and the Army Transport Service are discontinued.

Real economies can be effected by reducing ocean mail subsidies and ship-construction loans to private steamship interests.

Details on ocean mail subsidies and ship-construction loans

	Mail subsidies		Construction loans
	1932	1933	
Lines operating to Panama and Haiti:			
United Fruit Co	$699,640	$1,483,112	$15,412,800
Grace Lines	2,187,378	2,452,474	14,739,806
Colombian Steamship Line	264,940	524,710	3,614,500
American Line Steamship Corporation	418,496	418,496	10,943,500
Miscellaneous	957,536	1,048,586	
Other lines operating in the Caribbean	2,805,557	3,456,522	11,439,383
Grand total for Caribbean	7,333,547	9,383,900	56,149,989
Lines operating in the Pacific	6,616,755	6,971,692	28,778,920
Panama Railroad Steamship Line	Nothing.	Nothing.	Nothing.
Appropriations by Congress for Panama Railroad Steamship Line	Nothing.		

Mr. SCHAFER. Will the gentleman yield for a question?

Mr. TABER. Yes.

Mr. SCHAFER. If the private shipowners who are trying to get control of the Panama Steamship Line and the Army and Navy transport system in the name of a poor, battered Treasury would bend their efforts to removing the burden on that Treasury of more than ten times the cost of said services in the way of subsidies to their steamship companies, they would be in a better position to come to Congress with clean hands. They might then talk about economy in the name of reducing Government expenditures.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I yield myself five minutes.

Mr. Chairman, while in agreement with members of the committee on many important items, I am in disagreement with the committee in reference to the items that affect the personnel of the Government and also in reference to some of the items that affect the veterans.

The gentleman from Alabama [Mr. MCDUFFIE] spoke of salary reductions. When you come to think of salary reductions I ask you to please examine this bill. It perhaps would not be so bad if you reduced the salary of Government employees, especially those that could stand a cut, but this bill goes far beyond a simple reduction of salary. Let me call your attention to what you will find within the pages of this bill.

First, there is the salary-reduction plan of the gentleman from Alabama or the salary-reduction plan of the President.

Second, you will find in the bill the section which reduces the subsistence allowance of the Government employee who is required to travel. Those who have been receiving five or six dollars a day expenses suffer a reduction of one-fifth or one-sixth of their subsistence, but the postal employee, who receive $3 a day for subsistence suffers a reduction of one-third of his subsistence, because he is reduced from $3 to $2 a day.

Labor has fought for 50 years for the right to be paid for overtime work. You take this away from the Government employee in this bill and say that no matter what his hours may be he will not be paid for overtime work.

Labor has always been paid extra money for working on Sunday and holidays. You deprive the Government employee of the small amount he was receiving for working on Sundays and holidays, in another section.

You take away the night-differential pay which the employees have been receiving for many years.

You deprive the employees of automatic promotions which they have been receiving under the law, and, furthermore, you take away the Saturday half holiday which you have granted to Government employees.

Why, Mr. Chairman, if this House wanted to do something to benefit the situation that exists in this country to-day, it should adopt the 5-day week rather than increase the time of the workers of this country. [Applause.]

When you take away the Saturday half holiday from the Government employees you add nearly 3,000,000 hours a week to their labors. That means less employees—more added to the list of unemployed.

The Bureau of the Budget has reduced Government expenditures and very properly so. The Committee on Appropriations has done likewise, going below the Bureau of the Budget. There is no telling where the Senate will stop. Here are three reductions, and every one of them affects the personnel of the Government, because practically over 50 per cent of the money you spend goes for personnel. Taking in consideration these reductions, if you carry out the provisions in this bill, you are going to add to the army of unemployed in this country 150,000 to 200,000 people.

I contend that the Government employees, taking them as a whole, are underpaid rather than overpaid. The average salary of the Government employee is $1,441. Over half of the money paid to the civil employees of the Government is paid out by the Post Office Department. The 1931 report of the Postmaster General shows the total salary paid as $537,021,228.

Now, what happens to the postal employees under the bill as reported which contains the McDuffie plan—11 per cent reduction, $1,000 exempted? Let us take the railway mail clerk:

First. Eleven per cent reduction on salary, $1,000 exempted.

Second. Reduction in daily subsistence from $3 to $2.

Third. Loss of overtime pay.

Fourth. Loss of night differential.

Fifth. Loss of automatic promotions.

Sixth. Loss of Saturday half holidays.

Seventh. Loss of extra pay for working on holidays or Sundays.

The Hoover plan is even more drastic, as the employee also loses his annual leave.

This is but an example of what happens to the postal clerk, who never did receive over 15 days' annual leave, while other Government employees received 30 days' annual leave. The postal employee also works an 8-hour day, while other Government employees work 7½ hours.

The principle of extra pay for overtime as well as for work on Sundays and holidays is sound and should have never been disturbed. The same can be said of the extra night differential.

The postal employee received no increase in salary during the war. It was six or seven years following the war before he was recognized. To deprive him not only of that small increase but other allowances he has enjoyed would work a severe hardship on this class of employees. The maximum salary of the postal employees—$2,100—is enjoyed by only a small number of postal clerks; in fact, $1,400 is the average salary. The postal clerk must live within his salary, because postal regulations provide for his discharge for failure to meet his obligations.

While the postal clerks, by reason of special provisions in the bill other than the salary reduction, are the hardest hit, all the lower-paid Government employees, if the plan is agreed to, must lower their standard of living. The Government employee to-day, like those employed by private corporations, has assumed added responsibilities due to the depression. He is in many instances caring for his immediate relatives out of employment.

The fate of the Federal Government does not depend upon reducing the salary of the Government worker. Cut those in the upper brackets if you desire; they are better able to stand it; but I am opposed to slashing the barely living wage paid those in the lower brackets.

As to the veterans.

There is a provision in this bill which says a war veteran who is single and made an income-tax return of $1,500 is not entitled to any recognition from the Government unless his disability be a combat disability, and this means that he must have received the disability while in action with the enemy.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I yield myself five minutes more.

How much can a man save who is receiving $1,500 a year? He is subject to the income tax law, and to-day's paper tells us that the Senate has raised the rate for those in the lower brackets in the bill now pending in the Senate. Suppose one who had served two full years in the Army had been in half a dozen engagements and the Lord was good to him and he came home in fine physical condition. Let us say that he has gone along well, but suddenly some acute disease attacks him. He is single, his parents are probably dead, he lives in a rooming house, and he becomes ill and must go to a hospital. To-day it would be an emergency case, and he could be taken care of for a week or two weeks, and then he could go back to work; but if you pass the provision in this bill, he would be denied hospitalization.

This provision applies not only to the World War veteran, but it applies to the Spanish War veteran.

Mr. McDUFFIE. Will the gentleman yield?

Mr. COCHRAN of Missouri. Certainly.

Mr. McDUFFIE. I wish the gentleman would read the exemptions in that clause and tell us about those who are not included.

Mr. COCHRAN of Missouri. I admit there are other exemptions, but I cite this case as an example of what you do.

Mr. McDUFFIE. Tell the committee about that. Do not refer to them all without naming the exemptions.

Mr. COCHRAN of Missouri. How much time will the gentleman yield me? I will read the entire section if the gentleman will yield me sufficient time, and also read the report. I will make no misrepresentations. I will be fair.

Now, Mr. Chairman, the gentleman from Alabama talked about the bureaus of this Government and stated they destroy our form of government. I say to the gentleman that if the Economy Committee had spent its time destroying such bureaus that are destroying our Government, it would have served a better purpose than it has.

There is an opportunity to save as much by destroying useless bureaus and ending duplication and overlapping as can be saved by reducing salaries. Such savings would be permanent savings. There are many important sections in this bill, and my limited time will not enable me to refer to them now.

The task of the committee at the outset did not seem to be a difficult one; but as we proceeded, the Senate reduced the appropriation bill 10 per cent and the Committee on Economy was intending to work along the same line. Then there was a letter sent to the President of the United States asking him to specifically state his views in reference to what reduction could be made, and the result was several White House conferences, and in the end there was an entire new plan developed by the committee and the President and his representatives.

Originally it was the intention of the committee to ask the Committee on Rules for a rule to bring in the salary reduction bill as an amendment to the legislative bill. After receiving the rule the majority of the committee voted to bring in a bill here the like of which no Member has ever seen or read of.

I say it would have been to the advantage of the committee and the House and the country if you had brought this legislation in in four or five separate bills.

Why, gentlemen, think of this—under the rules of the House if this amendment is added to the legislative appropriation bill, and if it passes the Senate, there will not be a member of the Economy Committee named as a conferee. The members of the Subcommittee on Appropriations in charge of the legislative appropriation bill will be the con-

ferees, and not one member of that committee is a member of the Economy Committee.

Mr. SCHAFER. Perhaps that would be a good thing.

Mr. COCHRAN of Missouri. I do not agree with the gentleman. Now, Mr. Chairman, I am going to have something else to say about the provisions of this bill under the 5-minute rule. My thought is the sooner the House gets down to business and acts on this legislation the better off the country will be. [Applause.] I now yield five minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SCHAFER. Mr. Chairman, believing that we have only a brief time to discuss the far-reaching bill, I think we ought to have a quorum; and I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Wisconsin makes the point of order that no quorum is present. The Chair will count. [After counting.] One hundred and seven Members present—a quorum.

Mr. SABATH. Mr. Chairman, ladies and gentlemen of the committee, I originally and strenuously opposed the special rule brought in that made in order this economy bill; but after it had been amended on the floor, giving the Members the right to offer amendments, I voted for it as amended, inasmuch as I am for economy. But, Mr. Chairman, just because the Republican administration brought about these intolerable conditions and this serious crisis by destroying the business of the Nation, by gross extravagance and willful waste, and by wrecking and breaking the Treasury and causing a deficit of $2,000,000,000 for the fiscal year of 1932, it does not mean that, nor does it make mandatory upon, the slim Democratic majority, which only lately secured partial control of this House, should make up this great deficit overnight by slashing the salaries in order to balance the Budget.

I for one greatly regret that the Democratic leaders do not realize that the country-wide demand to balance the Budget is due to the conniving, high-powered Republican and big-business propaganda. Mr. Chairman, ladies, and gentlemen, the same greedy financiers, investment bankers, brokers, and manipulators who, with the aid of the Republican administration, brought about the criminal inflation during the years of 1927, 1928, and 1929, and, since the fall of 1929, the destructive deflation, have set into motion the greatest publicity campaign and are conducting the most vicious propaganda in the history of the country.

The underlying reason for this is the greedy and willful aim and intent to relieve themselves from a just share of taxation and to place that burden on the ruined legitimate business and the suffering—yes, ruined—masses. Mr. Chairman, I am ready to reduce the wages of the higher-paid employees and officials, and I am ready and willing to vote for the reduction of my own salary, but I am unwilling, and I feel it is manifestly unfair, to reduce the wages of those who are earning less than $2,000 annually.

I feel that the reduction of the wages of the lower-paid Federal employees will encourage the large employers and industries to reduce, cut, and slash the wages of the American wage earner still further, and to my mind this is the real reason for bringing about the reduction in the wages of the Government employees. So that my position will not be misunderstand, I reiterate that I am for the reduction of salaries of all higher-paid officials and am in favor of eliminating useless employees. I am also in favor of, and will vote for, the elimination of every useless bureau and commission. I am for real economy. I desire to economize in all departments and bureaus and stop the leakage in these bureaus, and, if in any way possible, prevent the awarding of any contracts that are excessive and that are given to the favorite contractors and supply houses.

Mr. Chairman, I realize that it is extremely unpleasant to increase taxes, but I am ready to vote for and shall vote for any reasonable additional revenue; however, I am opposed to adding greater burdens and additional taxation upon the already overtaxed people. I have observed that there is a great deal of satisfaction and joy among the Republican Members and have overheard many statements to the effect that the Republicans are shifting this unpleasant task of raising additional revenue upon our shoulders. I feel that we Democrats should assume our just share of responsibility, but I resent the attitude, statements, and maneuverings of the Republicans to unload upon us the entire responsibility for their misdeeds. Some of these gentlemen on the Republican side make merry over the fact that they will be able to charge the Democratic Party with the reduction of the salaries and thereby prejudice the Federal employees against the Democratic Party; but I am confident that the vast majority of the Federal employees realize that it is not the Democratic Party but Republican duplicity that is responsible for this action.

Mr. Chairman, ladies, and gentlemen, the Democratic Party and its leaders are cognizant of the responsibility and duty they owe to the Nation and realize that the country looks to them for relief from the unnecessary and heavy burden placed upon their shoulders by the Republican administration. But the Democratic leaders fail to realize to what extent the Republicans have gone in the endeavor to relieve themselves of all responsibility and the methods they are employing to place it upon us. These astute Republicans fail to recognize the fact that—

He serves his party best who serves the country best.

Consequently I feel that it will not avail them or save them from being held accountable for the wreck and ruin they have wrought and which we, to the best of our power and ability, are trying to remedy.

In conclusion, let me say to you Republicans that I am full of glee and joy to-day to recall that—

He who laughs last laughs best.

Mr. COCHRAN of Missouri. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. CROSSER.]

Mr. CROSSER. Mr. Chairman, when we consider this proposal for wage reduction from the standpoint of the general welfare, it is astonishing, to say the least. Everyone here knows, everyone has stated from the very beginning of this Congress and for months before, that the first consideration of the Government should be the revival of business. The passage of this bill will do more to retard the revival of business than any other one thing that we could do. We have unemployment on every side.

We were told less than a year ago by the administration, and Members of this House approved the suggestion that the Government must go on with improvements and begin new Government enterprises in order that men might be put to work. Of course, that was not fundamental, but it was a step in the right direction. Here to-day we see a proposal to reverse that course. The administration, uncertain of its judgment, goes from one plan to a method which is exactly contrary. The administration completely reverses its whole course and proposes to turn thousands of men into the highways of the country to compete with the few men still remaining employed. The men in private industry were told not to reduce wages, but here on every hand we see proposed the slashing of the wage standards. Why this change of front, why, after having so solemnly assured us of a determination to maintain the standard of compensation, does the executive department of our Government come now and suddenly say, "We were all wrong, and all good people should turn face about and abandon the idea of trying to maintain the pay standard of employees," and now tell us that the way to bring about an economic revival is to turn into the army of unemployed thousands of men and cut the salaries of all of the rest?

Is that the way to increase the consuming power of the public and restore your markets? What childishness! Members of this House have intelligence enough to know that such action will not increase markets, and they know that others know that it will never revive business, that it will tend to destroy business. How far will we go with that idea? Suppose we have another call made upon us to reduce still farther the number of employees and abandon essential services, if need be, and cut still farther the salaries of those remaining. How would that bring about a revival of business? Yet the only thing that they can offer as a

remedy for the depression is to cut salaries and reduce the number of employees in the Government service.

These men must realize how worse than useless is such a proposal as a remedy for our troubles. Is that the measure of statesmanship of those in control at present? Is the reduction of Government service the best that they can suggest as a remedy for the depression?

Why not say then abolish it entirely, and thereby save the expense?

My friends, it is necessary that a start must be made somewhere to bring about the employment of the unemployed. To continue to put more people out of employment will make it necessary to discharge still more, because the increase of unemployment means the decrease of markets. If any concern in the country should undertake the increase of employment, it is the Government, and it can do so profitably. When the Government undertakes new projects, and so employs more men, that means that all of the people of the United States contribute to and cooperate in the effort to revive commerce. That is certainly more reasonable than to expect a private employer on his own account to try to start employment on the upward movement.

Realizing the weakness, the uselessness of this wage-cutting proposal as a means of remedying the depression, some Members of Congress hope to try to excuse themselves when asked for an explanation of this cheap pretense of remedying unemployment by cutting wages and discharging thousands of employees, such Members hope, I say, to satisfy questioners by saying, "Well, maybe it will not do any good, but look, we are cutting our own salaries 11 per cent, we are pinching ourselves, and surely it must make you feel better to know that some one else is hurt." Surely intelligent people can see through that trick. What is needed, my friends, is not cheap claptrap, but a remedy of a fundamental nature.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WILLIAMSON. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. COOKE.]

Mr. COOKE. Mr. Chairman, I think the gentleman who preceded me perhaps has expressed a good many of the things uppermost in my mind this afternoon in respect to the question of wage reduction. It does seem to me that this great body of the American Congress has almost entirely missed the real purpose of economy in government and is beginning to think more about reducing wages in the country to the bare cost of the necessaries of life than it is to economizing in government. To my mind we are confronted by a greater question by far than the problem of economy of government. We are confronted by the question of satisfying in some degree the great body of the people throughout this country, and the great body of the people throughout this country consists of the working people, who are not the people who are demanding a wage reduction among Federal employees. I think that most of your demand for a reduction comes from the employers throughout the United States, and I say to you that what little tranquillity we are enjoying at the present time, and what little of prosperity is left for the American people are not attributable to the leadership emanating from those leaders of finance and industry responsible for that demand.

It is not due to our railroad leaders nor our great bankers, but it is due to the men who work with their hands, who toil upon the farms, in the factories, and in the industries of America. Are we going to discourage and disappoint the people of this country to-day by saying to them that we are going to reduce salaries and wages of this great army that I believe stands as our most dependable offensive in the battle against depression in this country? Are we going to take an army of 700,000 people, the only great group of people in the United States to-day enjoying any degree of satisfaction as far as laboring conditions are concerned, and remove a part of their members to the ranks of the unemployed and dissatisfy the balance? Are you going to satisfy by that all the employers of labor throughout the country, so that they may cite this as a precedent for the lowering of wages in private industry?

I care no more for the Government employee than I care for the man in private industry, but I say to you that it is the common man, it is the American Federation of Labor, through its leadership, the common men, through their leadership, that have made possible the Government we have to-day. We must realize that through the breasts of men in this country there runs a spirit to-day demanding that something be done; demanding that they have some opportunity in this great country apart from that dictated by men higher up.

I say to you that unless we give some kind of omen, some kind of symbol to the people of this Nation before we adjourn that we believe more in the rights of workingmen, believe more in upholding their rights and their jobs and their salaries, that we are going before the people, both Democrats and Republicans, this fall with a brand upon us of not having done for the people we represent the things that should have been done.

Mr. Chairman, I believe that in the sane and sensible consideration of this question this Congress will look upon this question of wage reduction in a fair and just light; that we are going to keep the people employed here; that we will do as the gentleman from Missouri [Mr. COCHRAN] said a few moments ago—instead of adding to the number of unemployed here, we will shorten the hours of labor and put more people to work. We are going to try to restore prosperity by the only method you can use at any time—by raising commodity prices and by giving the people the wherewithal to buy the things that make for prosperity.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COCHRAN of Missouri. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, it is very easy to balance the Budget when you refuse to pay what you owe. [Applause.] We owe by the present law and by practice and by promises all the money we are denying the people by this bill. This is not Budget balancing. This is not any high order of economics. This is not even good politics. This is just plain, ordinary, everyday embezzlement from a lot of weak people who can not protect themselves.

Every Federal employee already has to bear, directly or indirectly, his share of increased taxes. Why add to his burden? Why make the Federal employee pay about 200 per cent more in taxes than everybody else on the same economic scale? We increased taxes for everybody, either directly or indirectly. The Federal employees, as well as those engaged in private employment, must pay these increased taxes. Why add to their taxes? What is the sense in that? What is sound about that? If the Federal employees are going to pay taxes at this great rate, by this deprivation, why not have the courage to tax everybody else at the same rate, if you want to balance the Budget?

As to my friends the Democrats, I said at the beginning of this session that the only possible way the Democrats could lose the next campaign was that Hoover might become a Democrat again. That was the big danger. Instead of that, the Democrats are becoming Hooverized, and there is just as much danger.

Our party is playing with dynamite in this bill. We have already arrayed directly all the taxpayers of the country against us. Now we insist on having the wage earners of the country against us. In other words, we insist on being 100 per cent unpopular. We are creating at this time a new and lower economic scale. We are creating it how? By legislative fiat, if you want to call it that, but I think by legislative fiasco. What is happening here? The White House and Congress began to make a lot of noise about economy. Instead of trying to do something constructive for the country, instead of either having a plan—either the White House or the congressional leaders—they began to talk economy because they were caught short without a plan. They were fooling the public and fooling each other, and now they

have got a bear going downhill. Now they have to do something that neither one wants to do. We began trying to trump the President on economy and then he trumped us, and now look where we are. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WILLIAMSON. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I am opposed to the bill in its present form, but hope that sufficient amendments will be adopted that will make it possible to vote for it. I am sorry that this so-called economy bill is being forced upon the House at this time. I consider the bill to be filled with hysteria, hypocrisy, hokum, and humbug. Both hysteria and hypocrisy for rushing in here when at the same time the great Committee on Ways and Means of the House of Representatives is considering the so-called bonus bill to pay $2,400,000,000 in cash to the able-bodied veterans of the World War. This bill should have been delayed at least a month, until we know where we are at; until we know what Congress will do with the bonus bill; until we know what the other branch of the legislative body will do in regard to the tax bill. We do not know what our deficit will be. We do not know yet how much is needed to balance the Budget, and this bill is supposed to be a bill to help balance the Budget. Why the haste and hysteria? None of the proposed savings or cuts can go into effect before July 1.

It is filled with hypocrisy because many Members who are going to vote for this bill on grounds of economy intend to vote for the soldiers' bonus, and that is one of the reasons I am opposed to the bill being considered now or before the bonus bill has been disposed of. I am sorry that the rule was adopted and that the bill was not brought up in the proper way instead of as a rider on an appropriation bill. I am sorry the Economy Committee did not decide to hold the bill back for at least a month until the fiscal situation had cleared up.

This bill proposes to cut down the pay of those Federal employees receiving salaries above $1,000. The only thing the House of Representatives has done to relieve human misery in the United States has been to vote out the 40,000,000 bushel wheat bill, and that under great pressure. That is the only gesture we have made. We have not even considered the fact that there are 8,000,000 unemployed people in America, many millions more on part time, and many millions more scared to death they are going to lose their jobs. It is about time that we had a constructive program to do something for the benefit of the unemployed and to relieve unemployment. The Economy Committee now proposes to even reduce the salaries of the most poorly paid Federal employees—those receiving eleven, twelve, and thirteen hundred dollars a year, which is not a living wage.

No wonder Mr. William Green, head of the American Federation of Labor, denounced the bill in its present form as legislative trickery and an attempt to reduce the American standard of wages and of living. I just voted a few minutes ago on a teller vote to reduce the salary of a Member of Congress by 10 per cent, and will be glad of an opportunity on a record vote to reduce it by 11 per cent, as suggested by the Economy Committee.

I, for one, certainly will not vote for this bill unless the pay-cut exemptions are raised to $2,000 or $2,500. I am opposed to the proposed reduction of the benefits for the disabled veterans. Nothing was too good for the disabled both during and just after the war, but now those for whom there has been no armistice are called on to make further sacrifices. Such hysterical, picayune, and humbug economy will be resented by the American Legion and all friends of the veterans. What hypocrisy for sake of politics to attempt in this bill to consolidate the War and Navy Departments. Just a mere political gesture and nothing but pure hokum.

No wonder a great many Members voted against the rule, and many more would have voted against the rule if the gag section had not been stricken out. I am in favor of economy, but not of the hysterical or hypocritical brand. If the Congress had voted for the manufacturers' sales tax, we would not have to reduce the salaries of low-paid Government clerks and cut the benefits of the disabled veterans and eliminate the funds for educational research.

Who knows to-day whether we need to save $100,000,000, $200,000,000, or $300,000,000 in Federal appropriations?

As far as the Army and the Navy are concerned, the proposition that I advanced in the House of Representatives a little while ago showed where we could save $100,000,000 and maintain the same efficiency and degree of national defense. That proposition was to limit further the number of battleships and battle cruisers over 10,000 tons by agreement with Great Britain and Japan, while still maintaining the 5–5–3 ratio. That would save over $100,000,000 a year and give the United States the same proportional naval strength. As it is we now propose to take some pay from hundreds of thousands of inadequately paid Federal employees. If the exemption of $1,000 is not raised to at least $2,000, it will amount to taking their daily bread right off their plates.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I believe the utter lack of orderly and intelligent consideration of a measure which affects the economic life of this country is apparent when we attempt to consider a bill of this magnitude in two hours of general debate and force it through in night sessions. I want to say that if the leadership of this House can take any credit for that kind of legislation, they are entitled to it. It is cruel; it is wrong. Of course, I can understand some of our leaders, particularly on our side. They have absolutely no understanding of the value of money; it has come too easy to them. Why, we saw the millionaire bloc stand up to-day, thinking they were courageous, and attempt to vote down the salary of the Members of the House, so as to make a rich man's club out of it, or to send men here who would come under a retainer.

Look at the history of Congress and you will find that there was a time before the popular election of Senators when every big railroad had its lobbyist in the United States Senate. That is what brought about the popular election of Senators.

Mr. SCHAFER. Will the gentleman yield?

Mr. LAGUARDIA. For a brief question.

Mr. SCHAFER. I will say to the gentleman from New York that I have worked for a living all my life, and perhaps harder than he has ever worked, and I do not belong to the millionaire's club, either.

Mr. LAGUARDIA. And the gentleman never will. The millionaires are using him. He had better wake up. [Laughter.]

Mr. STEVENSON. Will the gentleman yield?

Mr. LAGUARDIA. For a question.

Mr. STEVENSON. I want to ask the gentleman a question without interrupting his speech. The gentleman from New York a few moments ago said that three weeks from now we might know "where we were at."

Mr. LAGUARDIA. When did I say that?

Mr. STEVENSON. The gentleman from New York [Mr. FISH] said that a minute ago. I tried to ask him a question about it.

Mr. LAGUARDIA. I can not answer for the gentleman from New York [Mr. FISH].

Mr. STEVENSON. I want to know if the gentleman thinks that three weeks from now we will know any more about where we are than we do now?

Mr. LAGUARDIA. Probably three weeks from now my colleague from New York will experience a thrill such as came to Elinor Glyn in that time; I do not know. [Laughter.]

Now, seriously, gentlemen, I submit that the burden of the economies effected in this bill is directed at the underpaid employees of the Government service, vocational training for handicapped people, reduction of allowance to disabled veterans, abolition of the Army and Navy Transport Service, which is not economy. We are paying millions of

dollars now in subsidies, and the bill for the transportation of Government troops and freight will be more than the cost of the maintenance of the Army and Navy Transport Service. There is another reason for putting that in. There is repeal of the Saturday half holiday in these times, and we are discussing a 5-day week; there is repeal of the law providing extra pay for overtime and night work—labor conditions which took us 50 years to acquire.

I know there are things in this economy bill that certain interests have been trying to get through this House for the last 10 years, and under the guise of economy they are putting them in the bill now. Why, take Mr. Hoover's own statements—I am going to read them into the RECORD—his telegram to the governors appealing to them not to reduce wages, his conference on economic conditions, appealing to the members of the conference not to reduce wages and not to discharge employees. What has happened? I would like to know if there is a spokesman for the President on the floor of this House who will stand up and say that this bill has the approval of the administration?

Mrs. KAHN. It has not.

Mr. LAGUARDIA. Then vote against it.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, the Post Office Department, unlike every other department of the Federal Government, is a public utility conducting its business in every section of the country. It was never intended that the department should return a profit to the Treasury on its operations. It is the only department that is in constant, daily contact with the people of the United States. It is their service, and as such should be maintained in its present efficiency. It is being conducted to-day as economically as possible. The personnel of the department is called upon to produce a greater volume of work than ever in its history.

It has been geared up to its highest point of efficiency by successive surveys conducted by the present Postmaster General. The present administration has conducted 5 of these surveys—the first on December 11, 1929, which included the 18 largest post offices of the country; the second on June 5, 1930, which included all offices other than the 18 largest, having receipts of $500,000 or over; the third on August 28, 1930, which took in the next 37 largest offices not heretofore surveyed; the fourth on November 5, 1931, taking in all offices having receipts in excess of $250,000; the fifth, and last, on January 11, 1932, which included all the remaining first-class offices having receipts below $250,000.

As a result of these surveys the personnel was reduced and the service curtailed and many economies were effected. While the department has not the accurate figures at this time, the savings will approximate six or seven million dollars.

To accomplish this saving, deliveries have been reduced in both residential and business sections to the very lowest number consistent with good service. It has been estimated by representatives of the employees that these surveys eliminated 4,000 work opportunities for the men.

In cities like New York, Philadelphia, and Chicago, the carrier force alone was reduced by upwards of 300 in each of these cities.

In addition to these savings based on the results of the surveys, the department has, since October, 1925, and up to the present time, consolidated 4,219 rural routes. These consolidations resulted in a saving of approximately $1,000 for each route consolidated, or a total saving of upwards of $400,000. Consolidations are being effected by the department wherever a vacancy occurs, and this policy will continue until the rural service has assumed the greatest volume of mail possible for it to handle.

Further reductions in expenditures based upon receipts at the post offices have been effected as of July 1, 1931, and will be further reduced on July 1, 1932, based upon receipts for the last calendar year. On July 1, 1931, the following reductions were made for the calendar year 1930:

4,681 postmasters' salaries reduced	$575,900
232 assistant postmasters' salaries reduced	24,200
323 supervisors' salaries reduced	40,700
125 clerks in 94 offices reduced from second to third class	50,622
Total reduction for all postmasters, supervisors, and clerks based on receipts for the calendar year 1930	691,422

Taking into consideration all of the economies effected as a result of the surveys, the consolidation of rural routes, and the reduction in salaries based upon receipts, the Budget set out to prepare the estimate for the appropriation necessary for the fiscal year 1933.

The Budget estimate as prepared for the Post Office Department amounted to $813,559,487. This is $35,284,570 under the estimate prepared by the Budget for the last fiscal year.

The Post Office Department's estimate as presented to the committee totaled $813,724,487, which is $165,000 more than the Budget estimate.

The House Committee on Appropriations reduced this estimate to $805,586,575, which is a further reduction of $8,000,000 under the Post Office estimate, and the House further reduced the amount to $805,466,175.

The Senate now proposes to reduce the total appropriation as reported to that body from the House by 10 per cent. This proposed Senate cut will amount to $80,546,617.50, which leaves approximately $725,000,000 to operate the department for the next fiscal year.

All told, this amount will be nearly $90,000,000 less than the original Budget estimate, and it will amount to nearly 50 per cent of the total economies set out by our Economy Committee.

It is my understanding that the total amount of the reduction in Federal expenditures included in the program of the House Economy Committee must be $200,000,000. If the House Appropriations Committee continues to reduce all appropriation bills to the limit, and if the Senate persists in its horizontal 10 per cent cut, the total savings from such a policy will amount on paper to $451,100,000.

These reductions effected by the House and the Senate, which amount to approximately $451,100,000, are $250,000,000 in excess of the program outlined by our Economy Committee.

When we stop to consider all the savings and economies so far effected in the Post Office Department, economies which have resulted from surveys in the cities, consolidations in rural routes, and reductions due to falling receipts, together with the reduction in the estimates made by the Budget and the Post Office Department, and then the further reductions in the appropriation made by the House committee and the House itself, we can readily realize the demoralizing effect upon the service which must result from the arbitrary and unscientific reduction totaling $80,000,000 ordered by the other branch of this legislative department; and when we further consider the fact that we have already raised the cost of the service to the patrons of the department by over $200,000,000, it is grossly unfair to destroy or impair that service under these conditions.

We increased first-class postage in the revenue bill from 2 to 3 cents, and, according to the department's figures, that will increase the revenues $165,500,000.

The Postmaster General increased the rates on foreign mail, which will add $4,000,000 more to the revenues.

The Interstate Commerce Commission increased parcel-post rates and increased the size and weights of packages, which will add $12,500,000 to the revenues.

Our Committee on the Post Office and Post Roads reported favorably, and the House passed, 10 bills increasing rates of postage, which will increase the revenues of the department by $20,000,000.

Is it fair, is it good business, to increase the cost of the service to the people by over $200,000,000 and at the same time reduce the appropriation so low as to impair, demoralize, and in some instances utterly destroy this splendid service?

If we persist in this program, it will be necessary for the department to eliminate rural free delivery in many offices and to give triweekly service in others. The collection and distribution of mail in the villages of the country will be wiped out. There will be no village delivery service in the United States. Deliveries in the city residential districts will be reduced to one, and collections will be likewise reduced, while in the business sections where they are now receiving 3 and 4 deliveries a day, they will be reduced to 1 and 2 deliveries. Eight thousand rural carriers will be dismissed. Over 2,000 railway mail clerks will be discharged. More than 20,000 clerks and carriers in the City Delivery Service will join the bread lines or enlist in the army of the unemployed, and hundreds of village carriers, supervisors, and other employees of the department will be without jobs.

I believe it is the duty of this House to put an immediate stop to this hit and miss, destructive policy of so-called economy until such time as the Senate and the House and the administration are able to get together on a definite plan that will result in proper economies without destroying the service.

It seems to me that the administration, together with its leaders in the House and Senate, could work out a better policy than the blind, destructive program which we have before us now, and it occurs to me that the Democratic leaders of the House and Senate should get together and reach some agreement with regard to the numerous economy plans and reductions proposed in both Houses. In other words, I can not vote to consider the economy bill until some proper plan is worked out by the House and Senate and the administration, which will not result in serious injury to the service, and I am therefore opposed to any further action on the part of the Appropriations Committee of our House or the Economy Committee of our House in reducing expenditures until we have some idea of what is going to happen to the appropriation bills in the Senate. If they are going to continue to reduce all appropriations by 10 per cent, and if such cuts will result in serious consequences, I believe it is time for us to stop. Let some one else take the responsibility. I am willing to cooperate, but I am not willing to destroy. [Applause.]

Estimate submitted by Mr. Trotter, Post Office Department, April 26, 1932 (these figures are subject to revision from time to time)

Number of postmasters to be reduced July 1, 1932:

5,259	to be reduced (each)	$100
1,243	to be reduced (each)	200
230	to be reduced (each)	300
70	to be reduced (each)	400
20	to be reduced (each)	500
5	to be reduced (each)	600
1	to be reduced	700
1	to be reduced	800
23	to be reduced (each)	1,000
6,852		909,000

Number of supervisors, including assistant postmasters at first-class offices, to be reduced, 737 106,400

In addition, 380 assistant postmasters at second-class offices will be reduced about $100 each.

Mr. SNELL. Mr. Chairman, I would like to ask a question of the gentleman from Alabama. Do I understand we are going to recess from 6 to 7.30 o'clock?

Mr. McDUFFIE. I hoped we could finish general debate before we recessed, which will take until 6.10.

Mr. SNELL. And then recess until 7.30?

Mr. McDUFFIE. Or 7.40, which will give a recess of an hour and a half.

Mr. WILLIAMSON. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. WILLIAM E. HULL].

Mr. WILLIAM E. HULL. Mr. Chairman, H. R. 11597 is a bill to effect economies in the National Government. In portions of this bill you will find very obnoxious items, and I call particularly the attention of the House to the schedule of temporary reductions, section 102 (a), reading as follows:

During the fiscal year ending June 30, 1933, the compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of $1,000 or less shall be exempt from reduction; and compensation at an annual rate in excess of $1,000 shall be reduced by 11 per cent of the amount thereof in excess of $1,000.

Then, I again call your attention to page 7, section 112, which reads as follows:

The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any other purposes, but shall be impounded and returned to the Treasury.

It is not hard for the House to visualize those two sections.

The Senate, upon a motion of Senator MCKELLAR, has instructed its Appropriations Committee to reduce the appropriations of the Postal Service for the fiscal year 1933 to an amount 10 per cent below the amount approved by the House of Representatives.

The amount carried for the Postal Service for the Treasury-Post Office bill, as adopted by the House of Representatives, was $805,466,175, and the required reduction is, therefore, $80,546,617.50.

This will bring the postal appropriations for the next year to approximately $725,000,000, which is $116,000,000 less than the amount appropriated for the current year.

As the laws now stand, the department has no authority to reduce the salaries or the allowances of its employees, so that this arbitrary reduction in the funds available for the maintenance of the Postal Service must be met in large part, under the plan being followed in the Senate, by the discharge of postal workers.

Of the sum of $805,000,000 carried in the House bill for postal purposes, about $235,000,000 is for transportation of the mails, for the rental of quarters, for the purchase and distribution of supplies, and other similar miscellaneous items. Five hundred and seventy million dollars is for salaries and wages.

The department's expenditures for transportation and for miscellaneous purposes are in large part controlled by long-term contracts, so that the amount which can be saved in these items is not large, unless the Government is to adopt a policy of repudiating its lawful contract obligations. It follows, then, that almost the whole of the $80,000,000 which the Senate is seeking to save must be taken from the amount of $570,000,000 carried in the House bill for salaries and wages.

It is easy to calculate what this would mean. The average salary in the Postal Service is in the neighborhood of $2,000. If $80,000,000 is to be saved by the dismissal of postal employees, it is a simple matter of arithmetic to determine that the number to be dismissed would be in the neighborhood of 40,000.

The effect on the Postal Service would be disastrous. There are now about 42,000 rural carriers, about 50,000 city delivery carriers, about 22,000 railway postal clerks, and about 70,000 post-office clerks. These four groups make up the backbone of the Postal Service. They aggregate 184,000 people. A reduction of this number by from 30,000 to 40,000 would obviously cut deeply into the service which the post office now renders to the public.

About 8,000 rural routes will have to be consolidated. About 9,000 additional rural routes will have to be placed on a triweekly basis, so that the patrons will receive their mail only on Mondays, Wednesdays, and Fridays, instead of every day as at the present time.

This will in a large measure not only affect the farmers, but seriously discommode them and destroy every opportunity of receiving the daily markets, either through the newspapers or bulletins that they are now receiving. Is there any farmer in the United States who would sanction this cut? I say no!

City deliveries will be reduced from two a day to one a day in residential districts; and from four or more a day to two a day in business districts.

Is there any business man in the United States who would commonly consent to taking away these deliveries which mean so much to the success of his business? I say, no!

Many railway postal clerks will have to be taken off. Much of the mail moving from Chicago to New York, for

instance, will have to move in storage cars and await distribution until it arrives at destination, thus slowing up delivery by 24 hours or more.

It is no exaggeration to say that if the Senate carries out its program and the House concurs in the action, it will mean the complete demoralization of the Postal Service throughout the entire country.

And, then again, we propose in this bill to cut the postal clerks and carriers and railway mail clerks' salaries 11 per cent, and you have made a provision in this bill, according to section 112, whereby this extra money that you are taking away by the reduction of 11 per cent shall be impounded and returned to the Treasury.

Why, gentlemen, is it possible that you men here in Congress are willing to go the extreme and make a cut of 11 per cent against the operators of this great service? I want you to think, and go home and think, before you vote for such an obnoxious bill to destroy the greatest business operation we have in America, the United States mail.

Why do not we pull ourselves together like men and do away with this hysteria that is going through Congress to destroy all public operations because of the clamor to reduce the poor mail carrier 11 per cent? Why, my friends, I was in the Postal Service, first as assistant postmaster, then as a railway mail clerk, and then as postmaster of Peoria for eight years. I was not only that, but I was made president of the First-class Postmasters' Association of the United States.

And when I look back and see those young men that I appointed when they were 23 years old—good husky young fellows—who have spent their entire life trudging through the sleet and storm and sunshine and deliver the daily mail to you and to the business men of this country, to-day with their feet sore from continual walking and their backs humped from carrying the heavy sacks of mail, at the age of 50, only drawing a small salary of $2,080, which has only been increased $400 from the time they started, I can not believe they have been overpaid. And yet you men here are willing to vote to take away 11 per cent of that salary. Is it possible? I do not see how you have the heart to draw such a conclusion from the hysteria that now prevails and destroy the morale of these men, take away from them and their families the small stipend that keeps them alive in old age. Oh, no! Certainly the time has not come when you are willing to do this thing. Gentlemen, sheathe your pruning knife and lay it aside and forget it. This can not do you any good at home. Not only that, but consider the heartlessness of any man who is willing to take away from his fellow man a livelihood that he so rightly deserves from the long and studious and competent work that he has done for the Government of the United States.

Let us go back to the President's plan under this great emergency under which we are working.

Is it necessary for you Democrats to vote for something that will not do the real thing you are voting for just because you want to make it a political issue?

Is it possible that you Republicans are so afraid that you are not willing to vote for a measure that will not only save the Postal Service but will in a measure help solve the unemployment problem by putting on an additional 20,000 men to work with the same amount of expenditure? I can not yet see why any of us, either Republicans or Democrats, are willing to try to make a political issue of this. It is not fair to the mail carrier, to the clerk, and the Railway Mail Service. They are your servants, and have been for these many years, and I would say that it would be better to adopt the stagger plan even though it does make them lay off for 30 days and deprives them of some little overtime, but they have the time to use as a vacation, and that is not at all bad anyway, because every man in America needs a vacation.

By following this plan in the Postal Service it will save $21,000,000 after allowing for the cost of hiring substitutes to take the place of the regular clerks and carriers while they are on furlough. It would not only accomplish this saving, but it would mean part-time work for some 20,000 additional people.

Now, take the two propositions together. Is it good for the country to lay off rural carriers, city carriers, railway mail clerks and put them on charity of the United States Government, as that is what you will do, because there is a very small per cent of these men who have saved anything, and are living now on their salaries, or is it better to keep them to work for 11 months in the year and put 20,000 more men to work a portion of the time and then have a saving of $21,000,000 in the service?

My friends, I can not yet conceive that there is any man within the hearing of my voice who will vote for this bill if it includes the Postal Service of the United States. [Applause.]

Mr. McDUFFIE. Mr. Chairman, I move that the committee now rise.

The motion was agreed to.

Accordingly the committee rose; and, the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11267, the legislative appropriation bill, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. CHAVEZ (at the request of Mr. THOMASON), for to-day, on account of illness.

Mr. KLEBERG, indefinitely, on account of illness in his family.

Mr. BOYLAN, on account of illness.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 332. An act for the relief of Samson Davis; to the Committee on Military Affairs.

S. 570. An act to exempt from taxation certain property used by the National Society of the Colonial Dames of America, in the District of Columbia; to the Committee on the District of Columbia.

S. 1562. An act for the relief of William S. Cook; to the Committee on Military Affairs.

S. 2409. An act to amend Title II of the Federal farm loan act in regard to Federal intermediate-credit banks, and for other purposes; to the Committee on Banking and Currency.

S. 2654. An act to allow credit in connection with homestead entries to widows of persons who served in certain Indian wars; to the Committee on the Public Lands.

S. 3472. An act to amend the act of Congress approved June 26, 1912, entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes"; to the Committee on the District of Columbia.

S. 3477. An act for the relief of the Playa de Flor Land & Improvement Co.; to the Committee on Claims.

S. 3577. An act for the relief of Rolando B. Moffett; to the Committee on Military Affairs.

S. 3852. An act to amend section 2288 of the Revised Statutes, as amended, with respect to the taking for highway purposes of lands entered upon under the homestead or preemption laws; to the Committee on the Public Lands.

S. 3864. An act authorizing expenditures from Colorado River tribal funds for reimbursable loans; to the Committee on Indian Affairs.

S. 3911. An act to authorize the Commissioners of the District of Columbia to close Quintana Place, between Seventh Street and Seventh Place NW.; to the Committee on the District of Columbia.

S. 3929. An act to authorize the Commissioners of the District of Columbia to close certain alleys and to set aside

land owned by the District of Columbia for alley purposes; to the Committee on the District of Columbia.

S. 4029. An act to restore homestead rights in certain cases; to the Committee on the Public Lands.

S. 4106. An act to provide for the closing of certain streets and alleys in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; to the Committee on Interstate and Foreign Commerce.

S. 4190. An act for the relief of Thomas E. Reed; to the Committee on Military Affairs.

S. 4193. An act to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock; to the Committee on Insular Affairs.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 1231. An act for the relief of Grina Bros.;

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula;

H. R. 3580. An act for the relief of Clara E. Wight;

H. R. 4724. An act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition, the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 4753. An act for the establishment of the Waterton-Glacier International Peace Park.

H. R. 5484. An act extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation;

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn.;

H. R. 8084. An act for the protection of the northern Pacific halibut fishery;

H. R. 8914. An act to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation, in the State of Montana;

H. R. 9598. An act to authorize expenditures for the enforcement of the contract-labor provisions of the immigration law; and

H. R. 10495. An act amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3095. An act for the relief of J. J. Bradshaw and Addie C. Bradshaw.

RELATION OF A TOBACCO TAX TO A BALANCED BUDGET

Mr. RAGON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a radio address delivered by my colleague the gentleman from Kentucky [Mr. VINSON] over station WJSV.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. RAGON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by my colleague the gentleman from Kentucky [Mr. VINSON] over Station WJSV.

ADDRESS OF HON. FRED M. VINSON, OF KENTUCKY, APRIL 25, 1932

Ladies and gentlemen, the Ways and Means Committee of the House, of which I am a member, was called upon to initiate legislation which would bring in new taxes to balance the 1933 Budget. The deficit for 1931 is $903,000,000; for 1932 it is two and three-quarter billions of dollars; the prospective deficit for 1933 is one and three-quarter billions. Passing payment of the debt requirement, there is one and one-quarter billions in new taxes to be raised. When it is considered that the total receipts, under existing law, for 1933, was estimated at $2,375,000,000, the magnitude of the task is easily observed. We were called upon to raise in this bill an amount equal to 50 per cent of all taxes that could be collected under existing laws. Such a task never confronted any legislative body in peace times.

As an original proposition, there was difference of opinion in the committee and in Congress with reference to the Treasury's position that it was imperative to balance the Budget in a single year. With full knowledge of the deficit for 1931 and 1932, the administration took no steps toward balancing the Budget until last December, and then insisted that the ends must meet July 1, 1933. Some of us thought that it would be more businesslike, and certainly less burdensome to an already heavily laden tax-paying public, to bring the receipts and expenditures together over a 2-year spread. In this manner we could have fuller benefits from reductions in appropriations, elimination of useless offices, consolidation of kindred functioning, reductions in expenditures, and economies in administration. Further, the full benefits of the new taxes can not be secured until the second fiscal year, in view of the fact that only the collections in March and June, 1933, of taxes for the calendar year 1932 will be collected in the next fiscal year.

However, so insistent was the Treasury upon the 1-year program, which position it sold to the country, that those of us who had originally entertained the idea of the 2-year spread, made concession of our position. The House balanced the Budget for the fiscal year 1933.

After defeat of the sales tax, a subcommittee composed of Messrs. RAGON, CANFIELD, and myself (Democrats), and Messrs. HAWLEY and TREADWAY (Republicans) formulated the substitute program which the full committee and the House adopted. The tax bill H. R. 10236, with its new taxes, as it passed the House, may be broken down, as follows:

Individual income tax	$217,000,000
Corporation income tax	43,000,000
Administrative changes (revision of existing laws)	126,000,000
Estate and gift tax	30,000,000
Excise taxes	488,000,000
Increased postage rates	165,000,000
Reduced expenditures	200,000,000
Total	1,279,000,000

It was the recommendation of the subcommittee, adopted by the full committee and the House, that the Budget for 1933 should be an economic Budget; that it should be cut by reducing expenditures at least $200,000,000. In our bill, this mandate was given to the administration. Mr. Mills, Secretary of the Treasury, before our committee, was loath to concede that such reduction would be made. He insisted that $118,000,000 was the figure to be used. I maintained that there could be a reduction in expenditures of at least $243,000,000 without any serious inconvenience to the functioning of the Government. Finally, the two hundred million dollar figure was agreed upon. Now, before the Senate committee, the distinguished Secretary of the Treasury concedes that at least $208,000,000 may be saved in expenditures.

Strange as it may seem, the largest and most dependable tax source for Uncle Sam is the tax levied upon a product of the soil—tobacco, which is the only farm commodity upon which the Federal Government lays its heavy hand of taxation. From the earliest days of our Government it has been a revenue producer, in increased amounts, until in 1916 its tax yield was $85,000,000. That year the tax on cigarettes was $3 per 10,000. In 1918, this tax was increased 900 per cent—$3 per 1,000, or $1 per pound on cigarette tobacco. The tax on smoking and chewing tobacco is 18 cents per pound.

It was proposed by the Secretary of the Treasury to increase the tobacco tax one-sixth of its present rate, that is, 16⅔ cents per pound on cigarette tobacco, and 3 cents per pound on chewing and smoking tobacco. Every Treasury recommendation before the House and Senate carries that increase. The sales of Burley tobacco in Kentucky for the season of 1930–31 averaged 15 cents per pound; last year's sales averaged 8⅞ cents per pound. For the Burley that goes into cigarettes, the new tax of $1.16⅔ per pound would be fourteen times the average for the crop. The increase alone would be twice the average for the crop. The dark tobacco of Kentucky averaged 3½ cents per pound. The new tax would be six times its average price.

The attention of the committee was called to the fact that under existing law, tobacco would pay, next fiscal year, approximately one-fifth of the total revenues from all sources. Its yield for that period will be $434,000,000. Under the existing law, the tax on tobacco will exceed the yield of the income taxes, individual or

corporate, and actually approximates two-thirds of their combined total. It was the Sage of Monticello who said:

"The Government which steps out of the ranks of the ordinary articles of consumption to select and lay under disproportionate burdens a particular one, because it is a comfort, pleasing to the taste, or necessary to health, and will therefore be bought, is, in that particular, a tyranny."

The subcommittee, the full committee, and the House itself refused to consider this added tax upon tobacco, which refusal was based upon many grounds.

The Federal Government has a direct interest in the consumption of cigarettes. For every 50 packs of cigarettes sold, the Government collects $3—6 cents per pack. It was shown without contradiction that the Federal Government receives four times in taxes what the manufacturers receive in profit. It is unquestioned that the government, for the 1931 crop, will receive almost three times in taxes what the grower received for his farm product.

We are convinced beyond doubt that the point of saturation in tobacco taxes has been reached, if not passed; that an added tax in any form would bring into action the law of diminishing return, which in everyday parlance simply means "killing the goose that lays the golden egg."

Thirteen States have taxes upon tobacco ranging from 2 cents to 5 cents a pack of 20 cigarettes. The effect of this added tax presents a very vivid picture in consumption. For illustration, the average consumption in the United States, including these 13 States, is 975 cigarettes per capita per annum. In these 13 States—tobacco-taxing States—this average shrinks to 431 cigarettes per capita per annum. The present panic has shown its effect in that, in the first eight months of the present fiscal year, there has been a decline of a billion cigarettes per month over the same period in the prior fiscal year, with the consequent loss to the Government of $23,000,000 in taxes and a consequent decrease in the consumption of the tobacco growers' commodity of 23,000,000 pounds. Undoubtedly, decreased consumption means a decreased price for the farmer's product. Only when there is a demand for his product can a fair price be secured. With the export market practically nil, any increase in the tobacco not marketed has a direct effect in a lower price.

It was suggested that the Government and the manufacturer were partners in this transaction, with the Government receiving four times the profit of the manufacturer. If we consider the matter as a partnership, might I suggest that there is a third partner—a silent partner—of whom I have been thinking in this fight against tyranny in taxation. I have been thinking of the tobacco farmer—the silent partner—who secured for his 1931 crop $156,000,000, as compared to the $434,000,000 which the Federal Government will receive in taxes. No other farmer, and no other class, has ever been called upon to pay the price exacted of him by this Government. It is strange that this additional tax is the character of farm relief the administration would recommend for the 400,000 tobacco farmers in America, 115,000 of whom reside in my State of Kentucky.

Some say that the additional tobacco tax would not be reflected in the price the tobacco grower secured for his crop. I do not adhere to that philosophy. As long as human nature is human nature, the tobacco manufacturer will not pay this additional tax with his own money. He can collect it in a reduced price to the grower, or he can add it to his price to the consumer, or both. If the tax be collected by an added price to the consumer, undoubtedly there will be decreased consumption of tobacco.

The consumer of cigarettes now pays a Federal tax of 6 cents per pack. A man using one pack per day already pays a tax of $21.60 a year to his Government. With the additional 1 cent per pack his tax would be $25.50 per year. We submit that this tax is more than the income tax required of a married man with a wife and three children, under existing law, who has a net income of $7,000.

Recently I saw a pack of 20 cigarettes to retail for 10 cents. Immediately I saw a Federal tax of 150 per cent—one and one-half times the total cost of the cigarettes ready for delivery to the consumer, including the price of the tobacco, its manufacturing cost, distributing costs, and all profits to the wholesaler, jobber, and retailer. In my mind, such a tax condition is the tyranny of which Mr. Jefferson spoke.

Hon. James C. Stone, chairman of the Federal Farm Board, in discussing the reduction of the tobacco tax before a congressional hearing, stated his belief that if the present taxes were cut in two that—

"The consumption would increase to such extent that the Government would get as much revenue from it as it does to-day, and at the same time give the producer a much greater demand for his product," and, in my judgment, a much better price for his product.

It is to be hoped that the Senate of the United States, now considering the tax bill, will not undertake to place an added burden upon the tobacco grower or the consuming public. When the sun shines through the dark economic clouds we hope that just consideration will be given the plea of the tobacco farmer for a material reduction of his tax burden. It will be a privilege to press the plea.

RIVER AND HARBOR IMPROVEMENTS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, there is a bill upon the calendar providing for the establishment of a new Government agency to be known as the "Public Works Administration." This agency is to have charge of certain governmental construction work, but not to include river and harbor and flood-control work. The bill is H. R. 11011, as reported by a majority of the Committee on Expenditures in the Executive Departments. Three members of the committee, the gentleman from South Dakota [Mr. WILLIAMSON], the gentleman from Utah [Mr. COLTON], and the gentleman from Pennsylvania [Mr. CAMPBELL], have filed minority report upon the bill.

It is not my purpose at this time to discuss the merits or demerits of the bill. I shall confine my remarks to certain statements in the minority report, pertaining to river and harbor work under the Corps of Engineers of the War Department. Many of these statements, in my judgment, are erroneous in fact and in the conclusions drawn, and constitute what I believe to be an unjust criticism of the personnel, and efficiency of one of our most important and useful Government agencies.

The minority report states:

> We are the only civilized government on earth, of any consequence, that does not have a consolidated public-works administration that brings within its folds all public construction of importance.

A study of the administrative organization of foreign governments shows that this is a very erroneous conclusion. For a number of years I have been in touch with the system in Canada. The work of river and harbor improvements there is spread among three departments. The major improvement of the St. Lawrence River, below Montreal, is carried out by the Department of Marine and Fisheries. The construction of the new Welland Ship Canal is under the Department of Railroads and Canals. The Department of Public Works is charged with minor works of waterway improvement only.

In Great Britain public works are spread among many government agencies. Port improvements are carried out by local public corporations, deriving their revenues in large part from tonnage dues. Control of the general waterway development is in the "Board of Trade." Lighthouse construction is under the Trinity corporation, while the Department of Public Works has jurisdiction over public buildings, forest grounds, parks, and monuments.

In Germany river and port development is under various State agencies and commissions, and the same situation is common in other European countries.

A report by the late General Bixby shows that the organization for river and harbor works in France is almost an absolute parallel with our existing system.

The minority report criticizes our system of waterway improvement, because its administrative head, the Secretary of War, is a civilian, who is not presumed to be familiar with the work. The report says:

> The Secretary of War is a civilian, but what does the average Secretary know about rivers and harbors work?

The bill advocated by these gentlemen also provides for a civilian to be placed at the head of the rivers and harbors work, who, in all probability, would know far less than a Secretary of War.

It is true that the Secretary of War is not supposed to possess the highly technical knowledge and training necessary for dealing with all the engineering problems of river and harbor works. But under our present system we have at the head of this work the Chief of Engineers and the Corps of Engineers, whose ability, training, and experience have no superiors. They are also as far removed from political influence as any class of citizens we have.

Under the bill advocated by these gentlemen, not the Secretary of War but another civilian is to be at the head of river and harbor improvements. He may or may not be superior to the Secretary of War. He is not required to be an engineer, and from the fact that he is to be at the head of all character and types of public works he can not possibly, from training or experience, have superior technical

knowledge upon all of them. He will be an administrative officer and nothing more.

Experience shows that the distinguished men who have filled the important post of Secretary of War have ably carried out their duties in the matter of river and harbor administration. To change the administration of these works from a high Cabinet officer to a bureau chief, with express authority in the bill to either ignore or override and set aside the findings and conclusions of the Corps of Engineers, would soon lead to a disgraceful political situation, far more reprehensible than the so-called "pork barrel" practices that prevailed before the present system was perfected.

The minority report constitutes a bitter criticism of our military and naval academies, and a reflection upon the proficiency of the graduates of these institutions. It states:

West Point and Annapolis are not engineering schools. They are military schools where some engineering is taught. Those desiring proficiency in construction engineering must look elsewhere for their training. Why, then, the superiority of the West Pointers? It simply does not exist.

The standing of West Point and Annapolis as institutions of learning is too well known to need a defender. Those who seek to make a jest of these institutions acknowledge the weakness of their cause. Other institutions may have courses in engineering equal to, or possibly greater than, that of West Point. But it will be borne in mind that West Point is only the foundation for the course of training of the engineers in charge of our river and harbor improvements.

The report further says:

The fact is that at no time has the real job of improving rivers and harbors been done by Army engineers. The men who are on the job year out and year in are civilian engineers. With few exceptions, the technicians are civilians. So are the engineers who prepare the plans and specifications and who do the work. Why should the superior be under the domination of a military clique by far their inferior in technical training and practical experience.

It is not uncommon for a district engineer to have several surveying parties engaged at the same time measuring the watershed of a river. He may also have several draftsmen engaged in drawing plans and making blue prints. Other engineers may be making plans for a bridge or designs for a lock and dam. It is physically impossible for the district engineer to do all these works himself. Such would also be the case in the event the work should be transferred to a new bureau, as recommended by these gentlemen.

Under the present system the officers of the Corps of Engineers in charge of the engineer division and districts are the responsible directing heads of the river and harbor construction under their charge. They supervise the activities of the engineers drawn from the civil service but are wholly responsible for their activities. It is not humanly possible for one man to possess the varied technique of all portions of construction work. Every engineer in charge of important work must employ draftsmen who can draw better than he, surveyors who are more skillful than he with their instruments, and computers especially skilled in such activities.

The minority report further states:

Rivers and harbors work has been an expensive school in which to train young Army engineers under the present arrangement. For a hundred years we have had the spectacle of the untrained and inexperienced supervising the highly trained and experienced that the former may get "practical" experience for something supposed to be useful to him in time of war. True, we have developed some excellent Army engineers at heavy public cost; but the supposed efficiency of the young engineers who are sent out on detail is a myth, and it is time this superiority-complex fetish is exploded.

The report further says:

During our entire history our rivers and harbors and flood-control program has suffered from lack of long-time planning and continuity of policy. Necessarily this must be so. The law does not permit a detail for more than four years. The average is about three years. This applies to the Corps of Engineers and its chief. Differences of opinion of succeeding chiefs have not been conducive to either efficiency, speed, or economy.

There is no provision of law limiting the detail of officers of the Corps of Engineers to four years. Long-time planning and continuity of policy have been carried out in the administration of the river and harbor work. Shifting of officers from station to station has been found to be an essential element in securing such continuity and general policy. It produces a uniformity of practice impossible under a system in which a man is retained in a single local position for life. In such case an engineer's views would become localized, and he would lose the national viewpoint in course of time.

Although the engineers of the corps are shifted from one place to another every few years, they are still retained in the actual operation of river and harbor work and given a wider range of thought for more effective planning.

There can be no question as to the actual experience of the Corps of Engineers. A district engineer has in every instance had a course of study and actual experience of from 10 to 20 years or more. The late General Taylor had been in line of river and harbor work 42 years at the time of his retirement, and General Jadwin's experience was about the same. General Brown, the present efficient chief, has had a remarkable experience. How can it be reasonably claimed that these men are less efficient than the man who may be selected through political influences for the proposed position of public works administrator? Such contention simply falls by its own gravity.

The minority report further says:

After an expenditure of more than a billion and a half our inland-waterways system is of little value to the country at large.

Just where the gentlemen got their figures of a "billion and a half" on our inland waterways I am not advised. Evidently they did not obtain them from any official source.

Our total expenditures for all river and harbor works under the Army Engineers, for a period of about 110 years, and including costs of improvement and maintenances, up to June 30, 1930, was only $1,210,683,644.12. Of this sum only $415,381,911.94 had been expended on the Mississippi system. Additional to these figures the sum of $99,524,912.41 had been expended for care and operation of canals and other works. I am advised that the expenditures on the Mississippi and its tributaries to the present time are $419,304,129.

Of the expenditures made for improvement and maintenance for rivers and harbors, not including flood-control work, to June 30, 1930, totaling $1,210,683,644.12, the expenditures upon our Atlantic, Pacific, and Gulf ports accounted for $517,401,686.02, while $181,306,210.74 of the sum total were expended upon the Great Lakes.

As to our inland waters being "of little value to the country at large," I will say that this is a conclusion which the facts do not warrant. These rivers and canals for many years provided the only means of inland transportation our country afforded.

From about 1880 up to the administration of Theodore Roosevelt the railroads succeeded in practically destroying all river transportation. Since then great advancement has been made in river improvement, and in so far as the rivers have been placed in condition for handling traffic they have performed a great service to the country.

The Mississippi, the Ohio, and the Monongahela are fair examples of the use that is being made of our rivers. These streams in 1929 carried a total of 65,000,000 tons of freight, with a valuation of more than $1,000,000,000. If Congress has failed to provide the money for completing the improvement of more of our rivers, so that they can be performing a service to our country, it is not the fault of the engineers.

The course at West Point is four years. The portion of classroom time given to purely military subjects is small. Upon his completion of the course, the cadet's engineering status is the same as that of B. S. in the leading technical institutions. This is so recognized by the American Society of Civil Engineers.

After graduation at West Point the Army engineer is sent out as a student officer for two years with a river and harbor or flood control district. There he learns every task from lockman to dredge hand, from surveyor to chief of party. He then takes a postgraduate course for one year at

one of our leading technical institutions in order to be in touch with the best the country affords from every available source. He then takes a special river and harbor course for one year at the Engineering School at Fort Humphreys. There he gets the benefit of a course that is not available at any other institution in the United States.

After completing the course at Fort Humphreys the engineer is detailed to duty as assistant to a district engineer. Later he is in line for promotion to district and then division engineer; also, for membership on the Board of Engineers and as Chief of Engineers. If this long course of intensive and effective training is to be treated as a joke, then we had better tear down our institutions of learning and return to the stage of primitive man.

MESSAGE FROM THE PRESIDENT

Mr. McDUFFIE rose.

The SPEAKER. Is it the intention of the gentleman from Alabama to ask that the House take a recess until 7.30?

Mr. McDUFFIE. Yes, Mr. Speaker.

The SPEAKER. The Chair would like to lay before the House a message from the President before that is done.

VETO OF THE PENSION BILL

The SPEAKER laid before the House the following message from the president (H. Doc. 322):

To the House of Representatives:

I am returning without approval H. R. 9575, entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and so forth, and to certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors."

The bill contains a total of 367 items establishing special pensions and increased allowances to persons who have not been able to comply with the general laws. The bill contains many meritorious cases and a just recognition of their equities which can not be reached under these laws. I regret exceedingly, however, that I must withhold approval of the bill because of the number of cases which I do not deem worthy of public bounty. Most of these undeserving cases have been previously rejected by the Pension Bureau as having no sound basis upon which to construe any obligation in equity for the granting of special benefits.

As I do not wish to reflect upon any individual, I cite some instances in the bill without mentioning names, the facts as to which have been furnished to me by the Government agencies. And I may state that these are only examples and do not include the whole of the list which I believe would be excluded if the matter were reconsidered by the Congress. Such instances comprise:

A proposed pension for a man who was court-martialed for drunkenness and conduct prejudicial to good order, sentenced to six months' confinement, and whose conduct during confinement was so bad that he was finally discharged without honor for the good of the service.

A proposed pension to a man who was discharged without honor because of chronic alcoholism.

A proposed pension to a widow whose claim was filed five years after the death of the veteran, and upon call having been made for evidence of legal widowhood, claimant abandoned her claim for a period of 25 years. A recent investigation indicates claimant was never the legal wife of the soldier.

A proposed pension to a man guilty of desertion and dishonorably discharged.

A proposed pension to a man shown to have been a deserter, to have been punished by confinement, and discharged without honor.

A proposed pension to a man for self-inflicted injuries incurred in attempted suicide.

A proposed pension to a man who was tried for desertion, convicted of absence without leave, and honorably discharged, having been found to have been mentally deficient, a condition that antedated his enlistment. There was no disability relating to service on which Federal pension should be granted.

A proposed pension to a would-be suicide, no disability relating to service on which Federal pension should be granted being indicated.

A proposed pension for a widow whose husband gave eight days' service, with no disability relating to the service.

A proposed pension to a man who still suffers from a wound in the throat self-inflicted with a razor, with no disability relating to the service.

A proposed pension for loss of a leg as the result of being struck by the fender of a street car while claimant was lying on the track in a completely intoxicated condition.

A proposed pension to a widow whose husband had only nine days' service in a State militia, for which reimbursement was made by the United States; no disability relating to service being found.

A proposed pension to a man who spent most of his service in the hospital and was discharged without honor because of diseases not contracted in line of duty; was shown to have been guilty of malingering by taking soap pills to aid him in appearing anemic, and was recorded to have remarked that he knew "how to play it and proposed doing it as long as he could." His physical condition was not the result of service.

A proposed pension to a man discharged without honor because of diseases not contracted in the service in line of duty, his condition not being one upon which Federal benefits should be based.

I could add other instances, but it seems to me that even this number which appear neither to have law nor equity to justify them, warrants a revision of the bill, and that a larger dependence should be placed upon reports which are easily obtainable from the pension service.

HERBERT HOOVER.

THE WHITE HOUSE, *April 27, 1932.*

The SPEAKER. The message will be spread upon the Journal and printed as a public document.

Mr. CRISP. Mr. Speaker, the chairman of the committee is away, and at his request I ask unanimous consent that the message go over until next Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

RECESS

Mr. McDUFFIE. Mr. Speaker, I move that the House stand in recess until 7.30 o'clock to-night.

Mr. LaGUARDIA. Mr. Speaker, I offer as an amendment that the House adjourn until 12 o'clock to-morrow. We are all tired now and will accomplish no useful purpose by coming back here to-night.

The SPEAKER. A motion to adjourn is of higher privilege.

The question is on the motion of the gentleman from New York [Mr. LaGUARDIA].

The question was taken; and on a division (demanded by Mr. PARKS) there were—ayes 31, noes 60.

So the House refused to adjourn.

The SPEAKER. The question is on the motion of the gentleman from Alabama [Mr. McDUFFIE].

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p. m.), the House stood in recess until 7.30 o'clock p. m.

EVENING SESSION

The recess having expired, at 7.30 o'clock p. m. the House was called to order by the Speaker.

Mr. LaGUARDIA. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. STAFFORD. Does the gentleman wish to keep the House in session later than we planned on?

Mr. LaGUARDIA. We are going to have another roll call later on.

The SPEAKER. The gentleman from New York makes the point that there is no quorum present. Evidently there is no quorum present.

Mr. RAINEY. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed, the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 57]

Abernethy	Douglass, Mass.	Johnson, S. Dak.	Sanders, N. Y.
Adkins	Doutrich	Kading	Seger
Andresen	Dowell	Kemp	Seiberling
Arentz	Drane	Kendall	Sinclair
Bacon	Erk	Kleberg	Smith, Va.
Baldrige	Estep	Kurtz	Smith, W. Va.
Beck	Evans, Mont.	Lambeth	Somers, N. Y.
Beedy	Finley	Larrabee	Stalker
Bloom	Fish	Larsen	Stevenson
Boileau	Fishburne	Lea	Stokes
Bolton	Flannagan	Lehlbach	Strong, Pa.
Boylan	Freeman	Linthicum	Sullivan, Pa.
Briggs	French	Ludlow	Sumners, Tex.
Brumm	Gilbert	McFadden	Sutphin
Buckbee	Gillen	McMillan	Swick
Burtness	Golder	McReynolds	Taber
Busby	Goldsborough	McSwain	Thatcher
Campbell, Pa.	Goss	Magrady	Treadway
Canfield	Griffin	Manlove	Tucker
Celler	Griswold	Martin, Oreg.	Wason
Chapman	Hall, Miss.	Millard	Watson
Chase	Hancock, N. Y.	Mitchell	Whitley
Chavez	Harlan	Moore, Ohio	Wigglesworth
Chindblom	Haugen	Murphy	Williams, Tex.
Cochran, Pa.	Hogg, Ind.	Oliver, Ala.	Wolfenden
Collier	Hope	Owen	Wood, Ga.
Coyle	Hornor	Patman	Wyant
Crowe	Houston	Pettengill	Yates
Davenport	Hull, Morton D.	Pou	Yon
De Priest	Igoe	Pratt, Mrs.	
Dominick	Jeffers	Purnell	
Doughton	Johnson, Ill.	Ransley	

The SPEAKER. Three hundred and six Members present—a quorum.

Mr. RAINEY. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, the legislative appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. WOOD. Mr. Chairman, I yield one minute to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I ask unanimous consent for leave to revise and extend my remarks in the RECORD, and insert a letter from the War Department.

The CHAIRMAN. Without objection, it is so ordered.

Mr. CLANCY. Mr. Chairman, one of the most sensational features of the economy bill, if not the most, was the joker compelling the sale of priceless property of the United States Government. Sale was ordered in New York Harbor of 4 piers of the value of over $50,000,000, of 2 in Boston, of 3 piers and wharfage at San Francisco, of 1 at Manila, and of 1 at Honolulu.

These piers which should be the property of the Government for many years to come, and which should be leased rather than sold, would be sacrificed on the market at panic prices if this joker worked.

The insertion of this joker was discovered by me, and I was the first to inform the chairman of the House Economy Committee, who was thunderstruck when he realized the meaning of the few words on pages 19 and 20 in section 308 of the so-called economy bill, H. R. 11597.

The fateful words were—

> The Secretary of War shall dispose of as much of the property of the United States (other than vessels used in connection with such service), the Army Transport Service—

And so forth.

I was also the first to inform the War Department of the joker, and the department was astounded.

The Assistant Secretary of War, Colonel Payne, said:

> Al Capone in his most daring schemes never planned as bold a feat as this.

My committee, the Merchant Marine, Radio, and Fisheries Committee, discussed for two years the disposition of the Hoboken piers and wharfage opposite New York City without arriving at any action. The Hoboken piers, seized from German shipping interests during the World War, are valued at about $7,000,000, yet here in this joker the Brooklyn piers and wharfage, valued at over $50,000,000, were ordered sold in veiled and hidden language without hearings being held, without even the committee knowing that the language of the bill ordered them to be sold, and certainly without the knowledge of the Members of the House.

Honest and honorable language would have named the Brooklyn piers and wharfage, the two Boston piers, the three San Francisco piers, and the piers and wharfage at the first line of defense in Honolulu and Manila.

Anybody who knows anything about harbor development knows that water frontage in cities which are going to last for hundreds of years is absolutely invaluable. My own city of Detroit knows that; so does New Orleans, New York City, Boston, San Francisco, and so do the great European, Asiatic, and Latin American maritime cities.

Yet here in a joker of a few words are these marvelous piers and wharfage thrown to the wolves—ordered sold at a time when they can bring in the open market probably only 5 or 10 per cent of their real value.

Now, what did the Economy Committee do this morning when informed of my protests? Members were furious at the trick played upon them and ordered language written to kill the joker and to reverse the action.

Instead of mandatorily ordering the Secretary of War to sell the piers and wharfage, they mandatorily ordered him not to sell them.

Thus were the interests which have been trying for the past few years to get these piers and wharfage foiled.

I now give the letter sent to me to-day at my request of yesterday from Assistant Secretary of War Payne.

I particularly call attention to the last two paragraphs, emphasizing the iniquity of the joker which I discovered and which ordered the sale of the piers and wharfage at unfair prices.

> WAR DEPARTMENT,
> *Washington, April 27, 1932.*
>
> Hon. ROBERT H. CLANCY,
> *House of Representatives.*
>
> DEAR MR. CLANCY: Replying to your inquiry regarding House bill 11597, your attention is invited to section 308, which directs the Secretary of War to discontinue the Army Transport Service and dispose of the property used in connection with such service.
>
> The discontinuance of the Army Transport Service would be a serious blow to the efficiency and morale of the Army, and would materially increase the cost of transportation for the Army.
>
> The Army Transport Service is an integral part of the Military Establishment. It is the Army's overseas field train prepared for service at any place to follow the troops just as the regimental field train follows the Infantry regiment. It is essential that it be maintained under Army control just as all other supply units, communications, and other branches of the S O S. No army in all history has failed to have at its command adequate supply systems for its outposts. The existence of this service has saved the Government a total of over $40,000,000 since 1903. The incident voyage of the transport *Republic* will save the Government over $400,000 above what the same service of this one voyage would cost if done by commercial lines at the lowest rates now obtainable.
>
> The clause directing disposition of the property used in connection with the Army Transport Service would involve the sale of valuable piers just at a time when values are at the lowest level, resulting in an enormous financial loss to the Government.
>
> In my opinion, the impelling impulse back of this effort is not directed primarily at destruction of the Army Transport Service, but is aimed by virtue of such destruction at the possession of the War Department shore establishments, representing at New York alone a valuation of $50,000,000, which they hope to obtain for a small fraction of their real value.
>
> Sincerely yours,
> F. H. PAYNE,
> *Acting Secretary of War.*

I also give a letter to me, dated to-day, from Hon. S. S. Sandberg, commissioner of the United States Shipping Board.

UNITED STATES SHIPPING BOARD,
Washington, April 26, 1932.

Hon. ROBERT H. CLANCY,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: With further reference to our telephone conversation of this afternoon regarding additional information and valuation of various piers owned by the Government. The piers listed below were not appraised when turned over to the United States Shipping Board and have not been appraised since, except Hoboken.

Boston Army base: Under date of May 2, 1921, the Secretary of War granted to the United States Shipping Board permit for the use and occupancy of the Boston Army base under certain terms and conditions.

Hoboken terminal: The Shipping Board is presently in possession of certain property consisting of piers and terminal facilities at Hoboken. The property was acquired by the United States from the North German Lloyd and Hamburg-American Steamship Cos. and subsequently transferred to the United States Shipping Board in fee simple by four Executive orders, the last one dated November 2, 1921.

This pier property, together with certain other buildings on the demised premises, was appraised on June 30, 1924, at $7,098,205.

Charleston Army base: On November 3, 1923, by Executive order of President Coolidge, a portion of the Charleston Army base was transferred from the War Department to the United States Shipping Board under certain terms and conditions.

Philadelphia Army base: Under date of April 13, 1921, the Secretary of War granted to the United States Shipping Board permit for the use and occupancy of the Philadelphia Army supply base, under certain terms and conditions.

Norfolk Army base: By Executive order of President Coolidge, dated June 27, 1924, a portion of the Norfolk Army base was transferred from control of the War Department to control of the United States Shipping Board.

NOTE.—Full particulars regarding the acquisition of Hoboken property may be found in the shipping act, pages 95–105.

Full particulars regarding the acquisition of Charleston Army base may be found in the shipping act, pages 105–107.

Full particulars regarding the acquisition of Boston Army base may be found in the shipping act, pages 107–110.

Copy of the shipping act is inclosed for your convenience.

The purpose of turning the bases over to the United States Shipping Board was to aid American-flag lines in the development of an American merchant marine.

The properties listed above are the finest piers and facilities in those particular ports and are a very valuable asset to the United States Government in times of national emergencies.

If you desire further information do not hesitate to call upon me.

Yours very truly,

S. S. SANDBERG, *Commissioner.*

Mr. RAMSEYER. Mr. Chairman, we are in the midst of a crisis such as this country has never faced before in war time or in peace time. In a way, we are still a new country. We have blundered along, made mistakes, but because of our location, the wide expanse of our territory, we have always gotten through without bad consequences. We have not learned how to meet crises with dispatch. Other countries have learned that. It took England 48 hours to get off the gold standard. If we should face a crisis like that, making it necessary for us to get off the gold standard quickly, in order to save our very existence, under our way of doing business we would talk and delay and procrastinate here in Congress until the ship of state was sunk. We were 18 months considering a tariff bill. Canada, in May, 1930, considered a tariff bill with nearly as many changes in rates as we had. The bill was introduced one day and the Minister of the Exchequer announced that that would go into effect the next day, and it did go into effect the next day.

I am as liberal on rules as anyone here, but I say to you that the dictatorships that have been set up in Europe since the war have been set up because the parliamentary bodies in those countries had neither program nor leadership to come to an agreement to act expeditiously to meet the peculiar situations that confronted them. I am not in favor of amending our form of government, and I would not go to the parliamentary systems of Europe, where, when leadership fails to command a majority, it resigns; but this Congress has to learn to discipline itself, and when we are confronted with a crisis to law aside our ideas about liberality of amendment and debate, in which we can indulge in normal times. There is no question in my mind—and I am not saying this in the way of criticism or censure because of the attitude of anyone on the revenue bill—that our failure to act with dispatch and pass a revenue bill in order to balance the Budget has had a disastrous effect upon business. Business to-day does not know what to expect.

If we could have passed a revenue bill within a few days or a few weeks at the outside, even though it had inequitable provisions in it, business could and would have adjusted itself to the new situation and have gone on, but here we have had a revenue bill before the Congress for three months, the end is not yet in sight, and business does not know how to proceed and will not know how to proceed until it knows what the additional tax burdens are to be. When the revenue bill was before this House we went upon the assumption that with the reductions in appropriations which the Appropriations Committee contemplated, we would have to find means of further reducing and curtailing Government expenditures to the extent of upwards of $200,000,000 in order to balance the Budget. Almost everyone in the House agreed that we had to balance the Budget, that it is important to do so.

A year ago I gave a statement to the press in which I called attention to the fact that we were running behind and that we could not continue to borrow to meet peace-time expenditures without disastrous results. In November of last year the Treasury Department took the same attitude, and when Congress convened we went to work to balance the Budget. The revenue bill has passed this House, and it is pending in another body. How soon that will be completed we do not know.

A few months ago—about 10 weeks ago—this body created the Economy Committee. The Economy Committee was created purposely to aid in finding ways and means to curtail the governmental expenditures so as to balance the Budget. The Economy Committee has been in daily session ever since. About three weeks ago a second or third message came from the President in regard to the importance of curtailing governmental expenditures and making consolidations.

The committee invited the President to present his views relative to the best way of meeting the situation. The result was that the President invited us to the White House. We sat one Saturday all day around the table with the President. In the next week, on Wednesday, we spent a whole afternoon with him discussing ways and means across the Cabinet table to meet this situation. Before the President's message and before we were invited down to the White House this committee had considered some of these provisions in the bill, among others the pay cut. The committee tentatively agreed to but never reported out a bill to reduce salaries all along the line. The first day we were at the White House the chairman of the committee frankly asked the President whether he would approve that pay cut. The President gave his reasons why he was opposed to it and presented another proposition. That is the proposal known as the furlough plan, which is not in the committee print of the omnibus bill, but which will be offered as a substitute to title 1 when we come to read the bill. In the brief time allotted to me I wish to explain to you the difference between the pay-cut plan and the furlough plan.

The pay-cut plan has been explained to you by the chairman of the committee, Mr. MCDUFFIE. It provides for a reduction in pay of 11 per cent, with an exemption of $1,000. That plan will save $67,000,000. There is some talk here of offering an amendment to raise the exemption to $2,000. That would reduce the savings of this item down to eighteen and a half million dollars. You gentlemen who agreed, or seemed to agree, when the revenue bill was under consideration that we had to balance the Budget, especially you gentlemen who did not agree with the committee in the revenue bill, after striking out the important features of that bill, did not have a program to present to balance the Budget. I want to impress upon you who are still for balancing the Budget and who seem to have approved of the policy that $200,000,000 more saving had to be made, that before you start to cut on any part of this bill you either ought to have ready to present something else that will

make a saving of $200,000,000 or you ought to amend your professions that you are for balancing the Budget. [Applause.]

Mr. BRITTEN. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. I would rather not. I shall after a while when I get further along.

Mr. BRITTEN. I merely wanted to ascertain if the gentleman's $18,000,000 saving——

Mr. RAMSEYER. I am not yielding.

The CHAIRMAN. The gentleman declines to yield.

Mr. RAMSEYER. We are in a crisis. The economic situation is serious, bordering on the dangerous. That fact can not be brushed aside. I am often impressed when I see how this House functions that everybody in the United States knows there is a crisis except the Members of this House. [Applause.] We have to meet this crisis. As I stated, if the debacle on the revenue bill had a distressing effect on business and shook the confidence of the people in Congress, I am here to tell you that if you fail, in the bill that is now before you, to reduce governmental expenditures upward of $200,000,000, you will again shock business, and such confidence as there is left in Congress will be still further diminished.

Mr. O'CONNOR. Will the gentleman yield?

Mr. RAMSEYER. Not now.

Now, we are operating under a liberal rule, and the people are going to judge you by the way you conduct yourselves during the consideration of this measure. I am not trying to discourage amendments, but let your amendments be constructive and let your amendments be such that the object to be attained will not be defeated by your amendments. The people of this country, especially the people who live in the rural sections, such as I represent, expect this Congress to consider and pass a bill that will effect a saving of upward of $200,000,000.

Now I want to go to this bill. At the proper time I intend to offer a substitute for Title I. When the time comes you can get copies of committee print, which was printed for your convenience, containing this substitute.

The furlough plan, in the first place, recognizes the principle of the 5-day week. The per diem employees are now on a 5½-day week. Instead of having a 5½-day week they will have a 5-day week and will be paid proportionately. For all annual employees we do, in effect, the same thing that we do for the per diem employees. The per diem employees will lose one-half day each week. Fifty-two weeks in the year means 26 days annually. The annual employees will be given a furlough without pay for one month. In both instances the bill does not apply to employees who receive $1,200 a year and less, and in no case will the employee's salary be reduced below $1,200.

Now, I know Members of this House are more intimately acquainted with the Postal Service than they are with any other service. It touches all people. I was a member of the Committee on Post Offices and Post Roads for a number of years up until four or five years ago. I think I know something about the Postal Service. I had the Post Office Department prepare a chart which will give you a picture of how both plans will work as to the postal employees.

The statement is as follows:

Statement comparing the furlough plan with the 11 per cent salary-cut plan as applied to the Postal Service

Branch of service	Present number of regular employees	Present total regular pay roll	Saving by 11 per cent cut	Effect of 1 month's furlough plan			
				Gross saving	Cost of additional substitute service	Net saving	Number of additional substitutes employed
Post Office Department	1,450	$2,969,660	$167,163	$253,000		$253,000	
Inspection service	664	2,369,200	187,572	197,000		197,000	
First and second class postmasters	4,088	13,618,700	982,277	1,138,000		1,138,000	
Third-class postmasters	10,800	18,185,200	812,372				
Fourth-class postmasters	33,870	15,996,100					
Assistant postmasters	2,776	7,113,800	477,158	595,000	$199,000	396,000	
Clerks, etc., first and second class offices	76,520	162,792,760	9,490,004	12,935,000	1,560,000	11,375,000	5,000
City letter carriers	53,014	110,743,100	6,350,391	9,305,000	2,280,000	7,025,000	7,000
Village carriers	1,008	1,326,500	35,035	110,000	30,000	80,000	100
Rural carriers	41,597	84,849,244	4,757,747	10,312,500		10,312,500	
Railway postal clerks, etc	21,211	51,894,550	3,368,590	4,325,000	810,000	3,515,000	2,000
Motor vehicle service	3,818	7,828,050	440,885	652,000	157,000	495,000	400
Mail bag repair shops	421	676,150	28,066	49,420		49,420	
Miscellaneous	228	540,540	33,280	45,045		45,045	
Total	251,075	483,841,554	27,130,480	39,916,965	5,036,000	34,880,965	14,500

NOTE.—Rural carriers' equipment allowance reduced to 1½ cents per mile in lieu of furlough.

Mr. RAMSEYER. At the top you see "Statement comparing the furlough plan with the 11 per cent salary cut, as applied to the Postal Service."

In the first column is the branch of the service.

In the second column the present number of regular employees in each branch of the service. Altogether there are 251,075.

The third column is the present total regular pay roll of each branch of the service.

In the fourth column is the saving by the 11 per cent cut. The 11 per cent cut reduces expenditures for the Post Office Department $27,130,450.

In the remainder of the chart is a subheading "Effect of the one month's furlough plan." In the first column under this subheading is the gross saving from each of the services. That is $39,916,965 total.

In the second column is the cost of additional substitute service, which is a total of $5,036,000.

In the third column is the net saving, which is $34,880,965.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOOD of Indiana. Mr. Chairman, I yield to the gentleman from Iowa nine additional minutes.

Mr. RAMSEYER. In the last column is the number of substitute employees which can be worked in under this plan, 14,500. The number of substitutes in the Postal Service—that is, men on part-time work—is something like 30,000. Under this plan the estimate for additional substitutes, as estimated by the Post Office Department, will be something like 14,500 men. In the bill as presented to you the Saturday half holiday is done away with, which, of course, lengthens the week for the Postal Service from five and one-half days to six days. In the furlough plan we leave it at five and one-half days, which increases the number of substitutes that can be used.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. RAMSEYER. In just a moment.

Then the furlough plan for annual employees of one month without pay gives employment to additional substitutes.

The rural carriers, under the pay-cut plan, of course, are cut just as all other employees. That is, 11 per cent over the $1,000 exemption. The furlough plan does not apply to the rural carriers, nor, of course, does the Saturday half holiday apply. The rural carriers are reduced in pay in that instead of receiving 4 cents a mile for equipment allowance they receive 1½ cents.

Now I yield to my colleague for a question.

Mr. DOUGLAS of Arizona. The gentleman inferred that the 5½-day week would continue in force under the furlough plan. It was my understanding of the furlough plan that, in effect, either by reason of reducing the per diem employee to five days, or by reason of compelling the annual employee to take a month's leave without pay, the week would be shortened to five days, which in substance was the reason for the necessity for employing additional substitutes. Otherwise it is not clear in my mind as to why additional substitutes must be employed.

Mr. RAMSEYER. The per diem employees are placed on a 5-day week plan. The annual employees are not changed.

Of course, the annual employees in the department here in Washington get 30 days leave now; in the field they get 15 days leave. The nature of the work in the Post Office Department is such that when one of the employees goes on leave a substitute must be put in his place, and the substitute receives less pay than the salary of the regular employee. There is where the saving comes in.

Mr. DOUGLAS of Arizona. And that is why additional substitutes must be employed.

Mr. RAMSEYER. That is correct. One argument for the furlough plan which is fairly plain is to prevent the discharge of employees, by staggering the work; and, if the appropriations are greatly cut too much in the appropriation bills, as there seems to be a tendency in the Senate to do, this furlough plan contemplates that there will be less discharges of employees in the Government services, and in the Post Office Department and some other services there will be room for substitute workers.

The idea of staggering is to make it less necessary to discharge employees and to give more of the employees work. It is true that some of them under this plan lose a little more in dollars and cents than under the pay-cut plan, but there is a principle involved which has been carried out in many of the industries; that is, that rather than discharge employees the work is spread among more employees. It is true it results in reduction in pay over a long period of time.

Mr. DOUGLAS of Arizona. If the gentleman will yield for just a very brief statement, I think what the gentleman has said proves my contention that the furlough plan, in effect, reduces the working week of the annual employees in the Postal Service in the District and in the field from 5½ days to 5 days per week, and that that, in essence, is the reason for the necessity of employing additional substitutes.

Mr. RAMSEYER. The gentleman's statement is correct. Of course, in the Post Office Department the per diem employees are not as numerous as they are in some other Government establishments, as the navy yards and some other branches of the Government service. If I understand the Postal Service correctly there are not so many per diem employees in it. The employees mostly are on annual pay rolls.

Mr. BOWMAN. Will the gentleman yield?

Mr. RAMSEYER. If it is a question with regard to the operation of the furlough plan, I yield; yes.

Mr. BOWMAN. With reference to the rural carriers, have you estimated the difference between the 1½ cents per mile and the reduction that would be effected by the furlough plan?

Mr. RAMSEYER. The furlough plan can not be applied to rural carriers in such a way as to produce any savings, because the substitutes in that service will receive the same pay as the regular carriers. The rural carrier, in the furlough plan, loses a little more than one month's pay.

Mr. BOWMAN. How does that reduction compare with the 11 per cent reduction?

Mr. RAMSEYER. Of course, on different salaries it is a little different. Any salary can be divided by 12 and the reduction effected by the furlough plan ascertained. It can be figured out by the pay-cut plan, and the two results compared. Let me be frank—in dollars and cents under the pay-cut plan many employees lose some dollars less than they would lose under the furlough plan. The furlough plan saves more money for the Treasury, and at the same time makes it less necessary to discharge employees. It is more economical and beyond question more humane. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired.

The Clerk read as follows:

PART II

TITLE I.—COMPENSATION REDUCTION OF FEDERAL EMPLOYEES

SECTION 101. As used in this title, the term "compensation" means any salary, pay, wage, allowance (except allowances for subsistence, quarters, heat, light, and travel), or other emolument paid for services rendered in any civilian or noncivilian office, position, employment, or enlistment; and includes the retired pay of judges, and the retired pay of all commissioned, warrant, enlisted, and other personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Lighthouse Service, and the Public Health Service; but does not include payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of employees.

SCHEDULE OF TEMPORARY REDUCTIONS

SEC. 102. (a) During the fiscal year ending June 30, 1933, the compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced as follows: Compensation at an annual rate of $1,000 or less shall be exempt from reduction; and compensation at an annual rate in excess of $1,000 shall be reduced by 11 per cent of the amount thereof in excess of $1,000.

(b) For the purposes of determining the percentage of reduction under this section applicable to any office, position, employment, or enlistment the compensation for which is calculated on a piecework, hourly, or per diem basis, the annual rate of compensation shall be held to be the total amount which would be payable for the regular working hours and on the basis of 307 working days, or the number of working days on the basis of which such compensation is calculated, whichever is the greater.

EXEMPTIONS FROM REDUCTION

SEC. 103. Section 102 of this title shall not apply to—

(a) any office, position, employment, or enlistment the compensation for which is expressly fixed by international agreement, or

(b) compensation paid under the terms of any contract in effect on the date of enactment of this act if such compensation may not lawfully be reduced, or

(c) any office the compensation of which may not, under the Constitution, be diminished, in the case of any incumbent, during the term for which he was elected or during his continuance in office, unless the application of such sections to such office will not result in a diminution of compensation prohibited by the Constitution, or

(d) any office, position, employment, or enlistment the compensation for which is adjustable to conform to the prevailing local rate for similar work; but the wage board or other body charged with the duty of making such adjustment shall immediately take such action as may be necessary to effect such adjustment, or

(e) commissioners of the United States Shipping Board; members of the Federal Farm Board (except the Secretary of Agriculture); members of the International Joint Commission, United States section; or members of the Board of Mediation.

GOVERNMENT CORPORATIONS

SEC. 104. In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of sections 101, 102, and 103 to offices, positions, and employments under such corporation and to officers and employees thereof.

SUSPENSION OF SATURDAY HALF HOLIDAYS

SEC. 105. (a) The provisions of the act entitled "An act providing for Saturday half holidays for certain Government employees," approved March 3, 1931 (U. S. C., Sup. V, title 5, sec. 26a), shall be inoperative during the fiscal year ending June 30, 1933, and the provisions of law amended by such act shall apply as if such act had not been enacted.

(b) The provisions of the act entitled "An act to provide a shorter work week for postal employees, and for other purposes," approved February 17, 1931 (U. S. C., title 39, sec. 831), shall be inoperative during the fiscal year ending June 30, 1933, except in the case of employees of the Railway Mail Service, and the provisions of law amended by such act (except in so far as they relate to employees of the Railway Mail Service) shall apply as if such act had not been enacted.

REMITTANCES FROM CONSTITUTIONAL OFFICERS

SEC. 106. In any case in which the application of the provisions of this title to any person would result in a diminution of compensation prohibited by the Constitution, the Secretary of the Treasury is authorized to accept from such person, and cover into the Treasury as miscellaneous receipts, remittance of such part of the compensation of such person as would not be paid to him if such diminution of compensation were not prohibited.

REDUCTIONS INAPPLICABLE WHEN COMMODITY PRICE LEVEL RISES

SEC. 107. If at any time prior to June 30, 1933, the President finds that for a period of 120 days the average wholesale commodity price level is within 10 points as high as the average wholesale commodity price level of the year 1926, indicated by the figure 100 in the revised index of the Bureau of Labor Statistics of the Department of Labor, he shall issue a proclamation to that effect, and upon the issuance of such proclamation the foregoing provisions of this title shall cease to be in effect.

LIMITATION OF JURISDICTION OF COURTS

SEC. 108. No court of the United States shall have jurisdiction of any suit against the United States or against any officer, agency, or instrumentality of the United States arising out of the application of any provision of this title, unless such suit involves the Constitution of the United States.

PERMANENT SALARY REDUCTIONS

SEC. 109. Beginning July 1, 1932, the salary of each of the members of the International Joint Commission, United States section, shall be at the rate of $5,000 per annum.

SEC. 110. Beginning July 1, 1932, the salaries of the commissioners of the United States Shipping Board, the members of the Federal Farm Board (except the Secretary of Agriculture), and the members of the Board of Mediation shall be at the rate of $10,000 per annum.

SEC. 111. Beginning July 1, 1933—

(a) The salaries of the appointive members of the Federal Reserve Board, the commissioners of the Interstate Commerce Commission, the Administrator of Veterans' Affairs, and the commissioners of the United States Tariff Commission shall be at the rate of $10,000 per annum.

(b) The salaries of all judges (except judges whose compensation may not, under the Constitution, be diminished), if such salaries are in excess of $10,000 per annum, shall be at the rate of $10,000 per annum.

APPROPRIATIONS IMPOUNDED

SEC. 112. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any other purposes but shall be impounded and returned to the Treasury.

Mr. O'CONNOR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 2, lines 14, 16, and 17, strike out "$1,000" and insert in lieu thereof "$2,000."

Mr. DOUGLAS of Arizona. Mr. Chairman, I rise in opposition to the amendment, because it is my impression the House is under a serious misapprehension.

The gentleman from New York [Mr. O'CONNOR] has referred to other savings or to other reductions in expenditures which might be effected as a result of consolidations or mergers which the Economy Committee at some future time might possibly recommend to the House.

In the first place, it is difficult to estimate what savings, if any, will result from consolidations and mergers. It is difficult to state with any degree of accuracy that there will be, as a matter of fact, any savings resulting from consolidations and mergers. There are unquestionably overlapping activities between the various bureaus and agencies of the various executive departments and of the independent establishments, but it is, I repeat, difficult to state what economies, as a matter of fact and not as a matter of speculation, can be effected as a result of consolidation. The only way concrete, definite savings can be effected is by eliminating activities.

The Economy Committee felt, and I think it felt with some justice, that in view of the proposed cuts now under way by the body at the other end of the Capitol, it would hardly be fair for it to superimpose upon those cuts additional cuts. It would hardly be intelligent to impose upon the cuts contemplated by the Senate additional cuts in this body, and it felt that until the action of the other body had become perfectly clear, it would be almost an act of injustice to do anything more than that which the committee has here done.

The gentleman from New York [Mr. O'CONNOR] proposes to raise the exemption under Title I to $2,000. The gentleman from New York has stated that the Economy Committee in approaching the problem of economy proceeded along the following lines, by stating that so much money had to be saved as the result of cutting pay; and after having determined how much money should be saved, the Economy Committee thereafter proceeded to erect a formula which would save that given amount.

Much as I respect the gentleman from New York, I take issue with him on the assumption which he has made. Let me give you, or attempt to give you, what appears to me to be a clear statement of the Federal salary situation.

In the first place, I will admit, and admit frankly, to the Members of the House that there are inequalities in the pay scale. I would not attempt to deny this; but within the limited period of time at the disposal of the committee it was impossible, it seemed to us, to equalize these inequalities.

The first fact which stands out clearly in any survey of Federal pay is that approximately 70 per cent of the pay roll is to be found in the $2,400 bracket or under; and the second fact which stands out clearly, I think, as a result of a review of the report of the Personnel Classification Board, is that Federal employees receiving, as I recall it—I may be off $50 or $100—$1,800 or less are better paid than the same class employed in similar occupations in private life, whereas those receiving $1,800 or more in the Federal employ are receiving comparatively less than those occupying similar positions in private life.

[Here the gavel fell.]

Mr. BRITTEN. Mr. Chairman, I offer a substitute for the amendment that is pending increasing the exemption to $2,500.

The Clerk read as follows:

Substitute amendment offered by Mr. BRITTEN to the amendment offered by Mr. O'CONNOR: Strike out "$2,000" and insert in lieu thereof "$2,500."

Mr. BRITTEN. Mr. Chairman, my first impulse was to offer a substitute providing for an exemption of $3,000, but after hearing the distinguished gentleman from Arizona, Mr. DOUGLAS, and his statement that 70 per cent of all the employees of the Government are in the brackets below $2,500 I changed my mind and offered an amendment for an exemption of $2,500.

Surely, while this economy histeria is going on, we do not want to suggest that our hundreds of thousands of Federal employees all over the United States merely work to live or to exist. There must be something else in life besides mere work.

It is true that we should think of conserving the Treasury. It is true, as the gentleman from Iowa has said, we should think of business and business conditions; but it is also true that we hold in the palm of our hands the destiny for the next year, the activity, the life, the happiness, the welfare of hundreds of thousands of employees of the Government. [Applause.] They are our principal charge and we must not destroy them. They constitute a great national asset.

Mr. Chairman, I do not propose to allow myself to be stampeded by a lot of this silly hysteria that has been going on in this House this afternoon. We are working at cross purposes. We are taking the bull by the wrong end [laughter], and I mean it; and we are going to be kicked in the face if we are not very careful. [Laughter and applause.]

Let me suggest one thing. For the saving of a measly $17,000,000 or $18,000,000, affecting 341,000 poorly paid employees, we are being asked to reduce their already low salaries. Surely this is not true economy. It will make for inefficiency, poverty, sadness, and further general depression. Most of these employees of the Government have families. They have kiddies going to school. They take them to a moving-picture show once in a while. They take them on a picnic on Sunday in a little unpaid-for car. Are you going to take this away from them? I do not think you are. You are not going to do it with my vote, and I know there are a lot of others who feel as I do about it. Life is meager enough for them. Their wants are few, but they are entitled to live in moderate comfort. Starvation wages has never been Uncle Sam's idea.

If you want to do something that is constructive and in line with the great volume of letters talked about to-day by the chairman of this committee, the gentleman from Alabama [Mr. MCDUFFIE]—letters coming from all over the United States asking us to cut down Federal expenses and

stop taxing people out of business—I suggest you tax something into business. Tax beer. Promote a new business. Put new money into circulation. Put a little fresh cheer into life.

Tax the 1,100 breweries of the country into activity. Give employment to many allied trades and provide pay and a living for 2,000,000 souls who would directly and indirectly benefit by this new and popular activity.

Mr. Chairman, there is nothing sacred about prohibition. It has had many years of serious trial. Costly years. It has been adjudged a failure by millions of people, who now desire a change. The time is not now far distant when we will tax beer in those States desiring it. Its revenue will go far toward relieving the unbalanced Treasury. The people usually get what they want—and they certainly want beer.

Mr. McDUFFIE. Will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. McDUFFIE. It is estimated that we may save fifty to one hundred million dollars by joining the Army and the Navy in a council for national defense. Will the gentleman vote for that?

Mr. BRITTEN. No. It is a reckless, foolish idea, on which you have had no expert advice. You will not save a hundred million dollars by it; on the contrary, it will prove to be another costly experiment on which a hundred million could easily be lost. I will tell you how you can save $600,000,000. Put 4 cents tax on a bottle of beer, and you will put into business instantly enterprises worth $840,000,000, enterprises that will immediately expend $200,000,000 in the rehabilitation of the breweries. You can here tax a big business into business that will save you not $100,000,000 but $600,000,000.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I rise in opposition to the amendment. Gentlemen of the House, the pay roll of this Government is more than one-quarter of the cost of the Government. It is $1,315,000,000. Adopt the substitute or the amendment, and if you adopt the substitute, out of $1,300,000,000 you will save on this pay roll only twelve or fourteen million dollars, and you will be laughed at throughout the country.

Now, it is no pleasure to reduce the salary of anyone, it is no pleasure to suggest the reducing of the salary of these splendid ladies and gentlemen who crowd the galleries this evening. But do not be stampeded by them and their friends or by any others. We do not propose to balance the Budget on this sum of $67,000,000, as proposed by the committee. You can not go back to your constituents and say we only took from the $1,300,000,000 salary roll the measly sum of $12,000,000. In order to understand how much a billion is there has not been a billion and a half minutes since the birth of Christ. Are you willing to go back to your constituents and say out of the $1,300,000,000 salary which you are paying we have saved you less than 1½ per cent?

Now, gentlemen of the House, do not let this propaganda, do not let the newspaper stories in Washington, do not let the various organizations stampede this House and prevent it from doing its duty to the taxpayers of the country, to those who pay these salaries.

Mr. BLANTON. Will the gentleman yield.

Mr. McDUFFIE. No; not now. The businesslike thing to do—and I urged it—the best thing to do was to take everyone on the pay roll of the United States Government and deduct 10 per cent of his salary, as every nation in the world has done, as every city—and I have a list of them, Chicago, Buffalo, Detroit, and many others throughout the country have had to do—take 10 per cent, and save $133,000,000 for the taxpayers.

Mr. SCHAFER. Will the gentleman yield?

Mr. McDUFFIE. Not now. You would save, not the measly sum of twelve to fourteen million dollars, but you would have something worth while, $133,000,000 for the year 1933.

Do not you think that a man fortunate enough to have a job with Uncle Sam at $1,200, since the cost of living has gone down twice as much as we propose to take—do you not think he is fortunate when compared with the man walking the street out of employment with no job at all?

We are all taxpayers, we all pay our part; the average man enters into the picture—you can "soak the rich," but after all they have a way of passing it down to the consumer—you may put it on the power company, you may put it on the street cars, you may put it on the railroads, but in the end it is the average man, the consumer, who pays the bills of this country. [Applause.] Every man in the United States other than those on the pay roll is interested, if you please, in putting this Government back on an even keel financially. I submit to you as honest, upstanding Representatives of the American people that it is farcical, it is ridiculous, to talk about saving $12,000,000 out of a billion-dollar pay roll. [Applause.]

Mr. SCHAFER. Mr. Chairman, I rise in favor of the amendment. The gentleman who introduced the amendment briefly spoke about a real plan of balancing the Budget. The gentleman from Iowa [Mr. RAMSEYER] talked about our being confronted with a serious situation in this Nation, which is parallel to the war-time situation, and particularly stressed the condition of the Treasury.

May I suggest to the gentleman from Iowa that not more than two years ago a good many of these economy peddlers who are now fearful about the Treasury painted a wonderful picture of prosperity and how the Treasury of the Nation was practically running over because of the incorporation into the Constitution of the eighteenth amendment and the sumptuary laws enacted thereunder. If you will look at page 26 of the hearings on the tax bill, you will find that the Secretary of the Treasury testified that in the year 1919 the revenue received by the Federal Treasury under the excise tax on beverages containing more than one-half of 1 per cent of alcohol amounted to the staggering sum of $483,000,000, many times the few millions that you want now to whittle off the pay checks of the Government employees in the name of balancing the Budget.

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. In just one moment, if the gentleman will get me more time. We find that these economy peddlers on the Economy Committee have not attempted in any way to reduce the cost of government by reason of the prohibition laws. We are not only not receiving hundreds of millions of dollars from an excise tax on alcoholic beverages, but are spending over $40,000,000 of the Federal taxpayers' funds each year to enforce the unenforcible prohibition laws.

If you really want to balance the Budget and help the taxpayers, I respectfully suggest that you sign the petition and discharge the committee from the consideration of the beer bill so that it can come before the House for consideration and passage with your assistance. Help the Federal Treasury to the tune of about $500,000,000 each year, and you will not have to cut the salaries of the Federal employees who are now receiving less than $2,500 per year.

I for one will not vote to reduce the salaries of the efficient postal employees whose backs are curved and humped from carrying products of mail-order houses, newspapers, and other publications at a loss of over $100,000,000 annually to the Federal Treasury. Many of the owners of these mail-order houses, newspapers, and publications are carrying on an intensive drive to reduce the salaries of the postal and other Government employees in the name of the taxpayers and a balanced Budget. They had better come into court with clean hands and advocate a raise in postage on their products so they will not be carried at a loss to the Federal Treasury of over $100,000,000 annually before they ask for the saving of a few millions by reducing the salaries of the postal employees.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. MAAS. Mr. Chairman, this whole subject that is so engrossing the Congress and the country is one that should not be considered in such a hasty and unstatesmanlike manner as we have it presented to us now, because the conse-

quences are not for to-day alone but almost for all eternity, perhaps, because to-day the whole world is looking to this country for stability; and if we collapse, it means the collapse of civilization. We are all seeking the same object. The question is, What is to be the method? The question of reducing the salaries of Federal employees from the standpoint of justice, as to whether they can stand the burden or not, is one to be looked at very seriously, of course. I venture to say that the vast majority of all the Federal employees to-day are supporting from one to three or more people who would be normally self-supporting, and just because these people are working for the Government they have to stand this extra burden.

They can not bear any more. But, aside from the justice to the individual employee, it is not $100,000,000, or whatever it is you say you are going to save, that is important, but it is the billions of reduction that will take place in the purchasing power of the American people. It is our example now that general business will follow throughout all industry in the matter of wages. The demand is for return of prosperity. That is our real object. You say you want to cut salaries so that you can inspire confidence and reestablish prosperity. What man among you has ever heard of a period of prosperity when wages were going down? Do you think you ever will? The proper thing is to maintain the standard of living, because if we cut now, the rest of the country will say, "Congress has lost confidence in the future of America to such an extent that it has had to reduce the standard of its own employees," and it will cause a panic if ever anything did. Yes, we must reduce Federal expenditures. It is absolutely essential, but salaries constitute about 17 or 18 per cent of the total Budget. Why do you not direct attention to the balance of the Budget—the other 83 per cent, where there is an opportunity for some real economy?

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. MAAS. I have such little time that I would rather not.

I want to read to the committee a letter from a large retail store in my district. This is dated April 25. It is from the Golden Rule, of St. Paul:

> DEAR SIR: My attention has been called to the fact that many Federal employees have heard that the Golden Rule is instrumental in trying to have salaries reduced of people employed by the Government.
>
> We do not know where this rumor started, but I wish to inform you that it is entirely erroneous. It would be folly for the Golden Rule or any other retail organization to attempt to have salaries reduced, regardless of whether people are employed by the Government or by private business.
>
> Retail business is dependent upon the income of employed people. When salaries are reduced, it means a loss in our own business, as the purchasing power of our customers has been reduced.
>
> The Golden Rule has many hundreds of people on its pay roll. These people are dependent upon us for their livelihood. We want to keep this large organization intact, but can only do so by maintaining our volume of business. If salaries continue to decline, it would materially affect our own organization and our business. Why should we be instrumental in a movement that not only affects the purchasing power of our patrons, but ourselves as well?
>
> We trust that we have made our position clear in this matter.

Now, gentlemen, I have had an analysis made of all the letters I have received in favor of salary reductions, and 80 per cent of them have come from employees of chain stores, and in following it up to the individuals, I find they have been instructed to write to me and to other Members. These letters are not spontaneous from those people at all. They are inspired. They are ordered. Yet what folly. If we are to reduce the purchasing power of the American people, how can we revive prosperity?

Mr. McDUFFIE. Will the gentleman yield?

Mr. MAAS. Yes. I will be glad to yield to the chairman of the committee.

Mr. McDUFFIE. Under the gentleman's theory, then, the way to bring about prosperity is to have more employees and to raise their salaries?

Mr. MAAS. Yes, sir. That is exactly my position. The way to do that is to get more people on the pay rolls of industry and business, not the Government, until all unemployment is absorbed into self-supporting employment, and then always strive for a higher standard of living for the wage earner, which comes about from higher wages. It is with the wages of the mass of workers that industry's products are purchased and from which dividends are paid.

The thing for us to do is to revive business and revive the source of revenue, and not choke it off.

Mr. McDUFFIE. Where is the revenue coming from to pay the salaries?

Mr. MAAS. Tax beer and liquor. That is where you can get it. [Laughter and applause.]

It is utter folly and rank hypocrisy to prattle about balancing the Budget and eliminating the deficit by cutting the veins of the employees and draining out the very heart blood in a hysterical terror to make governmental ends meet, when staring us in the face, yea, mocking us with satirical ridicule is the means at hand to save these all too inadequate salaries, to preserve the high American standard of living, the very essence and secret of our past successes and the basis of all our prosperity.

How can any man among you justify this unreasonable, inhumane, backward step of cutting the living wages to balance a depleted Budget before you have exhausted every other alternative.

By taxing the liquor traffic you will raise 10 times in revenue the amount you now propose to chisel off from the Budget. It is not a question of returning the liquor traffic in order to tax it. The traffic is here, and it is merely a question of whether we have the honesty and courage to admit what the whole world knows and to take the revenues for the benefit of the people, that now go to the enormous octopus and parasite of society, the organized crime rings. Have we the courage to defy the lords of the underworld and tax them? Let us show at least as much courage in taking from them as you are showing in proposing to take away from the small-salaried family man who is the backbone of this great country.

Oh, gentlemen, let us not give up and surrender in abject fear and terror at the first reverse we meet in our great march on and upward in the social advancement. Our progress has been marvelous so far. We have met setbacks before. Our hardy predecessors never lost faith. They marched on and over the obstacles. Let us take courage from them. Let us not retreat now in utter confusion and rout. Let us renew our faith and demonstrate our hope by looking ahead and up, not backward and down. We can not go back without surrendering. We have not reached the end of the road. We have only got well started. I plead with you to reinspire the confidence of the country and the world by showing it ourselves.

Instead of going backward and down into the depths, let us resume going ahead and upward again by holding our hard-won gains in the standard of living by maintaining the wage level. Take the revenues from the bootleggers and racketeers. They are draining billions annually from legitimate commerce.

We have no right to ignore that source of revenue, that method of balancing the Budget and then try to do it by imposing hysterical taxes and salary cuts that will in the end only defeat their own purpose.

Only if we are to admit that we have run our race, that our day in America is over and that we are now starting down the path of the exhausted Roman Empire never to return have we the right to resort to such methods as proposed now.

I, for one, am not willing to admit that the race is over, nor even half run. I refuse to admit our complete failure. We are but pausing for our second breath and then the race will be swifter than ever. Hope, courage, faith, Americans! Our greatest days are yet ahead. We are not crushed and nothing can crush us but our own willingness to admit failure. Cutting salaries of the low-paid workers will be such an admission. To reject such a cut will be serving notice to the world that we are ready to face the future courageously.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. COCHRAN of Missouri. Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri [Mr. COCHRAN].

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. Of course, I do not object, because my colleague has been recognized. I do not wish to make the point of order myself. I think the gentlemen in charge of the bill are responsible, but there are two amendments pending, one amendment and one substitute amendment, and, as I understand the rules, there are five minutes allowed on each side. We have had more than that. I want to say, Mr. Chairman, that I think we ought to vote upon this at an early time. It is a simple matter, and unless the chairman of the committee insists upon the rule, I shall make the point of order myself.

The CHAIRMAN. That, of course, is the pleasure of the committee. The Chair has recognized the gentleman from Missouri [Mr. COCHRAN] for five minutes.

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in support of the amendment. I desire to answer the gentleman from Alabama [Mr. McDUFFIE]. The gentleman asks if we dare return to our constituents and say that we failed to reduce the salaries of the postal employees. At this moment we seek to protect those in the lower brackets. No matter what the result is, those in the high brackets, including Congressmen, suffer a reduction.

I am satisfied that when the people of my State—not my district, because I am forced to run at large throughout the entire State of Missouri—when the people of my State understand the situation, they will agree my vote was properly cast.

No fair American will stand for discrimination. This afternoon, when there were not so many Members on the floor as at the present time, I asked the members of the committee to read this bill carefully. The salary reduction amendment which you would have applied to those in the Postal Service is but one of six reductions that the postal employees of this country will be required to accept if this bill is passed as brought in by the Economy Committee. This group will suffer a reduction double that of any class receiving a like amount.

There is a provision in this bill which reduces their subsistence allowance from $3 to $2 per day.

There is a provision in this bill that takes away from the Government employee, including the postal employee, the Saturday half holiday.

There is a provision in this bill that takes from the postal employee night differential pay.

There is a provision in this bill that takes from the Government employee that which labor has fought for for 50 years, the right to be paid for overtime.

There is a provision in this bill which deprives the postal employees of extra pay for work on holidays and Sundays, something they have enjoyed for years.

There is another provision in this bill that denies to the postal employees automatic promotions. That law is suspended.

Do you mean to tell me that the people of this country are satisfied that you shall take seven different and distinct benefits which have been enjoyed by the Government employees away from them?

I am satisfied, Mr. Chairman, that the people of my State are not expecting us to do that. The trouble with the country to-day is that consumption has failed to keep pace with production; and until we find a way to consume that which we produce, it is my opinion that we will not start back on the road to normalcy. The proposition before the House to-day should be properly labeled "A bill to stimulate unemployment," because that is what will result.

I say to you gentlemen that I have been for 10 weeks openly opposed to reducing the salaries of the Government employees in the lower brackets. That has been printed in every newspaper in the United States, and it has been carried by every press association in the United States. I have not received more than 25 letters from my State demanding that the Government employee receiving barely a living wage be reduced. [Applause.]

[Here the gavel fell.]

Mr. DYER. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. I make the point of order that all debate on the pending amendment has been exhausted.

Mr. MANLOVE. Mr. Chairman, let me ask the gentleman whether he will not permit general debate on this until everybody has had an opportunity of saying what he wanted to say?

Mr. DYER. I believe both sides have been presented adequately enough for us to know exactly what it is. It is a question of whether there shall be a $1,000 exemption, a $2,000 exemption, or a $2,500 exemption.

The CHAIRMAN. Does the gentleman from Missouri insist upon his point of order?

Mr. BRITTEN. Mr. Chairman, I ask the gentleman from Missouri to withhold his point of order for one minute.

Mr. McDUFFIE rose.

Mr. DYER. I yield to the gentleman from Alabama [Mr. McDUFFIE].

Mr. McDUFFIE. I ask unanimous consent that all debate on the amendment and the substitute close in 30 minutes.

Mr. KUNZ. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. Is there objection?

Mr. DYER. Mr. Chairman, I renew the point of order.

The CHAIRMAN. The Chair sustains the point of order of the gentleman from Missouri.

Mr. BYRNS. Mr. Chairman, I move to strike out the last three words. Certainly that has not been debated.

Mr. DYER. I make a point of order against that.

Mr. BLANTON. Mr. Chairman, in order to get the floor, I move to strike out the enacting clause of the bill, which is a preferential motion.

The CHAIRMAN. The regular order is to vote on the adoption of the substitute.

Mr. BLANTON. No, Mr. Chairman. I submit a preferential motion to strike out the enacting clause.

The CHAIRMAN. The gentleman from Texas has offered a preferential motion which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to strike out the enacting clause of the bill.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. No; do not do that.

SEVERAL MEMBERS. We object.

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

Mr. BLANTON. Mr. Chairman, I shall not yield for any parliamentary inquiry.

Mr. McDUFFIE. I make a point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. McDUFFIE. There is no enacting clause to this amendment.

Mr. BLANTON. Mr. Chairman, there is an enacting clause to the bill.

The CHAIRMAN. Of course there is an enacting clause to the bill. The point of order is overruled.

Mr. BLANTON. Mr. Chairman——

Mr. STAFFORD. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. A motion to strike out the enacting clause is not in order while the committee has under consideration pending preferential amendments that have not been acted upon.

Mr. BLANTON. Mr. Chairman, to strike out the enacting clause is one motion that is always in order.

Mr. STAFFORD. The gentleman may say it, but it is not always in order until such amendments have been acted upon.

The CHAIRMAN. The rule of the House clearly states that such a motion has precedence, even over a motion to amend. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, I have stood for strict economy in all governmental expenditures ever since I have been in Congress. I have fought against all waste and extravagance. I have fought to abolish useless bureaus. I have fought against excessive salaries. I have consistently fought against the creation of all new bureaus and for proper limitation both on the number of employees and also for placing a proper maximum on the amount of salaries.

For some time I have had my House Joint Resolution No. 344 pending before the committee to reduce all salaries above $2,200, and to cut our own salaries down to $7,500, and to limit all governmental salaries that are not fixed by the Constitution to a maximum of $7,500.

My measure would repeal the classification act and abolish the Classification Board, and all of the unreasonable high salaries it has fixed, and return to the salary basis that existed prior to the passage of that foolish act, which has caused bureau chiefs and assistants to be raised from salaries of $1,800, $2,200, $2,500, and $3,000 to the outrageous and never-dreamed-of amounts of $5,000, $6,000, $7,000, and $9,000 salaries that are not earned, and are double and treble their former remuneration.

This committee bill does repeal the classification act and abolish the Classification Board, but it does not abolish the high salaries wrongfully created, and it does not put such salaries back on the basis that existed prior to the passage of the classification act. This we must do before we finish this bill.

I will go as far as any of you colleagues in cutting the high salaries, including our own. But we ought not to cut any salaries below $2,200. It takes that amount for any family to live in Washington. They have to pay rent, and for food and clothing and coal and ice and doctors' bills, dentists' bills, medicine, and sometimes hospital expenses and church and fraternal contributions and assessments, and they must properly school their children. No family can do this decently in Washington on less than $2,200 per year.

We have properly established in the United States an American standard of living. It means nothing more or less than living as human beings in a decent manner. Who of us would have an American family live in a manner that is not decent? Who would lower the American standard of living? Not one of us. Well, if we would not, we ought not to lower the salaries of not more than $2,200, but cut only the higher salaries above that amount.

When President Hoover got this Congress to pass his outrageous $2,000,000,000 Reconstruction Finance Corporation bill, which I opposed from this floor, I then called attention to the fact that because it had no proper limitations in it, there would be an army of new employees put on the Government pay roll, and they would be paid outrageously large salaries. That has happened. They have an army of employees. They are paying many huge salaries, ranging up to $16,000 per annum. Is not it ridiculous for us to allow that to continue? Here we are in this bill reducing the $10,000 salaries drawn by United States Senators and Congressmen, and still allowing that Hoover supercorporation to pay employees $16,000 per annum.

If President Hoover wanted economy, why did he have that bill framed so that General Dawes could pay these outrageous salaries without limit? Why, the answer is plain. He wanted those high salaries paid, and he knew all about the personnel of his political friends who would be appointed to draw them.

There are faithful, loyal employees of this Government, who now get only $2,160 per annum, who have not had a raise in salary for 10 years.

Would it not be outrageous to cut their salaries? How on earth will a family live in Washington, with rents higher here than anywhere else in the world and with everything else higher in proportion—how would they pay their expenses and live like human beings on less than $2,160 a year?

I hope sincerely that this exemption will be raised to at least $2,200.

I am in favor of most of this bill. I am in favor of the splendid proposition which our friend from Tennessee [Mr. BYRNS] put in this bill to consolidate the Army and the Navy into one Department of National Defense, because that will save at least $100,000,000 a year. That is one of the big items in this bill. Let us pass that item and have a unified Air Service, which will take in all of the four different air departments we now have. Let us stick to the big things. Let us save $100,000,000 there and not cut these small salaries to a point where people can not live on them. Let us let them live under the American standard of living and not under the peon system of the European nations.

Mr. McDUFFIE. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. McDUFFIE. The gentleman spoke of rents being higher here than anywhere else?

Mr. BLANTON. Higher than anywhere else in the world.

Mr. McDUFFIE. I agree with the gentleman and that it costs more to live here than anywhere else, but as long as we maintain these high salaries they will continue to prevail.

Mr. BLANTON. Cut the higher salaries. That is exactly what I want to do, and I will go with the gentleman as far as he likes in that direction.

Mr. McDUFFIE. We are cutting the higher salaries. We are cutting them more than we are cutting the low salaries.

Mr. BLANTON. I had hoped our friend would put in this bill a provision to abolish all of the high salaries raised by the Classification Board, which has stolen all of the money which we intended for the working employees of this Government and given it to the big chiefs and their assistants. [Applause.] But there is no attempt here to abolish the high salaries under that infamous act. It ought to be repealed.

Mr. McDUFFIE. It is repealed in this act; it is abolished under this act, and the President is authorized to transfer the Classification Board to the Civil Service.

Mr. BLANTON. But you do not abolish the high salaries already raised and fixed by that infamous act that have been carried on ever since the act was passed.

Mr. McDUFFIE. It will take two years to stop all of those infamous acts. We did not have the time to do it all at once.

Mr. BLANTON. I want to say that our friend deserves great commendation, and his committee as well, for the strenuous work they have performed. They deserve the commendation of the country. They have a good bill. I am with them on their bill. I am with them on 99 per cent of it, but this is one instance where we ought to amend it. We ought to make this exemption $2,200.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MAY. I would like to ask the gentleman if it is not a fact that under this bill $48,500,000 out of the $67,000,000 comes from employees whose salaries are under $2,000.

Mr. BLANTON. I would say from salaries under $2,200, and we ought not to cut any salary under $2,200. We ought not to do it.

Mr. Chairman, I moved to strike out the enacting clause of the bill merely as a pro forma motion, as that was the only parliamentary way of getting the floor. Of course, I am not in favor of striking out the enacting clause, and if my motion were put I would vote against it. I wanted to give my views on this bill, and the only way possible to do so was to make some motion that would give me the right to speak, and that was the only motion that was in order. I therefore ask unanimous consent that I may withdraw the motion, unless some one else wants to speak now and desires to rise in opposition to it, which would give them the floor.

Mr. STAFFORD and Mr. GOSS objected.

The CHAIRMAN. Objection is heard. The Chair recognizes the gentleman from Idaho [Mr. FRENCH].

Mr. GOSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. I understood the gentleman from Texas to move to strike out the enacting clause and I objected to his unanimous-consent request to withdraw it.

The CHAIRMAN. The Chair stated objection was heard. The gentleman from Idaho is recognized for five minutes in opposition to the motion of the gentleman from Texas.

Mr. FRENCH. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Texas because it would prevent this House from voting upon a program that means retrenchment; that means reduction of the expenses of our Government by some $200,000,000.

One week ago last Monday the gentleman from New York [Mr. O'CONNOR], who offered the amendment to increase the exemption from $1,000 to $2,000, the gentleman from Illinois [Mr. BRITTEN], who offered the amendment increasing the exemption to $2,500, the gentleman from Missouri [Mr. COCHRAN], and the gentleman from Minnesota [Mr. MAAS], all of whom have spoken against the reduction in any degree of salaries of $2,000 or $2,500, voted to concur in the Senate amendments to the Interior Department appropriation bill, which had the effect not of reducing salaries moderately but of striking from the roll of the Government 723 permanent and 1,645 temporary employees of the Interior Department. These gentlemen have made pleas for the man whose salary is about to be reduced. Is it not better to reduce the salaries of all in moderate degree, as we propose here, than to eliminate 2,500 employees from the privilege of drawing any salary whatever under the Interior Department bill? [Applause.]

The difference between the program recommended by the Economy Committee, saving $67,000,000 through the amendments which they have proposed, and the amount that would be saved if the amendments of the gentleman from New York or the amendment of the gentleman from Illinois were to prevail, is something like $50,000,000.

Gentlemen, if we are going to have regard in one day for what we have done the day before or the week before, we ought not to pass these amendments proposed by the gentleman from New York and the gentleman from Illinois [applause], because if we defeat them and pass the bill providing either for the 11 per cent reduction or the furlough plan, the Interior Department will be able to go forward during the coming year doing the great work that it ought to do and employing the 723 men who are on permanent rolls and the 1,645 men on temporary rolls. This is the only way that has been presented up to this good hour under which we may allow these men with their families to be protected in the positions which they hold. [Applause.]

The CHAIRMAN. The question is on the adoption of the amendment of the gentleman from Texas to strike out the enacting clause.

The motion was rejected.

The CHAIRMAN. The question is on the adoption of the substitute amendment offered by the gentleman from Illinois.

The question was taken; and Mr. BRITTEN asked for a division.

Mr. BANKHEAD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOUGLAS of Arizona and Mr. BRITTEN.

The committee divided; and the tellers reported that there were—ayes 173, noes 148.

So the substitute was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York as amended by the substitute just adopted.

The question was taken, and a division was demanded by Mr. STAFFORD.

Mr. CONNERY. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOUGLAS of Arizona and Mr. O'CONNOR.

The committee divided; and the tellers reported that there were—ayes 184, noes 93.

So the amendment as amended by the substitute was agreed to.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 4, strike out lines 13 and following down to and through line 4, on page 5.

Mr. McCORMACK. Mr. Chairman, the amendment which I have offered strikes out of the bill section 105, which relates to the Saturday half-holiday bill that we passed in 1931, and also relates to the 44-hour bill passed in 1931 with reference to those in the Postal Service.

All of you remember the debate on these two bills and remember the circumstances under which they passed the House. At that time the late Speaker, our late distinguished colleague, Nicholas Longworth, who has passed to the Great Beyond, rendered every possible assistance to Mr. KENDALL and the Post Office Committee in the passage of the 44-hour week bill, and also recognized the gentleman from New Jersey [Mr. LEHLBACH] for the purpose of submitting for the consideration of the House the Saturday half-holiday bill, which I had introduced, affecting all Federal employees other than those in the Postal Service.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. LaGUARDIA. Does it not seem rather inconsistent that while we are talking about a 5-day week and pretending to be for a 5-day week, we find here a provision abolishing the half-holiday provision that was recently enacted into law?

Mr. McCORMACK. Absolutely. For over 100 years mankind and, particularly the working men of America, have been striving for a work week which would be consistent, not only with the health of the individual worker but with the best interests of society. Private employers have recognized that times are changing, and have recognized the fact that the worker is entitled to consideration. They recognized this long before the Federal Government gave such recognition to its employees in 1931.

For many years prior to the passage of these two bills legislation had been introduced for the purpose of giving to those in the Federal service a Saturday half holiday, something that practically all the private employees had been given years previous.

Mr. DYER. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. DYER. The gentleman knows that the postal employees were for years and years seeking to secure this humane legislation, which finally became law, and has only been in operation a little over one year.

Mr. McCORMACK. Certainly, and we now see the Economy Committee—and I appreciate the situation that confronts the members—trying to take a step backward. This is nothing but turning back the pages of time. We have gone by the time when men worked six days a week. We have gone by not only so far as the public employees are concerned but also as to employees of private business. We are now approaching the day when of necessity we will have a 5-day work week, necessary as a means of circumscribing the evils that have arisen as the result of the substitution of machinery for human labor.

It is recognized that machinery is being so extensively and intensively used in industry that 2,000,000 workers have been displaced thereby to date. It is recognized that by 1940, unless something is done to regulate this evil, that those who are removed from employment as a result of the use of machinery will approximate 4,000,000 workers throughout the country.

Instead of considering a return, even though temporary, of the full 6-day work week for Federal employees, we should be considering the 5-day work week, due to the changed economic conditions resulting from the machine era that envelopes us. In any event, to return to the 6-day work week is a step backward and has no place, even in an economy program. My amendment should be adopted.

[Here the gavel fell.]

Mr. McCORMACK. I wish to include in my remarks, for the information of the House, some observations on the subject of Saturday half holidays prepared by Thomas F. Flaherty, secretary-treasurer of the National Federation of Post Office Clerks, who has given this important economic problem close thought. His observations are worthy of the deepest consideration:

We know that we have the power to produce in this country all the necessaries and comforts required to enable every American to maintain a reasonable scale of living. We are not doing it because so many do not have the purchasing power to secure those products.

The only way to restore that purchasing power is through jobs. And the way to make jobs for more men is to cut the working hours of those engaged in production to the point where consumption will balance production.

The great task is to start the upward spiral toward genuine prosperity. That is done by giving employment to workers who have been idle. That newly employed man spends his wages with retail dealers for the things he needs for himself and family. The dealers buy more goods from the wholesalers, who in turn buy more goods from manufacturers. They hire more workers to produce the goods. This means the purchase of more raw materials, which takes more labor to produce and more men and women to pack and ship. Freight-car loadings increase, which means more men on the railroads, more clerks to keep records. All these people with jobs have money to spend on food and clothes and other necessaries and comforts. As they spend they increase the demand, giving employment to more and more workers.

Every additional worker required by shortening hours, under our present system of mass production, automatically becomes a force to start this upward spiral and keep it in motion.

Shorter working hours means additional leisure, and this is an important factor in balancing production and consumption.

The committee on recent economic changes, which was headed by President Hoover, then Secretary of Commerce, made a valuable report covering many features of the present industrial system.

Walter F. Brown, now Postmaster General, was second man on this committee, and without doubt aided in the preparation of the report and agreed to its conclusions.

Here is one statement from that report which bears directly on this great question of shorter working hours in the Postal Service and in industry as a whole:

"Closely related to the increased rate of production-consumption of products is the consumption of leisure.

"It was during the period covered by the survey that the conception of leisure as 'consumable' began to be realized upon in business in a practical way and on a broad scale. It began to be recognized not only that leisure is 'consumable,' but that people can not 'consume' leisure without consuming goods and services, and that leisure which results from an increasing man-hour productivity helps to create new needs and new and broader markets.

"During the period covered by the survey the trend toward increased leisure received a considerable impetus. The work week was shortened in the factory by better planning and modern machinery, and the work day was shortened in the home by the increased use of time and labor saving appliances and services.

"Few of the current economic developments have made such widespread changes in our national life or promise so much for the future as the utilization of our increasing leisure."

"VIEWS OF THE DIRECTOR OF THE BUDGET, H. M. LORD

"General Lord, known as a watchdog of the Treasury, made this complimentary reference to the economies in the Postal Service:

"'During the Budget period prodigious economies have been effected by the Postal Service. For instance, revenues at first and second class post offices increased from $404,000,000 in 1921 to $632,000,000 in 1928, a rise of more than 55 per cent. That meant an increase of 55 per cent in work, too. The clerical man power to take care of this increase rose from 66,789 in 1921 to 77,901 in 1928, an increase of less than 17 per cent.

"'Fifty-five per cent increase in business handled by a 17 per cent increase in personnel is a pretty good record, it seems to me, a record some of our big private institutions would be glad to make.'

"The following statement was made by the representative of the department, the late W. H. Spilman, superintendent of Postal Service Division, before the Appropriations Committee considering the 1930 Post Office appropriation bill:

"'Let me call attention to the fact that in 1921 the man power per each $1,000,000 of revenue was 165 men, working eight hours a day. The man power for $1,000,000 of revenue has steadily decreased until 1927, when only 136 men of eight hours a day were employed. The same number were employed in 1928, when the revenues increased only 1.91 per cent over 1927. Further, the number of additional regular clerks employed in 1928 is only 1.62 per cent over the number employed in 1927, as compared with increases in 1925 of 2.99 per cent, in 1926, 3.07 per cent, and in 1927, 2.44 per cent.'"

V. QUOTATIONS FROM AUTHORITIES ON THE VALUE OF SHORTER HOURS

John J. Raskob, former chairman of the finance committee of the General Motors Corporation and of the Democratic National Committee, referring to the 5-day week, states:

"The knowledge that he had two days out of seven in which to enjoy life and family companionship would make every ambitious worker in the land more efficient. But, in addition, modern machinery, methods, and power have already developed a vast margin of unused production capacity, and there is literally no limit at present to be foreseen to further progress in this direction. In other words, America is in shape to produce in five days all she can consume in seven, with a lot left over for export. That being so, the 5-day week, in my judgment, should become the rule in America with as little delay as possible." (Quoted in the Literary Digest, November 16, 1929.)

Thomas A. Edison: "If for no other reason than that it would prevent overproduction * * *, the hours of labor should be reduced to not more than eight per day and not more than five days a week." (The Typographical Journal, August, 1929.)

Irving Fisher, professor Yale University: "In order to avoid economic disaster in our Nation, there should not be more than a 6-hour day and a 5-day work week for labor." (The Typographical Journal, August, 1929.)

Morris L. Cooke, noted engineer: "There is no longer any difference of opinion among those who are well-intentioned and competent as to the value of shortening the hours of labor both as an aid to production and for its effect on the standard of living." (The Typographical Journal, August, 1929.)

Charles S. Meyers, industrial psychologist: "In certain occupations evidence has been brought forward to prove that the greatest hourly rate of output generally occurs during a 44-hour working week, and that it diminishes not only when the weekly hours are more, but also when they are less than this." (The Typographical Journal, August, 1929.)

J. Douglas Brown, director, industrial relations section, Princeton University: "As a means of safeguarding the health of the worker in high-pressure industries or assuring greater regularity in seasonal industries it (the 5-day week) is a logical solution of a serious problem." (The Typographical Journal, August, 1929.)

Elliot Dunlap Smith, professor industrial engineering, Yale University: "We should not criticise but applaud the American Federation of Labor in their 'spiritual opportunism,' if you want to call it that—in substituting the quest of leisure with what it may bring in education, in intellectual, spiritual, and artistic appreciation, and in a chance to live—in substituting the quest of leisure for the quest of money, of the opportunity to buy more cars, more radios, or whatever money may buy. Under our present industrial methods it is primarily from the wholesome use of leisure throughout life that an old age for workmen that is truly worth while can come. Our task as managers in this regard, as it is in the shop, is that of leadership; it is the task of giving an example of how leisure can be happily, wholesomely, and constructively employed to enrich living and make better men." (The Typographical Journal, August, 1929.)

F. L. Sweetser, general manager Dutchess Manufacturing Co., Poughkeepsie, N. Y.: "In our factory we have not found it impossible to get the same wages per week and the same production per week on a 5-day week or a 39-hour week—sometimes on a 7-hour or a 7½-hour day—as we have on longer hours and more days. * * * I believe thoroughly that industry would be better off if everyone had more leisure * * *." (Bulletin of the Taylor Society, December, 1928, p. 244.)

George B. Cutten, president of Colgate University: "The 5-day week is just around the corner, and it does not take a very powerful telescope to give us a glimpse of the 5-hour day.

"Machines are not only turning out countless numbers of pins, bolts, fabrics, and shoes; they are not only grinding out profits for employers and wages for employees, but just as surely they are producing leisure for everyone. It is as though each person, compared with those living a century ago, had 20 or 30 servants working for him. With all these servants leisure is inevitable.

"During the last 50 years the week's work has been shortened from 72 hours to 40, and the next 50 years may see it cut down to 20. A half-day's work on Saturday has been common for years, and now even that is disappearing." (New York Times Magazine, September 9, 1928.)

"Gen. J. Leslie Kincaid, president of the American Hotels Corporation, predicted recently that if two successive days of rest each week became the general rule, tourist hotels could look forward to a $500,000,000 annual increase in business. He bases those figures, he said, on increases in two and three day business already experienced through establishment of the 5-day week in many trades and in department stores in the summer months." (Trades Union News, September 12, 1929.)

The rapid growth and wide extension of the shorter day on Saturday, both in private and public establishments, make it both just and feasible to grant the same conditions to the clerks. This is especially emphasized by the predominant practice of closing offices and releasing office employees on Saturday afternoon, since it is with the work of offices that the Postal Service is most closely connected.

The authority of large employers, economists, and specialists in health is quoted, not merely in favor of shorter hours on Saturday, but the 5-day week, which is now enjoyed by nearly 1,000,000 workers in the United States. The Government of the United States can scarcely demand a full day's work on Saturday when so many enlightened employers have gone so far as to do away with Saturday work entirely.

PRODUCTIVITY OF POST-OFFICE CLERKS

The productivity of both post-office clerks and railway-mail clerks has advanced, through their own efforts, to a reasonable extent since before the war, and has thus helped to keep postal expenses down. This advance should be recognized and encouraged by shorter working hours, as similar advances have been in private industry, even when the increase in productivity resulted from machinery rather than from individual competence.

We can measure the productivity of the post-office clerks by comparing the growth in the amount of mail matter they have to handle with the growth in their numbers. The amount of mail matter may be roughly estimated from the postal receipts. Indeed, the actual amount of mail has probably grown somewhat

more rapidly than the receipts, since there have been no permanent increases in rates since 1914, but a number of reductions, and, of course, the receipts do not indicate the increase of franked and other free service.

* * * while postal revenues rose 142 per cent between 1914 and 1929, the number of post-office clerks in first and second class offices increased only 87 per cent. The revenues per clerk grew, in this period, 30 per cent. * * * while receipts per post office increased 28 per cent from 1914 to 1929, the average number of clerks per first and second class post office has shown no increase but rather a slight decline from an average of 15.4 in 1914 to 15.2 in 1929. This is indeed a remarkable showing of growth in efficiency.

Mr. WOOD of Indiana. Mr. Chairman and members of the committee, by the vote just taken this body has added $57,000,000 to the burden of the taxpayers of the United States. It is estimated that we have a population of 126,000,000 people in the United States. We have at present on the Federal pay roll 1 for every 100 people in the United States. The question is, Are we here legislating for the people of the United States or are we here legislating for the Federal employees?

Four times during and since the war we have raised the salary of the Federal employees because of the high cost of living.

Now, the cost of living has gone down, and we are confronted with the demand to keep up the same salaries.

Gentlemen say that we are setting a precedent. They seem to think that we are acting under ordinary conditions and circumstances. We are in an emergency of the worst kind. I have no respect, but an utter disregard for any man or woman who is on the Federal pay roll who has not patriotism enough to contribute a little to this deficit in our Treasury.

We had before the Economy Committee certain gentlemen representing the Federal Bar Association, who came to us arguing against any sort of a cut. They never have practiced law one single minute. They commenced here, they got their schooling by means of a clerkship, and advanced to places with a salary up to $7,500 a year, and yet they were not willing to contribute one cent to the Government that had educated them.

I say to you gentlemen that this is not involving simply a cut in salary, but it is involving the employment of thousands of men and women. I want to say that unless the program adopted by the committee is adopted by the Congress there are going to be 100,000 employees of the United States turned out of employment. It is supremely selfish in those who are insisting that we should maintain the present basis of salary, for the reason that if you adopt the 11 per cent cut it means turning out 100,000 people.

Adopt the suggestion of the committee of 11 per cent, or adopt the plan suggested by the administration, and there will be no occasion for anybody to be turned out of employment. You who are appealing here that unemployment be diminished and that those who have employment be kept in their places would better vote for either the 11 per cent proposed by the committee or for the plan suggested by the administration. To my mind there is no excuse for any one to suggest that we ought to maintain the present rate of wages with reference to Federal employees, when the employees of every corporation and company in the country with a very few exceptions have been reduced and reduced again, and will be reduced further perhaps. What a spectacle it is for a man who is working on the outside, whose wages have been reduced, once, twice, thrice, to realize that the Federal Government is favoring a class and keeping up their wages while his is being cut and cut again. That is what is causing trouble in this country to-day, and the taxpayer is getting woefully tired of it.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BYRNS. Mr. Chairman, we have heard a great deal in the last month or six weeks about balancing the Budget. There is no one who is not firmly convinced that the more quickly we balance the Budget and get on a pay-as-you-go basis the more quickly we can expect a return of prosperity. Every man and woman in this country must realize that if we are to balance our Budget and take care of the overwhelming deficit which confronts the Government each one must be willing to make some sacrifice. I have too much confidence in the employees of the Federal Government to believe that they are unwilling to bear a reasonable proportion of the sacrifice necessary in behalf of the Government which protects them and the people of the United States. [Applause.] I believe that the employees of this Government, I hope with very few exceptions, are patriotic enough and love their country enough to make a sacrifice, small as it is, for just a period of one year. Do not forget that you are not permanently reducing anybody's salary. You are not taking away this half holiday from the employees of this Government permanently. You are only saying that for the period of one year beginning on June 30 we will all make some sacrifice in order to relieve the country which is in a worse condition to-day, financially, than it was during the war.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. Not now.

Mr. MARTIN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. This country is in a worse financial condition to-day than it has ever been during any war, and it behooves you and it behooves me, representing people who have to pay the taxes and meet the expenses of this Government, to remember that they are to be taken into consideration this evening while we are legislating on this subject.

I do not favor either one of the two major propositions that have been presented. I believe, and I can not get it out of my head, that it would be eminently fairer to begin, say, at $2,000, at a 5 per cent cut and increase upward until you have reached the salaries of $10,000 and above, when if I had my way I would take 20 per cent. [Applause.]

I believe that the higher the salary the greater the percentage of cut ought to be. I had an amendment to offer, but in view of the action of the committee a while ago, of course I shall not present it; but I say that the people back home to-night are watching you and watching me as to what we do here. And the people back home are going to hold you and are going to hold me responsible for what we do here. I am not criticizing anybody, I am not undertaking to lecture anybody, but I do appeal in the name of the citizenry back in the country and in the cities and towns, who is not heard here except through you and me. By your vote you have taken from this bill presented by the Economy Committee $55,000,000 of the savings which were contemplated. Let us think of the people and the taxpayers, who must bear the expense of government. They are entitled to chief consideration. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment. The statement just made by the gentleman from Tennessee [Mr. BYRNS] might be well applicable to the whole subject matter of economy, but the immediate proposition before the House is an amendment eliminating section 105 from the bill. Section 105 suspends the operations and benefits of the act of March 3, 1931, known as the Saturday half holiday for certain Government employees. Permit me to state to the gentleman from Tennessee that I quite agree with him that back home to-night the people's eyes are directed toward Washington to see what we are doing, and I am certain that they are praying that we are looking forward and endeavoring to bring the American people up and not drag them down. [Applause.]

At this time, after 50 years of struggle and suffering of organized labor, we have succeeded in bringing about the beginning of a 5-day week. So well has this beginning been inaugurated that the President of the United States—not once, not twice, not three times or four times, but repeatedly—has urged upon industry and upon commerce that in this machine age the only hope of the American people is to go to a 5-day week. How can we, in the face of our

experience about getting a 5-day week, sit here this evening and repeal the 44-hour week? It is inconsistent; it is ridiculous; and there is no sense to it. We have learned something about economics in the last few years. We have learned that the purchasing power and the consumption of our products rests not with a few people of large income but with the masses, the workers of the country.

We have learned that time for play, time for recreation and study and rest and travel creates a demand for new products and consequently more employment. We have learned that the quickest turnover and the quickest medium of circulation is the money paid in salaries and wages.

I submit, Mr. Chairman, that we dare not, we can not, if we want to be patriotic, go back to the days of 1890, when the appeal was made to the working man "we are going to give you a full dinner pail." There is more than a full dinner pail involved here. It is the very future, the happiness, the self-respect of the working people of this country. It is not only the Government employee that is involved. That is a mistake. It is the standards of labor and the wage scale which we establish here that is so important.

A few moments ago the gentleman from Alabama [Mr. McDUFFIE] stated that $1,300,000,000 of the total Budget went into pay rolls. True, but let us analyze that $1,300,000,000. Two hundred and fifty-nine million dollars of that goes for the pay roll of the Army and Navy, and that does not include rations, housing, and keep which is in addition to the pay of the Army and Navy. Five hundred and seventy million dollars goes for the pay roll of the post office, which, as far as personnel is concerned, is self-supporting. How can one run an enterprise with a revenue of $800,000,000 annually without several thousand employees and a large pay roll? Therefore, if we subtract the pay roll of the post office, which is self-supporting, and the Army and Navy, which it is not contemplated to be reduced here, it will be seen that all this noise, all this hysteria is based on a pay roll of $500,000,000 for a nation of 126,000,000 people—yes; the richest nation in the world, and we are not broke yet, because we will not let the bankers take all of the money of the American people and send it to South America and to Europe. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SWEENEY. Mr. Chairman, I ask the indulgence of the House for a moment while I call to this body a witness who, I believe, if he is sincere and has not changed his mind since October 2, 1930, is opposed to a reduction of the American standard of living. I call before you the President of the United States. On October 2, 1930, the President addressed the fifty-sixth annual convention of the American bankers at Cleveland, Ohio. You will recall the occasion when, prior to the President's appearance before this distinguished group of bankers, a resolution was prepared for adoption declaring for a radical reduction in the American standard of living by way of a reduction in wages. Through the press of the Nation President Hoover learned of the proposed resolution. It was rumored that en route from Washington to Cleveland the President changed the text of his prepared speech to censor and condemn the contemplated action of the bankers' fraternity of the Nation. This is what he said in part on that occasion:

It appears from the press that some one suggested in your discussion that our American standards of living should be lowered. To that I emphatically disagree. I do not believe it represents the views of this association. Not only do I not accept such a theory but on the contrary, the whole purpose and ideal of this economic system, which is distinctive of our country, is to increase the standard of living by the adoption and the constantly widening diffusion of invention and discovery amongst the whole of our people. Any retreat from our American philosophy of constantly increasing standards of living becomes a retreat into perpetual unemployment and the acceptance of a cesspool of poverty for some large part of our people.

Our economic system is but an instrument of the social advancement of the American people. It is an instrument by which we add to the security and richness of life of every individual. It by no means comprises the whole purpose of life, but it is the foundation upon which can be built the finer things of the spirit. Increase in enrichment must be the objective of the Nation, not decrease.

To attempt to balance the national Budget by reducing the wages and depriving hundreds of thousands of Government employees of fixed priority rights secured by long years of faithful service certainly is a lowering of the standard of living, in my opinion. It is not in keeping with the philosophy and sentiments expressed by the President in the meeting to which I have just referred.

What has happened since October 2, 1930, that caused the President of the United States to do a right-about-face on this proposition and recommend to this body a furlough plan, which means a substantial reduction in wages and is equally as vicious, if not more vicious, than the McDuffie plan which you have now under consideration? Has the cost of living materially decreased to justify this course? I think that it is only fair to state that you pay just as much to-day for a suit of clothes, for house rent, medicines, food, baby's shoes, and all other forms of necessities as you did October 2, 1930, when the Chief Executive declared against a reduction in wages.

A few hours ago the chairman of the Economy Committee [Mr. McDUFFIE] told the Members of this body that—

Men and women are marching almost in mob formation upon courthouses, upon capitols of the States, demanding that the cost of government be brought down.

Let me say to the distinguished chairman of the Economy Committee that many thousands of Federal employees, the class who would be affected by this wage cut, the class that you are striking at to-day by attempting to reduce their standard of living, will soon augment the vast army of our people who daily visit the courthouses of their respective districts to witness their little homes sold at foreclosures and their equities destroyed. Many of these families have lost their life-savings in defunct banks and building-loan associations during the past few years.

Great number of Federal employees are now carrying the burden of supporting others besides their immediate family. In my opinion it is vicious and cruel to resort to this sort of economy.

Mr. McDUFFIE. Will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. McDUFFIE. The gentleman is from the great city of Cleveland?

Mr. SWEENEY. Yes.

Mr. McDUFFIE. Does the gentleman know that his own city has cut salaries and reduced expenses?

Mr. SWEENEY. I know that. It is principally due to the fact that the limitation on the bonded indebtedness of our city is fixed by State law; and, in addition, because we are confronted with an abnormal relief problem necessitated by reason of the Hoover prosperity we are experiencing. That is no reason why those now receiving a living wage from the Government should be reduced at this time.

Mr. KVALE. Will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. KVALE. The report also states that the city of Minneapolis has reduced its wages. I will say for the information of the House that the mayor of the city of Minneapolis has wired the Economy Committee urging that no pay reductions be made for Federal employees at this time, and the city of Minneapolis has refused to make reductions at this time.

Mr. SWEENEY. I think that is the sentiment all over the country. [Applause.]

Mr. Chairman, let us be courageous enough to refrain from doing injury to a class of workers who are helpless to defend themselves against such action as we propose to-day. Those of you who voted for a moratorium for European nations and financial assistance for the banks, railroads, and insurance companies will have a hard time explaining to your constituents your vote in favor of this feature of the economy plan by reducing wages in an attempt to balance the Budget. Those of you who refused to modify existing law to permit beer and light wines, thereby securing to the Government hundreds of millions of dollars of revenue annually, will have a hard time explaining your vote in favor of wage reduction of Federal employees.

The Government should set and maintain a standard-of-living wage for the employees of the Nation. If that is done, industry will be more likely to measure up in a degree to a standard set by the Government. If it is not done, industry will be encouraged to a wholesale and promiscuous reduction of wages without regard to the justice or necessity of the course taken.

Let me say to my Democratic colleagues of this House that, in my opinion, it is not necessary for you to assume for the people of the Nation that you have the burden of balancing the Budget. The created deficit complained of is not of your making. It is the result of mismanagement and maladministration of Government affairs, and the lavish and in many cases unnecessary expenditure of public moneys by the administrations in power in our national affairs during the past 10 years.

A disorganized leadership trying to solve the problem of Federal economy presents a disastrous and sad spectacle when it attempts to resort to wage decreases. The problem can be solved by an income tax in the higher brackets, increased inheritance and gift taxes, revenues obtainable from a Federal tax on beer and light wines, and by the elimination of useless boards, bureaus, and commissions. These measures will go a long way toward balancing the National Budget, if it must be balanced, and obviate the necessity of lowering the standard of living of the American wage earners, which is and should be the best in the entire world.

Mr. DYER. Mr. Chairman, I make the point of order that all time for debate on this amendment has expired.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

Mr. DYER. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The regular order is that the gentleman from Alabama has moved that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. RAINEY, Speaker pro tempore, having assumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11267, the legislative appropriation bill, had come to no resolution thereon.

ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow.

Mr. BRITTEN and Mr. SIROVICH objected.

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Thursday, April 28, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Thursday, April 28, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

LABOR

(10 a. m.)

Labor, wages, public buildings (S. 3847).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

545. A letter from the chairman of the United States Shipping Board, transmitting an analysis of a special report of the Comptroller General of the United States of the financial transactions of the United States Shipping Board Merchant Fleet Corporation dealing with matters arising in the audit of the accounts, which report was printed as House Document No. 217, Seventy-second Congress, first session (H. Doc. No. 321); to the Committee on Expenditures in the Executive Departments.

546. A letter from the Secretary of the Interior, transmitting a report on an accumulation of documents and abstract books on file in the Indian warehouses, at Chicago, Ill., St. Louis, Mo., and San Francisco, Calif., which have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

547. A letter from the Acting Secretary of War, transmitting a draft of a bill to amend section 2 of an act approved February 25, 1929 (45 Stat. 1303), to complete the acquisition of land adjacent to Bolling Field, D. C., and for other purposes, for the consideration of the Congress with a view to its enactment into law; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. POU: Committee on Rules. H. Res. 195. A resolution relative to the concurrence of the House in the Senate amendment to H. R. 6662; without amendment (Rept. No. 1135). Referred to the House Calendar.

Mr. EVANS of Montana: Committee on the Public Lands. H. R. 10926. A bill to authorize conveyance to the United States of certain lands in the State of Arizona for use of the United States in maintaining air-navigation facilities, and for other purposes; without amendment (Rept. No. 1136). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 10238. A bill creating a reimbursable fund to be used for special medical and surgical work among the Indians of the Fort Peck Indian Reservation, Mont., and for other purposes; with amendment (Rept. No. 1141). Referred to the Committee of the Whole House on the state of the Union.

Mr. COOPER of Tennessee: Committee on World War Veterans' Legislation. H. R. 8173. A bill to provide for the renewal of 5-year level premium term Government insurance policies for an additional 5-year period without medical examination; without amendment (Rept. No. 1144). Referred to the Committee of the Whole House on the state of the Union.

Mr. EATON of Colorado: Committee on the Public Lands. H. R. 11639. A bill to authorize extensions of time on oil and gas prospecting permits, and for other purposes; without amendment (Rept. No. 1145). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PITTENGER: Committee on Claims. H. R. 3694. A bill for the relief of Ada B. (Gould) Gollan; with amendment (Rept. No. 1137). Referred to the Committee of the Whole House.

Mr. EVANS of Montana: Committee on the Public Lands. H. R. 10048. A bill granting to the metropolitan water district of southern California certain public and reserved lands of the United States in the counties of Los Angeles, Riverside, and San Bernardino, in the State of California; without amendment (Rept. No. 1138). Referred to the Committee of the Whole House.

Mr. EVANS of Montana: Committee on the Public Lands. S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton; without amendment (Rept. No. 1139). Referred to the Committee of the Whole House.

Mr. ARENTZ: Committee on the Public Lands. S. 3154. An act authorizing the conveyance of certain lands to the city of Fallon, Nev.; without amendment (Rept. No. 1140). Referred to the Committee of the Whole House.

Mr. PETTENGILL: Committee on Military Affairs. H. R. 5769. A bill authorizing the President of the United States to present in the name of Congress a medal of honor to

Thomas H. Laird; with amendment (Rept. No. 1142). Referred to the Committee of the Whole House.

Mr. MARTIN of Oregon: Committee on War Claims. H. R. 9915. A bill to confer jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of William W. McElrath against the United States for compensation for the use or manufacture of an invention of William W. McElrath covered by reissue letters patent issued by the Patent Office of the United States on the 19th day of February, 1924; without amendment (Rept. No. 1143). Referred to the Committee of the Whole House.

Mr. COLTON: Committee on the Public Lands. H. R. 10756. A bill for the relief of Clive Sprouse and Robert F. Moore; without amendment (Rept. No. 1146). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RAYBURN: A bill (H. R. 11642) to amend sections 15a and 19a of the interstate commerce act, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11643) to amend section 5 of the interstate commerce act, as amended, relating to the consolidation and acquisition of control of carriers by railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLCOTT: A bill (H. R. 11644) to amend the act entitled "An act creating the Great Lakes Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Clair River at or near Port Huron, Mich."; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACK: A bill (H. R. 11672) to amend section 3702, Revised Statutes; to the Committee on Expenditures in the Executive Departments.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOWMAN: A bill (H. R. 11645) granting a pension to Alma Miller; to the Committee on Pensions.

By Mr. BYRNS: A bill (H. R. 11646) granting a pension to Jennie Washington; to the Committee on Invalid Pensions.

By Mr. CARTER of California: A bill (H. R. 11647) granting a pension to Ada Patrick; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 11648) for the relief of Fred Everett Shaffer; to the Committee on Naval Affairs.

Also, a bill (H. R. 11649) for the relief of Charles G. Lammert; to the Committee on Military Affairs.

By Mr. ERK: A bill (H. R. 11650) for the relief of Cora B. Nebel; to the Committee on Claims.

By Mr. GARBER: A bill (H. R. 11651) for the relief of David S. Viers, jr.; to the Committee on Military Affairs.

By Mr. GRANFIELD: A bill (H. R. 11652) for the relief of John E. Springer; to the Committee on the Civil Service.

Also, a bill (H. R. 11653) authorizing the President to order Charles Southgate, jr., before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

By Mr. HAINES: A bill (H. R. 11654) granting an increase of pension to Elizabeth Knisly; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 11655) granting an increase of pension to Ameda Holcomb; to the Committee on Invalid Pensions.

By Mr. HILL of Washington: A bill (H. R. 11656) granting a pension to Laura M. Brewer; to the Committee on Invalid Pensions.

By Mr. HORR: A bill (H. R. 11657) for the relief of Leo W. Hurley; to the Committee on Military Affairs.

By Mr. KOPP: A bill (H. R. 11658) to extend the benefits of the employees' compensation act of September 7, 1916, to John R. Kelly; to the Committee on Claims.

By Mr. LEAVITT: A bill (H. R. 11659) authorizing the exchange of certain patented lands; to the Committee on Indian Affairs.

By Mr. LINDSAY: A bill (H. R. 11660) for the relief of Francis Henry Schmuck; to the Committee on Naval Affairs.

By Mr. MURPHY: A bill (H. R. 11661) granting an increase of pension to Emma J. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11662) granting a pension to Catherine Eidenier; to the Committee on Invalid Pensions.

By Mr. NELSON of Missouri: A bill (H. R. 11663) granting a pension to Mary Jane Whitaker; to the Committee on Invalid Pensions.

By Mr. PALMISANO: A bill (H. R. 11664) granting a pension to Lucy Pierce; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 11665) granting an increase of pension to Ida E. Stanton; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 11666) granting an increase of pension to Adaline McAnaney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11667) granting an increase of pension to Kate L. Scarbrough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11668) granting an increase of pension to Ruth A. Schooley; to the Committee on Invalid Pensions.

By Mr. WITHROW: A bill (H. R. 11669) granting a pension to Mary Adams; to the Committee on Invalid Pensions.

By Mr. WOLCOTT: A bill (H. R. 11670) granting a pension to Anna Lovejoy; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 11671) for the relief of Herman William Sidenfaden; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7098. By Mr. BOYLAN: Resolution passed by the New York Department of the Reserve Officers' Association of the United States at Albany, N. Y., opposing any reduction in military appropriations; to the Committee on Appropriations.

7099. By Mr. CORNING: Resolution adopted by the Common Council of the City of Troy, N. Y., indorsing the proposed parade by Mayor Walker of the city of New York throughout the Nation on May 14 in connection with the drive to permit the manufacture and sale of beer; to the Committee on the Judiciary.

7100. By Mr. CRAIL: Petition of several citizens of Los Angeles County, Calif., protesting against the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7101. Also, petition of Frederick Ries, of Los Angeles County, Calif., protesting against the economy measure which would stop the granting of war-risk insurance claims; to the Committee on Economy.

7102. By Mr. CURRY: Petition of directors of Sacramento Chamber of Commerce, favoring the repeal of the recapture clause of the transportation act; to the Committee on Interstate and Foreign Commerce.

7103. By Mr. DAVIS: Petition from Charles E. Price Post of the American Legion of Smith County, Tenn., favoring cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7104. Also, petition from Buford Clark Post, No. 129, American Legion, Gainesboro, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7105. Also, petition from Gold Star Post, No. 78, American Legion, Manchester, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7106. Also, petition from Post No. 5 of the American Legion, Nashville, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7107. Also, petition from Stone Fort Post, No. 2120, Veterans of Foreign Wars, Manchester, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7108. Also, petition of World War veterans of Cannon County, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7109. Also, petition of World War veterans of Clay County, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7110. Also, petition from Cookeville Post, No. 46, of the American Legion, Cookeville, Tenn., favoring passage of the widows and orphans' bill, cash payment in full of the adjusted-service certificates, and extension of the time for bringing suit for recovery on war-risk-insurance policies; to the Committee on Ways and Means.

7111. Also, petition from Mark Twain Post, American Legion, Jamestown, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7112. Also, petition from World War veterans of Flintville, Tenn., favoring cash payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7113. Also, petition from Warren Post, No. 173, of the American Legion, McMinnville, Tenn., favoring cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7114. By Mr. FITZPATRICK: Petition signed by a number of residents of Bronx County, New York City, N. Y., urging the full immediate payment of the balance due on the World War adjusted-service certificates; to the Committee on Ways and Means.

7115. By Mr. GOLDSBOROUGH: Petition of Worcester Post, No. 93, American Legion of Maryland, Pocomoke City, Md., favoring cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7116. Also, telegram from W. H. Thompson Post, No. 94, American Legion, Princess Anne, Md., favoring immediate cash payment of the bonus; to the Committee on Ways and Means.

7117. Also, resolution of the Frank M. Jarman Post, No. 36, American Legion, Chestertown, Md., opposing the payment at this time of the adjusted-service certificates in full; to the Committee on Ways and Means.

7118. Also, telegram from Caroline Post, No. 29, American Legion, Denton, Md., favoring the bonus bill; to the Committee on Ways and Means.

7119. Also, petition of merchants, veterans, and nonveterans, residents of Cecil County, Md., favoring immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

7120. Also, petition of Stanley Cochrane Post of the American Legion, Crisfield, Md., opposing any legislation which would repeal any provision of the World War veterans' act or any inclusion-of-needs clause which Legion has always opposed, and all amendments which in any way affect disabled, either in compensation or hospitalization; to the Committee on World War Veterans' Legislation.

7121. Also, petition of Wicomico Post, No. 64, American Legion, Salisbury, Md., opposing legislation which would repeal any provision of the World War veterans' act of any inclusion-of-needs clause which Legion has always opposed, and amendments which in any way affect adversely disabled either in compensation or hospitalization; to the Committee on World War Veterans' Legislation.

7122. Also, petition of membership (100 members) of Meuse Post, No. 194, Veterans of Foreign Wars, Salisbury, Md., favoring payment of the bonus; to the Committee on Ways and Means.

7123. Also, telegram from Dorchester Post, No. 91, American Legion, Cambridge, Md., opposing legislation which would repeal any provision of the World War veterans' act, or any inclusion-of-need clause which Legion has always opposed, and all amendments which in any way affect disabled veterans either in compensation or hospitalization; to the Committee on World War Veterans' Legislation.

7124. Also, telegram from the Worcester Post of the American Legion, Pocomoke City, Md., opposing modification of any provision of the veterans' act which in any way affects the disabled; to the Committee on World War Veterans' Legislation.

7125. Also, petition of veterans, nonveterans, and merchants of Perry Point, Md., favoring passage of House bill 1, granting full payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

7126. By Mr. HADLEY: Petition of a number of residents of Deming, Wash., urging maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

7127. By Mr. KENNEDY: Petition of New York State Hotel Association, urging repeal of the prohibition laws; to the Committee on the Judiciary.

7128. By Mr. LINDSAY: Petition of New York State Farm Bureau Federation, Ithaca, N. Y., favoring the passage of the Norbeck-Steagall bill; to the Committee on Banking and Currency.

7129. Also, petition of joint veterans' legislative committee, Veterans' Administration hospital, Whipple, Ariz., opposing reduction in allowances heretofore granted veterans disabled; to the Committee on Economy.

7130. By Mr. MURPHY: Petition of Ross Blake, of Adena, Ohio, and 350 other residents, asking for the passage of the Davis-Kelly bill, for the solution of the deplorable condition existing in the eastern Ohio coal fields; to the Committee on Interstate and Foreign Commerce.

7131. Also, petition of Daniel A. Murphy and 21 other residents of Mingo Junction, Ohio, asking for the passage of House bill 9891, in the interest of railway employees; to the Committee on Interstate and Foreign Commerce.

7132. Also, petition of Elmer Rothermond, adjutant American Legion Post, Martins Ferry, Ohio, protesting against a cut in benefits for World War disabled; to the Committee on Economy.

7133. By Mr. PATMAN: Petition of Clifford Cody Foye and 51 other disabled veterans of New Haven, Conn., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7134. Also, petition of United Veterans Association (Inc.), Baltimore, Md., submitted by Berry M. Brice, adjutant general of said association, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7135. Also, petition of L. A. Rentin and other citizens and veterans, Bellingham, Wash., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7136. Also, petition of R. Reil and other citizens and veterans, Helena, Mont., urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7137. Also, petition of M. K. Tyson and other veterans and citizens of Burlington, N. C., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7138. Also, petition of Charles M. Crosby and other citizens and veterans of Dayton, Ohio, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7139. Also, petition of Maj. H. Rodgers and other business men of Lovelland, Tex., urging immediate payment of the

adjusted-service certificates; to the Committee on Ways and Means.

7140. Also, petition of American Legion Post No. 19, Somerville, Mass., submitted by William H. Prestley, adjutant of said post, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7141. Also, petition of American Legion Post No. 110, Nashville, Ill., submitted by Wallace C. Maier, commander, and other officers of said post, indorsing immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7142. Also, petition of American Legion Post No. 4, Hillsboro, Tex., submitted by C. L. McDonald, service officer of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7143. Also, petition of American Legion Post No. 4, Iberia, La., submitted by Henry W. Gould, commander, and Eugene F. Mestrayer, adjutant, of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7144. Also, petition of American Legion Post No. 70, Covington, Ky., submitted by Charles B. Tabeling, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7145. Also, petition of American Legion Post, No. 47, New Haven, Conn., submitted by Joseph S. Carusi, commander of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7146. Also, petition of American Legion Post, No. 57, Chaska, Minn., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7147. Also, petition of American Legion Post, No. 244, of California, submitted by A. Louis Belotti, commander of said post, urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7148. Also, petition of Veterans of Foreign Wars, Post No. 1920, Graham, N. C., submitted by Vance S. Garrett, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7149. Also, petition of American Legion Post, No. 72, submitted by Ben Perris, commander of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7150. Also, petition of American Legion Post No. 202, Columbia, Mo., submitted by W. A. Sapp, adjutant of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7151. Also, petition of American Legion Post No. 136, Boston, Mass, submitted by F. J. MacQuaide, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7152. Also, petition of American Legion Post No. 190, Chester, Pa., submitted by Dixie D. Dryden, commander of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7153. Also, petition of 17,042 citizens and veterans of Los Angeles, Calif., in cooperation with Veterans of Foreign Wars, Disabled American Veterans, individual posts of the American Legion, and Veterans' Bulletin Service Club of Los Angeles, urging immediate payment of balance due on adjusted-service certificates as provided in House bill 1, submitted by Arthur G. McQuary, field marshal commanding bonus army of the United States; to the Committee on Ways and Means.

7154. By Mr. ROBINSON: Petition signed by Orville S. Dean and other Veterans of Foreign Wars, Bechter-Boise Post, No. 2440, Independence, Iowa, protesting against the proposed reduction in the benefits of veterans; to the Committee on Ways and Means.

7155. By Mr. RUDD: Petition of employees of the Army Transport Service, opposing the abolishment of the Army Transport Service; to the Committee on Economy.

7156. Also, petition of Edward S. Matthias, chairman national committee on legislation, United Spanish War Veterans, opposing the needs clause and reductions in pensions of veterans while in hospitals; to the Committee on Economy.

7157. Also, petition of the Saranac Lake Chapter of Disabled American Veterans, protesting against reduction of appropriation for disabled veterans; to the Committee on Economy.

7158. Also, petition of Smyth Donegan Co., Brooklyn, N. Y., opposing any reduction of the Federal employees salaries; to the Committee on Economy.

7159. Also, petition of Cook Chemical Co., Brooklyn, N. Y., opposing any salary reduction of Federal employees; to the Committee on Economy.

7160. Also, petition of Madison Square Cooperative Store, New York City, opposing reduction of postal employees' salaries; to the Committee on Economy.

7161. By Mr. TAYLOR of Colorado: Petition signed by 215 citizens of Grand Junction, Colo., urging legislation for the relief of the silver situation; to the Committee on Coinage, Weights, and Measures.

7162. By Mr. THOMASON: Petition of citizens of El Paso, Tex., protesting against further appropriations at this time for able-bodied ex-service men; to the Committee on Ways and Means.

7163. By Mr. WEST: Petition of 245 residents of Licking County, protesting against the passage of House bills 8092 and 8759, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

SENATE

THURSDAY, APRIL 28, 1932

(Legislative day of Monday, April 25, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Monday, April 25, Tuesday, April 26, and Wednesday, April 27.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Hull	Pittman
Austin	Couzens	Johnson	Reed
Bailey	Cutting	Jones	Robinson, Ark.
Bankhead	Dale	Kean	Robinson, Ind.
Barbour	Davis	Kendrick	Schall
Barkley	Dickinson	Keyes	Sheppard
Bingham	Dill	King	Shipstead
Black	Fess	La Follette	Shortridge
Blaine	Fletcher	Lewis	Smoot
Borah	Frazier	Logan	Steiwer
Bratton	George	Long	Stephens
Brookhart	Glass	McGill	Thomas, Idaho
Broussard	Glenn	McKellar	Thomas, Okla.
Bulkley	Goldsborough	McNary	Townsend
Bulow	Gore	Metcalf	Trammell
Byrnes	Hale	Morrison	Tydings
Capper	Harrison	Moses	Vandenberg
Caraway	Hastings	Neely	Wagner
Carey	Hatfield	Norbeck	Walcott
Cohen	Hawes	Norris	Walsh, Mass.
Connally	Hayden	Nye	Waterman
Coolidge	Hebert	Oddie	Watson
Copeland	Howell	Patterson	White

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had

affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 3095. An act for the relief of J. J. Bradshaw and Addie C. Bradshaw;

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 1231. An act for the relief of Grina Bros.;

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula;

H. R. 3580. An act for the relief of Clara E. Wight;

H. R. 4724. An act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition, the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 4752. An act for establishment of the Waterton-Glacier International Peace Park;

H. R. 5484. An act extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation;

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn.;

H. R. 8084. An act for the protection of the northern Pacific halibut fishery;

H. R. 8914. An act to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway and over the rights of Way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation, in the State of Montana;

H. R. 9598. An act to authorize expenditures for the enforcement of the contract-labor provisions of the immigration law;

H. R. 10495. An act amending an act of Congress approved February 26, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; and

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

PETITIONS AND MEMORIALS

Mr. NEELY presented a telegram in the nature of a petition from Blake Brothers Post, No. 46, American Legion, of Benwood, W. Va., signed by Joseph H. Schmid, adjutant, praying for the payment of adjusted-compensation certificates (bonus) of World War veterans, and the cancellation of interest on previous loans, which was referred to the Committee on Finance.

Mr. ASHURST presented a telegram signed by D. B. Wiley, of Phoenix, Ariz., stating "Farm Bureau directors request that you oppose any reduction of appropriation for rural mail service or any consolidation of rural routes that would impair the efficiency of rural mail deliveries," which was referred to the Committee on Appropriations.

He also presented a telegram in the nature of a memorial from Laura E. Curwell, social worker, etc., of Outwood, Ky., remonstrating against reductions in the compensation of Federal employees, and felicitating the senior Senator from Arizona [Mr. ASHURST] on his stand in opposition to pay cuts, which was referred to the Committee on Appropriations.

Mr. WALCOTT presented a telegram in the nature of a petition from officers of the Hartford Young Women's Christian Association, of Hartford, Conn., signed by Primrose Woolverton, general secretary, praying for the passage of the so-called Wagner bill, being the bill (S. 2687) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes, which was ordered to lie on the table.

He also presented a resolution adopted by the New England Division of the Master Photo Finishers of America, at Boston, Mass., favoring the early passage of the so-called Capper-Kelly fair trade bill, which was ordered to lie on the table.

He also presented a letter in the nature of a petition from Tomalonis-Hall Unit, No. 84, American Legion Auxiliary, of Simsbury, Conn., signed by Clementine R. Bourgeois, chairman of its legislation committee, praying for the passage of the bill (S. 51) authorizing the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, which was ordered to lie on the table.

He also presented a telegram from Michael J. Comcowich Post, No. 597, Veterans of Foreign Wars, of Ansonia, Conn., favoring the establishment of a veterans' committee of the Senate and remonstrating against cuts in hospitalization funds for veterans and the alleged procedure in not hearing veterans' representatives, which was ordered to lie on the table.

He also presented a letter in the nature of a petition from Milardo Wilcox Post, No. 75, American Legion, of Middletown, Conn., praying for the passage of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, and also for the making of adequate appropriations for the War Department, which was ordered to lie on the table.

He also presented resolutions adopted at a regular meeting of the Structural Building Trades Alliance of Stamford, Conn., favoring the passage of home loan bank legislation, which were referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Polish American Citizens' Club of Norwich, Conn., favoring the passage of legislation providing for proclaiming October 11 in each year General Pulaski's memorial day, which was referred to the Committee on the Judiciary.

He also presented papers in the nature of petitions from members of Wadsworth Chapter, of Middletown, and Anne Wood Elderkin Chapter, of Willimantic, both of the Daughters of the American Revolution, in the State of Connecticut, praying for the passage of the so-called Jeffers bill, being the bill (H. R. 8549) to make it a crime to advocate or promote the overthrow or destruction of the Government of the United States by force or violence, and also certain restrictive immigration measures, which were referred to the Committee on Immigration.

He also presented a memorial of the Exchange Club of Hartford, Conn., remonstrating against the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, and favoring the passage of legislation providing benefits for widows and orphans of veterans, which was referred to the Committee on Finance.

He also presented letters and telegrams in the nature of memorials from the Hartford, Waterbury, and Hardware City Chapters, Disabled American Veterans of the World War, in the State of Connecticut, remonstrating against the passage of legislation curtailing benefits allowed to disabled veterans, which were referred to the Committee on Finance.

He also presented memorials, and letters and telegrams in the nature of memorials from Branch No. 227, of Meriden, and Branch No. 394, of New London, both of the National Association of Letter Carriers; Branch No. 2530, United National Association of Post Office Clerks, of Milford; Postal Carriers Association, of Danielson, by Frank E. Young, secretary; Rural Letter Carriers' Association of Connecticut, of Waterbury, by A. W. Backhaus, president, and Charles E. Hodges, secretary; members of the National Association of Post Office Clerks, of Putnam, Herbert A. Johnson, president; National Federation of Post Office Clerks, of East Hartford, by Harry A. Norton, legislative chairman; postal

carriers and clerks of the Thompsonville post office; employees of the Danbury post office, members of the Post Office Clerks' Association, of Danbury, by Leo M. Newton, secretary; Danielson postal clerks, by Harold E. Greene, secretary; Branch No. 3, National Association of Postal Supervisors of New Haven, Pierce Maher, president; Lodge No. 30, International Association of Machinists, of Bridgeport, by J. P. Flint, recording secretary; Local Union No. 2039, United Brotherhood of Carpenters and Joiners, of Noank, by W. H. Wolverton, recording secretary; Division No. 281, Amalgamated Association of Street and Electric Railway Employees of America, of New Haven, by S. F. Curry, recording secretary, and of sundry citizens of Danbury; all in the State of Connecticut, remonstrating against reductions in the compensation of Federal employees, especially those in the Postal Service, which were referred to the Committee on Appropriations.

Mr. SHORTRIDGE presented an editorial from the San Francisco (Calif.) Chronicle of March 26, 1932, entitled "Splitting and Resplitting Hairs Only to Delay World Court Vote," which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Jack Fisher Chapter, No. 23, Disabled American Veterans of the World War, at Santa Ana, and Sacramento Post, No. 61, American Legion, of Sacramento, in the State of California, favoring the maintenance of the national defense, and the increasing rather than decreasing of the obligation of citizens in the defense of the Nation, which were referred to the Committee on Appropriations.

He also presented numerous letters, in the nature of memorials, from sundry citizens and organizations in the State of California, remonstrating against the reduction of compensation of postal employees, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from Frank Corso, of Oakland, and several citizens of Venice, in the State of California, remonstrating against the adoption of provisions affecting the retirement status of disabled emergency officers of the World War contained in the bill (H. R. 11597) to effect economies in the National Government, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from the San Jose State Teachers' College, division of industrial education, by J. Aspinwall; Arthur W. Savage, of San Diego; the San Francisco public schools, by J. C. McGlade, deputy superintendent; the Humboldt Evening High School, by A. E. Roberts, supervisor of technical and vocational classes; the Santa Maria Union High School and Junior College, by A. A. Bowhay, jr., principal; the Salinas Union High School, by Melrowe Martin, district superintendent; the Millwork Institute of California, by H. E. Weyler, director; California Farm Bureau Federation, by Alex. Johnson, secretary; Julian A. McPhee, chief, bureau of agricultural education, department of education, of Sacramento; Santa Barbara Lodge, No. 613, Benevolent and Protective Order of Elks, by S. J. MacKinnon, secretary; Santa Barbara Local Union, No. 1062, by W. A. Callis, recording secretary; Sonoma County Building Trades Council, by G. W. Gwaltney, secretary, of Santa Rosa; Santa Rosa Builders' Exchange, by W. J. Lindsay, president; Benjamin E. Mallary, supervisor of trade and industrial teacher training classes, division of vocational education, University of California, of Berkeley; and sundry citizens, all in the State of California, remonstrating against the curtailment or elimination of the appropriation providing Federal aid to the States in vocational education, which were referred to the Committee on Appropriations.

He also presented a letter in the nature of a memorial from Venice of America Post, No. 177, American Legion, of Venice, Calif., remonstrating against the passage of legislation limiting the retirement privilege of disabled American officers to grounds of combat disabilities contracted before the armistice, which was referred to the Committee on Finance.

He also presented memorial and letters in the nature of memorials of sundry citizens and organizations, all in the State of California, remonstrating against the enactment of legislation providing for the cash payment of World War veterans' adjusted-compensation certificates (bonus), and favoring retrenchment in Federal expenditures, and also the imposition of a general sales tax, which were referred to the Committee on Finance.

He also presented petitions and letters in the nature of petitions, numerously signed, of sundry citizens and organizations, all in the State of California, praying for the passage of legislation providing for the prompt payment of adjusted-compensation certificates (bonus) of World War veterans, which were referred to the Committee on Finance.

He also presented resolutions adopted by the American Veterans' Association, of Los Angeles, Calif., favoring the immediate payment in cash at full face value of adjusted-compensation certificates (bonus) of World War veterans, which were referred to the Committee on Finance.

He also presented a resolution adopted by the City Council of Los Angeles, Calif., protesting against the proposed lowering of compensation and reduction of benefits to disabled World War veterans, which was referred to the Committee on Finance.

AMERICAN AUTOMOBILE ASSOCIATION AND THE SAFETY MOVEMENT

Mr. ODDIE. Mr. President, the observance of the two hundredth anniversary of the birth of George Washington has included many noteworthy features. Patriotic ceremonies and parades have been staged in every section of the country. But there is no phase of the whole program that deserves our sympathetic support more than that in which our boys and girls participate. Particularly is this true when safety on the streets and highways—the preservation of life and limb—is emphasized.

In the year 1931 there were 34,400 persons killed and 997,600 injured in 860,000 automobile accidents. Nearly half of the fatalities—42.2 per cent to be exact—were caused by automobiles striking pedestrians, while 53.1 per cent of the injuries were due to collisions between automobiles. Certainly this is an appalling waste of human life.

There is, however, one most encouraging factor. I refer to the steady decline in the number of fatalities and injuries involving children as compared to those in which adults figure. An analysis of motor deaths by age groups for 1931 discloses that of the total of 34,400, children between the ages of 5 and 14 accounted for 14.5 per cent, while the age group between 15 and 54 figured in 60.8 per cent of the fatalities. A study of the automobile injury list presents the same picture.

In seven years, while adult fatalities were more than doubling, those of children increased by less than 25 per cent. In 1922 children made up more than 29 per cent of all traffic casualties; in 1928 less than 20 per cent. Furthermore, statistics for 1929, 1930, and 1931 indicate a still more marked decrease.

This improvement is in large measure attributed to safety education in the schools and the effective and efficient operation of schoolboy patrols in safeguarding children on their way to and from school. The patrolmen are not traffic officers. They are instructed to keep their schoolmates on the sidewalks until traffic is clear and to urge that traffic signals be obeyed.

The American Automobile Association, through its 1,000 affiliated motor clubs, has played a leading rôle in this crusade for safety on the streets and highways. Under its active direction some 200,000 boys in 1,800 cities and towns have been equipped with the familiar white Sam Browne belts and glistening badges, and in some instances with yellow rain ponchos and caps. This safety activity has received the whole-hearted support and indorsement of the United States Bureau of Education and local school authorities. There is no doubt that it has resulted in the saving of countless lives and prevented thousands of children from being maimed for the rest of their days.

Next Saturday morning at 10 o'clock the 2,500 members of the American Automobile Association schoolboy patrols

in the District of Columbia will stage a safety parade. It has been officially approved by the District Bicentennial Commission, school, and traffic authorities.

With reference to this parade, the Washington Post says editorially:

Of the many parades that have moved down historic Pennsylvania Avenue, this will be unusual in many respects. It will be composed of boys in their early teens. The place usually reserved for heroes in all parades will go to 35 members who have been decorated for saving the life or limb of a schoolmate.

In calling this Bicentennial feature to the attention of the Senate, I do so for two reasons. First, that we may have a greater appreciation of what this safety patrol movement means to the boys and girls who daily attend school, and second, that by recognizing what has already been accomplished we may lend our encouragement to the further extension of this safety movement.

CANADIAN TRADE CONDITIONS

Mr. McKELLAR presented the following letter, which was ordered to be printed in the RECORD:

MONTREAL, *April 9, 1932.*

JAS. E. STARK & CO.,
Memphis, Tenn., United States of America.

DEAR SIR: The new Canadian tariff on United States imports, as well as the creation of the new British tariff, compel the American industries, facing competition, either to establish a branch here or give up importing in Canada and Great Britain.

Over 1,500 branches of American industries are already in operation here and many more are expected to follow the same course in the very near future.

Should you contemplate making a real study of Canada as a field of activity for your products or as a medium to export to the Whole British Empire or Europe, we are thoroughly capable of furnishing you with statistics such as the number of plants, if any, in Canada, engaged in the manufacturing of your products—the quantity produced and quantity imported—location suitable for your industry, plants facilities, railroad and power rates, supply of material, employment situation, so-called tax exemptions, etc.

In Canada, and especially in the Province of Quebec, the labor situation is splendid, with low wages and practically "no strikes" on account of rules of a special nature governing labor organizations.

We have a number of committees ready and willing to furnish plant facilities without rental for a long period of time, and to subscribe to the extent of $100,000 or more for shares of a reliable company desiring to establish in that community.

Some Canadian companies, for purposes of diversification, are anxious to manufacture American products under a license privilege, others would purchase the trade name, patent privileges, if any, and machinery of an American company intending to wind up its affairs, and transfer same to Canada, together with the management and necessary personnel.

We are thoroughly familiar with all these subjects and shall be glad to discuss same with you at our offices preferably, or elsewhere at your convenience, and this without any obligation whatsoever to us on your part.

A short trip to Montreal and a conference with us will certainly do no harm and, on the contrary, may perhaps result much to your benefit.

We would appreciate very much receiving one of your catalogues.

Anticipating an early reply and the pleasure of your personal acquaintance, I am,

Very truly yours,

A. M. SURPRENANT.

REVENUE AND TAXATION

Mr. LEWIS presented a letter from Ralph M. Shaw, of Chicago, Ill., in relation to the new revenue bill, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CHICAGO, *April 2, 1932.*

Re: The new revenue bill.

DEAR SENATOR: Whatever may be said by way of explanation or otherwise touching the motives which prompted, or the influences which obtained the passage of the revenue bill by the House of Representatives last week in the form in which it was passed, there is not the slightest doubt that all thinking men who understand the fundamental principles of political economy and the incidence of taxes are agreed that the passage of the bill has destroyed all remnants of a faintly awakened feeling of business confidence.

All thinking men with whom I have talked (and they are many) are united in thinking that if finally enacted, as it comes to the Senate, into law, it will increase poverty and unemployment, exploit capital, and postpone indefinitely any possibility of recurrent prosperity. In other words, its inexorable effect will be not to help, but to destroy.

Undesirable as the tax bill originally reported to the House by the Ways and Means Committee was, it was infinitely better than the bill which the House finally passed. Thinking men can not understand what happened, unless it be that those who inaugurated the movement are anxious to see things get worse rather than see them get better. Many are hoping, and I am one of them, that the Senate will substitute for the bill which it has received from the House the bill which was originally reported to the House by the Ways and Means Committee, adopt it, and then have the matter go to conference. There seems to be a far-reaching reaction, even upon the part of those who originally opposed the very limited sales tax and were successful in so opposing it, that the country would be far better off under the original bill reported by the House Ways and Means Committee than it will be under the mongrel bill which finally passed the House. After all, the sales tax is the fairest tax there is. Those that buy the most pay the most taxes, and those that buy the least pay the least taxes. The more limited the sales tax the poorer the tax bill is.

In this connection I beg to submit to you that in my judgment there is only one real efficient method of decreasing unemployment, and therefore accelerating business recovery, and that is by decreasing taxes instead of increasing them, and, of course, this can only be done (for the Budget must be balanced) by the deflation of the cost of government.

Rents have been and are being deflated. Commodity prices have been and are being deflated. Real estate has been and is being deflated. Securities have been and are being deflated. Wages have been and are being deflated, and will be deflated much more in the absence of some business recovery.

The only thing that has not been deflated is the cost of government, and this is steadily mounting.

The explanation which is given out as being the reason why department heads in Washington do not deflate the cost of their department is this: It is said that if a department head attempts to make a cut in department expense, he is afraid to do so, because he fears that any man who is doing any unnecessary work in an unnecessary department, if threatened with the loss of his job, will telephone to the Congressman or Senator through whose influence he became a barnacle on society, and that thereupon such Senator or Congressman will exercise his political influence to prevent the economy, and possibly cause trouble for the department head.

If this is true it is a great reflection upon the courage of the department head and upon the patriotism and integrity of Senators and Congressmen. But whether this be so or not, the fact still is that the tax bill, if passed in its present form, will exploit what little there is left of wealth in this country and will not improve in the slightest degree the unemployment situation and business depression.

I am calling these matters to your attention because it seems to me that the time has come when every citizen who thinks and every Senator who is inspired with any patriotic love of his country should unite in deflating the cost of government and, therefore, in diminishing the taxes with which an outraged public are already overburdened.

Generalizing will accomplish nothing. Deflation can only be accomplished by Senators, Congressmen, and department heads specializing and particularizing what bureaus can be wholly eliminated and what departments of bureaus can be wholly eliminated so that the public may know and appreciate just what should be done and just who is responsible for not doing it.

That there must be such elimination all sane men agree, because all sane men know:

(a) That the Budget must be balanced;

(b) That it can not be balanced without deflation of government; and

(c) That such procedure is essential to save the Nation.

Very truly yours,

RALPH M. SHAW.

Hon. JAMES HAMILTON LEWIS,
Senate Chamber, Washington, D. C.

TAX ON MUNICIPAL SECURITIES

Mr. LEWIS also presented a telegram from Hon. A. J. Cermak, mayor of Chicago, Ill., relative to the proposed tax on municipal securities, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 19, 1932.*

Hon. JAMES HAMILTON LEWIS,
Senator from Illinois, Washington:

Federal tax on municipal securities will add to yearly burden of Chicago taxpayers the sum of five and one-half to six millions because of greatly increased interest rates required on securities to be issued mostly for operating purposes, and will also cause a loss to investors holding securities of various Chicago governmental bodies amounting to about $45,000,000 because of large reduction in market value of these securities below present very low market value. Such tax will practically make it impossible in future for municipalities of country to finance except at exorbitant rates. Principal reason for market for municipal securities under normal conditions in comparison with industrial or other forms of securities rests on tax-exempt feature. Why not follow Chicago example and reduce cost of Federal Government?

A. J. CERMAK, *Mayor.*

BANKING LEGISLATION

Mr. LEWIS also presented a telegram from M. A. Graettinger, executive vice president of the Illinois Bankers' Association, Chicago, Ill., relative to the Glass banking bill, which

was ordered to lie on the table and to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 15, 1932.*

Hon. JAMES HAMILTON LEWIS,
Member United States Senate:

Illinois bankers protest strenuously against proposal reported to be recommended for inclusion in Glass banking bill, S. 4115, permitting national banks to have branches in States regardless of State prohibiting same privilege to State banks. This is a most unfair proposal and is contrary to oft-repeated policy of Illinois Bankers' Association and American Bankers' Association. We respectfully urge that no branch-banking privileges be extended to national banks except in such States which permit like privileges to their State banks. We solicit your support to this principle. State autonomy should not be violated.

M. A. GRAETTINGER,
Executive Vice President Illinois Bankers' Association.

REPORTS OF COMMITTEES

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H. R. 8637. An act to authorize the sale, on competitive bids, of unallotted lands on the Lac du Flambeau Indian Reservation, in Wisconsin, not needed for allotment, tribal, or administrative purposes (Rept. No. 606); and

S. J. Res. 125. Joint resolution authorizing the attorney general of Wisconsin to examine Government records in relation to claims of Wisconsin Indians (Rept. No. 607).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 615. An act for the relief of C. B. Bellows (Rept. No. 608);

H. R. 1554. An act for the relief of G. Carroll Ross (Rept. No. 609);

H. R. 2704. An act for the relief of Charles Lamkin (Rept. No. 610); and

H. R. 3691. An act for the relief of J. P. Moynihan (Rept. No. 611).

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 4270) for the relief of Carroll K. Moran, reported it without amendment and submitted a report (No. 612) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 4453) for the relief of Pasquale Mirabelli, reported it without amendment and submitted a report (No. 613) thereon.

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 1673) for the relief of Charles C. Bennett, reported it with amendments and submitted a report (No. 616) thereon.

Mr. JOHNSON, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 4443. An act for emergency relief of Palo Verde Valley, Calif. (Rept. No. 614); and

S. 4491. An act amending the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal (Rept. No. 615).

Mr. CAREY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4495) amending section 1 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (ch. 9, par. 1, 39 Stat. 862), and as amended February 28, 1931 (ch. 328, 46 Stat. 1454), reported it without amendment and submitted a report (No. 617) thereon.

MISSOURI RIVER BRIDGE

Mr. VANDENBERG. From the Committee on Commerce I report back favorably without amendment the bill (S. 2967) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo., and I submit a report (No. 618) thereon. This is a bridge bill, and it ought to have immediate consideration because the time limit is close at hand and there is necessity for the extension. I ask for the present consideration of the bill.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River at or near Randolph, Mo., authorized to be built by the Kansas City Southern Railway Co., its successors and assigns, by the act of Congress approved May 24, 1928, heretofore extended by acts of Congress approved March 1, 1929, May 14, 1930, and February 6, 1931, are hereby further extended one and three years, respectively, from May 24, 1932.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

EXECUTIVE REPORTS OF THE POST OFFICE COMMITTEE

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 4512) authorizing a preliminary examination and survey of the McKenzie River, in the State of Oregon, with a view to the controlling of floods; to the Committee on Commerce.

By Mr. MORRISON:

A bill (S. 4513) for the relief of Walter Thomas Foreman; to the Committee on Claims.

By Mr. GOLDSBOROUGH:

A bill (S. 4514) for the relief of Alice E. Broas;

A bill (S. 4515) for the relief of Virginia Houghton; and

A bill (S. 4516) for the relief of Mary V. Spear; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 4517) for the relief of Henry William Doerges; and

A bill (S. 4518) for the relief of Henry W. Nicoson; to the Committee on Military Affairs.

By Mr. BULKLEY:

A bill (S. 4519) granting an increase of pension to Alice V. Keeler (with accompanying papers); and

A bill (S. 4520) granting an increase of pension to Amelia Shultz; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 4521) for the relief of Perry Randolph; to the Committee on Military Affairs.

By Mr. McKELLAR:

A bill (S. 4522) to authorize the conveyance to the State of Tennessee of certain land deeded to the United States for the Great Smoky Mountains National Park and not needed therefor (with an accompanying paper); to the Committee on Public Lands and Surveys.

By Mr. GLASS:

A bill (S. 4523) to provide for the construction of a suitable approach to the Arlington Memorial Bridge connecting Lee Boulevard (Route No. 711 of Virginia) with the memorial bridge; to the Committee on Public Buildings and Grounds.

By Mr. HOWELL:

A bill (S. 4524) to regulate the sale of wheat owned or controlled through the Grain Stabilization Corporation by the Federal Farm Board, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 4525) providing for the transfer of the duties authorized and authority conferred by law upon the Board of Road Commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes; to the Committee on Commerce.

By Mr. GLENN:

A bill (S. 4526) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on Claims.

By Mr. CONNALLY:

A bill (S. 4527) to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.; to the Committee on Commerce.

By Mr. FESS:

A joint resolution (S. J. Res. 150) providing for a joint congressional committee to study and review the administration of the Perry's Victory Memorial at Put in Bay, South Bass Island, Lake Erie, Ohio; to the Committee on the Library.

COMMITTEE SERVICE

On request of Mr. ROBINSON of Arkansas and by unanimous consent, it was

Ordered, That the junior Senator from Louisiana [Mr. LONG] be assigned to service upon the Committee on Commerce; that the senior Senator from Arkansas [Mr. ROBINSON] be excused from further service upon the Committee on Naval Affairs, and that he be assigned to service upon the Committee on Territories and Insular Affairs; and that the junior Senator from Georgia [Mr. COHEN] be assigned to service on the following committees: Appropriations, Immigration, and Naval Affairs.

PRESIDENT HOOVER'S ADDRESS AT GOVERNORS' CONFERENCE

Mr. DICKINSON. Mr. President, I ask unanimous consent to insert in the RECORD the text of the President's address at the governors' conference in Richmond, Va., yesterday.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

I am glad to accept your invitation to meet with the chief executives of the States. We are alike facing great emergency problems of government. We are confronted with maintaining the financial integrity of the Government—State, Federal, county, and municipal. We, all of us, are struggling to reduce the cost of government. We are struggling to avoid National, State, and municipal borrowings. Our tax revenues have all greatly diminished. We must find new tax revenues to supplant those sources which have been dried up by the depression, so far as our deficits can not be made up by drastic reductions in expenditures. We must resolutely balance our budgets.

The economic safety of the Republic depends upon the joint financial stability of all our governments. That stability of the Nation is to be attained not alone by the financial stability of the Federal Government. It lies equally in the financial integrity of every State, county, and municipal government. As executives we are charged under our constitutions with the duty to recommend methods and measures to our legislatures to these ends. I know of no more difficult task. Yet the foundations of recovery of business, of employment, and of agriculture depend upon the success of our efforts and the efforts of our legislators.

You are meeting here to consider many phases of these questions. It is to urge the national aspect of our continued State and local financial problems as well as our Federal issues and to discuss some measures of cooperation that I have accepted your invitation to address you to-day.

A few figures will assist us in considering the cost of Government and the extent to which it has increased in the last 20 years, although all such figures are but approximations and have many different bases of calculation. For purposes of illustration I have taken the year 1913 as the last year to reflect pre-war conditions, the year 1924 as far enough removed from the actual war years to fairly indicate the trend, and 1930 as the last year for which figures are available.

Expenditures, including debt retirement from surplus, were approximately as follows:

	1913	1924	1930
Federal	$700,000,000	$4,100,000,000	$4,200,000,000
State	400,000,000	1,400,000,000	2,300,000,000
Local	1,800,000,000	5,400,000,000	7,500,000,000
Total	2,900,000,000	10,900,000,000	13,200,000,000

Our outstanding debt was approximately:

	1913	1924	1930
Federal	$1,000,000,000	$21,300,000,000	$16,200,000,000
State	300,000,000	1,100,000,000	1,800,000,000
Local	3,500,000,000	8,000,000,000	12,600,000,000
Total	4,800,000,000	30,400,000,000	30,600,000,000

The causes which have led to this extraordinary increase in expenditures and debts are familiar. They include the burden on the Federal Government imposed by the war. This accounts for nearly $2,000,000,000 of annual expenditures and for most of the increase in the debt. You will observe that outside of the war influence our greatest increase in costs of government lie in local and municipal agencies.

In all our Governments, however—Federal, State, and local—enlargement of expenditure and of debts has been caused in part by the increase in population; the rise in commodity prices and wages; by the improvement and new building of roads, streets, waterways, and airways, imposed on us through the development of the internal-combustion engine; and by the growing sense of social obligation to improve education and to enlarge activities in behalf of welfare and relief. In addition, I regret to say, increase of Government expenditure and of debt has been caused by sectional and group demands and by a large expansion of national, State, and local ventures into business—most of which we perform in a most costly manner. Just as the methods and practices in private business and living have had to be overhauled in this emergency, so also must we overhaul the methods and practices of government.

To-day we are clearly absorbing too great a portion of the national income for the conduct of our various branches of government. Using the most reliable figures available, it appears that before the war the total cost of our National, State, and local governments represented only about 8 per cent of our national income. In boom times, when we might hope that the national income would increase more rapidly than the cost of government, nevertheless the cost of government actually increased to such an extent that it represented approximately 15 per cent of the national income, of which less than 3 per cent was directly due to the war. To-day, with the falling off of business, the aggregate expenditures of National, State, and local governments probably represent more than 20 per cent of the national income.

Before the war theoretically every man worked 25 days a year for the National, State, and local governments combined. In 1924 he worked 46 days a year. To-day he works for the support of all forms of government 61 days out of a year. Continued progress on this road is the way to national impoverishment.

Some of the expenditures in government can be reduced by postponement of less-urgent matters; some by permanent elimination or curtailment of functions and activities which have been created over the last 50 years in response to the desire for expanded service by the community. These expanded services are somewhat obsolete but many of them meritorious. But every executive is confronted by the fact that they are established by law and can only be reduced by authority of new legislation.

There has been also the growth of useless duplication and waste. Many of you have already pointed out and are to-day struggling to reduce the multiplicity of local governments. Many of these administrative units have been rendered obsolete by improved communications and transportation. In the Federal Government we have likewise a large number of functions which should be grouped and consolidated.

In an emergency these weaknesses become more apparent, and public attention to government and taxes offers opportunity for their revision. We can not restore economic stability in the Nation by continuing to siphon so large a part of private effort into the coffers of the Government; its abstraction from the people stifles the productivity, the consumption, and the recovery of employment. Nor can we hide our heads in the sand by borrowing to cover current Government expenses, for thus we drain the capital of the country into public securities and draft it away from industry and commerce. Thus a dominant national necessity is to reduce the expenditures of all our governments. This is not only the need, it is the universal demand.

I know that every dollar of decrease in expense, every plan of consolidation in governmental activities, touches some sensitive spot where it causes pain and resentment. While the people as a whole demand and applaud these endeavors toward economy, in the large the complaints and threats of sections and groups greatly impede the concrete efforts of all executives and legislators. As a result, one of the difficulties that all executives face is the tendency to secure reduction of expenditures at the cost of those services necessary to protection of life, property, defense, and other vital functions rather than to reduce those items which excite the political interest of special groups.

Another of our difficulties is to arrange our reductions of expenditure so as not to work undue hardship upon a vast group of public employees; and to be careful that while we strive on one hand to assist the unemployed by public works, we do not add to the pool of unemployed through dismissal of large numbers of equally deserving public servants.

I am in hopes that in the Federal Government we can compass the need of reduced expenditure and at the same time, by introduction of shorter working time for each employee, can give all of them a living, can maintain to them the assurance of recovery of the standards of American life, and can avoid the inhumanity of thrusting them upon the local communities for support against destitution.

The other side of our problem is taxation. It confronts all of us in four phases. First, the need for ultimate reduction in the tax burden. Second, the need, in the existing emergency, for new forms of taxation to replace those sources of revenue which have failed us under present conditions in so far as we can not possibly offset the whole loss of public income by reduced expenditures. Third, the great problem of duplication in the tax field between Federal, State, and local governments. Fourth, reorganization of the tax basis so as to secure a more just distribution of the tax burden as between the various groups of taxpayers.

Our problem in tax reduction would be a simple equivalent of our savings in expenditures if it were not for the drastic decline in tax receipts—Federal, State, and municipal. This decrease has been of serious dimensions because tax sources, particularly for the Federal Government, and to a lesser extent State and municipal governments, are dependent upon business activity, upon profits and income. The revenues of the Federal Government have diminished over 50 per cent, and this mainly in one group—the income taxes. And in result the contract obligations alone of the Federal Government exceed our tax income.

As a result of the decreased income of all our Governments—National, State, and municipal—are frantically searching for new sources of taxation. In this process we are too often duplicating taxes upon the same sources. No matter how we disguise it with names such as "excise," "luxury," or "sales," the result is the same, the National, State, and municipal governments are competing with each other for revenue from business activities. We are all seeking further revenue from business activities.

While the National Government imposes no direct taxes on real property, the State and local governments are all pressing upon each other in taxing it. This same real estate indirectly bears in part the taxation which the Federal Government lays on profit and income. It all reflects in the rent.

All these cross purposes contribute to economic duress. The many provisions of multiple taxation may vary so much that a taxpayer coming under several jurisdictions may find himself paying an unreasonable amount for the support of government. The tax levies of the various taxing authorities all constitute a burden on the national income, and, in times of depression, when the relative weight of that burden is increased, lack of coordination in the system becomes a matter of prime importance.

One of the taxes which is responsible for a disproportionate part of the hardship of our present tax system is the general property tax. While the National Government imposes no such tax, the State and local governments rely heavily on it for revenue. The taxes upon real property are the easiest to enforce, and are the least flexible of all taxes. The tendency under pressure of need to continue these taxes unchanged in times of depression, despite the decrease in the owner's income, places undue drag upon that segment of the community in which real estate is the chief property item. Decreasing prices and decreasing income result in an increasing burden upon property owners both in rural and urban communities, which is now becoming almost unbearable. The tax burden upon real estate is wholly out of proportion to that upon other forms of property and income. There is no farm relief more needed to-day than tax relief, for I believe it can be demonstrated that the tax burden upon the farmer to-day exceeds the burden upon other groups.

With view to making a suggestion that may be timely to this subject—that is, the conflict between methods of taxation in different segments of government and consideration of the whole question of distribution of the burden of taxation—it seems to me urgent that we should, all of us, through our financial officers give renewed examination to this subject in the light of conditions to-day and by exchanges between them reconsider the possibilities of the whole problem of better coordination, greater simplicity, and, above all, better adjustment of the burdens among our people.

Gentlemen, the purpose of my address is to express a desire for greater cooperation and coordination of our mutual problems. Just as you are meeting here to-day to develop helpful action out of common experience, I take the liberty of suggesting to you that similar conferences and examination of problems by the executives of your local governments in each State would be productive of useful results. It would help toward a realization that local expenditures and taxes are a part of a great national problem in stability as well as one of local concern. It would contribute to their resolution to bring about constructive economy and cooperation.

We, as executives, all agree upon the absolute necessity in the interest of the Nation as a whole of reduced expenditures, of better distributed taxation, of balanced budgets. Our town councils, our county commissions, our State legislatures, and the Congress agree upon these fundamentals. That is the sure highway toward national recovery. But to accomplish these things we must have the intelligent support of the people themselves, that selfish vested interest and vested habit do not, by their organized sectional and group oppositions or individual action, defeat these high purposes.

Especially do I take this occasion to pay tribute to the courage shown by our public officials, both executive and legislative, in these problems. Their task is no light responsibility. This duty offers no rosy path to popularity. Rather, it is one to invite the anger of established interests. With the utmost care that can be exercised by the executive officers and the legislators throughout the Nation, and with the utmost good will, it is bound to cause individual hardship and to grieve the friends of many worthy causes.

Nevertheless, the duty is inexorable, and its discharge rests inescapably upon all public officers. The final results will redound to the general public benefit.

Therefore, I say to the public: Be patient, be helpful, recognize the complexity and the difficulty of the problem before these servants of your combined public interest. Support them in their task, for upon its successful conclusion depends a most momentous contribution to our united security, our hope of an early return to stability, and the common welfare of every man, woman, and child in our Nation.

GOVERNMENT REORGANIZATION—SPEECH OF SENATOR VANDENBERG

Mr. DICKINSON. Mr. President, I ask permission to have inserted in the RECORD a speech delivered by the junior Senator from Michigan [Mr. VANDENBERG] in the National Radio Forum on the subject of "Government Reorganization," April 11, 1932.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

The costs of Federal, State, and local Government must come down. There is no alternative. Public and private solvency require it. Boom income ended some time ago. Boom outgo must submit to comparable deflation. The taxpayer is at the end of both his patience and his purse. Not even perplexing prohibition excites as much universal conversation to-day as does governmental economy. A mere shifting of taxes from one target to another is not enough, although equity demands some shifts. But the need of the hour is to lay the ax at the root of the tree of public expenditures. To prune the foliage is not enough. The American people demand major operations. They have a right to this relief. Government itself will otherwise go bankrupt. The challenge can not be ignored.

All government in the United States, meaning Federal, State, and local, cost $14,000,000,000 in 1930, or $45,000,000 every week day of the year. To pay this bill took the equivalent cash value of the entire annual production of all our motor factories, all our iron and steel furnaces, all our rolling mills, all our slaughterhouse and meat packing, all our men's and women's clothing industry. The drain is devastating. It can not go on. We must retrench and convalesce.

The Federal contribution to this burden is, roughly, 30 per cent of it—perhaps $13,000,000 or $14,000,000 every week day that rolls by. But the Federal income is now less than half this amount. What shall we do about it? Elementary common sense thunders at us with its monitory answer: Cut your garment to your cloth! Live within your means! Get down to earth! Economize!

Of course, the Federal Budget must be balanced in order to save the public credit. This is our sheet anchor in the storm. Only a crazy man would cut the chain. Unfortunately, so much of the Budget is in fixed charges, like approximately a billion on debt account and another billion in veterans' allowances, that the economy range is sharply circumscribed. As a result, no matter how brave the assault upon the balance of Federal expenditures may be, temporary additional Federal levies are unavoidable. Nobody wants to pay them. But the American people will pay them with typical loyalty and sportsmanship if they know, first, that the last possible economy has been invoked to reduce these temporary tax necessities to the utmost limit and to hasten their subsequent elimination. It is the unescapable responsibility of the Federal Government to put maximum effort into these economies. The people are not of a temper to compromise with failure, however well excused upon this score.

How, then, may it be done? That immediately becomes the practical question.

There are many different contributing answers.

Of course, the first answer is to draw a dead line against all new appropriations for new purposes. This means rigid resistance to the well-meaning demands of well-meaning groups of citizens all over the land. It is a strange paradox that even at this very moment, when the economy cry is in full throat, there still are innumerable petitioners for new and heavy drains upon the Federal Treasury. I personally have been besought to support a total of more than $11,000,000,000 in new appropriations of one kind and another during the last 90 days. An organized minority, responsive to an aggressive manager, can make an exceedingly loud and impressive noise in connection with one of these putative Treasury tappings. Most of these swollen public expenditures originated in the campaignings of just such organized minorities. We probably are the most overorganized land on earth. This is one of the reasons, ultimately, for the high cost of government. The people must change their attitude in this regard. They must exercise as much continence as they demand of Congress. They can not keep their cake and eat it. Economy requires cooperation. Constituents must do their part.

I have said that the first answer to our question is to draw an arbitrary dead line against new appropriations. The second obvious answer is to extend the dead line against any increases in old appropriations and to cut them back to the last livable limit. The President's Budget last December, according to his own figures, wrought a reduction of $369,000,000 over the previous year. In passing upon the first three appropriation bills the House in turn cut a total of $115,000,000 under the Budget, although a substantial portion of this sum is calculated to return after election as a deficiency item. Then the Senate, after helplessly trying to particularize in additional economies, shut its eyes and ordered a final 10 per cent reduction in these totals—an operation in which I participated and which I heartily applaud. If the country thinks that serious efforts are not being made—and successfully—in these directions, the country is mistaken. The executive departments in Washington have good reason to know otherwise.

But there is still a third answer to our question—the most practical and important answer of all—namely, the complete elimination of useless or outworn public services, the reorganization of other services to eliminate duplication, overlapping, and waste, and the economical concentration of all related public services in one management and one overhead. It is upon this particular phase of the problem that I have been asked to speak. I do so with great earnestness, because it is a phase which I have been particularly urging upon the Senate during the past month. What is infinitely more important, it is a phase to which the President has been addressing repeated and insistent messages.

The structure of the Federal Government includes 10 executive departments, 40 independent establishments, 200 bureaus, boards, and commissions, and 550,000 employees. They have grown up "like Topsy." No one in particular is to blame. It is the haphazard product of a haphazard era in American life. Once upon a time the late Senator Aldrich said in another and less-expensive day that even then he could save $300,000,000 a year through "business management" of the Federal Government. Since then we have had our recent decade of opulence when money was no object, when our fat fortunes were matched by an equivalent generosity in the expansion of infinite social and public service, when we trended in the direction of vast grants of aid and interest for industry and agriculture, when we drifted into the emphasized habit of Federal bounties to the States, when, in a word, Uncle Sam became a sublimated Santa Claus with a pouch full of currency for anybody who might write him a letter.

Each new Federal activity required some kind of a new bureau to administer it. Then each new bureau immediately aspired to justify its own expansion by conjuring some new Federal activity. The endless chain. The vicious circle. Bureaucracy on the loose! Frankenstein! The motives were superb. But the net result is administrative and economic chaos.

Just a few out of innumerable examples. Public-works construction is handled by 14 bureaus or agencies in 9 different departments! Conservation of natural resources is handled in eight bureaus or agencies in five different departments! Direct aids to education are handled in six different bureaus or agencies in three different departments! Public health is handled in four different bureaus or agencies in two different departments! The purchase of $250,000,000 of supplies annually is handled independently by all bureaus and all agencies in all departments, and the same commodity is bought at widely differing prices by these uncoordinated purchasers in behalf of the same government! Probably the most classic example of this magnificent confusion is the plight of the perplexed mariner in his dealings with his Government.

He borrows from the Treasury through the Shipping Board to build his vessel. He gets a subvention from the Post Office to help run it. He gets his domestic charts from the Department of Commerce, his foreign charts from the Navy Department, and his Nautical Almanac from the Naval Observatory. He will in some instances get sailing directions from the Army. In a fog he will get radio signals from both the Navy Department and the Commerce Department. He will listen to foghorns and look for lights and buoys provided by Commerce. If he sinks, his life is saved by the Treasury Department. He will anchor at the direction of the Army, who rely upon the Treasury to enforce their will. His boilers and lifeboats are inspected by one bureau in Commerce. His crew is certified by another. This crew is signed on by Commerce, inspected at sailing by the Treasury, inspected on arrival by the Department of Labor. Of such is the kingdom of Federal bureaucracy!

This is not an isolated exhibit. It is simply the lengthened shadow of paternalism. Democracy and paternalism are at war with each other in the United States to-day. The winner remains to be identified, because—I beg of you to remember—there are powerful and earnest groups of citizens continuing to clamor for more rather than less bureaucracy and cash transfusion.

But the need of the moment, dictated by sense and necessity, is bone-deep retrenchment and impartial, unpartisan, courageous reorganization. There are three possible methods of procedure. The chief hazard at the moment is a discursive and diverting row over the choice of a method as between these three—a quarrel which, unfortunately, can not be kept wholly free of 1932 political-campaign agilities. But I hasten to add that all parties and all departments persistently demonstrate a common and devoted anxiety to do this job in respect to shortened expenditures.

One of these three methods of retrenchment through reorganization is the legislative method, dependent upon legislative initiative and impulse. This is the most doubtful method, because in the midst of a confusion of clashing bureaucratic interests which know exactly what they want it is dubious business to wait for a meeting of 531 legislative minds in House and Senate. We have one shining example of this futility. In 1924, after four years' earnest labor, a joint congressional committee submitted a comprehensive reorganization plan, far more searching in scope than any duplicated effort could hope to be to-day, and it died aborning. We approach the eighth anniversary of its obsequies. On the other hand, Congress proved that the miracle is not impossible, when, for example, it ordered the concentration of all veterans' affairs in one department two years ago, whereupon this concentrated department, although simultaneously loaded down with 50,000 new types of Spanish War claims, 715,000 new types of World War disability claims, and 2,268,000 new bonus loans, proceeded actually to reduce its joint cost of operation by nearly $12,000,000 per annum. In other words, the thing can be done by congressional initiative, as a House Economy Committee has been struggling to do it for several weeks, but it is the least reliable and the most ponderous formula.

The second method of procedure is by Executive order of the President. This is the "direct action" method. It is the method recommended by the analogy of private business where the executive ordinarily "hires" and "fires" and pursues efficiency and economy by summary mandate. The President repeatedly has asked Congress to give him this authority, subject only to consequent congressional veto. At present he has in the main only the power to recommend. But Congress has declined to untie his hands. The question of the delegation of legislative powers arises. Then, too, there is a constant demand for a bill of particulars as a condition precedent. Then there is the familiar and typically illogical political anathema which condemns the President for not acting on his own while also declining to grant him the power to act on his own. Three times in the Senate, between March 11 and March 17, I sought to provide this power through amendments to appropriation bills. The first amendment was defeated, 32 to 34; the second, 26 to 37; the third, 28 to 35. But a resolution submitted by Senator GEORGE and approved by the Finance Committee to accomplish this result is now on the Senate Calendar, and the so-called steering committee promises it an early right of way.

The third method of procedure is a combination of the other two. The President recommended it in a special message on April 4, namely, corrective action initiated by a mixed group representative of Senate, House, and Executive. This method lacks some of the infirmities of the first method and all of the expedition of the second method. If it could have plenary power, it would be superior to both. But any method which gets results is welcome. The extra-legal liaison established last Saturday between the President and the House Economy Committee points to possibilities of success in this latter direction. It remains to be seen, however, what the full body of the House and Senate would do with a general reorganization law submitted for its approval. The President did not overstate the hazard in his press statement of April 5 when he pointed out that such a program concerns a multiplicity of committees in Congress, as well as a multiplicity of executive instrumentalities. He said, "If we take the 11 principal spending branches of the Government, each of them working independently with some part of over 30 different congressional committees which are concerned in these ideas and proposals, then, even if we have the very best will in the world, without an atom of partisanship, the mere diffusion of effort seemingly makes effective progress impossible." It remains to be seen whether a mixed liaison committee, implementing this third plan, could rise above this complex. Bureaucracy is tenacious. So are its related committees in the Congress. Personally I continue to believe the second method preferable—direct action by Executive order. But any method is preferable to no method—and the time for cohesive decision is at hand. The end will justify the means. Democracy is eating itself up to-day. It must curb its own governmental appetites.

This is more than a skirmish; it is a war. Saving a few millions is not enough. Saving three-quarters of a billion is nearer the need and not impossible. The best politics at the moment is no politics. The best rule is courageous, consistent common sense. There is no way that Uncle Sam can get a single dollar of real money without taking it sooner or later from the pockets of his people. Any pretense to the contrary is mere moonshine. Let us put first things first. There is no way to stop this exaction except by stopping expenditures. Unfortunately this hurts those who are thus penalized or deprived. Hence the resistance. But our responsibility is to the greatest good of the greatest number. The American people have a right to reduced budgets in every field of Government. They should encourage this disposition upon the part of their public servants by declining to join in demanding new drafts or in opposing rational curtailments. With common and incorrigible zeals we shall win our way back to solvent happiness.

ADDRESS BY SENATOR PITTMAN AT MONTICELLO

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an able address which the eminent senior Senator from Nevada [Mr. PITTMAN] delivered at Monticello on April 25 instant.

There being no objection, the address was ordered printed in the RECORD, as follows:

Governor Pollard, Mr. Gibboney, assembled governors, and distinguished guests, throughout the ages, in the darkest hours when chaos reigned and man seemed sinking into mental and moral degeneracy, God in His infinite mercy has vouchsafed to us some great soul to lead us back to the perfect and immortal laws given us through His divine Son.

Our country has been peculiarly blessed. Since the beginning of our strife for an independent government, where men could live free and equal, statesmen, soldiers, and philosophers have arisen whenever our Government has been threatened or our people have cried out in distress.

To-day we are honored in being permitted to assemble at the shrine of one of these great souls to tender our humble tribute.

Again darkness is enveloping us, and no ray of light meets our weak vision. It is well that at this time the governors of our great States, whom Jefferson so loved and trusted, should meet to take counsel. Eight million men and women in our country are

pinched by poverty, the humiliated subjects of charity, because they can find no work for their willing brains and hands. The farmer, the stock raiser, and the miner can not sell their products for sufficient to pay the expenses of production. Many of our great manufacturing plants are idle, while the rest have reduced their operations to a small percentage of their capacity. It is not by reason of the lack of money. They have more money invested than is necessary for their operation or upon which they can earn a profit. It is because the farmer, the stock raiser, the miner, and the idle manufacturing laborer can not buy. Those who have money can find no profitable investment or safe place to lend it. They have lost confidence in everything, so they are hoarding their gold.

What is wrong? We have more money in our banks than in the most prosperous times; our land is just as rich; our manufacturing plants are just as efficient; our people are just as capable and industrious; our demands are just as great.

One school of thought says, "Restore confidence and all will be well." Congress has not faltered. It has passed the legislation which was declared would restore confidence. We have passed the Reconstruction Finance Corporation act and the Glass-Steagall Banking Act. The Reconstruction Finance Corporation act has reduced the number of bank failures and prevented possible receiverships of big corporations. The Glass-Steagall Banking Act has not been utilized by the banks of the country to the extent required. They are afraid to borrow currency from the Federal reserve banks to lend under present conditions. This legislation has accomplished good results, but it has failed to restore trade. Commodity prices have not increased and unemployment has not decreased.

This school of thought now tells us to cut off Government works, decrease employment, and reduce wages. Such program, it is true, will tend to stem the tide of rising taxes undoubtedly, but I can not comprehend how it will materially increase the purchasing power of our people, which is essential to prosperity. Are these disastrous means necessary to the balancing of our Budget?

It is true that expense of government has risen to the danger point. It must be reduced. The question is, Is this the time to do it in the manner suggested? Are not the premier problems the elimination of unemployment and raising of commodity prices above the cost of production? Can anyone except our Government afford to employ when there is no profit in industry? We can place industry upon a profitable basis; but it will take time, and is there time to trifle with unemployment?

We produce a surplus in this country, and until we reestablish our foreign markets for such surplus we can have no profitable domestic market. The stagnation of international commerce and trade is the major cause for world depression. Great differences in the exchange value of the money of countries, and the tariff walls are the chief obstructions to such commerce and trade. Over half of the people of the world have and use silver money alone. We have negligently permitted their money to be so beaten down in value as compared with our gold-standard money that they can not longer afford to purchase our products.

The inexcusable, unnecessary, and almost criminal causes for this silver-money depression can be easily eliminated through the action of an intergovernmental conference. Trade barriers can be removed through reciprocal agreements and commerce restored. These acts will be accomplished. Then our purchasing power will return, industry will prosper, unemployment will cease, confidence will be reestablished, and Government aid will no longer be necessary.

I hope the governors will take counsel with regard to these matters and advise us of the Congress, because we welcome able, unselfish, and fearless advice, and support.

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199) reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. HASTINGS. Mr. President, I shall take as little time as possible in presenting some answers to arguments which have been made upon this question, but I shall at the same time take enough time to present the matter to the Senate as best I can. I want to promise the Senate, in the first place, that before I shall finish I shall undertake to show a very great difference between this case and the Vare case in many particulars. I shall undertake to show to those on this side of the Chamber who voted as I voted in that matter that they have nothing to be ashamed of and that there is nothing inconsistent with my vote against the unseating of Mr. Bankhead.

I want to point out, in the first place, that I do not agree with the suggestion made by the chairman of the Committee on Privileges and Elections that under the facts and circumstances of this case Mr. Heflin can under any circumstances be seated by the Senate. I do insist, however, that regardless of what Senators here may feel with respect to the primary, there is sufficient fraud in the election to make it necessary for the Senate to declare that there was no election in that State in the year 1930.

I have heretofore based my argument largely upon the fact that irregularities themselves under the decisions of all the courts and under the precedents in both Houses of Congress fully justify us in taking that action. In view, however, of what has been said on the other side, I shall not be content with that but I shall point out specific instances, and then I shall seriously ask the Senate whether under any circumstances it wants to put its stamp of approval upon such conduct.

I shall ask you to bear with me a moment until we visit Alabama with John Doe, who was spoken of yesterday by the Senator from Georgia [Mr. GEORGE]. The Senator from Georgia called attention to the fact that John Doe was a respectable man, that he was a member of the church, that he did those things that any respectable man might do in the State of Alabama. He called attention to the fact that the Senator from Delaware would throw out John Doe's vote because they did not have a polling booth at the place where he voted; would throw out his vote because it did not bear the official initials of officers in charge; would throw out his vote because it was not marked in accordance with the law of Alabama; would throw out his vote because the officers did not roll and seal the ballots and put them in a box. Then he called attention to the fact that these are the few facts to which the Senator from Delaware has called attention and upon which the Senator from Delaware desires the Senate to throw a man out of the Senate and declare there was no election.

Just at this point I want to invite attention to some of the things which to my mind are more important than the mere flyspecks which the Senator from Alabama [Mr. BLACK] said I discovered with a microscope. I read:

In Barbour County a few of the ballot boxes were "returning cases." No slot.

In Blount County several of the ballot boxes were "returning cases." No slot.

In Bullock County several of the ballot boxes were "returning cases." No slot.

In Butler County several of the ballot boxes were "returning cases." No slot.

In Calhoun County 26 ballot boxes had no slot for the insertion of ballots.

In Conecuh County none of the 33 boxes had slots for the insertion of ballots.

In Crenshaw County none of the 30 boxes had slots for the insertion of ballots. They were their "returning cases."

In Etowah County 10 of the ballot boxes had no slot for the insertion of ballots.

In Hale County 13 of the ballot boxes had no slot for the insertion of ballots.

In Cherokee County 11 of the ballot boxes used had no slot for the insertion of ballots. They were "returning boxes."

In Pickens County all of the 24 boxes had no slot for the insertion of ballots.

In Wilcox County there were five standard R. F. D. mail boxes used as ballot boxes. There were no slots in them.

In Jefferson County about 75 of the green ballot boxes had no slot for the insertion of ballots. About 75 of the green boxes had a very small slot which was too small for the insertion of a folded ballot. About 50 of the black boxes had a slot which was large enough to admit a folded ballot.

Morgan County had 17 ballot boxes with no slot in them for the insertion of ballots.

That, Mr. President, I suppose, is what one of my colleagues on the subcommittee calls a flyspeck.

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. Let me ask the Senator if he is not now talking about the returning boxes which are provided for under the Alabama law?

Mr. HASTINGS. I am talking about the boxes collected by the committee.

Mr. GEORGE. Very well. They were collected by the committee's agents, but it was following the election, and therefore the ballots were in returning boxes. In some

instances the Alabama law provides for a separate returning box.

Mr. HASTINGS. In some instances! Does it not do it in every instance?

Mr. GEORGE. It does; but in all the counties they do not observe it, though some of them do observe it.

Mr. HASTINGS. That is exactly what I am going to talk about.

Mr. GEORGE. The Senator is leaving the Senate under the impression that those were ballot boxes.

Mr. HASTINGS. I am not leaving the subject by any means, and before I get through I will thoroughly explain it.

Mr. GEORGE. Very well.

Mr. HASTINGS. I say that if a condition like that were discovered in Pennsylvania it would be immediately declared to be a scandalous condition; but what happened in Alabama is as pure as some edition of the Holy Writ; nothing at all is said about it; it is called nothing in Alabama.

Let me go north of the Mason and Dixon line, and, instead of John Doe, let me take Richard Roe, and let me place him in the southern part of Philadelphia, and, instead of a respectable white man of Alabama, let me assume that he is a respectable colored man in south Philadelphia, attending church just as regularly as the white man attended church in Alabama.

Mr. GEORGE. Now, Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. I did not expect to speak again, but I am not going to have the Senator misrepresent me in this body. I never used the word "white" or the word "colored," either directly or by insinuation.

Mr. HASTINGS. I have not intimated such a thing.

Mr. GEORGE. I think the Senator means to intimate it; I think it is his purpose now to do so.

Mr. HASTINGS. Oh, do not charge me with that——

Mr. GEORGE. Very well.

Mr. HASTINGS. Because I did not intimate any such thing. The Senator from Georgia, however, picked out his man, John Doe, and I am assuming that he is a white man voting in Alabama. The Senator did not say so, but I am assuming it; and I am taking my own man; I am naming him Richard Roe; I am putting him in South Philadelphia, and I am going to find out what happens to him when he goes to vote, as the Senator from Georgia finds out what happened to John Doe when he went to vote. This is what happens: Richard Roe goes to the polling place, and, lo and behold, there is no polling booth; there is no secret place for him to go in order to vote. What is the inference to be drawn when Richard Roe comes here and complains that his vote cast in Philadelphia was not counted because there was no secret place where he could go and mark his ballot? The inference to be drawn—and the charge would be made—is that it was the Vare henchman who prevented the law from being carried out in Philadelphia. For what reason? Because they wanted to be in a position where they could watch that voter, Richard Roe, in South Philadelphia, mark his ballot. In Alabama watchers were there, and the voter had no secret place to go. Then the question is asked of the Senate, Is that the proper way to conduct an election?

Then if it is found that the Vare election officers, these horrible men, deliver him a ballot that was not properly initialed, what inference is to be drawn from that? What is the purpose of initialing the ballot? The purpose of initialing the ballot in Alabama is to prevent a man from getting a ballot and having it marked outside. So when he goes into the polling place he takes the official ballot that is initialed and votes that official ballot. If the initials are not required to be placed on the ballot, then he is permitted to take a ballot from the outside that somebody has marked for him, to take it in the booth, and vote that ballot, instead of the official one that he should get in that particular place.

The Senator from Georgia complains that I want a vote thrown out because it was not numbered; and in 28 places in the speech delivered by the Senator from Alabama [Mr. BLACK] he charged me with wanting to throw out the votes because pencils were used instead of ink. I call his attention to the fact that 58,817 of the ballots were not marked at all. In a colloquy with the Senator from Nebraska the Senator from Alabama said, "Why you could discover fraud, because the vote was marked and, having been marked, you could identify the vote, and in that way could discover the fraud easily enough in one day." He complained of me that I wanted to throw Bankhead out because there was a failure to number the ballots; but the minute the question is put to him and it is shown that fraud could be committed, but the great difficulty is pointed out of catching a man committing the fraud, the Senator from Alabama says, "In Alabama we number the ballots, and in that way it is easy to discover any fraud." Yet 58,817 ballots were not numbered at all, to say nothing about the three counties from which the ballots were not brought here because they had been burned before we could get our hands upon them.

Let us follow Richard Roe a little bit farther. His ballot is not numbered, and the Senator from Georgia says, "Your ballot can not be counted because the election officers failed to number your ballot." Well, that is too bad. But, in addition to that, the Senator from Georgia says to him, "They did not roll your ballot and seal it, so it is difficult for us to locate your ballot and to know that it is in the ballot box as you put it there." The Senator says nothing to him about there being no slots there through which the ballots were put. But, in addition, he says to Richard Roe, "We find that when the Senate comes to collect the ballot boxes the boxes themselves are broken into; we find the ballots not sealed; we find the ballots not numbered; we find they are not initialed; we find that there was no booth furnished to you in which to vote; and, under all the circumstances, poor Richard Roe, we can not possibly count your vote." But Richard says to him, "No; you are talking about Alabama; we do not do things like that in Pennsylvania." No such condition existed in South Philadelphia in 1926 when the Senator from New Mexico was investigating that election; not at all.

The booth was there, oh, yes; the ballots were properly initialed by the official, that is all right; they were properly numbered by the official, that is all right; the ballots were properly rolled, that is all right; the boxes were properly sealed, that is all right. "We found all those conditions, Richard, it is true, but we found a condition in Philadelphia which we say must of necessity indicate fraud. We found, Richard, that in your district 100 per cent of the registered voters voted, and, based upon that, we must of necessity assume that there was fraud committed there. We find, more than that, in some districts that 100 per cent of them voted for Vare. That being true, we can not assume that there existed in Philadelphia a condition consistent at all with an honest election. But that is not all; we found a memorandum in the prothonotary's office showing that your box containing 400 votes was delivered there an hour and a half after the election closed, and we assume from that, because we have tested it in the committee, that one can not possibly say that that was a valid box, and we are bound to throw it all out because it is a physical impossibility for anybody to have counted those ballots in that time. In addition to that, in your particular box on a recount we find that Vare loses a dozen votes and Wilson gains a dozen votes."

Senators, that is the parallel between the two cases. The Senator from New Mexico, in the Vare case, threw them all out; he threw out every one where there was a particle of suspicion of fraud. He then found that 19,000 more votes were cast for Vare than for Wilson, and, for that reason, he could not support Wilson; but he said in his speech in the Senate and in the report submitted by him, and signed also by the Senator from Georgia, that the election was so tainted with fraud that he could not think of standing by and letting Vare take his seat.

But the Senator says with respect to the primary, "Oh, that is a different thing." In the report which he has sub-

mitted here it is said that the Senate has nothing to do with the primary, and he gives as a reason for a distinction between this case and the Vare case that Vare himself was covered with fraud; Vare himself was tainted with leprosy. What was there in the resolution to prove it? What were the facts in the Vare case? The Senator from Nebraska [Mr. NORRIS] was absolutely correct; the resolution itself shows it.

The resolution says that there was some fraud committed in the primary, but that there was a great amount of money used by Vare and his friends, too great an amount for the Senate to feel justified in permitting him to take his seat. There was the distinction. On this side some of the Members said that was not a sufficient reason, that taking into consideration the 10,000,000 people in Pennsylvania, it was not too much to spend $875,000, and there was not sufficient evidence shown of fraud to make it an illegal primary. That is all there was to it. There was not a word in the resolution to condemn Vare himself—there was nothing in the resolution that condemned the personal character of Vare; nothing that made it necessary for the Senate to throw him out because his personal character was not such as to make him fit for us to associate with. The action taken in that case was based upon one theory; it was based upon the theory that because of the use of money and some fraud shown, the primary itself was a nullity.

I say if that be true with respect to a primary, what shall be true if it appears on the face of the resolution itself that it is wholly null and void. I say that much more can be said in this case against the primary than could possibly be said against the primary in the Vare case. In that case there was a difference of opinion with respect to what the actual facts showed and whether they were important enough to cause the Senate to conclude that that primary itself was null and void; but here under the Alabama law—and I challenge any unbiased lawyer who examines it to say that that is not the fact—in this case it is just as clear as it is possible to make anything that the whole proceeding was unlawful. The fact that in Alabama similar action was taken once before, I submit, is no reasonable excuse. As a matter of fact, it never was done before. What was done before was to require an affidavit that the person did not support the Republican ticket nor vote the Republican ticket. That was what was in the resolutions prior to 1930. In 1930, for fear Heflin could comply with the requirement, for fear he could say he did not vote for Hoover, they put him in a position where he could not possibly under any circumstances make the affidavit that was required.

It is perfectly absurd to compare the Lett case with this case. In the Lett case it was merely held that the requirement was reasonable and did not prevent a man from getting on the ballot; that all he had to do is to give to the public certain information; while in this case it was made impossible for certain people to run as candidates in that particular election.

Mr. BRATTON. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from New Mexico?

Mr. HASTINGS. I yield.

Mr. BRATTON. Suppose Lett had voted the Democratic ticket in 1928, would the resolution have barred him from going on the Republican ticket in 1930?

Mr. HASTINGS. Not at all.

Mr. BRATTON. Then it would have required him to make a false affidavit, would it not?

Mr. HASTINGS. It would not have required him to make an affidavit of any kind except as to how he voted; that is all it required.

Mr. BRATTON. In 1928?

Mr. HASTINGS. In 1928.

Mr. BRATTON. Well, let us say that in fact Lett voted the Democratic ticket in 1928. Would the resolution have excluded him from going on the ticket in 1930?

Mr. HASTINGS. Not by any means.

Mr. BRATTON. The only way he could have gone on the ticket would have been to make a false affidavit.

Mr. HASTINGS. No; not at all. The Senator, I submit, has not carefully read the opinion if he has that impression. The resolution simply said that you should state how you voted in 1928. It did not say what effect it should have. Indeed, the intent was that it should have no effect except that the public should be given the information.

Mr. BRATTON. Is that the view of the Senator as to the Lett case?

Mr. HASTINGS. It is the absolute view of the Senator, and nobody can read it without reaching that conclusion.

Mr. GEORGE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. In the Lett case, that was the rule adopted by the Republican Party officials of Chilton County. It fixed no qualification for voters, did it, except just the general qualification that they should be qualified electors? It did, however, require an additional qualification of Lett; that is, it required him to make and file a certain affidavit. I think the Senator will concede that; will he not?

Mr. HASTINGS. That is correct.

Mr. GEORGE. Therefore, it was laying down a qualification for Lett different from and additional to that required of the voters in the primary. The Senator concedes that, does he not?

Mr. HASTINGS. That is correct.

Mr. GEORGE. Very well. Lett refused to make the affidavit, and the Republican Party committee of Chilton County thereupon refused to put his name upon the ballot.

Mr. HASTINGS. Yes.

Mr. GEORGE. His case went to the supreme court, and the supreme court said that the regulation was reasonable, and that they had a right to keep him off the ballot as a candidate. The Senator does not controvert those facts, of course.

Mr. HASTINGS. That is correct. Now let me undertake to show the difference——

Mr. ROBINSON of Indiana. In other words, Mr. President, if the Senator will permit an interruption, under the Lett case the decision suggested that it be left to the people themselves to determine whether or not Lett was a good party man.

Mr. HASTINGS. That is correct.

Mr. ROBINSON of Indiana. Not that it be left to 50 or 60 party bosses to decide whether or not he was entitled to go on the ticket, but that the people themselves should decide the question.

Mr. HASTINGS. That is correct.

Mr. President, there is this distinction between the two sections that have been talked about so much, sections 612 and 672: Section 612 provides political or other qualifications for the candidate, which shall be the same as the political qualifications for the elector. "Political or other qualifications" is the language; and the heading of that is "Qualifications for voters." Senators on the other side insist that the heading amounts to nothing; but the heading on that—made, I assume, by a lawyer of Alabama preparing the code—is "Qualifications for voters." In the second instance it makes provision for the assessment of candidates, and gives to the executive committee the right to assess candidates or provide other qualifications.

In providing for assessments, why was it necessary to say "other qualifications"? In the first instance they had provided political or other qualifications. In the second they had provided assessments or other qualifications. It was intended that the political qualifications for the candidate should be the same as for the voter. Other qualifications were necessary to be put in there because you will observe that every primary resolution passed in Alabama distinctly provides for white electors and for white candidates. In order to be able to put that there, it was necessary for them to say "or other qualifications."

As I read these resolutions that have been passed, calling for primaries in Alabama, I have no doubt that that was the sole purpose. The Republicans, however, when they called

their convention, added something else; namely, that before the candidate's name should be put on the ballot he should state how he voted—that is all—and the court held that that was reasonable. I want to inquire whether anybody could hold that it was reasonable to put in there such a qualification that it was positively known and distinctly provided in the resolution itself that certain persons could not qualify if that qualification was there?

Mr. President, a great deal has been said here about the primary. It has been discussed; but to my mind it is nothing like so important as the other part of these provisions.

I want to call your attention to what the law provides with respect to the poll tax. I had it written into the RECORD the other day when the Senator from Alabama [Mr. BLACK] was addressing the Senate. I desire to call the attention of the Senate to it again, because, to my mind, it is very important.

Here is what the law provides with respect to poll tax:

SEC. 3464. Poll tax paid by another; penalty: Any person who shall pay the poll tax of another, or advance him money for that purpose in order to influence his vote, shall be guilty of bribery, and, upon conviction, shall be imprisoned in the penitentiary for not less than one nor more than five years.

A very severe penalty; a very important provision, I assume, of the Alabama law, if we are to judge from the penalty imposed.

What does the Senator from Alabama [Mr. BLACK] say with respect to that? Here is his language:

The Senator wants to condemn the group paying the poll tax by voluntary contributions, long before the election occurs, simply because they happen to assist in paying the poll tax of some who might otherwise be deprived of the right of casting their votes at the ballot box.

Then, again, I asked him this question:

Just a minute. Does the Senator say that it must be for the purpose of influencing his vote?

There is some colloquy between there. Then this occurs:

Mr. BLACK. The Senator may think that the court would so hold—

I contended that it was unlawful under the Alabama law for one person to pay the poll tax for another; that is one thing; that it was unlawful for the person to advance money to another for that purpose in order to influence his vote. The Senator from Alabama [Mr. BLACK] says:

The Senator may think that the court would so hold; but, somehow, I do not believe that in a question where the right of suffrage is involved the court is going to strain at a gnat and swallow a camel in order to send somebody to the penitentiary.

That is the idea the Senator from Alabama has with respect to the importance of that important provision of his law. Let us see what they think about it in Alabama.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. BLACK. The Senator did not read the statement that I made where I insisted that the poll tax must be paid for the purpose of influencing the vote. I suggest that the Senator read that before he proceeds any farther.

Mr. HASTINGS. The Senate has heard what the Senator has said. This is the colloquy. I want to be perfectly fair with him. I say:

If the Senator will permit me, I should like to read into the RECORD, just at this point, the section that has been referred to.

Mr. BLACK. I shall be glad to have it read.

Mr. HASTINGS (reading):

"SEC. 3464. Poll tax paid by another; penalty: Any person who shall pay the poll tax of another, or advance him money for that purpose in order to influence his vote, shall be guilty of bribery, and, upon conviction, shall be imprisoned in the penitentiary for not less than one nor more than five years."

Mr. BLACK. That is exactly what I said the law was—in order to influence his vote.

Mr. HASTINGS. Just a minute. Does the Senator say that it must be for the purpose of influencing his vote?

Mr. BLACK. Unquestionably it must be to influence his vote.

Then I follow it up, and I ask the Senator this question:

May I make this inquiry: Can it be said that a political party pays the poll tax of a person except for the purpose of influencing his vote?

Mr. BLACK. I do not know. They might think they would get his vote; but I imagine they would not always get it. Of course, the practice was most common up in De Kalb County, where the probate judge is a Republican.

Mr. President, here is a law that prohibits the payment by one person of the poll tax of another; and in this record it is shown beyond doubt that it was not only permitted but it was the practice of both political parties in Alabama to pay the poll tax of other people. I think that is a serious thing.

Mr. BLACK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CAREY in the chair). Does the Senator from Delaware yield to the Senator from Alabama?

Mr. HASTINGS. I yield.

Mr. BLACK. The Senator, of course, does not mean to say that it is the practice all over Alabama.

Mr. HASTINGS. No. I am going to come to the excuse made by the contestee in this case.

Mr. BLACK. All I want to say to the Senator is that he is leaving the impression that whether the practice was good or bad, it was common over Alabama. The record shows that it was not common over Alabama; that it was done only in two counties in the State.

Mr. HASTINGS. The record does not necessarily show that; but if the Senator will be patient, I will go a little farther with it, as I intended to do.

It was shown by witnesses called that the poll taxes were paid in two counties by the political party. More than that, a witness who was called said that as early as January, 1930, there was collected for campaign purposes from J. H. Bankhead a check of $25, and he showed that that was for campaign purposes in January, 1930, and that a part of the purpose of collecting campaign money at that time was to pay the poll tax.

Who can possibly say that the Democratic Party or the Republican Party when it pays the poll tax for another does not do it to influence the vote of that particular person? There can not be any possible question about it; and the man who contributes and the man who pays it are guilty. I submit, under that law, which involves a punishment of as much as five years in the penitentiary.

In reply, this is said: It is not said by Mr. Bankhead that that practice prevails in only two counties of Alabama. He calls attention to the fact that we have not shown that it applied to more than two counties in Alabama. In other words, under my direction, with which the subcommittee agreed, we stopped the taking of testimony. I do not know whether additional testimony would have shown that it was the practice in every county or that it was not; but I do know that it was shown with respect to two counties, and it is not even contended by Mr. Bankhead that it was limited to those two counties.

What is the United States Senate going to do with the laws of a State when it is admitted here that it is the practice in those counties to do what? To commit bribery. Shall it be said, because we have not shown that thousands of dollars were involved in the transaction, that it is any the less illegal? When we show that it is the practice to bribe people in order to get their votes, is that a flyspeck upon the committee's report filed by me? I say it is an important thing. I say it affects the voters of those two counties; and I say more than that: If it be shown that that was the practice all over the State of Alabama, then you can not say what votes were valid and what were invalid, because it is not a practical thing to follow up and try to find out what particular ballots were purchased in that way and what ballots were not.

I say that if a thing of that kind had been charged against Vare in Pennsylvania, the Senator from Georgia [Mr. GEORGE] would be calling your attention to it here in language as strong as I am undertaking to use at this moment.

What next happened? What is the next procedure in conducting an election in Alabama? They provide booths in towns of 3,000 inhabitants, and they are so careful in their

provision and so careful as to how it shall be done that it is distinctly provided that they shall be so constructed that a person occupying one booth can not see what is going on in the booth next to him. That is how important Alabama thinks it is to guard the secrecy of the ballot. That is how careful they are.

What happens? What excuse do they give? What do Mr. Bankhead and his counsel say? His counsel says, "I have lived in Alabama all my life, and I never saw or heard of an election booth in Alabama during all that time." The Senator from Georgia complains and says that I want to throw Bankhead out because they did not use booths.

I say that this is the thing undertaken to be avoided by the State of Alabama when they passed that law; they wanted to prevent the presence of people in the voting place watching over somebody who had been brought there for fear he would vote a way the machine did not want him to vote. If they did not require booths, and he were compelled to put his vote upon a windowpane, or compelled to put it upon a meat block, or any old place, there would always be somebody there to tell the fellow on the outside just exactly how he voted. Is that a good reason? That would be a splendid reason in Pennsylvania; it would be a splendid reason for insisting upon this one provision of the law being carried out. That is only one, and I must hurry along:

Any person allowed to vote who was a qualified elector whether he was on the list and without taking the required oath.

The law of Alabama provides that there shall be a registration list; that on the 15th day of April it shall be published by the probate judge, and that between April 15 and the 1st day of May any person who finds himself qualified and wants to get on the list can do so by making application to the probate judge, and on the 1st day of May the doors are sealed, and the list then made up is the list furnished for the primary and the list furnished for the election.

Is that important? There is just one way by which a voter who has failed to get on that list is taken care of. He must come before the election officer and swear that he is a qualified voter. He must bring two neighbors with him who know all about it, and those two neighbors must swear that he is a qualified voter.

Did they do that? This record is full of evidence that they did nothing of the kind, but they would say, "Let everybody who wants to vote, who claims to be a qualified voter, vote. Never mind about the oath and never mind about the list. That amounts to nothing in Alabama, but let us agree among ourselves, Democrats and Republicans, that anybody who comes here and claims to be a qualified voter may vote in Alabama." That is the reason why we find some 28,000 or 30,000 people voting who are not on the qualified list.

That is not all. The most convenient place in the world for holding an election that I know anything about is the State of Alabama. I call attention to the fact that all you have to do, if it is not convenient for you to go to the polls, is to let your man at the polls know it is not convenient for you to come. What does he do? The election officer himself takes the ballot, goes out, hunts you up in your sick bed or wherever you may be, and brings your ballot back, and votes you. You do not know whether he changed your ballot or whether he did not. Sometimes it depended, I suppose, upon whom you voted for; but he goes and gets the ballot. There is evidence of that all through this record from the witnesses who were called, and it is not denied.

It is said that in such a case the idea was to accommodate the sick person, that there was no other way he could vote, "and we wanted him to vote in Alabama. But we did not do that all the time." They went to sweet ladies appearing there in automobiles who did not want to go to the trouble of coming into the election booths, and they said, "That is not necessary at all. We will just take out a ballot for you. We will get a Bible to rest the ballot on, you mark it, and we will bring it back and vote you." In one instance they drove 35 miles to get a person to vote a ballot. Why they did not vote him without going all that distance is one of the evidences of good faith in this case which I think I ought to speak about. But that is the practice in Alabama.

Is there any other State in the Union anybody knows anything about where that could be done, where such things could be called "flyspecks" on a record when a man is trying to see how they conducted the elections in Alabama? It seems to me that is a thing the Senate ought to know about. I think the Senators from Alabama ought to know about it themselves, if they did not know it until we called it to their attention.

That is not all. That is not nearly all. They were more convenient than that. In one county a busy doctor had his wife with him, and they went to the polling place to vote. The officials said, "You are not a registered voter here."

"I know; we live in the other county. We are registered in the other county, but it is too late for us to get there. Will you let us vote?"

"Well, if you will take the challenge oath."

So they go up and take the challenge oath, swear that they lived there, and that that is where they ought to vote; and their votes were accepted.

On the witness stand who was it who took the blame? Heflin's manager, Heflin's inspector took all the blame. He said, "I suggested that. I was wholly responsible for that." And lo and behold, we look up the record, and we find that Heflin's man voted for Bankhead. That is the kind of representation he had, and that is the way they did it in Alabama.

It does not make any difference where you live, the only question is, where do you want to vote? If you come to any place in Alabama to vote, it is all right. All you have to do is to say you are a qualified elector. In one place they had seven boxes in one beat, and you could go to all seven of them the same day, and, so far as I know, you could go to them twice the same day, all of them. There was not a thing under the sun, so far as the election officers themselves were concerned, that prevented that thing from being done.

That is not all. I have called attention to the fact that the parties paid the poll taxes of some voters. I do not quite know why they paid a poll tax. I suppose to be generous to Alabama they paid part of the poll tax, because the record is full of evidence of voters who did not pay any poll tax at all. The record shows that some of them paid poll taxes nearly a year after the election. So I do not know just why they collected $25 from Mr. Bankhead and money from other people in order to pay poll taxes, except that they wanted to be generous to the State.

THE REGULAR BALLOT BOXES NOT USED

The Senator from Georgia wanted me not to forget the fact that there were some explanations as to why there were no places in these boxes through which the voters could cast their ballots. I have here regular votes. An inspection of them will show that they did not pass through any slot. These are regular votes that were counted. I did not call attention to it, because there is no use calling attention to it. They admit that they used hat boxes. They admit that all the ballots did not go through slots. They admit that they used rural free delivery boxes which had no slots in them at all. So what is the use calling the Senate's attention to the fact that these particular ballots were not folded?

Much was made of a similar point in the Vare case, as to the city of Philadelphia, as the distinguished Senator from New Mexico will recall. The Senator from Maryland called attention to the size of the ballots and called attention to the fact that under no circumstances could they go into a slot the size of the slot in the ballot box, and much was made of that, and much might have been made of it. There was much to be made of it as to Philadelphia, where they were charged under the law with putting the ballots through a slot. But what is the use of calling the attention of the Senate to that fact as to Alabama, because in Alabama they did not follow any such practice, and they can immediately excuse here by saying, "We did not follow that practice in Alabama."

What was the practice? The law distinctly provides for two boxes; and a firm of lawyers, Bankhead & Bankhead—I assume the firm of Senator Bankhead—appeared in an election case in Alabama, in which the court distinctly laid

down the law that there must be two boxes furnished on election day.

Let me call attention to the trouble I had to find it, and let me call attention to the remark I made in the report, that the finding of the ballot boxes unsealed becomes unimportant. I will give the Senate the reason, and I will give them the real reason, a reason which can not be denied.

The supervisor who had conducted the count in one of his reports called attention to the fact that somebody had given some particular excuse for opening a ballot box, and he said, "This is different from that usually given, because it is sometimes said that they ignorantly placed the returns in the box, and that it was therefore necessary to open it." Mr. Bankhead wrote me a letter complaining about a word used. I can not at this moment think of the identical word that was used, but he complained about it, and called my attention to the fact that there was an opinion of the attorney general, and called my attention to the fact that there was a decision of the Supreme Court of Alabama showing that it was not only the authority but the duty of the election board to open any ballot box in order to find what the return was.

I could not quite understand that. The law distinctly provides for the sealing of the ballots and putting them back in the box and sealing the box itself, and the box being kept for six months; and I could not, therefore, understand how an opinion of the attorney general and a decision of the court could hold that the returning board should open a box in order to get the returns.

After much hard work I discovered this fact, and I want to call the Senate's attention to it. First, however, let me say that the word to which Mr. Bankhead objected was the word "stupidly"—that the boxes were "stupidly" opened. Mr. Bankhead said, "Stupidly? Then you have charged the attorney general with being stupid, and have charged the Supreme Court of Alabama with being stupid."

What are the facts? The law distinctly provides for two boxes, one a ballot box with a slot in it through which the ballots are to be placed. That is sent to the election officers, and the law distinctly provides that when they have counted the ballots they shall roll and seal those ballots, they shall label them, they shall show for whom the votes were counted, and how many votes were received. They shall do likewise with rejected ballots. They, with a copy of the return, together with the poll list, which also shall be sealed, shall be put back in the box and the box sealed and kept by the sheriff for a period of six months.

There shall at the same time be furnished by the sheriff a returning box, and that is what the Senator from Georgia is talking about. There shall be a returning box, and in the returning box shall be placed the returns, a copy of the poll list, and a copy of the registration list.

Mr. REED. Mr. President, is this the general election the Senator is talking about?

Mr. HASTINGS. The general election. In that box shall be placed these things, and that box shall be locked, shall be handed to the returning officer, and by him taken to the returning board. It was that box which the supreme court and the attorney general said must be opened by the returning board, and it was from the certificate of returns in that box from which they must figure their totals before they could go to a duplicate that had been sent to the judge of the probate court.

This was Mr. Bankhead's explanation, and this is a remarkable explanation, and this is why I say that from these facts you can not necessarily draw the conclusion which you would draw in ordinary cases from finding half of the seals broken.

Why, Mr. Bankhead says, "Yes; that is the law, but for 25 years the practice in Alabama has been to furnish but one box. I have shown what kind of boxes we got. We got a lot of them with no place to insert the ballots, and the only explanation that I know of that can possibly be made is that they were returning boxes.

Now, I ask the question, What is to be done with a situation like that? The law of Alabama has so clearly and distinctly provided for the purity of the ballot that I doubt whether any other State in the Union is so strict and so careful. They have provided that when the voter comes to vote, the ballot shall be initialed on the small part to be torn off. As I pointed out, that is for the purpose of preventing ballots being brought in from the outside. The voter goes and gets his ballot and it is initialed. He goes into the booth, if it is in the city, under the law, and there he can secretly take his time, but the law says it is a crime to take too much time. They have been so careful as that. It is a crime to stay in there too long. He is given a certain length of time and then he is directed to come out. He comes out with that official ballot, and it goes into a box with a slot in it which is locked. There can not be anything wrong there. In the first place, before the ballot is put in the box it is numbered in ink and the clerk writes down the number and his name. The ballot is folded. Then they have no way to find out how he voted at that time. They can never find out, as I shall point out later. He casts that ballot. If he is on the qualified list, he has a right to that ballot. If he is not on the qualified list, he can make an affidavit showing that he has been in that precinct for a period of three months and in the State for a period of two years; and upon that being shown and upon two neighbors who knew him taking a like oath, he is permitted to cast the ballot.

They open the ballot box and they count the ballots. They make a certificate of what they find. They sign the poll list before they begin to count and seal it up so they can not compare the number on the ballot with the number on the poll list. Then they count the ballots. Those which have been counted are put in one pile, and those which have been rejected are put in another pile. They roll them and then they label them and then they seal them, both the ones that have been received and the ones that have been rejected. There can not be much hoodwinking done up to that point. That is a pretty straight sort of an election up to that point.

Then they put the ballots in the box and they put a seal upon the box, and each election officer writes his name on the seal so it can not be possible for anybody to disturb it. That is done under the law. The box is then sent to the sheriff. Unless there is a contest, it is kept by him for six months, and at the end of six months he is permitted to open the box and destroy the ballots without looking at them. In three counties they were destroyed 30 days after the election. The Senator from Georgia [Mr. GEORGE] said, if I recollect his statement, that one sheriff destroyed them because he was afraid they would be tampered with.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. I am even yet unwilling to think the Senator from Delaware wants to be unfair.

Mr. HASTINGS. I do not want to be unfair.

Mr. GEORGE. I say, I am yet unwilling to assume it.

Mr. HASTINGS. I hope so.

Mr. GEORGE. I made no such statement. I said in one case the sheriff, who was going out of office, explained that he burned the boxes because he did not want to leave the ballots after he vacated the office and surrendered possession of the building—not that he was afraid that they would be tampered with.

Mr. HASTINGS. I am sorry I made the statement. I did not have the advantage of reading the speech of the Senator from Georgia. It did not appear in this morning's RECORD, and I was speaking from memory with reference to it. I am glad the Senator corrected me with respect to it.

Here is what happened to other boxes: The election officers put in the poll list, they put in the certificate of results, and they put in the list of voters that voted. Those are put in the box and locked. That box, locked as it is, is given to the returning officer and by him taken on Tuesday night to the returning board, which meets on Thursday and makes a canvass of the vote. That is all very simple, that is all very plain, and it would be difficult, it would be very difficult

indeed, for any person to commit fraud under such a scheme as that. But I point out how almost impossible it is to detect fraud if it is done the way it was done in Alabama. It is not clear at all whether they used a ballot box or whether they used a returning box. In one instance the woman who testified said that as she voted, the officer raised the lid of the box and put her ballot in there without folding it at all. I do not know to what extent that went on, and that is the reason why I insist upon the rule; that is the reason why I insist that it is the only rule that we can possibly follow when there have been such violations as those affecting various essential things, affecting the purity of the ballot and a correct return. The decisions of the courts and of both bodies of the Congress are full of precedents to the effect that when these conditions arise, we must assume of necessity that it was done for fraudulent reasons and not because the practice was one that had grown up through the years.

Mr. President, I was particularly anxious that the Senator from Idaho [Mr. BORAH] should hear what I am about to say and I am sorry he is not present at the moment to hear my thoughts with respect to the matter to which I am about to refer.

I sincerely wish it were possible to eliminate every personal and political consideration in determining this matter. To my mind, it is more important than it appears to many who have not closely followed the details. The report which I have prepared is not as complete as it might be. The great amount of work involved is my only excuse. I think the Senate has a real problem confronting it, and a proper determination is of great importance.

We must remember that Senators are elected by the direct vote of the people. When the right of a Senator who comes here with a proper certificate is questioned, the Senate has the duty thrust upon it of deciding the matter. The contestant can with ease comply with the precedents established by the committee relative to the sufficiency of his complaint. He can do as was done in this case, charge fraud in nearly every county of the State. The amount of public money necessary to thoroughly investigate such charge depends largely upon the number of votes involved in the election. In the present case the committee has expended more than $75,000. To thoroughly do the job would probably require three or four times that much; and if it were a larger State, involving ten times as many votes, it would require ten times as much money. What is to be the answer to such a problem? Can it be denied that the contention made by the contestant that he was shut off in the midst of the investigation is wholly unfair and deprives him of his right to establish the serious charges made? It can not. Can it be admitted, on the other hand, that the public is sufficiently interested in determining who was elected to warrant the Senate in expending the large sum of money that may be necessary to definitely ascertain that fact?

My own thought about the matter may be stated as follows:

First. If it should appear that the essential provisions of the law under which the election was held had been violated, I would hold that the particular precinct or district was so tainted with fraud that the vote should not be considered in determining the result, unless a satisfactory explanation of such violation was made and positive proof that no such fraud was committed.

I should only require the contestant to show that some provision of the law essential to the purity of the ballot and the correctness of the count had been violated in the particular district or precinct in question.

The States are in control of their election for United States Senator. They may by their laws throw as few safeguards around their elections as they may see fit; but if they choose the wiser and safer course and provide all the safeguards they can think of, the United States Senate should permit no man to urge as an excuse that such laws are meaningless and to say that elections are not conducted in accordance therewith, but are conducted in accordance with a loose practice that has grown up through the years.

Second. If the districts affected by such essential law violations can be discarded and the will of the people can be determined by counting the votes in the districts not so affected, then the election itself is valid and you determine who receives the greatest number of votes.

Third. If, on the other hand, it should appear that the violation of the essential provisions of the law was a statewide practice and there was not even a pretense of obeying its most vital provisions, the Senate ought to announce to the world that no man can be seated in the United States Senate under such conditions when his seat is contested. What we are asked to do here is to put our stamp of approval upon such unlawful conduct of an election.

Fourth. The refusal of the Senate to approve of such conduct would result in one of two things, the law of the State would be obeyed, or if this were too much of a bother to its citizens, they should see that it was repealed. In case the law was repealed, the Senate would be relieved of the unpleasant duty of declaring there was no election, unless the contestant could affirmatively prove that fraud was committed.

Fifth. In the foregoing suggestions I have entirely ignored the personal knowledge or conduct of the contestee. From my point of view his personal conduct may be beyond reproach. I admit, however, that if he be in control of the party conducting the election, or if he knew and acquiesced in such law violations, it greatly strengthens and makes positive the correctness of the rule which I think should be followed and which I have undertaken to outline.

If I may take the time of the Senate further, I should like to inquire whether or not that statement made by me is justified by the decisions? I invite attention to some of the decisions. In a case in Missouri the court said:

In Windes *v.* Nelson (159 Mo. 51–66) the court said:

"Where fraud is proved, it will be presumed to be for the benefit of the party having a majority in such district, especially if the officers of election are of the party in whose favor such a majority is returned."

I start out with that proposition.

In McCrary on Elections (4th Ed., sec. 582–A) the learned author says:

While it is true that mere irregularities in the conduct of an election, where the will of the voter has not been suppressed or changed, will be disregarded, yet a succession of unexplained irregularities, and a disregard of law on the part of the officials, is sufficient to deprive the ballot box and the returns of the credit to which they are otherwise entitled, and shift the burden upon the party maintaining the legality of the official count.

In People *v.* Lindsey (80 Colo. 465–480) it was said:

We have carefully read the record of the entire evidence as presented in the abstracts, and find that it reveals a most regrettable and astounding condition which prevailed during the election, day and evening, a condition which must receive our most emphatic disapproval. The whole conduct of the judges and clerks of election in that precinct shows gross negligence and a total disregard of their official duties.

Again:

Here it is found by the trial court that many persons who were assisted were not sworn as to their ability, and no record of assistance was kept. If this can be permitted, then the provisions of the law are without avail. It will be possible for any number of voters to market their votes and call in the judges to see that the goods are properly delivered, wherefore this act, made for the preservation of pure elections, will become a machine in aid of corruption.

In a Pennsylvania case it was said:

Much has been said in the argument on both sides concerning various provisions of the election law, which are claimed to be directory merely—

That is the contention made here—

and though counsel have pressed their respective views upon our consideration with great zeal and ability, still we can not accord to them, either on the one hand or the other, hardly a semblance of assent. On the contrary, we hold that the election law in all its parts means something, and that there is no warrant in precedent or common sense for disregarding it partially or ad libitum. The day has gone by when the "directory plea" can be

used as a shield to defend or excuse election officers who have disregarded the law.

We say in concluding this most laborious investigation, covering in fact four cases—the first arising since the passage of the act of 1869, so far as we have been able to learn—that our rulings are in some respects in advance of those prevailing hitherto. But the time has arrived when courts must come to the front, even to the most forward line of the statutes relating to elections. Corruption is around us on all sides. It has seized upon almost every township and municipal office in the land. It has throttled great States and led captive their legislatures. Its creatures have gone up and taken their seats in the high places of the General Government shameless and unshamable. It even has found a permanent abiding in the National Capitol. Popular anathemas may resound from one end of the land to the other; constitutional conventions may put in the mouth of every officer elected hereafter a staggering array of oaths in denial of everything on their part looking like fraud on the elective franchise; but all this, though well, because exhibiting a tendency toward reform, must, in our opinion, fail to bring the desired relief. Human nature is the same to-day as it was yesterday; it will be the same for all time to come. And under a system of government based like ours upon the popular will, where elections are a necessary incident, there will be always as there have been always, lepers who will foul or attempt to foul the ballot box. Well-directed popular denunciation can not stop it; constitutional provisions can not stop it. At best these are but "rivers of Damascus." The only "Jordan" to cleanse from the leropsy is a proper statute, fully, faithfully, and fearlessly administered by the courts.

If that vicious and intensely wicked and dangerous sentiment—"there is fraud on both sides; therefore, let investigation cease"—prevails too long, this fabric of ours, so admired by those thirsting for liberty abroad, so loved by those enjoying it at home, will be tumbling down about our heads before we know it.

Now, let me ask the Senate to be patient enough with me to allow me to read some of the precedents in the Senate and in the other House with respect to this question, and see whether or not I am to be blamed for undertaking to place upon the other side the burden of showing that there is no fraud in this case. Reading from part 3 of the record, the House committee unanimously decided in the case of Butts against Mackey:

Every facility is furnished for fraud, and even where the election officers are honest great frauds may be readily committed without there being any practical means of detecting them. It is indispensable to a fair election that the electors shall be required to vote in the precinct where they reside.

In the case of Platt against Goode, Senator Blackburn states:

The statute of Virginia requires that one of the poll books of election shall be put under cover and seal and sent to the county or corporation court clerk, together with the ballots, inclosed and sealed. There can be no question as to the mandatory character of this statute. Its object is to prevent fraud in tampering with the ballots or alteration of the returns.

The rule laid down and supported by a number of adjudicated cases and applied in several instances by this House does not require that positive proof shall be adduced showing that the ballots have been tampered with. It is sufficient to show that opportunity for such tampering has been afforded. * * * We can not but conclude in the light of the testimony * * * that the vote of Bland and Rives Townships in the county of Prince George should be rejected.

And in the case of Abbott against Frost it was said:

This testimony, we think, clearly shows that many of the plainest and most important provisions of the law were recklessly disregarded, if not purposely disobeyed, by the officers having in charge said election. * * * We are clearly of the opinion that the provisions of the statute which have been so totally and unblushingly disregarded in this case are not merely formal and directory but vital and essential in order to render the election fair and free from fraud or the suspicion of fraud; for we hold it to be the duty of election officers so to conduct the election and everything thereunto appertaining as to as carefully guard against suspicion of or opportunity for fraud as fraud itself. Nothing short of this will satisfy either the spirit or letter of the statute made and enacted to protect and maintain the purity of elections.

And in the case of Gooding against Wilson, Mr. McCrory stated:

I think another rule must be observed. It must appear that the ballots have been securely kept; that they have not been exposed and that there has been no opportunity to tamper with them. This ought to appear affirmatively.

Again, Senator Hoar, when he was in the House, said:

It makes no difference for the purpose of my point whether the ballot box was there in an exposed place for 12 hours or 12 days. Now, I do not claim that there is any evidence here that * * * any person entered it, opened that box, and substituted other numbered ballots for the ballots which it contained. All I have to say is that an adroitness less than that practiced for a less important purpose in many ordinary cases of crime, robbery, burglary, and forgery could easily accomplish that result. Now, we know how eager, how unscrupulous, how adroit, in many instances, are the means which are used to affect political contests. It is not the question whether the friends of the very respectable and very able gentleman who claims this seat did or were capable of doing such a thing * * *. The interests of the sitting Member and of the contestant disappear before a question like this which involves the interests of the American people in the establishment and maintenance of a strict, wise, and safe rule of public policy. It is not merely a question whether the recount was correct; it is a question whether you know and are sure that the thing counted upon the recount was the same thing that was counted or should have been counted at the time the original count was made.

And, again, in the case in New Hampshire of Morris against Hines the opinion of the court concludes:

If at an election of Representative the check list be flung aside and votes are indiscriminately crowded into the ballot box without an inspection by the moderator, it must be obvious to all observing citizens that every evil which the statute was designed to remedy is likely to happen and that two prominent provisions of it will be trampled under foot. Votes so given and received are neither given nor received in conformity to the essential requisitions of the statute and such requisitions being violated the votes must be void. They would be no more void if given viva voce rather than by ballot. If such a neglect of the statute will not render the whole proceedings void, what neglect will have that operation? The whole balloting therefore in this manner is vitiated; no Representative can thus be duly elected.

In a Michigan case the court said:

In determining the title to the county office the vote of a township should be excluded where it appears that in such township the mandatory provision requiring the official ballots to be kept in the custody of an inspector was violated by the appointment of an unofficial person as "instructor" to distribute the ballots, and allowing him access to the voters even after they had entered the booths, although the parties acted in good faith and it is not shown that voters were unduly influenced.

The text writer in Corpus Juris says this:

An election will be vitiated by irregularities which are so numerous that they must be attributed to fraud rather than honest mistake, and although no actual fraud is apparent, yet an election will be invalidated where the whole conduct of the election officers shows such gross negligence and disregard of their official duties as to leave the judicial mind in doubt as to how the election resulted except for such widespread irregularities—

And so on.

It was said by the House committee in the Fifty-third Congress in the case of Moore against Funston:

The difficulty of establishing by legal evidence the existence of a conspiracy, generally great, is increased rather than lessened by the intermingling of politics. That this is so is apparent from the well-known fact that even where an entire community is convinced to a moral certainty that gross frauds have been perpetrated in an election in the execution of a studied effort to defraud, a sufficient amount of legal evidence to convict the suffrage assassins is rarely found, and usually enought of such evidence can not be procured to indict them. All text writers or other law authorities treating of the subject recognize the difficulty of proving a conspiracy by direct evidence; and, as in the case of fraud in general, recognize also the propriety as well as the necessity of proving distinct facts many of them insignificant in themselves, from all of which, however, when sufficient, a firm belief in the existence of the conspiracy or fraud may safely be deduced, and the conclusion may be as safely acted upon. In many cases circumstantial evidence is the only evidence which can be obtained and it is also not infrequently of the most satisfactory and convincing character.

Now, Mr. President, in order that it may not be so difficult to see what could have happened, I want to call the attention of the Senate to some extracts from the testimony. I read first from page 41 of the views of the minority from the examination of one of the inspectors, I think one of the Heflin representatives. Mr. Evins, counsel for Mr. Bankhead, asked this question:

Were you present when the votes were being counted?
Mr. BOBO. Yes, sir.
Mr. EVINS. They were properly counted, were they?
Mr. BOBO. As far as I know they were.
Mr. EVINS. Did you see a certificate of the results made out?
Mr. BOBO. Yes, sir.
Mr. EVINS. That was correct, was it not?
Mr. BOBO. As far as I know it was.
Mr. EVINS. And the only irregularity occurring in that box that you have knowledge of is in relationship to these challenged oaths?

Mr. BOBO. Yes, sir.
Mr. EVINS. And the going out and getting votes?
Mr. BOBO. Yes, sir.
* * * * * * *
Mr. WILKINSON. Did you observe the ballots as they were called and marked "tallied"? Did you have an opportunity to do that?
Mr. BOBO. No, sir; I didn't have an opportunity.
Mr. WILKINSON. Who called them off?
Mr. BOBO. Monroe Aaron called them off.
Mr. WILKINSON. A Bankhead man called them or a Heflin man called them?
Mr. BOBO. It was a Bankhead man.

From the testimony of Mr. DeMott, I quote as follows:

Mr. EVINS. So far as you know they (the ballots) were counted correctly?
Mr. DEMOTT. Yes, sir.
Mr. EVINS. You made no report of any incorrect count?
Mr. DEMOTT. No, sir; no report at all.
Mr. EVINS. Do you remember what the count was for Senator at that box?
Mr. DEMOTT. No, sir. I did know but it is not in my memory now. Not very many though.
Mr. EVINS. But so far as you know the counting was correctly done?
Mr. DEMOTT. Yes, sir.

On the next page from Mr. DeMott's testimony I quote as follows:

Mr. EVINS. Did you see the ballots as they were taken out?
Mr. DEMOTT. Yes, sir. I could not read what was on them; I just saw the ballots. The man that was calling out was up against the counter and here was a stove; they were holding the ballots out this way [indicating].
Mr. WILKINSON. Now, I believe you said it was impossible for you to get behind these men that were calling the tickets to see whether they were calling them correctly or not?
Mr. DEMOTT. Yes, sir. You see the table sits here and a counter here, and there were three men taking them out of the box and another one checking them off and another one calling them, and they were sitting between that table and the counter, and you could not get between them and the counter, and there were show cases on the counter and you couldn't get between them.
Mr. WILKINSON. You don't know whether the results were correct or not?
Mr. DEMOTT. I know what they called out.
Mr. WILKINSON. You took the results of what they called out?
Mr. DEMOTT. I took the results of what they called out; yes, sir.
Mr. WILKINSON. You could not see how the tickets were marked as they were called?
Mr. DEMOTT. No, sir.
Mr. WILKINSON. Who called out the ballots in the box?
Mr. DEMOTT. Grover Hancock.
Mr. WILKINSON. Was he a Bankhead man?
Mr. DEMOTT. Well, I don't know. I don't know how Grover voted, but my supposition of it is that he was a Bankhead man. Arguments we got out of him once in a while, I suppose he was. I wouldn't think he would be for the other fellow.
Mr. WILKINSON. Did he argue for Bankhead?
Mr. DEMOTT. Yes, sir.

Those are merely illustrations showing how it would be possible under the circumstances for the election officers to fix up a return that suited themselves, and then, bearing in mind the practice in Alabama of failing to roll the ballots, failing to seal the box, or using as an excuse that it was the practice to have only one box, and therefore the officers had to open the box, it is easy to see, under these circumstances, how it was possible for them to determine beforehand how many votes they were going to give to a certain candidate and how many votes they were going to give to the other candidate, and then on some subsequent day, before the Senate could reach that box to ascertain whether or not it was correct in all particulars, to substitute other ballots for those in the box. If that were done, it would not be possible for us ever to find out the facts unless some person should come here and admit that he was a party to that fraud. On the other hand, if they followed the law, if they did all that the law required them to do, we would be in a position now to go to the sealed box; we could find there in the sealed box the rolled ballots, also sealed; we could find them properly labeled; we could find them properly numbered; we could compare them and we could count them; and when that was over, there would not be a suspicion left with respect to that particular box; it would be as clear as could be, and the Senate would have no difficulty with respect to it. But when they throw away all the safeguards, when they refuse to use a box, as is required, with a lock on it, and we find in there ballots that have not been folded at all, it means, it is said, nothing in particular. Why? Because they have an excuse for the law not being followed, and an excuse that is consistent with a fair count.

So that is exactly the trouble in this case. It is the trouble in all election cases, and it is the trouble with all election laws. Wherever there is a failure to follow one important requirement, it throws the whole thing out of gear, and it is not possible to go back and trace it and find out just what was done with respect to the matter.

Before leaving this subject I desire to call attention to the absentee ballots.

The absentee ballots in Alabama were one of the important things in that election. The Senator from Alabama [Mr. BLACK] has greatly criticized me because I had accused persons of perjury in connection with the absentee ballots. On page 8775 of the RECORD the Senator from Alabama [Mr. BLACK] says:

> What is that so-called perjury? The law of Alabama provides that a man who is away from his home at election time—on business, as I recall the law—may be allowed to vote by absentee ballot. The inference is left in the report of the Senator from Delaware that it is necessary for the man to have been continuously abiding directly at the place where he cast the absentee ballot. If that is the law, then I would not be entitled to vote in Alabama, because I have been away from there six or seven months. The chief justice of the Supreme Court of Alabama, who has been in Montgomery, Ala., for a long period of years, has retained his citizenship back in his home county. The same thing has occurred with reference to various others. People come to Washington, for instance, and secure positions here. Under the laws of our State they are permitted to vote by absentee ballot. But the charge is made here practically that every person of that kind is guilty of the crime of perjury. I deny it and I resent it. Why, Mr. President, it is not true that a man is not entitled to vote in Alabama if he leaves there for a year or two but keeps his citizenship there. That law is as old as any law of the country. Citizenship is determined largely as a matter of intent. That is what is shown by the absentee ballots.

There is one instance in the record in which it was charged that an absentee ballot was cast for a man by the name of John Moore, who was dead. The vote was challenged, and the officers consulted the chairman of the county committee, the solicitor of the county, and the sheriff, all of whom insisted that if the man's name was on the ballot roll, the certificate of voters, his vote should be counted, notwithstanding there was a man there who challenged the vote, and said that he knew the man was dead. So his vote was counted.

The matter came on here; and one of the first witnesses called in defense was this man who it was said was dead. It turned out that there were two John Moores registered in that particular district. The John Moore in Shelby County, I think, came on the witness stand and said, "I cast that ballot." "How long have you lived in Shelby County?" "I have lived there for five years." That is what he said in his testimony: "I have lived in Shelby County five years, but I vote in this other county." I am not certain that I have my counties straight. "I vote in this other county."

That is but an illustration of what goes on with respect to the absentee ballot in Alabama.

The Senator from Alabama evidently has overlooked one very important thing with respect to this matter, however. Section 366 has some provision touching this subject. Mind you, all that the law provides is that a citizen of Alabama who is going to be out of the State or out of his county on election day, in the regular course of his business, may be permitted to vote an absentee ballot; but there is some limitation.

Section 366 of the law is one of the things that make it quite clear that it is not intended that every person should vote. Here is what it provides:

> No person shall lose or acquire a residence either by temporary absence from his or her place of residence without the intention of remaining, or being a student of an institution of learning, or by navigating any water of this State—

And so forth. That shows that it is intended not to bar a person who is temporarily absent. I call your attention, however, to the fact that in Alabama 5 per cent of the vote is by absentee ballot. That is 5 out of every 100; and I ask the Members of the Senate, from their own experience in

their own places where they live, if they believe it is possible for 5 people out of every 100 in the State of Alabama to be out of their county or out of their election district on election day in the regular course of their business.

No! No such thing happened. Here is what happened:

In Alabama, after you are 45 years of age, it is not necessary for you to pay a poll tax. The evidence shows that the list is rarely purged. Once on that list, you are always on; and, wherever you are, persons interested in the election in Alabama hunt you up and say that you are entitled to vote in Alabama under their election law.

It is in evidence that a person interested in Mr. Bankhead's election solicited in the adjoining county—in Jefferson County, I think, out of Shelby County—107 persons, taking with him a notary public with the applications in his hand for absentee ballots, although the absentee ballot law distinctly prohibits the probate judge under any circumstances from sending out an absentee ballot unless he receives an application from the person who desires to vote.

But the practice in Alabama was not only that. Not only were the ballots furnished but checks for 25 cents were furnished in many instances in order to pay the notary fees of absentee voters in order to get their votes.

Is that any way to conduct an election? True it is, Mr. President, that if we throw out all the absentee ballots it does not seriously affect this election; and the Senator from Georgia [Mr. GEORGE] is asking me to show how they affect this election.

I said day before yesterday that I was the person who suggested that we close this case and not permit additional testimony, and that is true. I suggested that it be closed for two reasons: Because I was satisfied, under the law and under the facts, that sufficient testimony had been produced to warrant the declaration that there was no election in Alabama. In the second place, I concluded that the Senate was not justified in spending all the money that would have been necessary to run down all the charges of fraud in this election. If we do not adopt the rule I suggested we can not be fair to the contestant in any case.

United States Senators are elected by the direct vote of the people. It is not difficult, under the precedents established in the Privileges and Elections Committee, to make out a case of fraud as was done in this case, alleging fraud in nearly every county in the State of Alabama. What are we going to do with a situation like that if we permit the Alabama law to be wiped out, and permit the people there to go and do just exactly what they please, and say, "That means nothing"? The only other way of dealing with the matter would be to appropriate sufficient money to go to every elector in the State of Alabama and put him upon oath and find out how he voted.

Are we bound, under the Constitution, to do anything like that? I submit that we are not. If, however, we adopt the plan I have suggested—which the courts everywhere uphold, and which is in accordance with the precedents long ago established in both Houses—if you adopt the view that when the violations strike at the very heart of the purity of the ballot in any particular case, the burden is placed upon the person who comes here with the certificate, then I say we have done a thing that will save the Senate great annoyance. We have done a thing that is fair to everybody. We have sent out notice to all the States of the land that hereafter they must live up to their laws if they expect the men they send here to be seated. In no other way can we do it.

The Senator from Georgia [Mr. GEORGE] wanted me to point out how it was possible to show that Mr. Bankhead was not elected. What shall be done with the 58,817 votes that were not numbered at all? Shall they be thrown out?

Why, of course not. They should not be thrown out unless there was a suspicion of fraud. If there were nothing at all in this case but the failure to number the ballots, I should have long ago gotten rid of it so far as I was concerned, and said there was nothing in this contest. But the failure to number the ballots was mentioned by the Senator from Alabama [Mr. BLACK] to the extent of twenty-eight times in his speech, in order, if you please, to draw attention away from the essential things of the law, in order to draw attention to that matter and to emphasize the contention that I had enlarged upon immaterial things. In order to do that he has mentioned twenty-eight times the matters of failing to number the ballots, using a pencil instead of a pen, and folding the ballots instead of doing something else with them.

That is not the essential thing in this statute. That is not true at all, and that is not what I want the Senate to understand from me. I say the essential thing in this statute is that when the votes are counted, they must be rolled and sealed. When they are rolled and sealed, they must be put in a box that is sealed. When the Senate sends to Alabama to get the ballot boxes, and finds those conditions existing, it may be reasonably well satisfied, when it counts the ballots, that there has been no fraud committed. When, however, it finds the seals on half the boxes destroyed and practically none of the ballots rolled and sealed, then I say that that of itself ought to be sufficient to satisfy any reasonable man that the Senate can not afford to put its stamp of approval upon it; but, on the other hand, it must say to the other side, "You must satisfy the Senate beyond all doubt, by some satisfactory evidence, that there was no fraud committed in this particular instance."

Now, I want to refer for a moment to Mr. Bankhead's own position with respect to this matter.

He pleaded yesterday for a judicial decision, and he quoted me as saying that this is the kind of case where the Members of the Senate act as judges and do not act as legislators. With that I fully agree.

I desire to call attention, however, to the fact that before Mr. Bankhead had reached the Senate he had appealed to judges who were not impartial. The committee was greatly shocked to find that Mr. Bankhead himself had proposed to the Alabama Legislature that it pass a law placing the investigation of this election in the hands of the probate judges of Alabama. He came frankly to the committee and said that he had suggested that to the legislature. At the same time he admitted that 61 out of the 67 judges of probate in Alabama were partisans of his.

Oh, yes; the contestee in this case is anxious for an impartial jury to pass upon his case. He was anxious then to have an impartial jury pass upon it. I submit that it comes with poor grace now for him to appeal to the Senate to lay aside its partisanship, to lay aside all things except a judicial attitude upon the case it has before it, when he himself endeavored to have the probate judges of his own State pass upon his case for some reason; I suppose for the reason of having some influence upon the Senate. He stated before the committee that it was for the purpose of aiding the committee.

What is the contestee's position with respect to the polling booths? His own counsel said that he had not heard of any polling booths in Alabama during his lifetime. Here is the leader of the Democratic Party in Alabama insisting that in order to have an honest election, in order to have a legal election in Alabama, it is not necessary to furnish the polling booths provided by law. In other words, he comes before the Senate and admits that, so far as he is concerned, he has acquiesced in that violation, and that important violation, of the law. He was the first man who explained to me this business about the having of two ballot boxes, and admitted that under the law they were required to have a ballot box and a returning box; but he said the practice in Alabama for 25 years was to have but one box.

I call attention in the report to the fact that in some case in which Bankhead & Bankhead appeared—and I assumed that the Senator from Alabama was one of the counsel—it was distinctly stated by the court that it was imperative that two boxes be furnished in Alabama. But here he appears in the Senate and complains of me because I have called attention to the way in which they carry on their elections in Alabama, when he has been a party to that particular violation of the law of Alabama.

Relative to the challenging of absentee ballots, the contention was made that one could not challenge an absentee

ballot, and the election officers of Alabama so held. After consulting the chairman of their committee, after consulting the sheriff, and after consulting the solicitor of the particular county, they conclude that one can not challenge an absentee ballot, and they hold that if the absentee voter be on the roll as a qualified elector and his absentee ballot appears, it can not be challenged.

Mr. Bankhead came to my office with respect to that, and I had some argument with him concerning it. He said, "Of course, that is true. Anything else would result in making the absentee ballot law absolutely a nullity, because all a person would have to do would be to challenge every absentee ballot that came in, and instantly that absentee ballot would go out." But upon further investigation I found that shortly before this very election the attorney general had rendered an opinion in which he said that it was the right of the people to challenge absentee ballots, and he called attention to the provision of the constitution of Alabama itself, showing that any law which undertook to provide otherwise was in violation of the Alabama constitution. But Mr. Bankhead insisted that he had no right to challenge an absentee ballot, and that was his idea with respect to observing the law in his own State.

I have already called attention to his attitude with respect to the probate judges, and I have already called attention to the fact of his participation in paying the poll taxes of others. He did not deny that that was a practice in Alabama. All he said was that the other side had produced evidence affecting but two counties in Alabama.

I have already called attention to his attitude relative to the primary, and I think it is not necessary for me to discuss that longer.

Mr. President, I want now to refer to the speech made by the Senator from Alabama [Mr. BLACK], and then I will have finished. I want to call attention to some of the things he said which, in my judgment, were a reflection upon me. Before doing so, however, I want to direct attention to the fact that I did not pick this job which I have had for a year. I have represented the United States Senate in it as best I could, and I think it comes with poor grace for some Member of the Senate to accuse me of having in my action some improper motive.

There are just a few things to which I want to call attention. The Senator from Alabama used this language, as appears on page 8694 of the RECORD:

> It is my expectation to discuss to-morrow the question of the primary and its effect, but I am glad to have this opportunity, immediately after the discussion by the Senator from Delaware, to reassert that there is no evidence of fraud in this record, unless we have come to the point where we must stoop so low as to view with suspicion every opportunity for the commission of fraud.

Then he said this:

> Every time there is a convention to nominate a candidate for United States Senator, or governor, or any other officer—

Talking about Delaware—

> there is an opportunity, by undercover methods, which are sometimes used in conventions, to thwart the will of the people. Every time they vote by secret ballot in Delaware in a convention or anywhere else there is an opportunity for fraud.

I want to say to him with respect to that, that, at least, we have not violated any law, and so far as the secret ballot in a convention is concerned, he is talking about the rule of the Democratic Party and not the rule of the Republican Party.

I want to call attention to what the Senator said with respect to the primary, as appears on page 8765 of the RECORD:

> We, therefore, must be led to the conclusion that this part of the views of the minority was placed in the RECORD not because the Senator from Delaware believed that it should result in the unseating of the junior Senator from Alabama but because the thought possibly occurred to him that there might be some in the Senate to whom this particular argument would appeal. In other words—

Talking about the primary—

> In other words, it is the same proposition that we have heard sometimes with reference to tariff legislation. If the proponents of a certain measure can not obtain the votes by one method, they try another, even if it be necessary to advocate something which personally they do not favor.

I think there was an inference of an improper motive in that which is not worthy of any Senator when referring to another.

I also wish to direct attention to this statement of the Senator, appearing on page 8772:

> The mere fact that a pencil has been used instead of a pen time and time again shocks the tender sensibilities of the Senator from Delaware. I suggest that before the Senator goes all the way to Alabama to condemn the voters of that State for using a pencil instead of a pen his services might be useful at home.

Again, referring to the Mayfield case:

> They did not reach the stupendous proportions that have been asserted here, in so far as effect is concerned, because the Senator from Delaware, fortunately for the State of Texas, evidently was not the chairman of the committee.

I read from page 8774 what the Senator said, because I happened to refer to the brief filed by counsel instead of the report, and there was very little difference between them:

> The Senator from Delaware, driven from his own report by the irresistible facts in this case, as his feet are insecurely placed upon the shifting sands of the charges that pencils were used instead of pens and that the ballots were folded instead of rolled, we find standing on the insecure island of a brief prepared by the attorney for the contestant. No wonder, when the Senator is driven by the irresistible facts from the conclusions which he has reached that he seeks to base an ouster of a United States Senator upon something a lawyer said in the record.

Does anybody agree that that is a fair argument or that it is a fair statement of this case in any particular?

Then the Senator stated the object of elections, and in a sarcastic vein he had this to say:

> Always up to the time of this contest it has been supposed that one of the objects of an election was to find out for whom the people voted. We did not know until this contest that the only important thing is whether the ballots were rolled or folded.

I want also to call attention to page 8776 of the RECORD, where the Senator deliberately charged me with undertaking to expose the secrecy of the ballot. This is what he said:

> Under the law the ballot is supposed to be secret, but this law to which my friend from Delaware looks up and before which he bows with such reverence and respect when it refers to writing with a pencil instead of a pen is not now so sacred. He is perfectly willing to have the secrecy of the ballot destroyed and so there has been published, and I have it here before me now and can give it to Senators if they want it, a tabulated report of the voters in Alabama disclosing how each voted.

Again, on the same page:

> But bear this in mind: The secrecy of the ballot has been done away with. Here is the list for anyone who desires to see it [exhibiting].

I was not in the Chamber when all of that was going on, but I found that the Senator from Nebraska was anxious to find out what that meant, so I undertook to straighten it out, and I called attention to the fact. I said:

> Mr. President, I should like to explain to the Senator from Nebraska that the list published does not show how the voter voted so that anyone getting hold of a list outside of the parties interested themselves could ascertain the fact. It does not disclose how persons voted. I thought the Senator from Nebraska would be interested in knowing that. However, we did have a supervisor check the vote and give to the interested parties the confidential information contained, but that was not given to the public. I thought the Senator from Nebraska might be concerned about that point.
>
> Mr. NORRIS. I do not quite understand; perhaps I did not get the explanation which the Senator from Delaware has made.
>
> Mr. HASTINGS. In the first place, there was given the number of the voter and his name. That is all that was published and that is all that appears in print. That does not show how the individual voted.
>
> Mr. NORRIS. I understood the Senator from Alabama to say that——
>
> Mr. BLACK. They were supplied the list; yes.
>
> Mr. NORRIS. There was a slash before the name of one candidate and a cross before the name of the other.
>
> Mr. BLACK. The Senator from Delaware is explaining that the information was not given out to the public, but that there was given to the contestant and the contestee the information with marks in front of the names to show how individuals had voted.
>
> Mr. HASTINGS. That is what I was interested in having the Senator from Nebraska understand.

Mr. BLACK. That is correct.

Mr. President, I called attention also to this statement made by the Senator from Alabama with respect to the opportunity for fraud:

But, as they look with their microscope, they come back into the Senate and say on the Senate floor, there was an opportunity for fraud in Alabama, therefore we ask you to clear Pennsylvania.

Mr. President, I do not believe I will go further into that, for I am not certain but that I have covered that point. I have given my idea about fraud. But in order that I may show how fair the Senator was in his argument I want to direct attention to two or three other little things.

He has much to say about the rejected lists and tries to explain it by saying:

It may be that it is the voter's wife and that her name appears upon the poll list as "Mary Jones." She may be known as "Mrs. J. E. Jones." They write her name as "Mrs. J. E. Jones." The Senator from Delaware and his supervisors have taken out every name where it does not correspond in that way, and they class such names as illegal voters. We have here in the record the lists of the voters from two counties classified by the Senator from Delaware as illegal. I have in my hand a report made by the probate judge of Colbert County. He shows that out of 44 names which have been classed as illegal by the Senator from Delaware, all but three are qualified voters in that county, and he did not take the time to go out and hunt up the particular three.

The only report we know anything about shows that 71 clerks were illegal voters and after much effort the probate judge showed that 22 might be legal voters. But the Senator called attention to one instance in particular, R. R. Moton, and contends that the ballot was thrown out because the word "doctor" was written in front of the name. He was correct about that, but it seems to me he ought not to pick out one particular name and make a great ado about it when it is purely and clearly a mistake. This was a very large job and undoubtedly there were such mistakes made. But the count, so far as we could ascertain, was absolutely correct.

The Senator referred to the fact that there was no evidence of seals being broken. As I understand it, he is now talking about the ballots that were rolled and sealed. He said it has not been shown that those seals on the ballots so rolled have been broken. How could we prove a negative like that? If they never were rolled and never were sealed, how would it be possible for us to come here and show that the seals were broken? The very thing we are contending is that they were not broken, because they were not sealed in the first instance.

There is one other thing which I think ought to be called to the attention of the Senate. I started to do it the other day, and the Senator from Georgia complained and said he would have to qualify my statement if I made it. This is an important thing. The list was made up some two or three weeks ago, was handed to counsel on both sides, and handed to me. A total of 554 persons served as election officers whose names were not found on the qualified list of electors, representing 444 election districts. It is contended on the other side that with an opportunity given they could show that many of the 544 names were qualified voters.

Let me repeat, if it be necessary to show what was a qualified voter in Alabama, that he must be on the certified list April 15, which is published. However, if he does not appear on that list and ought to appear, he is given until the 1st day of May to get himself placed upon the list and at that time a second list is published. He must have lived in the State two years and in his district three months before he is permitted to vote. The law declares that the election officers shall be selected, 20 days before the election, from the list of qualified voters of the district, and that list shall be published to the world 20 days before the election.

The law only provides two ways of finding out who are qualified voters. The first and most natural way is to find out whether the man is on the list. If he be not on the list, but has a right to vote, then he goes to the polling place on election day. He must make an affidavit and he must get two of his friends to make an affidavit that he is a qualified voter. In my judgment he is not a qualified voter until he makes his affidavit and is placed upon the list. In my judgment he can not be selected as an election officer unless he appears on that list. Otherwise, he could not be qualified, because there is no way to qualify him except for the election officers themselves to place him on the list on election day, and there are 544 of them that were not qualified electors.

If I was going to show that a conspiracy existed here, if I was undertaking to show there was fraud running through all of this election, I ask what would be a better way of doing it than to show that 544 people were selected, perhaps because they were skilled in the art of manipulating elections, and placed wherever the manipulators wanted to place them so they could do the job in the way they were directed to do it. There were 544 of them not on the list, and in my judgment not qualified electors and, therefore, not qualified to be officers. Can anybody conceive of an easier way or can anybody conceive of a thing that would attract more attention in the State of Pennsylvania if we showed it than that? I contend that we ought to apply the same rule below the Mason and Dixon line that we apply above the Mason and Dixon line, and when we do that we will have less trouble in the Senate with respect to the contests that come here.

In the Pennsylvania case under the leadership of the Senator from New Mexico [Mr. BRATTON], it was declared that where they found some fraud, although they threw out votes and although Vare was left with a majority, the whole thing was so tainted that the only reasonable conclusion which could be properly reached was that there was no election on that day. If that be the precedent, if that be the rule provided by the other side of the Chamber, then I beg of them not to come here and complain and accuse me of preparing a report based upon mere flyspecks, upon technicalities discovered with a microscope.

I resent any such suggestion, because what I have done has been to the best of my ability and with the honest belief that it was my duty to lay the facts before the Senate. Having done it, I care not what any other man does, but I do not propose, so far as my vote goes, to put my stamp of approval upon any such conduct.

Mr. BRATTON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Hull	Pittman
Austin	Couzens	Johnson	Reed
Bailey	Cutting	Jones	Robinson, Ark.
Bankhead	Dale	Kean	Robinson, Ind.
Barbour	Davis	Kendrick	Schall
Barkley	Dickinson	Keyes	Sheppard
Bingham	Dill	King	Shipstead
Black	Fess	La Follette	Shortridge
Blaine	Fletcher	Lewis	Steiwer
Borah	Frazier	Logan	Stephens
Bratton	George	Long	Thomas, Idaho
Brookhart	Glass	McGill	Thomas, Okla.
Broussard	Glenn	McKellar	Trammell
Bulkley	Goldsborough	McNary	Tydings
Bulow	Gore	Metcalf	Vandenberg
Byrnes	Hale	Morrison	Wagner
Capper	Harrison	Moses	Walcott
Caraway	Hastings	Neely	Walsh, Mass.
Carey	Hatfield	Norbeck	Watson
Coben	Hawes	Norris	White
Connally	Hayden	Nye	
Coolidge	Hebert	Oddie	
Copeland	Howell	Patterson	

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

Mr. PITTMAN. Mr. President, I am going to detain the Senate but a few moments. I do not intend to debate the question at length. I am unwilling, however, in a matter of this importance to cast my vote without explaining briefly the reasons which urge me in the casting of it.

As I understand the question, and I have attempted to understand it from listening to the debates and reading the records, there is a question, first, as to whether or not there was a legal primary in Alabama, and, second, whether there was a legal election in Alabama. I understand from the

address of the chairman of the subcommittee on Privileges and Elections [Mr. HASTINGS] that there is no question as to whether Senator Heflin or Senator Bankhead was elected. I understand that in no event can Senator Heflin be seated under these proceedings. Senator Bankhead received a majority of the votes.

As a primary question, sir, I do not believe the constitutional provision empowering us to judge of the election, returns, and qualifications of United States Senators refers to any proceeding looking to the nomination of a candidate to be voted for at an election. At the time the Constitution was framed there was no such thing anticipated as a primary election; in fact, no such things as parties were anticipated. At the time the Constitution was framed it was provided that Senators should be elected by the legislatures of the States, and there was no provision for electing legislatures; that was left entirely to the States. In fact, under the Constitution the States were expressly granted the power to determine the times, places, and manner of holding elections for United States Senators. That has only been changed, to my knowledge, by the seventeenth amendment, which provides for the election of Senators by the people rather than by legislatures.

I agree with the decision in the Newberry case, wherein the Supreme Court held that the word "election" in the Constitution of the United States does not refer to a procedure, whether it be by caucus or convention or primary, for the nomination of candidates to be voted on at the election. Therefore, I believe that we have no right to go into a primary election for the purpose of determining what candidate was selected as a nominee to be voted on at the general election.

It is apparent, however, that under the authority to determine the "qualifications" of United States Senators, we have the right to look into the conduct of a Senator in a primary; we have the right to look into his conduct before or after the primary; in other words, we have the right to examine his conduct at any time, in any particular, in any undertaking, to determine whether or not he has the qualifications of a United States Senator, and it has been determined by this body more than once that the word "qualifications" includes moral qualifications. There is no doubt that if we believe that a candidate in a primary or in a convention or otherwise was guilty of corruption or fraud, we would have a right to take that into consideration and to decide that he has not the qualifications to be a Member of this body.

The second question raised, and which we must determine, is whether or not there was an election in the State of Alabama. It is not a question as to whether Mr. Heflin or Senator Bankhead was elected at that election; the question is, Was there an election in Alabama? As I have previously said, section 4 of Article I of the Constitution of the United States grants to the States the right to determine the times, places, and manner of holding elections, with certain qualifications, and I feel that before this body, in a collateral case, should determine that there was no election in a State, there should be the strongest affirmative proof of that fact. If this case involved only the election of a Senator, it would not be so important; but we can not declare that election absolutely void; we can not declare that there was no election in the State of Alabama without declaring that it is our opinion that the governor of that State was not elected; that the attorney general was not elected; that none of the legislators were elected; that none of the State, county, or municipal officers were elected. Therefore, it becomes a serious question of determination, in my mind, at least. I am totally unwilling to take the responsibility, in a collateral proceeding, of determining that there was no election in the State, unless the proof to my mind is conclusive.

I regret to be compelled to say that the evidence in this case discloses the fact, in my opinion, that the laws of the State of Alabama with regard to the protection of the voter by guaranteeing a secret vote appear not to have been enforced; it may even appear to me that some of the laws are not good laws; but what right have I, as a citizen of the State of Nevada, to criticize the character of laws that the State of Alabama has, when the Constitution has granted to the State of Alabama the same right which it has granted to the State of Nevada—the right to determine the manner of holding its own elections. To me the evidence discloses the fact that by reason of the failure to enforce the statutes of their own State the people of Alabama have opened wide the door to fraud, but I fail to find from the evidence in this case any general fraud even under the peculiar circumstances existing. I fail to find that there has been such an advantage taken of the opportunity for fraud that in my conscience and my judgment I can say that that whole election was so fraudulent that there was no valid election in the State of Alabama.

Mr. President, viewing the situation as I do, and having to vote upon the sole question, as I do here, as to whether or not there was a legal election in the State of Alabama, notwithstanding the technical failure to protect the voter as it was intended, by affording him a booth where he could have an opportunity secretly to mark his own ballot, to have it properly folded and sealed, to have it properly preserved, in the absence of evidence of general fraud throughout the State and, indeed, of fraud of any character or kind which may be attached to the contestee in this case, I am unable in conscience and in view of my opinion of the law to vote to declare that there was no election in the State of Alabama.

The VICE PRESIDENT. The question is on agreeing to Senate Resolution 199, reported from the Committee on Privileges and Elections.

Mr. ROBINSON of Arkansas and others asked for the yeas and nays.

The VICE PRESIDENT. Is the demand seconded?

Mr. NORRIS. Mr. President, I should like to make an inquiry. I understood that there was to be a substitute offered by the Senator from Delaware [Mr. HASTINGS] for the pending resolution. He does not seem to be present at the moment. Can any Senator now present give the Senate any idea as to what the understanding was as to that?

Mr. BRATTON. Mr. President, the Senator from Delaware has not indicated that it was his purpose to offer a substitute. I had understood that the vote would come on the pending resolution.

Mr. NORRIS. I understood from conversation with the Senator from Delaware that he expected to offer a substitute for the resolution. I assume that the vote on a substitute would come first. He is not in the Chamber, and I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Hull	Patterson
Austin	Costigan	Johnson	Pittman
Bailey	Couzens	Jones	Reed
Bankhead	Cutting	Kean	Robinson, Ark.
Barbour	Dale	Kendrick	Robinson, Ind.
Barkley	Davis	Keyes	Schall
Bingham	Dickinson	King	Sheppard
Black	Dill	La Follette	Shipstead
Blaine	Fess	Lewis	Shortridge
Borah	Fletcher	Logan	Steiwer
Bratton	Frazier	Long	Stephens
Brookhart	George	McGill	Thomas, Idaho
Broussard	Glass	McKellar	Thomas, Okla.
Bulkley	Goldsborough	McNary	Trammell
Bulow	Gore	Metcalf	Tydings
Byrnes	Hale	Morrison	Vandenberg
Capper	Harrison	Moses	Wagner
Caraway	Hastings	Neely	Walcott
Carey	Hatfield	Norbeck	Walsh, Mass.
Cohen	Hawes	Norris	Watson
Connally	Hayden	Nye	White
Coolidge	Hebert	Oddie	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The question is on agreeing to the resolution.

Mr. HASTINGS. I desire to offer a substitute for the pending resolution.

The VICE PRESIDENT. The amendment in the nature of a substitute will be reported.

The CHIEF CLERK. It is proposed to strike out all after the word "*Resolved*" in the pending resolution, and insert in lieu thereof the following:

That it is the sense of the Senate that there was no legal election for United States Senator in Alabama in 1930, and that the seat now held by JOHN H. BANKHEAD is hereby declared vacant.

Mr. ROBINSON of Arkansas, Mr. ASHURST, and others asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LONG (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. GLENN], and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. I understand that if present he would vote as I am about to vote. Therefore I am free to vote, and vote "nay."

Mr. VANDENBERG (when his name was called). On this question I have a special pair with the senior Senator from Virginia [Mr. SWANSON], who is absent from the country on official business. I understand that if he were present he would vote "nay." If I were at liberty to vote I should vote "yea." I withhold my vote.

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. SMITH], who is necessarily absent from the Senate and from the city. I am unable to secure a transfer. Therefore I withhold my vote.

The roll call was concluded.

Mr. SHEPPARD. The senior Senator from Montana [Mr. WALSH] is necessarily detained from the Senate. If he were present, he would vote "nay." He is paired with the Senator from Colorado [Mr. WATERMAN], who, if present, would vote "yea."

The junior Senator from Montana [Mr. WHEELER] and the senior Senator from South Carolina [Mr. SMITH] are necessarily absent from the city.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON], is still detained from the Senate in attendance upon the disarmament conference at Geneva.

Mr. McKELLAR (after having voted in the negative). Has the junior Senator from Delaware [Mr. TOWNSEND] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. McKELLAR. I have a general pair with the junior Senator from Delaware, which I transfer to the junior Senator from Montana [Mr. WHEELER], and will allow my vote to stand.

The result was announced—yeas 19, nays 63, as follows:

YEAS—19

Austin	Frazier	Moses	Robinson, Ind.
Brookhart	Hastings	Norris	Shortridge
Capper	Hebert	Nye	Steiwer
Cutting	McNary	Patterson	Walcott
Dickinson	Metcalf	Reed	

NAYS—63

Ashurst	Connally	Hatfield	Neely
Bailey	Coolidge	Hawes	Norbeck
Barbour	Copeland	Hayden	Oddie
Barkley	Costigan	Hull	Pittman
Bingham	Couzens	Johnson	Robinson, Ark.
Black	Dale	Jones	Sheppard
Blaine	Davis	Kean	Shipstead
Borah	Dill	Kendrick	Stephens
Bratton	Fess	Keyes	Thomas, Idaho
Broussard	Fletcher	King	Thomas, Okla.
Bulkley	George	La Follette	Trammell
Bulow	Glass	Lewis	Tydings
Byrnes	Goldsborough	Logan	Wagner
Caraway	Gore	McGill	Walsh, Mass.
Carey	Hale	McKellar	White
Cohen	Harrison	Morrison	

NOT VOTING—14

Bankhead	Schall	Townsend	Watson
Glenn	Smith	Vandenberg	Wheeler
Howell	Smoot	Walsh, Mont.	
Long	Swanson	Waterman	

So Mr. HASTINGS's resolution, in the nature of a substitute, was rejected.

The VICE PRESIDENT. The question now is on the original resolution, which will be stated.

The Chief Clerk read the resolution (S. Res. 199), as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. ROBINSON of Arkansas. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LONG (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. GLENN], and withhold my vote. If at liberty to vote, I should vote "yea."

Mr. THOMAS of Idaho (when his name was called). Making the same announcement as before, I vote "yea."

Mr. VANDENBERG (when his name was called). Making the same announcement as before respecting my pair, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. WATSON (when his name was called). Making the same announcement as before with reference to my pair, I withhold my vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. McKELLAR. I make the same announcement that I made a while ago as to my pair and its transfer.

Mr. SHEPPARD. The senior Senator from Montana [Mr. WALSH] is necessarily detained from the Senate. If he were present, he would vote "yea." He is paired with the Senator from Colorado [Mr. WATERMAN], who, if present, would vote "nay."

The junior Senator from Montana [Mr. WHEELER] and the senior Senator from South Carolina [Mr. SMITH] are necessarily absent from the city.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is still detained from the Senate in attendance upon the disarmament conference at Geneva.

The result was announced—yeas 64, nays 18, as follows:

YEAS—64

Ashurst	Connally	Hatfield	Neely
Bailey	Coolidge	Hawes	Norbeck
Barbour	Copeland	Hayden	Oddie
Barkley	Costigan	Hull	Pittman
Bingham	Couzens	Johnson	Robinson, Ark.
Black	Dale	Jones	Sheppard
Blaine	Davis	Kean	Shipstead
Borah	Dill	Kendrick	Stephens
Bratton	Fess	Keyes	Thomas, Idaho
Broussard	Fletcher	King	Thomas, Okla.
Bulkley	George	La Follette	Trammell
Bulow	Glass	Lewis	Tydings
Byrnes	Goldsborough	Logan	Wagner
Caraway	Gore	McGill	Walcott
Carey	Hale	McKellar	Walsh, Mass.
Cohen	Harrison	Morrison	White

NAYS—18

Austin	Frazier	Moses	Robinson, Ind.
Brookhart	Hastings	Norris	Shortridge
Capper	Hebert	Nye	Steiwer
Cutting	McNary	Patterson	
Dickinson	Metcalf	Reed	

NOT VOTING—14

Bankhead	Schall	Townsend	Watson
Glenn	Smith	Vandenberg	Wheeler
Howell	Smoot	Walsh, Mont.	
Long	Swanson	Waterman	

So the resolution was agreed to.

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, the pending amendment being the amendment offered by the Senator from California [Mr. JOHNSON] to the committee amendment, on page 90, line 1, where the committee proposed to strike out the following:

Public works: For establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $449,708, to be immediately available.

The Senator from California moved to amend by inserting in lieu of the language proposed to be stricken out the following:

For establishing and improving aids to navigation, establishing lights, and for signals to mark the deep-water channel to Stockton, Calif., $16,000.

Mr. JONES. Mr. President, I desire to offer an amendment in lieu of the amendment offered by the Senator from California.

Mr. JOHNSON. Mr. President, the Senator from Washington is about to offer an amendment in lieu of the amendment which I offered when last we were considering the pending bill, which, as I understand it, will be acceptable. I trust the Senator will present the amendment which he has in hand.

Mr. McKELLAR. Let the amendment be reported.

The PRESIDENT pro tempore. Is the Chair to understand the Senator from California to have withdrawn his amendment which was pending?

Mr. JOHNSON. Temporarily: yes.

The PRESIDENT pro tempore. The Senator from Washington is recognized.

Mr. JONES. Mr. President, I have looked into this matter very closely and examined with reference to the amount of money carried in the bill for immigration purposes, and I think we can well afford to substitute $50,000 for the amount proposed to be appropriated, with the distinct understanding that $16,000 of the amount may be used for aids for navigation in the channel leading up to Stockton, Calif., without mentioning the point. I make that declaration clearly, that $16,000 of this money is intended to be used for that purpose. That will take care of the situation without changing the amount carried by the bill, and I think we can very well make that change. Therefore I offer the amendment which I send to the desk in place of the amendment offered by the Senator from California.

Mr. JOHNSON. Mr. President, upon the statement of the Senator from Washington that $16,000 of this amount shall be used in the Stockton Harbor for signals and lights and as aid to navigation, I am perfectly willing to accept it in lieu of the amendment I offered, and I withdraw my amendment.

The PRESIDENT pro tempore. The Senator from California withdraws his amendment to the committee amendment, and the Senator from Washington offers the amendment which the clerk will state.

The CHIEF CLERK. On page 90, line 1, the Senator from Washington proposes to restore the matter stricken out, amended to read as follows:

Public works: For establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $50,000, to be immediately available.

Mr. FLETCHER. Mr. President, I do not intend to oppose the amendment; I want to see the project of the Senator from California taken care of. I would like to ask, however, whether these aids to navigation are to be restricted and limited all over the country? There are a good many of those propositions in Florida. There are waters on the Gulf and on the Atlantic and inland where the people are asking for aids to navigation. I do not know whether there will be enough money to supply the necessary aids or not.

Mr. JONES. The Senator will remember that, according to the letter from the Secretary of Commerce, he really suggested that this appropriation could be cut out with less harm than would result from cutting out appropriations for many other things. We have proposed an appropriation of $50,000 for this item, and when the $16,000 is deducted, $34,000 will be left for additional lights anywhere throughout the country, and I think under the circumstances that appropriation is ample.

Mr. FLETCHER. That is what I wanted to inquire of the Senator, whether fixing the appropriation in this amount would mean the abandonment of aids now in existence, or which it is necessary to complete.

Mr. JONES. No; it will not mean the abandonment of any aids now in existence.

Mr. FLETCHER. There will be funds for that purpose?

Mr. JONES. Yes; $34,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Washington to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6662) to amend the tariff act of 1930, and for other purposes.

TRANSACTIONS ON THE NEW YORK STOCK EXCHANGE

Mr. BLAINE. Mr. President, I did not want to interrupt the debate which has been proceeding for the last several days, though perhaps I should have earlier called attention to a newspaper report which apparently has been broadcast over the country in connection with the purported interview I had with a newspaper representative. However, I received a copy of the interview and the first information of its publication on yesterday morning. The information came by way of a bulletin from Dow, Jones & Co., of New York City. The interview relates to the investigation of the New York Stock Exchange. I notice that Dow, Jones & Co. send out financial bulletins, and they characterize these bulletins as the "Electric Page News, printed in over 100 cities." Dow, Jones & Co., of course, is an organization which reports respecting the New York Stock Exchange.

I call the Senate's attention to the fact that the other day Mr. LAGUARDIA, a Member of the House of Representatives from New York, appeared before the Committee on Banking and Currency and outlined some of the high-pressure methods used by operators on the New York Stock Exchange and by some of the brokerage houses in their operations in the sale of stocks and bonds.

My interview had reference, not to the statement of Representative LAGUARDIA, but to the general conditions which exist respecting the New York Stock Exchange. However, the reporter who obtained the interview with me was slightly in error, and I desire to correct the error before I proceed to outline a situation which I think ought to be called to the attention of the country.

In the purported interview the newspaper representative stated:

"The public," said Senator BLAINE, "is at all times the sucker."

That is not my conception of the public. That is not the language I used. The language I did use was that brokerage houses and others engaged in the type of gambling which is transacted on the New York Stock Exchange conceive the public at all times to be the suckers.

In the same interview I stated:

Professional traders never lose to the public, although they may lose among themselves.

That is a fair and, I think, an accurate statement of the situation. These operators are very much like the racketeers and gangsters about whom we have heard so much. However, they are the gentlemen who are clothed in holy robes; and Mr. Whitney, president of the New York Stock Exchange, undertook before the committee to place the character of angels about the operators on the New York Stock Exchange. Yet, after all, the operations on that exchange are similar in character to the operations of the racketeers and gangsters who may kill one another. So these operators on the stock exchange may occasionally lose among themselves, but their main purpose is to gouge the public, to cheat the public, to defraud the public.

Mr. President, it was demonstrated by Representative LAGUARDIA that many of those who operate on the New York Stock Exchange use high-powered publicity methods. In respect to one news-gathering or news-reporting service there was paid out $286,000, as I recall, to create what Mr. Hoover said in 1912 was "a speculative fever."

All of these news stories that were sent out were of the character of news stories sent out during the consideration of the tariff bill.

Senators will recall that the sugar interests spent tens of thousands of dollars then to mislead the Congress and also to influence the public generally that the public in turn might influence the Congress. There were other large interests as disclosed by the investigation conducted by the lobby committee. Large amounts of money were used for propaganda purposes. It has been pointed out on the floor

of the Senate time and time again how the power interests have used the newspapers as a vehicle to spread their propaganda, their poison, their misinformation, their misrepresentations, in order to mislead the public and to mislead the Congress. Identically the same methods are used by those who are operators and manipulators upon the New York Stock Exchange.

As I said, the unsuspecting average investor, without an opportunity to investigate the various corporations for himself, naturally relies on the financial authorities in New York, and he gets soaked. In 1929 the so-called "long" operators hoisted the prices of stocks and bonds upon the stock market until those stocks and bonds approached dizzy heights. All the time preceding that propaganda was being sent out all over the country by financial writers, by news organizations, through financial bulletins gotten out by various organizations in New York, until they had created what Mr. Hoover characterized as a "speculative fever."

In that interview I also stated, quoted the reporter:

Mr. BLAINE remarked also that the average American comes into the market only during bull movements. He is not a falling-market operator.

I said that generally the public comes into the market when the market is rising, when the "longs" are pushing the market until they have the market to that point where they have the opportunity to soak the unsuspecting public.

In that same interview I find this statement by the reporter:

"The uninformed investor," Senator BLAINE continued, "who lost so much in 1929 was the sort of person described by Mr. Hoover in the 1912 London Mining Journal as an 'idiot.'"

In that respect the reporter is mistaken as to what I said. I called his attention to the fact that if he would go to the United States Geological Survey library and there ask the attendant for the Mining Magazine of the issue of May, 1912, he would find an article written by Mr. Hoover wherein Mr. Hoover described the unsuspecting public as "idiots."

Therefore, at this time, Mr. President, I think, when the public is so vitally interested—interested not only in the rehabilitation of our economic conditions but also interested in what Congress is doing and especially interested in the proceedings before the Committee on Banking and Currency respecting the investigation of the New York Stock Exchange—it would, indeed, be informative, and perhaps instructive, to have in the RECORD the language Mr. Hoover expressed in 1912 when he was a citizen of Great Britain and a promoter in Great Britain, especially with reference to the promotion of mines in Australia and South America.

To be accurate and perfectly fair, any Senator who is interested may go to the United States Geological Survey library and there find volume 6, No. 5, of the Mining Magazine, May, 1912, edited by Mr. T. A. Rickard, pages 370 to 373, inclusive—the Mining Magazine published in London—containing an article entitled "Economics of a Boom," by Mr. H. C. Hoover. I assume that H. C. Hoover was Herbert C. Hoover. I may be mistaken in that respect. I understand, however, that that is correct.

Having addressed the editor, Mr. Hoover said:

SIR: I take pleasure in complying with your wish that I should give my views on the economics of mining booms.

I want to say to the Members of the Senate that if they want to read this article at the United States Geological Survey library it will be necessary for them to go to the library. There is a constant watchful eye upon that magazine and for good reasons.

If Senators will go to another part of the United States Geological Survey library, they will there find a vacant place on the shelf whence a magazine was taken and never returned and which magazine contained an article by Mr. Hoover. Therefore one can not borrow the magazine from the library. He must read it in the presence of some one, I assume for the purpose of assurance that the magazine will not be filched or purloined from the library.

I proceed with the reading of the statement of Mr. Hoover:

As the aftermath of every boom and slump in a particular department of the mining market, there is a flood of lamentation over the shrinkage in market-value and the enormous losses that have consequently ensued.

Senators will note that "There is a flood of lamentation over the shrinkages in market value and the enormous losses" quite analogous to the situations which have been developing in the last few years. There are lamentations, lamentations from men and women who have lost their entire life savings. During the boom period prior to 1929 they were led into the belief, through the propaganda of financial writers, that the greatest prosperity in the world was here and would continue, that stocks and bonds of the various industrial organizations and utilities would be of tremendous value and would be a security for them in the twilight of their lives.

Not only were they advised by the financial advisers and writers, but the information came out of the White House or out of the Cabinet to these men and women who were believing in the statements of public officials and financial advisers and those who were writing the propaganda. They invested their money. To-day many of those men and women are being supported by their friends, their relatives, their children, or by the public. Lamentations! Of course, Mr. President, there should be lamentations.

But let me examine into how Mr. Hoover treated those lamentations over shrinkages. I quote further:

Even the oft-repeated palliation that a minor amount of stock changes hands at top prices is quite superficial from an economic point of view.

In order to get at the true position it is necessary to disassociate clearly the various elements that are involved. The first of these elements is the actual industry in the given mining region upon which a boom has been built, and the second is the people at the financial center who are engaged in the provision of capital for this industry. The people must be divided into two classes, the insiders, who provide the capital, namely, the promoters, brokers, and so forth, and the outsiders, who may be styled the investing public.

It may be stated at once that the actual capital invested and risked in such a mining industry has nothing to do with either the nominal, issued, or market value of the shares of companies operating in a given region, but is what we may style the economic investment and consist of—

Then Mr. Hoover points out those three factors. I shall not read the first two factors. The third he designated as—

C. The amount of money expended in the raising of this capital. This sum is one difficult to estimate, for, from a social point of view the promoter, broker, etc., must be supported by the industry and the "economic" outlay upon them is only the amount of their takings from the investor or the industry that they do not reapply to reproductive investment. If they live modestly and continue to labor this wastage amounts to very little. If, on the other hand, they squander their takings, it is in such proportion more important. This sum bears little or no relation to the gains of paper-trading which may be done as between two parties at the financial center. The insiders may make millions of such paper and sell it to each other or to the outsiders, but this, except for the economic expenditure, is simply taking a block of national wealth from the book of one individual and placing it in that of another.

In other words, the outsiders may take millions of such paper, and Mr. Hoover states that that is merely transferring property from one individual and placing it in the hands of another. In other words, the insiders put their hands in the pockets of the American people during these raids and extract the money, the savings, if you please, of the men and women of this country, and put that money into their own pockets.

Mr. Hoover knew exactly what he was talking about, and he was then talking about a subject that is very familiar to us now, especially in view of the recent investigation by the Committee on Banking and Currency. Transferring the money from the pocket of one individual to that of another! That is exactly the method of the pickpocket. The criminal on the street who slips up behind one and puts his hand in one's pocket and extracts a pocketbook which he transfers to his own pocket is as respectable as are the insiders who have, through their propaganda, mis-

represented facts to the public, put their hands into the public's pocket, to extract money and place the money so extracted into the pockets of the insiders by way of the stock exchange.

Mr. Hoover was an engineer at that time, and to make his position clear he said:

In order to make the matter clear we may take a hypothetical example. On the Blank mine the A expenditure—

I have discussed that. Mr. Hoover presented A, B, and C expenditures—

On the Blank mine the A expenditure—that is, the annual development and equipment and management on the ground—is, say £100,000—

Speaking the language of the country of his adoption—

The B expenditure on the registration of the company, directors' fees, secretary, etc., is £5,000. The C expenditure is extremely difficult to assess. It may comprise the living of one or several promoters over a longer or shorter period, and a part of the living of several brokers and jobbers and their satellites. To arrive at a figure, however, we may assess this at £15,000. We have, therefore, a total "economic" investment of £120,000. It is quite possible that the Blank mine may be capitalized at £1,000,000, and that the insiders may sell the shares to the outsiders at that figure.

One hundred and twenty thousand pounds are invested, but shares are issued to the extent of £1,000,000, and the insiders then sell those shares to the outsiders. That is when they begin to pluck the public; that is when the insiders begin to pick the pockets of the public. Now, let me continue the quotation—

We have therefore a total "economic" investment of £120,000. It is quite possible that the Blank mine may be capitalized at £1,000,000, and that the insiders may sell the shares to the outsiders at that figure, but the £880,000 representing the difference—if we assume that the mine should fail absolutely—is not in itself an economic loss. It simply means that this much of the national wealth was transferred from one individual to another.

Eight hundred and eighty thousand pounds, representing no value whatever, sold to the outsiders by the insiders, and Mr. Hoover says that means only that so much of the national wealth was transferred from one individual to another. But that £880,000 in shares cost the insiders not a single dollar. They transferred those shares to the outsiders. It cost the outsiders, the unsuspecting public, the ones who had their pockets picked, the amount for which each share was sold, and those shares were sold according to the degree of the speculative fever that was abroad in the land.

Continuing the quotation—

It might result in a decrease in national wealth if the £880,000, or any part of such purchase of the mine, were removed from this kingdom.

That is, if the insiders left Great Britain and took with them the amount of money which they had picked from the pockets of the Britishers, removed that money to some other realm, of course, then the kingdom, the British realm would have had that much national wealth extracted from it; but, first, the insiders took the money out of the pockets of the outsiders without any consideration whatever excepting the certificate of stock, which was no more than the result of the operation of a printing press and represented in value nothing more than the junk value of the paper upon which the certificate was printed.

It is quite possible to say that the insiders may spend more than £15,000 upon legitimate living or on riotous extravagance.

And that they may never again perform any labor; so that a portion of the £880,000 does not return for reinvestment in reproductive work; but, in any event, experience shows that it is a minor quantity. Further, from an economic point of view—

And I want the Senate to note this particular sentence from the pen and mind of Mr. Hoover—

Further, from an economic point of view, this £880,000 of capital in the hands of the insiders is often invested to more reproductive purpose than if it had remained in the hands of the idiots who parted with it.

If the President has any knowledge of the operations of the insiders in stock gambling, the committee ought to be furnished with some specialists who were trained under Mr. Hoover during some period of his life in America so that those specialists might aid the Committee on Banking and Currency to ascertain how many dollars have been taken by the insiders from the pockets of the innocent, unsuspecting public.

In parenthesis, to make my point clear, I want to call attention to transactions in the J. I. Case Co. stock. I make the statement only upon information, and it may be incorrect, but I have it upon very respectable authority that in 1930 and 1931, during those two years, the stock transactions in the J. I. Case Co. stock in number equaled, as I recall, ninety-four times the total number of shares issued by that corporation, and that the insiders, the stock brokers, received as profits on those transactions an amount in excess of the total assets of that great corporation. I merely use that by way of example. It may be an exaggerated example, but at least it serves the purpose of pointing out how the insiders go into the pockets of the public and take their daily, weekly, monthly, and yearly wages and earnings and savings and transfer them into the pockets of the insiders.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. BLAINE. I yield.

Mr. FLETCHER. The Senator suggests that an investigation be made as to the amount of money which has been taken out of the pockets of the outsiders by the insiders. I do not know that what I am about to relate amounts to the same thing, but I think it is well within the figures to state that there was a depreciation in security values on the stock exchange in October, 1929, of some $29,000,000,000. Afterwards stocks went up, but in 1930 there was again a depreciation of some $20,000,000,000. All together it has been estimated as high as $70,000,000,000, but at least there was a $49,000,000,000 depreciation in values on the stock exchange in 1929 and 1930. That is quite a considerable sum, when we consider that there are only about $50,000,000,000 of real money in all the world.

Mr. BLAINE. Exactly, Mr. President; and I thank the Senator from Florida for pointing out those facts, and I think if an investigation were made it would be disclosed that these depreciations and losses were depreciations and losses largely of the outsiders. While those who are actual operators upon the stock exchanges may, as I said in the interview, lose among themselves, the great losses, the enormous losses, are incurred and the great injury is suffered by the unsuspecting, innocent public.

Mr. President, the philosophy of this time is a philosophy that leads only one way, and that is to a universal disregard for organized government. When men and women who have a right to rely upon banks, investment houses, and public officials are betrayed, when the Government furnishes them no protection, when the thief who takes their money goes scot free—not only scot free but becomes a respectable gentleman of our communities, and often the holder of high offices of public trust—that brings distrust of government. When tens and hundreds of thousands of men and women are brought to the door of the poorhouse, when for the balance of their lives they must face the dangers of starvation, anguish, and want, can we expect that there will be any high regard for government, or any respect for those who occupy the positions in government?

Mr. SHIPSTEAD. Mr. President, will the Senator yield for a question?

Mr. BLAINE. I yield.

Mr. SHIPSTEAD. These people used the mails in these transactions. They made statements that were not true, misrepresenting values. Does not the Senator think that the postal inspectors and the officials of the Department of Justice might render service by investigating violations of criminal statutes through using the mails to defraud?

Mr. BLAINE. My own opinion is that if full investigation were made, it would be found that these financial writers and

these financial houses had attended to it that they were within the law.

I know of no postal regulation that prevents a newspaper reporter from sending out a false report over the country regarding either individuals, institutions, or property, even though he received large sums for doing so. I doubt whether there is any present law that would punish these men, who are in fact aiding as great thieves as is the pickpocket. Judged by the standard of good morals, of proper conduct among their fellow men, the stock jobber's acts are more heinous than the crime of the man who burglarizes a bank under the power and pressure of machine guns. The only difference is that they keep within the law. They retain their respectability, not because they are entitled to it but because they can make large donations; they can employ the ablest lawyers; they can buy the newspapers or the newspaper writers, some of them. They mold public opinion through devious means, and thus they influence public officials, and in the finality they make the laws.

Mr. Hoover pointed out some other very pertinent situations.

We have heard a great deal about psychology. It is rather an ancient word. At least, it goes back to May, 1912; and Mr. Hoover has not forgotten the language. Note, Senators, quoting from his article:

> There are many psychological factors in any boom; one at least is often put forward as of some consequence, and that is the value of a speculative fever.

Speculative fevers are produced by propaganda, paid for by the operators and brokers on the stock exchange. I will not go into the details of that. I hope the committee investigating this problem will go into all of the ramifications of the stock exchanges, ascertain the modes and methods by which the insiders rob the outsiders, how far the large banks of the commercial centers have their hands in the pockets of the outsiders, and ascertain what part the investment banker plays in this great game of robbery and theft, pilfering, and crime.

Why, Mr. President, the stock exchanges, with the practices that have already been disclosed before the committee, can be justly charged with having the leprosy of crime spotted all over them.

Now, let me continue. I want to repeat. Mr. Hoover says:

> There are many psychological factors in any boom; one at least is often put forward as of some consequence, and that is the value of a speculative fever. For instance, the Nigeria possesses mineral wealth worthy of development, and the securing of adequate capital is made easier by such a fever. It is true that all of those of experience realize the great difficulty in securing adequate capital for new industries where such a fever does not exist, and it is a fact that the C expenditure—

To which I have called attention—

> for promoters, brokers, etc., is greater without such a fever than with it.

In other words, if a speculative fever can be created through the false representations made by financial writers and made in financial bulletins, those methods, as Mr. Hoover says, are not quite so expensive as the slower method to which he calls attention later on.

He says:

> For more intermediaries must be employed. In such cases 99 per cent of the capital raised comes from persons who buy shares—

Now, note—

> not on any knowledge of the enterprise beyond its market nickname, but because of the fullness of hope that they may resell the shares to some other outsider on the following morning at a higher price.

Why, of course, Mr. President, the outsiders, the unsuspecting, innocent public know nothing about the daily sales or what may happen on the stock exchange during any day. That is left to the brokers, the insiders, the specialists, the investment bankers, the J. P. Morgans & Co.

Mr. Hoover says:

> Given that this person is capable of conviction as to the merits of a given enterprise, the cost of convincing him outside of boom hours is very great; it usually takes years instead of days, and an army of intermediaries instead of a troop.

So the operators and the brokers, the investment brokers, hire these high-powered, high-pressure financial writers. The country is propagandized. All sorts of representations are made. The public is told what great profits will come to them if they buy the shares of the X company or the A company or the B company. That is cleverly manipulated.

Perhaps on the first of the month a corporation has reorganized and split its shares, multiplied the original shares two, four, or more times, and those split shares are gradually fed into the market. The financial-news writers tell the story daily, varying the amount for which those shares sell on the stock market, five or six dollars a share, the next day five and a half, and another day at a fractional gain, and another day another fractional gain. Those news stories go out to all the papers in the country. One news service organization, as I recall, sent a story out to 250 newspapers in the United States. That campaign is kept up daily, most cleverly. The boom starts and the shares go up ten, fifteen, twenty dollars a share. That is when the insider, with his split shares, or other shares, for that matter, fleeces the public. That is when the "longs" are interested. That is the time when the "longs" are playing the market. That was the situation which prevailed in 1929 before the collapse came. Then the other side of the market, the "shorts," began their operations, and the unsuspecting innocent public, which had purchased millions upon millions of securities, found those securities going down, down, down, down. I recall some stocks which were selling at $50 a share; and when the manipulation took place, those shares continued going down, down, down, down. I remember one corporation in the radio field where the shares went to practically nothing, where the so-called specialists had the inside information respecting that corporation, where the so-called specialists knew that the president of the corporation was going to send out a letter on a certain day, for instance, suggesting a meeting of the board of directors, and in that same letter suggesting that the board of directors would determine upon the reorganization of the company. So those letters were sent out, the specialists knew those letters were sent out, the shares of that corporation continued to fall until all of the outsiders were frozen out, every single dollar taken away from them, and the company, with $325,000,000 of assets, sold for $11,000,000, in round numbers. Those outsiders were "sold down the river" by the insiders.

I think Mr. Hoover has, probably unsuspectingly and unintentionally, contributed literature on the stock market and its operations so valuable that that literature ought to be preserved. That article written by Mr. H. C. Hoover ought to be in the archives of this Government and available for the people of this country. I understand that there is but one copy now, and that is available only in the presence of the guardian eye of an individual down at the Geological Survey Library.

Therefore, Mr. President, in order to make this entire article available without Members of the Senate having to go to great inconvenience, I ask unanimous consent that the entire article, with the notations which appear on the article taken from the original article in the Mining Magazine, be made a part of the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Mining Magazine, London, May, 1912]

ECONOMICS OF A BOOM

THE EDITOR.

SIR: I take pleasure in complying with your wish that I should state my views on the economics of mining booms.

As the aftermath of every boom and slump in a particular department of the mining market, there is a flood of lamentation over the shrinkages in market value and the enormous losses that have consequently ensued. Even the oft-repeated palliation that a minor amount of stock changes hands at top prices is quite superficial from an economic point of view.

In order to get at the true position it is necessary to disassociate clearly the various elements that are involved. The first of these elements is the actual industry in the given mining region

upon which a boom has been built, and the second is the people at the financial center who are engaged in the provision of capital for this industry. These people must be divided into two classes: The insiders, who provide the capital, namely, the promoters, brokers, etc., and the outsiders, who may be styled the investing public, although they often enough consist of other promoters and brokers. These classes could perhaps be truly styled the producers and consumers of mining shares, or in more formal economic terms, the entrepreneur and capitalists.

It may be stated at once that the actual capital invested and risked in such a mining industry has nothing to do with either the nominal, issued, or market value of the shares of companies operating in a given region, but is what we may style the economic investment and consists of:

A. The actual working capital and materials shipped to this given mining region and there devoted to plant, machinery, development, management, etc.

B. The expenditure in the management of these companies at the financial center, such as directors, secretary, engineers, registration fees, office expenses, advertising, etc.

C. The amount of money expended in the raising of this capital. This sum is one difficult to estimate, for, from a social point of view, the promoter, broker, etc., must be supported by the industry and the "economic" outlay upon them is only the amount of their takings from the investor or the industry that they do not reapply to reproductive investment. If they live modestly and continue to labor, this wastage amounts to very little; if, on the other hand, they squander their takings, it is in such proportion more important. This sum bears little or no relation to the gains of paper trading, which may be done as between the two parties at the financial center. The insiders may make millions of such paper and sell it to each other or to the outsiders, but this, except for the economic expenditure, is simply taking a block of the national wealth from the pocket of one individual and placing it in that of another.

Further, the matter somewhat hangs on the question as to whether we look at it from a world's view or from the more narrow national view. In the latter case, if the promoter or vendor be a foreigner and remove his takings from the country, then these sums would constitute a part of the economic expenditure. This is not so, however, from the broader view of total world's wealth.

The economic investment then consists of the sums represented by 'A,' 'B,' and 'C,' and if the net returns from the metal produced in this given mining region show a profit on this economic investment, then the national wealth has been increased. By profit, I mean necessarily the return of this capital with interest.

In order to make the matter clear, we may take a hypothetical example. On the Blank mine the 'A' expenditure—that is, the actual development and equipment and management on the ground, is, say, £100,000. The 'B' expenditure on the registration of the company, directors' fees, secretary, etc., is £5,000. The 'C' expenditure is extremely difficult to assess. It may comprise the living of one or several promoters over a longer or shorter period, and a part of the living of several brokers and jobbers and their satellites. To arrive at a figure, however, we may assess this at £15,000. We have therefore a total "economic" investment of £120,000. It is quite possible that the Blank mine may be capitalized at £1,000,000 and that the insiders may sell the shares to the outsiders at that figure, but the £880,000 representing the difference—if we assume that the mines should fail absolutely—is not itself an economic loss. It simply means that this much of the national wealth was transferred from one individual to another. It might result in a decrease in national wealth if the £880,000, or any part of such purchase of the mine were removed from this kingdom. It is quite possible to say that the insiders may spend more than the £15,000 upon legitimate living or on riotous extravagance, and that they may never again perform any labor, so that a portion of the £880,000 does not return for reinvestment in reproductive work; but, in any event, experience shows that it is a minor quantity. Further, from an economic point of view, this £880,000 of capital in the hands of the insiders is often invested to more reproductive purpose than if it had remained in the hands of the idiots who parted with it.

We can assume many alternatives; for instance, that the insiders succeed in selling only £120,000 worth of these shares to the outsiders. The enterprise would show a shrinkage in market value of one million, but even the insiders would not have benefited by the transactions; or we can assume that the enterprise returns the £120,000 and an additional £100,000, in which case the national wealth has been increased, although there was a shrinkage of £780,000 in apparent value; we can also assume that the mine provision worth £15,000,000, or any other handsome amount, on this occasion.

The reasoning may be extended to the recent case of the Nigerian tin boom. At the maximum point of the market enthusiasm for this industry the total nominal capital of the companies involved in that region, so far as I have been able to determine from available material was, in round numbers, £5,200,000, of which there was issued about £4,400,000. The total of what may be called the market value; that is, the quotation multiplied by the number of shares of the companies involved was about £10,700,000; and the total working capital (omitting cash payments to vendors) provided for these companies was about £1,100,000. Such a bare financial statement, however, requires a large amount of readjustment. Many of the companies hold shares of other companies, and thus there is a good deal of duplication in such figures. Any proper adjustment is impracticable, as the holdings are not sufficiently known. I would not be surprised, however, if it were found that upwards of 30 per cent should be deducted from all the figures for this reason. If we assume that there is fairly assured a total output of 50,000 tons of black tin from properties now known, and that this metal can be recovered over a period of 10 years, there would be on known results a profit of roughly £2,500,000. Such a sum would have a present value, if discounted at 7 per cent, of about £1,875,000. It is, of course, possible and probable that more tin will be found than that mentioned.

Now, as to the "economic" expenditure on this industry we can be certain that the actual working capital available for administration and work at the mines does not exceed £1,100,000, and out of this comes not only the 'A' expenditure but a large part of 'B' as well; namely, directors' fees, etc., are paid out of the working capital; in some cases registration and promotion costs are met without intrenching upon this, but such an allowance can be neglected as the sum mentioned embraces the working capital the preliminary syndicates, and finance companies. In any event, it appears to me that this figure of £1,100,000 is a liberal estimate for the 'A' and 'B' portion of the "economic" investment as the industry is now constituted. It is not necessary to include in the "economic" investment the cost of railways and commercial establishments, because those concerns should have returned their capital from the working costs of tin production and from the development of the country in other directions. The 'C' expenditure it is, of course, impossible to assess. One can only say in a general way that the promoters of Nigerian tin mines are most of them active and energetic men who live in a modest manner and do not buy undue quantities of jewelry for their wives; moreover, but few of them possess more than one motor car and no steam yachts have yet been announced. Therefore we need not take the gloomy view that they will retire with the money they have received, becoming drones on the community, or establish families of drones, or squander it in riotous living. The more hopeful view is that they will reinvest their takings in reproductive work and continue to devote their experience and abilities to the augmentation of the national wealth. The actual sum of wastage, therefore, through this item is not likely to be large. Moreover, there are only about 32 companies having a working capital in excess of £15,000, so that these gentlemen can not be a very large body or of very large ideas. Between a rough valuation of £1,875,000 for the industry "in sight" and the £1,100,000 mentioned, we have a margin probably greater than the actual wastage involved on the 'C' account. For all of which reasons it seems probable that Nigerian tin will show a sound profit from a national point of view. And should the actual industry expand the favorable margin will be greater.

It must be borne in mind in considering any particular economic current that there are many side streams, the introduction of the details of which only confuses the main outlines. For instance, a considerable proportion of the expenditure under 'A' and 'B' will be saved by officers and employees from their wages and salaries, and a considerable portion of it will be expended on machinery and plant, and the manufacturers and workmen of this equipment will save a portion of this money, the whole of which savings may return to reproductive expenditure and should, from a point of view strictly of national wealth, be deducted from the "economic" expenditure. It might also be said that the money paid to the Government in stamps (which probably amounts to £50,000) is not entirely an economic loss, as such contribution to the general taxation entails a less heavy drain from other quarters. And, furthermore, some of the Government expenditure may be reproductive. There are many other items of this sort and I draw attention to them lest some wise person arise to state that I have not considered these hundreds of economic rivulets that feed the main stream.

There are many psychological factors in any boom, one at least is often put forward as of some consequence, and that is the economic value of a speculative fever. For instance, Nigeria possesses mineral wealth worthy of development, and the securing of adequate capital is made easier by such a fever. It is true that all of those of experience realize the great difficulty in securing adequate capital for new industries where such a fever does not exist, and it is a fact that the 'C' expenditure on promoters, brokers, etc., is greater without such a fever than with it, for more intermediaries must be employed. In such cases 99 per cent of the capital raised comes from persons who buy shares not on any knowledge of the enterprise beyond its market nickname, but because of the fullness of hope that they may resell the shares to some other outsider on the following morning at a higher price. Given that this person is capable of conviction as to the merits of a given enterprise, the cost of convincing him outside of boom hours is very great; it usually takes years instead of days, and an army of intermediaries instead of a troop. On the other hand, and of greater importance from an economic point of view, is the fact that in boom times a multitude of worthless ventures are started; these represent a great economic loss, which would not in other circumstances ever have arisen. Thus out of the £1,100,000 provided for Nigerian mines, probably more than half is for companies destined before their birth to early and complete extinction. This wastage amounts to several times the amounts saved in more economical finance as set out in the first part of this paragraph.

If we wish to extend the application of these principles to the various mining booms that the London market has experienced, we could say with some assurance that the Witwatersrand and Broken Hill have been most highly profitable mining districts, and that the national wealth was greatly increased thereby. We

could also say that from anything now known West Australia, West Africa, and Rhodesia will probably result in economic loss. We could also say that from the point of view of the English investor alone, Russia, Spain, and Mexico probably show a profit, but that the United States, Canada, Queensland, South Australia and Victoria, and South America generally, show a loss. Obviously, it does not follow that individual enterprises in those unprofitable districts may not have been abundantly successful and in every way justifiable.

H. C. HOOVER.

LONDON, *May 7*.

[In regard to the sequelæ of a boom we can state that Mr. Hoover is slightly in error, as the motor car and yacht stage of prosperity has just been reached by one or two of the Nigerian operators.—EDITOR.]

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment of the committee on page 91, line 4, which will be stated.

The CHIEF CLERK. Under the subhead "Coast and Geodetic Survey," on page 91, line 4, after the name "United States," the committee proposes to strike out "$200,000" and insert "$150,000," so as to read:

Field expenses, Atlantic coast: For surveys and necessary resurveys of the Atlantic and Gulf coasts of the United States, including the coasts of outlying islands under the jurisdiction of the United States, $150,000.

Mr. JOHNSON. Mr. President, I want the RECORD to show and I want the few Senators who are present to know exactly what has been done with this bill so far as the Department of Commerce and its Foreign Service are concerned. I have asked that the figures be furnished me by those who are familiar with them, and I am going to recite them now, very, very briefly, of course.

It is the desire of those of us who are familiar with the Department of Commerce to reinsert in this bill a sum aggregating about $465,000, so that the work of the department may not be so seriously interfered with and so outrageously injured as it would be if what has been done by the Senate shall be enacted into law.

In order to accomplish the purpose it would be necessary to ask unanimous consent that we reconsider the items which have been passed upon by the Senate, and then present the appropriate items seriatim in regard to the activities of the Department of Commerce.

I spoke to the chairman of the Committee on Appropriations, and he does not feel that he could agree that he could accord unanimous consent to that effect, and he feels that he is bound by what the Senate has done in regard to these appropriations. Because that is the attitude of the chairman of the Committee on Appropriations of the Senate, I want to make plain exactly what has been done by the House bill, in the first instance, then subsequently by the Senate bill, in the second instance.

The proposed amendment I have suggested, or concerning which I have spoken, would restore, I repeat, $465,000 to the appropriation for the Bureau of Foreign and Domestic Commerce, making the net cut somewhat over 10 per cent under the House bill instead of 19.87 per cent, as recommended by the Senate committee.

The Bureau of Foreign and Domestic Commerce has a present appropriation of $5,334,122. The House bill gives that bureau for the next fiscal year $4,869,531, representing a cut of $464,591, or about 9 per cent.

The Senate committee recommended a further cut of $964,531, which is practically 20 per cent under the House figures. The committee was instructed by the Senate to make cuts of 10 per cent in the appropriations carried in the bill, but in the case of this particular bureau twice that amount was deducted from its appropriations.

If $465,000 were restored the bureau, it would still have its appropriations reduced about $1,000,000 under the present funds, a cut of 18 per cent.

The bill which is before the Senate, House bill 9349, if enacted, will result in just this:

Foreign offices which must be closed, 20 in number.

District offices which must be closed, 18 in number, and these 18 district offices are located in the following cities: Buffalo, Charleston, Charlotte, Dallas, Des Moines, El Paso, Mobile, Memphis, Pittsburgh, Galveston, Indianapolis, Kansas City, Los Angeles, Louisville, Milwaukee, Wilmington, Norfolk, and Salt Lake City.

The foreign offices which will be required to be closed under the bill are at Barcelona, Bucharest, Lisbon, Toronto, Vancouver, Winnipeg, Prague, Helsingfors, Milan, Riga, Warsaw, Berne, Oslo, Bombay, Hong Kong, Melbourne, Mukden, Sao Paulo, Panama City, and San Juan.

The divisions which will be abolished by the bill are five in number. The employees who must be dismissed if this bill becomes a law as now it is contemplated by the Senate, will be—

In the city of Washington, 252.

In the United States outside of Washington, 153.

In the foreign service, 88.

The total number required to be dismissed from the service of the department will be 473.

There will be an elimination of monthly detailed statistics on competitive foreign markets. The domestic commerce survey work will be eliminated, as well as the activities relating to the regional distribution, commodity movement, credit and business failures, consumer demand, industrial marketing, special trade studies for grocers, jewelers, electrical industry, credit men, garment manufacturers, hardware, lumber, naval stores, and so forth.

This is what this bill does to the Department of Commerce. If Senators want to do it, well and good. But if the elimination of these activities is accomplished by merely a yardstick of percentage of reduction, it is a wrong which can not be justified. If we proceed with a reduction of any department of government upon the basis that that department is unnecessary, and there is a fair defense of that position, none at this time can complain. All favor economy, all favor reductions which may be legitimately, scientifically, or logically made. But I submit, sir, in view of these figures, that that sort of thing has neither been attempted here, nor has it been accomplished. On the other hand, we have just slashed without regard to the effect which may be had.

In order that the RECORD may show the facts in regard to the matter, I ask leave, on page 70, lines 19 and 20, after the word "exceed," to strike out "$1,650,000" and to insert "$1,990,000."

I ask that the various amendments may be pursued. If consent can not be granted, I submit, of course, to the determination of the chairman of the committee and of the Senate.

Mr. JONES. Mr. President, in view of the unanimous consent which has been given for the consideration of this bill, I do not see how I could accede to that request now.

Mr. JOHNSON. That is up to the Senator, of course. I recognize that.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. JONES. I can not grant the request of the Senator under the circumstances. The Senator knows my position. My position is a great deal the same as his. But he knows what the orders of the Senate are, and we are obeying the orders of the Senate.

Mr. JOHNSON. But the orders of the Senate were to make a 10 per cent reduction.

Mr. JONES. In the aggregate.

Mr. JOHNSON. We have in these items substantially a 30 per cent reduction. That is exactly the mathematical computation.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. JOHNSON. Certainly.

Mr. McKELLAR. The Senator says at one time that it is not a scientific reduction because we have not exercised any care in saying where the places are to make the reductions, and then the Senator complains because we have taken more from one item than another. What the committee has done

has been to reduce the aggregate 10 per cent, and we made the reductions after a most careful investigation of each item which has been passed upon.

Mr. JOHNSON. The care that was exercised by the committee may be manifest to the Senator from Tennessee. The care is not manifest in the items which have been slashed and in the items to which I have adverted and which I have read. I venture the assertion that there was practically no member of the committee who understood that he was eliminating the various offices in the various sections of the United States at the time that elimination was made.

Mr. JONES. The Senator is mistaken about that.

Mr. McKELLAR. Entirely mistaken. If I recollect right, the head of the department notified his constituents, he certainly notified mine, that certain offices were going to be abolished. I understood from my constituents that this Cabinet officer urged my constituents to protest against my action in seeking to reduce them. In other words, Cabinet officers have sent out propaganda to the constituents of Senators on that question.

Mr. JOHNSON. I know nothing about Cabinet officers sending out propaganda; but I do know, sir, that were I a Cabinet officer and I saw the service of the United States injured, crippled, halted, ruined, I would do everything within my power, and I would conceive it to be my duty to do it, to prevent that injury, that halting, that ruin. So I do not think any man who is in the service of the United States, no matter who he is, is open to criticism in the slightest degree because he protested either to constituents or to Senators against the crippling of his particular department.

Mr. LOGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Kentucky?

Mr. JOHNSON. I yield.

Mr. LOGAN. If there had been a threat that there would be an office abolished or if the head of a department said that he would be compelled to abolish an office, and that office happened to be in the Senator's State, would he not reserve the right to make some investigation and find out whether the Secretary of Commerce was correct about it and whether it ought to be abolished if the cut was made?

Mr. JOHNSON. I certainly would want to ascertain the facts.

Mr. LOGAN. In my State, in the city of Louisville, the board of trade and other business people were induced to pass resolutions protesting against the reduction of the appropriation for the Department of Commerce because it would result in closing the office there, to which the Senator just referred. I found the fact to be that $13,500 is appropriated for the expense of that office and that it has five clerks and stenographers. I also found that the work can be done just as efficiently and probably better with three than five. Therefore a 40 per cent or even 30 per cent reduction is no cause for the closing of that office.

For that reason I disagree with the Secretary of Commerce that it is necessary to close the office although he has the power to do so. The reduction in the appropriation will still leave that office with sufficient funds to function properly although the expenses of that office may be reduced as much as the total of the appropriation is reduced.

Mr. McKELLAR. Of course, the Senator from Kentucky is correct about that, but that is not the idea of the heads of the department. What they want is no reduction in the appropriations. They are trying to make it appear, by propaganda sent to the various States wherever any such situation as that stated by the Senator from Kentucky arises, that that particular office is being destroyed or that it has got to be destroyed simply because of a comparatively small reduction made in the appropriation. I have been told over the telephone, though I have not seen the paper, that Secretary Mills came before a committee last Friday and made the suggestion that certain offices of collectors of customs in various States would have to be abolished. He said if the committee wanted to save, they could save $500,000 by cutting off a number of offices of collectors that were comparatively useless in various States. One of those offices happens to be in Memphis, Tenn. A man called me up the next morning and said that it was reported in the papers that I had introduced a bill to discontinue the office in Memphis, Tenn.

I merely state that for the purpose of showing to what extent the propaganda is being used to prevent any reductions in appropriations. If we listen to propaganda, our appropriations will be increased instead of reduced.

Mr. JOHNSON. I take it that the Senator from Kentucky and the Senator from Tennessee, like myself, are impervious to propaganda.

Mr. McKELLAR. I do not suppose anyone is impervious to propaganda. If it is gotten out, we dislike very much totally to disregard it. I think Cabinet officers are doing a very great injustice when they indulge in propaganda that has no solid foundation of fact, as much of this propaganda has not. I think we ought not to listen to it, but we are obliged to pay some attention to what takes place, of course.

Mr. JOHNSON. I am surprised at the admission of the Senator from Tennessee. There are upon the desks of every Senator, I assume, for I presume I am not alone in that particular, telegrams which it is utterly impossible for us to read concerning items in the tax bill. We are not going to determine our course by virtue of those telegrams nor because somebody says we are doing this, that, or the other thing. In reducing appropriations the question should be whether it is a just cut. If Senators believe it to be a just cut, I have no complaint in the slightest degree because they so believe.

Mr. McKELLAR. I have no doubt about it.

Mr. JOHNSON. I take it the Senator has not. I take it the Senator from Kentucky has not. Unfortunately, I am compelled to disagree with both of my colleagues in that regard.

Mr. LOGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield further to the Senator from Kentucky?

Mr. JOHNSON. Certainly.

Mr. LOGAN. Referring to a part of the statement made by the Senator from Tennessee, I merely want to say that letters and telegrams which I have had from Louisville have contained the statement that the Senate has pending before it a bill providing for the abolishment of the office in the city of Louisville. That was not true, and I told them it was not true, but those people had been led to believe by some one—I know not by whom—to believe that we in the Senate are writing a provision into the bill that the office in Louisville shall be abolished and that I am going to vote for the bill. To that sort of propaganda I do object.

Mr. JOHNSON. Of course, that sort of thing is not accurate at all, yet the fact remains that that is exactly what we are doing and the consequences of our acts are that we will abolish these various offices. That I wanted to call to the attention of the Senate, and I wanted to make clear so far as I am personally concerned, a reduction which would be accorded something near 20 per cent by the insertion of the $465,000 to which I have referred would be a reduction which ought to be commensurate with the designs of the Senate as expressed in its resolution and which ought to satisfy the most economical in this body.

There is no desire, I take it, in anyone's mind to cripple the public service. All of us would maintain it. There may be different views as to what the public service will be benefited by. The Senator from Tennessee may think the abolition of the entire Commerce Department or all of its activities abroad would be an excellent thing. I do not think so. I might think that the abolishing of a very large part of the Farm Board would be an excellent thing. He might not think so; and so it runs.

Mr. McKELLAR. If the Senator will pardon me, I will say that I think the Farm Board ought to be abolished. I do not think it has done the farmers any good. I think it would be a very wise thing to abolish it.

Mr. JOHNSON. I do not observe any bill before us for the abolishment of the Farm Board.

Mr. McKELLAR. Oh, yes, there is.

Mr. JOHNSON. Where is it?

Mr. McKELLAR. I understand the Senator from Nebraska [Mr. NORRIS] has introduced such a bill.

Mr. JOHNSON. I am not aware of it.

Mr. McKELLAR. I find that I am mistaken about it. The Senator from Nebraska just tells me that I am mistaken about it.

Mr. JOHNSON. We all make mistakes, and I would rather err upon the side of a decent, efficient public service than on the side of a crippled and injured public service.

Mr. LONG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from Louisiana?

Mr. JOHNSON. I yield.

Mr. LONG. I think the Senator comes from a territory that gets its foreign trade largely the same as the territory from which I come. Is the Senator familiar with any distinct service that the Department of Commerce has rendered in South and Central America except to stir up revolutions and maintain dictatorships?

Mr. JOHNSON. Oh, yes. I will have to take issue with the Senator there. Yes; in the matter of trade they have done a very great service there and a great service in the Orient.

Mr. LONG. Perhaps I do not know, and probably I do not; but, for example, does the Senator know of one particular service they have ever done? I do not.

Mr. JOHNSON. I have had them repeated to me continuously, but I would not attempt to relate them in detail.

Mr. LONG. None with fruits and none with coffee.

Mr. JOHNSON. I think they have been very active in the matter of the fruit business.

Mr. LONG. The only thing the Senator will find—and I do not intend to take up the Senator's time.

Mr. JOHNSON. The Senator is at perfect liberty to do so.

Mr. LONG. The only thing I know of that the Department of Commerce was instrumental in doing was in the famous coffee treaty between the Bank of England and some French institution and bankers in Wall Street, whereby they limited the coffee output. Outside of that, I know of no service ever rendered by the Department of Commerce in Central and South America.

Mr. JOHNSON. The Senator and I will not disagree about the activities of Wall Street or the celebrated house of Morgan, so far as that goes; but that is apart from this question. Many of our merchants that I know of in the city of Los Angeles and in the city of San Francisco appreciate quite beyond words the foreign service which has been rendered by the Commerce Department; and I say that advisedly. The service which the department has rendered to the merchants and exporters and importers in California has been incalculable.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from New York?

Mr. JOHNSON. Certainly.

Mr. COPELAND. I should like to confirm what the Senator from California has said. The testimony of merchants and manufacturers in my State is to the effect that this department has been very useful. I am not speaking about Wall Street. I do not know how they could help Wall Street.

The manufacturing companies, however, are very much concerned over the possibility of abolishing these offices. Last year I made an appeal for an office in western New York, and it was established there. Now the merchants and manufacturers of that section are very much distressed over the prospect that that activity will not be continued. So I share the apprehension of the Senator from California that we are doing a wrong thing. In this time of economic depression we ought to be doing things to stimulate business; we ought to be trying to build up trade instead of seeking to tear it down.

Mr. LONG. Mr. President, if the Senator will permit me, I did not mean in this instance to make an attack on Wall Street's activities. If the work of this bureau has done Wall Street any good, that is all right; but I meant to say that Wall Street will tell those who are gullible that the service has been of immense benefit. I happen, however, to have been more or less directly associated with foreign trade between this country and South and Central America, having fought many of the rate cases, and I know of no single distinct act of service that has ever been performed by the Department of Commerce. The Senator from Tennessee has referred to the fact that there was some agitation and some propaganda—and it reached my section—to induce people to petition their Senators not to vote for this curtailment. On the contrary, we had rather the service discontinue it.

Mr. JOHNSON. Mr. President, that is a perfectly logical position, with which I do not quarrel at all, but what I complain about is that some would cripple a service that at least they admit has value and do not go to their full logical extent respecting it.

Mr. McKELLAR. Mr. President, will the Senator from California yield to me?

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from Tennessee?

Mr. JOHNSON. I yield.

Mr. McKELLAR. Will this proposed action interfere with the service at Los Angeles or San Francisco, in the Senator's State?

Mr. JOHNSON. I am so informed.

Mr. McKELLAR. I did not know that the Senator had read the name of a city in his State where the service would be abolished.

Mr. JOHNSON. I read the name of Los Angeles.

Mr. McKELLAR. It is certainly not intended to abolish the service there; and I want to say to the Senator that if these reductions shall be made, there is not a particle of necessity to abolish any of these offices. The department can merely lessen the number of employees at those offices and the same work can go on and, in my judgment, will go on better. I share the view of the Senator in that I think we ought to help our foreign trade wherever we can. I think Doctor Klein is a very excellent head of that bureau; I have known him for a long time, and he is a very vigorous and active man; but he could get along, if this reduction should be made, just as well, if he will undertake to do it, in this time of depression, when all of us ought to get along on less, as he could with a larger appropriation.

Mr. JOHNSON. Very well. Mr. President, I admire the mode in which my friend from Tennessee can determine all of the intricacies and all of the technical and scientific aspects of the Foreign Trade Service and of the bill relating to the Department of Commerce. I have no such omniscience; I do not claim it. I speak only from information that has been accorded me that I accept at its face value. I have presented it to the Senate for its determination. Objection was made to one item. In order that the record may be clear in that regard, I now ask that we may return to pages 63 to 70, so that amendments may be presented which would in this bill reinsert about $465,000 which has been stricken out, thus making the reduction in this particular bureau about 20 per cent instead of the very large percentage that now exists.

Mr. JONES. Mr. President, let us go on and finish the bill and then decide the question of going back. I object to going back at the present time at any rate.

Mr. JOHNSON. As I understand the Senator from Tennessee, he also would object?

Mr. McKELLAR. I shall object.

The PRESIDENT pro tempore. The Secretary will state the next amendment.

Mr. JONES. Mr. President, just a moment. I sympathize very much with the contention of the Senator from California, but the Senate has spoken two or three different times with reference to action along these lines. I am not referring to anything that has been said, but I received this morning a communication telling me that if this bill should be passed as it is, one of these offices will be discontinued in one of the leading cities in my State. I take that as a sort of threat, a sort of intimidation upon the part of some one in the department. There is a law against action

of that kind; there is a law against department officials even coming to Members of the Senate or the House of Representatives except in a particular kind of way. I do not know whether the department officials have been stirring up such communications as the one I received this morning or not.

Mr. McKELLAR. I think they have.

Mr. JONES. But it looks very much that way.

Mr. JOHNSON. What city was it where the Senator was notified the office would have to be closed?

Mr. JONES. It was not mentioned in the list the Senator from California read.

Mr. JOHNSON. Then the Senator probably has some misinformation.

Mr. JONES. I do not know, but the information came pretty straight to me, to the effect that if this appropriation bill were not changed or some provision made for the office in the locality referred to, it would be abolished.

Mr. President, I think there is much force in the suggestion that there really is not any need for the discontinuance of any of these offices, even with the appropriations reduced as we propose to reduce them in this bill. There may result a decrease in the number of the force employed, so that instead of having three or four to take care of an office, they will probably have to handle it with one or two; but I am inclined to think that they will be able to take care of these offices if they are disposed to do so. I know the Senator from California wants them to operate just as economically as I do, so far as that is concerned; but I have had something to do with the Department of Commerce for quite a good many years. I know they are very active; I know they were extremely active when times were good, and, of course, we responded to their activities. Now I am afraid they will have to cut down some of those activities and reduce their force. The reduction in the appropriation may not cause the discontinuance of any office, but the department may not be able to employ so many people as it has heretofore employed. I myself regret that that has to be done; I regret that anybody has to be dismissed from the employment of the Government.

As I have said, I am not personally in active accord with the policy which we have pursued; but the Senate has directed the committee to take action along the lines which have been taken. This bill itself was reported to the Senate without these amendments, but the Senate sent it back to the committee and instructed the committee to cut it 10 per cent below the appropriations carried by the bill as it passed the House. The Senate did not tell the committee to take off 10 per cent here and 10 per cent there and 10 per cent yonder, but it expressly said "in the aggregate," recognizing that there would be more reductions in some items than in others. It provided, however, that in the aggregate the reductions should be 10 per cent. The committee has tried to follow the instructions of the Senate.

Mr. McKELLAR. Mr. President, I wish to say that I agree largely with what the chairman of the committee has stated. I regret that anyone may not be employed as usual. I do not believe, however, that there will be any offices abolished. I do not know whether I am right or not—I sometimes think I am not—but I think it is still the privilege of Congress—and the Constitution says it is the duty of Congress—to direct the Cabinet officers as to what shall be done and what shall not be done. I take it that these offices will not be abolished unless the Congress abolishes them. They were created by act of Congress, and I imagine that the Congress still has control over them. We may be wrong; it may be in the power of a Cabinet officer, as many of them assert it to be in their power, to cut off at will when there is a reduction in an appropriation. For instance, the other day a Cabinet officer came before the subcommittee of which I am a member and said: "If this bill passes, it will mean the cutting off 36,000 men in the department." Such a statement as that is ridiculous. I can not imagine how it would be possible for a Cabinet officer to make such a statement, and yet he made it.

Mr. JOHNSON. Mr. President, I am not aware of what the Cabinet officer said or to what the Senator refers.

Mr. McKELLAR. The statement was made before the subcommittee.

Mr. JOHNSON. Was it made in relation to the Commerce Department?

Mr. McKELLAR. No.

Mr. JOHNSON. Well, I am speaking of the Commerce Department.

Mr. McKELLAR. So far as the Commerce Department is concerned, I have a letter at my office, which I will put in the RECORD to-morrow, from the head of that department written to one of my constituents protesting against any cut, and asking him to write to his Senators requesting that there be no reduction in the appropriation for his department. That came from Mr. Lamont. I have the letter, not with me, but it is in my office, and I will bring it over to-morrow and put it in the RECORD.

Mr. JOHNSON. I do not question that.

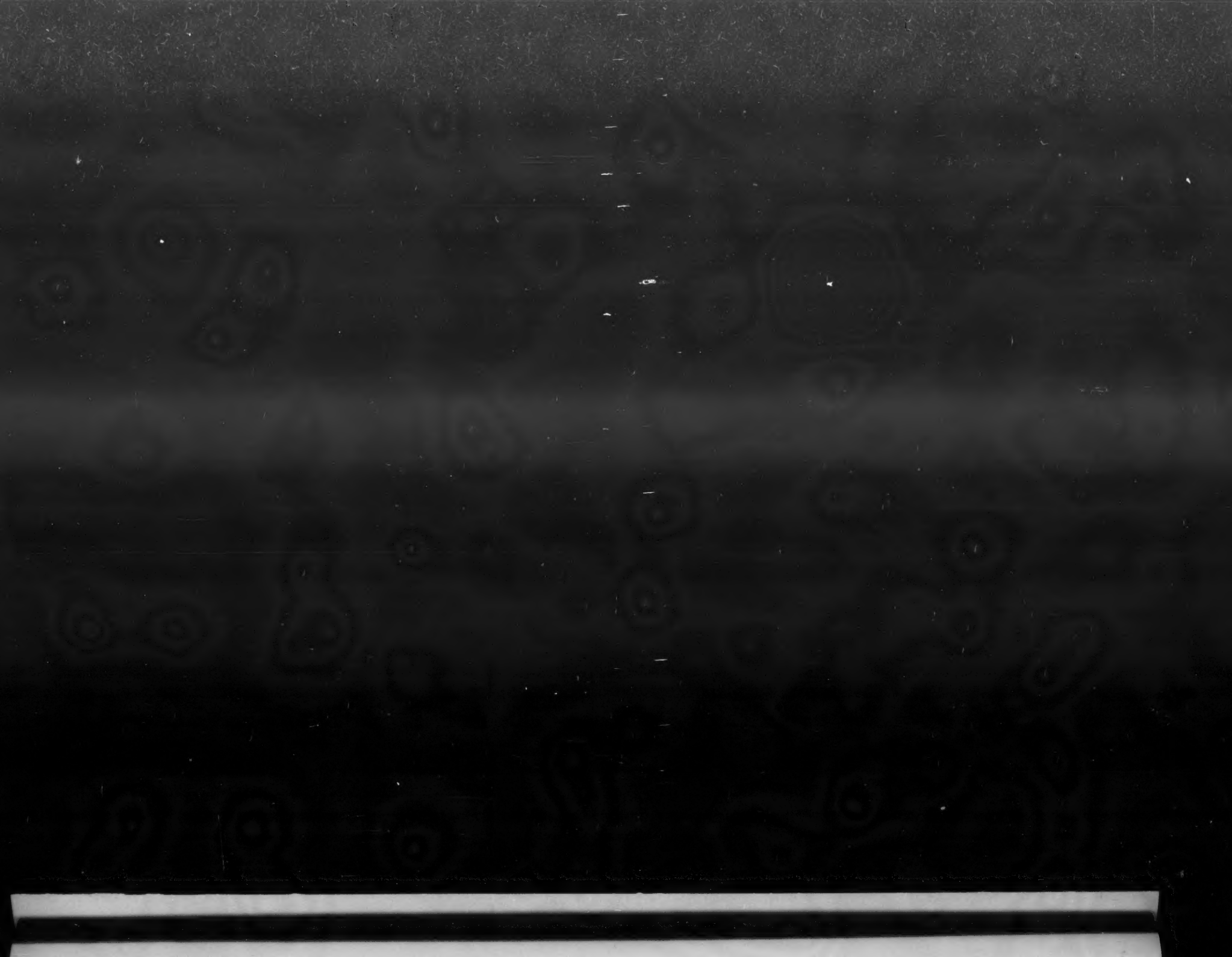
Mr. McKELLAR. I have not done it heretofore because I had hoped it would not be necessary to do it. I was sorry that that letter was written; it ought not to have been written. Senators have enough trouble as it is in endeavoring to cut down expenditures, without our employees writing letters to our constituents urging them to protest against cuts in appropriations.

Mr. JOHNSON. Mr. President, I know nothing about the letters that may have been written by one person or another. How many telegrams have we received from veterans during the last week, do you imagine, Mr. President? How many thousands telegraphic messages have come to us from veterans' organizations regarding the tax bill and regarding various provisions of the so-called economy bill that is now before the House? I do not in the slightest degree resent those messages being sent. It is impossible for me to read all the telegrams, it is true; but when it comes to administering a very great concern such as the Department of Commerce, I feel that I would scarcely be justified in standing here before the Senate and saying that I know that men will not be discharged, and I know that so much money as has been estimated for is not required for the various offices under that department.

There is one thing more and only one that I want to say about the discharge of employees. In the matter of the discharge of employees there is an economic problem presented to this Government; but there is another problem, too; there is the problem that all of us have been up against in our lives and that men and women in this community are up against to-day. I know people, and you do, sir, decent, God-fearing, Christian people, the best citizenship that we have in the Nation, who have their homes partly paid for, their children in school, who, sir, depend upon the meager salaries they receive from the Government, and these people, constituting the great human problem, are the ones who are affected by our action in providing insufficient appropriations that will require their discharge.

Mr. President, while I am here, I never will consent, if there be the reasonable probability of the necessity of the service of these people, to the reduction of an appropriation which will send them out on the streets with their homes half paid for, their children taken from schools, and their whole lives blighted because we have set up a fetish of economy at whose feet we are worshiping, and for which we are acting without rhyme and without reason; and I yield to no man on the face of the earth in desire for economy in government and for doing everything that may be essential to be done in order that we may have a due economy in the Government of this land.

These questions present themselves to me perhaps with a greater degree of force than to some of my fellows, and perhaps I am unduly alarmed about just human beings. But human beings, in the last analysis, are to be considered in these cuts and these discharges; and they are the ones, sir, finally, who are going to pay the price of the economy we practice, unless the economy be absolutely necessary.



Mr. COPELAND. Mr. President, I am a member of the Committee on Appropriations and have been for a good many years. I have never known that committee to work harder or to appear more conscious of its responsibilities than it has this year.

I have voted for these 10 per cent reductions. I am not going to vote for another one.

Mr. LONG. Neither am I.

Mr. COPELAND. This is not the way to make a Budget. I think, of course, that the Appropriations Committee and every Member of the Senate, whether he is a member of that committee or not, must do everything possible to economize; but there are limits beyond which we should not go.

The banks of America are boasting that they are 85 per cent liquid. That is just exactly as sane a boast as for a hospital to say that it has 85 per cent of its beds empty when there are thousands applying for admission. A hospital is instituted to take care of the sick. It is dedicated to that purpose, and is a dead thing when it ceases to function. Banks are organized to loan money to carry on the activities of the country. They are useless when they fail in that duty. The Senate in perfecting the appropriation bills must not forget the purpose of appropriations. They are to make governments function. No matter how poor we are, certain Government activities must not be ended.

For my part, I do not intend to be a party any longer to this method of reorganization of the departments in the arbitrary way in which we are doing it. I do not intend to vote again to proceed in that manner.

Mr. LOGAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield.

Mr. LOGAN. Has not the Senator from New York voted against every one of these motions to rerefer the appropriation bills to the committee to make these cuts?

Mr. COPELAND. I may say to the Senator that I have voted in favor of each of them.

Mr. LOGAN. I beg the Senator's pardon. I thought he voted against them.

Mr. COPELAND. I voted in favor of them. I held my nose while I did it. I said, when we did it the first time, that we put the cart before the horse; that we ought first to try, through the committee and then on the floor of the Senate, to make these reductions. But I have decided for myself—I do not criticize any other man upon the committee; he may do as he wishes—I have decided for myself that this is not the way to make a Budget.

The Senator from Tennessee [Mr. McKELLAR] says that these activities are going to be carried on just exactly as they were before. That is perfectly absurd.

Mr. McKELLAR. Mr. President——

Mr. COPELAND. Mr. President, I do not yield.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. McKELLAR. Very well.

Mr. COPELAND. It is perfectly absurd to say that if we wipe out all of the personnel and all of the appropriations heretofore used to operate these necessary institutions, they will operate automatically. That is absurd. Of course, they can not. The departments of Government are not automatic in their operations.

We have had the various department heads before the committee. We have heard their pleas, but what could we do about the matter? Our hands have been tied. There was nothing we could do except, under the order of the Senate, to make this arbitrary cut of 10 per cent.

Here is this department. I was not on the floor when the Senator from California [Mr. JOHNSON] spoke, but I assume that in the early part of his remarks he brought to the attention of the Senate certain figures. I judge from the criticisms that have been passed since that those figures must have originated in the office of the Secretary of Commerce. I do not care where they came from. I am an American citizen, representing a sovereign State, the chief manufacturing State of this country. I want to know how our producers may be benefited. Our manufacturers want to sell their goods. I contend that it is the duty of government in the future, as it has been in the past, to operate these advertising agencies, these offices in various parts of the world, where the peoples of those countries may be told what we are manufacturing in the State of New York and other States of this Union. We desire to learn what other and competing countries are doing. But because the demand for economy is so great, the minute that cry is raised here we dare not vote otherwise than apparently to indorse the demand for economy. We have lost our sense of proportion. I fear we neglect to differentiate between true and false economy.

Mr. President, we must exercise economy. I concede that at once. The Budget must be balanced; but we can not balance the Budget wisely and sanely if we proceed along the lines we have followed the last three or four weeks. If we expect to exercise economies sufficient to make it possible to balance the Budget, we are going to destroy the operations of the Government.

I have had pending here for the last 10 days a resolution to the effect that it is the sense of the Senate that those items which have to do with capital investment, permanent improvements, amounting to between three and four hundred million dollars in this Budget, should be taken from the appropriation bills and otherwise financed. In the case of improvements which will be used for the next 50 or 100 years, why should we pay for those investments this year out of the income derived from taxation? If, however, we are to do that, we shall have to go ahead with this cruel, thoughtless, uneconomic, heartless, and absurd performance, and cut out of the various appropriation bills items which are absolutely essential to the proper conduct of government.

The particular thing which is before us is a matter of great concern to my State, and I have observed that it is of interest to every other State. I notice, according to this information which I have from the Senator from California [Mr. JOHNSON], that the office in Louisville is going to be closed; the office in Memphis is going to be closed. I am sorry, but I have a direct interest in whether or not the office in Buffalo is to be closed. Buffalo is the center of the great chemical industry of this country, seeking to find sales for its products in every country of the world, in the face of bitter competition and the intelligent competition of Germany. The German people have long been the manufacturers of chemicals, chemical products, and dyestuffs. We are seeking in our country to build up those industries, and we want to find markets for them. To this end we need the Bureau of Foreign and Domestic Commerce. Are we going to wipe it out in order that we may "balance the Budget"? Or are we going to find some other way to balance the Budget and yet go on with our activities?

If we are to continue as we have started, when we get through the Senate of the United States will be in the unenviable position of being exactly like a banker who claims that his bank is 85 per cent liquid. We can say we have balanced the Budget, but we will have balanced the Budget at the expense of the prosperity and development of our country. We will have turned into the streets, as the Senator from California has said, thousands of respectable, hard-working, intelligent, able employees of the Government, employees who are helping the producers of America to dispose of their goods.

I do not know how other Senators feel about the matter; but when I go to New York and see in front of every employment agency on Sixth Avenue a queue of men a block long and in front of every soup kitchen in New York a line of hungry people I know that something must be done to keep in employment those who are there now and as speedily as possible to put back in employment millions of men and women who are now out of work.

I should like to ask Senators, Why are we so conceited as to think that the social and political structure of our country is so secure that nothing can destroy it? I should

hate to voice in this public place the fears that I have as to what may happen. Hungry men are not going to stop because of the restrictions of law imposed by orderly government. I do not want to enlarge upon that. I have said enough to throw out the hint and the suggestion; but, Mr. President, we can not afford to disregard the menace of the situation.

I do not want to pose as an alarmist; but I want every person within the sound of my voice to know that in my heart is a real fear as to what may come to America in the next 12 months or the next 6 months.

There are things here more important than a presidential election. There are matters pending here more significant than the choice of a candidate for President by either party. There are perils confronting our country which can not be disregarded by thoughtful citizens.

In formulating our appropriation bills this year it is our business to take into consideration the evil effects as well as the good effects of the economies that are to be brought about through these measures. It is our business to see that those economies are not carried so far as actually to break down government and to bring the deluge. That is the way I feel about the matter; and so I say, so far as I am concerned, I am not going to vote any more for arbitrary cuts, because in my opinion those cuts are being applied in a way that menaces the Government and its perpetuity.

I have spoken strongly and feelingly, but I have spoken from the heart. I am disturbed about this matter. I am distressed beyond words by what I think I see. If other Senators see the same thing, I know that every precaution will be taken to preserve our institutions. We will not spend our time in exchanging bitter words. We will not get into disputes which are unworthy of us. We will face the facts as they are, and try to solve this problem in such a way that our country may be preserved.

Mr. McKELLAR. Mr. President, it is remarkable how much we can get disturbed over a comparatively small matter.

In 1929 the Department of Commerce was just as vigorous as it is to-day. It probably had just as many offices. It probably did just as much work. The year 1929, up until October, was one of the most prosperous years we had.

Do Senators know how much we expended that year? I wish the Senator from New York would listen to this. In 1929, with all the prosperity we had up until October of that year, every bureau of that department ran at full tilt. We spent $3,711,957, and we are going to spend over $200,000 more this year, if this cut goes through, than we spent in 1929.

In 1930, it is true, the department got a larger appropriation. The appropriation was increased in 1929 to $4,257,357. In 1930 it ran up to $4,539,923, and in 1931 it ran up to $5,086,660. In 1932 the appropriation was $5,334,122.

Last year an enormous amount was appropriated, more than ought to have been appropriated, of course, and even the President sent in a recommendation for but $4,195,000. The committee, with the 10 per cent reduction, asked that only $190,000 be cut off of that, and yet there are all these protests.

The Senator from New York says there is an arbitrary cut of 10 per cent. There is no such thing as that. We passed upon every item of the bill. We cut some in smaller measure, some in larger measure. We cut off those which ought to have been cut off and we added to those which should have been added to, and some were left as they were. So the committee has made no arbitrary cut; it has made a careful cut, looking into all the facts and simply cutting the aggregate 10 per cent.

The Senator from New York says our hands are tied. Our hands are not tied. The Senate, by a majority of 50 to 29, directed that this be done. Does the Senator from New York mean to say that after the Senate votes, and especially by such a large majority, it ties the hands of those who are outvoted? I do not see that at all.

Then, to quote his exact words, he says that we are "destroying the functions of the Government" in deducting this item. It destroys the functions of the Government? An appropriation of $4,100,000 is recommended. The committee recommends $3,905,000, and because there is a cut of less than $200,000 the Senator from New York inveighs against it and says we are destroying the functions of this particular bureau because we cut the appropriation from $4,195,000 to $3,905,000.

The department itself, spreading the propaganda, undertakes to show that offices will be abolished throughout the country, endeavoring to frighten the Senate into restoring these improper, extravagant, wasteful appropriations.

I do not believe the Senate will do it. The Senator from New York went so far as to say a few moments ago—and I quote his words—"It would destroy the Department of Commerce if we balance the Budget in this way." Is it possible that because one bureau in the Department of Commerce is reduced from $4,195,000 to $3,905,000 it is going to destroy the whole Department of Commerce? That is a logic I can not understand. That is not the logic of the situation. We will cut down the expenditures, we will cut off extravagances, we will reduce the amount the Government gives, but we will get better service.

Let us look at the practical workings of it. Was the bureau destroyed in 1929? It functioned that year as never before. Yet we appropriated less for it that year than we are proposing to appropriate by this bill. Why should the Department of Commerce, which flourished in 1929 with a lower appropriation than we propose to give it this time, be going to the "demnition bowwows"?

If that is the kind of a department it is, we ought not to appropriate as much as we propose to appropriate by this bill. I say that in my judgment the committee, even with a 10 per cent cut, has given to this bureau more than it ought to have, and I believe that we will get better work with a smaller amount of money than we did last year.

Has it improved our business? In 1929, recollect, we gave them $3,711,000. Has our business improved since that time year by year? It has gone backward. They have had increased appropriations, and do we get better service? Not at all. The returns have been less and less each year since 1929, and we all know it. Yet, because it is proposed to cut off $290,000 from what the President recommended, they say we are going to destroy this department.

I deny that, and ask for a vote, in which I hope the committee will be sustained. The bill went back to the committee by a vote of 50 to 29, and I hope there will not be any reversal of that vote.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 91, line 4.

The amendment was agreed to.

Mr. FESS. Mr. President, I would like to direct a question to the Senator from Tennessee in reference to the increase of the appropriation for the Department of Commerce. I wondered whether the Senator had taken into consideration the requirements of the census, for which we have made a large appropriation for three years.

Mr. McKELLAR. Yes; all those things were taken into consideration.

Mr. FESS. That would account for the large appropriation.

Mr. McKELLAR. That would account for some of it, and that is an additional reason why the appropriation this year should not be as great as it has been heretofore.

Mr. NORBECK. Mr. President, I desire to propose an amendment to the pending bill and have it printed in the RECORD. The amendment is to be inserted on page 30, and is not to increase the appropriation. It is an amendment simply for the purpose of making available at the end of this fiscal year an unexpended balance of $3,200 in connection with the celebration of the one thousandth anniversary of the Althing, the National Parliament of Iceland. I ask permission that this amendment be taken up to-morrow.

Mr. NORBECK's amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 30, after line 8, insert the following:

"One thousandth anniversary of the National Parliament of Iceland.

"The unexpended balance of $3,173.75 of the appropriation of $55,000 contained in the joint resolution approved January 20, 1930 (46 Stat. 57), for the expenses of participation by the United States in the celebration of the one thousandth anniversary of the Althing, the National Parliament of Iceland, is continued available until June 30, 1933, for the same purposes, and for the transportation and subsistence or per diem in lieu thereof (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto) of a representative or representatives of the Government of the United States to make the formal presentation of the statue of Leif Ericsson, including such expenses of entertainment as the Secretary of State shall deem proper."

Mr. REED submitted an amendment intended to be proposed by him to the pending bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 131, after line 22, insert the following as a new paragraph:

"Section 6. Not to exceed 12 per centum of any of the foregoing appropriations for the Departments of State, Justice, Commerce, and Labor may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations for the fiscal year 1933 under the same department, but no appropriation shall be increased more than 15 per centum by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935."

PROPOSED MERGER OF ATLANTIC STEAMSHIP LINES

Mr. McKELLAR. Mr. President, if I may have the attention of the Senate just a moment, several days ago before the Committee on Appropriations there occurred this colloquy:

Senator McKELLAR. Brought down to its real meaning, it means, the meaning of that agreement is that you are not permitted to transfer these British ships without the consent of the British Government.

Mr. KEATING. That is it.

I now find from an article in the New York Times of April 11 that the International Mercantile Marine has made an agreement with the White Star Line by which ships of the International Mercantile Marine and the White Star Line are to be consolidated on the Atlantic run, and this particular company, the International Mercantile Marine, under its purchases from the United States Lines, is now drawing subsidies in large amounts from the Government of the United States.

The article in the New York Times is as follows:

[From the New York Times]

EXPECT SHIP LINES TO MERGE SERVICES—OBSERVERS IN BRITAIN LOOK FOR COLLABORATION OF WHITE STAR AND UNITED STATES VESSELS—"LEVIATHAN" IS INVOLVED—"MAJESTIC" AND "OLYMPIC" ALSO NAMED AS LIKELY TO BE USED IN WEEKLY ATLANTIC RUN

SOUTHAMPTON, ENGLAND, April 10.—A close working arrangement between the White Star Line and the United States Lines is expected to emerge before summer, with the *Leviathan*, *Majestic*, and *Olympic* joining in a weekly trans-Atlantic service.

This expectation springs partly from an announcement that henceforth the White Star Line will direct all the United States Lines' operations at Southampton. The local office of the American organization has been closed, and beginning with the *President Roosevelt's* arrival Thursday en route to New York the White Star Line will dispatch all the United States Lines' vessels.

It thus happens that the International Mercantile Marine will have the White Star's agency in the United States and the White Star Line will direct International Mercantile Marine vessels here. At the same time it is officially stated that the *Homeric* not only will spend the summer cruising but will be used several months after the summer season in short trips from Southampton to various beauty spots.

In view of the recent drastic changes of the Red Star Line, which is associated with the International Mercantile Marine, this is taken to mean that the *Homeric*, *Lapland*, and *Belgenland* will be joined either in cruises or in special service.

In last week's transfer of the Atlantic Transport liners *Minnetonka* and *Minnewaska* to the Red Star Line it was announced these would form a weekly service with the *Pennland* and *Westerland*. The *Belgenland* and *Lapland* are not involved in the transfer, however, and will be free for cruising work.

It is assumed here that all the vessels in the present reshuffle, including the *Leviathan*, *Majestic*, and *Olympic*, will continue to fly their distinctive house flags and stay under their present ownership.

OFFICIALS HERE ARE SILENT

Officials of the United States Lines refused last night to discuss the plans of the company as to its relations with the White Star Line. The *Leviathan* will return to the trans-Atlantic service on April 26 as a competitor of the White Star liners *Majestic* and *Olympic*, thus placing the International Mercantile Marine Co. in the position of agent of the rivals of the ship in which it has an important financial interest.

The United States Lines are owned by a group which includes the International Mercantile Marine and R. Stanley Dollar and Kenneth D. Dawson, Pacific American agent of the White Star Line.

This situation has been the subject of much discussion in shipping circles, where it is believed the schedules of the three ships will be arranged to reduce the competition to a minimum.

Mr. President, I want to add just a word. The International Mercantile Marine, which has a contract, according to its president, by which in the event of trouble between England and any other country its lines can be taken over and used by Great Britain, through purchase of the United States Lines, is drawing a subsidy from the American Government.

AGRICULTURAL APPROPRIATIONS—ERADICATION OF GRASSHOPPERS

Mr. NORBECK. Mr. President, I desire to propound a question to the Senator from Oregon [Mr. McNARY] with relation to the agricultural appropriation bill. I know the difficulty he has had in getting the conference agreement back. The Northwest is particularly interested at this time in the grasshopper item. The grasshoppers are hatching, and the funds the Senate voted and the conferees agreed to should be available at this time. The bill, of course, is tied up, and the point will soon be reached where the appropriation will not be of any service. Can the Senator from Oregon tell us something about that?

Mr. McNARY. Mr. President, the conference report on the agricultural appropriation bill has been withheld, along with other appropriation bills, until the House should have decided on the action it will take with respect to the economy bill, which is now before them for consideration and which probably will reach a final vote to-day. As soon as action has been taken by the House on that bill, I promise to bring the conference report on the agricultural appropriation bill before the Senate, I hope within the next two or three days.

Mr. NORBECK. I thank the Senator.

The PRESIDENT pro tempore. May the Chair say for the information of the Senator from South Dakota that even in that event no amendment may be offered. The remedy of the Senator from South Dakota, if the Chair may be permitted to say so, is to introduce as a separate piece of legislation what he now proposes as an amendment.

Mr. McKELLAR. This is a different thing, as I understand it.

The PRESIDENT pro tempore. The Chair understood the Senator from South Dakota to wish to offer an amendment to the agricultural appropriation bill.

Mr. McKELLAR. Oh, no; to the pending bill. As I understand it, the grasshopper provision is in the agricultural appropriation bill.

Mr. McNARY. I have just explained that.

Mr. McKELLAR. I would rather have it go through as a separate appropriation than to have to bring in the agricultural appropriation bill at this time.

Mr. McNARY. It is well known that the item is in the agricultural appropriation bill now in conference. The Senator from Minnesota [Mr. SHIPSTEAD] also has pending a joint resolution asking for separate action upon that item. This evening I intend to ask the Senate to adjourn so we may have a morning hour to-morrow and he can perhaps bring it up to-morrow during the morning hour.

Mr. McKELLAR. I would have no objection if it really involves necessary action at this time.

Mr. NORBECK. Mr. President, may I say that the amendment which I have offered ordinarily would be subject to a point of order simply because it was not offered at an earlier time. It has a Budget estimate and is in order, and I do not believe there will be any objection to it.

ADDRESS BY JOUETT SHOUSE

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD an illuminating addresss by the chairman of the Democratic National Executive Committee, Mr. Jouett Shouse, March 3, 1932.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

"THE G. O. P. WAR SONG OF 1928 BECOMES THE ALIBI OF 1932"

In common with many millions of other Americans I had been under the impression that the armistice was signed on November 11, 1918, bringing to a close the hostilities of the World War. For years I had persisted in this mistaken belief and was not set right in my thinking until I listened to the speech of the eminent Dr. SIMEON D. FESS, chairman of the Republican National Committee, in this radio hour last Tuesday night.

It was apparent from his remarks that the armistice was not signed until November 11, 1929, instead of November 11, 1918, and that all the ills from which the American people have suffered during the two years and four months of the Hoover panic had their origin in the World War. This was Doctor FESS's explanation for the disruption of industry, the destruction of agriculture, the failure of banks, the suffering and privation and fear that have come to the multiplied millions of unemployed and the even greater millions of their dependents. It is true the good doctor made no reference to suffering humanity. He cited no figures on unemployment. He did graciously admit that through causes which no agency could control there had been an occasional bank failure, or, perhaps more nearly interpreting his view, an occasional instance of frozen assets which for a brief time compelled a curtailment of loans necessary to the carrying forward of industry. But the whole grievous weight of responsibility for the most severe and long-drawn-out depression the country has ever known was laid at the doorstep of the World War.

CONTRAST WITH 1928 CONVENTION SPEECH

In curious contrast to this radio address of the chairman of the Republican National Committee I happen to recall his speech as temporary chairman of the Republican Convention at Kansas City in June of 1928. He then devoted himself to a review of the conditions that had prevailed at the close of the World War in 1918. According to his testimony, under the misfortune of Democratic rule the country had fallen to the lowest possible estate. Then the Republican Party had again taken charge of the Government and as a result of the wisdom and the ability of Republican Congresses and Republican Presidents the whole dismal picture had been changed into one of unbelievable brilliancy and beauty.

He said: "In a comparatively short period we are passed from war confusion to peace contentment; from economic disorders to sound principles of progress; from a period of general prostration to one of substantial prosperity in which all basic industries are on sound economic foundations. This remarkable record in administration reflects a type of political leadership at the head of the Government rarely experienced in this or any other country."

And yet we now find the head of the Republican National Committee, who in 1928 described in such glowing terms the manner in which his party had met and had solved every postwar problem, attempting to tell you that the postwar problems have not been solved.

This is but a typical illustration of the expedients to which our Republican friends are forced to resort in an attempt to defend themselves from the wrath of the American people which is about to descend upon their sacred heads.

HOOVER—LINCOLN—WASHINGTON

The remainder of the remarks of the good doctor were directed to a laudation of President Hoover, to an enumeration of what he sought to define as the Hoover program of rehabilitation, and to claims of leadership on the part of the President so amazing that the world has never seen its like before. Well, it is a weakness of the good Doctor FESS to look upon the Republican who happens at the moment to be President of the United States as the greatest man that the world has ever produced. In such terms he lauded Harding. With such extravagance he praised Coolidge. Now he finds in Hoover the brightest star in the whole Republican galaxy, and again he bows down in obeisance to worship at the feet of his temporary king.

With such laudation the American people will not be deceived. On Lincoln's Birthday, through concerted action of the official family of the President, exploited by the publicity division of the Republican National Committee, every spokesman who could be summoned to the hustings devoted himself to a eulogy of Herbert Hoover. The average auditor must have been confused as to whether it was Lincoln's Birthday or Hoover's that was being celebrated. As part and parcel of the same picture you will recall the address by the President himself at Valley Forge some months ago in which he compared the difficulties and discouragements of his situation to the trials that had confronted Washington. Is it any wonder that an Ohio newspaper recently said that he had better be watched at Easter time?

I have no unkind personal word to voice relative to the President. I have pity for him. With all due regard to his unusual abilities, the fact remains that he has proved the most inept, the most ill-suited man who has held the presidential chair in many years. In other lines of endeavor a great success, in this high office he is a monumental failure. And yet when any Democrat seeks to criticize an official act of the administration, a sin of either omission or commission, he is accused by White House spokesmen of attempting to "smear" the President of the United States.

INDIVIDUAL CITIZENS MAKE PUBLIC OPINION

Let me offer this thought for your consideration: It is not public opinion at Washington which controls. It is the conclusion reached by the individual citizen in his individual community, no matter how remote, that determines the thought and ultimately the action of the American people. Go to any section of any State of this Union and ask a dozen average men their feelings about the present administration and you will get a correct index as to the situation. If President Hoover is unpopular it is not due to propaganda from the Washington headquarters of the Democratic National Committee. If President Hoover is regarded as a wholly incompetent President it is not because of what Washington correspondents have written. It is because of the inevitable impression left by the acts of the man himself. It is because of the sifted and balanced judgment which the people have formed.

DIVIDED CREDIT ON RELIEF MEASURES

What of this program of relief that has been passed by Congress these last three months? I am willing to accord that every measure is a desirable and necessary piece of legislation. I am glad to accredit the President with having brought to the attention of Congress some of these legislative proposals. I earnestly hope that each of them may meet the situation it is intended to correct. But first I challenge the authorship of this program by President Hoover. In it there are measures which he proposed. In it equally are measures which have been proposed by others, some of them over a period of years.

But even if President Hoover were the author in conception and in substance of every one of these measures, why did he wait all this time to bring them up? The panic is more than two years old. Until a year ago he had an overwhelming congressional majority of his own party. He could have convened the present Congress months in advance of its December session. But never a word then.

Again, for the sake of argument, granting him full credit for authorship of the proposals, what is the situation that has made their enactment possible? Last December for the first time since 1917 the Democratic Party by a clear majority of its own membership elected the Speaker of the House of Representatives, and under the forceful leadership of that forceful man, despite the fact that he has a majority of only three of his party behind him, the Seventy-second Congress has made a legislative record rarely equaled in the annals of this country. There is no measure which President Hoover might have suggested which could not have been defeated immediately had the Democrats of the House so desired.

The situation in the Senate is scarcely dissimilar. There the Hoover party had a majority of 16 seats in the last Congress. In 1930 its predominance was brought down to a mere plurality of one. From the very beginning of his term the President showed himself wholly incapable of leading his party in the Senate, and to-day with the Republicans rifted and divided the only cohesive force in that body is the Democratic party. If in the Senate, as in the House, Democratic leadership had set out to thwart and to embarrass and to throttle legislation proposed by the administration, it would not have been possible to pass a single one of the so-called reconstruction measures.

RESULTS OF DEMOCRATIC COOPERATION

And so I assert that even if President Hoover had been the author of this legislative program in its entirety, which he was not, the passage of it could not have been accomplished in any possible way except through Democratic cooperation. That cooperation has enabled the initiation and the partial completion of an excellent program. Under it we have seen enacted into law the year's moratorium of war-debt payments; the Reconstruction Finance Corporation bill setting aside $500,000,000 to break the dam that has been choking the free flow of business and to prove a tonic to the whole economic structure by reason of its ability to establish a billion and a half additional credit; the addition of $120,000,000 to the capital stock of Federal land banks to continue unimpaired the solvency of those institutions; the amendment to the Federal reserve act to provide an emergency circulation of Federal reserve notes based on Federal bonds, to make available for discount many millions of additional paper and to revitalize the confidence of bankers and bank depositors alike in the existing financial system.

There is no better illustration than this last-mentioned piece of legislation of the absurdity of the claim of administration origin of all important measures. The bill itself was introduced in the Senate by Senator GLASS of Virginia, in the House by Congressman STEAGALL of Alabama, both of them Democrats. It was founded on a principle which Democratic leaders have been advocating for 30 years and which Republicans have invariably flaunted and ridiculed. Even as recently as six weeks ago the then Secretary of the Treasury, Andrew Mellon, and the assistant who succeeded him, Ogden Mills, emphatically disapproved the bill. But in spite of this fact apologists for the administration attempt to give credit to the President for it.

DEMOCRATIC ECONOMY REAL

But perhaps the most important thing that has been done by this Democratic House, which has utterly refuted all the Repub-

lican prophecies of disorder that would ensue, is the strict program of economy that it has inaugurated. The President has talked economy, and his Budget officials, facing deficits running into billions, have cut departmental estimates. But the Democratic House has not contented itself with accepting the mere recommendations of the Budget Bureau. Its leaders have felt that in this period of distress economy that is real is one of the most vital concerns of the Government. At a result, in the appropriation bills which thus far have passed the House and in the two reported out of the committee and now pending a saving has been effected up to 3 o'clock this afternoon (March 3) of $114,579,052.56 below the figures submitted by the Budget Bureau.

And one thing else. There will be a consolidation of bureaus and departments of the Government, but it will be effected as it should be effected by the Congress. It will not be placed in the hands of the President as he sought to have done.

This is only a partial review of what a Congress under Democratic leadership has been able to accomplish in three months. Its work so far is an assurance that it will continue to be careful, painstaking, unhurried, and duly attentive to the interests of the whole people.

DEMOCRATIC PROSPECTS

To-day Democratic prospects are brighter than they have been at any time in 20 years. The political trend indicated by the result in every election since 1928 shows no signs of diminution. The prophecies of our adversaries that chaos and riot will characterize our national convention will prove to have as little basis in fact as their prediction of a disorderly breakdown when it became evident that the Democrats were to control the House. There is an abundance of material of the highest class from whom the Democratic candidate may be chosen. The vigor of competition for the nomination is good for the party.

In the same hall at Chicago within two weeks of each other the two conventions will meet. Grudgingly, unwillingly, sullenly the Republicans will renominate Herbert Hoover. The Democrats, celebrating the one hundredth anniversary of Democratic conventions with a buoyancy and an enthusiasm born of justified expectation of success, will write a platform and will nominate a ticket to offer to the American people. And the American people will have the opportunity, in the remote places as well as in the centers, on the farms, and in the cities alike, to pass judgment as between the two parties. Uncontrolled by the glamour of oratory, unbiased by extravagant claims or exaggerated promises, they will decide which party offers the greater opportunity for a return to the right to earn their bread by the sweat of their brows, to the right to the "enjoyment of life, liberty, and the pursuit of happiness." I, for one, am wholly content to submit the cause to them.

LETTERS ON TAX BILL

Mr. BINGHAM. Mr. President, I merely wish to state for the benefit of several thousand correspondents that so many letters have been pouring into my office in regard to the tax bill it is physically impossible to answer or acknowledge them in any way. I want this to be a public statement so they may not feel they are being discriminated against or treated with discourtesy. Many of the letters are important, long, and come from distinguished people, very important people. However, at this time, we are working all day long on the revenue bill, and it is absolutely impossible to answer or even to acknowledge the letters.

Mr. McKELLAR. Mr. President, I think that statement would apply to a great many of us.

EDITORIAL ON SENATOR GLASS AND THE BANKING SITUATION

Mr. BYRNES. Mr. President, I desire to ask permission to insert in the RECORD an editorial from the Columbia (S. C.) State, entitled "Carter Glass and the 'Big Bankers' Three Years Ago."

The PRESIDENT pro tempore. Without objection, it is so ordered.

The editorial is as follows:

CARTER GLASS AND THE "BIG BANKERS" THREE YEARS AGO

One now hears of the "fine times before the smash" in the fall of 1929. But were they so fine? Perhaps there are some who may be interested in noting how the State, which put itself in the position of "the man in the street," viewed the situation on April 3, 1929:

"Langbourne M. Williams, banker, of Richmond, might command more support in his opposition to Senator CARTER GLASS's protest against the extension of credit to operators in a speculative market had he dealt in a business man's arguments instead of the personalities that are usually employed by irresponsible persons.

"Mr. GLASS is a United States Senator. He was Congressman for 16 years. He has been Secretary of the Treasury for two years. He has had conspicuous part in financial legislation, and is quite generally regarded as a student of that subject. When the Federal Reserve Board took measures to check speculation on the New York stock market, which had assumed such proportions as to cause apprehension on the part of the man in the street, it was at least acting in behalf of safety. Charles E. Mitchell, president of the National City Bank of New York, an institution of huge financial power, led the banking interests seemingly in opposition to the policy of the reserve board by announcing a credit of $25,000,000 from his bank to speculators in stocks; other banks followed suit. Mr. Mitchell is on the directorate of the Federal Reserve Board. Senator GLASS criticized his action in opposition to the board, and declared he should resign from the directorate.

"Mr. Williams, of Richmond, thereupon characterizes the policy of the reserve board—which wise or unwise was taken in the interest of safety—as the 'vicious misconduct of the Federal Reserve Board in attempting to destroy the large business interests of the country.' He writes Senator GLASS: 'I believe it would be far more appropriate that you should resign as Senator from Virginia and let some one of broad and clear vision * * * who is not drowned in self-conceit and narrow-gage thinking, take your place as a real broad-gage representative of Virginia.' And so forth and so on the banker's tirade continues for five or six hundred words.

"This sort of thing is not impressive, and it is certainly jarring when indulged in by the senior member of an important banking house.

"Concluding his letter to Senator GLASS, Mr. Williams says: 'Men of narrow vision do not realize that the money center of the world has moved from London to New York, hence trading in New York has necessarily increased, and, furthermore, the large bills payable of the giant industrial companies have been converted into stocks that are now used as basis of credit instead of having the big banks carry tremendous bills payable of our modern giant corporations as formerly.'

"That is mostly Greek to the man in business throughout four-fifths of the country, and Mr. Williams does not seem to take the existence of that very important man into account. That man has no association with 'modern' giant corporations, but he is apprehensive when he knows that brokers in New York have borrowed twelve hundred million dollars, and when he sees stocks earning 5 per cent quoted at 200. He reads a lot about 'tremendous prosperity,' but he does not see it around him. He does not know what it is all about, but he is uneasy, and it is not healthy for this business man to be apprehensive.

"Perhaps the business man not associated with 'giant corporations' wishes to establish an industry in his town that will give men and women employment and produce real, sound wealth. He makes inquiries of those usually interested in such enterprises, but finds they are not now favorably disposed. They say that 'when things settle down,' when the 'uncertainty of the present situation' passes they may be interested—and so development at that point is checked. Or perhaps the ordinary business man, out in that 'backwoods,' which embraces four-fifths of the country, wishes to expand his business. He has credit and needs money, but he finds that the enormous demand for money, coupled with the huge interest rates paid by speculators for 'call' money, has made money more expensive. He must pay more for what he needs, or defer the expansion of his business. Is that wholesome?

"This plain business man finds himself injuriously affected by the 'orgy' of stock speculation. He might be content to wait upon events if he could believe that advancing stock prices would make other parts of the country wealthy and he would ultimately reap some benefits therefrom; but he can not help asking himself how high those prices will climb, and what will hold them up? He asks himself, Why should 'Three R's' be worth 300 when it earns but 7 per cent? What constitutes prosperity, earnings or paper values? How can paper values be saved from deflation? What will happen if many balloons burst at the same time?

"Those are some of the disturbing questions suggesting themselves to the man in the street. He may be without 'broad vision,' but that is not his fault. If Banker Williams could show him that uncontrolled stock speculation is in his interest and that the policy of the Federal Reserve Board is against his interest, Mr. Williams would be doing legitimate business a great service."

But what was the use of warnings. After that date dozens of Columbians put or kept their money in the stock market. One of the biggest operators in this State, and a personal friend of the writer, assured us we were dead wrong; that what was going on was sound business. He lost heavily. And this stock-gambling orgy was but a repetition of the Florida boom gambling.

CARTER GLASS at that time won the right to have his views on banking, finance, and stock gambling respected. He has proved himself the party's outstanding authority in banking, and should have support in the pending legislation.

DANIEL S. SCHAFFER CO. (INC.)

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3270) for the relief of Daniel S. Schaffer Co. (Inc.), which was, on page 2, line 6, after the word "appropriated," to insert:

Provided, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of

this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. FESS. Mr. President, on behalf of the Senator from Maryland [Mr. GOLDSBOROUGH], I move that the Senate concur in the House amendment.

The motion was agreed to.

ADJOURNMENT

Mr. McNARY. I move that the Senate adjourn, the adjournment being until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 5 minutes p. m.) adjourned until to-morrow, Friday, April 29, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 28, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

May God be merciful unto us and bless us, and help us to rejoice in our labors though under hardship. Upon the breath of our noonday prayer, we pray for our Speaker and all Members of this legislative body. Grant that they may be strong in understanding and that patience and courage may be ministered unto them through the might of our God. Bless this Nation; may knowledge go forth to establish it more and more upon immutable foundations. O lead us all to fear God and keep His commandments. Enlighten our judgment, remove our doubts, and inspire our hopes. Summon us, Almighty God—we will meet the challenge of the hour. Banish misunderstandings that may be due to ignorance and prejudice, and build up mutual confidence and cooperation everywhere, and unto Thy name be praises forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.

The message also announced that the Senate had agreed to the amendment of the House to the bill (S. 194) entitled "An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton."

The message also announced that the Vice President had appointed Mr. NYE and Mr. PITTMAN members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Interior Department.

PROVISION FOR FLYING PAY

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to address the House for not exceeding five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNS. Mr. Speaker, I have asked this time for the purpose of referring to a provision in the naval appropriation bill relative to flying pay. Last Sunday some of the papers carried a story that the naval appropriation bill carried a joker respecting flying pay. I am somewhat jealous of the reputation of the Appropriations Committee and also of my own as a member of the committee, and I felt I should make this statement to the House because that bill does not carry any joker. Appropriation bills do not carry jokers. [Applause.]

There was no ambiguity in the report on the bill touching this matter and there was no ambiguity in the statement made to the House by the gentleman from Kansas [Mr. AYRES], who was in charge of the bill, when he announced he would propose a change in the bill respecting flying pay in consequence of an understanding I had had with the Chief of the Bureau of Aeronautics, Admiral Moffett. The facts are—and I wish to repeat them—that the Chief of the Bureau of Aeronautics talked with me with reference to the provision which was carried in the naval appropriation bill as reported from the committee, placing the maximum limit upon the amount of increased pay which might be paid to a flying officer at $1,100. He stated to me then that if that provision were carried he was afraid it would disrupt the entire Aviation Service of the Navy. He gave me his assurance, and authorized me so to state to the Subcommittee on Naval Appropriations, that he would be able to get along administratively if they would cut out that particular language and restrict the appropriation to the amount which had been agreed upon by the subcommittee and approved by the general committee, which was $1,014,250. In other words, that the reduction of $271,890 made by the committee would be absorbed if that language were eliminated. In substance, that was the statement made to the House by the gentleman from Kansas. The gentleman from Kansas at the time read a letter from the Secretary of the Navy, which was written voluntarily and without request, in which he reiterated, as will appear in that letter and which is to be found on page 8703 of the RECORD, the statement made by Admiral Moffett. I presented the admiral's proposition to the subcommittee, stating it as given to me. It was agreed to by the subcommittee, which concluded to take the admiral at his word and fix the limit at the figure within which he said they could get along, that is, $1,014,250, and that was the proposal made to the House and that has been incorporated in the bill.

Now, what will be the effect of this change in the original plan of the committee? Instead of 958 officers receiving not to exceed $1,100 per annum as flying pay, 783 may continue to draw the pay they are now receiving up to $1,420, and there still will be a surplus of $101,160 available for paying flying pay to such number of the remaining 175, namely, officers in grades from lieutenant commander to rear admiral, both inclusive, as the department may consider necessary should have flight orders.

I understand it is being said now that it was never intended to meet the committee's reduction at the expense of officers or, at least, wholly so; that it was intended to make savings in other directions, including a curtailment of flight orders to enlisted personnel. I submit that the assignments of officers drawing flying pay in grades above lieutenant—and they are enumerated in the hearings on the naval appropriation bill—would impress anyone that we would need go no further than that list to accommodate flight orders to the amount allowed in the bill as it has been approved by the House.

The point of my statement this morning is that the committee acted upon the express agreement of the Chief of the Bureau of Aeronautics; and if there was any purpose to utilize other funds, of course, that is a matter that was not explained to us and contrary to our understanding.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for one additional minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. I am glad the gentleman has made that statement, because I think the House should know that the gentleman's understanding was not only with Admiral Moffett but also with the Chief of the Aviation Service in the Army; and if final approval is given to this

reduction in flight pay for the Navy, we must in fairness, make the same relative reduction in flight pay for the Army, because there was a definite understanding that like treatment in the matter of flight pay would be accorded to both services.

Mr. BYRNS. I thank the gentleman for his statement.

JAMES MONROE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by my colleague, Hon. ANDREW J. MONTAGUE, in the old hall of the house of delegates in the capitol of Virginia on November 10, 1931, at the request of the Governor of Virginia, upon the unveiling of the bust of James Monroe, the fifth President of the United States, who was born 174 years ago this day.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The address is as follows:

Your excellency, ladies, and gentlemen, James Monroe was born in Westmoreland County, Va., in a few miles of the birthplace of Washington, on April 28, 1758. He was born of goodly stock, in a goodly place, and at a goodly time. His first Westmoreland ancestor was a sea captain, as was John Washington, the father of George. His father, Spence Monroe, was of Scotch descent, and his mother, Elizabeth Jones, of Welsh. His brother, Joseph Jones, of King George County, was a man of great ability, an eminent jurist, and an influential statesman. He was devoted to his nephew, James, and did much to encourage and direct the course of his early life. Monroe's father was a farmer, inheriting and purchasing large tracts of land, discharging with efficiency and fidelity several local public offices, and a signer of the famous Westmoreland resolutions in relation to the British stamp act. James was a boy of 9 at this time, and with a natural aptitude for politics, he must have been impressed by this event.

His birthplace was in an extraordinary environment of nourishing associations and influences. In a radius of 50 miles from his home were living the great thinkers and founders of American free institutions. He was almost in sound of the voices of Washington, Madison, Marshall, George Mason, and the Lees. Substantially within this radius lived Patrick Henry and Samuel Davies, later the first great president of Princeton; Pendleton and Taylor, of Caroline; Francis Corbin, of Middlesex; Carter Braxton, of King and Queen, and John Rodgers Clarke, of Orange. Thomas Jefferson was near by, and, though 15 years older, was his devoted and cherished friend. What commanding contacts! What ennobling and instructive associations! This environment was in itself a subconscious education that ultimately swept him far upon the ocean of fame.

In the narrow sense, his education was limited, as it was of most of the famous men of that day. There were no great school buildings, but there were a few great teachers. Among these was the Rev. William Douglas, probably brought from Scotland by the Monroe family. He taught Thomas Jefferson for four years, and also for a while Monroe. The Henry family secured Thomas Campbell, the poet, but he was compelled to forego his journey to Virginia, and in his stead came Archibald Campbell, his uncle, a fine teacher. Madison attended this school, and it is said that Washington and the elder Marshall did—certain it is that Monroe and John Marshall were here together for two years—here began their lifelong friendship, here they were well grounded in Latin and mathematics, and prepared for college.

What college should Monroe attend? Out of about 120 boys who had gone from Virginia to English universities up to this period 19 came from Westmoreland. But Monroe and his family were intensely Virginians, and naturally he was entered in the College of William and Mary, then the richest college in America and entering upon its golden opportunity, as Williamsburg had now become the new capital of Virginia. The capitol itself was an attractive building, situated at one end of the Duke of Gloucester Street, and the college, the architectural creation of Sir Christopher Wren, stood at the other, in full view each of the other.

Monroe was now a well-grown young man. Tall, square shouldered, sinewy, active and energetic, with a grave face, steady, kindly, penetrating bluish-gray eyes, modest but unafraid. He entered college in the fall of 1774, and he was now in another but invigorating community. He had left the land of the Washingtons and the Lees; he was now in the land of Pocahontas and John Smith, of Wythe, the Randolphs, Tylers, Tuckers, Blairs, Harrisons, Tazewell, and Roane. Here the cultured president and faculty of the college became his immediate and dominating influence. Nor did he lose sight of the House of Burgesses and its political activities, with its varied membership. Bruton Church, with its beauty, dignity, and spiritual appeal, deeply impressed him. Nor was he unmindful of the glamor of the royal governor and his court. Raleigh Tavern was then kept by Anthony Hay, whose son George was to become in due time United States attorney, the official prosecutor of Aaron Burr for treason, United States district judge, and the husband of Eliza, the daughter of Monroe.

The college had not more than 70 matriculates at this time, among whom were three sons of Dunmore and some others who grew to deserved distinction in field and forum and council. Of course, a boy with Monroe's political aptitudes knew all of his classmates! College records give an inadequate picture of the life and activities of students. The bursar's books contain Monroe's expenditures for matriculation and board and keep. There remains, however, a paper in the form of a petition, with Monroe among the signers, protesting against the extravagance and partiality of Mistress Digges, the matron; but upon its hearing by the board, Monroe admitted he signed without reading the paper, an age-old ending of this common and futile procedure. He was a diligent and faithful student, and the training here acquired soon reflected itself in a long, varied, and illustrious public career.

Monroe's college education came to an end in the second year of his matriculation. Rumblings of revolution could be heard from Massachusetts to Georgia, and the great men whom I have heretofore mentioned were especially responsive to the multiplied signs of the time. Patrick Henry's dramatic utterance, "that after all we must fight," was caught up and repeated by the students throughout the college. The resolution of the Virginia convention instructing her delegates in the Continental Congress to propose a declaration of independence, and the oppressive acts of Parliament and King were rapidly culminating in this portentous event, which in turn would culminate in a mighty epoch. So Monroe was born at a goodly time.

Monroe's college books were now laid aside. Some 200 Virginia troops quaintly uniformed "in green hunting shirts, homespun, homewoven, and homemade, with the words of "liberty or death" in large white letters on their bosoms," appeared upon the campus, the greens, and the streets of Williamsburg. Monroe was deeply impressed by these troops, for among them was Lieut. John Marshall, his friend and fellow student under Parson Campbell. These were the "minute men" of Culpeper, Fauquier, and Orange. Several of the students of the college rode great distances carrying messages in relation to the impending struggle. Grigsby alludes to "two tall and gallant youths," Monroe and Marshall, about to become officers under General Washington. Marshall became a member of the Eleventh and Monroe of the Third Virginia Regiments. Monroe was also of the small company who moved the arms from the palace to the powder house in Williamsburg, and a little later he was in active service in the far north. He participated in the Battle of Harlem Heights, his company being commanded by Captain Washington, a kinsman of the great general. Monroe was greatly relied upon by his superior officers.

He was with his military unit at White Plains and at Trenton. In the Battle of Trenton the advance guard of the American troops was led by Capt. William Washington and Lieut. James Monroe, repulsing the British and capturing two pieces of artillery in a fierce engagement. Captain Washington received a shot in the wrist and Lieutenant Monroe one through the shoulder, carrying the bullet to his grave. It is believed he crossed the Delaware with George Washington; at any rate, he was among the first and foremost at Trenton.

Monroe's efficiency and gallantry was recognized by General Washington himself, who said: "The zeal he discovered by entering the service at an early period, the character he supported in his regiment, and the manner in which he distinguished himself at Trenton, when he received a wound, induced me to appoint him to a captaincy in one of the additional regiments. This regiment failing, from the difficulty of recruiting, he entered into Lord Stirling's family and has served two campaigns as a volunteer aide to his lordship. He has in every instance maintained the reputation of a brave, active, and sensible officer."

Later he served as an aide with the rank of major on the staff of Lord Stirling, and took part in the Battle of Brandywine, Germantown, and Monmouth. He was subsequently made lieutenant colonel before he was 21, and displayed great energy and ability as commissioner to investigate and report upon the condition of the southern army, when his military career ended.

Monroe now determined to make his way in civil life, and adopted the legal profession as his calling. He studied law under Thomas Jefferson, which association increased the confidence and affection of each in the other. The political activities of Monroe were now so multiplied that he pursued his practice with many interruptions, but he was a lawyer of learning and ability, as is shown by his selection as one of the famous commission appointed to revise the laws of the new State.

He was early chosen as a delegate to the general assembly from King George County. He became also a member of the executive council, and was elected to the Fourth, Fifth, and Sixth Congresses of the Confederation. For a second time he was returned to the general assembly, and later became a member of the "great convention" of Virginia that considered the adoption of the Federal Constitution.

His congressional experience under the Articles of Confederation inclined him to a stronger Federal union. A government that could tax but could not collect was an anomaly. In this Congress Monroe became deeply interested in three subjects: The great back, or Western, country; the Mississippi, its navigation and an outlet at New Orleans to the sea (this was the germ and genesis of the Louisiana Purchase); and the regulation of commerce, the matrix of the new Federal Constitution. He drew the famous report in this Congress upon this subject, and its expressions and implications are to the effect that this regulation requires a stronger government. Bancroft thinks Monroe failed to give to

this measure which he proposed his full support. The evidence fails to sustain this prejudiced conclusion. No one would have been more critical of this position if true than Jefferson, yet he was then Monroe's warm friend.

He had favored a new Constitution, but in the Virginia Convention he aligned himself with Henry, Mason, and Lee against its ratification and against Washington, Madison, and Marshall. Why this change of front? It required independence and courage to do it. But he lacked neither. He was a man of strong convictions. But now the man of the hour was Madison. Bancroft declares that in this time of despair "the country was lifted by Madison and Virginia." "We now come," says he, "upon the week glorious for Virginia beyond any event in its annals or in the history of any republic that had ever before existed." Virginia evoked and secured the new Federal convention at Philadelphia, which Monroe approved, for he was fundamentally a Union man, though he did not approve all of its work. He made two speeches in the Virginia convention. He thought the consolidation powers too great; there was no bill of rights; the President should hold office for one term of seven years; and the Eastern States might block the development of the central and western sections of the country. He would support the Constitution with amendments but not without them.

Hugh Blair Grigsby writes that: "The speech of Monroe was well received. It made upon the House a strong impression, which was heightened by the modesty of his demeanor, by the sincerity which was reflected from every feature of his honest face, and by the minute knowledge which he exhibited of a historical transaction of surpassing interest to the South." Henry, the greatest of American orators, followed and rose to surpassing heights. Associating himself with a storm that broke upon the building he climaxed the scene with such transcendent oratory that "the members rose in confusion, and the meeting was dissolved." But Washington and Madison won; and in later years the Republic faced a catastrophe that of itself lent much support to Monroe's fears and prophecies. He accepted patriotically the result of the convention, and labored in and out of season to make the new Federal charter operative and successful.

Notwithstanding his objections to the Constitution, which were soon substantially removed by amendments as the result of the fight made by Henry, Mason, and himself, he became a candidate for the First Congress, and by the irony of fate his opponent was his friend, James Madison. He should not have opposed Madison, but no doubt he became a candidate by reason of the persistence of Henry and other friends of the Virginia convention. It was a unique and picturesque campaign, resulting in Monroe's defeat by a majority of 300.

But the new Congress was soon to find him in its higher branch. Virginia's first Senators were Richard Henry Lee and William Grayson, a near kinsman of Monroe, and who with Lee had also opposed the new Federal Constitution. Grayson lived but a short while and Monroe was elected by the general assembly to the vacancy, taking his seat in December, 1790, at the age of 32, and serving until May, 1794. Thus Monroe was again in close touch with his friend Thomas Jefferson, who was then at the seat of government in Philadelphia as Secretary of State in Washington's Cabinet.

Monroe was a hard-working Senator. He spoke infrequently, but practically and rigidly to the point. His committee assignments were good, and he was most industrious in performing his duties. He was pronounced in his opinions, which in a political sense tended to the liberalism of the school of Jefferson. Gouverneur Morris's confirmation as minister to France and Jay's to England were opposed by Monroe. He thought Jay's position as to the Mississippi radically wrong.

Monroe seems to have looked forward to a long senatorial career. He purchased a home in Albemarle County near Monticello and worked upon the revision of laws of Virginia. But suddenly the stage of his activities shifted. He was taken from the Senate, so to speak, and, to his great surprise, nominated by the President and quickly confirmed as minister to France. He arrived in Paris on August 2, 1794, but was not officially received until August 15. The French Revolution was rolling along on its bloody way; Robespierre expired under the ax of his Brutus and organized government for appropriate reception of foreign diplomats was nebulous. The committee of public safety hesitated to receive him. He took the bull by the horns after 10 days' waiting and addressed the president and representatives of the convention, stating that he did not know the competent department nor the forms established by law for his reception.

A decree was at once passed inviting him to the bosom of the convention. He promptly accepted, making his address in English, with a translation in French, that was read by the secretary, together with two letters from Edmund Randolph, the American Secretary of State. The speech was dignified and glowing in style. It made a profound impression, and was printed by order of the convention in two languages, "French and American." He was enthusiastically received, the president giving him the fraternal embrace or accolade. The whole ceremony was novel and dramatic. Monroe was then most cordially welcomed by officials and citizens, and the success of his mission seemed assured. But diplomacy is a fickle jade, and ambushes lay on every side. Jay was at St. James. He had negotiated a treaty with England which was very offensive to the French, to a majority of the American people, and to Monroe. America was practically facing war with both nations, and Jay's treaty threw America into the arms of Great Britain and into the face of France. Monroe's government had not apprised him of the text or contents of this treaty until it reached the public. He was just incensed at this, for he had no opportunity to parry or soften its effect upon the French. Then, too, Randolph thought Monroe was too glowing in his address, that he had gone beyond the scope of his agency, and severely criticized his conduct.

Monroe was recalled by Pickering, Randolph's successor, on August 22, thus serving at the French post 13 days, but he did not take his leave until December 30. He was very indignant. He avouched his letter of instructions from Randolph, submitting his actions to be fully within the scope of his instructions. And they clearly were. But really Monroe was in no way to blame. There was nothing that he did or failed to do that was incompatible with his instructions or his mission. Under the guise of neutrality our Government preferred Great Britain, although it had previously preferred France under the treaty of 1778. A government which practices neutrality should be most rigid in applying the same treatment to all neutral nations. The Secretary had bungled and Monroe had to suffer. Monroe returned to Virginia and wrote a lengthy defense of some five hundred pages. It is an interesting and able document and vindicated him at home, for he was elected Governor of Virginia in 1799, and twice reelected, holding office until 1802. He was again elected in 1811, but resigned to enter the Cabinet of Madison.

Within the limitations of my time no adequate discussion can be made of his conduct as Governor of Virginia. Monroe was very thorough, painstaking, a master of details, courageous, and just minded. He was temperamentally an administrator. He acted with energy, decision, and humaneness in his first administration in an uprising of some thousand or more negroes led by two slaves, General Gabriel and Jack Bowler, for the destruction of Richmond.

Jefferson, the Secretary of State, had no hazy ideas about New Orleans. He knew its possession by the United States was essential to its safety and development, and he was alarmed at its retrocession by Spain to France. The former nation was a languid owner, and we could live side by side with her without difficulty for some time to come. Not so with France. Jefferson said: "The day that France takes possession of New Orleans fixes the sentence which is to retain her forever within the low-water mark. It seals the union of two nations who, in conjunction, can maintain exclusive possession of the ocean. From that moment we must marry ourselves to the British fleet and nation." The letter containing these graphic observations was sent to Livingston, our minister at Paris, by Du Pont Nemours, who was requested to see Napoleon unofficially and impress upon him "the idea that if he should occupy Louisiana, the United States would wait a few years until the next war between France and England, but would then make common cause with England."

Livingston made slow headway in acquiring New Orleans. He wrote Madison on January 13, 1802, that there "was no government where less could be done by negotiations than France." "There are," he said, "no people, no legislature, no counselors. One man is everything * * *. He seldom asks advice and never hears it unasked. His ministers are mere clerks, and his legislature and counselors parade officers." A graphic picture of Bonaparte is this. Jefferson and Livingston did not fully agree, the latter holding the opinion that "so long as France conforms to existing treaties" between the United States and Spain it would be unwise to oppose the transfer of this territory to France. So Jefferson needed some one in France other than Livingston, and Monroe was that man. His nomination as envoy extraordinary to France was sent to the Senate on January 10, 1803. He was quickly confirmed, and lost no time in sailing, which he did upon a ship of 400 tons named *Richmond*.

Parenthetically it is interesting to observe that almost at this precise time Jefferson recommended Lewis and Clark for the exploration of the upper Mississippi River and the northwestern country.

Livingston wished the assistance of Monroe, to whom he wrote a welcoming letter upon his arrival at Havre on April 10, 1803. "I congratulate you," said Livingston, "upon your safe arrival. We have long and anxiously waited for you. God grant that your mission may answer your and the public expectation. War may do something for us; nothing else would. I have paved the way for you, and if you could add to my memoirs an assurance that we were now in the possession of New Orleans, we should do well."

The evidence shows that on this very day, April 10, Easter Sunday, Bonaparte discussed New Orleans with Talleyrand and Marbois. They were divided in opinion, and the conference was carried far into the night, the ministers remaining at St. Cloud. About daybreak Bonaparte, having received alarming dispatches from England, summoned Marbois, and said, "I renounce Louisiana. Negotiate for its cession. Don't wait for Monroe. I want 50,000,000 francs; for less I will not treat. Acquaint me day by day, hour by hour, with your progress. Keep Talleyrand informed." New Orleans was now embraced in the larger cession. Bonaparte needed money for his war; so he and he alone initiated the larger transaction. Livingston did not do it; Monroe did not do it; Bonaparte did it. When he wished to do a thing he had no illusions and no scruples. Marbois told Livingston of Bonaparte's offer, and Livingston at once undertook to anticipate and exclude Monroe in the negotiations, and latterly contended that Monroe had nothing to do with the transaction. Livingston and the United States were after New Orleans, whereas Bonaparte surprised the envoys by offering to sell the whole of Louisiana.

This territory was then offered to the United States for 100,000,000 francs and the payment of the claims of American nationals.

Livingston pronounced the consideration exorbitant; he could reach no conclusion without consulting Monroe; but Livingston sat up until 3 o'clock at night writing a dispatch to Madison apprising him of the interview with Marbois, and declaring that the purchase was wise. Livingston also made the astounding suggestion that if the price was too high, the outlay might be reimbursed by the "sale of territory west of the Mississippi, with the right of sovereignty to some power in Europe whose vicinity we should not fear." Livingston and Monroe then agreed to give 50,000,000 francs, but in the spirit of trade offered 40,000,000, one-half to be returned to American claimants. Marbois regretted that we could not give more, and declared that he must consult the consul before he could accept. Latterly Marbois proposed 80,000,000 francs, and our envoys at last acceded to his figures. Thus ended the largest real-estate transaction that the world has ever known, which was conducted by Bonaparte with as much nonchalance as if the property was a small town lot. He remarked exultingly to the envoys, "I have given to England a maritime rival that will sooner or later humble her pride"; and upon taking leave of Monroe on June 24 he declared "that the cession he had made was not so much on account of the price given as for the motives of policy; and that he wished for friendship between the Republics." This great man was not very veracious.

The development of our country is closely connected with this famous purchase. Without it perhaps there would have been no Missouri Compromise, no annexation of Texas, no Northwest Territory, no acquisition of northern Mexico or California, no Nebraska bill, no Indian troubles, no Alaskan Purchase, no Pacific railroads, no Isthmian Canal, no Chinese immigration, perhaps no war between the States, for it is difficult to affirm that any of these controversies or events would have ever been known if Spain, France, or Great Britain had remained in possession of the domain beyond the Mississippi.

Our Government wished to acquire Florida, and Monroe was especially charged to undertake this negotiation with Spain. This duty did not devolve upon Livingston, but we find him trying to anticipate and perhaps supplant Monroe in this negotiation, which conduct throws light upon similar action of Livingston in the Louisiana negotiations. Spain, however, was unwilling to consider the question, which was postponed to the administration of Monroe. No criticism should attach to Monroe. He displayed great tact, industry, and sagacity in the negotiations.

Monroe was not only a special envoy to France but to England and Spain as well. Pinkney, of Maryland, was sent over to assist him in negotiating a treaty with England. After arduous and tactful efforts, and delays by reason of changes and deaths in the English ministry, a treaty was signed. But the exasperating subjects of impressment of American seamen and compensation for loss of American property were not embraced in the document, and Jefferson never transmitted it to the Senate. Monroe and Pinkney were disappointed, for they wished to avoid war, and the former wrote the Secretary of State a full explanation of his conduct.

Monroe had returned home, and was again and for the fourth time elected Governor of Virginia, a very extraordinary expression of the confidence and esteem of those who knew him best.

England and America were now drifting rapidly into collision. The British naval vessel *Leopard*, asserting the right of search, had wantonly attacked the American frigate *Chesapeake* off the Virginia capes, again delaying action upon the treaty, which however, was abruptly abandoned when the odious and menacing "Orders in Council" were issued by England, thereby rendering inevitable war between the two nations. Perceval's truculent declaration in February, 1812, that England could not listen to the pretensions of neutral nations caused Russell, the American minister at London, to write home that war could not honorably be avoided. Madison, now President, had exhausted all honorable means to do so, and Monroe, now the new Secretary of State, had long been indefatigable to this end. War was declared on June 18, 1812, the message submitting the question to Congress, as well as the report from the committee headed by the renowned Calhoun, having been written by Monroe himself, Henry Adams to the contrary notwithstanding.

The war opened brilliantly for America on lake and sea, and was likewise conducted from Canada to New Orleans with the humiliating exceptions of Bladensburg and Washington, which were captured and subjected to barbaric usages, to burning without justification both the White House and the Capitol. This invasion roused the pacific Madison, who now threw himself upon the strong arm of Monroe, who was at once made Secretary of War in addition to the portfolio of State which he was filling with efficiency and distinction.

Monroe quickly infused vigor, energy, and optimism in the Army. It may, in passing, be of interest to observe that Monroe's service as Secretary of State was interrupted by four several assignments to perform the duties of Secretary of War. He, as before suggested, endeavored to secure treaties of peace with England; but failing, he saw war as the inexorable and honorable fate, and he did not hesitate so to declare. It should here be said that Monroe's whole conduct in relation to the war was patriotic in conception, and wise and daring in execution. His courage, his self-control, his patience, his incomparable experience, his energy, and his profound and penetrating mind made him more effective than "an army with banners." He was now indeed Madison's right arm!

The war over, the treaty of Ghent ratified, and the Federalist Party dissolving, partisan rancors subsiding, and the dissensions of sections disappearing, Madison, the political philosopher and patriot, realized the triumph of his administration, and was content to trust its justification to posterity.

But the time was approaching for the choice of his successor. Governor Sullivan, of Massachusetts, declared that the Virginians had held the Presidency "as often as they were entitled to," and therefore advocated the election of De Witt Clinton as the successor of Madison. Monroe was nominated in a caucus of the Republican or Democratic Members of Congress over William H. Crawford, of Georgia, by a vote of 65 to 54, and in the Electoral College, with a total vote of 221, Monroe received 183, as against 34 for Rufus King. He was inaugurated March 4, 1817, amidst Senators, Representatives, Galliard, the President of the Senate, and Henry Clay, the Speaker of the House, foreign ministers, Justices of the Supreme Court, including the illustrious Chief Justice Marshall, who administered the oath of office to the new President. Boys at Campbell's School, now standing face to face on the same platform, had become the two greatest living figures in the world.

What an incomparable career was Monroe's! Lieutenant in the Continental Army and lieutenant colonel before he was 21; military commissioner to the Southern Army; member of the General Assembly of Virginia; member of the executive council; member of the Continental Congress; member again of the general assembly; member of the Virginia convention to ratify the Federal Constitution; United States Senator; member of commission for revising the laws of Virginia; twice minister to France; four times governor of Virginia; minister to England and Spain; signer of the treaty acquiring Louisiana; third time member of the General Assembly of Virginia; Secretary of State; Secretary of War; twice President of the United States; author of the Monroe doctrine; visitor of the University of Virginia; member and president of the Virginia Constitutional Convention of 1829–30; and justice of the peace.

"Thou hast it now, King, Cawdor, Glamis, all,
As the weird woman promised."

I will pass briefly to consider him as the fifth President of the United States. Twice was he President, and the second time elected with but one dissenting vote. This was the "era of good feeling." He was a successful and able Chief Magistrate; impeccably honorable and self-sacrificingly patriotic. The Federalist party disappeared under his administration, and he received substantially the united support of his countrymen. But I can only consider one of his many administrative achievements, and that is America's greatest foreign policy, for which his name is the synonym—"The Monroe doctrine."

Was Rush, Adams, Canning, Jefferson, Madison, or Monroe the author of this doctrine? The evidence of record is perfectly clear that Monroe himself and no one else was its author. He wrote it, signed it, and sent it to Congress. No other is responsible for it. It was Monroe's doctrine, and since its promulgation it has borne no other name than his. Envy, jealousy, prejudice, and ignorance have alone sought to impair Monroe's authorship of this contribution to American politics. Of course, he sought information and advice from informed and responsible statesmen. Why not? But does this absolve him from the responsibility and authorship of the paper?

Upon the fall of Napoleon, who had upset several of the European monarchies, a so-called Holy Alliance was instituted by Alexander I of Russia, and signed by Francis of Austria, Frederick William of Prussia, and Louis XVIII of France. The alliance was neither holy nor Roman. It was a euphemistic title to conceal intrigues and to restore and extend European monarchies. One conspicuous design was to smother the fires in those South American countries that had been kindled by Miranda, Bolivar, and San Martin, and therein lurked the danger to the free institutions of the United States. Monroe sensed this. Canning suggested joint action by Great Britain and the United States to meet this unholy design. Monroe did not accept this offer, declaring what should be done must be done by the United States alone of or for itself.

Monroe sent his message to Congress containing this doctrine in December, 1823, just as the expediency of sending ministers to the Congress of Panama was being debated. Adopting the digest made by Mr. Clark, sometime Under Secretary of State, the message substantially declares:

1. The "American Continents," that is, North as well as South America, were not subject to colonization by any European power. This was concretely aimed at Russia, who was about to initiate such an undertaking in the far Northwest of the United States.

2. The United States would consider any attempt of the "allied powers" to extend their system to any part of "this hemisphere as dangerous to our peace and safety."

3. "With existing colonies or dependencies of any European powers we have not interfered and shall not interfere."

4. With respect to Spanish colonies which had declared and maintained their independence and which we had recognized, the United States "could not view any interposition for the purpose of oppressing them or of controlling in any other manner their destiny by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States."

5. The United States declared that it was impossible for these powers to extend their political system to North or South America "without endangering our peace and happiness," and that such interposition could not be considered with indifference.

6. The true policy was to leave Spain and her seceded colonies to adjust their differences between themselves. Thus the declaration falls into two divisions: Future colonization by any European power of the American Continent, and "interposition for the purpose of oppressing them or of controlling in any other manner their destiny." The inhibitions apply to European powers, not to those of South or North America. The doctrine in origin and application is wholly one of self-preservation. The foothold of such powers upon this continent inevitably meant aggression upon the United States. This is practically the beginning and end of the doctrine that has become the fixed policy of our Government which no informed and responsible American statesman will disregard.

James Monroe, while a member of the Continental Congress sitting in New York, married Elizabeth Kortright, of that city, in February, 1786. She was the daughter of Laurence Kortright, well known and well connected, and a lady of intelligence and culture. From a miniature of her painted in Paris, which Monroe thought her best likeness, she was of extraordinary beauty, which together with her tact and charm made her perhaps the most attractive chatelaine who ever lived in the White House, not excepting Dolly Madison. Several competent men and women who met them both were more attracted by Mrs. Monroe. Of this marriage there were two daughters, Eliza and Maria Hester, the former married George Hay, of whom I have heretofore spoken, and the latter Samuel Gouverneur, of New York; and some of the descendants of these daughters lend their presence to this occasion. Eliza went to school to the famous Madame Campan, and became a schoolmate of Hortense de Beauharnais, the daughter of Josephine, who married Louis Bonaparte and became the mother of Napoleon III. She presented her own miniature to Eliza together with a lock of her hair.

It was at the home of his daughter Maria in New York that Monroe died on July 4, 1831, at the age of 73, his remains resting in that city until July 4, 1858, when they were removed with impressive ceremony and reinterred in our own Hollywood. The remains of his wife, who died at Oak Hill, in Loudon County, some few years before his death, rest beside his tomb. Three Presidents of the United States died on the 4th of July—Jefferson, Adams, and Monroe—the two former dying in the same year, 1826.

Monroe has not had full justice done him. He was malignantly criticized by his political partisans, and these criticisms have been magnified by some later writers.

He was an exemplary character. Jefferson affirmed that if his soul could be turned wrong side out you would not find a speck upon it. His honor and courage and patriotism equaled that of any of our Presidents. He was also a man of great abilities. John Quincy Adams, his Secretary of State, and subsequently President, entertained for his ability and character the greatest admiration. Calhoun thought his intellect of extraordinary power and penetration, declaring his capacity to consider a given subject, stripped of all irrelevant issues and detached from all personal bias, to be equal to that of any man he ever knew. Lord Holland, in speaking of Monroe and his colleague Pinkney, whom he met in the negotiations about the English difficulties, declares that Monroe "had candor and principle"; that he was "diligent, earnest, sensible, and even a profound man"; and that while Pinkney was more attractive and brilliant, his "opinions were neither so firmly rooted nor so deeply considered as those of Monroe."

Trevelyan, in his The American Revolution, declares that "the junior officer in William Washington's company was a lad even younger than Hamilton, and not his equal (as, indeed, very few were) in intellectual endowments or in personal charm. And yet," said he, "if in the course of ages both their memories were to perish, that of Lieutenant Monroe would in all likelihood be the last forgotten of the two, for he was the James Monroe who, in December, 1823, as the fifth President of the United States, enunciated the policy which defeated the machinations of the Holy Alliance and which deprived Spain of her American Colonies."

Thus great achievements and their makers live and endure.

RESIDENT COMMISSIONER FROM PORTO RICO

The SPEAKER. The Chair lays before the House the following communication:

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., April 28, 1932.

Hon. JOHN N. GARNER,
House of Representatives, Washington, D. C.

DEAR SIR: I beg to inform you that the certificate of appointment of Hon. José L. PESQUERA as Resident Commissioner from Porto Rico to fill the vacancy caused by the resignation of Hon. Felix Cordova Davila, in due form of law, has been filed in this office.

Yours very truly,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

SWEARING IN OF RESIDENT COMMISSIONER

Mr. DYER. Mr. Speaker, Hon. José L. PESQUERA is present and desires to take the oath of office.

Mr. PESQUERA appeared in the well of the House and took the oath of office prescribed by law.

THE ECONOMY BILL

Mr. HESS. Mr. Speaker, I ask unanimous consent to extend my remarks on the economy bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HESS. Mr. Speaker, Members of the House, from the information that I have gathered from advocates of salary cuts, it seems that the real motive for reducing Federal salaries is to produce "a favorable psychological effect" throughout the country. The reduction in the wages of these employees certainly can not be claimed to save sufficient money to balance the Budget or wipe out the deficit. For the fiscal year ending June 30, 1931, the deficit was $902,023,828.11, and the estimated deficits for the years 1932 and 1933 are placed at $2,122,961,000 and $1,420,142,248, respectively, so that we can readily see that if no salaries at all were paid to any Federal employees these deficits would not be wiped out, for the total annual pay roll of our Government amounts to approximately $1,215,000,000.

A recent investigation by the Bureau of the Budget shows that there are 732,460 civilian employees and 290,913 officers and enlisted men of the Army and the Navy on the Government pay roll; the average salary of the civilian employees is $1,441 per year and of the members of the military service $893 per year. This compares with an average wage of $1,553.58 per annum paid to employees in the Cincinnati, Ohio, industrial area, as compiled by the Bureau of the Census of the Department of Commerce. From these figures we can readily see that the claim being made that the Government employees are being paid more than those in private industries is not based on facts.

What psychological effect will a reduction of wages in the Government service have? Will the millions of working men and women in the country breath easier and feel more confident of their own jobs and salaries when Federal wages are reduced, or will they feel that the Government has set an example for private industries to follow? I believe that the latter will be the case.

What effect would a reduction of, let us say, 10 per cent on Federal salaries have on the restoration of confidence, which I think we must all admit will do more to restore good times than any legislative action Congress may take? Will not the buying power of the Federal employee be reduced by the amount of the reduction? These men and women in my city of Cincinnati are to-day, and have been during this period of depression, helping to provide for relatives out of employment, and are also donating a portion of their salaries to a fund for the relief of the poor and unemployed. They have been the target of every charity drive during the depression, and have contributed freely and generously. If salaries are reduced, these contributions will decrease in amount and number, if they are not totally discontinued. In the case of practically every Federal employee, his family is living on the budget system. Many of them have purchased their own homes and are making weekly payments thereon; an amount is set aside each week for food and clothing, school supplies for the children, and other necessaries of life, and little, if anything, is left after these obligations are met for the so-called luxuries.

The United States Bureau of Efficiency informs me that there are approximately 3,033 Federal employees in greater Cincinnati, receiving $6,352,960 from the Government annually in the form of salaries. A 10 per cent reduction in their wages would mean that they would have $635,296 less to spend than in the past; and if the Bureau of Efficiency is correct, this would mean a reduction in buying power of $4,447,072, for it is claimed that the dollar turns over seven times each year. The merchants in and around Cincinnati will suffer a loss in business in this amount—a loss which to-day they can not stand. Properties will become vacant, mortgages will be foreclosed, and bankruptcies will increase.

Of the 3,033 Federal employees in the city of Cincinnati, 2,565 receive less than $2,500 annually, and their total sala-

ries amount to $4,619,579 each year, while only 468 employees receive more than $2,500 per year.

I am for economy in government, but not for economy at the expense of reducing the standard of living of the working people of the Nation. If the Federal Government sets the example by reducing salaries of the employees in the lower pay grades, private business will follow with more drastic cuts, and all we can look for is a retarding of economic recovery. It will indicate that Congress has lost faith in the future.

Government economies that would save many times the amount involved in a possible salary slash can be effected with less difficulty. There are to-day 10 departments, 135 bureaus, and 40 independent commissions in the Government. The unification and coordination of these, with a general reorganization of all of the departmental functions, would effect a saving of many times the amount that would be saved by a salary cut. Let us start there, and then, if more savings be necessary, reduce salaries in the higher brackets—above the $2,500-a-year man. I am perfectly willing to vote for a reduction for myself and others in the higher salary brackets if the saving effected will materially help put this country on a sound economic basis and restore its credit, but the fallacy of such salary reductions in the lower grades is too evident at this time, and I shall vote against them.

PREPAYMENT OF ADJUSTED COMPENSATION CERTIFICATES

Mr. ANDREW of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks on the proposed prepayment of the adjusted-service compensation certificates.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ANDREW of Massachusetts. Mr. Speaker, the continued and persistent agitation at this time of the so-called bonus proposals is, I believe, doing immeasurable damage to the country. It is unfortunate that our veterans are being misled to think that their country is treating them ungenerously at the very moment when the National Government is spending for their benefit a third of all the taxes it collects. It is regrettable that many of those who served so valiantly in the World War are being persuaded that the Government is withholding from them billions of dollars which are now their due, when this is not the fact. It is still more deplorable that they are being induced to advocate a proposal which not improbably would plunge our country into economic troubles far greater than any we have yet experienced.

Mr. Speaker, the mere advocacy of this proposal is thwarting every constructive effort to restore confidence and revive activity in business. Its ramifications and possibilities, I believe, are of more serious import to the country—and by the country I mean all of us—than any other matter before the present Congress, and on that account I have asked permission to print in the RECORD certain thoughts on the subject that I have tried to express to the Ways and Means Committee.

My statement before that committee was made on April 22, and was as follows:

Mr. ANDREW. Mr. Chairman and gentlemen of the committee, if I may be permitted a personal word along the line of the discussion that has just preceded, I came to Congress when the question of the so-called bonus was very much in the foreground. I felt that the original payment of $60 for a veteran when he returned home from the war was a pitiful and niggardly allowance, and I was from the beginning an advocate of the bonus, or adjusted compensation, as it is more deservedly called. I believed that it was not a gratuity, but an obligation, and that it was fully justified; and, I opposed at that time, on the floor of the House and elsewhere, the statements which were made by Mr. Mellon, the then Secretary of the Treasury, that we could not pay the bonus without impairing the credit of the Government, and that we should not be able to reduce taxes, or go on retiring the debt if the bonus were paid. I protested against those assertions, and I twice voted for the measure over the President's veto.

THE BASIS OF THE BONUS

The statement that has just been made by Congressman LEA as to the calculations about the payment, tallies with my memory of what was agreed upon at the time and the reason for it. When the adjusted-service certificate was authorized in 1924, the period in which the veterans' need was greatest, which was when he left the Army, had passed, and it was felt by the leaders of the veterans' organizations at that time that it was to the interest of the veteran himself—at that time they were generally employed—not to give him money, which he would be apt to spend at once, but to give him instead a much larger sum in its face value in the form of an endowment-insurance certificate. The dollar a day for home service and the dollar and a quarter a day for foreign service, to which allusion has been made, were the basis; but 25 per per cent more was added to this basis, and my distinct recollection is that it was added to cover the interest for the period from the time when these men left the service to the time when the so-called bonus certificates were issued. Then this whole total was more than doubled, as has been so often stated, by adding the interest of 4 per cent cumulatively compounded for 20 years, and a 20-year endowment-insurance policy was given the veterans for the full amount, which was nearly three times the cash originally asked for.

To-day I want to address myself briefly to the proposal of our colleague, Mr. PATMAN, that there should be immediately paid—or rather prepaid—the interest for the next 13 years on those certificates, and that provision should be made for that payment by the issue of United States notes to the extent of about $2,400,000,000.

I realize that many veterans, probably the majority of the veterans in the country, would like to have such a prepayment, and have been led to believe that it would be of benefit to them. It is with some regret, therefore, that I feel obliged to oppose them. But I can not do otherwise, because I believe the proposal, if adopted, would involve immense harm to the country and to the veterans themselves. I shall try very briefly to explain the grounds for that belief.

THE COLLAPSE OF CONFIDENCE

We probably should not all agree as to the cause and the sources of the terrible economic depression that confronts this country and the world to-day, but there is one aspect of the crisis upon which there can be little difference of opinion. It will be generally agreed that the situation has been prolonged and has been greatly aggravated because of fear and distrust, and the cumulative pessimism which has pervaded the world as to what lies in the future. It has been like a disease, a nervous disease, which has infected the whole community and left the entire economic organism in a state of complete prostration. There are many people to-day whose incomes, derived from salaries or wages or otherwise, would permit them to buy more than they are buying in the way of comforts and luxuries, but who are so worried about the future that they do not purchase anything aside from the merest necessities. There are plenty of men who could repaint their houses or reroof them, who could buy automobiles, or washing machines, or new clothes for their families, who have ceased doing so out of a nameless fear that an even greater disaster is going to happen, a feeling that they ought to save what they have against some dreadful event that still lies ahead—a worse situation than we have yet experienced.

The storekeepers and merchants in the different cities similarly hesitate to place their usual orders, or such orders as they might easily place, because of fright and dread of something still to come. The manufacturers and heads of industrial plants likewise refuse to improve their factories or to buy machinery which they might very easily buy because of that same anxiety about worse conditions still before us. The banks, in their turn, continue to call their loans, refuse to extend credit, and try to make their assets liquid, because they are also afraid of what may happen in the future. They are constantly confronted by the fear that their depositors, suffering from that same nameless dread, might at any moment withdraw their deposits, institute a run, and force the bank to close its doors.

Back of all this unsettlement and distrust lies a still greater dread—that our Government itself, the last bulwark of our economic defense, may yield under the strain that is placed upon it. Wherever we look to-day throughout the world, whether we look to Europe or to South America or to the Orient, we find government treasuries which have sunk into bankruptcy. Even Great Britain, a country whose economic stability seemed a year ago beyond question, slumped last September into practical insolvency, and this has made our own situation much worse than it was or otherwise would be. Every effort that has been made in this country to revive confidence and start the wheels of business going has been blanketed ultimately by apprehension that our Government may be confronted with the same destiny as so many other governments and that the Treasury of the United States itself may be headed toward insolvency.

CONSTRUCTIVE EFFORTS OF CONGRESS

Our Congress has made very earnest efforts to deal with this baffling crisis. When it was first threatened, in the field of agriculture, we appropriated $500,000,000—perhaps not too wisely—to help the farmers. Since then we have appropriated hundreds of millions of dollars for road building and for the construction of public buildings which were not necessary at the time, but in the hope that this would increase employment and revive business. Two years ago we agreed to put at the disposal of the veterans $1,200,000,000 not merely to help them but with the hope, which had been promised, that this in its turn would give a new fillip to general trade. This year we liberalized, in the Glass-Steagall Act, the provisions of the Federal reserve laws so as to make avail-

able to the country more currency and more credit to the possible extent of many hundreds of millions of dollars.

About three months ago, when banks were failing here and there throughout the country in alarming numbers, and multitudes of families found their bank balances unavailable when they had the greatest need for them, and when the insurance companies, in which sixty or seventy million Americans had invested their savings in the hope of providing for old age or hard times or for their families when they died, were in jeopardy—when it appeared that the insurance companies as well as the banks might be forced into insolvency—Congress adopted another measure. It created the Reconstruction Finance Corporation and put at its disposal $500,000,000 more of its own money and offered to guarantee them $1,500,000,000 additional in order to save the depositors in the banks and those who had placed their future in the trust of the insurance companies from a disaster which would have caused untold misery to millions and tens of millions of people.

Now, all of these measures have helped in some degree. The last measure to which I have alluded, as General Dawes said yesterday, has greatly curtailed the closing of banks, has made it possible for some banks to reopen, and enabled their depositors to recover the money which they had intrusted to them. The insurance companies, too, have avoided failure. But throughout all of this tremendous effort there has lurked in the background a fear that is not often named—the fear that the Treasury of the United States might itself yield under the stupendous pressure which has been brought to bear upon it.

THE TREASURY DEFICIT

These different measures to which I have alluded have entailed a tremendous drain upon the National Treasury at the very moment when the Government's sources of taxation and powers of borrowing were withering up. And with the example of other countries in the rest of the world, which, one after another in the course of the last year and mostly since last September, have slumped into insolvency—with that example before them, the fear has grown in the minds of many people that the Treasury of the United States might itself become insolvent.

Now, at the present time in this current year, as we all know, we are confronted in the Treasury with a deficit which will exceed the enormous sum of $2,000,000,000. It may reach two and a half billions. The very proposal at this time that Congress should double this already vast deficit, which is what the bonus proposal would amount to, seems to me to be fraught with grave danger, because it adds to the distrust and the apprehension as to the ability of the United States Treasury to stand the strain.

The proposal which has been made by our colleague to issue 2,400,000,000 more of United States notes could, in my judgment, have but one effect at the present time, if it were adopted. It could not fail to promote a further disturbance of confidence, which is already so badly unsettled. It could not but increase the mistrust and aggravate the pessimism of our people as to the future. It could not but magnify the one thing which, as it seems to me, has prolonged and aggravated this great crisis.

CREDIT, CURRENCY, AND GOLD

It is difficult for many people to realize how tenuous a thing the credit of a country is; how vast and frail a structure is built upon so slight a basis. Yesterday Professor Kemmerer called attention to the fact that the means of exchange in the country consist in the main of some fifty billions of credit accounts in the banks. They are the so-called deposit accounts which are for the most part created, not by deposits of cash, but by the extension of loans to the people. There are 50,000,000,000 of such accounts in the banks of the country, all of which are demand obligations on the banks, yet for the redemption of these accounts the banks hold less than 10 per cent in actual cash, and what is more, that cash in its turn consists largely of credit money which is a demand obligation on the Government payable in gold.

The Federal Government itself has issued a great many different types of fiduciary currency, with which you are all familiar, which the Government is pledged to pay in gold, but which the banks count as part of their reserves. It has issued about five billions of such money, silver certificates, United States notes, Federal reserve notes, and so on. The banks count in their reserves something like a billion and a half of other money than gold. In other words we have about fifty billions of bank deposits and about five billions of paper money, all supposedly payable in gold, but the Treasury and the banks have only about four billions in actual gold with which to pay them.

The banks have demand obligations, payable in lawful money, of about $50,000,000,000, roughly, and against that they hold in cash, including not only gold but all other forms of lawful money, less than one-tenth of that amount; and in turn the Government itself is subject to demands upon it for the redemption in gold of all that lawful money. It has something like three and a half billions of dollars in gold, against which there are outstanding obligations of more than $5,000,000,000 in other forms of money. Whatever the exact percentage may be, a stupendous amount of credit is founded upon a very small basis of gold, and any curtailment of that basis is fraught with danger to the superstructure.

WITHDRAWALS OF GOLD

Last autumn when distrust as to the solvency of the governments of the world was becoming widespread; when in France, for example, they had found that by leaving their balances in London for too long a time, the Bank of France, after the suspension of gold payments by the Bank of England, had to write off a loss of a hundred millions of dollars because of the sudden depreciation, to the extent of one-third of the value of the British pound—at that moment Europeans began to be fearful as to what might happen in this country, and began to call their money back, and in two months time something like $700,000,000 in gold was withdrawn from this country. This was undoubtedly prompted by the fear of the same thing happening to our standard of value as had happened to the British standard of value, and which had entailed upon French investors, and the Bank of France particularly, a loss within a very brief period of a hundred millions of dollars. Our Treasury and our banks were able to stand the strain, but it is doubtful whether they could withstand another drain of like proportions.

I believe that an attempt at this time to issue two billions and more of paper money, if adopted, would result in world-wide distrust in our financial stability and would cause a similar withdrawal of gold from the country, and that this in all likelihood would be accompanied by runs upon our banks by frightened depositors, trying to get hold of gold and gold certificates. This would mean the collapse of our whole banking system, a panic of unexampled proportions, and our forced abandonment of the gold standard. The very agitation of such a proposal to-day serves to arouse apprehension as to the imminence of such a catastrophe and frustrates every hope and effort looking toward an economic revival.

Mr. HILL. Mr. Chairman, will the gentleman yield right there?

Mr. ANDREW. Yes.

Mr. HILL. What resulted to Great Britain in the matter of withdrawals of gold when they went off the gold basis?

Mr. ANDREW. They went off so suddenly that it was difficult to withdraw the gold. France attempted to withdraw what she had there, but she acted so late that she had already suffered a loss of $100,000,000.

Mr. HILL. That was all on the sterling deposit they had in Great Britain?

Mr. ANDREW. Yes, sir.

Mr. HILL. But as to the efflux of gold itself in Great Britain as a result of getting off the gold standard? That is the question I am interested in.

Mr. ANDREW. I could not give you the exact amount, but after the Government suspended gold payments, it was practically impossible to obtain gold in London for export. The situation in Great Britain was quite different from that which might confront a country in consequence of inflation. When Great Britain went off the gold standard, they had not begun to issue paper money, and there was no efflux of gold because of rising prices. They went off the gold standard, not as the result of inflation, but because of general distrust before inflation had occurred.

EFFECT OF UNCONVERTIBLE PAPER MONEY

I have been in two countries that suffered from inflation and the resort to unconvertible paper currency. I was in Germany in the autumn of 1923 when the German mark, which originally had been equivalent to 25 cents, had gradually fallen in value until it was not worth the cheapest kind of tissue paper.

The German Government had not begun with the idea of issuing paper money in vast amounts. They began with relatively small quantities. But as prices rapidly rose wages lagged far behind, and the people did not have enough money to meet the new price level; they ignorantly clamored for larger and larger issues. Then, as the Government issued more and more paper money, prices rose higher and higher, and it became more and more difficult for the people to purchase anything and the Government tried to meet the difficulty by issuing still more money. When I was there, in October, 1923, a man who received any money had to spend it within a few hours or he would find that prices had risen in the meanwhile to double what they were before. The farmers naturally refused to sell their grain or their meat or their vegetables or milk or eggs or chickens, and the people in the towns or cities were almost without food.

If I may narrate a personal incident, I went into a bank in Dusseldorf to buy some German money, not to spend it but for the momentary feeling of opulence that it gave me, and to keep as an example of what happens to a country which resorts to inconvertible paper money. I put down $10 and got for it something like 10,000,000,000 marks, the equivalent under normal rates of exchange of more than $2,000,000,000. I invited the rather haggard bank clerk to have lunch with me and asked him to explain how it had affected him. He told me that he was not able to have meat more than once in two weeks, but while his wages were increased every fortnight, they were fixed two weeks in advance, and that by the time he was paid the wages which were promised two weeks before, they would scarcely buy anything at all.

The result of all that inflation and all of that terrible experience in Germany was this: The working people, who had gradually through the years lifted their wages to where they offered a decent standard of living, found that the value of those wages was completely wiped out and they had to start at the bottom again.

What did it mean to the veterans? It meant that those veterans who were getting pensions and compensations for disabilities of one kind or another found that all that they had achieved during the preceding four or five years in the way of relief from their Government was worthless and they too had to start all over again.

The same thing happened in France. I was in France in 1926, and as I have a good many friends among those veterans whom I met in the war, I was able to learn what had befallen them in consequence of inflation and depreciation. The franc had dwin-

died in value through inflation from a value of 20 cents to a value of 4 cents and all of their pensions and everything that they by effort and pressure had been able to induce their Government to provide for them had been cut down to the extent of four-fifths of their value.

If that were to happen in this country, and I believe it might happen if this bill were passed, it would do incalculable harm to every wage earner in the country, and to every man who has a salary. It would do incalculable harm to everyone who has insurance, or who has deposits in savings banks. It would do incalculable harm to the veterans themselves, because whatever they have won in the way of promises from the Government for compensation, for disability allowances, or for retirement allowances, would be diminished in value and might be completely wiped out.

Mr. ESLICK. Will the gentleman yield?

Mr. ANDREW. Yes.

Mr. ESLICK. In case the $2,400,000,000 were paid, in accordance with the Patman bill, and the money in that amount were issued, does the gentleman think that that would create an inflation comparable to the German inflation and the French inflation?

Mr. ANDREW. No; not necessarily. I did not mean to say that that would inevitably result, but I think it would take us off the gold standard. I think if it were adopted that vast numbers of people would withdraw gold or gold certificates from the banks, and the banks would fail, and that Europeans who have hundreds of millions of dollars in this country would withdraw their gold, and that the Treasury would fail, and that we should be left upon an inconvertible paper standard, dependent only upon the will of congressional majorities. In that event I fear that the temptation would be almost irresistible under existing circumstances to issue more money to help the unemployed, to balance the Budget, to build roads, to lend money to impoverished cities and States, and so on. It is the easiest way for a government to pay its bills, and it is a very tempting way to meet extravagant appropriations. That is why I fear, the step once taken, if it drove us off the gold standard, would plunge us on a career that might lead anywhere.

Mr. ESLICK. If it were to stop at this issue, it would only produce a reasonable rise in other values, in agricultural and industrial values, would it not?

Mr. ANDREW. I can not believe that it could happen without causing the failure of banks or without inducing European people to withdraw their money. They have felt that the standard of monetary stability in the United States was higher than anywhere else in the world, and they have lots of money, hundreds of millions of dollars, invested here or on balance. If they drew that back, we would pass off the gold standard, and after that no one can say what might follow.

Mr. ESLICK. Let me ask you one other question. With an estimated wealth of $250,000,000,000 and an indebtedness of $150,000,000,000 public and private in this country, what hope is there to pay these debts unless there is a material increase in circulation?

Mr. ANDREW. Now, if I may answer that as I see it—and I do not claim to be the final seat of authority on anything——

Mr. ESLICK. I take it it is more or less guesswork with all of us.

CAN PRICES BE RAISED?

Mr. ANDREW. Yes. But I will try to answer it as I see it. Professor Kemmerer, if you were here yesterday, explained quite clearly what is the generally accepted theory of the level of prices, how in our country the purchasing power which influences prices, is only in a very small proportion (he said about 10 per cent) in the form of currency and about 90 per cent in the form of credit or checking accounts. Most payments are made to-day by checks, in the United States, and in all the English-speaking countries. The price level depends primarily upon the rapidity with which these checking accounts revolve, upon their velocity of circulation.

I think the way to restore the price level in this country is to restore confidence, so that checking accounts and money will circulate again with the rapidity with which they used to circulate. The checking accounts of the banks, which influence prices in the same way as actual currency, used to circulate three years ago about seventy-eight times in a year. To-day they circulate at the rate of only about forty times in a year.

Now, the way to restore the price level, in my judgment, is to let confidence and hope recuperate, and not to disturb it. Then our people will begin to buy again, and checking accounts and money will function with their old-time velocity, and prices will tend to go back to their old level.

Mr. ESLICK. We have the same money standards that we had three years ago in this country.

Mr. ANDREW. Yes; exactly.

Mr. ESLICK. Now, there has been a perpetual loss of confidence.

Mr. ANDREW. No; I should rather say that it is a temporary disease.

Mr. ESLICK. What are you going to do to cure that disease with the present standards without adding some new blood or some new methods?

Mr. ANDREW. I should say that the way to treat a nervous disease is to let the patient rest quietly, and not try too many artificial stimulants. We have gotten into a morbidly sensitive and melancholic condition—all our people. They do not see things as they are. They are unduly apprehensive of the future. If you issue more fiduciary money, you only increase the fright, and if you scare people more, you make things worse.

Mr. ESLICK. Gold is the standard, is it not?

Mr. ANDREW. Yes.

Mr. ESLICK. Do you agree with Doctor Kemmerer that if the amount of gold in the world to-day could be doubled, it would be a detriment to the people rather than an aid?

Mr. ANDREW. No; I do not. I do not say it would be a detriment or an aid. It would benefit some and harm others.

Mr. ESLICK. If the people of this country or the world had $2 of gold to take the place of one, and gold is the standard, would not that necessarily aid the commerce of the world?

Mr. ANDREW. I think it would give something in the nature of a fillip to business throughout the world if that happened. But I can not feel the same way about a currency dependent in its amount upon the will of Congress. I would not disparage Congress, being a Member of it. But I do not believe that you could reestablish trust in the business world if the currency system and the amount of money in the country were left to the will of political majorities, because you have so many persistent appeals for help, first from one group and then from another. If Congress could easily provide financial assistance for one group or the other group, by simply printing paper money, we might too often yield to the temptation.

Mr. ESLICK. May I ask you what you define as fiduciary money?

Mr. ANDREW. I mean money that is not gold, that could not command in the market the value of gold except as it is redeemable in gold. I mean United States notes and Federal reserve notes and silver certificates and silver or copper coins.

Mr. ESLICK. In other words, it is not measured by gold.

Mr. ANDREW. Its substance has not the value of gold.

Mr. VINSON. Would you call national-bank notes fiduciary money?

Mr. ANDREW. Yes, surely.

Mr. DICKINSON. To what do you attribute the want of confidence in the United States? What brought about this want of confidence, in your judgment?

CAUSES OF THE PANIC

Mr. ANDREW. It seems to have been a reaction from a period of tremendous overoptimism and overexpansion in every field, not merely speculation in the stock market. Everybody three or four years ago was banking too much on the future, was buying not only from current earnings but from those expected or hoped for. The whole installment plan of buying was based on that. Women bought fur coats and jewelry expecting to pay for them two or three years hence. Men built houses and bought automobiles and electric refrigerators and radios and everything else, not with what they had but with what they hoped to have. Cities and States, factories and firms of all sorts, mortgaged their future. They went too far and borrowed too much from the future and finally the bubble burst.

Mr. DICKINSON. Due in part to this speculation in stocks and the resultant crash—Professor Kemmerer thought that it was largely due to that.

Mr. ANDREW. I think that was one very influential factor, but the speculation was not only in securities. People were speculating in almost everything, thinking that they would have the income next year or the year following to pay for them; they speculated in real-estate developments, in houses, hotels, store buildings, factories, as well as in automobiles or personal luxuries.

Mr. LEWIS. Professor Kemmerer yesterday referred to the fact that the number of shares of stock on the New York Stock Exchange had jumped from 171,000,000 to 1,125,000,000 in the few years preceding this financial break. Would you call that fiatism in industry?

Mr. ANDREW. To an extreme degree. I do not like to say it, lest I be misunderstood or misquoted, but I think the big banking houses, affiliates, and brokers who were floating securities, both domestic and foreign, at inflated values were probably more responsible than anybody else in this country for the situation that exists to-day.

Mr. LEWIS. Fiatism then in private industry and private capital may be as dangerous as fiatism of the Government?

Mr. ANDREW. Yes. Our recent history proves it.

CHANGES IN CURRENCY SUPPLY

Mr. VINSON. I have listened very attentively to your idea about the insertion of new currency into our system. What would be your notion if the currency were contracted—fiduciary currency—at this time?

Mr. ANDREW. Were contracted?

Mr. VINSON. Yes. If it were withdrawn from circulation. You say it would be harmful to add any fiduciary currency to the system. Now, what would happen or what would be the effect if you withdrew fiduciary currency?

Mr. ANDREW. You mean by Government vote?

Mr. VINSON. Yes.

Mr. ANDREW. I think it would be unfortunate. I think the less the Government has to do with the quantity of currency in a country the better it is for the country.

Mr. VINSON. Who is going to have anything to do with it, Mr. ANDREW, if the Government does not manage it?

Mr. ANDREW. We have an organized banking system which was established by Congress, and one of its purposes was to make our currency responsive to the needs of business. It works more or less automatically. It is dependent to some extent upon the production and distribution of gold in the world, and to some extent upon the men who administer the banking system. It has not worked successfully all the time, but I should rather leave it as it is, than subject it to the changing will of political majorities. I do not mean political in the sense of Republican or Democrat.

Mr. VINSON. Most of us when we are sick look for a doctor?

Mr. ANDREW. Yes. Most people do.

Mr. VINSON. We do not like to let nature take its course. What we, as Members of Congress, including yourself, are trying to do is to find a prescription.

Mr. ANDREW. Yes; I wish that we might, but sometimes nature in her own quiet way overcomes disease more effectively than medicine.

Mr. VINSON. Mr. ANDREW, what is your personal view with respect to the cessation of the interest charge upon loans made to veterans?

REASONABLE CHANGES IN BONUS LAW

Mr. ANDREW. I think there ought to be some adjustment made. I have not studied it carefully enough to know just exactly what. I feel that the Government should not charge the veteran for his borrowings more than it has itself to pay for the money which it borrows on similar long-time loans. But I should not want to make it more profitable for the veteran to borrow than to hold on to his insurance.

I have talked in a very rambling way here, but I did want to say after Mr. LEA spoke this morning, that I agree with him in the feeling that the Government does not now owe to the veterans interest for the next 13 years on their certificates; that it is not exact to say, as many of the veterans have come to feel, that the Government owes them the interest for the next 13 years.

I will say in that connection, if a system can be worked out along the lines as suggested by Mr. LEA this morning, by which an option could be given to the veterans allowing them to receive in cash the original service basis of their certificates, plus the 25 per cent which was allotted for the period between the time they left the Army or the Navy and the date when the bonus certificates were issued, plus the compound interest up to the present time—I should favor allowing them the option of a final settlement in cash upon this basis.

Mr. VINSON. At what date would you compute it at compound interest?

Mr. ANDREW. Just as it is in the certificate to-day.

Mr. VINSON. The date of the issuance of the certificate?

Mr. ANDREW. Yes; because we added 25 per cent, which was approximately compound interest at 4 per cent, for the preceding years.

Mr. VINSON. There is some controvery as to just why that 25 per cent was added. I was not a member of the committee at that time, but some seem to think that it was added in order to compensate for the delay in securing the face value of the certificates.

Mr. ANDREW. I can not remember the motives of everybody at that time. It has been my understanding in the intervening years as I have stated it, but at any rate in actual fact it does do that very thing. It adds about 4 per cent compounded for five years, approximately.

CONGRESS AND THE VETERANS

As to the proposal before us to-day—for the immediate prepayment of future interest on the bonus certificates—if Congress does not indorse it, and I do not see how we can, ex-service men and their families should not feel that we are treating them ungenerously. It will simply mean that Congress has a more thoughtful comprehension of the real interests of the veterans and of the country as a whole than some of the veterans have themselves. They must also remember that our National Government is already spending more than a third of all the taxes it collects, or more than a billion dollars a year, for veteran relief. Congress is appropriating during the present year for the benefit only of those connected with the World War no less than eight hundred seventy millions, or an average of nearly $200 for every one of the more than 4,000,000 men who at one date or another enlisted in that war, and this takes no account of the loans extended to these veterans upon their certificates. The Nation has rightly shown and will continue to show its gratitude for the inestimable service rendered by these men in 1917–18. The vast majority of ex-service men appreciate this fact, and I am sure that they would not want us to accede to any proposal which they might make if in our earnest judgment it could not be granted without harm or peril to the country.

NAVAL APPROPRIATION BILL

The SPEAKER. The previous question has been ordered on the naval bill and all amendments to final passage. The question the Chair desires to propound now is whether a separate vote is demanded on any amendment?

Mr. AYRES. Mr. Speaker, I ask a separate vote on what is known as the Darrow amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the Darrow amendment.

The Clerk read as follows:

On page 34, after line 4, insert as a separate paragraph the following:

"Naval Hospital, Philadelphia, Pa.: To continue construction of the public works authorized by the act entitled 'An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Philadelphia, Pa., and for other purposes,' approved February 12, 1931 (46 Stat. 1091), subject to the limit of cost fixed by such act, $1,000,000."

Mr. AYRES. Mr. Speaker, in view of the fact it has been some five or six days since the amendment was offered, I think it is nothing more than fair and just to the membership of the House that there be a little further explanation of the amendment, and I ask unanimous consent that there may be 10 minutes of debate, 5 minutes on each side, in which to offer an explanation of the amendment.

The SPEAKER. The gentleman from Kansas asks unanimous consent that there may be 10 minutes' debate on the subject of the Darrow amendment, 5 minutes to be controlled by himself and 5 minutes by the gentleman from Pennsylvania [Mr. DARROW]. Is there objection?

There was no objection.

Mr. AYRES. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. Mr. Speaker, this amendment involves a direct appropriation of $1,000,000 from the Treasury to begin construction of a naval hospital at Philadelphia, which will ultimately cost $3,000,000. If personal considerations weighed with me, I probably would not protest, because of my personal friendship for its author, but this is no time to begin new construction, especially when the Chief of Operations of the Navy Department says it is not necessary. This is no time to begin obligating the Government to new expenditures when we spent all day yesterday and all of the evening session last night considering how we could save some money for the Treasury and the people of the United States.

I simply desire to call the attention of the Members of this House to just what they are being asked to vote upon here, and that is a direct appropriation out of the Treasury for a purpose that the Chief of Operations of the Navy Department says is not necessary or needed at this time.

The adoption of this amendment, I wish every Member to understand, will add $1,000,000 to the naval appropriation bill as reported out of the committee and will impose an extra demand to that extent upon the Federal Treasury next year and an additional $2,000,000 in the succeeding year or two.

When asked about the need for this hospital, the Chief of Naval Operations stated to the naval subcommittee:

I never wanted to build it myself. I have been fighting against it. I have been absolutely opposed to that.

And the members of the subcommittee will bear me out in the statement that the Secretary of the Navy indorsed the position of his chief naval adviser.

I admit this project has Budget support; but why? The item was omitted from the original Budget. Not until we were ready to write the naval bill did the recommendation come down. We had then passed a tax bill designed to aid in rehabilitating the Treasury; we had, after much study, reduced many of the appropriation bills to the utmost, and we were then engaged in endeavoring through the Economy Committee to find other ways in which to save, and in the face of all this and after all this the recommendation comes down, and it came down contrary to the Budget policy of refusing all appropriations for initiating new projects.

Mr. Speaker, there is hardly a man on this floor who has not been discriminated against by this exception to the general policy, which extended not alone to new projects but in many instances to continuing projects under way.

The Navy does not need this hospital at Philadelphia. If the Veterans' Administration needs a hospital in Philadelphia or in that general vicinity, then let us provide for it under the Veterans' Administration. It is not a proper naval expense.

And let me remind you that while the existing hospital at Philadelphia is of temporary construction, that we are at this time also housing patients in temporary hospitals at Annapolis, Md., Chelsea, Mass., Great Lakes, Ill., Norfolk, Va., Mare Island, Calif., Harris Island, S. C., Puget Sound, Wash., and Portsmouth, N. H. It is equally as desirable to house patients in the temporary hospitals at those places as at Philadelphia.

We did not relieve the situation when we had a balanced Budget. Why wait until to-day to begin, and why begin at Philadelphia, particularly when counseled against by the Navy Department? I hope the amendment will be defeated.

Gentlemen, if we are going to begin new activities, whether they be at Philadelphia or elsewhere, under present circumstances, there is no telling where we may end; and let us not put ourselves in the inconsistent position of sitting here all day yesterday and the balance of to-day and possibly to-morrow in an effort to save a little money for the people of the United States and at the same time appropriate $1,000,000 for some new construction which the Navy Department states is not needed. [Applause.]

Mr. DARROW. Mr. Speaker, my friend from Tennessee says that we have not commenced any new construction. Do I not recall that we passed a bill of $132,500,000 for road construction? However, the need for this appropriation is an emergent one. The Director of the Budget in sending his supplemental estimate said the need for this proposed construction has developed since the transmission of the Budget for 1933 and that its approval is recommended.

The reason the supplemental estimate was made was because, after careful inspection made there in the early part of March by the Navy Department, it was found that these temporary buildings, which can not in any way be compared with those mentioned by the gentleman from Tennessee, were so rapidly deteriorating that the sills were tumbling down, and Captain Dennis, of the Surgeon General's office, one of the naval officers who made the inspection, found that the patients when in the mess hall required umbrellas over them to keep them from getting wet. Not only was the roof leaking but the rain was driving through the sides and the buildings were about ready to tumble down.

The buildings that were enumerated at other places are of a much more permanent character. They are of as permanent a character as wood construction can be, while the buildings at Philadelphia are of flimsy construction and were built as an emergency during war times.

The danger of fire has greatly increased and should a fire start in one of these buildings the loss of life would be appalling, because the buildings are huddled close together and there would be little opportunity to save the patients.

This hospital takes care of the veterans as well as the Navy patients. There is no veterans' hospital for the care of this type of patients nearer than Hartford, Conn. It is a surgical and general hospital, and to compel these patients to occupy buildings of this character, both from the standpoint of their health and the danger of fire, seems to me not only a crime but a disgrace.

I submit that there are no buildings anywhere in the United States of such great emergency or comparable in any way to this situation, and the reason we are pleading for the appropriation at this time is because of the rapid deterioration and because everything seems to be on the point of tumbling down.

I hope the amendment will be sustained so that we will not subject these patients, both naval and veteran, to this great fire hazard, on account of which many of the patients may lose their lives. Let us give them a decent place in which to be housed.

This situation is not comparable in any way with the necessity for new buildings for other purposes. This is an acute emergency and the construction is urgently asked for by the American Legion and by all service men. I hope, my friends, you will support this amendment.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I ask unanimous consent to speak for half a minute on this naval question.

Mr. STAFFORD. Oh, Mr. Speaker, I do not think it is fair to the opposition. I object.

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. DARROW) there were 111 ayes and 122 noes.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. AYRES. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct the totals.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. COLLINS. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. COLLINS. I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. COLLINS moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with the following amendment: On page 25, line 19, before the semicolon, insert "*Provided further*, That the total number of enlisted men in the ratings of bandmaster, first musician, musician first class, and musician second class on April 18, 1932, shall be reduced by 355 by discontinuing new enlistments and reenlistments not continuous in such ratings and/or placing in such ratings men otherwise rated."

Mr. CHINDBLOM. Mr. Speaker, a point or order. My understanding is that action was taken on this question by an amendment passed in the House. That was stricken out by an amendment.

Mr. STAFFORD. Mr. Speaker, that is not a good point of order. The Speaker can not take cognizance of any action that has been taken in Committee of the Whole on the state of the Union except as reported to the House. The chairman of the committee reports only the facts as to amendments, and there was no report that any part of the bill had been stricken out.

The SPEAKER. The gentleman from Illinois makes the point of order that the motion to recommit attempts to reinsert language that was stricken out of the bill in the House by agreeing to an amendment reported from the Committee of the Whole. The rulings are uniform that you can not undo in a motion to recommit that which the House has just disposed of, so the point of order is well taken.

Mr. SCHAFER. Mr. Speaker, I have a motion to recommit. I move that the bill be recommitted to the Committee on Appropriations with instructions to report it back after further consideration with 10 per cent reduction in the total amount of the appropriation.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SCHAFER moves to recommit the bill with instructions to the committee to report it back after consideration with a 10 per cent reduction in the total appropriation.

Mr. AYRES. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were 20 ayes and 198 noes.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. AYRES, a motion to reconsider the vote whereby the bill was passed was laid on the table.

THE TARIFF BILL

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 195, a privileged resolution, from the Committee on Rules.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution the bill H. R. 6662, with the amendment of the Senate thereto, be, and the same is hereby, taken from the Speaker's table to the end that the amendment of the Senate be, and the same is hereby, concurred in.

The Senate amendment is as follows:

Strike out all after the enacting clause and in lieu thereof insert the following:

"That section 336 of the tariff act of 1930 is amended to read as follows:

"'SEC. 336. Recommendations for adjustment of duties: (a) Upon the request of the President of the United States, or upon its

own motion, or upon application of any interested party showing good and sufficient reason therefor, the commission shall investigate and ascertain the differences in the costs of production of any domestic article and of any like or similar foreign article, whether or not actually imported into the United States. If the commission finds it shown by the investigation that the duty imposed by law upon the foreign article does not equalize the differences in the cost of production of the domestic article and of the foreign article when produced in the principal competing country or countries, then the commission shall report to the President and to the Congress such increases or decreases in the duty upon the foreign article as the commission finds to be necessary in order to equalize such differences in the costs of production. Any such increased or decreased duty may include the transfer of the article from the dutiable list to the free list or from the free list to the dutiable list, a change in the form of duty, or a change in classification. The report shall be accompanied by a statement of the commission setting forth the findings of the commission with respect to the differences in cost of production, the elements of cost included in the cost of production of the respective articles as ascertained by the commission, and any other matter deemed pertinent by the commission.

"'The President, upon receipt of any such report of the commission, shall promptly transmit the report to the Congress with his recommendations, if any, with respect to the increase or decrease in duty proposed by the commission.

"'Any bill having for its object the carrying out, in whole or in part, of the recommendations made by the commission in any such report shall not include any item not included in such report; and in the consideration of such bill, either in the House of Representatives or in the Senate, no amendment thereto shall be considered which is not germane to the items included in such report.

"'(b) No report shall be made by the commission under this section unless the determination of the commission with respect thereto is reached after an investigation by the commission during the course of which the commission shall have held hearings and given reasonable public notice of such hearings, and reasonable opportunity for the parties interested to be present, produce evidence, and to be heard. The commission is authorized to adopt such reasonable rules of procedure as may be necessary to execute its functions under this section.

"'(c) In ascertaining the differences in costs of production under this section, the commission shall take into consideration, in so far as it finds them pertinent and practicable—

"'(1) The differences in conditions of production, including wages in terms of labor cost per unit of product, costs of materials, and other items in cost of production of like or similar articles in the United States and in competing foreign countries;

"'(2) Costs of transportation;

"'(3) Other costs, including the cost of containers and coverings of whatever nature, and other charges and expenses incident to placing the article in condition, packed ready for delivery, storage costs in the principal market or markets of the United States and of the principal competing country or countries, and costs of reconditioning or repacking wherever incurred;

"'(4) Differences between the domestic and foreign article in packing and containers, and in condition in which received in the principal markets of the United States;

"'(5) Invoice prices or values and/or wholesale selling prices in the principal market or markets in the principal competing country or countries, in so far as such prices or values are indicative of costs of production, provided such costs can not be satisfactorily obtained;

"'(6) Advantages granted to a foreign producer by a foreign government or by a person, partnership, corporation, or association in a foreign country;

"'(7) Any other advantages or disadvantages in competition which increase or decrease in a definitely determinable amount the total cost at which domestic or foreign articles may be delivered in the principal market or markets of the United States; and

"'(8) Definition of costs of transportation: Costs of transportation for the purposes of this section shall be held to include, in so far as applicable, freight charges and all other charges incident to transportation, including transit insurance, costs of loading and unloading, and port charges and landing charges. These costs shall be computed from the principal producing areas (in the United States and in the principal competing country or countries) that can reasonably be expected to ship to the principal consuming region or regions of the United States and shall be computed to such principal market or markets of the United States as may most nearly insure equal competitive opportunity to domestic articles and like or similar foreign articles in such region or regions. If this purpose may be best accomplished thereby, such costs on domestic articles and on like or similar foreign articles shall be computed to different principal markets of the United States.

"'(d) In determining costs of production in the United States and in the principal competing country or countries for the purposes of this section, the commission shall take into consideration the costs of production only of such establishments as are economically located and efficiently operated, and shall obtain such costs for a normal and representative period.

"'(e) In connection with its investigations as to differences in costs of production the commission shall inquire into the following matters and shall include in each report pursuant to this section a summary of the facts with respect to such matters:

"'(1) The efficiency and economic operation and location of the domestic industry under consideration;

"'(2) The conditions of such domestic industry with respect to profits and losses, the extent to which productive capacity is utilized, and the extent of unemployment;

"'(3) The extent to which adverse conditions of production may be due to foreign competition or to other specified factors;

"'(4) The extent to which adverse conditions of production may be remedied by adjustments in the tariff law, taking into consideration the substitution of articles used for the same purposes as the articles under consideration, and taking into consideration any other pertinent competitive factors; and

"'(5) The effects of any proposed increase or decrease in rates of duties on other domestic industries and on the export trade of the United States.'

"SEC. 2. All uncompleted investigations instituted prior to the approval of this act under section 336 of the tariff act of 1930 prior to its amendment by this act, including investigations in which the President has not proclaimed changes in classification or in basis of value or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the commission in any such investigation may be given due consideration in any investigation instituted under the provisions of section 336 of the tariff act of 1930 as amended by this act.

"SEC. 3. Consumers' counsel: (a) There shall be an office in the legislative branch of the Government to be known as the office of the consumers' counsel of the United States Tariff Commission. The office shall be in charge of a counsel to be appointed by the President, by and with the advice and consent of the Senate. No person shall be eligible for appointment as counsel if such person has at any time acted in tariff matters before Congress or the United States Tariff Commission, either on his own behalf or as attorney, at law or in fact, or as legislative agent. The counsel shall be appointed for a term of four years and shall receive a salary of $10,000 a year. The counsel shall not actively engage in any other business, vocation, or employment than that of serving as counsel.

"(b) It shall be the duty of the counsel to appear in the interest of and represent the consuming public in any proceeding before the commission. In any proceeding before the commission in which the counsel has entered an appearance the counsel shall have the right to offer any relevant testimony and argument, oral or written, and to examine and cross-examine witnesses and parties to the proceeding, and shall have the right to have subpœna or other process of the commission issue in his behalf. Whenever the counsel finds that it is in the interest of the consuming public to have the commission furnish any information at its command or conduct any investigation as to differences in costs of production or other matters within its authority, then the counsel shall so certify to the commission, specifying in the certificate the information or investigation desired. Thereupon the commission shall promptly furnish to the counsel the information or promptly conduct the investigation and place the results thereof at the disposal of the counsel.

"(c) Within the limitations of such appropriations as the Congress may from time to time provide, the counsel is authorized (subject to the civil service laws and the classification act of 1923, as amended) to appoint and fix the salaries of assistants and clerks, and is authorized to make such expenditures as may be necessary for the performance of the duties vested in him.

"SEC. 4. International economic conference: That the President is respectfully requested to initiate a movement for an international economic conference with a view to (a) lowering excessive tariff duties and eliminating discriminatory and unfair trade practices, and other economic barriers affecting international trade, (b) preventing retaliatory tariff measures and economic wars, and (c) promoting fair, equal, and friendly trade and commercial relations between nations; but with the understanding that any agreement, treaty, or arrangement which changes any tariff then in existence, or in any way affects the revenue of the United States, must first be approved by the Congress of the United States.

"The President be, and he is hereby, authorized and requested, at as early a date as may be convenient, to proceed to negotiate with foreign governments reciprocal trade agreements under a policy of mutual tariff concessions. Such agreements shall not become operative until Congress by law shall have approved them.

"SEC. 5. Maintenance of competition among domestic producers and distributors: In effectuating the purpose of a tariff policy to encourage domestic industries by the imposition of duties upon imports from other countries it is also the purpose to protect domestic purchasers and consumers against the exaction of excessive or artificial prices in respect to any and all the articles, commodities, and things subject to such duties by the maintenance of full conditions of unrestrained competition among domestic producers and distributors. In order to assure the maintenance of such conditions of competition any citizen of the United States or the consumers' counsel established in this act shall be entitled to file a complaint in the United States Customs Court alleging that such conditions of competition do not prevail with respect to the production, distribution, or sale of any such dutiable article or commodity and setting forth the facts and circumstances supporting the allegations in such complaint which shall be verified by the oath of the complainant or others.

"Upon the filing of such complaint the said United States Customs Court shall have jurisdiction to hear and determine the truth and merit of such complaint and shall immediately cause public notice to be given by publication in the Treasury Decisions

of the Department of the Treasury and the Commerce Reports of the Department of Commerce to all persons and corporations or associations concerned in the domestic production, distribution, or sale of such article that it will hold a hearing on the questions of fact and law contained in such complaint upon a day to be named therein when relevant testimony and argument may be offered to determine whether such full conditions of domestic competition prevail and to what extent if any price-fixing agreements or practices, or production-limiting agreements or practices, obtain in the production, distribution, or sale of such article or commodity; and following such testimony and hearing the said court shall report its findings to the President.

"Upon the receipt of such findings, if it be shown thereby that the full conditions of competition contemplated by this act do not prevail with respect to the dutiable article, commodity, or thing described in such complaint, then it shall be the duty of the President within one month to issue a proclamation suspending the imposition and collection of the duty or duties levied in this act upon such article, commodity, or thing and declaring such duty or duties inoperative until and unless it shall be established before such court, and such court shall make findings to the effect that the full conditions of competition aforesaid do prevail and shall report such findings to the President, who shall then proclaim a cessation of the suspension of such duty or duties.

"The said court shall be governed by the preponderance of the evidence in making its findings and shall have power to make reasonable rules and regulations to govern its procedure in such cases: *Provided*, That nothing herein and no proceeding brought hereunder shall be held to weaken or otherwise adversely affect the laws of the United States applicable to conspiracies in restraint of trade or the enforcement thereof."

Mr. O'CONNOR. Mr. Speaker, does the gentleman from Indiana [Mr. PURNELL] desire to enter into any arrangement about time?

Mr. PURNELL. Mr. Speaker, I would like to have the gentleman yield me 30 minutes.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Indiana [Mr. PURNELL]. I now yield such time as he may desire to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker, I apprehend that my friends on the other side will have much to say about gag rule. I think I have demonstrated, so far as I am individually concerned, that I favor this House considering measures under the general rules of the House, with liberality of debate and liberality of amendment. The bill that this rule deals with, the tariff bill, was considered in the House under the general rules of the House, with no limitation as to amendment, and the House, after the fullest and freest consideration, passed the bill and sent it to the Senate. It is back with one amendment, which contains three minor changes. I think I demonstrated with the tax bill that I believe in freedom of debate and freedom of amendment, and my friends on the other side of the House criticized me and said that I should have brought in a rule to consider that bill, which I stated I would not do. In this instance it was my wish to have the House consider the Senate amendment under the general rules of the House and to that end I made a unanimous-consent request to this House two weeks ago that it be so considered the next day by unanimous consent under the general rules of the House. I advised my distinguished friend, the Republican leader, Mr. SNELL, that I was going to make that request that afternoon, so that he would be present. I did make the request, and when I did so Mr. SNELL asked me some questions. I stated to him that the Democratic members of the Committee on Ways and Means had decided to move to concur in the Senate amendment, that the tariff is and ever will be a political question. I stated to him on the floor that if unanimous consent were not obtained to consider the bill under the general rules of the House, the alternative for me was to introduce a rule asking that the bill be considered and the Senate amendment concurred in. The gentleman from New York, clearly within his rights, objected to giving a consent order for the bill to be considered under the general rules of the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. SNELL. Is it the purpose of the gentleman to take the bill up and read it to-day?

Mr. CRISP. The adoption of this rule itself finishes the job. The adoption of the rule concurs in the Senate amendment and nothing else is left to be done. When my friend objected, I introduced a rule. I have just stated the effect of that rule. What is the situation, and what are you called upon to vote on?

The House passed this tariff bill, and, as we passed it, it contained a provision that when the Tariff Commission recommended, under the flexible clause, the lowering or raising of a rate, with the approval of the President, it was sent to Congress, and if, within 60 days, the Congress did not take action on the change recommended by the Tariff Commission, it became operative and effective and the law. The Senate amendment changes that by taking away that automatic power. The Senate amendment provides that when the Tariff Commission makes a report to change a rate and it is sent to Congress by the President it does not become a law until Congress takes affirmative action upon it.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. CHINDBLOM. If I recall the incident, the matter the gentleman from Georgia is now discussing was put into the bill by way of an amendment put into the bill by the gentleman from New York [Mr. LAGUARDIA]?

Mr. CRISP. That is correct.

Mr. CHINDBLOM. And the gentleman from Georgia at that time stated that he had had some conferences with gentlemen on this side and that he accepted the amendment?

Mr. CRISP. The gentleman states it accurately. I did accept it and said so on the floor in open House. That, Mr. Speaker, is the fundamental change by the Senate amendment.

There are two other provisions—one that the President, as soon as convenient, shall enter into negotiations with the other nations of the world to negotiate tariff reciprocal trade arrangements, but it is also provided that before any of those agreements can take effect they must be approved by the Congress. The third and only other change made by the Senate is as to what is known as the Norris anti-monopoly amendment. That provides that where there has been built up a monopoly in this country on account of the tariff rates, any citizen or the consumers' counsel, can file a bill in the Customs Court and that court is to have a hearing upon it.

If that court determines it is a monopoly, then the President shall be notified and the President shall suspend all tariffs on those goods on which there is a monopoly until the monopoly ceases, and the customs court is the tribunal to determine after hearing when that monopoly ceases.

Those are the Senate changes. They are all incorporated in one amendment, and the adoption of this rule simply concurs in that amendment and sends the bill to the President for his approval or veto.

Mr. HARE. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. HARE. After this petition is filed with the Customs Court, if that court finds a monopoly does exist, did I understand the gentleman to say that the President may suspend all tariffs on the particular goods in question?

Mr. CRISP. He shall suspend them.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. MICHENER. One of the changes the gentleman speaks of provides for this international conference. After this international conference has made a determination of what tariff rates are proper for America to adopt, then do the people of the United States have anything further to say about it, after our international friends have determined what is best for this country?

Mr. CRISP. I think all the rights of the American citizens are preserved. I will read the language to the gentleman:

The President be, and he is hereby, authorized and requested, at as early a date as may be convenient to proceed to negotiate with foreign governments reciprocal trade agreements under a policy of

mutual tariff concessions. Such agreements shall not become operative until Congress by law shall have approved them.

I think that answers the gentleman.

Mr. MICHENER. In other words, then, this international conference will determine what the tariff rates should be in the United States. Then, if Congress sees fit to approve what the international conference has done, we will have that privilege.

Mr. CRISP. Our negotiators, I think, are just as capable as those of the other countries in the world, and they will negotiate reciprocal, mutual tariff agreements. We will have just as much to say as to the tariffs of other countries as they have as to ours, but none of it is binding until our Congress has approved it.

Mr. RAGON. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. RAGON. In answer to the gentleman from Michigan, I would like to say that in the plain terms of the bill on page 16, the provision is placed as to what shall be the outcome after the conference has decided, beginning on line 14:

But with the understanding that any agreement, treaty, or arrangement which changes any tariff then in existence, or in any way affects the revenue of the United States, must first be approved by the Congress of the United States.

Mr. CRISP. I think that is the same thing that I quoted from another section. Both of them, before they are effective, must be approved by Congress.

Mr. DALLINGER. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. DALLINGER. Does the gentleman, from his long experience, know of a single case where a tariff bill has passed the House and been sent to the Senate and on its return from the Senate, not sent to conference?

Mr. CRISP. I can not answer the gentleman, but when we have determined to pass this bill and to assume all responsibility for it, it is futile to waste time and send it to conference.

Mr. SCHAFER. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. SCHAFER. Is the gentleman hopeful that the American Government will get a better deal on this League of Nations' tariff proposition than we got with the foreign nations with reference to their paying their honest debts to this badly battered Treasury of ours?

Mr. CRISP. I am as much disappointed as the gentleman from Wisconsin that they have not paid, and as far as I am concerned I will never by my vote here agree to reduce those debts in a settlement [applause], and I am opposed to any further moratoriums. I would hope we would have better luck, and if we did not, then Congress would not approve any reciprocal tariff agreement.

Mr. TEMPLE. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. TEMPLE. As I understand the language of the Senate amendment, when the negotiations with foreign countries have been completed and a treaty or agreement has been made Congress would have to ratify that treaty.

Mr. CRISP. Yes.

Mr. TEMPLE. Then we change the Constitution of the United States, which provides that the Senate shall ratify treaties. We change the Constitution of the United States by an act of Congress.

Mr. CRISP. Yes; and the Constitution also says that all revenue measures shall originate in the House of Representatives, and we are preserving that constitutional right.

Mr. STAFFORD. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. STAFFORD. The very first act upon which the distinguished Speaker and myself were called upon to act upon our election to Congress was the Cuban reciprocity pact. A treaty had been negotiated between our Government and Cuba affecting the revenues, but the thought of President Roosevelt and the best thought of Congress was that it should be ratified by the Congress. Congress was convened on November 9, 1903, for that special purpose, and the Cuban reciprocity pact was approved.

Mr. CRISP. I thank the gentleman for his contribution.

Mr. Speaker, I am one of those who believe that the greatest contributing factor to the economic condition of the world to-day is constituted by artificial trade barriers and tariff barriers that have interfered with the exchange of commerce between nation and nation. [Applause.] No nation can live to itself alone. If we do not buy from other nations, they do not have the exchange to buy from us. Since we passed our last tariff bill high reciprocal tariffs have been enacted by other countries of the world, which makes a complicated situation for us, independently, to change our tariff rates. The sensible, the wise, the practical way is to have an international conference with the other nations of the world and see if common sense and reason can not prevail and those artificial trade barriers be adjusted so that each nation can fairly and legitimately do business with each other nation, at the same time protecting the rights of its own citizens as to labor costs. That and that only is what this bill does.

Mr. Speaker, I reserve the balance of my time. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, for a pure, unadulterated, No. 1 example of Democratic gag rule, this is the best that was ever written. [Applause.]

Mr. CRISP. Will the gentleman yield?

Mr. SNELL. I will a little later.

And, when it is backed up by the statement of the distinguished gentleman from Georgia, that when the Democratic majority made up its mind to pass anything, it is futile to discuss it or debate it, that adds insult to injury, over anything that has ever happened before in this House.

I thought I knew something about preparing rules. I have brought in some here for which I have received some brickbats from the Democratic side of this House.

But if I ever brought one in here that provided that a bill should be passed without being read or discussed, or a single thing said about it, I want to apologize now. [Laughter.] I want to know what the liberal men on the Democratic side of the House are going to do with this resolution? I mean the men who have always so bitterly criticized every Republican rule ever presented. And the best part of it all is that the author of this rule is the distinguished gentleman from Georgia [Mr. CRISP], the real Democratic father of rules liberalization.

We have had several debates on the floor of this House during the last three or four years about liberalization of the rules of the House. The gentleman from Georgia [Mr. CRISP] and I have not always been on the same side. How many times, even within the last month, I have heard him make the statement that he believed in full, free, and impartial discussion on the part of every Member on every bill that was brought before the House. I have seen him stand here and heard him say: "I have bared my breast to all the shafts during the debate on this bill. I want every man to freely and fully discuss this bill, and I believe in the fullest right of discussion in all matters pertaining to legislation."

Just what has happened in the last two or three weeks that the gentleman from Georgia [Mr. CRISP] has turned such a complete somersault?

Why, the distinguished Speaker of the House just a few days ago came down to the floor and said: "Some of you took exception because I would not bring this bill here under a closed rule. I am opposed to closed rules." He ran up and down the aisle here and said: "I want free and open discussion on everything; that is what the Democrats stand for." [Laughter and applause.] Oh, how the mighty have fallen!

During all the years that we Republicans were bringing in rules here some of them were fairly drastic, but never anything as bad as this. Some of the younger Members on our own side of the House had begun to believe, after they had heard the distinguished gentleman from Georgia and a number of the other leading Democrats talk about the

liberality, the generosity, and the fairness of the Democratic Party, that perhaps we Republicans were too strict. Why, they even thought that some of the Democrats even meant what they said. But now we have an absolute and perfect example of what you fellows do when you get the power. [Laughter.] There will be no more trouble from the Members on our side.

Mr. CRISP. I am just wondering if my friend is perhaps a little bit jealous of the fact that we have found a quick and short way to do things.

Mr. SNELL. There is no quicker, shorter way than you have here.

Mr. CRISP. I agree with you. [Laughter.] When I attempt to do anything I do a good job. [Laughter.]

Mr. SNELL. The gentleman from Georgia has turned such a complete somersault that I am apologizing for him; that is all.

Mr. CRISP. I gave my good friend an opportunity to have this bill brought up under the general rules of the House, with no limitation as to debate or amendment, and my distinguished friend from New York himself prevented it.

Mr. SNELL. I will tell you why. Normally the bill should go to conference, and the gentleman knows it. That is the logical, normal way that we have always handled these bills, and I told you at that time I would not object to sending it to conference.

Mr. CRISP. Why should it go to conference when we are going to agree to the amendment?

[Here the gavel fell].

Mr. PURNELL. Mr. Speaker, I yield the gentleman from New York [Mr. SNELL] two additional minutes.

Mr. SNELL. It is not very often that my distinguished friend from North Carolina [Mr. POU] is inconsistent. I have the very greatest respect for the gentleman from North Carolina, and I have also for the gentleman from Georgia, as far as that is concerned. I am just sorry for them; I am sorry for what they are doing here to-day. The gentleman from North Carolina [Mr. POU] said yesterday, and I heard him say it, and he said it with a trembling voice and with much emotion, and I think he really meant it:

> I say no nation except a nation of hogs would repudiate such obligation. If they do repudiate it, I, for one, shall always be opposed hereafter to sending any American to sit in at any of their hypocritical, scheming conferences called for any purpose.

[Applause.]

Within one hour my good friend from North Carolina introduced this rule, which provides for sending men to Europe to negotiate in an international conference, and not even to consider foreign affairs but to consider domestic policies. If there is any inconsistency conceivable to the mind of man that has not been brought out, as far as the Democratic Party is concerned, in connection with this rule, I would like somebody to tell me what it is. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Mr. Speaker, this legislation impeaches the ability of the American people to manage their own affairs. For a long period of years using our own wisdom we have grown in strength, in numbers, in wealth, and in all social advantages, so that under normal conditions our labor is paid the highest wages in the world, and our people have the best standard of living in the world. The pending bill is not an emergency measure. It contains the plan our Democratic opponents propose as a permanent policy.

This bill proposes that on matters we have heretofore regarded as peculiarly for us to decide, including import duties, competing nations are to have a voice in determining what conditions we should impose upon imports, how we should protect our labor, how we should provide for the development of our own industries. These involve the fundamentals of American civilization.

If this bill becomes a law and the policy it proposes is put into effect, then we will have tariff treaties with 50 or 60 nations of the world, and every session that the Congress holds for years to come will deal with the tariff question, and no industry, no development in this country, will be certain of the conditions under which it will operate.

In this bill our Democratic friends indicate that they are unable of their own wisdom to conduct the trade relations of this great country, but must invite competing nations to advise with them. It substitutes foreign interested advice for the nonpartisan consideration of rates by the Tariff Commission, for the Tariff Commission not only considers revisions of rates in the interest of tariff revenues, but when tariff bills are under consideration, the commission supplies valuable information by carefully considered reports and through its trained personnel. This bill practically nullifies the flexible provisions of the tariff.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. HAWLEY. I yield.

Mr. SUMMERS of Washington. Under this bill how shall we exclude Russian timber products?

Mr. HAWLEY. We can not do it. We have no treaty with Russia; we have no relations with Russia.

The bill provides expressly that no treaty shall be effective until approved by Congress in the form of legislation.

That emphasizes the statement I just made, that every session of Congress will be dealing with this question that intimately and necessarily affects our agriculture, labor, industry, trade, and commerce. Treaties will be made with nations that are growing agricultural products, and at one time we will have an agricultural tariff before the House; at another time we will be dealing with nations that are industrial in character and we will have an industrial tariff under consideration. The adjustment of the tariff duties between all the varying activities in the United States is important so that protection given in one instance shall not prove disadvantageous to others. How can this be effected under the proposed bill?

Let me picture the situation. Negotiations will be had, either in the League of Nations, where there may be a general meeting, or with individual countries. If any scientific tariff provisions are to be effected it will be necessary to reveal the intimate conditions of American production and labor in order to reach an agreement for any particular duty upon any particular item. Do we wish to lay before the governments of Europe or their representatives the industrial processes of our manufacturers and the measures we have adopted for the development of our country, and have them pass judgment on them; have them counsel us in these matters? These negotiations will stir up controversies with every country in the world, sooner or later, and result in endless dissensions.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield the gentleman one additional minute.

Mr. HAWLEY. No country has a right to import goods into this country. It is a privilege; but this bill says to other nations, "We will ask you what the nature of that privilege should be, its extent, its conditions, and what rates of duties we ought to impose." Our tariff acts are general in character, levied without discrimination against any country. We will surrender that necessary control over our own affairs which is essential to the continuance and upbuilding of this country.

Shall we supplant this impartial system by a series of individual tariffs, necessarily involving inequalities, in the opinions of other nations?

Mr. KELLER. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. KELLER. I would like to ask, for information, whether we did not have a treaty or reciprocity with Canada?

Mr. HAWLEY. We have attempted that, but it has not proven a satisfactory method. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, my friend, the former chairman of the Committee on Rules, the distinguished gen-

tleman from New York, seemed to get a considerable amount of amusement out of his presentation of what he calls the inconsistencies of the gentleman from Georgia and the Speaker of the House, as well as of the Committee on Rules, in presenting this proposition.

From time to time we hear a great deal said here on the floor of the House about the activities of the Committee on Rules in bringing in so-called gag rules. Well, gentlemen, I am taking advantage of this opportunity—although I did not expect to participate in this debate—to restate, as I have done heretofore on one or two occasions, what I conceive to be the legitimate functions of the Committee on Rules. It is by its very nature a political or policy committee. Say what you please, in its last analysis that is what it is set up for and that is what it is expected, under our system of party government, to do.

I am not one of those who has to make any apology on the question of the so-called matter of the liberalization of the rules. I have been here long enough, gentlemen, to say in all candor to you that where a party is charged with the responsibility of government—with which the party in the majority in this House is supposed to be charged—it sometimes becomes absolutely necessary under the very mechanics of our legislative system to resort to the power with which the Committee on Rules is clothed of bringing in the order of business. As far as I am concerned, in this particular case, with reference to this rule, I have no apology whatever to make. I frankly admit it is a short, direct, and strong-armed method, if you want to call it that, of getting a vote upon this particular proposition, which the objection of the gentleman from New York made necessary, in order to register the will of the House as to whether or not we should adopt the Senate amendment.

Mr. SNELL. Will the gentleman yield?

Mr. BANKHEAD. I will be glad to yield.

Mr. SNELL. The only suggestion I have to make is that we ought to do this at a night session when we can not see it as long as we are not to hear it.

Mr. BANKHEAD. Speaking of night sessions, of course, does not throw any light upon the intelligence of this debate, as I see it.

There is the whole proposition, gentlemen. We are getting along in this session.

The party leadership on the majority side, as I understand it, is trying very definitely and very earnestly to get through the legislative program of the House, in its essential features, so we may adjourn this Congress not later than the 10th day of June. [Applause.] Our calendar is congested. We have bills here of a really controversial nature which ought to go to conference, but here, and I will frankly admit it, there is involved very largely a political issue. The Democratic Party is in favor of this tariff proposition and has so registered its vote.

Mr. SCHAFER. Will the gentleman yield?

Mr. BANKHEAD. No; I will not yield to the gentleman from Wisconsin, because I fear he will undertake to bring in the proposition of beer or some other matter which has no relation to this controversy.

Now, gentlemen, as practical legislators, and if you are willing to accept my theory of party responsibility and of the power and purpose of the Rules Committee, I say to you the thing to do is to get this proposition disposed of and disposed of quickly. What advantage would there be in sending the bill to conference? It would come back here just like the gentleman from Georgia [Mr. CRISP] brings it back here for a vote on the proposition of agreeing to the Senate amendments. Therefore, why should this great furor be made here by the distinguished gentleman from New York on this question of a gag rule?

You know all that we Democrats ever learned about gag rules originated in the brains of the Republican Party, going back to Tom Reed and Uncle Joe Cannon and that long line of legislative tyrants, and I speak with respect. We learned all we ever knew from them, and as my friend BLANTON says, from Phil Campbell and men of that sort. So being a party that is anxious to absorb, if it can, some knowledge of practical politics, and I frankly confess this is a matter of practical politics and of practical legislation, we say to you that here you have a chance to vote on the essential proposition, take it or leave it. That is all there is in this rule.

Mr. MICHENER. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. MICHENER. The gentleman says he has learned from experience that this is the best thing to do, and that the gentleman and his party learned that from the Republicans; has the fact that heretofore, as a party, when you have been in power you have been able to caucus and bind your members, and the further fact that you have insurgency now and can not bind your members, had anything to do with your change of policy?

Mr. BANKHEAD. The gentleman speaks of insurgency; he will not find any insurgency on this side on the tariff proposition.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield four minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, sufficient reference has been made to the gag-rule proposition by the distinguished minority leader, with an attempt to reply by the gentleman from Alabama [Mr. BANKHEAD], but if there ever was "gaggism" pure and simple, we are having a demonstration of it to-day. The gentleman from Alabama has referred to Uncle Joe Cannon and Tom Reed. Those two sainted men would turn over in their graves at such a gag rule brought before the House they presided over as the Democratic Party is giving us here to-day. This rule "outgags" gag rule and legislates besides. The gentleman from New York [Mr. SNELL] innocently asked if the merits of this measure were going to be discussed or the bill read, and the gentleman from Georgia [Mr. CRISP] frankly told him, "No; we as Democrats are going to vote this thing through, and that ends it."

But the vote and adoption of the rule will not end it, gentlemen. For one reason, I approve of your rapidity of motion here to-day. Get it down to the other end of Pennsylvania Avenue just as quickly as you can, because it will come back with the stiffest veto that any of you gentlemen ever read, and then let us see you pass it over that veto. You have not got the votes and you can not do it, and you do not deserve to have the votes, because there is no merit in the legislation you are proposing here. [Applause.]

Talk about discussing the merits of this measure in the half hour that each side has here. How ridiculous. The bill you are asking to have passed without reading and without debate was adversely acted upon by the Senate Finance Committee and was substituted upon the floor. The entire procedure is contrary to the letter and spirit of the Constitution as the House, not the Senate, is authorized to originate legislation affecting our finances. You are trying to develop some political bunk out of pretending that you are trying to overcome the merits of the flexible provision of the tariff act. That is all there is in this measure, and you will not get anywhere in this effort, because the strong arm of the President of the United States will stand between your foolishness and the meritorious measure that is now on the statute books. Therefore, I think, perhaps we will give the gentleman from Georgia and his so-called broad-minded colleagues some credit. We want this measure sent to the White House just as soon as you men by your votes can get it there. We will stand against you to the last ditch, because it is not an American bill. It is not American doctrine to divide the responsibility of the employment of American citizens with a European bunch of conferees.

Mr. BLANTON. Will the gentleman yield?

Mr. TREADWAY. No; I can not yield, because the gentleman from Texas does not yield until he gets through with his statements, and that is what I am going to do with the four minutes I have now.

This is the situation, Mr. Speaker, and nothing else. We will be glad, as the Republican Representatives in this Congress, to meet you gentlemen on this issue within a very few

months, just as soon as the Chicago conventions are over. We will be glad to take up with you the merits of this bill which not a one of you knows the first thing about and which, until this morning, you could not find. I tried all day yesterday to get a copy of this substitute bill, but it was not available. If that is the way the Democratic Party wants to appeal to the country with respect to their method of doing business, we will be glad to meet you on that issue. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, it would be interesting to know just what has happened on the Democratic side since this bill was originally passed in the House. The original proposition by the Democratic members of the Ways and Means Committee did exactly what the Senate substitute does with reference to the effect of the flexible provisions of the tariff. It killed those provisions and made them inoperative, except as to the making of reports to the President and to the Congress.

When the bill was before the House the gentleman from New York [Mr. LAGUARDIA], representing a group from both sides of the Chamber, offered an amendment under which a decision of the Tariff Commission would become effective in 60 days, if not rejected by Congress. The gentleman from Georgia [Mr. CRISP] accepted the amendment offered by the gentleman from New York. Now the Senate has taken out that provision, and the gentleman from Georgia says we must vote on the Senate amendment in the House without sending it to conference or even considering it under the general rules of the House. When he did offer to take up the Senate amendment in the House, without a conference, his party probably had not sufficiently ironed out their differences so that they could be certain of putting their plans through. Now they come in and say you must take the Senate proposal or leave it.

Mr. CRISP. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. CRISP. My friend from Illinois is not quite accurate. When I made the suggestion our differences were all adjusted. I knew that we could pass it. I then immediately dropped the present rule in the basket.

Mr. CHINDBLOM. If the gentleman wanted to proceed in the manner he first suggested, he could have dropped such a rule in the basket. He did not propose to do that. I think he rather welcomed the objection. I think he had in mind to do it this way, as this is the only way in which the majority can make all their Members willing to swallow the proposition.

The result of this act will be that hereafter the Tariff Commission will be spending appropriations making reports to the President and the Congress, and no action will be taken, because you know Congress will not at every session take up a tariff bill.

Now, further on in the bill you attempt to set aside the rules of the House and the Senate by providing that no amendment shall be offered to a bill which may be based on a report of the Tariff Commission, to say nothing about the provision to set aside the treaty-making power of the Senate of the United States. Go to it! [Applause.]

[Here the gavel fell.]

Mr. PURNELL. I yield one minute to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, I have had recent occasion to make a study of the power on the part of the House in treaty making. If this bill should get by the President's veto, and in my judgment there is not the remotest chance thereof, I do not believe it could get by the Supreme Court. The provision that treaties shall be passed upon by Congress would, in my judgment, be contrary to the provision of the Constitution that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur."

The right of the House to have any share in the matter was first brought up by President Washington in 1796, when he refused the request of the House for certain papers relating to a treaty.

After a long discussion the House agreed to a resolution in the course of which it said:

> The House of Representatives do not lay claim to any agency in making treaties.

It went on to say, in substance, that if a treaty required a law to give it effect, the House should share. Since then more than this has been repeatedly claimed for the House on the ground that both the Constitution, with the laws of the United States and treaties shall be the supreme law of the land; and also that all bills for raising revenue shall originate in the House of Representatives. The conflict thus thought by some to be presented has produced many hours of discussion in each branch, and learned commentators have argued the question lengthily and vigorously. Committees of the House and even the House itself have asserted what at the moment was held to be its prerogative in the matter of treaties affecting customs duties. Nevertheless, the issue has never been brought to conclusion. After such study as I have been able to give to the question, my own judgment is that the Supreme Court would not sanction such power as this bill intends to give to the House.

There is, however, no doubt that the House is to share in legislation necessary to give a treaty effect. Whether the House is morally bound to pass such legislation is another question.

Mr. PURNELL. Mr. Speaker, I yield one minute to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Speaker, about all I can do in this minute is to register a protest against this free-trade gesture contained in this bill. It is reported that Nero did some fiddling while Rome was burned. I say to my free-trade friends that they are fiddling while American industry is facing disaster. With the copper industry down and out, with the oil industry down and out, with the manganese industry down and out, with the pulpwood and lumber products industry in this country facing a situation which it has never faced before, with importations from Soviet Russia and foreign countries flooding our markets—instead of considering this free-trade gesture you ought to take a leaf from Canada's book and put an embargo on that sort of stuff. [Applause on Republican side.]

Mr. PURNELL. Mr. Speaker, I yield the remainder of my time—eight minutes—to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, once more we are in the graveyard of Democratic hopes, erecting a monument, a graystone monument to the memory as the "weasel tariff bill." The name plate on the casket was "Mr. Political Expediency." The epitaph on the base of the monument is indicative of the "shifting-sands" policy of my Democratic friends. It reads—

> Oh, protection, how we loved you—in 1928,
> But fickle minds and prejudice have changed our love to hate.

[Laughter.]

Of course, you are just going backward—not in the same spirit that Edward Bellamy was looking backward, but you are going back 15 years to No. III of the Wilson 14 points, which decided to demand the removal of economic barriers—just a journey back down the trail. That is the history of the Democratic Party as regards the tariff; never looking forward and rejoicing, always looking back and regretting. Do you remember the Wilson bill, which you wrote in the nineties? You then wrote a bill presumably for revenue only, but before they had ever completed the bill they found it did not supply the necessary revenue within $75,000,000, and what did you do? You added an income-tax rider to the bill that was afterwards declared unconstitutional by the Supreme Court.

This rider you added to provide that $75,000,000 which you were incapable of providing by tariff rates in the bill that you then prepared. It has been that way all through the intervening years, you have been most unfortunate in

your attempts to write tariff legislation. Then came the Underwood bill, that would have brought the country into just as bad a condition as we are in to-day, if it had not been for the World War. The war came upon us and saved the skin of the Democratic Party. It made everybody in the world dependent upon us for production. The manpower of the European nations was out on the field of battle, and we were supplying everything they needed from foodstuffs to textiles and war materials. And that is all that saved you in 1914, a year after the enactment of your so-called Underwood-Simmons bill, which the author said had no protection in it, not an ounce, and when he was challenged as to that statement he said that whatever protection it contained was "merely incidental."

Imagine our representatives from this country—the representatives of labor, of our textile manufacturers, of your shoe men, Mr. CONNERY, the gentleman from Massachusetts, and your oil men, Mr. RAGON, the gentleman from Arkansas, sitting in a conference with a Fiji Islander, a Hotentot, an Australian, and a Japanese, and everybody's representative in the world trying to come to some sort of conclusion as to American tariff rates. [Laughter.] There is no provision for interpreters when as a matter of fact for such an international conference you have to have about 40 interpreters provided for in the bill.

Mr. PARKS. Mr. Speaker, will the gentleman yield?

Mr. CROWTHER. No. The gentleman from Arkansas was strong for a tariff on oil, and he ought to be in favor of any good tariff bill. You have brought in a rule to gag us and force this ridiculous tariff bill upon us. I do not particularly object to the method because the party in power generally follows that procedure. I do not find fault with the method, but I do object to the impalatable dose. You did the same with your Underwood bill. You brought in what you called a liberal rule, but you caucused in this room every day on every schedule, and strict orders were given to defeat every amendment offered on the Republican side. That was just mock liberality and did not mean anything. All this talk about insurmountable tariff barriers and rates is just hokum—boloney. True, our imports are decreasing in dollar value, but in many instances volume is increased. We are suffering a double penalty, because of a depreciation of the currency of foreign countries—an ad valorem rate of 45 per cent against England and Japan is now only 30 per cent. You do not lose revenue on specific duties, except by the loss of volume, but on the ad valorem you lose every time an invoice is received. We lose at the spigot, which is the customs house, and we lose at the bunghole, because we are losing all of the labor in production and the wages that would be paid, if our own goods were produced to take the place of foreign merchandise.

When the glassworkers were down here a few weeks ago, they presented evidence to the Tariff Commission that one of the greatest hotels in New York had put out bids for glassware, for tumblers, for plates, for cake baskets, and all of the glass paraphernalia that goes into a hotel of that kind. Some American concerns put in bids at a very small profit above overhead in order to keep their men employed, and what happened? Czechoslovakia and Belgium were 15 to 18 per cent lower than the American bids. The foreign bids included tariff and the transportation, and the contract was given to Czechoslovakia and Belgium. Here in Washington and New York City the Sunday papers are filled with advertisements of imported rugs, while the carpet mills in the country are running two days a week.

How can you expect to keep American workmen employed and have regular American pay rolls if the people of this country are not willing to purchase the commodities that American workmen make here in the United States. [Applause.]

Mr. KUNZ. Will the gentleman yield?

Mr. CROWTHER. I yield.

Mr. KUNZ. Can the gentleman state whether or not the American workman buys imported rugs, or do the men of wealth buy them?

Mr. CROWTHER. Many of the imported rugs are now so cheap that the man of ordinary income can buy them. You can buy a Chinese rug, 9 by 12, as cheap as $175. We make a first-class rug, a wonderful rug, in this country for $100, and they will outwear the cheap oriental.

Mr. CONNERY. I just wanted the gentleman to know that I intended to vote against this rule.

Mr. CROWTHER. I am glad to know that.

I regret to find my colleagues on this side in this mood. By the passage of this bill you are not doing anything to help the situation. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'CONNOR. Mr. Speaker, I yield the balance of my time to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Speaker, I have been here with my genial friend the gentleman from New York [Mr. CROWTHER] for about eight or nine years, and I have about concluded the gentleman is for a protective tariff. [Laughter.] I think if the gentleman keeps on talking he will convince himself that he stands for that.

I want to discuss just what is contained as the subject matter of this rule. There are just three changes made by the Senate. One of them is the antimonopoly provision, another the elimination of the 60-day provision in the flexible clause, and the other is the authorization provision having to do with the international conference. I want to call the attention of the House to those three things for just a few moments. Personally I was for the 60-day clause, providing a rate made by the Tariff Commission should become effective if not acted upon by Congress within 60 days, but the Senate has seen fit to eliminate it. I would call attention to the fact that the bill is in exactly the same shape, as far as it relates to the flexible provision, as it was the day it came from the committee. Now, let us see if all this ranting about the international conference has any ground.

In the first place, one of our friends assured us that we need have no hesitancy in voting as we pleased upon this measure, because we have the bulwark of the President of the United States back of us, in that he will veto it as soon as it reaches him, and he insists that we get it through in a hurry.

An international conference on the tariff is not a new thing to us, understand that. Another thing I want you to understand is that this is in no wise a treaty, as was suggested by the gentleman from Massachusetts. We have been conducting international conferences upon the tariff, as a sort of stepchild to the League of Nations, for years, and our own Government has been sitting in upon those conferences unofficially. To-day you have negotiations with France emanating from the State Department in Washington.

What does this provision seek to do? It simply seeks to get the nations of the earth together around the table and see how the tariff has affected the world's economic condition, and if it has, whereby an exchange of opinion may not bring about a lowering of the tariff or an increase of the tariff for this nation or that nation, as the case may be. It simply initiated a movement for better understanding of trade relations and trade understanding among the nations of the earth.

Then what do we have? Under the provisions of this bill our conferees come back here and make a report, and that report is acted upon by the Congress of the United States. My friend the gentleman from New York, Doctor CROWTHER, says that they will meet us in a few months upon the tariff question. If there is anybody on God's green footstool that ought not make an issue of the tariff this fall, it is the Republican Party. If their memories are no longer than to recall what happened to them in 1928 as a result of the Smoot-Hawley bill, then I invite them again to a hospitable grave in 1932.

They say they have a bulwark in the White House against this tariff measure. They say this is the graveyard of Democratic hopes. Well, in God's name, if this is the graveyard of Democratic hopes, then deliver the American people from the cyclone of this Republican prosperity. [Laughter and applause.]

The gentleman from New York [Mr. CROWTHER] turned his face toward the American flag in 1930, when they passed the Smoot-Hawley bill, and with his hands uplifted, almost

praying into its sacred folds, he said it would be but a short time until prosperity would be restored to this country, and yet he has the unmitigated nerve to stand here to-day, after having made that statement, and give unlimited praise to the passage of the Smoot-Hawley bill with multiplied millions in this country begging for work. Yes; they have a bulwark in the White House, because at the time he signed the Smoot-Hawley bill there were lying on his desk the signatures of over a thousand economists in this country, which came from the great universities, beseeching him as President of the United States, to veto that bill. You bet he is a bulwark. [Applause.]

Oh, yes. They say he is a bulwark. At the time he affixed his signature to that document, carrying to the people the burden of the Smoot-Hawley bill, lying upon his desk was the solemn protest of 33 sovereign nations of this earth, asking him not to disturb trade conditions in this country, but to veto that bill, but the Republican bulwark in the White House deafened his ears not only to the cry of the American economists but also American business interests and the farming interests of this country and signed that bill. Yes; he was a bulwark when he signed the Smoot-Hawley bill. He was a bulwark against normal prosperous conditions in this country. He was a bulwark against the employment of more than 8,000,000 men. Yes; he has been a bulwark against the peaceful and prosperous pursuits of millions of men in many countries. He has undoubtedly been the greatest and most expensive bulwark against a healthy and prosperous international trade relation the world has ever known. Yes; he is a bulwark. [Applause.]

The SPEAKER. The time of the gentleman has expired. All time has expired.

The question is on the passage of the resolution.

Mr. CRISP and Mr. PURNELL asked for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 202, nays 171, not voting 58, as follows:

[Roll No. 58]

YEAS—202

Allgood	Disney	Kemp	Pou
Almon	Dominick	Kennedy	Prall
Amlie	Doughton	Kerr	Ragon
Arentz	Douglas, Ariz.	Kniffin	Rainey
Arnold	Douglass, Mass.	Kunz	Ramspeck
Auf der Heide	Doxey	Kvale	Rankin
Ayres	Drewry	LaGuardia	Rayburn
Bankhead	Driver	Lambeth	Reilly
Barton	Elzey	Lamneck	Rogers, N. H.
Beam	Estick	Lanham	Romjue
Black	Evans, Mont.	Lankford, Ga.	Rudd
Bland	Fernandes	Larsen	Sabath
Blanton	Fiesinger	Lichtenwalner	Sanders, Tex.
Boehne	Fitzpatrick	Lindsay	Sandlin
Boileau	Fulbright	Lonergan	Schneider
Boland	Fuller	Lozier	Schuetz
Brand, Ga.	Fulmer	McClintic, Okla.	Shallenberger
Briggs	Gambrill	McCormack	Shannon
Browning	Garrett	McDuffie	Sinclair
Brunner	Gasque	McKeown	Sirovich
Buchanan	Gavagan	McMillan	Smith, Va.
Bulwinkle	Gilbert	McReynolds	Smith, W. Va.
Burch	Gilchrist	McSwain	Somers, N. Y.
Busby	Gillen	Major	Spence
Campbell, Iowa	Glover	Maloney	Stafford
Cannon	Goldsborough	Mansfield	Stewart
Carden	Granfield	Martin, Oreg.	Sullivan, N. Y.
Carley	Green	May	Sutphin
Cartwright	Greenwood	Mead	Swank
Cary	Gregory	Miller	Sweeney
Christgau	Griffin	Milligan	Tarver
Clark, N. C.	Griswold	Mitchell	Taylor, Colo.
Cochran, Mo.	Haines	Mobley	Thomason
Cole, Md.	Hall, Miss.	Montague	Tierney
Collins	Hancock, N. C.	Moore, Ky.	Underwood
Condon	Hare	Morehead	Vinson, Ga.
Cooper, Tenn.	Hart	Nelson, Mo.	Vinson, Ky.
Corning	Hastings	Norton, Nebr.	Warren
Cox	Hill, Ala.	Norton, N. J.	Weaver
Crisp	Hill, Wash.	O'Connor	West
Cross	Howard	Oliver, Ala.	Whittington
Crosser	Huddleston	Oliver, N. Y.	Williams, Mo.
Crump	Jacobsen	Palmisano	Williams, Tex.
Cullen	James	Parker, Ga.	Wilson
Davis	Johnson, Mo.	Parks	Wingo
Delaney	Johnson, Okla.	Parsons	Withrow
DeRouen	Johnson, Tex.	Patman	Woodrum
Dickinson	Jones	Patterson	Wright
Dickstein	Karch	Peavey	Yon
Dies	Keller	Pettengill	
Dieterich	Kelly, Ill.	Polk	

NAYS—171

Adkins	Darrow	Knutson	Schafer
Aldrich	Davenport	Kopp	Seger
Allen	Doutrich	Lambertson	Selberling
Andrew, Mass.	Dyer	Lankford, Va.	Shott
Andrews, N. Y.	Eaton, Colo.	Lea	Shreve
Bacharach	Eaton, N. J.	Leavitt	Simmons
Bachmann	Englebright	Lehlbach	Smith, Idaho
Bacon	Estep	Loofbourow	Snell
Baldrige	Evans, Calif.	Lovette	Snow
Barbour	Foss	Luce	Sparks
Beck	Frear	McClintock, Ohio	Stalker
Beedy	Gibson	McFadden	Stokes
Bohn	Gifford	McGugin	Strong, Kans.
Bolton	Golder	McLaughlin	Summers, Wash.
Bowman	Goodwin	McLeod	Swanson
Brand, Ohio	Goss	Maas	Swick
Britten	Guyer	Manlove	Swing
Buckbee	Hadley	Mapes	Taber
Burdick	Hall, Ill.	Martin, Mass.	Taylor, Tenn.
Butler	Hall, N. Dak.	Michener	Temple
Cable	Hancock, N. Y.	Millard	Thatcher
Campbell, Pa.	Hardy	Montet	Thurston
Carter, Calif.	Haugen	Moore, Ohio	Tilson
Carter, Wyo.	Hawley	Mouser	Timberlake
Cavicchia	Hess	Nelson, Me.	Tinkham
Chase	Hoch	Niedringhaus	Treadway
Chindblom	Hogg, W. Va.	Nolan	Turpin
Chiperfield	Holaday	Overton	Wason
Christopherson	Hollister	Parker, N. Y.	Watson
Clague	Holmes	Partridge	Weeks
Clancy	Hooper	Perkins	Welch, Calif.
Clarke, N. Y.	Hope	Person	Welsh, Pa.
Cole, Iowa	Hopkins	Pittenger	White
Colton	Horr	Pratt, Ruth	Whitley
Connery	Houston, Del.	Purnell	Wigglesworth
Cooke	Hull, William E.	Ramseyer	Williamson
Cooper, Ohio	Jenkins	Ransley	Wolcott
Coyle	Johnson, S. Dak.	Reed, N. Y.	Wolfenden
Crail	Johnson, Wash.	Reid, Ill.	Wolverton
Crowther	Kading	Rich	Wood, Ind.
Culkin	Kahn	Robinson	Woodruff
Curry	Kendall	Rogers, Mass.	Yates
Dallinger	Kinzer	Sanders, N. Y.	

NOT VOTING—58

Abernethy	De Priest	Hornor	Nelson, Wis.
Andresen	Dowell	Hull, Morton D.	Owen
Bloom	Drane	Igoe	Pratt, Harcourt J.
Boylan	Erk	Jeffers	Selvig
Brumm	Finley	Johnson, Ill.	Steagall
Burtness	Fish	Kelly, Pa.	Stevenson
Byrns	Fishburne	Ketcham	Strong, Pa.
Canfield	Flannagan	Kleberg	Sullivan, Pa.
Celler	Free	Kurtz	Sumners, Tex.
Chapman	Freeman	Larrabee	Tucker
Chavez	French	Lewis	Underhill
Cochran, Pa.	Garber	Linthicum	Wood, Ga.
Collier	Harlan	Ludlow	Wyant
Connolly	Hartley	Magrady	
Crowe	Hogg, Ind.	Murphy	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Byrns (for) with Mr. French (against).
Mr. Drane (for) with Mr. Wyant (against).
Mr. Bloom (for) with Mr. Burtness (against).
Mr. Lewis (for) with Mr. Connolly (against).
Mr. Tucker (for) with Mr. Free (against).
Mr. Boylan (for) with Mr. Hartley (against).
Mr. Linthicum (for) with Mr. Murphy (against).
Mr. Stevenson (for) with Mr. Underhill (against).
Mr. Collier (for) with Mr. Pratt (against).
Mr. Steagall (for) with Mr. Finley (against).
Mr. Canfield (for) with Mr. Brumm (against).
Mr. Wood of Georgia (for) with Mr. Erk (against).
Mr. Crowe (for) with Mr. Dowell (against).
Mr. Harlan (for) with Mr. Fish (against).
Mr. Kleberg (for) with Mr. Andresen (against).
Mr. Chapman (for) with Mr. Kelly of Pennsylvania (against).
Mr. Celler (for) with Mr. Hogg of Indiana (against).
Mr. Flanagan (for) with Mr. Ketcham (against).
Mr. Jeffers (for) with Mr. Strong of Pennsylvania (against).
Mr. Igoe (for) with Mr. DePriest (against).
Mr. Abernethy (for) with Mr. Morton D. Hull (against).
Mr. Chavez (for) with Mr. Freeman (against).
Mr. Owen (for) with Kutrz (against).
Mr. Summers of Texas (for) with Mr. Garber (against).
Mr. Fishburne (for) with Mr. Selvig (against).
Mr. Ludlow (for) with Mr. Cochran of Pennsylvania (against).
Mr. Larrabee (for) with Mr. Magrady (against).
Mr. Hornor (for) with Mr. Johnson of Illinois (against).

Mr. NELSON of Wisconsin. Mr. Speaker, I was in the hall talking to my colleague and did not hear my name called.

The SPEAKER. The Chair does not think the gentleman qualifies.

Mr. NELSON of Wisconsin. Mr. Speaker, I did not understand the ruling of the Chair.

The SPEAKER. This is the first time the present occupant of the chair has had to rule on this question. The

Chair has consulted the Parliamentarian and is advised that the Member in order to qualify must answer the question: "Was the gentleman in the hall listening when his name was called" in the affirmative. The gentleman made the statement that he was in the hall, but that he was talking to his colleague when his name was called.

Mr. NELSON of Wisconsin. I was here listening, except temporarily when I was talking to my colleague.

Mr. SNELL. Mr. Speaker, I think the Chair is going pretty far in this ruling.

The SPEAKER. If the gentleman will say he was in the Hall listening when his name was called, the gentleman will qualify.

Mr. NELSON of Wisconsin. I was listening all the time except that moment perhaps.

The SPEAKER. Then the gentleman was not listening when his name was called.

Mr. NELSON of Wisconsin. I would have voted "no," so let it go at that.

The SPEAKER. The Chair wants to be absolutely fair. When he asked the gentleman if he was in the Hall listening when his name was called he must answer "yes"; otherwise he does not qualify.

Mr. CONNOLLY. Mr. Speaker, I wish to vote "no." I was in the telephone booth in the cloakroom when my name was called.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

On motion of Mr. CRISP, a motion to reconsider the vote by which the resolution was passed was laid on the table.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. BLACK. Mr. Chairman, I offer a perfecting amendment.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. I would like to inquire the status of the parliamentary situation when we adjourned last night.

The CHAIRMAN. The gentleman from Massachusetts [Mr. MCCORMACK] offered an amendment to strike out certain sections. Debate has been closed and that amendment is now pending. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 4, line 20, after the word "enacted" insert "*Provided*, That such employees shall be paid in addition to their regular salaries the equivalent salary for the added half day's work."

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order that the amendment is designed to increase the expenditures of the Government rather than to decrease them. It is therefore not germane to the bill or to the title now under consideration.

The CHAIRMAN. The gentleman from New York is recognized on the point of order.

Mr. BLACK. Mr. Chairman, the bill provides for an additional half day's work by Federal employees. My amendment provides that because of the half day's work additionally imposed upon Federal employees they shall be paid for that half day's work a sum equivalent to the half day's work. I think my amendment is absolutely germane to the section.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule. The whole purpose and tenor of the amendment offered by the gentleman from Alabama [Mr. MCDUFFIE] is to effectuate economies in government. The amendment offered by the gentleman from New York [Mr. BLACK] would provide for an increase in expenses, and consequently of appropriations, were it attached to this bill.

The Chair, therefore, sustains the point of order.

Mr. BLACK. Mr. Chairman, I move to strike out paragraph (a) of section 105.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. When the committee recessed last evening there was a point of order pending, at the time the gentleman from Alabama moved that the committee rise. I am sure the Journal will show that there was a point of order pending at the time.

The CHAIRMAN. Will the gentleman state what point of order was pending?

Mr. DYER. The point of order that was made was that debate upon the amendment offered by the gentleman from Massachusetts had been exhausted.

The CHAIRMAN. And the Chair sustained the point of order before the committee rose.

Mr. DYER. The RECORD does not show that fact. The Journal may show it, but the RECORD does not.

The CHAIRMAN. The Chair will again sustain it, as he did last night. Debate is closed on the amendment offered by the gentleman from Massachusetts. The gentleman from New York now offers an amendment, which the Clerk will report.

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. If debate is closed on the amendment offered by the gentleman from Massachusetts, would not the regular order be a vote upon that amendment?

The CHAIRMAN. The amendment offered by the gentleman from New York, as the Chair understands, is a perfecting amendment. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 4, line 14, strike out paragraph (a).

Mr. BLACK. Mr. Chairman, the law giveth and the law taketh away—cursed be the name of the law. That should be the text for this bill.

For years by law we have been building up for the Federal employees a salary schedule that meant a livable status, and overnight by this bill we would reduce them to a condition akin to slavery. We cut them in salaries 11 per cent, and then force an extra one-half day's work on them without pay, in effect giving them a 20 per cent cut.

President Hoover, in his speech of acceptance at Palo Alto, promised workmen plenty of leisure. That promise he has kept too well as far as the jobless are concerned. As far as the Federal employees are concerned, he would take away the little leisure they have.

The Government by this bill is adding to the fallacy of no work, no play, by stating it no work, no play, no pay.

Yesterday it pained me to hear that distinguished humanitarian, WILL WOOD, insist on doing away with the half holiday on Saturday, but he has always been against luxuries.

One time he thought Hoover was a luxury. Luxury is complimentary compared to what WOOD really thinks his semi-Democratic chief is to-day. But WILL WOOD is game; he would prove Old Nick himself was Sir Galahad if he had the Republican nomination.

The two major parties in the face of the depression are as strong as a corporal's guard. This bill, representing the combined effort of the White House and Capitol to coax the prosperity mouse from around the corner is not even a good piece of cheese.

This bill proves that there is a world of difference between economics and economy. What a chance there is for a third party! With the Federal employees and taxpayers singing, "Why don't you take all of me," with the Republicans crooning, "Deficit stay away from my door," and the Democratic leaders acting like "Minnie the Moocher, kicking the gong

around," what a chance for a liberal party with a wet anthem, "My country, 'tis of thee, sweet land of liberty." [Laughter and applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The question was taken, and a division was demanded by Mr. McCORMACK.

Mr. McCORMACK. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOUGLAS of Arizona and Mr. McCORMACK.

The committee divided; and there were—ayes 141, noes 118.

So the amendment was agreed to.

Mr. RAMSEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSEYER: Strike out all of sections 101, 102, 103, 104 of Title I of the McDuffie amendment and insert in lieu thereof the following:

TITLE I—FURLOUGH OF FEDERAL EMPLOYEES

FURLOUGH PROVISIONS

SECTION 101. During the fiscal year ending June 30, 1933:

(a) The days of work of a per diem officer or employee receiving compensation at a rate which is equivalent to more than $1,500 per annum shall not exceed five in any one week, and the compensation for five days shall be ten-elevenths of that payable for a week's work of five and one-half days: *Provided*, That nothing herein contained shall be construed as modifying the method of fixing the daily rate of compensation of per diem officers or employees as now authorized by law: *Provided further*, That where the nature of the duties of a per diem officer or employee render it advisable, the provisions of subsection (b) may be applied in lieu of the provisions of this subsection.

(b) Each officer or employee receiving compensation on an annual basis at the rate of more than $1,500 per annum shall be furloughed without compensation for one calendar month, or for such periods as shall in the aggregate be equivalent to one calendar month, for which latter purpose 24 working days (counting Saturday as one-half day) shall be considered as the equivalent of one calendar month: *Provided*, That where the nature of the duties of any such officer or employee render it advisable, the provisions of subsection (a) may be applied in lieu of the provisions of this subsection.

(c) The compensation paid any officer or employee to whom this section applies shall, notwithstanding the provisions of this section, be an amount not less than an amount calculated at the rate of $1,500 per annum.

SEC. 102. No officer or employee shall be exempted from the provisions of subsections (a) and (b) of section 101, except in those cases where the public service requires that the position be continuously filled and a suitable substitute can not be provided, and then only when authorized or approved in writing by the President of the United States.

SEC. 103. All rights now conferred or authorized to be conferred by law upon any officer or employee (whose compensation is at a rate of more than $1,500 per annum) to receive annual leave of absence with pay are hereby suspended during the fiscal year ending June 30, 1933.

DEFINITIONS

SEC. 104. When used in sections 101, 102, and 103 of this act:

(a) The terms "officer" and "employee" mean any person rendering services in or under any branch or service of the United States Government or the government of the District of Columbia, but do not include (1) officers whose compensation may not, under the Constitution, be diminished during their continuance in office; (2) Senators, Representatives in Congress, Delegates, and Resident Commissioners; (3) officers and employees on the rolls of the Senate and House of Representatives; (4) carriers in the Rural Mail Delivery Service; (5) policemen and firemen of the District of Columbia; and (6) commissioners of the United States Shipping Board, members of the Federal Farm Board (except the Secretary of Agriculture), members of the International Joint Commission, United States section, or members of the Board of Mediation.

(b) The term "compensation" means any salary, pay, wages, allowance (except allowances for subsistence, quarters, heat, light, and travel), or other emolument paid for services rendered, but does not include (1) retired pay included within section 106; (2) payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of officers or employees; (3) compensation the amount of which is expressly fixed by international agreement; or (4) compensation paid under the terms of any contract in effect on the date of the enactment of this act if such compensation may not lawfully be reduced.

COMPENSATION REDUCTIONS IN SENATE AND HOUSE OF REPRESENTATIVES

SEC. 105. During the fiscal year ending June 30, 1933:

(a) The salaries of the Vice President, the Speaker of the House of Representatives, Senators, Representatives in Congress, Delegates and Resident Commissioners are reduced by 10 per cent.

(b) The allowance for clerk hire of Representatives in Congress, Delegates, and Resident Commissioners is reduced by 8.3 per cent.

(c) The rate of compensation of any person on the rolls of the Senate or of the House of Representatives (other than persons included within subsection (a), if such compensation is at a rate of more than $1,500 per annum, is reduced by 8.3 per cent. This subsection shall not apply to session employees or to persons whose compensation is paid out of sums appropriated for clerk hire of Representatives in Congress, Delegates, and Resident Commissioners. As used in this subsection the term "compensation" shall have the meaning assigned to such term in section 104(b).

(d) This section shall not reduce below $1,500 per annum the rate of compensation of any person to whom this section applies.

RETIRED PAY

SEC. 106. During the fiscal year ending June 30, 1933, the retired pay of judges and the retired pay of all commissioned, warrant, enlisted, and other personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Lighthouse Service, and the Public Health Service, if such retired pay is at a rate of more than $1,500 per annum, shall be reduced by 8.3 per cent. This section shall not reduce below $1,500 per annum the rate of retired pay of any person to whom this section applies.

RURAL CARRIERS' EQUIPMENT ALLOWANCE

SEC. 107. During the fiscal year ending June 30, 1933, payments for equipment maintenance to carriers in the Rural Mail Delivery Service shall be three-eighths of the amount now provided by law.

GOVERNMENT CORPORATIONS

SEC. 108. In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of sections 101, 102, and 103 to offices, positions, and employments under such corporation and to officers and employees thereof.

Mr. RAMSEYER. Mr. Chairman——

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield for a moment?

Mr. RAMSEYER. Yes.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that all debate on this substitute be closed within one-half hour.

Mr. COCHRAN of Missouri. Mr. Chairman, I object.

Mr. SNELL. I did not understand the request.

Mr. McDUFFIE. The request was that we use 30 minutes in discussing this substitute.

Mr. RAMSEYER. Let us make the request plain, and I want the gentleman from Missouri to listen. This is not to shut off amendments or to shut off debates on amendments. The request is in the nature of having so much time for general debate on this proposition.

Mr. COCHRAN of Missouri. The unanimous-consent request refers only to the gentleman's amendment and not to any amendments thereto.

Mr. RAMSEYER. That is correct.

Mr. COCHRAN of Missouri. If that is the case, I withdraw the objection.

Mr. LaGUARDIA. Is the gentleman's request for 30 minutes on the substitute offered by the gentleman from Iowa alone?

Mr. McDUFFIE. That is the request. If that is not satisfactory to the gentleman from Iowa, and the gentleman feels he must have 30 minutes' general debate on this item alone, I am perfectly willing to agree to it. However, gentlemen, we can not be too lenient in debate here if we hope to get through with this bill this week.

Mr. RAMSEYER. There are requests for more time from several Members on this side, and I am wondering if we can not make it 30 minutes to the side, with the Chair to control the time, of course—30 minutes for the amendment and 30 minutes opposed to the amendment.

Mr. McDUFFIE. That does not include any debate on any other amendments?

Mr. RAMSEYER. No; in other words, we would have one hour of debate on this substitute.

Mr. McDUFFIE. It seems to me that is quite a long time.

Mr. SNELL. As a matter of fact, we need more time. This is the main provision in the bill.

Mr. McDUFFIE. Some people think otherwise.

Mr. SNELL. It is one of the main provisions in the bill, and we must have some time to discuss it.

Mr. McDUFFIE. That may be true in the opinion of the gentleman from New York, but some people think there are other important provisions in the bill.

Mr. SNELL. I said it was one of the main provisions in the bill, or I meant to say that, anyway.

Mr. McDUFFIE. I wonder if we could not make it 40 minutes.

Mr. WILLIAMSON. Mr. Chairman, I want 10 minutes, if I can get it, to discuss this matter. I have not taken up any time in this debate.

Mr. McDUFFIE. We are quite anxious to hear from the gentleman from South Dakota.

Mr. SNELL. We have requests definitely for 35 minutes over here.

Mr. McDUFFIE. We have requests for one hour and a half over here definitely; but if we are going to accede to all requests, we will be here until Christmas.

Mr. SNELL. But the general understanding when we started was that while we would only have two hours on the bill in general debate, when we came to the amendments there would be reasonable time allowed to discuss them.

Mr. RAMSEYER. The gentleman understands that under the 5-minute rule if some one objects, the debate is limited to 10 minutes. I hope the gentleman will accede to my suggestion. On the next four or five titles I am almost sure there is going to be very little demand for general debate.

Mr. McDUFFIE. Very well; we will go along with the gentleman. The request, Mr. Chairman, is that we have one hour of general debate on this amendment.

The CHAIRMAN. The gentleman, of course, means one hour of debate under the 5-minute rule.

Mr. McDUFFIE. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. LaGUARDIA. Mr. Chairman, reserving the right to object, I am not, of course, going to object, but so there may be no misunderstanding, the gentleman from Missouri [Mr. COCHRAN], as I understand, has an amendment to the substitute which he intends to offer; is that correct?

Mr. COCHRAN of Missouri. That is true.

Mr. LaGUARDIA. That will take some time for discussion, and I have an amendment that, as I understand it, is not included.

Mr. McDUFFIE. No. Let us have an understanding. I want to keep faith with my colleagues, but I thought we might dispose of this within an hour.

Mr. RAMSEYER. I do not know how many amendments are to be offered, but they are of such a character that they have to be explained and answered. This is the main amendment, so far as I know; and as far as I know there will be 30 minutes on this amendment, and the rest of the discussion will be on amendments to the amendment.

Mr. McDUFFIE. That will mean 20 minutes to 4 before we take up anything further. I am willing to proceed, for we all want to be fair. The gentleman will realize that if we do not limit debate we can not finish the bill this week or the week after.

Mr. RAMSEYER. After the hour there will be only five minutes to each amendment on a side. An hour is not a very long time considering that the provisions affect a million Government employees—in fact, all the employees in the country.

Mr. BRITTEN. Reserving the right to object, the gentleman realizes that one hour is not a long time. If it is divided into four parts it is only 15 minutes for four Members, two on each side. That is a very limited debate for an amendment as important as this.

Mr. McDUFFIE. It is not my desire to unduly limit the discussion of the staggering plan of the President. I want to keep faith, and I think, Mr. Chairman, I will ask unanimous consent that we have an hour—thirty minutes on each side.

The CHAIRMAN. The Chair understands that this one hour is exclusively on the amendment proposed by the gentleman from Iowa. Is there objection?

Mr. BRITTEN. Reserving the right to object, do I understand that the time will be divided equally between those for and those opposed to the amendment?

The CHAIRMAN. It will be entirely within the province of the Chair, and the Chair as far as possible will try to divide the time equally between those favoring and those opposed to the amendment. Is there objection?

There was no objection.

Mr. RAMSEYER. Mr. Chairman, I addressed the House last night on this proposal, and I am not going to take over five minutes now. I merely want to explain to you in a general way what this amendment does.

The bill (H. R. 11597) was offered as an amendment by the gentleman from Alabama [Mr. McDUFFIE]. The first title of the McDuffie bill is "Compensation reduction of Federal employees." The first four sections of the bill have to do with the 11 per cent pay cut proposal.

Now, there are other sections in the title that are not related directly to the pay-cut plan. My amendment strikes out the first four sections and inserts in lieu thereof the furlough plan.

These are the first four sections of the bill, and I move to strike them out and insert in lieu of these sections the furlough plan, and cut out of the committee print those portions which are foreign to the furlough plan.

The furlough plan, section 101 of the bill, relates to per diem employees, and it establishes the principle of the 5-day week. The pay is in proportion to the reduction in time. That is paragraph (a) of section 101. Paragraph (b) of section 101 deals with the compensation of annual employees, and they are virtually placed on a 5-day week, in that for one month in the year they are given a furlough without pay. So it establishes the principle of the 5-day week in the Government service.

Mr. McDUFFIE. Of course, it can not apply to the legislative branch. We have to leave that system and go to the pay-cut system.

Mr. RAMSEYER. Certainly. This amendment does not affect any employee who receives less than $1,500. No employee will be affected who receives compensation at the rate of less than $1,500 per annum.

Mrs. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mrs. ROGERS. Am I correct in assuming that if this furlough plan is not adopted many of the employees of the Government would be dismissed?

Mr. RAMSEYER. There is no question about that; if the appropriation bills keep on being cut as they have been in the Senate, it will throw many Government employees out on the street without jobs. This plan, as I explained last night, will save many employees that I am sure will be without jobs if the furlough plan is not adopted.

Mr. McDUFFIE. Will the gentleman tell us why?

Mr. RAMSEYER. Because the time is reduced, and it furnishes opportunity for substitute workers, as I pointed out, in the Postal Service. Section 104 of my amendment is devoted to definitions and compensation. Section 105 has to do with the salaries of Members of the House, Resident Commissioners, and so forth, and they are reduced a flat 10 per cent. The clerks and employees of the House and Senate are reduced 8.3 per cent—in other words, one-twelfth—and it puts them on the same basis as the Government employees. The retired pay is taken care of in section 106, and the persons who receive retired pay, except persons who contributed to the fund from which they draw retirement pay, are cut 8.3 per cent, or one month. Section 107 has to do with rural carriers, and section 108 with employees of corporations whose stock is owned by the Government, and employees there are put under the furlough plan.

Mr. Chairman, under leave to extend my remarks, I submit for printing in the RECORD the following statement:

WHY THE FURLOUGH PLAN SHOULD BE ADOPTED

1. It maintains the standard of living established by the Government among its own employees, with the mere temporary concession on their part that they are to take their holidays without pay. It does not permit private industry to use the pay cut to Federal employees as an excuse for further bearing down on the standards of living of the Nation. Federal employees have not

been increased in the ratios of private industry and private occupations. The greater security of Federal employment is perhaps some compensation. Private business and industry should not be given the lead and the moral background by the Government for pay cutting which is unwarranted and uneconomical to the whole community.

2. Under the persuasion of the Government private industry early in the depression undertook to stagger employment in order that all employees might receive some income and should be held from the obligation of the local communities to provide for their destitution. The Government, having asked this service of industry, makes a poor showing to-day to be dismissing its employees right and left without doing for them the same service of dividing the amount of work which remains among the total number of its employees. For the Government to thrust 60,000 to 80,000 people into the pool of unemployment and at the same time appropriate money for public works in aid of unemployment is unjust and illogical. The inhumanity and sheer malevolence of increasing the burden of the local communities with a vast number of Federal Government employees will bring upon the Federal Government not only the censure of these communities but the just claim from them that it should provide for the destitution created by this unnecessary action.

3. There is bound to be a great reduction in our governmental expenditures. The President's Budget when sent to Congress provided for $369,000,000 reduction. Our Appropriations Committees are engaged in making further reductions. These reductions will all be expressed in the dismissal of employees. You can not reduce Government functions without reducing Government personnel, but in order to meet this situation the President has made the humane suggestion that the remaining work in the Government should be divided amongst the whole governmental staff in order that there should be no increase in destitution at the hands of the Government.

4. As a matter of fact, it is reported by administration officials that in order to work the administration's furlough plan it will be necessary to take on some minor number of substitutes and provide them with at least part-time employment. So the plan proposed not only prevents increase in destitution in the country; it actually diminishes the amount of dependency which our local communities are compelled to support. We would call the attention of the Members to the fact that appropriation bills which have been passed by this House carry for public works and maintenance some $440,000,000. The only justification for this public-works program is that we should create employment; yet here on the one hand we propose to dismiss a vast number of Government employees and on the other hand hire other people with Government money.

5. The plan as proposed produces as great economy as the straight pay cut. In fact, it provides something more. Therefore it has a greater advantage from the point of view of expenditures.

6. If this Nation is to recover from this depression, it can not make progress by deliberately increasing destitution on one hand and by lowering the standards of income of the people on the other. It is true we must reduce the expenditures of the Government, and here is a statesmanlike plan by which we avoid the major difficulties which the problem presents to us.

7. To any student of American life, there must be a realization that the vast speed with which we have mechanized our people has contributed to this depression in the amount of unemployment that has arisen through the rapid application of labor-saving devices. One of the soundest methods proposed for aid in recovery from this depression is to decrease the number of hours so as to spread the area of employment. The President, in proposing the plan that the Government should adopt a 5-day week or the equivalent thereof is setting up the fing of leadership by the Federal Government in a most important change in our economic system. It is one in support of which every labor leader in the United States should rise. It is one to which every single person who hopes for the ultimate recovery of America must give thought and attention. It is the business of the Government in the conduct of its affairs to establish the moral and economic standards of leadership for the country as a whole. This whole idea of the straight pay cut, the dismissal of thousands of Government employees is the most medieval and heartless action ever proposed by any government that claims to have the enlightenment of the American Government.

The provisions of sections 101 to 104, inclusive, in the substitute draft of Title I are designed to secure a reduction in the pay roll of the Federal Government in the most equitable way possible and with the least injury to the Government service and the interests of the public. They were designed to afford practically equivalent treatment to different groups of employees who, for practical reasons, it seemed necessary to handle on a different basis.

On construction and manufacturing projects where the bulk of the pay roll is on a per diem basis the most practicable solution seemed to be the adoption of a 5-day week, cutting off the Saturday morning work and correspondingly reducing pay—that is, by one-eleventh. The one-eleventh was arrived at on the basis that the employee now works 5½ days, or 11 half days, and that cutting off one-half day of work would be cutting off one-eleventh of the time worked and a corresponding reduction of pay would be one-eleventh of the pay now received.

In the majority of the office groups where the work involves more or less contact with private concerns and individuals, the closing of the office on Saturday morning throughout the Government service did not appear to be practicable, but approximate equality of treatment would be afforded by providing for furlough without pay for one calendar month or for such scattered periods as would be in the aggregate equivalent to one calendar month, for which purpose a calendar month would be considered 24 working days (counting Saturday as one half day).

The provision that all rights to annual leave of absence with pay be suspended during the fiscal year ending June 30, 1933, is an integral part of this proposal, the practical effect of the whole plan being the substitution of a furlough without pay for annual leave with pay, so far as annual employees are concerned.

Rural mail carriers would be exempted from the application of all of these provisions, and in place of them the allowance for equipment maintenance would be reduced during the fiscal year ending June 30, 1933, to three-eighths of that now provided by law. Provision is made that this shall not apply to employees receiving $1,200 per year or less and that no employee shall be reduced below that figure.

The estimated saving under this plan has been calculated on the following basis: From the total pay roll of $1,315,690,000 there have been deducted the amounts of the pay rolls for the following employees:

Pay of employees receiving $1,200 per year or less	$228,000,000
Policemen and firemen in the District of Columbia	5,331,000
Postal Service employees (estimated separately)	520,363,000

A total of $753,694,000, which leaves a balance of $561,996,000. As information is not available regarding the number of per diem employees receiving $1,200 a year or less, a split of this $561,996,000 between per diem employees and annual employees could not be made, and consequently the amount to be multiplied by one-twelfth and the amount to be multiplied by one-eleventh in computing the saving is not known. However, multiplying the entire sum by one-twelfth gives a figure of $46,833,000, which is a smaller amount than would be obtained if one-eleventh were applied to that portion of the pay roll covering per diem employees, and this smaller figure has been used for the sake of conservative estimating.

The Postmaster General has estimated with regard to Postal Service employees that after making allowance for necessary substitutes to take the place of employees furloughed without pay in order to maintain the Postal Service, the reduction in pay roll accomplished by this plan would amount to $24,568,465.

Adding the $46,833,000 and the $24,568,465 gives a total saving of $71,401,465, exclusive of the reduction of vehicle maintenance allowances to rural mail carriers, which is estimated at $10,312,500. As this latter is a part of the plan submitted, and in lieu of the provisions for furloughing or 5-day week, it should be added to the $71,401,465, making a total estimated saving of $81,713,965.

Information is not available to estimate accurately the savings on the legislative branch of the Government, but allowing for a few necessary substitutes it is believed that the total savings would amount to at least $83,000,000.

WM. R. WOOD.
WILLIAM WILLIAMSON.
C. W. RAMSEYER.

Mr. CONNERY. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Chairman, I have taken five minutes at this time to announce that if the House votes down the Ramseyer amendment I expect to ask recognition of the Chair to move to strike out Title I. In other words, now that we have fixed up the Saturday-afternoon proposition, have put a $2,500 exemption in, I think we ought to do a good job and not cut anybody's wages in the Government.

I would like to call the attention of the House to the following: The Chestnut Farms Dairy, a milk concern in the city of Washington, I am reliably informed, have given out notices to their employees that beginning with the 1st of April their employees are to take an 11 per cent cut. Here we have the significant 11 per cent cut patterned after Congress. We have the 15 per cent cut of the Steel Corporation, but this is the first time that we have had an 11 per cent, showing that all of the industries now are watching us here, and that as soon as we put through this 11 per cent they are going to put a general 11 per cent cut through in every industry in the United States.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAMSON. But there is an exemption, of course, in the Government cut of $1,000, and the cut applies only on amounts above that sum, while in industry they do not get any exemption.

Mr. CONNERY. Oh, we have a $2,500 exemption; but I am against any pay cuts for reasons that I have already told the House. I believe this is just an invitation to private industry to cut and slash again and again. I have listened to the debates in this House, and no one has convinced me yet of the wisdom of cutting Federal employees' pay. If we do, and it is followed by cuts in industry all through the United States, where are the people going to get any money to buy the manufactured and farm products and bring back prosperity?

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAM E. HULL. If these cuts keep going through the Senate of 10 per cent, that will turn the men entirely out, and why not pass this so that we can keep those men at work.

Mr. CONNERY. They can keep them at work if they want to. Why do not they start public construction; why not give the people work in the United States instead of cutting the Federal wages, and putting Washington on the dole system just like every other city in the United States.

Mr. WILLIAM E. HULL. What I am trying to bring before the House is this: That if they make 10 per cent cuts in the Senate and we adopt them here, it will throw 30,000 men out of employment in the Mail Service; but if we pass this amendment, we will have something to keep those men at work.

Mr. CONNERY. If we show the other body that we do not intend to have any cut, it will make a great deal of difference. Let us consolidate the Army and the Navy. What about the $7,000,000 that the House cut out for the Rogers-Clark monument, and the Indian affair claims that do not need to be put into effect at the present time? We cut it out in the House and the Senate put it back again—$7,000,000. It came back to the House, and the House sent it to the President without any conference. If that is economy, then show me.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. LAGUARDIA. And will happen if the Senate cuts 10 per cent, as in the Interior appropriation bill, and this House goes through with it. There will be nothing left for the employees. That is the danger that we have to avoid, and that has happened on the Interior appropriation bill. That is already passed, and the President has signed it with an arbitrary 10 per cent reduction.

Mr. CONNERY. And with no chance to find out what happened to the $7,000,000 economy plan. You talk about the 10 per cent. Why not save money at the expense of something that does not need to be done at this time and not take it out of already underpaid Government workers? Why do we not put some men to work? Why do we not start public construction and let the people have money to pay the butcher, the baker, and the candlestick maker, and start prosperity again, and not be catering and pandering to the propaganda of the big-moneyed interests? It was said last night, "The eyes of the Nation are on us." I was home last week and I told them about the eyes of the Nation, and I told them I was not going to cut anybody's salary, including the salaries of Congressmen, and I told them why, and they said, "You are right." I will take my chances.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILLIAMSON. Mr. Chairman, I rise in favor of the amendment.

I ask unanimous consent to proceed for 10 minutes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. WILLIAMSON. Mr. Chairman, I want to call to the attention of the committee some matters that I think will be of interest to all the Members in connection with the President's proposed staggering plan.

In 1913 the total tax burden in the United States, including local, State, and Federal, was $2,187,000,000, or 6.4 per cent of the national income. In 1923 it was $7,234,000,000, or 10.1 per cent of the national income. In 1930 the total tax load was $10,251,000,000, or 14.4 per cent of the national income. This meant a per capita tax in 1913 of $22.60 and in 1930, $83.21.

In addition to this, local, State, and National Governments incurred indebtedness during the years 1913 to 1930 totaling $30,200,000,000, which must be added to the taxes collected to make up the staggering total cost of government for the period.

That overwhelming expenditure, together with the inability of the people to carry the tax load, has focused the attention of the country on the absolute necessity for economy in governmental expenditures. Governments can not continue to go on and spend 25 per cent of the national income. Such extravagance is bound to be repudiated at the polls. It is intolerable, and means confiscation, and in the end socialization of all tangible property.

Now, there is only one way to remedy this situation, and that is to cut the overhead in local, State, and National Governments. On yesterday this committee cut the savings of $57,000,000, which the committee plan carried in the reduced salary schedules for the fiscal year of 1933, to a point where the saving is now only $9,104,000. That means that yesterday's action cut from the amendment approximately $48,000,000.

This morning Members struck from the amendment the half-holiday provision. That reduces the saving an additional $9,000,000. That means, Mr. Chairman, that so far as Title I of the committee amendment is concerned, there is little saving left.

There is one matter which I think the Members have overlooked, and that is the fact that if the Senate continues with its 10 per cent reduction program for all appropriation bills which it is the general understanding that it intends to do, there will be thrown out of employment from seventy to eighty thousand people who are now in the Government service. In other words, it is simply a question of whether we will stagger the employees or whether we will put from seventy to eighty thousand of them upon the streets with no chance to get employment. That is the issue that faces this committee and Congress.

Permit me to call your attention to what will happen under these cuts. The Interior Department was referred to last night by the gentleman from Idaho [Mr. FRENCH]. The Interior Department has been cut to a point which will result in throwing some 2,000 employees upon the streets by July 1 in that department. In the Department of Agriculture, under the cuts contemplated, we will lose a total of 4,470 employees. The Commerce Department will lose 2,591; the Justice Department 900; the Labor Department 616; the Navy Department 9,000.

In the Post Office Department, in which all of us are interested probably more than any other, 41,792 people will have to be discharged. The Treasury Department will lose 6,172 people; the State Department, 456; the War Department, 7,600; the District of Columbia, 1,283; the Veterans' Administration, 4,000. The total loss in the Government service, if the 10 per cent reduction by the Senate prevails, according to the estimates made by the Bureau of the Budget, sent here this morning, will be 81,743 men and women. The estimates made by the Budget are, of course, approximations, based upon what the Senate has so far done and the announcement of the leaders as to policy. It is clear, however, that a very serious situation has been developed from the

standpoint of the Government employee. It is about as certain as that night follows day that the cuts in the appropriations will be made in the Senate, and it is equally certain that such cuts will be approved by the House. There will be a chance under the furlough plan to take care of that situation by putting employees on a 5-day week, and what is equivalent to it for those who are paid upon an annual basis. It means that per diem will be paid in full for five days in place of five and one-half days, as now. Employees paid on an annual basis will be furloughed for 30 days without pay or for 24 working days, including half holidays. That is all there is to the furlough plan when stripped of the technical language of the amendment.

Mr. McDUFFIE. Will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. McDUFFIE. Who is going to do the work of the employees who are furloughed for 30 days?

Mr. WILLIAMSON. Well, the gentleman knows that they take 30 days' leave now, and the average leave to-day is 28 days, which is more than the furlough plan provides for. They are not doing the work now. It means they will do just as much work as they are doing now but will be paid only for the time they work. We will save the difference between five days and five days and a half in pay and one month's pay of every employee in the Government service.

This saving will make it possible to meet the Senate reductions without dismissing thousands of men now in the service. At the same time there will be a substantial reduction of force by death, resignation, and retirement, as no new appointments can be made except when indispensably necessary.

Mr. McDUFFIE. The plan contemplates doing away with all annual leave?

Mr. WILLIAMSON. It does not do away with the annual leave. They get it, but they get it without pay.

Mr. McDUFFIE. Then they are away two months?

Mr. WILLIAMSON. No, no. We have not provided for anything of the kind. It makes it compulsory to take the regular annual leave of 30 days without pay. They now get paid for that time. By denying pay for leave some $75,000,000 will be saved under the Ramseyer amendment.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. WILLIAMSON. I can not yield now. I only have 10 minutes.

It seems to me there can not be any question as to the wisdom of adopting the amendment of the gentleman from Iowa [Mr. RAMSEYER]. There is nothing left of the pay-cut plan. In other words, there is not going to be any saving of consequence in the pay-cut plan as it now stands. Because it represents little saving, it does not afford a basis for absorbing Senate slashes except by wholesale dismissals. The furlough plan will largely cushion these reductions and enable the Government to function.

It means, in other words, a staggering plan which will keep these people at work on a part-time basis and save many of them from becoming public charges.

Now, let us look at the rural-carrier situation and see what is going to happen there. If the appropriations in the Senate are cut as contemplated and approved by the House, it means a loss of 8,000 and a corresponding curtailment of service. Eighteen thousand carriers will be stricken from the lists in the cities. Your village carriers will have to be reduced by 1,000 and railway postal clerks by 2,200. Unless this plan is adopted, you are going to take out of employment a vast army which will be thrown upon the communities of the Nation. Unable to find employment under present conditions, many of them will become objects of charity. You can save these men and prevent the demoralization of the Government service by accepting the President's furlough plan. I hope the amendment is adopted. [Applause.]

Under leave to extend I append the following tables, which have been prepared by the Budget and which are self-explanatory. They are as accurate as available data make possible:

Estimated number of employees who will have to be discharged if the present Senate policy of reducing appropriations 10 per cent below the amounts passed by the House of Representatives prevails and savings effected by the furlough system or pay cut are not available to apply in absorbing in part at least such reductions

Department	Permanent	Temporary	Prospective temporary [1]	Total
Agriculture	1,598	2,872		4,470
Commerce	1,785	278	528	2,591
Interior	723	145	1,135	2,003
Justice	900			900
Labor	616			616
Navy	9,000			9,000
Post Office [2]	41,792			41,792
Treasury	6,000	80	92	6,172
State	456			456
War	5,800	1,800		7,600
District of Columbia	957	326		1,283
Veterans' Administration	4,000			4,000
Interstate Commerce Commission	289			289
General Accounting Office	245	5		250
Public Buildings and Grounds	200	38	83	321
Total	74,361	5,544	1,838	81,743

[1] Includes those who would be taken on if reductions were not made.
[2] See details on following sheet.

Statement showing number of regular employees in the Postal Service and the estimated number of employees who would be dropped under the proposed 10 per cent reduction in appropriations for the fiscal year 1933

Branch of service	Estimated number to be dropped	Present number of regular employees
Post Office Department	145	1,450
Inspection service	67	664
First and second class postmasters		4,688
Third-class postmasters		10,800
Fourth-class postmasters		32,870
Assistant postmasters	1,609	2,776
Clerks, etc., first and second class offices	9,910	76,520
City letter carriers	[1] 18,417	83,014
Village carriers	1,008	1,008
Rural carriers	[2] 8,000	41,597
Railway postal clerks, etc	2,200	21,211
Motor vehicle service	344	3,818
Mail-bag repair shops	42	421
Miscellaneous	50	238
Total	41,792	251,075

[1] Reduced to substitute roll.
[2] This number will be dropped altogether. In addition, approximately 9,000 will be placed on triweekly, instead of daily, service.

Mr. COX. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, my feelings about this whole problem are that the membership of this House has not given this Economy Committee the support it is entitled to. [Applause.] This is a nonpartisan committee set up by this House to do a particular piece of work. The committee came in with its recommendations as embodied in the committee bill.

Speaking for myself, I was in favor of the committee program. The action of the House last evening amounted to a rejection of the committee's plan, so far as economy legislation effecting the reduction of salaries of Federal employees is concerned.

The amendment now before the committee represents the minority views of the Economy Committee. As I see it, since this group, when the committee program was under consideration, fell in line and gave full and unstinted support, good sportsmanship, if not good faith, demands that we on the Democratic side who are earnestly and sincerely endeavoring to bring about economy legislation, give our support to the Ramseyer amendment and, if possible, bring about its adoption. [Applause.] This is the last opportunity this committee will have to express itself upon the question of economy as it relates to the reduction of the salaries of the Federal employees. There is no economy in this regard in the action taken by the committee last evening.

I fear that in the consideration of this entire problem we have so focused our consideration upon the interest of the Federal employee that we have forgotten the millions throughout the country who are unorganized and have no one to whom to look to serve the general welfare, and, therefore, their personal welfare, except Members of this House.

There was never a time in the whole history of the world when the burdens of government rested so heavily upon the backs of the people as at this very hour. Debts, national and private, are pressing us down into the very slough of despond, upon the brink of which we are now lingering. There are those who are entitled to look to this House for representation other than the Federal employees.

I want to say to those of you who possibly have not had occasion to visit back in the States in recent weeks or months, that there is a feeling of hostility growing up in the hearts of the people against the Federal employees. The interests of the Federal employees themselves demand that this body take some action toward the readjustment of salaries in behalf of reinstating them in the confidence and the esteem of the people. It is a sorry employee or officeholder who is not willing to make some reasonable sacrifice for his Government.

The one thing that is essential to good legislation is public confidence, and just so certainly as you break down this effort to bring about a readjustment of the pay of Federal employees and officeholders you are going to have an unfavorable reaction against yourselves and call in question the patriotism and integrity of Congress. [Applause.]

[Here the gavel fell.]

Mr. BACHMANN. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for five minutes. I think that this is good information for the House.

Mr. WELSH of Pennsylvania. Mr. Chairman, I object.

Mr. McDUFFIE. Mr. Chairman, I can but agree with practically everything that has been said by the gentleman from Georgia. I feel, in view of the attitude I have always assumed on this committee, that I should rise here now and plead for the Government employees, many of whom, though overworked and underpaid according to some gentlemen, and fine ladies and gentlemen they are, have found time to-day from their duties to crowd these galleries to-day. I have tried to help them, and they prefer the committee plan.

The gentleman is correct when he says that unless something is done in a reasonable way to effect economies by the reduction of public salaries now, the day may come in this country when this Congress will have to do what it does not now wish to do, and that is to cut until it really hurts.

Now, I have no objection to the President's plan because it is the President's plan. I object to it on principle and because it will work a hardship on those in the lower grades. Under that plan the poorer-paid employee is cut, in some cases, five times as much as he is cut under the committee's plan. The $1,200 man, for instance, gives up $22 under the committee's plan. We agreed to it, we accepted it, and the committee brought it here in this bill; but I want to say to you that if you desire to adopt the President's plan and accept his plan, though greatly tempered now, it is perfectly agreeable to this committee. We want something done to effect economy; but I feel I should keep faith with my first position in connection with the Government employees and argue in their behalf, because, under this plan, you are doing an injustice to the men in the lower brackets.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. WILLIAMSON. In the amendment the amount has been raised from $1,200 to $1,500.

Mr. McDUFFIE. That is quite true. The $1,500 man under our plan would give up $55, while under your plan he gives up $125, and for the $1,600 man the same proportion applies, and he gives up only $66, while under your plan it would be $133.30.

I am trying to impress you, gentlemen, with the fact that you can make a reasonable cut and that you ought to do it under the plan originally presented by this committee rather than make those in the lower brackets suffer as much as you will make them suffer under this plan.

But be that as it may, gentlemen, let me say this to you: Personally, and, I think, speaking for the committee, we have no qualms as to what you might think about this whole program. It is not a personal matter with us. Yesterday afternoon the Committee of the Whole was apparently stampeded, and you cut $55,000,000 or $58,000,000 from the plan we have brought to you, unmindful, as the gentleman from Georgia said, of those inarticulate masses who can not speak to you through highly propagandized organizations and long telegrams.

This afternoon—and I think sometimes you have not given it much serious thought—you took $9,000,000 more from this program.

What are you going to do with this program? Are you going to kick it out entirely and tell the country you are not for economy, even though in our program we do not impair the efficiency of this Government in any way by such a program if adopted?

Now, stop and think about that, will you, gentlemen? It is your responsibility even more than it is ours now. What are you going to do about it? Are you going to follow the suggestion of the gentleman from Massachusetts, who said that the way to bring prosperity is to get more employees and pay them a higher salary?

Mr. GILBERT. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. GILBERT. As suggested, though, by the gentleman from Georgia, your plan having been emasculated, what else is there for us to do but accept the President's plan if we want a reduction? [Applause.]

Mr. McDUFFIE. Possibly nothing else. If this House sees fit to do it, then it is your responsibility.

So far as carrying out the principle which they are trying to inject at the suggestion of the President and Mr. William Green, the president of the American Federation of Labor, this staggering plan is not in reality the principle of a 5-day week. You do not carry it through with this plan, because when you get to the legislative branch of the Government you are bound to use the pay-cut system.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, having had some experience a few years ago on the Joint Committee for Reorganization of Executive Departments, I feel like extending my sympathy to the gentleman from Alabama [Mr. McDUFFIE] and his committee and commiserating with them. I want to say for one, out of that experience, that I think this Economy Committee on the whole has done a great piece of work and deserves the commendation of the House for it. The members of the committee have worked day and night for the limited length of time they have had to consider a matter of such magnitude and complexity as they have had before them, and I think they have done a very commendable piece of work. It is a thankless job at best.

If Congress, under pressure of the public mind as it exists at the present time with respect to reduction of expenses, will not pass an economy program of some kind, then there is no hope of its ever doing so in normal times. For one, I feel like overlooking some of the things in the committee report which I would like to have changed and accepting it and voting for it in order to accomplish something toward reducing Government expenses.

Mr. Chairman, there is no economy program, no program of reorganization of executive departments in the world that some employee somewhere in the Government will not object to; and unless this Congress is willing to assume some responsibility of putting one through, there will never be any reorganization or any economy program adopted. Now, so much for that. When I took the floor, I had no intention of saying what I have said, but I feel that in justice to the Economy Committee it ought to be said.

I am in favor of the substitute amendment to Title I, otherwise known as the furlough or staggering plan of the administration, as offered by the gentleman from Iowa [Mr. RAMSEYER]. It also contains a provision for a 10 per cent reduction of the salaries of the Members of Congress, and I am in favor of that. I think our salaries should be reduced at least to that extent during this emergency.

I have never felt that those in the Government service as a whole were overpaid, and I am a firm believer in the policy that the Government should pay those who work for it enough so that men without means or independent incomes can afford to engage in Government service or adopt a Government career, live decently and independently without being forced or tempted to accept favors from special interests or others to whom they should not be under obligation. A plutocracy is the only other alternative.

At the same time the country at present is in a terribly depressed condition. Millions of our fellow citizens are out of work entirely or working part time only. Industry is either shut down or doing business in the red. Under these conditions it seems to me only fair that those of us in the Government service should be willing to accept a temporary reduction in our salaries. In fact we should welcome it.

It seems to me, too, that those of us who favor either the furlough plan of the administration or the McDuffie plan as reported by the Economy Committee, one or the other, are the real friends of the employees of the Government and not those who oppose the adoption of either plan. Everyone here knows that the appropriations for the next fiscal year are going to be materially reduced below what they have been during the last few years. It is also known that the fixed charges of the Government are such that they can not be materially reduced, and, therefore, that the burden of the reduction will fall very heavily upon the employees. It is estimated that unless the furlough plan is adopted or the salaries of the employees are reduced, it will be necessary to discharge as high as 80,000 to 100,000 employees of the Government.

I have had a typical illustration in my home city of how this reduction program which the country is demanding and Congress is adopting works. The Secretary of the Treasury stated before a committee of the Senate last week that if the Senate applied its program of reducing the Treasury appropriation 10 per cent below what was carried in the bill as it passed the House, it would be necessary to close all the internal-customs district offices or ports of entry in the United States. Grand Rapids has such an office. It more than pays its way. There are two men in the office who have been in the Government service upwards of 35 years. If the office is closed, these men will be turned out into the street. In the last three days I have had from 20 to 25 telegrams and letters from importers in my home city, who use this service, protesting against the discontinuance of this office. If the furlough plan is adopted, a great many such employees will be continued in the service who might otherwise lose their positions entirely.

The havoc that will be raised in the Post Office Department, unless some such plan is adopted, is beyond description. If the furlough plan is adopted, it will allow more employees to be kept in the service and will help to take care of the substitutes who have been kept out of work almost entirely for the last year or two.

I am not greatly impressed with the argument that the example set by the Government will have a bad effect upon industry. Industry has not been able to keep men employed in many instances at any price, and everyone would prefer to have work five days in the week rather than none at all. The furlough plan has been adopted by industry so as to keep as many people at work as possible on part time. Why should not the Government do the same temporarily? It has the advantage of not reducing the basic wage scale and, as stated by the gentleman from Iowa [Mr. RAMSEYER] yesterday, as he closed his very able presentation and explanation of the amendment—

> The furlough plan saves more money for the Treasury, and at the same time makes it less necessary to discharge employees. It is more economical and beyond question more humane.

And again, as stated in the statement signed by the three Republican members of the Economy Committee—

> You can not reduce Government functions without reducing Government personnel, but in order to meet this situation the President has made the humane suggestion that the remaining work in the Government should be divided amongst the whole governmental staff, in order that there should be no increase in destitution at the hands of the Government. As a matter of fact, it is reported by administration officials that in order to work the administration's furlough plan it will be necessary to take on some minor number of substitutes and provide them with at least part-time employment. So the plan proposed not only prevents increase in destitution in the country; it actually diminishes the amount of dependency which our local communities are compelled to support.

I prefer the Ramseyer substitute, but if it is not adopted, I shall support the original text of Title I.

[Here the gavel fell.]

Mr. KUNZ. Mr. Chairman, I have listened with a great deal of attention to the remarks of some of the members of the committee. I commend the action of the Committee on Economy. There is no doubt in my mind but what a great deal of that time has been devoted to facing this crisis that we are about to meet; but I agree more with the gentleman from Iowa, from whose State the keynoter of the Republican Convention will come, and when he said yesterday that we are not prepared to meet this crisis, I believe he is right.

The Committee on Economy met, the facts were presented to them, as they were, but the truth of the matter was not known to them, nor is it known to the Members of this Congress as it is known to the people of this country.

Let us face the issue as it is. I remember the last words spoken by our late lamented Speaker when he said to you and to me and to the country that Providence alone knows what the future will bring forth. He then had a feeling in his heart and in his conscience that the world was going wild, and what is the situation we have to-day? The people of the country have no confidence in the Congress.

We talk about economy. You come in here with a bill and ask that the wages of the employees of the Government be reduced 11 per cent. I have none that I am interested in. It is immaterial to me whether the employees of the Government get large salaries or small ones; but I want to say to you, as a humanitarian, and I know that you and every one of you feel as I feel, you do not want the employee of the Government to deprive his child of an education, nor do you want the employee of the Government to deprive his wife of what is coming to her, and if you will only look about the city of Washington about a week before pay day, you will find that in the delicatessen stores of the city of Washington nearly every employee on a small salary is running a bill that has to be paid on pay day out of the salary they are now receiving. What will they do if you reduce that salary? Those who have families of four or five children, those who want to educate their children and elevate them, what are they going to do if you deprive them of that which belongs to them?

We are now called upon to balance the Budget for the mistakes of the Republican Party. Five hundred million dollars was appropriated for the Farm Loan Board, for what? They purchased nonmillable wheat, and only a few days ago I saw a news item where 50,000 sacks of this was shipped to destitute families. The purpose of the appropriation was to help the farmer. It did; it put him out of business. Wheat prices were to be maintained. After the money was spent, the price of wheat immediately dropped, and the explanation coming from the administration was that the world market governed the price and they overlooked a few billion bushels when they wanted the appropriation. All they wanted it for was to pay high salaries and spend the taxpayers' money. Then came the Reconstruction Finance Corporation, another $2,000,000,000 item. For what? To pay salaries up to $16,000 and other salaries higher than the civil-service rates that are now asked to be "whitewashed." These appointments are made from the administration's friends to build up a political machine. Where is the money going? Not to help the people at large. If so, where are the results? No; it goes to Morgan, Kuhn, and Loeb, and others in the wealthy class to protect their

loans. The Missouri Pacific Railroad Co. and its subsidiaries received $27,100,000 to pay off the interest owed and for materials already used, this money going to an already bankrupt railroad in order that the vested interests of the country would get theirs, and to the devil with the people. Again, another movement of the administration was when billions of dollars' worth of foreign bonds were sold into this country with the approval of the Treasury and State Departments. Those facts are proven daily in the Senate hearings.

The Secretary of the State Department, Mr. Stimson, who is now enjoying a steamer trip at an additional expense of $300,000 to the Government, to be at Geneva with a view of disarming the world, testified before the Ways and Means Committee that the State Department had knowledge that these bonds were being floated, but it was a private transaction. Look at the market price of these bonds to-day. They were paid for in good American dollars, cent for cent, and now they are practically worthless. After exploiting the people of the country the gentleman on the avenue now wants to suck the blood out of the Federal worker, who has given his life's work to the Government, to save a paltry $67,000,000; this brought about in such a way as to imply that those who can pay and who have made the profit are now broke. What did the "greatest Secretary of the Treasury since Hamilton" do? Through the Treasury Department word went out to the banks of this country to accept the bonds of foreign governments as collateral in preference to first mortgages on property of the various States of the Union, and when the hoax was perpetrated on the American public, he went out with his examiners and said to the banks "write off those bonds" at the present market price. That is the main reason for the failure of any number of banking institutions in this country; and his Reconstruction Finance Corporation is now bolstering up the banks, with the money of the taxpayers of the country, in order that the international bankers along with the superintellectuals in banking in this country may be paid off at the expense of the American people. With all this waste of the peoples' money, they now come forth with the proposition to cut the Federal employees of the Government. Where does this information emanate from? From the paid propaganda of the vested interests. If the Federal salaries are slashed, it will be the opening wedge for a general reduction in wages throughout the United States.

There are two ways out of this depression. One way is to put a tax on beer. Since the advent of prohibition this country has lost in revenue $10,500,000,000. In addition to that, $300,000,000 has been thrown away in a vain attempt to enforce this unenforceable law, with the actual result that there has been a large increase in the consumption of liquor in this country over the 1919 basis. Where in the history of civilization was there ever such an economic folly? In addition to the economic burdens pressed upon the backs of our people we have experienced the greatest period of criminality in the history of the Nation; respect for law and official authority has been uprooted, and we have become a nation of hypocrites by preaching the virtue of temperance and making liquor in our homes. Were it not for this "noble experiment," we would not now be facing the tremendous deficit of over $2,000,000,000.

The second avenue out of this depression is to call a conference of the nations of the world and stabilize the price of silver as a world medium of exchange. With France and America on the gold basis and the rest of the world dealing in silver, it is up to America to find an outlet for the 40 per cent surplus of goods in this country.

The other nations of the world can not buy from us and settle their trade balance in silver; and if they can not buy, inasmuch as practically all the gold of the world is cornered by the United States and France, we will continue to maintain a surplus of goods in this country. With no money to purchase goods from us, and if they had the money with the present tariff rates so high that it is practically an embargo on goods manufactured abroad, this country can not sell our goods to foreign nations if they can not sell us.

It is unfair and unjust to place an additional burden on the backs of the Federal employees. If there ever was a supurb example of double taxation, it would be in case the appropriation bills of the departments were cut, then a reduction in wages, along with the income tax at the end of the year.

Why, one gentleman said yesterday that every corporation had reduced wages time and again. Yes; I heard a report to-day that the carpenters had been reduced from $11 a day to $8 a day. Have you an employee to-day in any department of the Government who is receiving $11 a day? If there is, you could reduce his pay; but you are to reduce the pay of men working for $125 or $150 a month.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, the gentleman who has just spoken may have personal reasons for feeling that the people have no confidence in Congress. I feel there is no justification for a statement like that.

This Economy Committee richly deserves the thanks of Congress. I am unable to recall when a task more difficult and unpleasant has been placed on any committee, nor can I recall when any committee has responded with finer courage, finer loyalty, and finer devotion to the public service. [Applause.]

Personally, I favor what is known as the McDuffie plan in reduction of salaries, but I agree with the gentleman from Georgia [Mr. Cox] that the time has now come when those who feel as I do should lend hearty indorsement to the proposal submitted by the President. [Applause.]

The thing that has commended the study and preparation of this bill by the Economy Committee has been the splendid nonpartisan spirit shown by its members throughout their deliberations on the many important matters considered. I like the fine spirit that the President manifested toward the committee and the splendid and considerate attitude shown by the chairman of that committee to the President's suggestions.

I am not in accord with all the recommendations submitted by the committee in its report, but permit me to say this in the short time remaining, that no member of the Appropriations Committee will say that we have not too many employees on the pay roll of the Government. No one will deny that some are overpaid. Probably some may be underpaid, but so long as you retain too many on the pay roll, as pointed out by some of the learned Senators, you can never hope to adjust Government pay on a fair basis to those who are deserving.

I am astounded that gentlemen will rise and claim we are seeking to do an injustice to those now on the pay roll of the Government. There are no persons so fortunate and none so secure in their positions as those drawing pay from the Federal Government, whether they are drawing less or more than a thousand dollars, and the time it seems to me is at hand when everyone interested in the Government should be willing to make some reasonable contribution out of what he receives from his Government to help in this hour when we are striving to balance income and expenses.

I never indulge in personal recriminations in discussing differences as to matters before the committee or before the House. I recognize the right of every Member to differ from me—conceding to all sincerity and honesty as to their opinions and judgments. My one hope is that during the remainder of this session every proposal seeking to increase an appropriation will be followed by a yea-and-nay record vote, and that likewise every proposal that seeks to reduce the expenses of Government will be followed by a like record vote. This is one time when the people who sent us here have the right to know how their Representatives have voted on all items affecting Government expenses. Believing that Members are actuated by conscientious convictions, I hope that all votes on the many important provisions of this bill will be yea-and-nay record votes when the same is reported back to the House. [Applause.]

Mr. LUCE. Mr. Chairman, the pending proposal can be stated simply. The question is whether it is better that 400,000 employees of the United States shall work 6 days

in the week and 80,000 be idle or that 480,000 shall work 5 days in the week and everyone be employed. The figures may not be precise, but they well enough show the question. Shall 400,000 employees of the United States work 6 days and 80,000 be added to the ranks of the unemployed, or shall you give them all employment through some part of the week, five-sixths of the week, 5 days in the week? Let every man realize the full import of his decision on this motion. If he votes against this motion, he votes that 80,000 of his fellow citizens shall be thrown on charity, if they have not resources of their own. It is estimated that there are four and a half of our people to every family, so that if it be that 80,000 are thrown out of employment, your vote in the negative will have disclosed you as willing to affect adversely the sustenance, to some extent the very life, of 360,000 human beings. Your vote "no" against this amendment will tell the country you believe it is better that every person who has the good fortune to stay on the pay roll shall enjoy all of the emoluments now his or hers without one penny of sacrifice and that there be turned over to the mercies of charity some part of those who number 80,000, together with their wives and their children. There may be cases where other members of the family are employed, some who can for a time exist on their savings, but it is not an exaggeration to say that, including the members of the families without resources, at least 200,000 of your fellow beings will be reduced to penury and want if this motion should not in the end prevail. It contemplates, to be sure, that there shall be some sacrifice by those now employed. Do they know what their complaint means?

God forbid that they know what they are doing when they throng our offices, or themselves send or incite others to send their telegrams and letters by the thousands, begging us to keep them secure to the last dollar of money and the last hour of work while one man of every six in this country is out of a job. When poverty swarms through the land, when fear stalks in every street, these protected and sustained employees of the Government are pouring on us a deluge of appeals to save them from the slightest sacrifice while their associates to the number of 80,000 are to be thrown out on the pavement, to be deprived of their livelihood by legislation, not in this bill but in the appropriation bills already passed, and by those remaining, as it is expected they will be when they reach the President for signature. The mischief has been done or may be done, but not by this bill. This motion presents not a choice between one method and another, but a choice between the method herein proposed and what the Congress has already done in its appropriations, and what it is expected it will do.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. McDUFFIE. As to the result of a cut, assuming it will go through both Houses, how accurate are the figures now being quoted by the gentleman?

Mr. LUCE. I take the figures as just read by the gentleman from South Dakota [Mr. WILLIAMSON]. I rely on his accuracy in the matter.

Mr. WILLIAMSON. They are supplied by the Budget, and it is the best estimate they can get.

Mr. McDUFFIE. Does the gentleman know how they figured it?

Mr. WILLIAMSON. They figured upon the theory that the Senate would reduce 10 per cent below the House.

Mr. LUCE. I am sorry that I can not yield any more time. It makes no difference as to your vote whether it is 80,000 or 70,000 or 60,000 or 50,000. A vote against this motion is a vote to throw many thousands of Americans on charity.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HARE. Mr. Chairman, I noticed in this morning's press reports where President Hoover in Richmond yesterday at the governors' conference urged that greater economy be demonstrated in carrying on the work of the States. I want to bring to the attention of the House and the Nation what my own State did in the legislature which has just adjourned. The State recognizes the necessity for decreased governmental expenditures, just as much as the Congress recognizes it. I want to give the figures showing just what our legislature has done with reference to reduction of salaries of State employees. According to figures furnished me by a member of the judiciary committee of the House of Representatives of the Legislature of South Carolina, salaries up to and including $1,000 are reduced 10 per cent; salaries ranging from $1,000 to $1,250 are reduced 15 per cent. Those ranging from $1,250 to $1,600 are decreased 16⅔ per cent; those from $1,600 to $1,800 will receive a reduction of 20 per cent; those from $1,800 to $2,100 are reduced 25 per cent; those from $2,100 to $2,400, 26 per cent; from $2,400 to $2,700, 27 per cent; from $2,700 to $3,000, 30 per cent for the next year. Those receiving over $5,000 have been decreased 33⅓ per cent.

These men back home realize the necessity for a decrease in governmental expenditures, and they tell me it costs just as much for a man in my State to live, whether he is carried on the pay roll of the State or whether he is carried on the pay roll of the Federal Government.

The school-teachers of my State, who are charged with the responsibility and duty of training the future citizenship of this country, are required to work on an average salary of a thousand dollars or less a year, have had to take a reduction of 12½ per cent in their salaries in order for the State to meet its budget. If employees in the various States are required, on account of this depression, to take reduction in salaries, I am convinced there is grave necessity for a reduction of expenditures in the Federal Government, because the people who pay the taxes to run the State government must pay the taxes to run the Federal Government.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. HARE. I am sorry, but I do not have time. I have only five minutes.

There are 6,000 or more of these teachers who will have their salaries reduced 12½ per cent, and even then they are not paid promptly with money, but in many cases paid only with scrip. Why? The taxes have not been collected. Why? The people are not able to pay them. The States can not go out and levy taxes like this great Federal Government of ours.

There can be no doubt but what the States are expecting the Government to decrease Federal expenditures somewhat in proportion to the decreases already made in many of the State, county, and municipal governments. Personally, I do not favor all the provisions of either one of the plans suggested—the McDuffie plan or the Ramseyer plan. I think instead of having a flat reduction on all salaries the decreases should be graduated. That is, they should be in proportion to the amount of the salary drawn somewhat similar to the figures I have already recited as having been approved by the legislature of my State. In other words, I think as the salaries increase from the lower brackets there should be an increased reduction. I am satisfied if these reductions are fair and reasonable, there will be no objection on the part of the Federal employees. As a matter of fact, practically everyone who has conferred with me with reference to these reductions has indicated that he is willing to take a fair and reasonable reduction provided such reductions were uniform and do not discriminate in favor of one against another. For example, I do not think it will be fair to reduce the salary of rural letter carriers in the same proportion as other Federal employees and then in addition take away their allowance and maintenance. I believe their salaries, however, should be reduced in the same proportion as others whose salaries are similar.

I disagree with the gentleman from Massachusetts [Mr. CONNERY], who says there should be no reduction in salaries.

I realize there will be some hardship, but governmental revenues are decreasing every day, and I know if there is no reduction in the outgo and there is a gradual and constant decrease in the income that sooner or later there will be governmental bankruptcy. I think it was Poor Richard who said, in effect, that if you continue to take meal from the barrel without putting any in, you will soon come to the bottom. The same principle will apply to a government. The only way it is possible to increase income is to increase the taxes, and they are so high now that people can not stand to be further burdened. In my opinion, you will never balance the Budget until governmental expenditures are drastically reduced. A little reduction here and there will not amount to anything. Big items must be reduced by lopping off big sums.

The CHAIRMAN. The gentleman from Arizona [Mr. DOUGLAS].

Mr. DOUGLAS of Arizona. Mr. Chairman, it is true that whatever plan may be adopted with respect to compensation of Federal employees, certain injustices will be effected. Still, since one of the plans has been, in large part, emasculated, there is but one thing left for us to do, namely, to analyze fairly and honestly the substitute which has been offered.

It should commend itself to us for several reasons. First, because it inaugurates, in principle, at least, the 5-day week. I think almost every Member of the House will agree with the statement that eventually, by reason of the technological advances which have been made during the course of the last decade, this country must go to a shorter work week than any we have heretofore experienced. The second reason why this plan should commend itself to us is that if certain changes are made in the language of the substitute, it offers a medium by which those who would otherwise be thrown out of employment as an incident to the cuts which the Senate has made and contemplates making may be absorbed. This substitute, then, finally resolves itself into a cut imposed upon the salaries of Federal employees by reducing the time for which they are paid, so that two things may be accomplished: First, the absorption of those who would otherwise be thrown out of employment, and, secondly, effecting economies consistent with a reasonable policy of retrenchment.

For these reasons, Mr. Chairman, I favor the substitute. I shall support it. [Applause.] This is no time for any of us to participate in partisan politics, to take pride in authorship, to reject one plan because it may not have been ours, to go into great detail in considering the minutia of certain plans which perhaps did not originate with one or the other of us. This is a time, Mr. Chairman, when we must face our responsibilities, when we must reduce expenditures in Government, when we must discharge our duties here as Members of this House, regardless of where the credit may fall or the responsibility be placed. [Applause.]

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. DOUGLAS of Arizona. Yes; I yield.

Mr. BRITTEN. I have a very high regard for the gentleman's opinion and his intelligence. I would like to ask the gentleman this question seriously: If the Ramseyer plan is amended so as to place an exemption above or below $2,500, which of the two plans would the gentleman then prefer?

Mr. DOUGLAS of Arizona. That is a difficult question to answer. On the face of it, I would favor the substitute which has been offered by the gentleman from Iowa [Mr. RAMSEYER] but reserve, however, the right to change my mind after more mature consideration. On the face of it, however, that is my answer.

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. WOOD of Indiana. I wish to discuss the pending motion.

The CHAIRMAN. All time has expired.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. COCHRAN of Missouri to the amendment offered by Mr. RAMSEYER:

On page 1, line 9, strike out "10/11" and insert in lieu thereof "21/22."

On page 2, line 5, strike out the words "without compensation" and insert "with compensation at one-half the rate of compensation of such officer or employee."

On page 2, line 24, strike out the word "all" and insert "except as provided in Sec. 101 (b) all."

On page 4, line 18, strike out the figure "8.3" and insert in lieu thereof the figure "5."

On page 4, line 23, strike out "8.3" and insert "5."

On page 5, strike out lines 15 to 17, both inclusive, and insert: "annum, but not more than $2,500 per annum shall be reduced by 5 per cent, but not below a rate of $1,500 per annum; if more than $2,500 per annum, such retired pay shall be reduced by 10 per cent but not below a rate of $2,375 per annum."

On page 6, line 17, strike out "3/3" and insert "3/4."

Mr. RAMSEYER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RAMSEYER. The second paragraph of the amendment, if I understood correctly, changed the word "without," in the fifth line of page 2, to the word "with," making it read "with compensation." Following the ruling the Chair made a while ago, this being an economy bill and the amendment raising the expenditure, the amendment would be subject to a point of order.

Mr. LaGUARDIA. Mr. Chairman, I would like to be heard on the point of order if there is any doubt in the Chairman's mind.

Mr. COCHRAN of Missouri. Mr. Chairman, I want to be heard if there is any doubt in the Chairman's mind.

Mr. RAMSEYER. Mr. Chairman, I withdraw the point of order.

Mr. COCHRAN of Missouri. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Iowa. I think the amendment in its present form is cruel, to say the least. The amendment I offer still provides for the 30-day furlough plan, but it requires the Government to pay the salary for 15 days while the employee is forced to take 15 days leave without pay.

Looking at the amendment alone, if one does not understand the situation, he no doubt would be warranted in criticizing a Member who declines to support it. You can not, however, consider this amendment alone. You must consider at the same time other provisions in the bill affecting the Government employee's salary. There are in this bill, as I have repeatedly stated, no less than six provisions, each of which reduces the salary of the Government worker. Would you reduce the salary of a man receiving the maximum salary in the Postal Service over $500? Would you take $500 away from a man receiving $2,000? A legitimate salary reduction is one thing, but a wholesale salary reduction is another. If you stopped with this amendment, you could pass it without trouble by a large majority; but you do not do so. In this title and the next title you find provisions, six in all, each and every one taking something from the pay of the Government clerk. If a business man reduces the wages of his employees, he reduces the wages and stops. But here you reduce the salary and further reduce it in six separate instances. No matter who the business man is that wants salaries reduced, I am sure if he fully understood this situation he would not give it his approval. He would say, "Reduce the salaries, and stop there."

Why, when this proposition was originally offered it provided to take one month's pay, in some instances $33, from the pay of the enlisted men in the Army and Navy, and anywhere from $45 to $65 from the annual pay of the charwoman who receives about $450 or $650 a year. Now, who, I ask, would approve of such a reduction?

The first amendment was to exempt those receiving $1,000 and over. Then an amendment to reduce those receiving $1,200 and over, and now we have the President's plan, the Ramseyer amendment, changed again so that all those

who receive $1,500 and over are affected. This last change was made since the amendment was printed. I did not know it was changed until a few minutes ago.

Now, for the benefit of some of you gentlemen who have not studied this proposition very carefully, and especially those coming from the rural sections, let me tell you substantially what it does to your rural carrier. The average pay of your rural carrier is $2,017. He is required to furnish an automobile, to keep that automobile in repair, to supply the gas to run it, and to replace it from his own funds when it is worn out, for which he receives an average of $383 a year in the form of an allowance based upon mileage.

Under the provisions of the Ramseyer amendment, and I take the average pay for allowance, the carrier is only to be allowed three-eighths of the present amount that is being paid for the upkeep of his automobile and its replacement when it is worn out, or $144, a loss of $239, which is equal to 10 per cent of his pay as well as his allowance; and, plus that, he loses his annual leave, for he gets no leave. This is a saving to the Government, for if the rural carrier receives annual leave some one must deliver the mail and be paid for it.

Under my amendment he will lose $96 of his present allowance, but he also loses his annual leave, as I have not changed that. Ninety-six dollars and loss of all vacation is rather a fair contribution for one man getting on an average of $2,017. Remember it costs him money to run his car.

There are 27,895 employees getting $1,500 a year; 31,000 getting $1,600 per year; 21,000 getting $1,700 per year; 42,000 getting $1,800 per year; and 33,000 getting $1,900 per year. Each and every one in the groups I have mentioned will lose one full month's pay under the Ramseyer amendment. He also suffers other losses, the postal clerks being hit six times.

I meet the situation which the gentleman from Arizona mentions.

I do not disturb the 30 days' annual leave, but I cut the amount that will be deducted from the pay. Under my amendment the employee loses 15 days' pay, under the Ramseyer amendment 30 days' pay.

They have changed this amendment so often, I can not intelligently inform the House how much it will save, but it will be about $40,000,000. If the Government employees contribute $40,000,000 toward the deficit, it appears to me they will be doing their part. But, aside from this, as I said before, when you get to Title II there you will find numerous provisions that further affect the salary of the Government employee. Think of what you will do in Title II to the employees when you vote on my amendment.

Mr. WILLIAMSON. Will the gentleman yield for a question?

Mr. COCHRAN of Missouri. I should not yield; my time is limited; but I will yield to the gentleman.

Mr. WILLIAMSON. I will say to the gentleman that I will get more time for him. I would like to know what his amendment means. That is the reason I want to ask the gentleman this question. Is the effect of the gentleman's amendment to cut the savings of the Ramseyer amendment in two?

Mr. COCHRAN of Missouri. Absolutely; that is the effect of my amendment, to cut the savings of the Ramseyer amendment in two. If the Ramseyer amendment will not turn the employees of this Government out in the street, as he says, and I hope he is right, then my amendment will not, because I provide for 30 days' furlough with one-half pay, while the Ramseyer amendment takes one month's pay and provides for 30 days' furlough.

Mr. Chairman, just as sure as we are here today, a shorter workday for all who work is coming. It must come to provide employment for the millions idle the past few years. I have stated time and again that five days of work a week for all is just around the corner.

Machinery, time-saving devices, has brought about a condition that must be remedied; and if you do not do away with the machines, then you must provide, and business must provide, for a 5-day week.

It is true as the gentleman says the 30-day furlough plan will mean that tens of thousands will not be turned out on the streets without positions. That is why I do not disturb the 30-day furlough plan.

I want as many to remain at work as it is possible to retain. Over 100,000 Government employees are going to lose their jobs as it is. Why increase the number? This Congress before it adjourns is going to reduce Government expenditures between six hundred and nine hundred million dollars. I think the taxpayers will be satisfied with such a record. I certainly hope the members of the committee will give some thought to the other amendments in this bill which are going to affect employees besides the salary proposition when they vote on my amendment. [Applause.]

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the amendment proposed by the gentleman from Missouri. The gentleman has frankly stated that if this amendment is adopted it means cutting in two the proposal offered by the gentleman from Iowa.

I have not been in accord with the proposed reduction. This committee had as many ideas as there were members on it with reference to the pay cut.

In passing I wish to say that the gentleman from Alabama [Mr. McDUFFIE] has sacrificed more in opinion in order to save the Government money than anybody on that committee. [Applause.]

I was in favor of a straight pay cut, but that is passed. We can not talk about that any more. If the program is carried out as now proposed, there will be but a saving of $10,000,000 under this pay cut, and the proposal which was carried this afternoon reduces it $9,000,000 more, leaving $1,000,000. Who among you is prepared to go home to your people and say that in this period of distress you were only willing to cut $1,000,000 off the pay roll of the United States that totals more than a billion dollars?

Now, I want to emphasize what was said by the gentleman from Massachusetts when he said that unless the program now before us, as embodied in the amendment offered by the gentleman from Iowa [Mr. RAMSEYER] is adopted, 80,000 people will be turned out on the streets. That is just half the equation. If the Ramseyer proposal is adopted, in addition to keeping these 80,000 people employed, it will save $65,000,000 to the Treasury of the United States. So it helps both ways.

We have all promised our people to reduce governmental expenses. If we are going to do it, now is the time. We will never have such another opportunity.

Yesterday, speaking on the rule, I said that unless the program proposed by this committee is adopted, there would be no economy voted by this Congress. Some one said, "How do you know?" The best evidence as to how I know has been given by the action of this House on yesterday and to-day in striking out more than $60,000,000 that should have been saved to the Government. There is not a single item in this bill but what will receive just as much opposition as is now being proposed against the salary cut.

Mr. BYRNS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS. I do not understand the logic of the gentleman and other gentlemen who have spoken when they assume that the committee plan has actually been eliminated. I want to call the gentleman's attention and the attention of the committee to the fact that when we get back into the House we will have a roll call on it.

Mr. WOOD of Indiana. I wish to say that there is no discord between the gentleman from Tennessee and myself; and I wish to say further that from the beginning of the consideration of this bill to this very hour, there never has been a semblance of political bias in the consideration of any of these questions, and, as he says, opportunity will

be afforded when we get back in the House to correct the mistakes that have been made.

Mr. BYRNS. We have the right to vote on these amendments under the rule, so that this question is not eliminated by any means.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I think we have had enough debate on this proposition. I make that point of order.

The CHAIRMAN. The gentleman from Alabama makes the point of order that debate is closed on the amendment offered by the gentleman from Missouri, and the Chair sustains the point of order.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment to the substitute offered by the gentleman from Missouri.

The CHAIRMAN. The Chair thinks that an amendment to the substitute would certainly be in the third degree.

Mr. LaGUARDIA. Oh, no.

The CHAIRMAN. The gentleman would have the right, after the substitute offered by the gentleman from Missouri is voted down, to then offer an amendment to the amendment offered by the gentleman from Iowa.

Mr. LaGUARDIA. Will the Chair bear with me just a moment? Under the rule the amendment brought in by the Committee on Economy is considered as an original bill under the 5-minute rule. The gentleman from Missouri has offered a substitute—the Chair is right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. COCHRAN of Missouri. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. COCHRAN of Missouri and Mr. RAMSEYER.

The committee divided; and the tellers reported that there were—ayes 118, noes 172.

So the amendment was rejected.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment. On page 2 of the Ramseyer amendment, line 17, strike out "$1,500" and insert in lieu thereof "$2,500."

The Clerk read as follows:

Amendment by Mr. LaGUARDIA: Page 2 of the Ramseyer amendment, line 17, strike out "$1,500" and insert "$2,500."

Mr. LaGUARDIA. Mr. Chairman, I am sure if the House had fully understood the meaning of the Cochran amendment, it would have been adopted. The Cochran amendment would have given us the opportunity of establishing a 5-day week basis without putting all of the burden on the shoulders of the employee.

Under the rule, the Cochran amendment having been voted down, I offer my amendment to raise the limit to $2,500, so as to permit us to inaugurate the 5-day week, thereby setting an example to industry and commerce of the necessity of shortening the working day and the working week.

A great deal has been said in the course of this debate about balancing the Budget of the Government. The only way and the only time that the Government's Budget will be balanced is when the family budget of a hundred million American families will be balanced. As long as you have unbalanced family budgets, you are going to have an unbalanced Government Budget.

Mr. WILLIAMSON. If the gentleman will permit, how is the gentleman going to take care of all the employees who will be thrown out of work by reason of the Senate reduction? There are bound to be a lot of people thrown out on the streets by reason of that action.

Mr. LaGUARDIA. I am one who voted against the Department of Interior 10 per cent reductions when it came from the Senate, and I have a right to talk about it; but I am sorry that many of my colleagues on this side of the aisle closed their eyes and were stampeded into voting for it. I will also add that all the facts, the destructive results of such a vote, was called to the attention of the House. Of course, we can not have any semblance of government or normal functioning of the departments if the House blindly cuts 10 per cent, and then again submits another bill and blindly votes to reduce salaries. I repeat—I have said it so many times I know I may be becoming tiresome—this wage reduction is not a question which affects the Government employees at all. The Federal employee wage cut is only incidental to the whole wage-scale question and the standard of living in this country. Again, let me repeat at the risk of becoming tiresome, within a very few days we shall be called upon to consider a bill brought in by the Committee on Banking and Currency permitting the inflation of currency in order to increase commodity prices of 1926. How can we, I appeal to your common sense, talk about reducing salaries and increasing commodity prices at the same session of Congress. [Applause.]

Gentlemen, please listen to the amendment I have offered. It eliminates from the reduction of the furlough plan salaries of $2,500 and it permits the staggering system so much talked about by the President of the United States.

In his message of December 3, 1929, he said:

I have therefore instituted systematic, voluntary measures of cooperation with the business institutions and with State and municipal authorities to make certain that fundamental business of the country shall continue as usual that wages shall not be reduced and therefore the purchasing power shall not be reduced.

Again in that message he says:

I am convinced that by these measures we have reestablished confidence, that wages should remain stable.

Again the President in his message to the governors appealed for the stabilization of wages.

I submit, gentlemen, we can not blindly and without consideration simply vote down the salaries and the standards, and I will say to the gentleman from Alabama that I know he is sincere, I know he has worked hard, but I appeal to the gentleman that this does not stop at the Federal employee. This is going to spread throughout the country.

Every day I receive letters from employers urging a cut of Federal salaries and frankly stating that they expect to reduce the pay of their employees as soon as the salaries of Government employees are reduced.

I say this is not the kind of criterion on which we should base legislation. Gentlemen, this bill may be jammed through by the shameful propaganda that is being spread around the country, but it is wrong, it is unfair, and it is economically unsound.

Mr. RAMSEYER. Mr. Chairman, I explained fully to you the situation when I was before you last night. I appeal to you now to help hold this furlough plan intact. If you are against the plan, if you are against both plans, you can vote against them in the final wind-up; but what we are trying to do now is to hold this economical and humane plan intact.

If you raise the exemption to $2,500, it means that you exempt most everybody; in the Postal Service you exempt practically all. Very few would be left.

I want to appeal especially to the Members of this House who are not from the large cities; and the attack on the bill last night and to-day comes from Members representing the large cities—they do not understand our problems in the rural regions.

Mr. LaGUARDIA. And you do not understand ours.

Mr. RAMSEYER. I want to remind Members from the country districts of the situation back home. Taxpayers in every county in the Middle West have held meetings protesting against public expenditures, including salaries. How many clerks outside of the Government service, in Iowa and Illinois and Missouri, are getting as much as $1,500 a year? How many in Alabama? We are up against the serious situation, and we want to meet it in the most economical and humane way possible.

Of the two plans, I favor this furlough plan. We did not succeed in preserving the other plan from emasculation yesterday. The intention was to have both plans in good shape when the final showdown came and then have them voted upon. That is to give you the choice between two

well-worked-out plans. The furlough plan is the more humane and has greater saving. The Cochran amendment, if adopted, would double the number of unemployed.

Mr. COCHRAN of Missouri. Oh, I did not say that.

Mr. RAMSEYER. The gentleman misunderstands me. I did not say you said it. I say that cutting in two the leave without pay would mean that many more would be thrown out of employment. The Government would be unable to retain them. Here is a humane plan. Many industries have put it into effect already. Here is an establishment that has not got enough work for men to work six days a week, not for all of them, and adopts a 5-day week to take care of all of them. By the 5-day plan we retain more in employment with less pay for each employee, but the number of unemployed is reduced.

Now, gentlemen, help us to preserve this amendment. If you are against it, help us anyway. If you are against the pay cut at the close, step up like a man and vote against it. But do not emasculate one plan to-day and then emasculate the other plan to-morrow, which is merely to destroy. This is a time for constructive action, and we ought to do our best to meet this unusual situation that confronts us. [Applause.] We can do it by carrying out this plan, which is humane and economic.

Mr. O'CONNOR. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. O'CONNOR. The gentleman is enthusiastic, and has been talking about the city and the country. Why did he put the rural free delivery carriers in the preferred class?

Mr. RAMSEYER. The rural carriers in my amendment are not in a preferred class.

Mr. O'CONNOR. And only save an infinitesimal amount.

Mr. RAMSEYER. The rural carriers are getting more of a cut than the city carriers.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I make the point of order that all debate is exhausted under the rule.

The CHAIRMAN. The point of order is sustained. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

Mr. MEAD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 2, line 17, after the word "of," strike out "$1,500" and insert "$2,400."

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. MEAD. Mr. Chairman, yesterday the House made its decision with regard to wage cuts. We determined after considerable debate, calm deliberation, and mature judgment that there should be no pay cuts to the employees of the Federal Government whose salaries were $2,500 or less. To-day we come in and reverse that decision, and not only that but instead of inflicting a pay cut of $150 we double that amount, for this substitute is no more and no less than a pay cut of $300 on the average Federal employee and the postal worker. Many arguments have been advanced for and against this proposition. I shall discuss the arguments made in favor of it.

It is said that it gives work to substitutes. Then, also, that it saves money for the Government, that it gives more work and at the same time saves more money. Then, that it will keep 80,000 men at work, make their employment more secure, and at the same time they say we are threatened by reason of the appropriation program of the Senate with the absolute dismissal and discharge of vast numbers of employees in the service. It certainly can not do all these things.

If it is held that it will save $15,000,000 or $20,000,000 in the Post Office Department alone, and then the Appropriations Committee at the other end of the Capitol cuts $80,000,000 from the Post Office appropriation bill, how are you going to put more substitutes to work, and how will you save the men involved in this bill? You do nothing by this proposal except to cut $300 from every employee of the postal department, and you go down as low as $1,500 in order to reach the lower-paid worker. Why, it is a severe blow to the rural letter carriers, because while we exempted them on yesterday, we cut their equipment pay to-day by $300. This is a wage reduction, nothing else. This will disturb the differential that exists in the Postal Service to-day. This bill will destroy the service, for by it you give the Postmaster General authority to work a railway mail clerk as a postal laborer and at the same time to work a postal laborer as a railway mail clerk. It will create chaos in a well-organized, well-balanced service of the Government, and I believe, if we were within our rights in voting an exemption up to $2,500 yesterday, to save $150 for the employees of the Federal service, we certainly are doubly right if we vote against this substitute proposition, which will penalize every man in the service double that amount. This substitute amendment should go out of the bill, if we are fair with ourselves and consistent with our previous actions. We will vote down the furlough plan. [Applause.]

The committee, on page 12, section 207, has recommended the suspension of the night-work pay differential, as well as overtime pay and higher pay for Sunday and holiday work. Postal employees do not receive pay for Sunday or holiday work, except for the last three Sundays in the year when Christmas work prevents lay-offs. Instead of pay they are granted compensatory time off for Sunday and holiday work. It is not known therefore, to what extent, if any, this provision will affect postal employees.

But the suspension of the night-work pay differential will adversely affect 50,000 clerks, railway mail clerks, and other employees. To them it means a double penalty—they will lose their 10 per cent night-work pay and, in addition, the pay reduction provided in the bill. This is manifestly unfair, grossly discriminatory against a group that has the least desirable assignment in the Postal Service—namely, night work.

It is inconceivable that Congress will knowingly penalize the postal night workers—the hardest-worked group in the service—by a 21 per cent pay reduction as against a smaller reduction for higher-paid groups enjoying better assignments. No postal employee is on night work from choice. It is an obvious injustice to make him the victim of a double penalty, as is proposed in the bill.

The committee has added this language to section 207:

In so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work during the day during which the overtime work or night work is to be performed, and work on Sundays and holidays shall be performed by substitutes in lieu of persons who have performed a week's work during the same week.

Apparently this is intended as a sop to the substitutes who were thrown out of work by the drastic reduction in the appropriation bill. Having taken their work away, we make a gesture toward restoring some of it. I say "gesture" because this language is meaningless as far as the Postal Service is concerned. I ask the committee to point out how a single substitute, over and above those now occasionally employed at night, can be put to work as a result of this provision?

Is it intended to lay off a regular clerk working nights to employ a substitute? Night work in the Postal Service is largely mail distribution performed by trained, skilled distributors. These men do not work also during the day. Their 8-hour tour in most instances is entirely at night. Now, is it intended to displace them by substitutes? I ask the committee to enlighten the House on this point. Please inform us how night work can be performed by substitutes to any greater extent than at present. In my judgment, this language as it relates to night work is meaningless so far as the Postal Service is concerned.

The language is superfluous also, so far as overtime in the Postal Service is concerned, because existing law reads:

That in cases of emergency, or if the needs of the service require, and it is not practicable to employ substitutes, special clerks, clerks and laborers in first and second class post offices, and carriers in the City Delivery Service can be required to work in

excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employee.

Please note that under the law at present regulars can not be employed on overtime in the Postal Service if it is practicable to employ substitutes. So this provision in its relation to postal overtime is a restatement of the present law and will not help the postal substitutes.

The third proposition, namely, that substitutes be employed on Sundays and holidays, will help the substitutes to some extent. But it will not result in an economy. The Post Office Department has administrative authority now to employ substitutes on Sundays and holidays in lieu of regulars. This practice was recently discontinued by the department because of its cost. It is cheaper to employ the regular and give him time off later at a slack period than to employ a substitute. That is the department's practice. At any rate, how are you to provide work for regulars with an $80,000,000 cut in the annual supply bill?

Mr. McDUFFIE. Mr. Chairman, I move that all debate upon the Ramseyer amendment and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. WILLIAMSON. Mr. Chairman, the very same reasons exist for voting down this amendment that existed for voting down the previous amendment. The result of this amendment will be that out of a total pay roll of $1,315,000,000, only the sum of $300,000,000 will be affected with pay cuts. In other words, less than 10 per cent of the employees will be affected by the cut if this amendment should be voted into the bill.

Mr. CHINDBLOM. What will be the saving?

Mr. WILLIAMSON. The saving if this amendment goes into the bill will be less than $20,000,000. I called attention a while ago to the fact that unless this staggering plan is adopted by Congress you are going to lose 18,000 city letter carriers, 9,000 second-class clerks in the post office, 8,000 rural carriers, and 1,609 assistant postmasters. If you adopt this amendment, you will reduce that loss by less than 10 per cent. It would be most unfortunate to force 70,000 employees out upon the street, most of whom can be saved under the staggering plan. Not only can they be saved, but the service which they render, which I am sure you do not wish to destroy, can be continued. I know of no service rendered by the Government that is more appreciated than the delivery of mail for rural and urban communities. Service to the folks back home should be some inducement to the plan proposed by the President.

The basic pay will not be destroyed and the principle of the 5-day week will be recognized by the Government.

The amendment should be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

Mr. BRITTEN. Mr. Chairman, I believe there is a minute and a half or two minutes time yet remaining. I would like to use that in order to offer an amendment.

The CHAIRMAN. The gentleman has the right to offer an amendment, but he can only consume that time by unanimous consent. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman is recognized for one and one-quarter minutes.

Mr. BRITTEN. Mr. Chairman, my amendment is to amend the amendment now on the Clerk's desk so as to read $2,000 rather than $2,400.

The CHAIRMAN. The Chair thinks that would be in the third degree. The time of the gentleman has expired.

The question is on the adoption of the amendment offered by the gentleman from New York [Mr. MEAD].

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 96, noes 146.

So the amendment was rejected.

Mr. COOPER of Ohio. Mr. Chairman, I offer an amendment, which I send to the desk.

Mr. McDUFFIE. Mr. Chairman, I make the point of order that all debate has been closed.

The CHAIRMAN. That does not prevent any Member from offering an amendment.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. COOPER of Ohio: Page 4, line 15, strike out "10 per cent" and insert in lieu thereof "20 per cent."

The question was taken; and on a division (demanded by Mr. McDUFFIE) there were—ayes 35, noes 144.

So the amendment was rejected.

Mr. BRITTEN. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BRITTEN:

Page 1, line 7, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 2, line 14, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 2, line 17, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 3, line 5, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 4, line 22, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 5, line 14, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 5, line 16, strike out "$1,500" and insert in lieu thereof "$2,000."

Mr. McDUFFIE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McDUFFIE. I would like to know whether or not the Chair will continue to recognize Members to offer amendments. We could probably have 50 more amendments offered, and it seems to me we have pretty well gotten an expression of the House. I suggest to the Chair that amendments might be offered until 5 or 6 o'clock.

The CHAIRMAN. That would be absolutely in the province of the committee so long as the amendments are germane.

Mr. BLANTON. And not dilatory.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Illinois [Mr. BRITTEN].

The question was taken; and a division was demanded by Mr. BRITTEN.

Mr. BRITTEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. BRITTEN and Mr. RAMSEYER to act as tellers.

The committee divided; and the tellers reported there were ayes 148 and noes 143.

So the amendment offered by Mr. BRITTEN was agreed to.

The CHAIRMAN. The question is on the adoption of the substitute amendment offered by the gentleman from Iowa, as amended.

Mr. STRONG of Kansas. Mr. Chairman, I have an amendment on the Clerk's desk.

The CHAIRMAN. The gentleman was not on his feet seeking recognition. The amendment comes too late.

Mr. STRONG of Kansas. I sent it to the desk.

The CHAIRMAN. The gentleman did not ask for recognition. I am sure if the gentleman had observed, the Chair waited before he put the motion on the Ramseyer substitute, and looked around the Chamber to see if any other Members desired to offer amendments.

The question is on the adoption of the substitute amendment offered by the gentleman from Iowa, as amended.

The question was taken; and on a division (demanded by Mr. O'CONNOR) there were—ayes 151, noes 125.

Mr. O'CONNOR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. O'CONNOR and Mr. RAMSEYER to act as tellers.

The committee again divided; and the tellers reported there were ayes 159 and noes 176.

So the substitute amendment offered by Mr. RAMSEYER was rejected.

Mr. McREYNOLDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McREYNOLDS: Page 2, line 17, as amended, after "$2,500," strike out the period, insert a comma, and add "up to and including $3,500; 15 per cent of the amount thereof up to and including $5,000; 20 per cent up to and including $7,500; and 25 per cent in excess of $7,500."

Mr. McREYNOLDS. Mr. Chairman, I am sure that we all appreciate the great efforts that have been made by the Economy Committee in trying to reduce the expenses of the Government. I want to cut down expenses, discard useless departments, and combine departments wherever economy can be effected, and cut the salaries as they should be cut. This country is in a distressful condition; people are demanding reduction in expenses of the Government, and I am endeavoring to do my part.

I have opposed the reduction as proposed by the committee wherein it was 11 per cent of $1,000. I feel that the reduction should not go in the lower brackets, but that the greater reduction should go in the higher brackets.

You have already established a $2,500 exemption. To carry that out and to save expense my amendment makes 11 per cent applicable up to $3,500, inclusive; from $3,500 to $5,000, 15 per cent; from $5,000 to $7,500, 20 per cent; and over and above that amount 25 per cent. You must remember in making these reductions that you have a $2,500 exemption.

Let me call your attention to what this means. Under the present plan you would pay out $110 on a salary of $3,500. On a salary of $5,000 under the present plan there would be a reduction of $250; under the plan proposed in my amendment the reduction would be $335. On a salary of $7,500 under the plan proposed in my amendment the reduction would be $835, whereas the reduction under the present plan is $550. There being a $2,500 exemption, this increase would take from a $10,000 salary the amount of $1,460; $12,000 salary, $1,460, and so on. It follows out the idea embodied in the income tax law.

Mr. JONES rose.

Mr. McREYNOLDS. I yield to the gentleman from Texas.

Mr. JONES. The gentleman has answered the question I had intended asking. I have prepared an amendment providing a $2,000 exemption, then beginning with a 5 per cent reduction on that part of the salary between $2,000 and $3,000, 10 per cent between three and five thousand, 15 per cent between five and eight thousand, and 20 per cent on that part between eight and ten thousand and over. I agree with him that such cuts as are made should be larger in the higher brackets. This is the program that I shall support. As the gentleman's amendment is similar, I shall support it in this emergency.

Mr. McREYNOLDS. This merely makes an increase in the higher brackets, and that is where it ought to be. We ought to preserve and protect the man in the lower brackets, and we can do it in this way. The amendment will raise millions of dollars more if you are going to keep in the $2,500 exemption.

Mr. GARBER. Will the gentleman yield?

Mr. McREYNOLDS. I yield.

Mr. GARBER. What is the total amount of the saving under the gentleman's amendment?

Mr. McREYNOLDS. I have not those figures.

Mr. SIROVICH. Will the gentleman yield?

Mr. McREYNOLDS. I yield.

Mr. SIROVICH. Does the distinguished gentleman know that there are only 4,000 people drawing salaries greater than $5,000?

Mr. McREYNOLDS. If there are more than 4,000 the saving will be that much greater.

Mr. SIROVICH. There are but 4,000.

Mr. McREYNOLDS. They will be reduced under this plan. It is not fair to attack the man drawing a small salary. You can not deal with him as an individual, but you must deal with him as of a class. You know, and I know, that the greatest portion of these Federal employees live in cities and their living expenses are high. Under the present distressing conditions in the country they support many more people than those in their own families. Here in Washington I understand that many are aiding in supporting their relatives in the various States.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. McREYNOLDS. I yield.

Mr. WOOD of Indiana. Is it the gentleman's purpose to save money for the Government or to protect the employees?

Mr. McREYNOLDS. The purpose is to save money for the Government.

Mr. WOOD of Indiana. It would not save $15,000,000.

Mr. McREYNOLDS. That is better than you have left under this title in this bill.

What I would have preferred, and the amendment that I intended to offer, would have provided for no exemption, but it would have commenced something like $2,500 with a graduated scale, reaching 20 per cent in the higher brackets; and this method would have saved for the Government something like forty-five millions, so I am advised. However, that question has been settled and an exemption has been voted, and it is for that reason that I am asking this House to place a greater percentage reduction on the higher brackets. According to my ideas it is right, it is just, and it will save many millions of dollars to this Government; and I trust that this amendment can be adopted.

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I rise in opposition to the amendment. If it were necessary to cut salaries, as we are talking about doing here, I would be for it. It not only is not necessary but it is absolutely unnecessary. It is bad economy; it is bad morals; and it is bad politics. The interest of the people of the cities and the interests of the people of the country in the United States are one and the same. [Applause.] It is not true to say that because a man lives in a country district he shall take a different view of the needs of the situation. I appeal to those of you who, like myself, are from a district containing very small cities, to consider that our interests are exactly the same as the interests of people who live in New York, Chicago, and every other great city in America. We are putting ourselves in a position where, in effect, we are saying that prosperity in the cities brings poverty in the country, or that prosperity in the country brings poverty in the cities. Any man who knows the simple A, B, C's of economics knows that is not true. The people of the cities and the people of the country will prosper together or suffer from poverty together.

From the very beginning we started at this thing backward.

Some gentlemen here seem to be amused at the present situation, but let me say to them that they are going to answer some questions this fall. They are not going to be able to get away with this when they go back home and face an old hard-headed farmer, and I am going to face my farmers, too. You may go back and say, "We have saved $150,000,000 or $300,000,000." Then the farmer will say to you, "How much have you saved for me? Did you save my home? Did you enable me to pay my taxes? Did you enable me to get good prices for my produce?" Then he will ask you again, "How much did you say you saved for me?"

If you will take your pencils, gentlemen, and count how much you have saved for these farmers you will find you are not saving for them a single, solitary dollar. I am preparing a table which will astound the gentlemen who really believe they are helping the farmers by this supposed economy.

Mr. BACHMANN. Will the gentleman yield?

Mr. KELLER. I yield.

Mr. BACHMANN. Does the gentleman favor this $2,500 cut or exemption in salaries?

Mr. KELLER. I am not going to vote for any cut in any man's salary anywhere or at any time. [Applause.] It is all wrong economically; absolutely wrong.

Mr. KVALE. Will the gentleman permit an observation in his time?

Mr. KELLER. I will.

Mr. KVALE. To those Members of Congress who would like to know what the farm organizations and farm people think about pay cuts, I refer them to the RECORD of Tuesday,

March 29, in which appear letters inserted by the gentleman from New York [Mr. LAGUARDIA] from national farm leaders on this subject. They do not favor pay cuts.

Mr. KELLER. I thank the gentleman. I want to call your attention also to the fact that farm prices, commodity prices, and employment invariably go together. When employment starts downward commodity prices start downward. They go together. They go up, they run along together, and they go down together. If any man dares to go outside and debate this question with me where we can have time to talk things over as they ought to be, I will be able to put questions to him which he will be unable to answer. I should be glad to debate this subject before any farmer or labor audience with any man who believes our present program is at all defensible.

Mr. CONNERY. Will the gentleman yield?

Mr. KELLER. Certainly.

Mr. CONNERY. The gentleman is a member of the Committee on Labor, and he knows that this morning the contractor who has the contract for the Boulder Dam came in and said that as a result of the Interior Department appropriation bill cut, 3,200 men are to be completely turned out of work and the United States Government is to lose money during the next year on that project.

[Here the gavel fell.]

Mr. GOSS. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Tennessee [Mr. MCREYNOLDS].

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Goss to the amendment offered by Mr. MCREYNOLDS: Strike out all of the amendment down to and including the word "and" where it occurs the last time.

Mr. GOSS. Mr. Chairman, I call the attention of the committee to the fact that the amendment offered by me will give the Members of the House an opportunity to express to the country whether they are willing to cut their own salaries in the higher brackets. This is the only purpose of the amendment.

Mr. KVALE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut to the amendment.

Mr. Chairman, I am not going to tax the patience of the committee at this late hour. I will try to finish in two minutes.

I want to say that I am grateful to the gentleman from Illinois [Mr. KELLER] for the courage he demonstrated in the face of the discourtesy on the part of the committee, and I subscribe to every word he uttered.

I also wish to state at this time my firm conviction that it is not only an unwise and an ill-considered and an untimely, but an almost criminal policy on the part of the Congress at this time to reduce wages and to set such an example for business and industry throughout the country that inevitably will mean for every million dollars we save here in pay cuts, a billion dollar loss in purchasing power to the Nation at a time when we need purchasing power increased and restored.

I have my own views about reducing the salary of Members of Congress. I feel I do earn the net $5,000 annually that perhaps remains from my salary after I pay the necessary expenses incident to my work and after I try to conduct the cost of my own campaign independently. I have added cause for resentment when it comes to cutting the clerk hire, to making cuts in the stationery allowances that are now inadequate, and otherwise penalizing and crippling this legislative body and making it impossible for poor men or men of modest means to aspire to this office. [Applause.]

I think the constituents back in the country and at the crossroads, after they think this over, will doubt that Congress to-day is doing them any service by seeking such economies.

I feel these things deeply. As I study them I feel them more intensely. I am profoundly convinced that we are at the crossroads to-day, and that upon the action we are about to take when the debate on this measure is concluded will rect, not the dollars and cents we save for the taxpayers, but there will rest something far greater and of far more consequence—that which the gentleman from New York [Mr. LAGUARDIA] and others have referred to—the very economic stability of the country and the recovery from the doldrums that we are now so unhappily in.

I hope the amendment of the gentleman from Tennessee will be rejected.

Mr. BACHMANN rose.

Mr. DYER. Mr. Chairman, I make the point of order that debate has been exhausted on the amendment.

The CHAIRMAN. The point of order is sustained.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to proceed for five minutes on the question of congressional salary. I have some figures here of interest.

Mr. MCGUGIN. Mr. Chairman, reserving the right to object, if the same consideration is given to some one else for five minutes in favor of the amendment, I shall not object; otherwise I object.

The CHAIRMAN. The gentleman from Kansas objects.

Mr. MCREYNOLDS. Mr. Chairman, I would like to know just what is the last amendment to the amendment.

Mr. PATTERSON. Mr. Chairman, I ask unanimous consent to have the McReynolds amendment, as well as the Goss amendment to the amendment, read so that we may know where we are.

The CHAIRMAN. The Clerk will again report the amendments.

Mr. MCGUGIN. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. LAGUARDIA] may proceed for five minutes out of order and that following the gentleman from New York, I may proceed for five minutes out of order.

Mr. MCDUFFIE and Mr. PARKS objected.

The Clerk again read the Goss amendment and the McReynolds amendment.

Mr. PATTERSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PATTERSON. Does the McReynolds amendment carry the same reduction of congressional salary that the gentleman from Connecticut proposes in his amendment?

Mr. GOSS. Yes; I will say to the gentleman.

The CHAIRMAN. The question is on the amendment of the gentleman from Connecticut to the amendment of the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. Goss) there were—ayes 31, noes 162.

So the amendment to the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Tennessee—in the McReynolds amendment strike out "$7,500" and insert "$17,500."

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA to the amendment offered by Mr. MCREYNOLDS: Strike out "$7,500" where it occurs and insert in lieu thereof "$17,500."

Mr. MCDUFFIE. A point of order, Mr. Chairman. That amendment appears to me to be a dilatory amendment.

Mr. LAGUARDIA. It is not. I have a statement to make in reference to congressional salaries.

Mr. MCDUFFIE. I can not see where $17,500 will apply here.

Mr. LAGUARDIA. We have our ambassadors.

Mr. SCHAFER. And the attorney for the Farm Board gets $17,500.

Mr. LAGUARDIA. Mr. Chairman, the reason I have taken this time is because there is so much misrepresentation and misapprehension on the part of a great many people in this country as to the high salaries of the Members of Congress and the luxurious life they are supposed to live here in Washington.

I do not blame the people for such misapprehension, when we have Members in the House, born with silver spoons in their mouths, who do not know the real value of

a dollar, who vote every opportunity they have against the best interests of the working people, who get up here and make a grand-stand play by advocating a reduction of their colleagues' salaries.

The other day grandiloquent gestures were made, offering or suggesting amendments to reduce salaries of Members of Congress.

In order to get an accurate picture of the family economics of the average Member of Congress, I prepared a questionnaire which I sent to about one-half of the membership of the House taken at random. From the replies received I believe a fairly good cross-section of the average Congressional-family budget was obtained.

The additional burdens of the office, its obligations, and the expenses entailed by reason of maintaining two homes, are not generally known by the public and, though known by the critics of Congress, are entirely ignored. The information from the questionnaire indicates that the average rental paid by a Member of the House in Washington, D. C., is $138.81 a month. In addition to that, Members maintain their homes in their States, and the figures show that the average cost of maintenance is $1,002 a year, either for rent or taxes and upkeep of the home—a total of $222.31 per month for housing.

Much criticism has been made of the congressional mileage allowance. Yet the results of my questionnaire show that the average Member spends $399.41 a year for traveling expenses over the mileage allowance he receives from the Government. This includes, it should be added, money spent for traveling in his district and State during campaigns and between sessions.

Those Members of Congress who have children of school age (above the primary grade) report that the average additional cost of educating them is $547 per family per year higher by reason of the temporary and shifting residence in Washington.

I asked about the additional drain on congressional salaries by reason of contributions, donations, assessments, charities, and so forth, and found that the average was $900 a year.

The average annual cost of entertaining constituents in Washington is $440.61, and anyone familiar with conditions in Washington must know this is not an exaggerated figure. The amount represents the average Member who fulfills his political and social obligations modestly and necessarily, without splurge or extravagance.

While nearly all Members of Congress belong to some fraternal organization, very few are Members of so-called exclusive clubs, where initiation and annual dues are high.

In their answers my colleagues estimated their additional personal and family expenses due to official position and residence in Washington to average $374.65 a year.

Almost without exception, Members of Congress spend $300 or $400 per year above their stationery and postage allowances. It is a popular misconception that the franking privilege covers personal campaign mailing expenses. That is not true. A Representative's term is two years. He must meet a primary or election every other year, which entails large stationery and mailing expenses.

Mr. SIROVICH. How about food?

Mr. LAGUARDIA. I have not taken food into consideration. I have only taken the additional expenses imposed upon Members of the House by reason of their official position and residence in Washington. Any additional cost of food or clothes and local obligations would be included in the amount of $374.65 which I have previously quoted as being the additional personal and family expenses due to the official position and residence in Washington.

In addition to this, there are the campaign incidentals, apart from postage and traveling, which form a large drain. The conditions in different parts of the country and in different districts, as well as political local conditions, are so different that it is difficult to strike a fair mean average. The fact remains, nevertheless, that either in one form or in another there is this additional expense.

It is true that we have men of large fortunes who entertain lavishly here, but I have not taken such individuals into consideration as it would bring the incidental expenses above the average. As I stated before, some of these men are the very ones who are now shouting the loudest to reduce the salaries of the colleagues who come to Washington not for the social whirl but on a mission of civic duty for their constituents, for their State, and for their country.

It was not so long ago that many Members of Congress were falling so far behind in their normal expenses that many had to leave Congress and abandon their legislative work. The salary was increased by reason of the necessity of enabling Members of the House and Senate at least to make their family expenses and to live in some semblance of decency.

The matter of congressional salaries has always been under discussion. It is not so much as to what salary is paid an individual Member that is the cause of this constant criticism and these perennial attempts to reduce congressional salaries as it is the desire in some quarters to see either men of large fortunes only able to run for such office or to put in small men who would be susceptible to outside influences in legislating. It was not so long ago, before the popular election of Senators, that the United States Senate was nothing but a rich man's club. Before the popular election of Senators it was nothing unusual to see the presidents of large railroad corporations sitting in the United States Senate. Had it not become an American adage to say: "He can afford to be a United States Senator," or "He can afford to be a United States ambassador"? The American people soon learned that there were other qualifications than a vast fortune necessary for a United States Senator. For that reason the Constitution was changed and the popular election of Senators provided. The purpose of this drive and constant criticism of Congress and the attempts to reduce salaries is in keeping with the old policy of the special interests to control legislation.

Legislation has become a highly specialized work. It requires experience. It requires constant study of conditions and constant application to our legislative work. The demands on the legislator are constantly increasing. The number of problems in matters coming before Congress increases every year. I know that of the membership of this House the vast majority is unable to attend to any private business during the session of Congress.

I think it is only fair for the people to know that we live seven months in the year in Washington and we must maintain a residence in our home town; that we have certain obligations that go with our official duties, that we must devote all our time to those professional duties. Let us put an end to this demagogy. [Applause.]

Mr. COOPER of Ohio. Mr. Chairman, a short time ago I offered an amendment to reduce the salaries of Members of Congress by 20 per cent. I offered that amendment in all sincerity and good faith. I am not one of those silver-spoon, silk-stocking aristocrats, to whom the gentleman from New York [Mr. LAGUARDIA] referred a few moments ago. I live in one of the greatest industrial districts in the United States. I have just spent a week or 10 days in my home city. I find in that industrial district that about 20,000 workers are unemployed to-day. We have our soup houses and our bread lines. There has been a tremendous reduction all the way down the line in wages. In the office forces of our steel companies they have made reductions in the salary of the employees 40 per cent. The union men who had always worked under the union scale in that community have voluntarily accepted reductions, and I believe if Congress is going to take the position that it must reduce the salaries of Federal employees, there was nothing better it could do than to reduce its own salaries first. I know a Congressman is not getting paid too much, but these are critical times, and everybody in this country to-day has to make some sacrifice. It is going to take a lot of heroic sacrifice to get back to the position where we want to be.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Not now. I voted for the Ramseyer amendment, and I tell you why. I voted for it because it established the principle of a shorter work week and a shorter work day.

In the district in which I live at the present time, if the steel plants were working 100 per cent capacity, we would still have 10,000 men unemployed. Why? We have expanded beyond all our dreams in industrial development with labor-saving devices and improved machinery, and 1 man working at an open-hearth plant in the steel plant to-day can produce in 12 hours the same tonnage that 20 men produced in the same length of time 25 years ago. One of our pipe mills can produce the same tonnage in one day that it took a week to produce 25 years ago. How are we going to remedy that? We have to establish a shorter work day and a shorter work week. I do not believe that employees are working too long hours to-day, but, in order to give these men employment, we must try to regulate our production to our capacity to consume; and we have to shorten the work day and the work week in order to spread this employment out over a wider, broader field.

I voted yesterday for the $2,500 exemption. I hesitate to reduce the salaries of the Federal employees in the lower brackets, but I take this moment to say to this House that when I introduced that amendment calling for a 20 per cent cut in the salaries of Congressmen I did it in all sincerity and honesty, because, as far as I am personally concerned, I am willing to make that sacrifice; and it would be a sacrifice to me to reduce my salary, but, in order to relieve the present situation and lighten the great burdens of taxation which weigh on the backs of the American people to-day, I am willing to do it. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I withdraw my pro forma amendment.

Mr. McDUFFIE. Mr. Chairman, I move that all debate upon Title I do now close.

The CHAIRMAN. Is the gentleman moving that all debate on the title and all amendments thereto do now close?

Mr. BACHMANN. Mr. Chairman, before that motion is put will the gentleman yield for a question?

Mr. McDUFFIE. Yes.

Mr. BACHMANN. Will the gentleman advise the House whether it is his intention now to continue without recess, or to have a recess from 6 o'clock to 7.30 o'clock, so that the Members can have time to get dinner.

Mr. McDUFFIE. My intention is not to have a recess, but to continue until 10 o'clock or 10.30 o'clock this evening.

Mr. SIROVICH. Then we all ought to walk out. There are some Members here who are sick.

Mr. DELANEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DELANEY. Will the closing of debate on this title within a short time prevent us from offering further amendments to the title?

The CHAIRMAN. It will not.

Mr. BROWNING. But it will cut off debate.

The CHAIRMAN. The question is on the motion of the gentleman from Alabama that all debate upon Title I and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. BROWNING) there were—ayes 161, noes 42.

Mr. SCHAFER. Mr. Chairman, I demand tellers.

Tellers were refused.

So the motion was agreed to.

Mr. SIROVICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SIROVICH. There are many Members of Congress who have been worked to death. We are sick and tired of it. We have been working in our committee rooms, and I know that Members would like to have a recess for an hour or an hour and a half.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. BLANTON. Mr. Chairman, I rise to prefer a unanimous-consent request. The gentleman from Tennessee [Mr. BROWNING] has been trying to the best of his ability to get the floor on a bona fide amendment.

The CHAIRMAN. The gentleman from Tennessee will have a right to offer his amendment.

Mr. BLANTON. I ask unanimous consent that the gentleman have two minutes in which to present his amendment.

Mr. SNELL. Mr. Chairman, I object.

Mr. SIROVICH. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from New York that the committee do now rise.

The question was taken.

Mr. SIROVICH. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SIROVICH and Mr. McDUFFIE to act as tellers.

The committee again divided; and the tellers reported there were—ayes 136, noes 55.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11267, the legislative appropriation bill, had come to no resolution thereon.

Mr. McDUFFIE. Mr. Speaker, I move that the House stand in recess until 7.30 this evening.

Mr. SIROVICH. Mr. Speaker, I move that the House do now adjourn until to-morrow at 12 o'clock noon.

The SPEAKER. The gentleman from New York moves that the House do now adjourn until to-morrow at 12 o'clock noon.

The question was taken; and a division was demanded by Mr. SIROVICH.

Mr. SIROVICH. Mr. Speaker, I ask for tellers.

Tellers were ordered.

The SPEAKER appointed Mr. SIROVICH and Mr. McDUFFIE to act as tellers.

The House divided; and the tellers reported there were—ayes 118 and noes 157.

So the motion was rejected.

RECESS

Mr. McDUFFIE. Mr. Speaker, I move that the House now stand in recess until 7.30 p. m.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House stood in recess until 7.30 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order by the Speaker pro tempore, Mr. RAINEY.

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore. The gentleman from Washington makes a point of order that there is no quorum present. Evidently there is not a quorum present.

CALL OF THE HOUSE

Mr. McDUFFIE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 59]

Abernethy	Clague	Foss	Igoe
Aldrich	Clark, N. C.	Freeman	Jeffers
Andresen	Cochran, Pa.	Garber	Johnson, Ill.
Andrews, N. Y.	Collier	Garrett	Kemp
Baldridge	Crowe	Golder	Kendall
Beck	Crump	Goldsborough	Kleberg
Bloom	Culkin	Griffin	Kurtz
Boland	Dallinger	Griswold	Larrabee
Boylan	Davenport	Hall, Miss.	Larsen
Brand, Ohio	Douglass, Mass.	Hancock, N. C.	Lea
Britten	Dowell	Harlan	Lewis
Brumm	Drane	Haugen	Lovette
Burtness	Erk	Hogg, Ind.	Ludlow
Canfield	Estep	Holmes	McLaughlin
Cavicchia	Evans, Mont.	Hornor	McSwain
Celler	Finley	Horr	Magrady
Chapman	Fish	Hull, Morton D.	Martin, Oreg.
Chavez	Fishburne	Hull, William E.	Miller

Murphy	Selvig	Sumners, Tex.	Whitley
Norton, Mrs.	Smith, Idaho	Sweeney	Williams, Tex.
Owen	Smith, W. Va.	Swing	Withrow
Parsons	Steagall	Tinkham	Wolfenden
Partridge	Stevenson	Treadway	Wood, Ind.
Peavey	Stokes	Tucker	Wyant
Pou	Strong, Pa.	Underhill	Yates
Sanders, N. Y.	Sullivan, Pa.	Weaver	Yon

The SPEAKER pro tempore. Three hundred and twenty-six Members have answered to their names. A quorum is present.

Mr. McDUFFIE and Mr. JOHNSON of Washington rose.

PRIVILEGES OF THE HOUSE

Mr. JOHNSON of Washington. Mr. Speaker, I rise to a question of the privileges of the House of Representatives.

The SPEAKER. The gentleman will state the question of privilege.

Mr. JOHNSON of Washington. In that connection, Mr. Speaker, I desire to submit a parliamentary inquiry to ask if the rules of the House of Representatives run to the committees of the House of Representatives? It is a question of the privileges of the House relating to procedure.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that is not a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that it is not a parliamentary inquiry.

Mr. JOHNSON of Washington. Mr. Speaker, I am rising to a question of procedure of the House of Representatives. I am going on the theory that the procedure of the House runs to the committees of the House. In that connection I desire to make a statement.

The SPEAKER pro tempore. In reply to the inquiry of the gentleman, the Chair will read the following from the rules:

The rules of the House are hereby made the rules of its standing committees as far as applicable, except that a motion to recess from day to day is hereby made a question of high privilege in said committees.

Mr. JOHNSON of Washington. Mr. Speaker, in that connection I desire to make a statement.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that there is no authority for making any statement.

The SPEAKER pro tempore. The point of order is sustained.

Mr. JOHNSON of Washington. I am making a statement under the rule just read as to the privileges of the House.

Mr. O'CONNOR. Mr. Speaker, I submit it is subject to the same point of order.

Mr. JOHNSON of Washington. Am I not to be given a chance to rise to a question of privilege?

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

Mr. DYER. Mr. Speaker, I make the point of order that the gentleman's statement is not in order.

Mr. BLANTON. Mr. Speaker, the regular order is that the gentleman may state his question of privilege.

Mr. JOHNSON of Washington. Mr. Speaker, I charge the rules of the House in the Committee——

Mr. LEHLBACH. Mr. Speaker, I make the point of order——

The SPEAKER pro tempore. If the gentleman has a matter of privilege, let him state it.

Mr. JOHNSON of Washington. If I may have order so I can be heard, I will state the matter of privilege, which is to the effect that I charge that the rules of the House——

Mr. LEHLBACH. Mr. Speaker, I make the point of order that the statement of the gentleman's question of privilege is not in order. A question of the privilege of the House can only be raised by the offering of a resolution.

The SPEAKER pro tempore. The Chair sustains the point of order.

Mr. JOHNSON of Washington. Am I not to be allowed to rise in my seat on a question of the privileges of the House?

Mr. BLANTON. Not unless the gentleman offers a resolution.

Mr. McDUFFIE. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

STATUE OF CHARLES BRANTLEY AYCOCK

Mr. WARREN. Mr. Speaker, I offer a concurrent resolution and ask unanimous consent for its immediate consideration. I might state in explanation before the resolution is reported that it was placed in my hands this afternoon, and after conferring with the officers of the House I am advised that it is necessary to pass this resolution immediately on account of the short time intervening between now and the purposes of the resolution.

The SPEAKER pro tempore. The gentleman from North Carolina offers a concurrent resolution, which the Clerk will report.

The Clerk read as follows:

House Concurrent Resolution 29

Resolved by the House of Representatives (the Senate concurring), That the statue of Charles Brantley Aycock, presented by the State of North Carolina to be placed in Statuary Hall, is hereby accepted in the name of the United States, and that the thanks of Congress be tendered to the State of North Carolina for the contribution of the statue of one of its most eminent citizens, illustrious for the high purpose of his life and his distinguished services to the State and Nation.

Second. That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of the State of North Carolina.

The SPEAKER pro tempore. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, is this one of the statues that the State of North Carolina is authorized to place in Statuary Hall and is this the usual resolution?

Mr. WARREN. Yes; and this is the second statue.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The resolution was agreed to.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. McDUFFIE. Mr. Chairman, just before we recessed I moved that all debate on Title I close. Since that time I have been reminded that in so far as I was concerned I would endeavor to secure permission for the gentleman from Tennessee [Mr. BROWNING] to offer an amendment. Preferring not to be placed in the attitude of breaking faith with a colleague, I now ask unanimous consent that the gentleman from Tennessee may present his amendment and have five minutes in which to address the committee upon it.

The CHAIRMAN. Is there objection?

Mr. O'CONNOR. Mr. Chairman, reserving the right to object, there are other Members here—the gentleman from New York, Mr. DELANEY, the gentleman from New York, Mr. MEAD, and the gentleman from Illinois, Mr. BEAM—who have important amendments to offer and on which they desire to be heard. It was not suggested that this whole Title I be foreclosed after the salary matters were disposed of, because there are other very important matters in that title, and it was the general opinion of the committee, as expressed just before we recessed, that a motion to foreclose all debate on those titles interfered with Members who desired an opportunity to present amendments.

Mr. DYER. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is: Is there objection?

Mr. O'CONNOR. Mr. Chairman, I object.

Mr. SCHAFER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SCHAFER. Is it in order at the present moment to offer a substitute for Title I?

The CHAIRMAN. It is not. There is an amendment pending. The question is on agreeing to the amendment offered by the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the amendment may again be reported.

The CHAIRMAN. Is there objection?

Mr. LaGUARDIA. Mr. Chairman, I object.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. BROWNING. Mr. Chairman, I offer an amendment.

Mr. McREYNOLDS. Mr. Chairman, I was on my feet calling for a division on the adoption of my amendment.

The CHAIRMAN. The Chair thinks the gentleman is too late. The Chair neither saw nor heard the gentleman when he put the question. The Chair thinks the gentleman is too late. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BROWNING: On page 7, line 1, strike out all of lines 1, 2, 3, and 4.

The amendment was rejected.

Mr. BEAM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report:

The Clerk read as follows:

Amendment offered by Mr. BEAM: Strike out section 102 (a) on page 2, lines 9 to 17.

The amendment was rejected.

Mr. DELANEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELANEY: Page 2, line 17, start after the figure and insert: "*Provided*, That any reduction in the compensation of any office, position, employment, or enlistment, the compensation for which is adjustable to conform to the prevailing rate of pay in private employment for similar work, shall not exceed the reduction in the total compensation of other employees of equivalent compensation, covered by this section."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. DELANEY) there were—ayes 46, noes 138.

Mr. DELANEY. Mr. Chairman, I ask for tellers.

Tellers were refused.

Mr. WOODRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: Page 7, line 4, after the period, insert a new paragraph:

"Par. (c) After June 30, 1932, no officer or employee of the Reconstruction Finance Corporation shall receive a salary at a rate in excess of $10,000 per annum."

Mr. LaGUARDIA. Mr. Chairman, I make a point of order on that amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LaGUARDIA. I state the point of order to be that the salary which the gentleman seeks to reduce of the Reconstruction Finance Corporation is already covered in the bill.

Mr. WOODRUM. The gentleman is mistaken, and the chairman has just indicated that he will accept the amendment.

Mr. LaGUARDIA. Then I withdraw the point of order.

Mr. WILLIAMSON. Mr. Chairman, I submit that the chairman has no right to accept an amendment and say that the committee is not opposed to it.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 142, noes 54.

So the amendment was agreed to.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: On page 4, line 3, add paragraph (f):

"Postal employees who will automatically be reduced in salary on July 1, 1932, by reason of decreased postal receipts for the calendar year 1931, and shall not apply to those who have been reduced on July 1, 1931, except wherein the total reduction applied on July 1, 1931, and July 1, 1932, does not amount to 11 per cent of original salary: *And provided further*, That the total reduction shall not amount to more than 11 per cent."

Mr. CONNERY. Mr. Chairman, I make a point of order against that. We have already passed the postal employees' provision.

Mr. RAMSEYER. Also, Mr. Chairman, it is not germane.

Mr. MEAD. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The Chair overrules the point.

The question is on the amendment offered by the gentleman from New York.

Mr. MEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MEAD. I will withdraw the amendment if the chairman of the committee can inform me if the postal employee whose salary is regulated by receipts of the office——

Mr. BLANTON. Mr. Chairman, I make a point of order that that is not a parliamentary inquiry.

The CHAIRMAN. That is not a parliamentary inquiry, and the gentleman's inquiry is not in order.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 41, noes 118.

So the amendment was rejected.

Mr. SCHAFER. Mr. Chairman, I offer as a substitute for Title I a real economy substitute which will save annually $500,000,000 to the badly battered Treasury.

The CHAIRMAN. The Clerk will report the substitute.

The Clerk read as follows:

TITLE I.—FURLOUGH OF FEDERAL EMPLOYEES

SEC. 101. During the fiscal year ending June 30, 1933, each officer or employee in the Bureau of Industrial Alcohol and the Bureau of Prohibition earning compensation on an annual basis at the rate of more than $2,000 per annum shall be furloughed without compensation for six calendar months——

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment shows on its face that it is clearly dilatory.

The CHAIRMAN. The amendment so far is in order. The Clerk will read.

The Clerk continued the reading of the amendment, as follows:

or for such periods as shall in the aggregate——

Mr. RAMSEYER. Mr. Chairman——

Mr. LaGUARDIA. Mr. Chairman, we are entitled to have the amendment read without interruption.

Mr. BLANTON. Well, it is a lot of buncombe.

Mr. LaGUARDIA. The whole bill is buncombe.

Mr. GOSS. Mr. Chairman, I make the point of order that the gentleman from Texas is not in order.

The CHAIRMAN. The Chair is trying now to determine whether or not the amendment is subject to a point of order. So far it is not subject to a point of order, and the Clerk will read.

The Clerk continued the reading of the amendment, as follows:

be equivalent to six calendar months, for which latter purpose 24 working days (counting Saturday as one-half day) shall be considered as the equivalent of one calendar month.

SEC. 102. In order to promote economy and reduce expenditures in the Treasury and Justice Departments and to relieve industries and subjects of taxation from existing and additional burdens, there shall be levied and collected on all beer, lager beer, ale, porter——

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is not germane, is dilatory, and foolish.

The CHAIRMAN. The point of order is sustained.

Mr. CONNERY. Mr. Chairman, I move to strike out Title I.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CONNERY: Strike out Title I.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was being taken, when Mr. CONNERY demanded tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. CONNERY and Mr. WILLIAMSON.

The committee divided; and the tellers reported that there were 84 ayes and 183 noes.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read Title II.

The Clerk read Title II, as follows:

TITLE II.—PROVISIONS AFFECTING PERSONNEL

SUSPENSION OF PROMOTIONS AND FILLING OF VACANCIES

SEC. 201. All provisions of law which confer upon civilian or noncivilian officers or employees of the United States Government or the municipal government of the District of Columbia automatic increases in compensation by reason of length of service or promotion are suspended during the fiscal year ending June 30, 1933; but this section shall not be construed to deprive any person of any increment of compensation received through an automatic increase in compensation prior to July 1, 1932.

SEC. 202. No administrative promotions in the civil branch of the United States Government or the government of the District of Columbia shall be made during the fiscal year ending June 30, 1933: *Provided*, That the filling of a vacancy, when authorized by the President, by the appointment of an employee of a lower grade, shall not be construed as an administrative promotion, but no such appointment shall increase the compensation of such employee to a rate in excess of the minimum rate of the grade to which such employee is appointed unless such minimum rate would require an actual reduction in compensation. The President shall submit to Congress a report of the vacancies filled under this section up to November 1, 1932, on the first day of the next regular session. The provisions of this section shall not apply to commissioned, commissioned warrant, warrant, and enlisted personnel (including cadets) of the Coast Guard.

SEC. 203. No appropriation available to any executive department or independent establishment or to the municipal government of the District of Columbia during the fiscal year ending June 30, 1933, shall be used to pay the compensation of an incumbent appointed to any civil position under the United States Government or the municipal government of the District of Columbia which is vacant on July 1, 1932, or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filling of which may be authorized or approved in writing by the President of the United States, (b) to temporary, emergency, seasonal, or cooperative positions, or (c) to commissioned, commissioned warrant, warrant, and enlisted personnel (including cadets) of the Coast Guard. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between July 1, 1932, and October 31, 1932, shall be submitted to Congress on the first day of the next regular session: *Provided*, That such impounding of funds may be waived in writing by the President of the United States in connection with any appropriation or portion of appropriation, when, in his judgment, such action is necessary and in the public interest.

COMPULSORY RETIREMENT FOR AGE

SEC. 204. On and after July 1, 1932, no person rendering civilian service in any branch or service of the United States Government or the municipal government of the District of Columbia who shall have reached the retirement age prescribed for automatic separation from the service, applicable to such person, shall be continued in such service, notwithstanding any provision of law or regulation to the contrary: *Provided*, That no such person heretofore or hereafter separated from the service of the United States or the District of Columbia under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment under the United States or the District of Columbia: *Provided further*, That this section shall not apply to any person named in any act of Congress providing for the continuance of such person in the service.

SEC. 205. The provisions of this act providing for temporary reductions in compensation and suspension in automatic increases in compensation shall not operate to reduce the rate of compensation upon which the retired pay of any officer or employee would be based but for the application of such provisions, but the amount of retired pay shall be reduced by the percentage applicable under Title I.

TEMPORARY REDUCTION OF TRAVEL ALLOWANCES

SEC. 206. During the fiscal year ending June 30, 1933—

(a) the traveling and per diem allowances provided for in sections 3, 4, 5, and 6 of the subsistence expense act of 1926, approved June 3, 1926 (U. S. C., Sup. V, title 5, secs. 823–826) shall not exceed the amounts of $5, $4, $6, and $5, respectively, in lieu of the amounts set forth in such sections;

(b) all provisions of law which authorize the payment of mileage to officers of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37) are hereby suspended and in lieu thereof such officers shall be entitled to allowances for travel only as provided for civilian employees of the Government, and the subsistence expense act of 1926, as modified by this section, shall apply to such travel: *Provided*, That all appropriations available for the payment of such mileage during the fiscal year 1933 shall be construed as being available for the payment of the allowances herein provided;

(c) the mileage allowance of Senators, Representatives in Congress, and the Delegate from Hawaii is reduced 25 per cent; the allowance to the Delegate from Alaska provided by section 1 of the act of May 7, 1906, the allowance of the Resident Commissioners from the Philippine Islands provided by section 8 of the act of July 1, 1902, and the allowance to the Resident Commissioner from Porto Rico provided by section 36 of the act of March 2, 1917, are reduced by 25 per cent; and

(d) the traveling allowances provided for in the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (U. S. C., title 39, sec. 633), shall not exceed $2 per day.

OVERTIME COMPENSATION

SEC. 207. During the fiscal year ending June 30, 1933, no officer or employee of the Government shall be allowed or paid a higher rate of compensation for overtime work, for night work, or for work on Sundays and holidays. In so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work during the day during which the overtime work or night work is to be performed, and work on Sundays and holidays shall be performed by substitutes in lieu of persons who have performed a week's work during the same week.

LIMITATIONS ON AMOUNT OF RETIRED PAY

SEC. 208. (a) After the date of the enactment of this act, no person holding a civilian office or position, appointive or elective, under the United States Government or the municipal government of the District of Columbia or under any corporation, the majority of the stock of which is owned by the United States, shall be entitled, during the period of such incumbency, to retired pay from the United States for or on account of services as a commissioned officer in any of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37) at a rate in excess of an amount which when combined with the annual rate of compensation from such civilian office or position makes the total rate from both sources more than $3,000; and when the retired pay amounts to or exceeds the rate of $3,000 per annum, such person shall be entitled to the pay of the civilian office or position or the retired pay, whichever he may elect. As used in this section, the term "retired pay" shall be construed to include credits for all service that lawfully may enter into the computation thereof.

(b) This section shall not apply to officers on the emergency officers' retired list created by the act of May 24, 1928, and shall not apply to any person retired for disability incurred in line of duty.

PERSONNEL REDUCTIONS—MARRIED PERSONS

SEC. 209. In any reduction of personnel in any branch or service of the United States Government or the District of Columbia, married persons (living with husband or wife) employed in the class to be reduced shall be dismissed before any other persons employed in such class are dismissed, if such husband or wife is also in the service of the United States or the District of Columbia. In the appointment of persons to the classified civil service preference shall be given to persons other than married persons living with husband or wife, such husband or wife being in the service of the United States or the District of Columbia.

TEMPORARY ASSIGNMENTS IN POSTAL SERVICE

SEC. 210. During the fiscal year ending June 30, 1933, the Postmaster General may, when the interest of the service requires, temporarily assign any clerk to the duties of carrier or any carrier to the duties of clerk, and in an emergency may assign any post-office employee to the duties of a railway postal clerk, or any railway postal clerk to the duties of a post-office employee without change of pay-roll status.

Mr. SIROVICH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. SIROVICH: Page 10, line 7, at the conclusion of section 204, add the following paragraph:

"Any civil-service employee who has to his credit 30 years or more of allowable service as computed under the provisions of the civil-service retirement act is hereby given the right of optional retirement without regard to age, and the act of May 2, 1920, as amended by act of May 27, 1930, is accordingly amended: *Provided*, That such applicant furnishes proof of disability of 20 per cent or more, as determined under the regulations of the Veterans' Administration."

Mr. SIROVICH. Mr. Chairman, ladies and gentlemen of the committee, one of the greatest American writers prior to and during the American Revolution was Thomas Paine. Four great works have made his name immortal in America,

and established his fame throughout the civilized world. These four books are:

1. Common Sense; 2. The Crisis; 3. The Rights of Man; 4. Age of Reason.

"Common Sense" inspired and stirred the soul and imagination of George Washington to give his all upon the altar of establishing American freedom, and was instrumental in causing Thomas Jefferson to write that great immortal document known as the Declaration of Independence. When the American Colonial troops were in destitute circumstances, impoverished, suffering from hunger and want, walking, literally speaking, without shoes and in tattered clothes, it was the magnificent pamphlets called "The Crisis," written by Thomas Paine, that reinspired the American forces and those who sympathized with the American Revolution, to stand behind George Washington and the cause of the American Republic more than ever.

These 16 pamphlets called "The Crisis" were, next to the fighting spirit of Washington and his soldiers, more instrumental in bringing our cause to a successful conclusion than anything that ever happened in the eight years of strife between our Colonial forbears and the British redcoats.

In 1790 Edmund Burke wrote his treatise entitled "Reflections on the Revolution in France." In that book he genuflected and lick-spittled to monarchy and European aristocracy. It remained for that great intellectual genius, Thomas Paine, to answer him in that magnificent work entitled "The Rights of Man," in which he ridiculed the contentions of monarchies and aristocracies and all that they stand for, to battle for the inalienable right of mankind to the pursuit of life, liberty, and happiness, which every human being is entitled to receive in any part of the world in which he may live. While Paine was in prison in France for having tried to save the lives of Louis XVI and Marie Antoinette, waiting for the guillotine to deprive him of his head, he wrote the great work called "The Age of Reason," in which he appealed for the spiritual emancipation of mankind from worshiping at the altar of idolatry and superstition.

Mr. Chairman, ladies, and gentlemen, these four titles—Common Sense, the Crisis, the Rights of Man, and the Age of Reason—have a definite application to the conditions of our own time and particularly as they affect Congress. In the days of Thomas Paine we passed through a great political revolution. To-day we are passing through one of the greatest economic revolutions that has ever afflicted our Nation.

The American workingman has liberty and freedom. He has, however, no economic security. He cries aloud for work, but the only response is the echo of his wailing cry. To balance his unemployment we give him the cutting and slashing of Federal wages. The Budget must be balanced. We must take it from the weak to strengthen the strong. We must yield to power instead of to principle.

Mr. DYER. Mr. Chairman, I make the point of order that the gentleman from New York is not discussing his amendment.

The CHAIRMAN. The gentleman from New York will proceed in order.

Mr. SIROVICH. Mr. Chairman, that just goes to prove that Tom Paine was right when he wrote about common sense. [Laughter.]

In the Congress of the United States, common sense has fled from some of the minds of its Representatives, and like the distinguished gentleman from Missouri in its place we find hysteria sitting upon the throne. Hysteria is the major general that is leading and driving the forces that are crushing the social and economic rights of our Federal employees.

It is therefore necessary to appeal to reason to come back to its seat, to take possession of the judgment of some of our Members of Congress, and once again endeavor to bring about the greatest good to the greatest number of our Federal employees.

From a social, from an economic, and from a political standpoint the reduction of salaries of Federal employees would be instrumental in aggravating the frozen confidence of our American people by continuing longer the economic depression in which we are now floundering.

It would reduce the standard of living in every American home, which has taken us decades and decades to perfect and develop until it has been known the world over as the American standard of living.

From an economic standpoint it would diminish the purchasing power of more than a million Federal employees. It would lengthen the depression and compel the American workingman to economize now more than ever, because of the reduction of his salary. It would be instrumental in changing the living and saving wages that he formerly received into starvation wages.

From a political standpoint, we granted Europe a moratorium. We voted $2,000,000,000 for the Finance Reconstruction Corporation. We thought this tremendous monetary contribution, designed to help railroads, large banking institutions, life-insurance companies, Federal farm banks, and other similar organizations, would be instrumental in trickling down from above to help those who are below and are in destitute circumstances, impoverished, and unemployed, who would be the beneficiaries of this special legislation. This privileged legislation was a financial blood transfusion for Europe and for those great institutions. However, it looks to me as if this financial blood is being attempted to be taken from the anæmic, impoverished, self-respecting American Federal employee—1,000,000 of them—to help those who have been responsible for bringing our country into this great economic depression in which we find ourselves at the present time.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield for a question?

Mr. SIROVICH. Yes.

Mr. McDUFFIE. Will the gentleman tell us the economy to be effected by his amendment and how much money will be saved to the Public Treasury by it? We are interested in that, if the gentleman please.

Mr. SIROVICH. Mr. Chairman, ladies, and gentlemen, my amendment will save the Government of the United States $20,000,000. It provides that "any civil-service employee who has to his credit 30 years or more allowable service as computed under the provisions of the civil service retirement act is hereby given the right of optional retirement without regard to age and the act of May 2, 1920, as amended by the act of May 27, 1930, is accordingly amended, provided such applicant furnished proof of disability of 20 per cent or more as determined under the requirements of the Veterans' Administration."

Mr. Chairman, the liberalization of all Federal retirement laws through the enactment of a bill granting optional retirement after 30 years of service would save the Government $20,000,000 annually.

On the basis of 550,000 employees subject to the provisions of this act, the total number retired immediately would be about 15,000.

If no vacancies were filled or promotions made within the grades, as is now being considered, the annual saving to the Government would be at least $30,000,000.

If one-half of the vacancies were filled and appointments made at the entrance salary of $1,440, this saving would be about $20,000,000, and new jobs would have been provided for 7,500 of the unemployed.

Many of these faithful and loyal workers of the Federal Government who have worked more than 30 years have passed the peak of their efficiency. They impede the progress of the younger workers of lower salary grades who are not given an opportunity to perform important work. Many of these younger workers are competent and well qualified to perform work of a higher grade, but are held back, due to the stagnation incident to the present retirement law. This amendment provides for a substantial reduction without hardships to any and with benefits to many. The amendment that I have offered has met the approval of Mr. McDUFFIE, chairman of the Economy Committee, and the approval of Mr. RAMSEYER and Mr. WILLIAMSON, Republican members of the Economy Committee. In my opinion,

it will save at least $20,000,000, without bleeding any workingman.

It will give an opportunity to almost 10,000 to 15,000 men and women who have worked for a period of 30 years, indefatigably, loyally, and perseveringly, and who have given the best years of their lives, but who are disabled to the extent of 20 per cent of their physical and mental ability, to retire on the approval of the Veterans' Administration. When you take into consideration the fact that the average earnings of 10,000 men amounts to $2,600 a year, it will be seen that $2,600 multiplied by 10,000 amounts to $26,000,000, while 10,000 retired at a pension of $1,200 a year amounts to $12,000,000, a saving alone of $14,000,000 or $15,000,000. This would please the Federal employee and deprive no one of their labor. It would do justice to the Federal employee who has labored in the quarry of patriotic service to our Republic. [Applause.]

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RAMSEYER. Mr. Chairman, I ask unanimous consent that the gentleman be given two minutes more.

The CHAIRMAN. Is there objection?

Mr. DYER. I object.

Mr. BLANTON. Mr. Chairman, I ask recognition in opposition to the amendment.

Mr. LEHLBACH rose.

The CHAIRMAN. The Chair will recognize the gentleman from New Jersey [Mr. LEHLBACH] if he is opposed to the amendment.

Mr. LEHLBACH. I am not.

The CHAIRMAN. The Chair feels that under the rules he must recognize some one who is opposed to the amendment.

Mr. BLANTON. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, under this amendment there would be about 10,000 or 15,000 Government employees who would retire at 51 years of age, and you would find them getting 20 or 25 or even 30 per cent disability certificates from doctors for social inaptitude and various other imaginary afflictions, and they would be drawing money from the Government as retired pay for life, and soon would be holding other jobs, keeping other men out of positions.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SMITH of Idaho. Can the gentleman name a single individual now in the employ of the Government who wants to retire?

Mr. BLANTON. I know of many of them who have been retired on big pay who now have new jobs and are getting double salaries. When they get a chance, after they have been educated by the Government, after they have received intensive training in various bureaus, like the Bureau of Mines or the Bureau of Standards and others, there are those who want to retire when some commercial institution comes along and offers them two or three times the pay they are getting from the Government. Then they will want to be retired, and it is very easy for them to get some doctor to give them a 30 per cent disability certificate. Then they draw retired pay and also a big salary. I am not in favor of it. That is a scandal in this Government to-day—having men retired on big pay for life right here in the city of Washington and then getting another big salary in a new position and drawing two or three pays. It is infamous; it is outrageous.

What are you going to do about it? Just keep on retiring them? There are bunches of them here. I have put hundreds of their names in the RECORD. Just ask the people over the country if they want that to continue. Who is it that is clamoring for this early retirement at 51 for a 30 per cent presumptive disability? Is it any reason to retire a man simply because he has worked 30 years and reached the age of 51 years?

There are married couples who have lived together 60 years, and the husband is still the breadwinner of the family. Is 51 years old? Look at the gentleman from Pennsylvania, Mr. MCFADDEN. He is 51 years of age, and last Tuesday he whipped the whole Republican Party to a finish in Pennsylvania. [Applause.] I do not know where it is all leading. I am sure when Mr. WILLIAMSON and Mr. RAMSEYER and Mr. MCDUFFIE intimated that they were not objecting to this amendment, they did not realize what it really means to the people of the country. There is a provision in this bill to stop these retired fellows from drawing two salaries where either one of the salaries is over $3,000. That is put in there to correct this abuse. I hope my friend MCDUFFIE will not agree to this amendment. We ought to vote it down; it is vicious; it is carrying out and continuing this very abuse; it is permitting an abuse to continue that we ought not to permit to continue.

Mr. MCDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MCDUFFIE. To be frank with the gentleman, I never saw the amendment until about an hour ago.

Mr. BLANTON. Oh, I was sure that the gentleman has not digested it.

Mr. MCDUFFIE. I had the word of Mr. Brown, of the Bureau of Efficiency, to the effect that it would save $10,000,000, and I said that I am in favor of any amendment that will save that much money.

Mr. BLANTON. Mr. Chairman, the very first provision in this economy measure ought to have been a provision to repeal the Efficiency Bureau and Mr. Brown with it. Every one of us who knows anything about Mr. Brown and his Efficiency Bureau knows that he has caused more inefficiency in this Government than all other bureaus combined. I do not believe a word he says about it. He is so inefficient himself, and he has such an army of superlative inefficients working under him, that he has no more idea about a real economy program than a bunch of wild hogs in a cornfield.

Mr. TABER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. TABER. Does the gentleman know, or does anybody know, how many would be eligible for retirement under this, and how much money it would amount to, and how many more would be put in their places?

Mr. BLANTON. I know that if you ask the gentleman from South Carolina [Mr. MCSWAIN], chairman of the Committee on Military Affairs, he will tell you that when they first proposed this emergency officers' retirement act, the Veterans' Bureau sent up to his committee, and he has the report now, the statement that it would affect only 890 officers, and 7,000, approximately of them have been retired at this time. We must vote down this amendment and all similar ones.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEHLBACH. Mr. Chairman——

Mr. DYER. Mr. Chairman, I make the point of order that the debate is exhausted upon the amendment.

The CHAIRMAN. The point of order is sustained.

Mr. LEHLBACH. I offer an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment to the amendment offered by the gentleman from New Jersey [Mr. LEHLBACH].

The Clerk read as follows:

Amendment to the amendment offered by Mr. LEHLBACH: In the second last line of the amendment strike out "20 per cent" and insert "25 per cent."

Mr. LEHLBACH. Mr. Chairman, I have heretofore not looked with favor upon propositions of optional retirement after 30 years of service, regardless of age, but this proposition is only applicable to those who have served 30 years and who may lack a few years of the retirement age, which, with the general run of employees, is 70 years. It only

applies to those who have such an appreciable degree of disability, as ascertained by the Government, and not certified by a private physician, as effectively to impair their usefulness to the Government as an employee.

The way to illustrate is to point out concrete examples. I have personal knowledge of two men in an administrative office who are receiving salaries of $5,000 each. They are about 50 per cent efficient, but they lack a few years of the retirement age. Nobody in authority will discharge them.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. LEHLBACH. Briefly; yes.

Mr. FULBRIGHT. I would like the gentleman to explain whether, if these men are to be retired, their positions are to be filled immediately?

Mr. LEHLBACH. I will come to that. That is one of the reasons why I favor this provision. Those men, upon reaching the retirement age in two or three or four years, would be able to retire at an annuity of $1,200, of which the Government pays substantially $900 and the other $300 is paid for by their contributions since the retirement system has been in existence. There are two inefficient employees to whom the Government is paying $10,000 a year, and they can be gotten rid of for $1,800 and their places do not have to be filled.

It has been repeated here time after time that there are from 60,000 to 80,000 employees to be discharged by reason of the 10 per cent reduction in the appropriation bills by the Senate.

Mr. LARSEN. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. LARSEN. Does that 25 per cent mean permanent disability or temporary disability?

Mr. LEHLBACH. It is permanent. It is covered by the other provisions concerning the disability retirement in the act.

Mr. LARSEN. There ought not be any doubt about that. It ought to be an established fact.

Mr. LEHLBACH. Very well.

Mr. McDUFFIE. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. McDUFFIE. Will the gentleman tell us if there is any saving to be effected by it?

Mr. LEHLBACH. There is a minimum saving of $10,000,000 by this amendment, and there is a possibility of that saving amounting to $15,000,000 or $20,000,000. Ten million dollars is the minimum.

Mr. SIROVICH. If 7,500 are retired, the saving would be $11,000,000. If 15,000 are retired the saving would be from $22,000,000 to $25,000,000.

Mr. LEHLBACH. Yes; and not one of those who have been retired need be replaced, if what the committee tell us the personnel law will bring about. If we can get rid of a certain number of employees, is it not better to get rid of those who have a small pittance to live on rather than to turn them loose on the street without a cent, particularly if it is not necessary to fill their positions?

I heartily approve of this, and I withdraw the amendment which I had offered, Mr. Chairman, and will offer the following amendment, that before the word "disability" where it occurs in the amendment, there be inserted the word "permanent."

The CHAIRMAN. The Clerk will report the modified amendment offered by the gentleman from New Jersey.

The Clerk read as follows:

Modified amendment: Before the word "disability," in the second last line of the amendment, insert the word "permanent."

Mr. McDUFFIE. Mr. Chairman, I offer a substitute amendment. I move that the figure "30" be inserted instead of the figure "20."

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: In next to the last line of the amendment offered by Mr. SIROVICH strike out the figures "20" and insert in lieu thereof the figures "30."

The question was taken; and on a division (demanded by Mr. SIROVICH) there were—ayes 78, noes 153.

So the amendment was rejected.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. SIROVICH].

The amendment was rejected.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN of Missouri: On page 12 strike out lines 1 to 12, inclusive.

Mr. COCHRAN of Missouri. Mr. Chairman, I realize the temper of the committee, and I am not going to detain you but a minute, because the amendment is very easy to explain.

For over 50 years labor has fought for the right to receive overtime when required to work extra hours, and it has fought for the right to receive extra pay when required to work on Sundays and holidays. Section 207 of this bill takes that right away from the Government employees, and I seek to remove that section from the bill. It is one of the six sections each of which reduces employees' salaries.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. KELLY of Pennsylvania. I am sure my friend from Missouri also realizes that in this section there is a cut of 10 per cent on employees getting less than $2,500 a year.

Mr. COCHRAN of Missouri. I realize that and have called it to the attention of the committee on several occasions. A further cut of 10 per cent is correct, as I stated a moment ago.

Mr. KELLY of Pennsylvania. I hope the gentleman will impress that fact on the committee, because we have put into this measure an exemption of $2,500 as to those working during the day while those working at night, under arduous conditions and not from their own choice, have a 10 per cent cut made in their pay, which is entirely unjustifiable.

Mr. COCHRAN of Missouri. It is another discrimination to which I have called the attention of the committee time and again during the last two days. My friend asks me to impress that fact on the committee. I reply I have done so to the best of my ability. The committee, I am sure, understands the situation.

Mr. KELLY of Pennsylvania. This is most unjust, and should be taken out of the bill.

Mr. MONTAGUE. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. MONTAGUE. Is this section temporary or permanent?

Mr. COCHRAN of Missouri. This section is permanent.

Mr. MEAD. Will the gentleman yield?

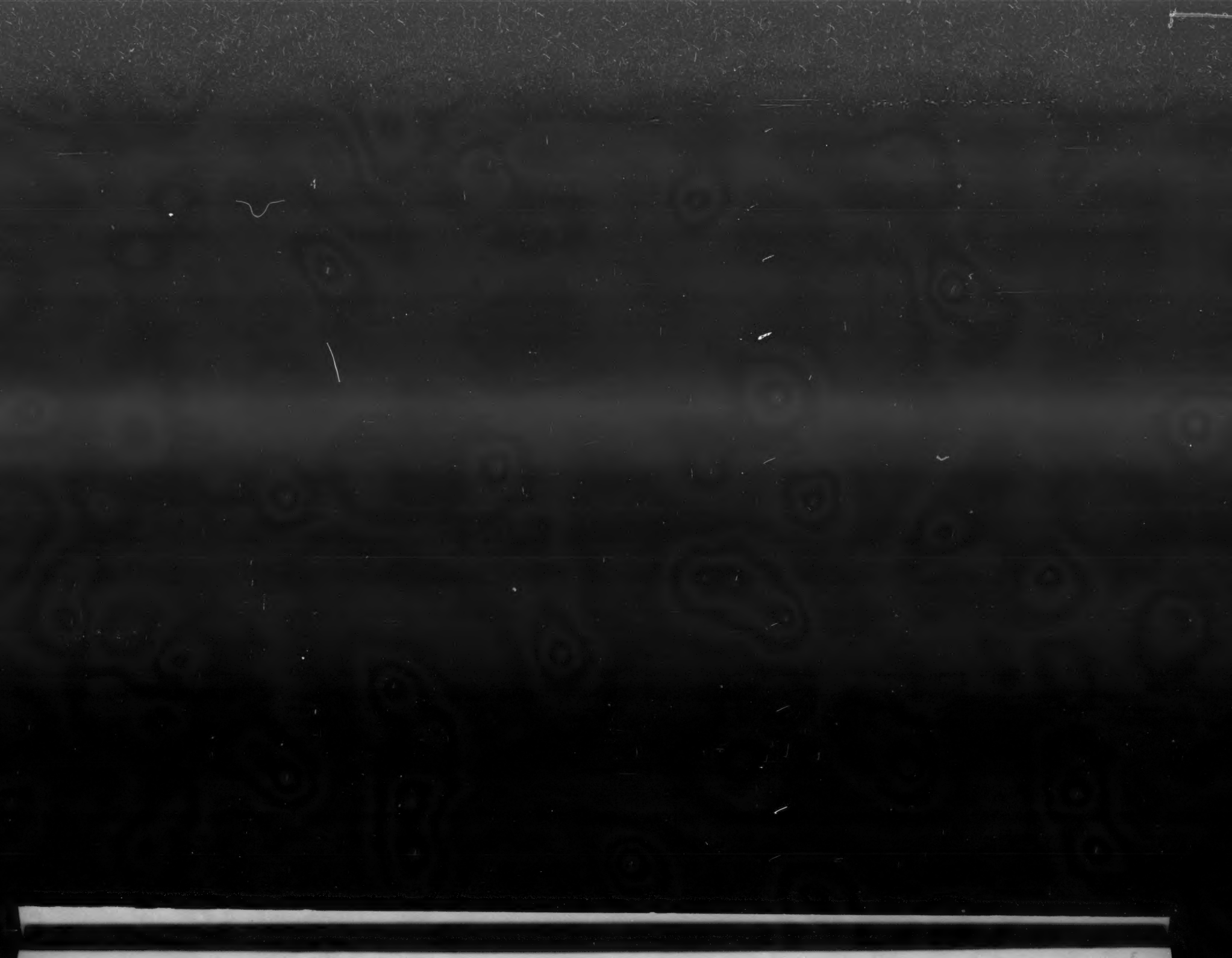
Mr. COCHRAN of Missouri. Yes.

Mr. MEAD. By this section the Economy Committee repeals overtime pay and pay for Sundays and holidays.

Mr. COCHRAN of Missouri. That is correct. I now desire to correct the statement I just made to the gentleman from Virginia. This is temporary for one year, not permanent.

Mr. COX. Mr. Chairman, I rise in opposition to the amendment. At this time of world distress there is but one thing of which gentlemen need be afraid and that is failure to serve the general welfare. If I may say it without any offense to any individual or to any group, the legislation which we have been enacting in the last two days does not meet and discharge the highest duty that rests upon the Congress. Gentlemen seem not to have heard the rumblings of the gathering storm of public discontent, discontent that arises because of the failure of the Congress to evidence an appreciation of the responsibility that is upon it, and that is to enact economy measures within the understanding of the people. There is such a thing, my fellows, as virtuous anger. Some one has said it is one of the sinews of the soul.

The anger and the wrath that will come down upon us if Congress continues in the course it has been pursuing for the last two days will be that which is justifiable, which is virtuous, and in which there is no sin. Why do not gentlemen recall the exclamation of Uncle Toby, in Mr. Sterne's Tristram Shandy, when, standing by the bedside of the despairing and failing child, he cried out, "By God,



he shall not die," and the accusing angel winged his way off to heaven and gave in the oath with a blush, but the recording angel as he wrote it down dropped a tear upon the word and blotted it out forever.

Are not Members of Congress and are not the employees of this Government ready and willing to evidence something of a spirit of sacrifice? It is that part of you, my fellows, that is akin to God, and in its indulgence at this time of national stress we can find, and Federal employees ought to find, a solemn sort of joy.

I submit, Mr. Chairman, and to you, my fellows, that the hour has struck when we must forget self and when we must take into account the condition of the people throughout this whole country and forget that we are serving a mere group. Remember, to-morrow we shall be called upon to answer, and if we fail to give an answer, as I have stated, that is within the comprehension and understanding of the people, we will be swept out of our seats in Congress, and we ought to be swept out. [Applause.]

I say to you, Mr. Chairman, we are losing public confidence, we are losing the esteem of the people, and the time is at hand when every man must rise in the dignity of his own manhood and accept his responsibility as a Representative of all the people and render that character of service which evidences an understanding of the meaning and the purpose of our membership of this great body. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment to the amendment offered by the gentleman from Missouri, to strike out, on page 12, lines 2, 3, 4, and 5.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 12, strike out lines 2, 3, 4, and 5.

Mr. LAGUARDIA. Mr. Chairman——

Mr. COCHRAN of Missouri. I hope the gentleman will at least address himself to the amendment.

Mr. LAGUARDIA. Yes; the suggestion is very good. I will not follow the previous speaker.

Mr. MEAD. I think we should have the right to honestly divide on this question without being lectured every few hours. [Applause.]

Mr. LAGUARDIA. The gentleman is not referring to me?

Mr. MEAD. No; I am sure the gentleman is not going to lecture us.

Mr. LAGUARDIA. May I have the attention of the chairman of the committee? If we struck out lines 2, 3, 4, and 5, we would not disturb the overtime law. By leaving in the remainder of the paragraph, which reads, "In so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work," and so on, we would carry out the intention of the gentleman and at the same time would not destroy the overtime and night work pay law; may I say it would be an incentive to employ these extra people, because you would have to pay overtime if you used a regular employee.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. DOUGLAS of Arizona. There is one class of Federal employee with respect to whom the language following line 5 could not very well be applied, the railway mail clerks. He is on the train and his overtime can not be regulated.

Mr. LAGUARDIA. We should not legislate their rights away. People who must work nights are entitled to the night differential.

Mr. DOUGLAS of Arizona. As a matter of fact, there are only about 14,000 such employees.

Mr. LAGUARDIA. I submit that this would really be a saving without disturbing the law. We are very keen about this and with all due deference to the gentleman from Georgia [Mr. Cox] we are not representing a group. We are representing here the American workers and are fighting for human happiness. Labor conditions are fundamental. You can invoke the Almighty and so can we invoke the Almighty to give the American workingman a chance to live under decent conditions, and if he has to work at night, he is entitled to overtime.

Mr. DOUGLAS of Arizona. Will the gentleman yield for a matter of information? Does a substitute for night work receive the regular compensation or does he receive a lower rate of compensation by reason of being a substitute?

Mr. LAGUARDIA. By reason of being a substitute, according to your provision, he would have to do the overtime work and receive the substitute's pay.

Mr. DOUGLAS of Arizona. That is exactly my understanding.

Mr. LAGUARDIA. Yes. There would be an incentive to do this. It would employ more people and would save the principle of the law that we are fighting for. It took labor 50 years to get that law and that recognition.

Mr. DOUGLAS of Arizona. The saving would be approximately the same after that language had been stricken out, is that correct?

Mr. LAGUARDIA. That is my intention, and it would save the principle that we are fighting for.

Mr. McDUFFIE. If the gentleman will pardon me——

Mr. LAGUARDIA. Certainly.

Mr. McDUFFIE. The language left after the gentleman's amendment is adopted, if it be adopted, and I can not agree with the gentleman at all, does not make it mandatory that substitutes be used.

Mr. LAGUARDIA. It is the gentleman's language, not mine.

Mr. McDUFFIE. I know it is.

Mr. LAGUARDIA. It says, "in so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work."

Mr. McDUFFIE. If men work during the day, under this language they will not work in the night but will stop when the day is over.

Mr. LAGUARDIA. Right.

Mr. McDUFFIE. Then we will have the substitute come in and therefore we say that when you have done a day's work, stop, and let somebody else do the overtime work.

Mr. LAGUARDIA. The gentleman from Alabama does not want men to work night and day?

Mr. McDUFFIE. I do not want them to work both night and day. That is exactly the point. I want the substitute to come in and take the place of the man who has worked during the day.

Mr. LAGUARDIA. That is what I want. We are in complete accord.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. COCHRAN of Missouri. I agree with the gentleman that his amendment is sound, and, so far as I am concerned, I am willing to accept the amendment.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. If the gentleman strikes out the first five lines, then we are not going to have any substitutes employed, because the regular employees will prefer to work, and they are going to get paid for overtime.

Mr. LAGUARDIA. No; because the balance of the paragraph says that the substitute must work.

Mr. BLANTON. No; that is not mandatory, that is only discretionary.

Mr. LAGUARDIA. They can not work men night and day without extra pay.

Mr. BLANTON. Oh, the men themselves want it sometimes.

Mr. COCHRAN of Missouri. If the substitute works at night he does not receive overtime pay, and the Postmaster General will effect a saving by requiring them to work the substitute.

Mr. LAGUARDIA. And we save the principle and the overtime and night work law we are fighting for.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

I have voted for practically every economy amendment that has been offered. But I must confess that we are getting nowhere.

I listened a moment ago to the remarks of the gentleman from Georgia [Mr. COX], and I wish to call his attention to the fact that you can not cure a panic with economy. We can pass this bill with every economy amendment that has been offered and the country will be in as bad condition as it is now.

Why spend this time milling around, attempting to cure the worst panic the country has ever seen by measures of this kind? You are never going to cure this panic until you restore the buying power of the American people.

A MEMBER. How can that be done?

Mr. RANKIN. By expanding the currency and putting sufficient money in circulation to restore commodity prices.

The lifeblood of the Nation has dried up. There is an insufficient amount of the circulating medium of the country. Commodity prices have fallen; wheat is lower to-day than it has been for 30 years; cotton does not pay the cost of production; corn does not pay the cost of production; your bread lines are lengthening; and conditions generally are growing worse day by day, while we are milling around here attempting to cure this depression by cutting down salaries and reducing wages.

If you would put in the same effort, the same energy, working out measures to bring back the buying power of the American people, to restore prosperity to the producers of the country, you would not have to come here and do night work, milling around here like the mannikins in Lilliput, trying to determine which end of the egg should be broken first. [Laughter.]

I am willing to cut expenses; I voted to cut my own salary; but we had just as well adjourn now if we are going to try to cure this panic by this kind of legislation.

Let me tell you another thing. I am going to oppose any adjournment of this Congress until something is done to relieve these conditions. You are not going to adjourn in June if I can prevent it if conditions remain as they are now or continue to grow worse. The American people will not stand for your going back home and asking them to reelect you when you have done nothing to relieve their suffering.

Mr. McDUFFIE. I thought the gentleman was opposed to this amendment.

Mr. RANKIN. If the gentleman from Alabama or those with whom he trains would spend more effort trying to get at the root of this trouble; if they would make more of a struggle to relieve this panic in the right way and less time on legislation of this kind, he would understand better my position and my disappointment when I see Congress thus milling around, accomplishing nothing, and conditions growing worse daily throughout the country. [Applause.]

Mr. McDUFFIE. Mr. Chairman, I think it ought to be understood that this is a part of the program of the nonpartisan committee. It means five or six hundred thousand dollars if these lines are stricken out, and it means the employment of the unemployed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 54, noes 132.

So the amendment was rejected.

Mr. JONES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 12, after the abbreviation and the figures, strike out the remainder of line 2, and all of lines 3, 4, and 5, and down to and including the word "practicable," in line 6.

Mr. JONES. Mr. Chairman, I think the committee should accept this amendment because it obviates the objection made to the amendment that the gentleman from New York [Mr. LAGUARDIA] offered, that is, to make this mandatory that the overtime work shall be done by substitutes.

Mr. WILLIAMSON. Let me call the attention of the gentleman to the fact that that includes mail clerks, which will be utterly impossible.

Mr. JONES. That was explained. There are comparatively few of them.

Mr. WILLIAMSON. Fourteen thousand of them.

Mr. JONES. But that is only a small number as compared with the rest that are included.

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. DOUGLAS of Arizona. Will the gentleman explain how overtime work would be performed in the case of the railway mail clerk?

Mr. JONES. As a matter of fact, the mail clerk, of course, would have to go ahead and do his work during the period, or they would have to employ additional clerks to do the work. But that is only a small phase of it. If you adopt this amendment you would have the work done by regular employees, and then you would give extra work to extra people without extra pay. That is what you seem to be wanting to do.

Mr. DOUGLAS of Arizona. But under the language of the gentleman's amendment, in the case of railway mail clerks substitutes, they would have to be carried on the train.

Mr. JONES. I ask unanimous consent to correct that language by adding the words "except in the case of railway mail clerks" at the beginning of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

Mr. JONES. Mr. Chairman, I ask unanimous consent to modify my amendment.

Mr. WILLIAMSON. Mr. Chairman, I object.

Mr. JONES. Then I offer it as an amendment with that additional language placed before it.

Mr. WILLIAMSON. And I make the point of order that it is in the third degree.

Mr. JONES. Mr. Chairman, I ask unanimous consent to withdraw my amendment and to offer another amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I offer to amend by striking out the first five lines and line 6 down to and including the word "practicable" and insert in lieu thereof the words "except as to railway mail clerks."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 12, beginning in line 2, after the abbreviation and the figures, strike out the remainder of line 1, and all of line 2 and all of lines 3, 4, and 5, down to and including the word "practicable" in line 6, and insert in lieu thereof the words "except as to railway mail clerks."

Mr. WILLIAMSON. Mr. Chairman, the effect of striking out the first five lines is to make the balance of the section permanent legislation. Such was not the intention of the committee. This section was drafted with a view to tiding over the emergency. It ought not to be made permanent legislation. That is one objection to it. In the second place, striking out the first five lines would mean that we would lose the saving for the next fiscal year of $5,600,000.

Mr. LAGUARDIA. Then frankly it is the intention of the committee, regardless of the merits, to abolish overtime and night differentials.

Mr. WILLIAMSON. For the year 1933, and the reason for it is we know that there is not going to be a sufficient appropriation to carry on this work, and by being able to get rid of overtime we can make a substantial saving and use substitutes in place of regular men and keep more men at work. That is the purpose of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. DICKSTEIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DICKSTEIN: Amend section 207 by substituting a colon for the period at the end of the section and adding: "*Provided*, That this section shall not apply to compensation for overtime services performed by Federal employees under existing laws at the expense of private interests."

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. What happened to the Cochran amendment?

The CHAIRMAN. That has not been voted upon. These are perfecting amendments to section 207.

Mr. LAGUARDIA. But the Cochran amendment was to strike out the section.

The CHAIRMAN. To strike out the entire section.

Mr. DICKSTEIN. This is a perfecting amendment.

Mr. McDUFFIE. Mr. Chairman, I would suggest to the gentleman that the language carried in the bill does not affect any pay other than that which comes from the Treasury of the United States, and it is entirely covered. The point which the gentleman raises is entirely covered. Certainly we are not trying to stop a steamship company from paying some agent who is employed by the Government, if he cares to work for that steamship company.

Mr. DICKSTEIN. Mr. Chairman, I ask to be recognized.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. DICKSTEIN. Mr. Chairman, I do not quite agree with the distinguished chairman of the committee on the point raised.

During the summer months there are steamships coming in at all hours of the night, which have to be cleared. Under a law that was passed in the Seventy-first Congress in 1931, private steamship companies were authorized to clear their ships after a certain hour at night, if they would pay the men time and one-half. That money goes into the Public Treasury. Then the Public Treasury, through the Department of Labor, pays the men who work all night to clear those ships. That money goes into the Treasury, and if this bill is passed, that money will remain there, and those who are entitled to receive the money will not be paid. Even the extra help that would be employed to clear those ships would not be paid. They would not be able to take $1 out of the Treasury, because under the provision of the bill, in section 207, there is no payment permitted for overtime.

Mr. JENKINS. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. JENKINS. Will this not apply only to a few customs officers and immigration officers?

Mr. DICKSTEIN. That is all. Not $1 is coming out of the Public Treasury.

Mr. LAGUARDIA. But it goes into the Treasury.

Mr. DICKSTEIN. It goes into the Treasury, but we will not be able to take it out, and it does not affect this bill at all.

Mr. JENKINS. Will the gentleman yield further?

Mr. DICKSTEIN. I yield.

Mr. JENKINS. If the law already does what the gentleman says it does, this would only have the effect of clarifying it?

Mr. DICKSTEIN. Certainly.

Mr. McDUFFIE. Mr. Chairman, I do not think the amount saved is worth the time we are taking. I do not agree with the gentleman, but I will accept the amendment on behalf of the committee.

Mr. LEHLBACH. Mr. Chairman, I offer a substitute for the Dickstein amendment.

The CHAIRMAN. The gentleman offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment to section 207, page 12: At the end of the paragraph, line 12, add: "*Provided*, That the provisions of this section shall not apply when such higher rate of compensation for night work or for work on Sundays and holidays is paid by the master, owner, or agent of a vessel, railroad, or vehicle, or other interests accommodated."

Mr. RAMSEYER. Mr. Chairman, a point of order. Has the Dickstein amendment been disposed of?

Mr. LEHLBACH. No. This is a substitute for the Dickstein amendment.

The CHAIRMAN. This is a substitute amendment.

Mr. LEHLBACH. Mr. Chairman, the reason I offered the substitute is because it is more specific to the cases that the gentleman from New York has in mind. It refers directly to the overtime paid under acts of Congress, by steamship companies and railroads and owners of other vehicles. This money, by statute, is collected from these transportation companies as payment for working overtime, in order that they may not be delayed in the discharge of their passengers and the transportation of their cargoes and freight. That is paid into the Treasury as miscellaneous receipts. The overtime is paid, under the general provisions for the payment of overtime, night work and Sunday work. Unless this exception is made, the Government will be in the position of collecting this overtime and withholding it from the employees.

Mr. JENKINS. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. JENKINS. The difference between the gentleman's amendment and the amendment offered by Mr. Dickstein is what?

Mr. LEHLBACH. It is that the gentleman's amendment is general language, and mine is specific in cases.

Mr. JENKINS. The gentleman's amendment follows the statute, does it not?

Mr. LEHLBACH. Yes.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. DICKSTEIN. Did my amendment not follow the statute, by providing exactly what the bill provided, which was passed by Congress, authorizing steamship companies or private interests who wanted to discharge passengers and freight after a certain period to pay this money into the Treasury? It does not come out of the United States Treasury at all. That money goes into a public fund, and under this law, if it is passed as it is, we will never be able to pay them back for their overtime.

Mr. LEHLBACH. Mr. Chairman, I withdraw the substitute amendment.

The CHAIRMAN. The substitute amendment is withdrawn.

The question is on the adoption of the amendment offered by the gentleman from New York [Mr. DICKSTEIN].

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were ayes 94 and noes 10.

So the amendment was agreed to.

Mr. McDUFFIE. Mr. Chairman, I move that all debate on this section and amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Missouri.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Mr. Chairman, the Dickstein amendment has been adopted by the House. If the Cochran amendment is adopted, what happens to the Dickstein amendment?

The CHAIRMAN. It strikes out the entire section 207.

Mr. LAGUARDIA. So that this House is in favor of private industry paying overtime without——

The CHAIRMAN. The gentleman from New York is out of order.

The question is on the adoption of the amendment offered by the gentleman from Missouri.

The amendment was rejected.

Mr. McKEOWN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 11, line 25, after the word "exceed," strike out "$2" and insert in lieu thereof "$4."

Mr. DOUGLAS of Arizona. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order the amendment in effect increases the per diem allowance now authorized by law from $3 to $4. It also increases the charge upon the Treasury of the United States and we are now considering a bill to effect economy. The amendment is, therefore, not germane to either the title or the section.

Mr. McDUFFIE. Mr. Chairman, I make the further point of order the present rate is only $3, and this amendment makes it $4.

Mr. McKEOWN. If the gentleman will reserve his point of order, I will explain the amendment.

The CHAIRMAN. The Chair is ready to rule. The Chair understands that the present rate is $3, and that the amendment seeks to make it $4. So the Chair is of the opinion that the amendment is not germane, and the point of order is sustained.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

All a fellow traveling in the Postal Service can get is $3 a day. I thought he should get $4. When a fellow in the State Department rides around he gets $7 a day. When a fellow over in the Agriculture Department travels around he gets $5 a day, and so it goes. It just depends on your station in life or in what department you are working as to how much you get to ride around over the country.

For my part I have never understood why the Congress of the United States should permit employees in one department to receive $6 and $8 a day and only give employees in other departments enough money to let them ride in the baggage coach, or in the car up front. Some fellows ride in Pullman cars and other fellows have to ride in the day coach; and you are cutting the allowance down to $2. Why do you not cut the allowance of the man getting $5 and $6 a day as travel allowance down to $2? Let us not discriminate in favor of one class against another.

Mr. CONNERY. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. CONNERY. I know one of the attorneys of the Veterans' Bureau who saves the United States Government thousands and thousands of dollars every year on veterans' claims who has never been able to meet his expenses on the present allowance.

Mr. McKEOWN. I am not talking about him, but I say if you are going to give one man $2 why do you not give them all $2?

Mr. McDUFFIE. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. McDUFFIE. As a matter of fact, the gentleman is speaking now of subsection (a) instead of subsection (d). This applies to railway mail men altogether.

Mr. McKEOWN. Yes.

Mr. McDUFFIE. One of their representatives came to my office and said that this was to give them subsistence. They are paid a little more than the average man. They said they could get along on $2 now where it took $3 several years ago. They said they were satisfied with $2.

Mr. McKEOWN. I am not going to criticize the gentleman's committee; and I want to say to the gentleman and his committee that you have been working hard and you have worked now until you have been going around in circles. You are tired. You have worked yourselves nearly to death.

I came in here yesterday morning just as mad as a wet hen because you brought in this rule. I think the gentleman from Alabama has done more work than anybody else and that he ought to take a little rest and just go along a little easy. We have got to the point that when we see a man rise on the floor we get mad; and we have been fighting and fighting and getting so mad we can not see straight.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. May I ask whether this section covers postal inspectors, too?

Mr. McDUFFIE. No; this relates to the Railway Mail Service.

Mr. McKEOWN. We are trying to do here in a few hours what we should have undertaken to do months ago, and the result is that the President's program staggered us so that we have not been able to stagger back and see what is going on; we have got so staggered around here that we just can not get down to business. Let us get going and do the best we can with as good feeling as possible. We will all feel better when the job is done right.

[Here the gavel fell.]

Mr. WHITE. Mr. Chairman, I offer an amendment.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that all debate on all amendments to this title do now close.

Mr. MOUSER. Mr. Chairman, reserving the right to object, I have been asking recognition for an hour.

Mr. McDUFFIE. Then, in five minutes.

The CHAIRMAN. Is there objection?

Mr. SCHAFER. Mr. Chairman, I object.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio to offer an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WHITE: Page 8, line 10, after the word "session," strike out lines 11, 12, and 13, and on page 9, line 1, after the word "positions," strike out the remainder of the line, line 2, and line 3 to the period.

Mr. WHITE. Mr. Chairman, these sections have to do with the exclusion of the Coast Guard from the sacrifices which are being asked of other governmental employees, including the Army and the Navy. The implication that will go to the country is that this House is subserviently and submissively yielding to the dictation of an organized group interested in propaganda for the enforcement of a pet law for which the Coast Guard is used. I refer to the prohibition law. I know of no reason why this section should be left in the bill and this organization excluded. There would only be a few dollars involved if these sections should be taken out of this bill. In order that this House may be protected from that implication, I ask that that be done. If this is an effort to protect the Coast Guard from temptations, the money involved is not sufficient to match that of the rum smugglers.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. DOUGLAS of Arizona. Would the gentleman mind explaining the purport of his amendment?

Mr. WHITE. It takes out those three lines on page 8 referring to the exclusion of the Coast Guard from the reductions that are made for other services.

Mr. DOUGLAS of Arizona. Does the gentleman understand that there are commissioned officers in the Coast Guard just as there are in the Army?

Mr. WHITE. I do.

Mr. DOUGLAS of Arizona. If the gentleman will turn to line 21, on page 7, he will find the following language:

No administrative promotions in the civil branch of the United States Government—

That language is limited to the civil branch. Therefore, if what is done with respect to the commissioned and enlisted personnel of the Army and the Navy is correct the same privilege should be extended to the enlisted and commissioned personnel of the Coast Guard.

Mr. WHITE. This is an entirely different section from the one the gentleman is referring to.

Mr. SCHAFER. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. SCHAFER. Is it not a fact that there are 12,082 Government pay rollers in the Coast Guard to-day, over twice as many as there were in 1923, when the total was 4,737, before we put prohibition enforcement into the hands of the Coast Guard?

Mr. WHITE. Yes. I have those figures.

Mr. SCHAFER. If the Federal employees should have this section apply to them, there is no reason under the sun why the Coast Guard should not have it apply to their personnel as well.

Mr. WHITE. None at all.

Mr. BLANTON. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. BLANTON. And if the gentleman from Wisconsin did not eternally encourage and protect the people that the Coast Guard cutters are after we would not need one-third as many of them.

Mr. SCHAFER. The gentleman is for economy on every question except when it applies to the fanatical prohibition law.

[Here the gavel fell.]

Mr. DYER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio. It is evident to me, though perhaps not to the Members here generally, that we are not making any progress worth while in the consideration of this piece of legislation. In my judgment, it ought never to have been presented to the House; but the fact that it is here certainly impels us to give it at least respectable consideration to the end that we may dispose of it with as much intelligence as we are capable of. This legislation is dragging along——

Mr. RAMSEYER. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. DYER. Mr. Chairman, the gentleman from Iowa this afternoon took considerable time in presenting his proposition, which I think should have been passed by this committee. He is a very distinguished and able Member of this House and a great parliamentarian; but I want to make a suggestion, if I may, to the gentleman from Alabama, who has been working most earnestly in connection with this legislation.

Mr. McDUFFIE. I thank the gentleman; but let us get on.

Mr. DYER. I want to make a suggestion to him, and it is this: It is evident to me, and I am sure it is to every Member of this committee, that in these night sessions we are making no progress in the consideration of this legislation. [Applause.]

I suggest to the gentleman that he try his best to arrange for us to meet an hour or so earlier in the consideration of this legislation and not have night sessions. I hope the membership will stand by the gentleman. I think the gentleman ought to try to do this, because night sessions are accomplishing nothing.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I move that all debate on this title and all amendments thereto close in 15 minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. CROSSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CROSSER: On page 9, line 16, strike out section 204.

Mr. CROSSER. Mr. Chairman, this section is a deliberate and a cold-blooded attempt to throw out in the cold men who have, perhaps, spent 35 or 40 or 45 years of their lives in the Postal Service. These men who may have reached 65 years of age would be compelled, no matter how well fitted they are to go on with their work, to go out in the highways and byways on a pension. I submit that this is not fair. It is no wise and it is not in the best interests of the people of the United States that this should be done.

Mr. McMILLAN. If the gentleman will permit, this provision refers to any service, and not the Postal Service alone.

Mr. CROSSER. Yes; you are right.

Now, Mr. Chairman, without any effort at rhetorical flourish, I want to say to the distinguished gentleman who spoke a few moments ago and told us that under no circumstances must we concern ourselves about any selfish group that I, too, urge men not to yield to the demands of the selfish. Of course, that is true; and it is just because I think that, so far as this title is concerned, does serve the interests of a selfish group that I am unalterably opposed to it. The special-privilege seekers always urge the reduction of wages.

Just to the extent that you reduce and keep pushing down the compensation of men who render honest service, just to that extent are you serving the powers of privilege and of pelf. I say, therefore, we are doing more to serve the general good, which should be the object of all of us, by opposing this vicious legislation than if we were to go out advocating it.

Let me read to you just along this line what one of the most famous economists in the world has to say in the Atlantic Monthly for May, 1932. Mr. John Maynard Keynes, who has been the consultant in economics in practically all the important world conferences, writes as follows in an article on the World's Economic Outlook:

> It is not the harshness and the niggardliness of nature which are oppressing us, but our own incompetence and wrong-headedness which hinder us from making use of the bountifulness of inventive science and cause us to be overwhelmed by its generous fruits. The voices which—in such a conjuncture—tell us that the path of escape is to be found in strict economy and in refraining, wherever possible, from utilising the world's potential production are the voices of fools and madmen.

This is from one of the most distinguished economists in the world.

Just a word more. If you would stop to think of it for just one moment, you could see that the more we reduce the purchasing power of the average individual of the United States, and thereby reduce the commerce of the United States, the less possible it is to collect any taxes at all to operate our Government.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I dislike very much to find myself in opposition to my friend, the gentleman from Ohio [Mr. CROSSER], but it was the Government employee who came to the Congress and asked us to pass this law, and after we passed the law the Government employee came back and asked us to increase the annuity and it was increased to $1,200. There is not one out of ten employees who will be affected by this provision who will not receive $1,200 a year.

This provision would not turn these people out on the streets. They would be retired with pay, as they have asked to be retired, when they reach this age or have served the number of years required under the law.

Under another section of the bill the positions can not be filled and this means a job for somebody now in the service, whereas, if you strike out this provision you are going to place people out on the street without any retirement pay.

Mr. SWING. Will the gentleman yield?

Mr. COCHRAN of Missouri. I will be glad to yield to the gentleman from California.

Mr. SWING. Ought there not to be a proviso in this section that in the case of technical or professional men whose services can not be dispensed with without serious injury to the public service, like scientists in the Bureau of Standards, upon a certificate of the President may be excepted from the provisions of this act?

Mr. COCHRAN of Missouri. I know of no such person in the service of the Government. If such an employee happens to die, the Government goes along just the same.

Mr. Chairman, I hope the amendment of the gentleman from Ohio [Mr. CROSSER] will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

Mr. McDUFFIE. Mr. Chairman, the hour is getting late, and I want to give the committee the benefit of such information as I have. Our purpose is to finish Title II and read Title III, but offer no amendment to Title III. After Title II is completed we will close debate in a few moments, and there will be no need for Members to remain, if they do not wish to hear the reading of Title III.

Mr. MOUSER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 13, line 24, after the words "District of Columbia," insert: "*Provided further*, That Members of Congress shall not expend any part of the money appropriated to them for the employment of any person or persons related to them by affinity or consanguinity according to the civil law unless such person or persons are actually employed in connection with the official business of such office."

Mr. McDUFFIE. I reserve a point of order.

Mr. MOUSER. Mr. Chairman and members of the committee, in section 209 this Congress is declaring a most important policy. It is declaring that it is the policy of this Government to discharge persons, if it becomes necessary, who are married and live with their husbands or wives.

In this machine age, even when conditions get better, we are going to have a great surplus of unemployed. We do not want a dole. I say to you that it is fundamental in this country that a man who is honest and willing to work must be given a job, or else somebody is going to have to help keep him.

I say that if a relative is actually engaged in business connected with the office this amendment does not apply.

Mr. LaGUARDIA. Will the gentleman call the attention of the House to the fact that we have got a similar provision for the clerks in the departments?

Mr. MOUSER. That is a fact.

Mr. CLANCY. What does the amendment mean when it says that he can not hire an affinity? [Laughter.]

Mr. MOUSER. I think, even though the gentleman is a bachelor, he knows what it means. Now, I claim it is wrong to appoint a relative to a position which was increased a thousand dollars during the last session of Congress on the pay roll for the purpose of increasing your own salary. I read in the paper to-day where a distinguished Member of this Congress had on the pay roll his aged mother-in-law, who was not doing anything in connection with the office.

Mr. CLARKE of New York. Does not the gentleman think that is a good place to keep a mother-in-law? [Laughter.]

Mr. MOUSER. My good friend JOHN CLARKE, of New York, wants his mother-in-law to have a feather bed. [Laughter.] There are Members of Congress, and I am not referring to any particular individual or indulging in any personalities, who have clerks established back home looking after the fences, who have nothing to do with the official business of the office.

We are now asking Federal employees to make sacrifices. Is it right that Members of Congress should divert that money for their own selfish purpose? I know a Member of Congress who had a girl in his office, a very efficient secretary, whom he finally chose to make his wife. I think he has a perfect right to employ her. She is accustomed to the ways of his office and the manner of his doing business. I trust the gentleman from Alabama will not make his point of order.

The CHAIRMAN. The time of the gentleman from Ohio has expired. All time has expired. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. MOUSER) there were—ayes 40, noes 88.

Mr. MOUSER. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. CONDON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONDON: On page 13, line 24, after the word "Columbia" in section 209, strike out the period, insert a colon, and the words following: "*Provided*, That any honorably discharged soldier, sailor, or marine, who as such is entitled to preference in the civil service under existing civil service laws and regulations, shall not be dismissed, if employed in the class to be reduced, before other persons not so entitled are dismissed."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Rhode Island.

The question was taken; and on a division (demanded by Mr. CONDON) there were—ayes 26, noes 89.

So the amendment was rejected.

Mr. WILSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILSON: Page 9, line 23, after "contrary," insert "unless the President, whenever in his judgment the continuance of such person in such service would be advantageous to the public service, by Executive order, continues such person in such service."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Louisiana.

The question was taken and the amendment was rejected.

Mr. KELLY of Pennsylvania. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KELLY of Pennsylvania: Page 14, beginning in line 1, strike out all of section 210.

The amendment was rejected.

Mr. KVALE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KVALE: Page 11, line 12, strike out the figures "25" and insert in lieu thereof the figures "50."

The amendment was rejected.

Mr. BLACK. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 11, line 16, after the semicolon insert: "And all mail sent by Members of Congress or the Senate shall bear stamps purchased by such Members at the regular postal rates."

The amendment was rejected.

Mr. CONNERY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 11, beginning in line 10, strike out all of subsection (c) down to and including the word "per cent."

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 24, noes 94.

So the amendment was rejected.

The Clerk read as follows:

TITLE III.—MISCELLANEOUS PROVISIONS

TRANSFER OF APPROPRIATIONS

SEC. 301. Not to exceed 15 per cent of any appropriation for an executive department or independent establishment, including the municipal government of the District of Columbia, for the fiscal year ending June 30, 1933, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933, shall be included in the annual Budget for the fiscal year 1934.

PHILIPPINE SCOUTS

SEC. 302. The President is authorized at any time to disband the Philippine Scouts or to reduce the personnel thereof.

VOCATIONAL EDUCATION

SEC. 303. (a) Notwithstanding the provisions of section 1 of the act entitled "An act to provide for the further development of vocational education in the several States and Territories," approved February 5, 1929 (U. S. C., Sup. V, title 20, sec. 15a), not more than $1,500,000 is authorized to be appropriated for the purposes of such section for the fiscal year ending June 30, 1934.

(b) For the fiscal year ending June 30, 1934, and for each of the nine fiscal years thereafter, (1) the annual appropriations (for the purpose of cooperating with the States) provided for by sections 2, 3, and 4 of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917 (U. S. C., title 20, secs. 12–14, inclusive), for each such year, shall be $300,000 (in the case of

section 2), $300,000 (in the case of section 3), and $100,000 (in the case of section 4), less than the appropriation for the same purposes, respectively, for the year preceding such year, respectively; (2) the minimum allotment of funds to any State, under each of such sections, for each year, shall be $1,000 less than the minimum allotment for the year preceding such year, respectively; and (3) the additional appropriations (for the purpose of providing the minimum allotment to the States) provided for by such sections for each year, shall be $2,700 (in the case of section 2), $5,000 (in the case of section 3), and $9,000 (in the case of section 4) less than the appropriation for the same purposes, respectively, for the year preceding such year, respectively.

(c) In lieu of the annual appropriations provided for in section 7 of such act of February 23, 1917 (U. S. C., title 20, sec. 15), for the Federal Board for Vocational Education there is authorized to be appropriated for such board, for the fiscal year ending June 30, 1934, and for each fiscal year thereafter, not more than $200,000, for the purposes set forth in such section. With respect to any fiscal year prior to the fiscal year ending June 30, 1934, the provisions of such section shall remain in effect.

(d) For the fiscal year ending June 30, 1934, and for each of the nine fiscal years thereafter, the amount authorized to be appropriated under section 4 of the act entitled "An act to extend the provisions of certain laws to the Territory of Hawaii," approved March 10, 1924 (U. S. C., title 20, sec. 29), shall be $3,000 less than the amount authorized to be appropriated for the preceding fiscal year; and the amount authorized to be appropriated under section 1 of the act entitled "An act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Porto Rico," approved March 3, 1931 (U. S. C., Supp. V, title 20, sec. 30), shall be $10,500 less than the amount authorized to be appropriated for the preceding fiscal year, and the amounts expended for each of the purposes set forth in such section shall be proportionately reduced.

LIMITATIONS ON EXPENDITURES FOR PRINTING AND BINDING, PAPER, AND STATIONERY

SEC. 304. During the fiscal year ending June 30, 1933, not more than $9,000,000 shall be expended for printing and binding for the use of the United States and the District of Columbia done at the Government Printing Office, of which $2,000,000 shall be for printing and binding for the use of the legislative branch of the Government. The amount available hereunder for the executive departments and independent establishments, the judiciary, and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several departments and establishments, the judiciary, and the government of the District of Columbia as, in his judgment, the needs of the service may require. Nothing in this section shall be construed to authorize the discontinuance of any report or publication specifically required by law. This section shall not apply to printing and binding for the use of the Patent Office.

SEC. 305. During the fiscal year ending June 30, 1933, not more than $400,000 shall be expended for paper furnished by the Government Printing Office for the use of the several executive departments and independent establishments and the government of the District of Columbia. The amount available hereunder for the executive departments and independent establishments and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several executive departments and independent establishments, and the government of the District of Columbia, as, in his judgment, the needs of the service may require. This section shall not apply to expenditures for paper used in the course of manufacture by the Bureau of Engraving and Printing.

SEC. 306. During the fiscal year ending June 30, 1933, (1) not more than $16,000 shall be available for expenditure for stationery for Senators and the President of the Senate, and for committees and officers of the Senate, (2) not more than $44,000 shall be available for expenditure for stationery for Representatives, Delegates, and Resident Commissioners, and for the committees and officers of the House of Representatives, and (3) each Senator, Representative, Delegate, and Resident Commissioner shall be allowed $90 for stationery allowance or commutation therefor, to be paid out of the sums provided in (1) or (2), as the case may be.

WEST POTOMAC PARK HEATING PLANT

SEC. 307. Until otherwise provided by law no further obligations shall be incurred under the appropriation of $750,000 for the construction of a heating plant in West Potomac Park, contained in the second deficiency act, fiscal year 1931.

ARMY TRANSPORT SERVICE, NAVAL TRANSPORTATION SERVICE, AND PANAMA RAILROAD STEAMSHIP LINE

SEC. 308. The Secretary of War is authorized and directed to discontinue the Army Transport Service. He shall transfer the seagoing vessels used in such service to the United States Shipping Board. The Secretary of War shall dispose of as much of the property of the United States (other than vessels) used in connection with such service as is not indispensable for other uses of the Army or the War Department, and shall take such action as may be necessary to discharge the obligations of the United States growing out of such service existing at the time of such discontinuance. Thereafter no part of appropriations heretofore or hereafter made shall be available for the continuance of such service, and appropriations and unexpended balances of appropriations the expenditure of which is made unnecessary by this section shall not be expended but shall be impounded and returned to the Treasury.

SEC. 309. The Secretary of the Navy is authorized and directed to transfer the vessels *Henderson*, *Chaumont*, *Kittery*, *Sirius*, and *Vega*, together with any cargo vessels not in commission which are not indispensable in the naval service, to the United States Shipping Board. The Secretary shall discontinue the operation of that part of the naval transportation service now carried on with the use of such vessels and shall dispose of as much of the property used in connection therewith as is not indispensable for other uses of the Navy. The Secretary shall take such action as may be necessary to discharge the obligations of the United States existing at the time of such transfer growing out of the use of such vessels. Appropriations and unexpended balances of appropriations the expenditure of which is made unnecessary by this section shall not be expended but shall be impounded and returned to the Treasury.

SEC. 310. No action shall be taken under the provisions of section 308 or 309 until the Secretary of War or the Secretary of the Navy, as the case may be, has negotiated contracts with private shipping interests for the performance of the services for which the vessels referred to were operated, under the terms of which, in the judgment of the President, such services will be performed efficiently, at reasonable charges, with accommodations substantially of equal class with those afforded by the services discontinued, and at less cost. Any such contract shall provide that the rates for Government passenger (including employees and their families) and freight business shall be at least 25 per cent less than the published conference rates for similar commercial passenger and freight business. Any such contract shall be renewable on the same terms, at the option of the Government, and the contract shall so provide.

SEC. 311. The vessels transferred to the Shipping Board under sections 308 and 309 shall be disposed of in accordance with the provisions of section 5 of the merchant marine act, 1920 (U. S. C., title 46, sec. 864), except that sums received from such disposition less expenses incurred under this section shall be covered into the Treasury as miscellaneous receipts. Between the time of transfer and the time of disposition of such vessels, the board shall provide for their care and maintenance, either by contract or otherwise, whichever will effect the greater economy.

SEC. 312. The Panama Railroad Co. is hereby authorized and directed to discontinue the operation of the Panama Railroad Steamship Line and such company shall take such action as may be necessary to dispose of the vessels used by such line and to wind up its affairs. The Secretary of War is authorized and directed to take such action as may be necessary on his part to carry out the purposes of this section. No action shall be taken under the provisions of this section until contracts have been negotiated with private shipping interests for the performance of the services for the Government theretofore performed by the Panama Railroad Steamship Line, under the terms of which, in the judgment of the President, such services will be performed efficiently, at reasonable charges, with accommodations substantially of equal class with those afforded by the Panama Railroad Steamship Line, and at less cost. Any such contract shall provide that the rates for Government and the Panama Railroad Co. passenger (including employees and their families) and freight business shall be at least 25 per cent less than the published conference rates for similar commercial passenger and freight business. Any such contract shall be renewable on the same terms, at the option of the Secretary of War, and the contract shall so provide.

SEC. 313. The net proceeds of the sale of property by the Secretary of War and the Secretary of the Navy under sections 308 and 309 shall be covered into the Treasury as miscellaneous receipts.

REORGANIZATION OF SHIPPING BOARD

SEC. 314. (a) The United States Shipping Board shall be composed of four commissioners to be hereafter appointed by the President, by and with the advice and consent of the Senate. One of such commissioners shall be appointed from the States touching the Pacific Ocean, one from the States touching the Atlantic Ocean, one from the States touching the Gulf of Mexico, and one from the States touching the Great Lakes, but not more than one shall be appointed from the same State. Not more than two of the commissioners shall be appointed from the same political party.

(b) Terms of office of the first commissioners appointed under this section shall expire, as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, and one at the end of four years after the date of the enactment of this act. The term of office of a successor to any such commissioner shall expire four years from the date of the expiration of the term for which his predecessor was appointed, except that a commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

(c) Notwithstanding the provisions of subsection (a) the United States Shipping Board as constituted upon the date of the enactment of this act shall continue to function until the date of reorganization of the commission pursuant to the provisions of such subsection. The board shall be deemed to be reorganized upon such date as four of the commissioners appointed as provided in such subsection have taken office, and no such commissioner shall

be paid salary, as such commissioner, for any period prior to such date.

(d) This section shall be held to reorganize the United States Shipping Board, and, except as herein modified, all laws relating to such board shall remain in full force and effect, as herein amended, and no regulations, action, investigations, or other proceedings under any such laws existing or pending on the date of the enactment of this act shall abate or otherwise be affected by reason of the provisions of this section.

(e) Whenever under existing law the concurrence of four or more of the commissioners is required, such requirement of law shall, after the reorganization of the board provided by this section, be held to be complied with by the concurrence of three commissioners.

(f) After June 30, 1932, no officer or employee of the United States Shipping Board or the United States Shipping Board Merchant Fleet Corporation shall receive a salary at a rate in excess of $10,000 per annum. The provisions of Title I of this act shall not apply to any person whose compensation is reduced by reason of this subsection.

(g) $200,000 of the unexpended balance of the allotment of $500,000 made available to the United States Shipping Board Merchant Fleet Corporation for experimental and research work, by the independent offices appropriation act, fiscal year 1930, and continued by subsequent appropriation acts, shall not be expended, but shall be covered into the Treasury as miscellaneous receipts.

(h) The sums available for expenditure during the fiscal year ending June 30, 1933, for personal services of employees of the United States Shipping Board Merchant Fleet Corporation assigned to and serving with the United States Shipping Board are reduced by $167,000, and the amounts of reduction applicable to the various bureaus shall be as follows: (1) Bureau of Research, $30,000; (2) Bureau of Law, $103,000; (3) Bureau of Traffic, $9,000; (4) Bureau of Construction, $5,000; and (5) Bureau of Operations, $30,000.

(i) The United States Shipping Board Merchant Fleet Corporation shall, during the fiscal year ending June 30, 1933, transfer from the operating funds and cover into the Treasury as miscellaneous receipts the sum of $1,938,240.

INCREASES IN CERTAIN CHARGES AND FEES

SEC. 315. After the date of the enactment of this act, the price at which additional copies of Government publications are offered for sale to the public by the Superintendent of Documents shall be based on the cost of printing and binding, plus 30 per cent, and such cost shall be in lieu of that prescribed in the public resolution approved May 11, 1922 (U. S. C., title 44, sec. 220).

SEC. 316. After the expiration of 30 days after the enactment of this act (but in no event prior to July 1, 1932), the base fee of $25 provided by section 4934 of the Revised Statutes, as amended (U. S. C., Supp. V, title 35, sec. 78), to be paid upon the filing of each original application and upon each renewal application for patent, except in design cases, and on issuing each original patent, except in design cases, is hereby increased to $30.

SEC. 317. Section 4934 of the Revised Statutes, as amended (U. S. C., Supp. V, title 35, sec. 78), is amended by adding at the end thereof the following:

"On filing each petition for the revival of an abandoned application for a patent, $10."

SEC. 318. The Secretary of Commerce shall make such charges as he deems reasonable for special statistical services; special commodity, technical, and regional news bulletins and periodical services; lists of foreign buyers, and World Trade Directory Reports, and the amounts collected therefrom shall be deposited in the Treasury as miscellaneous receipts.

SEC. 319. Section 5 of the act entitled "An act to establish in the Department of the Interior a Bureau of Mines," approved May 16, 1910, as amended and supplemented (U. S. C., title 30, sec. 7), is amended to read as follows:

"SEC. 5. For tests or investigations authorized by the Secretary of Commerce under the provisions of this act, as amended and supplemented, except those performed for the Government of the United States or State governments within the United States, a fee sufficient in each case to compensate the Bureau of Mines for the entire cost of the services rendered shall be charged, according to a schedule prepared by the Director of the Bureau of Mines and approved by the Secretary of Commerce, who shall prescribe rules and regulations under which such tests and investigations may be made. All moneys received from such sources shall be paid into the Treasury to the credit of miscellaneous receipts."

SEC. 320. Section 3 of the act entitled "An act to establish the National Bureau of Standards," approved March 3, 1901, as amended and supplemented (U. S. C., title 15, sec. 276), is amended to read as follows:

"SEC. 3. For all comparisons, calibrations, tests, or investigations, performed by the National Bureau of Standards under the provisions of this act, as amended and supplemented, except those performed for the Government of the United States or State governments within the United States, a fee sufficient in each case to compensate the National Bureau of Standards for the entire cost of the services rendered shall be charged, according to a schedule prepared by the Director of the National Bureau of Standards and approved by the Secretary of Commerce. All moneys received from such sources shall be paid into the Treasury to the credit of miscellaneous receipts."

SEC. 321. Sections 318, 319, and 320 shall take effect July 1, 1932.

TRANSFER OF FISH-CULTURAL STATIONS TO STATES OR TERRITORIES

SEC. 322. Upon the application of any State or Territory, the Secretary of Commerce is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any fish-cultural station or fish hatchery located in such State or Territory, together with all personal property used in connection therewith. If any such State or Territory shall cease at any time to use a station or hatchery so transferred for fish-cultural purposes, or shall at any time permit its use for any other purposes, or shall attempt to alienate the station or hatchery, title thereto shall revert to the United States.

TRANSFER OF AGRICULTURAL EXPERIMENT STATIONS TO STATES

SEC. 323. Upon the application of any State or Territory, the Secretary of Agriculture is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any agricultural experiment station located in such State or Territory, together with all personal property used in connection therewith.

RESTRICTIONS ON TRANSFER OF ARMY AND NAVY PERSONNEL

SEC. 324. The President is authorized, during the fiscal year ending June 30, 1933, to restrict the transfer of officers and enlisted men of the military and naval forces from one post or station to another post or station to the greatest extent consistent with the public interest.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore [Mr. RAINEY] having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11267, the legislative appropriation bill, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KNUTSON, for three legislative days, on account of necessity for returning home.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 194. An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 3580. An act for the relief of Clara E. Wight;

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 1231. An act for the relief of Grina Bros.

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula, Alice Wirkkula, and Bernice Elsine Wirkkula;

H. R. 4724. An act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 4752. An act for the establishment of the Waterton-Glacier International Peace Park;

H. R. 5484. An act extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation;

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18,

township 131 north, range 29 west, in the county of Morrison, Minn.;

H. R. 8084. An act for the protection of the northern Pacific halibut fishery;

H. R. 8914. An act to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway, and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation in the State of Montana;

H. R. 9598. An act to authorize expenditures for the enforcement of the contract-labor provisions of the immigration law;

H. R. 10495. An act amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; and

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 19 minutes p. m.) the House adjourned until to-morrow, Friday, April 29, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Friday, April 29, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

DISTRICT OF COLUMBIA—SUBCOMMITTEE ON THE JUDICIARY

(10.30 a. m.)

To regulate business of executing bonds for compensation in criminal cases (H. R. 8085).

To amend District Code (H. R. 9549, H. R. 9557).

LABOR

(10.30 a. m.)

To provide farming opportunities for certain destitute and unemployed persons (H. R. 11055, H. R. 11056).

EXECUTIVE COMMUNICATIONS, ETC.

548. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a report dated April 25, 1932, from the Chief of Engineers, United States Army, on preliminary examination of the Mohican River and its tributaries, especially the Mohican River ditch south of Lake Fork, Ohio, was taken from the Speaker's table and referred to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 9058. A bill to authorize the Secretary of War to accept on behalf of the United States a tract or parcel of land for park purposes, to the Chickamauga-Chattanooga National Military Park; with amendment (Rept. No. 1152). Referred to the Committee of the Whole House on the state of the Union.

Mr. EVANS of Montana: Committee on Indian Affairs. H. R. 5727. A bill for the relief of certain tribes or bands of Indians in Washington, Idaho, and Montana; without amendment (Rept. No. 1151). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. ROGERS: Committee on Military Affairs. H. R. 3954. A bill for the relief of Llewellyn B. Griffith; without amendment (Rept. No. 1147). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 8401. A bill to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army; with amendment (Rept. No. 1148). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 8403. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; with amendment (Rept. No. 1149). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 3036. A bill for the relief of Florence Mahoney; with amendment (Rept. No. 1150). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROMJUE: A bill (H. R. 11673) to reduce the compensation of persons paid by the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. McKEOWN: A bill (H. R. 11674) to provide for the redemption of adjusted-service certificates issued to veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. SHALLENBERGER: A bill (H. R. 11675) to amend the Federal water power act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. DOMINICK: A bill (H. R. 11676) providing for the appointment of a commissioner to hear cases arising under contracts of war-risk insurance in the district courts for the eastern and western districts of South Carolina; to the Committee on the Judiciary.

By Mr. RAYBURN: A bill (H. R. 11677) to amend sections 5, 15a, and 19a of the interstate commerce act, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNEY (by request): A bill (H. R. 11678) to provide for and finance a self-supporting national-defense highway of approximately 15,000 miles; to the Committee on Ways and Means.

By Mr. BLACK: A bill (H. R. 11714) to amend the District of Columbia traffic acts, as amended; to the Committee on the District of Columbia.

By Mr. WHITTINGTON: A bill (H. R. 11715) to provide for the coordination and correlation of public works functions and engineering activities of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. CHRISTOPHERSON: A bill (H. R. 11716) amending the act of May 9, 1930 (46 Stat. 263), entitled "An act to declare valid the title to certain Indian lands"; to the Committee on Indian Affairs.

By Mr. FULMER: Resolution (H. Res. 206) requesting the Secretary of the Treasury to furnish certain information pertaining to the investigation conducted by him relating to the importation of ammonium sulphate; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 11679) for the relief of Marie Sanford; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 11680) granting an increase of pension to Mary Newton; to the Committee on Invalid Pensions.

By Mr. CORNING: A bill (H. R. 11681) granting an increase of pension to Ada Bennett; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 11682) granting a pension to Daniel J. Mahoney; to the Committee on Pensions.

By Mr. DIES: A bill (H. R. 11683) granting a pension to George Miller; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 11684) for the relief of Marcus M. Ginsberg; to the Committee on Military Affairs.

By Mr. FITZPATRICK: A bill (H. R. 11685) authorizing the Secretary of War to lease or to sell certain lands and buildings known as Fort Schuyler, N. Y., to the city of New York; to the Committee on Military Affairs.

By Mr. GILLEN: A bill (H. R. 11686) for the relief of Harry Bosworth; to the Committee on Military Affairs.

By Mr. HARE: A bill (H. R. 11687) granting an increase of pension to Ida L. Von Harten; to the Committee on Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 11688) granting a pension to Rawley B. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11689) granting an increase of pension to Jennie S. Adams; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 11690) for the relief of Leo Yates; to the Committee on Claims.

By Mr. LINDSAY: A bill (H. R. 11691) for the relief of John Daily; to the Committee on Naval Affairs.

By Mr. LOVETTE: A bill (H. R. 11692) granting a pension to Robert H. Hayworth; to the Committee on Pensions.

Also, a bill (H. R. 11693) granting a pension to W. M. Sims; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11694) granting a pension to John W. Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11695) granting a pension to Hettie Harvey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11696) granting a pension to Landon Garland; to the Committee on Pensions.

Also, a bill (H. R. 11697) for the relief of Mildred Hull; to the Committee on Claims.

Also, a bill (H. R. 11698) granting a pension to Charles Henry Pope; to the Committee on Pensions.

Also, a bill (H. R. 11699) reimbursing George Larkin; to the Committee on Claims.

Also, a bill (H. R. 11700) granting a pension to John E. Perkins; to the Committee on Pensions.

Also, a bill (H. R. 11701) for the relief of Walter K. Brimer; to the Committee on Naval Affairs.

Also, a bill (H. R. 11702) for the relief of Ralph Hart; to the Committee on Naval Affairs.

Also, a bill (H. R. 11703) for the relief of the heirs of James Kirk; to the Committee on Claims.

Also, a bill (H. R. 11704) for the relief of J. W. Howell; to the Committee on Claims.

Also, a bill (H. R. 11705) for the relief of Emily Coffee; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 11706) to correct the military record of Floyd T. Brooks; to the Committee on Military Affairs.

By Mr. SNELL: A bill (H. R. 11707) to confer jurisdiction on the Court of Claims to reopen, rehear, and redetermine the claim of A. W. Duckett & Co. (Inc.); to the Committee on Claims.

By Mr. THURSTON: A bill (H. R. 11708) granting a pension to Myrtle M. Gray; to the Committee on Invalid Pensions.

By Mr. WITHROW: A bill (H. R. 11709) for the relief of Leland Francis Olson; to the Committee on Naval Affairs.

Also, a bill (H. R. 11710) for the relief of Walter Manning; to the Committee on Naval Affairs.

Also, a bill (H. R. 11711) granting a pension to Mary E. Hoffman; to the Committee on Invalid Pensions.

By Mr. MOBLEY: A bill (H. R. 11712) for the relief of Harry B. Fulford; to the Committee on Military Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 11713) granting an increase of pension to Susana Barbor; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7164. By Mr. BLOOM: Petition of 15 residents of the State of New York, protesting against the passage of House bill 8759, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

7165. Also, petition of a group of the women of the Missionary Society of the Broadway Presbyterian Church, New York City, calling attention to the condition of affairs in Alaska touching the reindeer herds, and requesting prompt action in rectifying what is wrong, as the natives of Alaska are in imminent danger of losing their herds through the exploitation of certain whites who have gone into that portion of our country for purely profiteering purposes; to the Committee on Agriculture.

7166. By Mr. GARBER: Petition of citizens of Oklahoma and the eighth district, indorsing the plan of cooperatively processing and marketing farm commodities; to the Committee on Agriculture.

7167. Also, petition of citizens of Oklahoma and the eighth district, urging continued appropriations for vocational education; to the Committee on Appropriations.

7168. Also, petition of citizens of Oklahoma and the eighth district, urging the passage of bill providing for pensions for railroad employees; to the Committee on Interstate and Foreign Commerce.

7169. Also, petition of citizens of Oklahoma and the eighth district, urging immediate passage of the bonus bill; to the Committee on Ways and Means.

7170. Also, petition of Sacramento Chamber of Commerce, favoring the repeal ab initio of the recapture clause of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

7171. Also, petition of O. O. Doggett, of Cherokee, Okla., urging passage of the Romjue bill; to the Committee on Labor.

7172. Also, petition of citizens of Oklahoma and the eighth district, opposing passage of bill to place rural letter carriers on a contract basis; to the Committee on the Post Office and Post Roads.

7173. Also, petition of citizens of Oklahoma and the eighth district, urging greater protection for the lumber industry against importations; to the Committee on Ways and Means.

7174. By Mr. HALL of Mississippi: Petition of 500 citizens and ex-service men of Hancock County, Miss., urging the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7175. Also, petition of 513 ex-service men of Forrest County, Miss., urging the enactment of legislation for the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7176. Also, petition of 1,000 or more citizens of Harrison County, Miss., urging the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7177. By Mr. JAMES: Telegram from Houghton Lodge, No. 782, Brotherhood of Railroad Trainmen, of Houghton, Mich., through P. Stinmetz, secretary, opposing the sales tax and reduction of the salaries of Government employees; to the Committee on Economy.

7178. Also, resolution from Croatian Fraternal Union of America, Pittsburgh, Pa., favoring a tariff on copper; to the Committee on Ways and Means.

7179. By Mr. JOHNSON of Washington: Resolution from the city commission of Centralia, Wash., urging the enactment of legislation for the protection of forest products; to the Committee on Ways and Means.

7180. By Mr. KELLER: Petition of the members of the Marion Chapter Future Farmers of America, Marion, Ill., protesting against the withdrawal of Federal aid from vocational education; to the Committee on Agriculture.

7181. Also, petition of Christopher Post, No. 528, American Legion, Christopher, Ill., favoring the immediate payment of the soldiers' adjusted-compensation certificates; to the Committee on Ways and Means.

7182. By Mr. LAMNECK: Petition of George J. Sauer, Fred Pabst, Robert McCurdy, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination at this time of Naval Reserve training cruises, and the decommissioning of the U. S. S. *Wilmington;* to the Committee on Appropriations.

7183. Also, petition of Katharine Wilson, Elizabeth Davis, Lillian Woodhouse, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of appropriation for Naval Reserve training cruises and the decommissioning of the U. S. S. *Wilmington;* to the Committee on Appropriations.

7184. Also, petition of A. A. Griffith, C. F. Williams, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work from the Federal Budget; to the Committee on Economy.

7185. Also, petition of Florence Harley, M. Otis Flook, Dwight Arnold, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work from the Federal Budget; to the Committee on Economy.

7186. Also, petition of Norma McClarren, W. E. Hoos, R. E. Hoos, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work; to the Committee on Economy.

7187. Also, petition of Albert Farnlucher, C. H. Moss, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the vocational-education appropriation from the Federal Budget; to the Committee on Economy.

7188. Also, petition of Karl Schott, Ellsworth Reese, C. W. White, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational education from the Federal Budget; to the Committee on Economy.

7189. Also, petition of Floyd Carpenter, Daniel Kahler, Mary E. Kahler, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work; to the Committee on Economy.

7190. Also, petition of Mrs. G. P. Lawrence, Mrs. W. G. Green, Mrs. R. E. Mendenhall, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the vocational-education appropriation from the Federal Budget; to the Committee on Economy.

7191. Also, petition of E. T. Kain, Nellie L. Kain, W. T. Kain, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work; to the Committee on Economy.

7192. By Mr. LONERGAN: Petition of Board of Common Council of Hartford, Conn., asking for the retention of Hartford, Conn., as a port of entry; to the Committee on Interstate and Foreign Commerce.

7193. By Mr. MEAD: Petition of Troop I, Post No. 665, of the American Legion, favoring a bill to provide for the continuation of the 5-year insurance for all veterans and the widows and orphans' pension; to the Committee on Pensions.

7194. Also, petition of Laundry Owners' National Association of the United States and Canada regarding the subject of activities of the Government in business; to the Committee on Labor.

7195. Also, petition of the National Cooperative Milk Producers' Federation, urging Congress to repeal the agricultural marketing act; to the Committee on Agriculture.

7196. Also, petition of the National Fertilizer Association, opposing Muscle Shoals legislation; to the Committee on Military Affairs.

7197. By Mr. MURPHY: Petition of Margaret Elliott, Delroy, Ohio, and 11 other members of the Presbyterian Church of that village, asking that the Alaskans be protected in the ownership of their reindeers; to the Committee on Agriculture.

7198. By Mr. PARKER of Georgia: Petition of H. W. Butler and 15 other citizens of Savannah, Ga., urging the passage of House bill 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7199. Also, memorial of first district of Georgia convention of the American Legion, urging the immediate payment of the adjusted-service certificates of veterans of the World War, and the passage of the widows and orphans' pension bill; to the Committee on Ways and Means.

7200. Also, petition of M. T. Collins and 57 other citizens of Emanuel County, Ga., urging the immediate payment of the balance due veterans of the World War on their adjusted-service certificates; to the Committee of Ways and Means.

7201. Also, petition of C. H. Manson, of Savannah, and four citizens of Augusta, Ga., urging the passage of railroad pension bill, H. R. 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7202. By Mr. PRATT: Petition of 103 residents of Kingston, Ulster County, N. Y., praying for repeal of the eighteenth amendment, restoration of 2.75 per cent beer and light wines, and the imposition of a Federal tax on the manufacture and sale of such beverages; to the Committee on the Judiciary.

7203. Also, petition of 47 members of William F. Scannell Chapter, Disabled American Veterans of the World War, of Liberty, Sullivan County, N. Y., praying for defeat of proposed legislation to reduce compensation or pension or curtail hospitalization of disabled World War veterans; to the Committee on World War Veterans' Legislation.

7204. By Mr. RAINEY: Petition of Randall Hart and 61 members of the Beardstown (Ill.) Chapter of the Future Farmers of America, favoring the vocational agriculture appropriation; to the Committee on Appropriations.

7205. By Mr. RUDD: Petition of faculty, Brooklyn Evening Technical High School, Brooklyn, N. Y., favoring the elimination of section 303, vocational education, from the proposed economy bill; to the Committee on Economy.

7206. Also, petition of Garnett Wood, New York City, opposing the discontinuance of the Panama Railroad Steamship Line; to the Committee on Economy.

7207. Also, petition of Long Island Chamber of Commerce, Long Island, N. Y., opposing soldiers' bonus legislation; to the Committee on Economy.

7208. Also, petition of Marjorie Noble, of New York City, opposing the passage of the Muscle Shoals legislation; to the Committee on Military Affairs.

7209. Also, petition of National League of District Postmasters of the United States, favoring the exclusion of third and fourth class postmasters from the terms of any proposal for a further reduction in salary; to the Committee on Economy.

7210. Also, petition of Eugene F. Moran, New York City, opposing any reduction of Federal aid for vocational education; to the Committee on Economy.

7211. Also, petition of Canal Zone Central Labor Union, favoring the elimination of the section 312, from the so-called economy bill; to the Committee on Economy.

7212. By Mr. SMITH of West Virginia: Resolution of the Whitesville Post, No. 75, the American Legion, of Whitesville, W. Va., urging the passage of the bill providing for full payment of adjusted-service certificates; to the Committee on Ways and Means.

7213. Also, resolution of the Scarbro Safety Club, of Scarbo, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7214. Also, resolution of the Imperial Colliery Co. Safety Club, of Burnwell, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7215. Also, resolution of the Warrior Safety Club, of Warriormine, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7216. Also, resolution of the Williams Pocahontas Mine Safety Club, of War, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7217. Also, resolution of the Price Hill Safety Club, of Price Hill, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7218. Also, resolution of the Skelton Safety Club, of Skelton, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7219. Also, resolution of the Cranberry Safety Club, of Cranberry, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7220. Also, resolution of the Lochgelly Safety Club, of Lochgelly, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7221. Also, resolution of the Summerlee Safety Club, of Summerlee, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7222. Also, resolution of the Sprague Safety Club, of Sprague, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7223. Also, resolution of the Alpha Pocahontas Coal Co. Safety Club, of Alpoca, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7224. Also, resolution of the Covel Safety Club, of Covel, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7225. Also, resolution of the Oakwood Safety Club, of Carlisle, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7226. Also, resolution of the Prudence and Harvey Safety Club, of Harvey, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7227. Also, resolution of the Whipple Safety Club, of Whipple, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7228. By Mr. SUTPHIN: Petition of Vernon A. Brown Post, No. 438, Veterans of Foreign Wars, opposing payment of the foreign-war debt at the expense of the disabled veteran; to the Committee on World War Veterans' Legislation.

7229. Also, petition of New Jersey State Division of the American Association of University Women, opposing curtailment of appropriations for vocational education; to the Committee on Appropriations.

7230. By Mr. SWANSON: Petition of J. E. Brooks and others of Greenfield, Iowa, against House bill 8576, for the discontinuance of postal sale of contract-printed envelopes; to the Committee on the Post Office and Post Roads.

7231. By Mr. TARVER: Petition of H. Grady Jones and a number of other citizens of Haralson County, Ga., favoring the regulation of bus-and-truck transportation; to the Committee on Interstate and Foreign Commerce.

7232. By Mr. WATSON: Resolution passed by the Mountain Arts Association of Pennsylvania, favoring the continuation of the Smith-Hughes Act of 1917; to the Committee on Education.

7233. Also, resolution passed by the Philadelphia Board of Trade, concerning the status of sugar refining; to the Committee on Ways and Means.

7234. Also, resolution passed by the Port of Philadelphia Ocean Traffic Bureau, concerning the status of sugar refining; to the Committee on Ways and Means.

SENATE

FRIDAY, APRIL 29, 1932

The Chaplain, Rev. ZeBarney T. Phillips, D. D., LL. D., offered the following prayer:

Almighty and Eternal God, whose will doth sway the destiny of the universe and of human life, before whose eyes nothing is covered or concealed; preserve us in our secret life from all idle reverie, from all impurity of thought, from moments of self-pity, pride, and petulance, and give to us the inner calm, the fine serenity of souls principled in faith and hope and love.

Touch Thou our lips with kindly wisdom, that with grace and clearest insight our words may rise on winged feet above confusion's wide expanse, clothing our thought with the rare bloom and fragrance of that knowledge which reveals the constant inflowing of God into the affairs of men. We ask it in the name and for the sake of Him who spake as never man spake, Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day of yesterday, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Kendrick	Robinson, Ark.
Austin	Dale	Keyes	Robinson, Ind.
Bailey	Davis	King	Schall
Bankhead	Dickinson	La Follette	Sheppard
Bingham	Dill	Lewis	Shipstead
Black	Fess	Logan	Shortridge
Blaine	Fletcher	Long	Smoot
Borah	Frazier	McGill	Steiwer
Bratton	George	McKellar	Stephens
Brookhart	Goldsborough	McNary	Thomas, Idaho
Broussard	Gore	Metcalf	Thomas, Okla.
Bulkley	Hale	Morrison	Townsend
Bulow	Harrison	Moses	Trammell
Byrnes	Hatfield	Neely	Tydings
Capper	Hawes	Norbeck	Vandenberg
Caraway	Hayden	Norris	Wagner
Connally	Howell	Nye	Walcott
Coolidge	Hull	Oddie	Walsh, Mass.
Copeland	Johnson	Patterson	Waterman
Costigan	Jones	Pittman	Watson
Couzens	Kean	Reed	White

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

CLAIMS OF INDIANS IN OREGON—VETO MESSAGE (S. DOC. NO. 89)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read:

To the Senate:

I am returning herewith Senate bill 826, "An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon," without my approval.

The bill limits the claims which can be presented to those "arising under or growing out of any treaty, agreement, act of Congress, Executive order," and then throws the door wide open by adding "or otherwise." I can not assent to the proposition that the Government should be obligated after 75 years to defend a suit for unknown claims of such ancient origin and for persons long since dead not based upon any treaty, agreement, act of Congress, or Executive order.

I want full justice for our Indian wards, and would have no objection to the presentation of claims arising under the treaties named in the bill, both ratified and unratified treaties. I am advised, however, that all funds promised to these Indians under the ratified treaties have been appropriated and paid, and that lands were set aside for, and occupied by, the Indians who were parties to the unratified treaties. I am further constrained to this action at a time when the Government can not assume additional and unknown burdens of expenditure.

HERBERT HOOVER.

THE WHITE HOUSE, *April 25, 1932.*

The VICE PRESIDENT. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. McNARY. Mr. President, I ask unanimous consent that the veto message, with the accompanying enrolled bill, may be referred to the Committee on Indian Affairs and printed.

The VICE PRESIDENT. Without objection, that order will be made.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the Board of Supervisors of the City and County of San Francisco, Calif., protesting against curtailment, as an economy measure, of benefits now received by disabled veterans, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter signed by Francis A. McCann, executive secretary Washington section of the Baltimore Archdiocesan Union of Holy Name Societies, Washington, D. C., favoring the appropriation of $600,000 for the relief of the unemployed in the District of Columbia, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter from Herbert J. Ollinger, of Cleveland, Ohio, submitting a plan for solution of the present unemployment difficulties, which was referred to the Committee on Finance.

He also laid before the Senate a letter from Everett G. Glidden, of Schenectady, N. Y., submitting a plan to overcome the present economic depression, which was referred to the Committee on Finance.

He also laid before the Senate letters from L. E. McElroy, of Oklahoma City, Okla., relative to an alleged discrepancy in taxation in the present Federal revenue law as applied to property sold in Texas and property sold in Oklahoma, Arkansas, and Kansas (oil and gas leases, etc.), which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Northeast Suburban Woman's Christian Temperance Union, of Washington, D. C., protesting against the resubmission of the eighteenth amendment of the Constitution to State conventions or legislatures and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter from Jane Anderson, of New York City, N. Y., inclosing a newspaper article, being a special to the New York Times under the date line "Briarcliff Manor, April 25," entitled "Doctor Buchman Offers World-Saving Plan; Prosperity Would Return if the Nation's Leaders Got in Touch with God," which was ordered to lie on the table.

Mr. ROBINSON of Arkansas presented petitions of members of Victor Ellig Post, No. 31, American Legion, and sundry citizens, all of Fort Smith, Ark., praying for the prompt passage of legislation for the payment of adjusted-compensation certificates (bonus) of World War veterans, which were referred to the Committee on Finance.

He also presented telegrams in the nature of petitions signed by Jeff Davis and sundry other citizens, of El Dorado; by J. E. Berry and sundry other citizens, of Smackover; and the chamber of commerce and sundry citizens of Camden, all in the State of Arkansas, praying for the imposition of an excise duty on imported crude oil, asphalt, and gasoline in the pending tax bill, which were referred to the Committee on Finance.

Mr. KEAN presented memorials numerously signed by sundry citizens of Camden County, N. J., remonstrating against the passage of legislation to change existing laws relating to compensation, disability allowance, or pension in any manner designed to reduce the amount of such payments to the veterans of any war, their widows or dependents, which were referred to the Committee on Finance.

Mr. HALE presented numerous letters and communications in the nature of petitions from sundry citizens and organizations in the State of Maine, praying for the passage of the bill (H. R. 9891) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

Mr. WALSH of Massachusetts presented petitions of 45 citizens of the State of Massachusetts praying for the passage of the bill (H. R. 9891) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of the State of Massachusetts, praying for the prompt passage of legislation providing immediate cash payment of adjusted-compensation certificates (bonus) of World War veterans, which was referred to the Committee on Finance.

He also presented a telegram in the nature of a memorial from sundry citizens and postal employees of Ware, and memorials of 135 other citizens, all in the State of Massachusetts, remonstrating against reductions in the compensation or leave privileges of postal employees, which was referred to the Committee on Appropriations.

Mr. TYDINGS presented a resolution adopted by the County Council of the American Legion Posts of Montgomery County, Md., protesting against the passage of the so-called omnibus economy bill, and particularly opposing reductions in appropriations for ex-service men, which was referred to the Committee on Appropriations.

He also presented resolutions adopted by the Monumental Social Club, Democratic, second ward, and the One hundred and tenth Machine Gun Association (Inc.), both of Baltimore, Md., favoring the prompt passage of legislation providing for the payment of adjusted-compensation certificates (bonus) of World War veterans, which were referred to the Committee on Finance.

Mr. JONES presented a petition of sundry citizens of Bellingham, Wash., praying for the passage of legislation known as the motor boat bill, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Yakima Valley Reclamation League, Yakima, Wash., indorsing the plan of Federal reclamation upon suitable projects and favoring the making of appropriation therefor, which was referred to the Committee on Irrigation and Reclamation.

He also presented a memorial of sundry citizens of Grays Harbor County, Wash., remonstrating against the imposition of a 10 per cent tax upon sales of jewelry, and favoring a general sales tax, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Enumclaw and vicinity, in the State of Washington, remonstrating against the imposition of a general sales tax, which was referred to the Committee on Finance.

He also presented a resolution of the mayor and city commission of Centralia, Wash., favoring the imposition of adequate tariff duties on imports of lumber and products thereof, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Seattle, Wash., remonstrating against the passage of legislation curtailing the benefits allowed to disabled war veterans, which was referred to the Committee on Finance.

Mr. SHORTRIDGE presented letters and papers in the nature of memorials from the Garden City Lodge, No. 504, International Association of Machinists, of San Jose, by Charles N. Fletcher, secretary; Kern River Local, No. 19, International Association of Oil Field, Gas Well, and Refinery Workers of America, of Bakersfield, by E. B. Daniel, secretary; Southern Citrus Fruits Corporation (Ltd.) of Los Angeles, by C. H. Clay; Local Union No. 216, Sheet Metal Workers International Association, of Oakland, by F. E. Monsler, recording secretary; and sundry citizens and organizations, all in the State of California, remonstrating against reductions in the compensation of Federal employees, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from sundry citizens and business firms in the State of California, remonstrating against the 10 per cent tax on jewelry

in the pending tax bill, which were referred to the Committee on Finance.

He also presented letters in the nature of memorials from sundry citizens and organizations in the State of California, remonstrating against the tax on matches in the pending tax bill, which were referred to the Committee on Finance.

He also presented numerous letters in the nature of memorials from sundry citizens and organizations in the State of California, remonstrating against the proposed increase in the first-class postage rate, which were referred to the Committee on Finance.

He also presented numerous letters in the nature of memorials from sundry citizens and organizations in the State of California, remonstrating against the imposition of a tax on sales of securities in the pending tax bill, which were referred to the Committee on Finance.

Mr. GOLDSBOROUGH presented letters and telegrams in the nature of petitions from sundry citizens and business organizations in the State of Maryland, favoring the imposition of a general manufacturers' sales tax, which were referred to the Committee on Finance.

He also presented the petition of the United Veterans' Association (Inc.) of Baltimore, Md., praying for the passage of legislation providing for the payment in cash of adjusted-compensation certificates (bonus) of World War veterans, which was referred to the Committee on Finance.

He also presented a telegram from the Chamber of Commerce of Salisbury, Md., remonstrating against the imposition of a tax on ice cream, which was referred to the Committee on Finance.

He also presented the memorial of Swindell Bros., of Baltimore, Md., remonstrating against the imposition of a tax on toilet articles, which was referred to the Committee on Finance.

He also presented memorials and letters in the nature of memorials from sundry citizens and organizations in the State of Maryland, remonstrating against the proposed increase in first-class postage rates, which were referred to the Committee on Finance.

He also presented memorials and letters in the nature of memorials of sundry citizens and organizations in the State of Maryland, remonstrating against the imposition of taxes on automobiles, trucks, motor accessories, and gasoline, which were referred to the Committee on Finance.

He also presented petitions of sundry citizens of the State of Maryland and the Farmers' Educational and Cooperative Union of America, of Washington, D. C., praying for the retention of the proposed taxes on importations of oil and coal, which were referred to the Committee on Finance.

He also presented the memorial of Jackson Brandt, of Baltimore, Md., remonstrating against reducing the appropriations for the Patent Office and favoring the retention of its present personnel, which was referred to the Committee on Appropriations.

He also presented the petition of William I. Blake, of Washington, D. C., praying for the making of adequate appropriations for the Howard University, which was referred to the Committee on Appropriations.

He also presented memorials and letters in the nature of memorials of sundry citizens of the State of Maryland, remonstrating against curtailing the appropriations for vocational education, which were referred to the Committee on Appropriations.

He also presented memorials of sundry citizens of the State of Maryland, remonstrating against reductions in salaries and the furlough of Federal employees, which were referred to the Committee on Appropriations.

Mr. COPELAND presented a petition of the Burroughs-Audubon Nature Club, of Rochester, N. Y., praying for the enactment of legislation providing for the establishment of a reservation for the protection of antelopes, which was referred to the Select Committee on Conservation of Wild Life and Natural Resources.

He also presented a resolution adopted by the Common Council of the City of Rome, N. Y., favoring the construction of a new public building in that city, which was referred to the Committee on Public Buildings and Grounds.

He also presented a resolution adopted by the commission of public works in the city of Hudson, N. Y., favoring the passage of legislation authorizing the starting of work not later than July 1, 1932, on the construction of the Hudson city post office, which was referred to the Committee on Public Buildings and Grounds.

He also presented a petition of sundry citizens of Clinton Corners, N. Y., praying for an investigation of the motion-picture industry and the enactment of legislation prohibiting so-called block booking, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of the State of New York praying for the enactment of legislation regulating bus and interstate truck transportation, which was referred to the Committee on Interstate Commerce.

He also presented petitions of four insurance companies of Glens Falls, N. Y., praying for the repeal of the so-called recapture clause of the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

He also presented a petition of the commission on international justice and good will of the Brooklyn (N. Y.) Federation of Churches, approving the general principle of the abolition of weapons of aggression as differentiated from those of defense, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the executive committee of the National Cooperative Milk Producers' Federation, of Washington, D. C., favoring the repeal of section 9 of the agricultural marketing act authorizing the creation and operation of stabilization corporations, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted at Coatesville, Pa., by the jointe district council, American Legion Auxiliary, Department of Pennsylvania, favoring the upholding of the national defense act, as amended, remonstrating against further reductions of appropriations for the national defense, and favoring the building up of the Navy to the London treaty limits, which was referred to the Committee on Military Affairs.

He also presented a resolution of the Common Council of the City of Troy, N. Y., favoring legalizing the manufacture of 4 per cent beer, which was referred to the Committee on Manufactures.

He also presented a resolution adopted at St. Regis Falls, N. Y., by the Franklin County Rural Letter Carriers' Association, opposing the recommendations of the President of the United States for the elimination of the maintenance of equipment of rural letter carriers, which was referred to the Committee on Appropriations.

He also presented petitions of sundry citizens and organizations of the State of New York, praying drastic reductions in expenditures for the operation of the Federal Government, which were referred to the Committee on Appropriations.

He also presented memorials of students and members of the faculties of several schools and universities in the State of New York, remonstrating against the suspension of Federal aid for vocational education, which were referred to the Committee on Appropriations.

He also presented memorials of sundry citizens of the State of New York, remonstrating against reductions in the compensation of Federal employees, which were referred to the Committee on Appropriations.

He also presented a memorial of the Oswego (N. Y.) County American Legion, remonstrating against the enactment of legislation providing for the cash payment of adjusted-service certificates, which was referred to the Committee on Finance.

He also presented resolutions of American Legion Post No. 79, of Massena, N. Y., the Common Council of the City of Buffalo, N. Y., and Troop I, Post No. 665, American Legion, of Buffalo, N. Y., praying for the enactment of legislation providing for the cash payment of World War adjusted-

service certificates, which were referred to the Committee on Finance.

He also presented a resolution of Troop I, Post No. 665, American Legion, of Buffalo, N. Y., favoring a continuation of the 5-year insurance plan for World War veterans, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens and organizations of the State of New York, praying for the imposition of a tariff on fish oil, meals, and scrap, which was referred to the Committee on Finance.

He also presented a resolution of the Chamber of Commerce of Ogdensburg, N. Y., favoring the enactment of legislation imposing a duty on ground wood and wood pulp, which was referred to the Committee on Finance.

He also presented numerous memorials of sundry citizens of the State of New York, remonstrating against the proposed excise taxes on automobiles, trucks, parts, gasoline, and lubricating oil, which were referred to the Committee on Finance.

UNEMPLOYMENT SITUATION

Mr. WAGNER. Mr. President, some days ago I communicated with Professor Taussig, of Harvard University, who is an outstanding economist, well known to the Members of this body, as to whether he approved or disapproved of the proposal for an enlarged public-works program to help revitalize trade and solve unemployment. I have his answer to that communication which I ask may be read by the clerk.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The Chief Clerk read as follows:

CAMBRIDGE, MASS., *April 27, 1932.*

MY DEAR SENATOR: I have your letter of April 20, and regret that my answer has been delayed by my absence from Cambridge. I am glad to see that you continue your work toward mending the depression by careful and discriminating expenditure on public works on the part of the Federal Government. I believe you are on the right track and hope you will succeed. Your own view as stated in the third paragraph of your letter (of which I assume you have kept a copy) seems to me well justified.

No one can be sure just how great an effect will be produced. I have no doubt that you will agree with me that this is not a panacea, but is an important step which may do considerable good, and may do good far beyond the immediate operations, for it is possible that this would help substantially toward giving the much-needed boost.

I can not pretend to be conversant with the extent of the preparations which the departments have made for carrying into effect the proposed construction. I take your word for it that adequate preparations have been made, and that there is reasonable assurance of a proper expenditure of the funds. I am quite in accord with you that the proper way of financing is the issue of long-term bonds. In short, I believe you are on sound ground.

If it would be of help to you to show to others this brief statement of my attitude you are entirely at liberty to do so.

Very truly yours,

F. W. TAUSSIG.

The Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.

TAX ON LIFE-INSURANCE COMPANIES

Mr. WALSH of Massachusetts. Mr. President, there is a wide difference of opinion over the tax to be levied in the revenue bill upon life-insurance companies. Various rate proposals have been made, and the effect that some of these proposals would have upon the various groups of life-insurance companies is striking. In view of these contentions, I ask that a letter written by the chairman of the Federal tax committee of the Association of Life Insurance Presidents, which I send to the desk, may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

THE ASSOCIATION OF LIFE INSURANCE PRESIDENTS,
Washington, D. C., April 29, 1932.

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: The majority opinion of the Finance Committee in the action taken on Wednesday with respect to life-insurance taxes leaves the companies operating on a 3 per cent reserve basis in a most unbearable position.

It so greatly increases their taxable income as against that of the 3½ per cent companies that it becomes a major factor, adding materially, as it must, to the cost of the insurance of the 7,700,000 policyholders of seventeen 3 per cent companies—a very considerable element in every State of the Union.

On any basis of comparison—assets, insurance in force, total income, payments to policyholders—the 3 per cent companies are now paying larger Federal taxes than the 3½ per cent companies, and if the action taken should become final their payments would be so increased as to create a most inequitable situation.

Under the action taken 54 companies, representing 91.1 per cent of the assets of all United States companies, would fare as follows:

Thirty-seven 3½ per cent companies, with $8,567,735,450 assets, would have their taxes increased $5,526,535.00, or 117.6 per cent.

Seventeen 3 per cent companies, with $7,619,081,585 assets, would have their taxes increased $8,330,688.29, or 180.2 per cent.

This letter is put on your desk this morning to assist you in bringing about a rehearing, if you can see your way clear to do so before the opportunity is passed.

Sincerely yours,

JAMES LEE LOOMIS,
Chairman Federal Tax Committee.

REPORTS OF COMMITTEES

Mr. COOLIDGE, from the Committee on Claims, to which was referred the bill (S. 1594) for the relief of Albert Gonzales, reported it with an amendment and submitted a report (No. 619) thereon.

Mr. FRAZIER, from the Committee on Indian Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 208. An act to authorize transfer of the abandoned Indian-school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians (Rept. No. 620); and

S. 4372. An act for the relief of John E. Click (Rept. No. 621).

Mr. FRAZIER also (for Mr. WHEELER), from the Committee on Indian Affairs, to which was referred the bill (H. R. 4143) for the relief of the Sherburne Mercantile Co., reported it without amendment and submitted a report (No. 622) thereon.

He also (for Mr. WHEELER), from the same committee, to which was referred the bill (H. R. 8031) to provide for expenses of the Crow Indian Tribal Council and authorized delegates of the tribe, reported it with amendments and submitted a report (No. 623) thereon.

ENROLLED BILL PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 28th instant that committee presented to the President of the United States the enrolled bill (S. 3095) for the relief of J. J. Bradshaw and Addie C. Bradshaw.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROOKHART:

A bill (S. 4528) for the relief of Donald E. Snyder; to the Committee on Finance.

A bill (S. 4529) granting an increase of pension to Agnes Lynn Stephenson; to the Committee on Pensions.

By Mr. DICKINSON:

A bill (S. 4530) for the relief of Aileen Random Weber; to the Committee on Military Affairs.

By Mr. REED:

A bill (S. 4531) to amend the act entitled "An act to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes"; to the Committee on Military Affairs.

By Mr. TYDINGS:

A bill (S. 4532) for the relief of Joseph A. Gleason; to the Committee on Military Affairs.

A bill (S. 4533) granting a pension to John W. Cullum; to the Committee on Pensions.

By Mr. JONES:

A bill (S. 4534) to provide, in the interests of public health, comfort, morals, safety, and welfare for the discontinuance of the use as dwellings of buildings situated in the alleys of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BROOKHART:

A bill (S. 4535) to consolidate the personnel activities of the United States Government, to provide for the appoint-

ment of an administrator, and a Board of Civil Service Appeals, and for other purposes; to the Committee on Civil Service.

By Mr. McNARY:

A bill (S. 4536) to amend the agricultural marketing act, approved June 15, 1929; to the Committee on Agriculture and Forestry.

By Mr. WATSON:

A bill (S. 4537) granting an increase of pension to Louise Essenmaker (with accompanying papers); to the Committee on Pensions.

By Mr. LEWIS:

A bill (S. 4538) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on Claims.

REVENUE AND TAXATION—AMENDMENT

Mr. HAYDEN submitted an amendment intended to be proposed by him to House bill 10236, the revenue and taxation bill, which was referred to the Committee on Finance and ordered to be printed:

On page 259, line 24, add after the word "debt" the following: "Nor to deeds which have been executed and deposited in escrow prior to the effective date of this act."

PROPOSED REPEAL OF EIGHTEENTH AMENDMENT—EDITORIAL BY OSWALD GARRISON VILLARD

Mr. BLAINE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial released on yesterday, which is to be printed on May 4, 1932, in the Nation, which is edited by Oswald Garrison Villard, formerly a very strong advocate of prohibition, but who now believes that the eighteenth amendment should be repealed.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REPEAL THE EIGHTEENTH AMENDMENT—THE NATION CELEBRATED LIBERAL JOURNAL EDITED BY OSWALD GARRISON VILLARD, DECLARES PROHIBITION A FAILURE THAT CAN ONLY BE RIGHTED BY REPEAL

The Nation has been slow to come to the belief that the repeal of the eighteenth amendment is inevitable and necessary. It is now firmly of the opinion that every effort should be made to remove this issue from the arena of immediate politics by reverting to the condition which existed prior to the adoption of the amendment. While never for a moment, as our readers are well aware, in favor of legislating goodness into people, we have been among those who felt that prohibition, in its first years, bestowed untold benefits upon the working classes and contributed a great deal to the postwar prosperity of the American people by depriving the brewers and distillers of their share of the purchasing power of the Nation and turning it into other and better channels. For this and other reasons we have clung to the hope that there would be a genuine and honest attempt to enforce prohibition and that after it was no longer smart to violate the laws conditions would steadily improve. Here and there we do see signs of improvement, but on the whole, as the years have slipped by, conditions have steadily grown worse, so far as the violation of the law is concerned. The Nation, therefore, is compelled to join those who favor the reamendment of the Constitution, admitting that a false start has been made and the step must be retraced.

We have come to our decision to-day to join the forces urging repeal primarily because of the now entirely demonstrated hopelessness of obtaining enforcement from the Government in this era of a collapsing capitalistic system. At least until the Government is largely made over, there is obviously no chance of an efficient or honest effort to enforce the law or to arouse public opinion to its support. The Government is to-day absorbed in saving itself and will be for a long time to come. Mr. Hoover is plainly as much of a hypocrite in the White House on this issue as were Mr. Coolidge and Mr. Harding. The best that can be said for him is that he, like his predecessors, can not control his own officials; that the Prohibition Service and parts of the judiciary are so corrupt and so false to their oaths of office as to make it impossible for the Chief Executive to obtain their fidelity to their trust. We believe that, given an Executive who deemed law enforcement a prime duty, and a civil service of the honesty and incorruptibility of the Germans before the war and of the British at this hour, it would be possible to secure an enforcement which would practically do the trick. To-day the President keeps up the false pretense of enforcement, as he misrepresented the wet Wickersham report, makes no effort to eliminate politics in the enforcement service, is oblivious to growing corruption, growing defiance of the fundamental law and the Constitution itself. There is no prospect that his successor will do anything else. Under the circumstances, what is there left but to ask for repeal?

We hope that both the parties in their coming conventions will let the world know exactly where they stand, that they will not be content with vague generalities, that they will definitely demand repeal. As our readers will recall, we have for years been urging a popular referendum upon this subject—that referendum which the dry forces now seem graciously disposed to grant. We had envisaged the taking of a poll of all the voters of the country by the Congress; we have believed that it could be authorized at a single session, and that Congress could provide such a nation-wide referendum without having to go through the process of amending the Constitution. A Congress which could vote at the outbreak of war for a census of all our youth between certain ages and could create almost overnight the machinery for registering those liable to the draft, could also find a way of achieving a referendum on the prohibition question in a short time, provided that it and the administration seriously undertook to do so. We are now, however, prepared to go farther. We urge that the Congress take advantage of the amending clause of the Constitution, vote a substitute amendment abolishing the eighteenth, and call upon the several States to ratify this change, not by their legislatures but by conventions specially elected for the purpose of passing upon this question and upon no other.

This is a device never yet utilized by the Congress, which has heretofore asked ratification of amendments in the other constitutional way—that is, through ratification by three-quarters of the legislatures of the Union. It has the obvious advantage that delegates to such conventions need only answer one question: "Are you for repeal or are you against it; are you wet or dry?" There could be no equivocating, no hiding behind other issues, for no other could come before these conventions. There would thus be offered to the voters of the States a genuine referendum. If they were opposed to revocation through the recall of the eighteenth amendment, they could make it plain by electing dry delegates to such conventions.

Should the conventions decide in favor of retaining the amendment, there would be nothing left, we admit, but to continue the process of education until reform was achieved. As far back as April 17, 1929, the Nation said editorially that the "existing condition is intolerable," that there must either be enforcement or repeal. Since that time conditions have grown so unspeakably worse that there appears to us to-day to be no alternative to repeal. That does not mean that we are to turn the country over to the saloon or to the liquor traffic. Practically ever since the Nation was founded in 1865 its editors have looked upon the drink traffic as one of the greatest of evils and have hoped for the day when it would be so limited, if not abolished, as to end the horrible waste of human lives and treasure which the old saloon system involved. We shall continue to fight for rigid control and for the reeducation of the country in the direction of temperance. But for the moment this end must be subordinated to the question of repeal, and so must the question of what system shall take the place of the present rule by bootleggers. The one and only thing to-day is so to mass public opinion that the party conventions will act and after them the Congress—both, we hope, before the coming summer ends. The slate must be wiped clean before the new start is made.

POLITICAL ACTIVITIES OF POWER COMPANIES IN CALIFORNIA

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Franklin Hichborn delivered at the public-ownership conference in Los Angeles and published in Public Ownership for January, 1932, entitled "Political Activities of the Power Trust in California."

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

From the business revival following the Civil War, down to the present day, California has, with rare intervals of successful resistance by the people, been under the political domination of state-embracing public utilities privately owned. For the quarter of a century prior to the San Francisco earthquake and fire of 1906, this domination was monopolized by the organization popularly known as the Southern Pacific machine. California was then known as the Southern Pacific plantation—and plantation it was, exploited to the last cent on the basis of all the traffic would bear. The stories of the unsuccessful revolts against this railroad domination of State affairs make one of the most amazing chapters of American political history. One of these unsuccessful revolts is made the basis of Frank Norris's novel, the Octopus; a novel as significant could be based on any one of them.

EARLY STRUGGLES WITH UTILITY GIANTS

Slowly, imperceptibly, during the 10 years preceding the San Francisco fire, new utility forces were building up in California. The Western Pacific, fighting to enter the State, found itself blocked by the political power of the Southern Pacific. The telephone, from a toy, became a public-utility giant. Successful experiments with hydroelectric development established the most powerful utility of them all—the power company. But none of these, with the possible exception of the Western Pacific, had become significant in California State politics when the final revolt against corporation political domination of the State—1905–1910—culminated in the defeat of the Southern Pacific machine and the election of HIRAM W. JOHNSON, governor. JOHNSON'S slogan had been "Kick the Southern Pacific out of the State government." The chief objective of the movement was an effective railroad commission, with the power and the will to safeguard the public against railroad extortion. "I trust," said Governor

JOHNSON in his inaugural address, "that none of us will be terrified by the threat of resort to the courts that follows the instant a railroad extortion is resented or attempted to be remedied." Few had any thought that the railroad commission would deal with any other utility than railroads. But even as the railroad commission act was being written, the new utilities, particularly the power companies, were digging in, laying the foundation of the political machine which dominates the State to-day. This present-day machine, now at the full tide of its power, by comparison, makes the Southern Pacific political organization, smashed 20 years ago, look like a plaything of amateurs.

POWER COMPANIES WORM THEIR WAY IN

The group which came into political power with the defeat of the Southern Pacific machine was in the main comparatively young men. JOHNSON himself had just turned 40. It was not long before it became quite apparent that anyone with influence with the new administration could have most lucrative employment with the utility corporations. Particularly was this true of the power companies. Some of the most important of power-company officials in California to-day found their opportunity by a job with the utility, based on their supposed influence with the new reform administration. Under this system the frequency with which railroad commissioners and their subordinates "step up" from the comparatively small pay of the regulating commission to the decidedly good pay of the regulated utilities has led to the dubbing of the commission as a school for the education of utility executives.

GOVERNOR PARDEE'S WARNING

As early as the Pardee administration, 1903–1907, Governor Pardee sounded unheeded warning against letting the water resources of the State fall into the hands of private monopoly. JOHNSON recognized the danger, and in his inaugural address warned against it.

"In the abstract," said the governor, "all agree on the policy of conservation. It is only when we deal with conservation in the concrete that we find opposition to the enforcement of the doctrine enunciated originally by Gifford Pinchot and Theodore Roosevelt. Conservation means development, but development and preservation; and it would seem that no argument should be required on the question of preserving, so far as we may, for all of the people those things which naturally belong to all. The great natural wealth of water in this State has been permitted, under our existing laws and lack of system, to be misappropriated and to be held to the great disadvantage of its economical development. The present laws in this respect should be amended. If it can be demonstrated that claims are wrongfully or illegally held, those claims should revert to the State. A rational and equitable code and method of procedure for water conservation and development should be adopted."

CONSERVATION BILLS BEATEN

But nothing was done at the 1911 session. Two years later, however, at the 1913 session, a water conservation bill backed by former Gov. George C. Pardee, Francis J. Heney, and other progressives, was enacted. The utilities held this measure up under the referendum. But at the November election of 1914 the voters upheld this measure at the polls. The water conservation commission which it provided was thereupon appointed. But the purposes of the progressive advocates of this measure have no more been carried out than have the purposes of the progressive advocates of the railroad commission act, now known as the public utilities act. The power companies have kept right on acquiring valuable water rights, which it was the purpose of the 1913 legislature and the Johnson administration to reserve for the use and benefit of all the people.

JOHNSON found himself as powerless to protect the interests of the public against the exploiters of the State's water resources as Pardee had been eight years before. It was not until 10 years after JOHNSON'S inaugural (1921) that another attempt was made to save to the people the wealth of their water resources.

LEAGUE OF MUNICIPALITIES TAKES UP THE FIGHT

At the 1921 session of the legislature, a bill sponsored by the League of California Municipalities was introduced by Senator M. B. Johnson. The purpose of this bill was to enable the people to escape the waste, extravagance, and expensive financing of private development of hydroelectric power.

By 1921 the present dominating State machine had become a decided factor in State affairs. The Johnson bill met with the effective opposition of the extensive lobby which the power companies and affiliated corporations maintain at Sacramento. Failing to defeat it in the Senate, where it passed with but 1 vote recorded against it, the power-company group opposed it in the assembly. There they succeeded in defeating it by indirection.

MEASURE KILLED IN COMMITTEE

The assembly committee to which the measure had been referred, neglected to return it to the assembly for action. The measure's proponents thereupon introduced a resolution requiring the committee to report it back. Forty-one votes were required to carry this resolution. The power company lobby's opposition was strong enough to hold the affirmative vote down to 37, 4 less than the number required for the resolution's adoption. The bill was held in committee; the assembly was given no opportunity to pass upon it.

In this way the Johnson bill for the conservation of the State's water resources prevented from becoming law, and the first serious attempt to break the power companies' strangle hold upon California defeated.

California has, however, a remedy for such success of corporation interference with the legislature—the initiative.

After adjournment of the legislature in 1921, representatives of the League of California Municipalities and other groups that had become interested met with representative citizens from all parts of the State to submit a water-conservation and hydroelectric-development measure to the people under the initiative.

THE CALIFORNIA WATER AND POWER ACT

The services of the best engineers, attorneys, and financial experts available were secured. These united in preparing the so-called California water and power act.

In effect this measure applied the Ontario plan of hydroelectric development to California, modified, of course, to conform with local conditions. It provided the necessary machinery for carrying out the work and a practical plan for financing the undertakings under it.

Gifford Pinchot, with a world reputation as an expert in such matters, declared the measure to be the most effective of the kind ever drawn. Congressman William Kent, thoroughly informed on California's water problem, declared himself as enthusiastic as Pinchot regarding it. Informed opinion throughout the State regarded the bill as the most effective that could be drawn. The measure was in due course submitted to the people.

The number of signatures necessary to have the measure put on the ballot for the November, 1922, election was completed in December, 1921.

POWER COMPANIES' TERRIFIC OPPOSITION

Immediately thereafter, as though by magic, organized opposition to the measure developed from one end of the State to the other. Overnight well-financed societies, with thoroughly equipped publicity, engineering, legal, and research departments, sprang into being. These either disclaimed connection with the power companies or were silent when charges of power-company support and affiliation were brought against them.

In the northern part of the State the principal organization was the Greater California League, ostensibly laboring for a greater California. In the south was the People's Economy League, its slogan being "Economy in State affairs." These two organizations, broadly speaking, covered the State. There were, too, numerous local organizations that came into being with the two larger groups. It soon developed that, in spite of their high-sounding names, the one purpose of these organizations was to defeat the water and power act. The campaign which they carried on against it was unparalleled in the history of California politics.

HOW MEASURE WAS DENOUNCED

The measure was denounced as bolshevistic, calculated to bring ruin upon the State; the most extraordinary misrepresentations of its provisions were made; its supporters were ridiculed and vilified; speakers went about the State denouncing it; every mail carried pamphlets opposing it; expensive newspaper advertising was directed against it.

To an extraordinary degree banks, bonding houses, newspapers, chambers of commerce, civic organizations joined in the cry raised by the Greater California League, the People's Economy League, and kindred organizations that the water and power act was bolshevistic, socialistic, would prove ruinous to the State; that it would mean financial and political disaster; that the Ontario project had proved a "fiat, abject, and dismal failure"; that California could not afford to embark upon such a desperate enterprise.

Quite as extraordinary as this propaganda from financial and social groups was the opposition of leaders of organizations that had indorsed, or could be expected to indorse, the policy of public ownership of water and power.

The State federation of labor and labor unions generally, for example, indorsed the bill. But a few weeks before the election, P. H. McCarthy, for years State president of the building trades council, came out strongly in opposition to the measure.

San Francisco is committed to the policy of public ownership of such utilities. But San Francisco officials in the pay of the city stumped the State in opposition to the act. Finally, the Civic League of Improvement Clubs, an organization that included most of the civic bodies of San Francisco, declared against it. Social leaders prominent in women's club activities went from social gathering to social gathering urging that the measure be defeated. (Official verification of these and other similar statements will be found in the hearings of the Federal Trade Commission, 70th Cong., 1st sess., S. Doc. 92; exhibits to pts. 10–16, pp. 466–571 and 620.)

WHO FINANCED THE FIGHT?

The political affiliations of some of the leading opponents of the measure also had important bearing upon the campaign.

The president of the Greater California League, for example, was Mr. Eustace Cullinan. Cullinan had for years posed as a leading progressive. He was a political associate of United States Senator HIRAM W. JOHNSON. Cullinan took exceptional care throughout the campaign to emphasize his connection with the JOHNSON group.

The supporters of the measure realized, of course, that such an amazing campaign was costing some one enormously. Suspicion

naturally fell upon the power companies. But opponents in the open either denied that they were being paid by the power companies or were silent under charges that they were being so paid.

On one occasion a speaker for the bill in a small town in the San Joaquin Valley drove an opposition speaker from the hall by showing that this opposition speaker had come to the meeting in a car owned by a power-company official.

At Sacramento, what came very near developing into a fist fight resulted from a charge that the opposition speaker was in power-company pay. Both the San Joaquin Valley and the Sacramento speakers had denied that they were in any way connected with a power company. Later, when exposure of the methods used to defeat the act was made before a committee of the State senate, it was proved conclusively that they both had been well paid by the power companies for their work. The same was discovered to be true of San Francisco officials who had campaigned against the measure.

Eustace Cullinan coolly set forth in the San Jose News of March 20, 1922, that the question of his compensation was not in issue.

Generally speaking, the public was in ignorance that the power companies were financing the extraordinary campaign against the act. Nevertheless, the leaders of the support of the measure, without being able to prove it, were convinced that the power companies were financing the opposition. With these leaders the belief was general that the power companies were not only paying Cullinan and the other speakers for the opposition but even the social leaders who, at parties and receptions, were busy spreading opposition propaganda. But there was no direct evidence of this, and the public was slow to believe such a condition of men and women of the political and social standing of those involved.

POWER COMPANIES FILE NO REPORT

The supporters of the measure recognized that their remedy was in the provision of the California law which required that within 10 days preceding an election there be filed with the secretary of state a complete statement of receipts and itemized expenditures of groups organized to support or oppose initiative measures. With this filing, which the law directed should be made before election, the financing of the Greater California League, People's Economy League, and associated organizations would, as the law contemplated, be made public. The mooted question of whether Mr. Cullinan and his associates were acting without compensation, as some of them claimed, and the rest of them permitted to be inferred, or were paid by the power companies for their stand, would then be answered.

The organization that was supporting the act filed, as the law required, its statement of receipts and expenditures down to the last postage stamp. It had nothing to conceal.

But the Greater California League, the People's Economy League, and the other organizations that were opposing the act made no filing at all. Not an organization or individual connected with the opposition to the measure observed the law. The inference was, of course, that no money had been expended to defeat the act. The supporters of the measure knew, of course, that such a conclusion was absurd. But the general public, not so well informed, inclined to the belief that, after all, the power companies had probably had little to do with the Greater California League and kindred organizations, and that the rumors that P. H. McCarthy, Eustace Cullinan, persons prominent socially, and heads of civic bodies were getting power-company money for their work in opposition to this measure were without foundation.

On election day workers in opposition to the measure appeared at practically every voting place in the State. The supporters of the measure were utterly unable to meet such opposition. The campaign of misrepresentation of the measure, which had been carried on for a year, had raised the doubt in the minds of tens of thousands of voters. The polling-place organization on election day completed the job. The California water and power act was defeated after the most bitterly contested political struggle ever staged in California. And it had been done in such a way that probably not one in five hundred California voters in any way connected the power companies with the campaign for its defeat.

THE STATE SENATE INVESTIGATES

The California Legislature met at Sacramento in January following the November election at which the water and power act had been defeated. State Senator Herbert C. Jones, of San Jose, a progressive State leader, chairman of the senate judiciary committee, the most important committee of the legislature, offered a resolution calling for thorough investigation of all expenditures made in initiative campaigns at the election of the previous November, providing for a committee to conduct the investigation, and authorizing the committee to send for persons and papers, administer oaths, and compel witnesses to testify.

The Jones resolution came as a complete surprise to the members of the power-company lobby. At once they busied themselves against it, but their efforts failed. The resolution was adopted, and the committee appointed. The committee consisted of Senators Herbert C. Jones, chairman; M. B. Harris, of Fresno; H. C. Nelson, of Humboldt; Walter Eden, of Orange; and J. A. Rominger, of Long Beach.

Jones and Harris at the previous election had supported the water and power act; Nelson, Eden, and Rominger had opposed it.

The committee inquired into the expenditures of all the campaign for and against all the measures which were on the ballot at the 1922 election. But the testimony that startled the State, that filled the newspapers with first-page sensations for weeks, came from the lips of the opponents of the water and power act. With the testimony of these opponents of the water and power act spread over the State, it was well understood why they had been backward about making public their statement of receipts and expenditures as the California law required.

WHAT THE INVESTIGATION REVEALED

The committee was fortunate in that Eustace Cullinan was one of the first witnesses called.

Cullinan apparently thought that he had been very clever and wanted the public to know about it. The story he glibly told opened the way for general exposure of the amazing political methods of the organized power companies in California.

Cullinan testified that six power companies of northern California, through the Pacific Gas & Electric Co., had placed in his hands $244,941.04 to be used in the name of the Greater California League in opposition to the water and power act. For his services—over a period of about 11 months—he received $25,000. His chief assistant, William D'Egilbert, who went about the State as a farmer opponent of the measure, received $11,000. (The full text of the report of the California senate committee appears in the hearings of the Federal Trade Commission, 70th Cong., 1st sess., S. Doc. 92; exhibits to pts. 10–16, pp. 419–424.)

The People's Economy League, operating in the same way in southern California under the direction of Herbert L. Cornish, was provided by the power companies with $107,605. Cornish received for the 11 months' campaign $26,000.

As these amazing revelations came from these men the public was on edge to find the compensation that went to labor leader P. H. McCarthy, social leaders, civic leaders, and other prominent persons who had worked against the measure. But nothing concerning their compensation could be drawn from underlings of the type of Cullinan and Cornish.

PAID LABOR LEADER $10,000

Finally, when Wiggerton E. Creed, then president of the Pacific Gas & Electric Co., was on the stand, to meet a question put to him by the committee, he consulted a list. Later John A. Britton, then general manager of the Pacific Gas & Electric Co., testifying, also drew out a list and consulted it. In answer to a question whether the list was the same as that consulted earlier by Creed, Britton answered in the affirmative. The committee examined the list. Heading it was McCarthy's name and his compensation, $10,000; and the names of many others politically and socially prominent who had opposed the measure, with the compensation allowed them. The officials of the power companies had dealt with these people directly and not through the medium of underlings.

McCarthy had been employed less than three months before election "to circulate," as Britton put it, "among his friends and acquaintances, and to educate the labor element that he represented against the act."

CIVIC LEAGUES SUBSIDIZED

Another on Britton's list was George Skaller, executive of the San Francisco Civic League of Improvement Clubs, who had received $6,000—$4,000 for his league and $2,000 for himself—for, as Mr. Britton testified, "services similar to those rendered by Mr. McCarthy."

Of how social leaders were handled, this manager of the Pacific Gas & Electric Co. testified that one woman, prominent in club and social circles, had been paid $1,000 because of her "extended acquaintance; familiarity with women's clubs." "It occurred to me," went on Britton, "it would be a good opportunity to get an entrée into these clubs through her, to educate the women, particularly on the viciousness of the act, and she did her duty well, too—I'll tell you she did her duty very well, as the vote shows there."

The executive of the Pacific Gas & Electric Co., who gave that testimony, was at the time receiving $24,000 a year for his services. His grateful company soon after increased his annual compensation to $30,000.

In addition to all this, it was shown that the several power companies carried on independent campaigns of their own.

Most of you have, for example, heard of the so-called Murray report, so admirably answered by Sir Adam Beck, in which Murray attempts to make it appear that the Ontario project is a monumental failure.

The Pacific Gas & Electric Co. joined with the Southern California Edison Co. in paying Murray $5,583.86 to spend a single month in California (October) to campaign against the water and power act. Murray was not much of a success as an orator. He made only one or two speeches and stopped.

Creed stated on the stand that "the Ontario scheme" was so thoroughly exposed without him, that "it" (the Ontario scheme) was "sort of a dead thing." So, according to Creed, Murray was not needed. But he had come to California much heralded as an authority on the Ontario "failure," nevertheless, and received the $5,583.86 which the power companies had, through Creed, agreed to give him for his month's work. I have these statements on Mr. Creed's sworn testimony before the Senate committee. Incidentally, the power companies bought and distributed in California a large number of copies of Murray's now discredited report on the Ontario project.

"MISLEADING AND DECEPTIVE" METHODS

The manner in which the corporations' enormous campaign fund was handled was perhaps the most extraordinary feature of their amazing campaign. It is best described in the words of the report of the Jones committee, which will be found published in full in the Journal of the California Senate for 1923:

"In reference to the methods employed in connection with the campaigns on some of the propositions on the ballot, the committee found they were such as to have the effect of misleading and deceiving the voter. This arises, for example, out of the use of high-sounding, patriotic names under which the real identity of the interested parties and actual proponents or opponents is disguised. While many campaign committees selected names that fairly indicated their purpose, others selected designations which gave the voter no indication as to the real purpose or nature of the organization. The most conspicuous example of the latter was the use of the name 'Greater California League' by the opponents of the water and power act. Such a name readily gives the impression of being a promotion organization which every citizen in California would feel free to join, and having nothing in its name to indicate that it was a political-campaign organization.

"The testimony before the committee showed that the Greater California League was in reality merely the name under which Mr. Eustace Cullinan, employed by the power companies, conducted the campaign against the water and power act in northern California.

"The following extracts from Mr. Cullinan's testimony indicate its actual identity:

"'The Greater California League never had control of the money [campaign contributions] at all. I put that money in the bank as I received it to an account called "The Greater California League," but no one had access to that account except me. * * * It was like most of these political groups or committees * * * never had a meeting. * * * I appointed myself president. I was employed by the power companies, through Mr. John S. Drum * * * and met with myself, after the employment, and organized the Greater California League.'"

OVER A HALF MILLION CAMPAIGN FUND

The committee traced and tagged $501,505.68 which the power companies had expended in this single campaign. But that the committee had failed to get to the bottom of those expenditures was recognized. Testimony brought out before the Federal Trade Commission has thrown more light on that campaign. The California Senate committee, for example, failed to uncover the work of the Hofer publicity agency operating out of Oregon, through which the power groups expend enormous sums for publicity. That particular exposure came through the Federal Power Commission. Also through the Federal Power Commission came exposure of the methods employed by power-company executives to keep the banks in line for power-company policies and purposes.

It seems that the California power companies, in combating the enlightened self-interests of the people of California, had shown themselves so efficient that power companies of Eastern States looked to the California groups for guidance and advice.

HOW THEY LINED UP THE BANKERS

President A. W. Robertson, of the Philadelphia Co., of Pittsburgh, Pa., for example, wrote President A. F. Hockenbeamer, of the Pacific Gas & Electric Co., as to the handling of banks. President Hockenbeamer graciously replied to President Robertson with illuminating illustrations. President Robertson thought the advice so good that he passed it on to President H. T. Sands, of the National Electric Light Association, commenting that "the method outlined in this correspondence appeals to me as being perhaps the finest way to create and maintain cordial relations with our friends the bankers." President Robertson then goes on to say that "In our Pittsburgh activities we have tried to follow such a scheme, although not on so extensive a scale as carried out in Mr. Hockenbeamer's organization."

From the National Electric Light Association this suggestive correspondence fell into the hands of investigators of the Federal Trade Commission, to be published in a public document. As public property it should do much good.

SAY IT WITH DEPOSITS

President Hockenbeamer's plan for handling the bankers is simplicity itself. In the fine, terse language of the successful business man, President Hockenbeamer told President Robertson that "as a practical incentive to get them [the bankers] to work with us, there is no substitute for deposits."

"A worth-while account," President Hockenbeamer then goes on to say, "has, therefore, been the keynote of our policy, and, to assure its application, it is our practice to regulate balances in country banks from the head office. I may add, in passing, that we have at this time (November 11, 1927) accounts with 230 country banks scattered all over our territory, and while our policy keeps an average of around a million and a half dollars tied up in balances in these country depositories, we believe it is well worth while—first, because the service they render to us as bankers is worth something; and, secondly, because it cements their friendship and cooperation. Incidentally, we require no interest on these deposits."

In the ordinary course of business the interest which the banks could reasonably have paid, as to an ordinary depositor, which unquestionably they would have paid, would have been 2 per cent, or $30,000 a year on the $1,500,000 tied up in those country banks. Such was the price of the "practical incentive" to insure California banks working with California power companies.

During the campaign for the water and power act one of the most difficult features of the opposition to understand was that of the country banks. In replying to the country bankers and similar opponents, Mayor D. W. Carmichael, of Sacramento, for years president of the California Real Estate Association, 12 years president of the Sacramento Chamber of Commerce, pointed out:

"Any real-estate man or banker or big business man who fights the water and power act is fighting his own individual future welfare. He is trying to block a program which will give California a fuller development and greater prosperity than the State can have by any other process—a prosperity in which all classes will participate."

President Hockenbeamer in his correspondence with President Robertson on "the practical incentive to get country bankers to work with us" throws considerable light on the opposition of the bankers, which was so puzzling to Mr. Carmichael and other forward-looking Californians. Seeking practical example of how well the "saying it with deposits" works, President Hockenbeamer took as example the bankers' opposition to the water and power act:

"On the whole," writes President Hockenbeamer to President Robertson, "the relations with our bankers are about as cordial as they possibly could be. We have had occasion to test their friendliness on a number of occasions and they have never failed us. During our two big campaigns against the so-called water and power act—a scheme to put California in the power business with an initial issue of half a billion of bonds—they literally sent out hundreds of thousands of personal letters and pieces of literature to their depositors and stockholders, as well as campaigning against the act personally."

BANKERS CAME CHEAPER THAN LABOR LEADERS

The basis of the California power companies' policy with the banks—President Hockenbeamer in his letter to President Robertson states, "My impression is that the other power companies of California follow pretty much the same policies as I have above outlined"—is the depositing of large sums of money for which no interest to depositor is required. As has been seen, on the $1,500,000 used in this way by the Pacific Gas & Electric Co., reasonable return to the company would have been $30,000 a year, or on the average of $130.50 to each bank. For three months each bank profited under this "practical incentive to work with the power companies" on the average $32.61.

When, in their campaign against the water and power act, the power companies wanted the assistance of a prominent labor leader for three months they paid P. H. McCarthy $10,000. Apparently bankers come very much cheaper than labor leaders.

President Hockenbeamer went to some pains to prevent his plan for handling country bankers falling into profane, worldly hands. "We have," wrote President Hockenbeamer to President Robertson, "already been suspected of undue connivance with bankers."

President Hockenbeamer is quite right. For long there has been that suspicion out here in California.

HUMBLE GRATITUDE OF THE BANKERS

I would that time permitted me to present the expressions of gratitude from the 230 banks for those free deposits upon which in the ordinary course of business at 2 per cent they would have paid $32.61 a quarter. A few samples will suffice:

First National Bank of Oroville: "While we appreciate the action of your executive committee and interpret its action that our efforts of handling the account in a manner to merit your approval have been successful, your kind words go further. They create an increased desire for opportunity to make our service of great value to you."

We have heard of a type of men, otherwise unpleasant, who are kind to their wives. There is some good in everything. Power companies are kind to little banks.

Bank of Italy, Rideou-Smith Branch, Oroville: "We very muchly appreciate the kindly thoughts expressed by you, for it is very pleasant to know that you are one of our many satisfied customers.

"Little expressions of appreciation and kindness are always welcome and make 'the long road' more easy to travel."

Who would have thought that $32.61 a quarter would go so far in "making the long road more easy to travel" for a grateful bank?

Mercantile Trust Co., Oakland, Calif.: "We appreciate the very attractive account which you have carried with us and have endeavored at all times to give a character of service which would justify a continuance of the same. It is a satisfaction to the writer that he has been able to reciprocate recently in a rather definite way as is already known by your Mr. Newbert and Mr. Furniss of your East Bay offices."

Mercantile Trust Co., Petaluma: "We assure you we appreciate this courtesy and will endeavor at all times to render you the best of service. Kindly feel free to command us at any time in any way we can be of assistance to your association."

And so on, and so on, through many pages of sloppy, mushy gratitude for that $32.61 free interest a quarter. It all goes to show how very "practical" and "incentive" $32.61 a quarter, $10.87 a month, can be made to be when put in the right place.

Nor have the state-wide campaigns of the power companies been confined to heading off public ownership. Their successful campaigns for control of the legislature, to defeat men for reelection who yield neither to persuasion nor "practical incentive," make a story in themselves. Their state-wide campaigns in matters of taxation have been astonishingly successful. The following from a resolution introduced by State Senator Herbert C. Jones (see Senate Journal for April 22, 1931, pp. 13–14) indicates something of the fruits of the propaganda on the tax problem:

"Whereas the report of the California Tax Commission, 1927–28, sets forth that on the basis of the 1.73 ad valorem rate levied against general property the gas and electric companies would have been paying a 10.25 per cent gross income tax instead of the 7.5 per cent tax actually paid, the difference in the State revenues actually collected under the lower rate and those that would have been collected under the higher rate being $10,052,593 for the years 1929–30, etc."

POLITICALLY INTRENCHED IN LEGISLATURE

So well intrenched were the power companies and their political allies at Sacramento at the last legislative session, and so effective has been their state-wide propaganda against any increase in the taxation of banks and utility companies, that nothing was done to compel these large property-owning groups to undertake their proportionate share of the tax burden. Conservative estimates place the amount of State taxes which the power companies and their political allies escaped during the last biennium and will escape during the present biennium at above $42,000,000.

FIGHTING MUNICIPAL, DISTRICT, AND LOCAL PROJECTS

Nor have the political activities of these corporations been confined to state-wide campaigns. We find them meddling politically in practically every community. At Sacramento they oppose bond issues to bring pure water to that city. At San Francisco they interfere with the Hetch Hetchy project; at Modesto they harass the Don Pedro development as they harass the department of power here at Los Angeles. Records on file at the railroad commission show the Los Angeles Gas & Electric Co.'s fight against the municipal power bureau has, in efforts to defeat bond issues for municipal power development, totaled expenditures of $186,163.49 from this company alone. In like endeavor to handicap Los Angeles municipal power development, the Southern California Edison Co. has expended enormous amounts. At the 1927 bond election alone this Edison Co., according to the railroad commission, spent $40,277.38 to defeat the bonds. At that election the Los Angeles Gas Co. expended an additional $51,297.93. These staggering figures relate to moneys directly expended and do not include the time of regular employees spent in electioneering.

The demoralizing effect of all this upon the State and upon the political subdivisions of the State can scarcely be overestimated. Most seriously is it reflected in the State legislature. There the successful opposition to able and public-spirited men and the support of the weak and docile by the power companies and their political allies has reduced the legislative body to a condition where it has become little more than a rubber stamp for the allied interests, of which the power companies have become by far the most potent group.

Next winter the legislature will be called into extra session to do two things that will affect every man, woman, and child in California above the pauper stage:

(1) Rubber stamp a tax plan which is being worked out by the tax experts of power companies, banks, and railroads to meet the threatened deficit in the State treasury due to the failure of large taxpaying groups to bear their proportionate share of the tax burden.

(2) Rubber stamp a plan of water development.

Mr. Bartlett has shown you how, 21 years ago, San Francisco voted its first bonds to bring water from Hetch Hetchy to San Francisco (in a paper on Municipal Ownership in and Around San Francisco, to be published later). During 18 years of that period, James Rolph, jr., the same James Rolph, jr., who is now Governor of California, was mayor of San Francisco. The Hetch Hetchy water development has been carried on almost wholly during continuous Rolph administrations. And not one drop of Hetch Hetchy water has flowed into San Francisco water mains.

DEMORALIZING AND DESPOILING THE STATE

On the other hand, during the Rolph municipal administration, hydroelectric power was brought, at the expense of the people of San Francisco, from the Hetch Hetchy development to a point several miles outside of San Francisco. There that power could be turned into the ground or put on the wires of the Pacific Gas & Electric Co. It was put on the wires of the Pacific Gas & Electric Co. It is still there.

The mayor under whom this was done has by minority vote of the people of this State become Governor of California. Our state-wide elections are decided at the August primaries; the November election on state-wide candidates is a mere form.

Of the 58 counties of the State, Rolph at those August primaries carried 14 and lost 44. Of the 2,187,484 voters registered for those primaries, he received the votes of 377,390, or 17 per cent. Of the 1,301,847 voters eligible to vote at the Republican primaries, Rolph received the votes of 28 per cent. Of the 1,044,051 Republicans who voted at the August primaries, 36 per cent voted for Rolph; nearly 63 per cent voted against him. Rolph, with his 17 per cent of the registered electors, 28 per cent of the vote of the registered Republican electors, 36 per cent of the vote of the Republican electors who voted, secured the Republican nomination for governor, which here in California is equivalent to election.

This minority governor has appointed a commission to draft legislation for disposition of California's priceless water resources. This Rolph commission, numbering several hundred persons, takes in former governors, mayors of cities, Members of Congress, county supervisors, State bar, State press, and what not, in an advisory capacity. Among these advisors are to be noted former labor leader, P. H. McCarthy, whose $10,000 power-company fee in the water and power controversy has been referred to, and President A. F. Hockenbeamer, who as a successful educator in the art of handling bankers has been dwelt upon.

The power companies are out to use the State in a large way in the matter of water development, as they have in the Hetch Hetchy development used San Francisco in a comparatively small way. They propose to take any power which the people of California may develop to be sold back to the people of California at monopoly rates. They could not get that power under the water and power act. They fought and defeated the water and power act. California as a State to-day is unquestionably in danger of suffering in her water development what San Francisco as a city has suffered.

INAUGURAL ADDRESS BY THEODORE ROOSEVELT, GOVERNOR GENERAL OF THE PHILIPPINE ISLANDS

Mr. KEAN. Mr. President, I send to the desk and ask to have printed in the RECORD the inaugural address of Gov. Gen. Theodore Roosevelt at Manila, February 29, 1932.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, it is with a profound sense of the responsibility and importance of the tasks that lie before me that I greet you here to-day. We know one another only slightly, but I hope as time passes that the bonds of common service will strengthen between us, and that from them will grow an enduring respect and friendship.

Fine words and phrases are easy to coin. Fine deeds are infinitely more difficult of accomplishment. I shall ask you to judge what I may say to-day, therefore, not in terms of literary style but by my acts in the future.

The position of governor general to which I have been named, is one that I consider as honorable as any within the gift of the American people. It is in my conception administrative, and the political relationships between the Philippine Islands and the United States do not come within its scope. These are matters to be decided by the President and the United States Congress, in consultation with the representatives of the Filipino people.

Being administrative, the service I can render you will depend largely on the confidence and comprehension that exists between us. I, for my part, shall do my best to work with the citizens of the islands in carrying out the constructive policies that they have initiated and are developing.

We are fortunate now in having as head of the Nation a President of exceptionally wide experience. He has as intimate a knowledge of the East, its peoples, and its problems, as any other Chief Executive the Nation has had. He knows the Orient, not from having read of it in books or from having passed through it as a tourist, but from having worked there many years and having made many close friends there. You can count on his sympathy and comprehension.

The United States in the past has sent its best to the islands. Distinguished administrators from President Taft to Governor General Davis have labored here and have treasured the memories of their work with you among the proudest recollections of their lives. At their side have worked many other Americans, from able educators and scientists to engineers and accountants. Though it would be idle to say they have been right in every action, for that would not be human, we can say that they have spent themselves freely, with rare judgment and ability, and with no other thought than aiding your citizens. It has been my pleasure to know personally many of these gentlemen. It will be my endeavor to guide myself in such fashion as to live up to the ideal of service to the Filipino people that they have set. Your last Governor General, Mr. Davis, I saw repeatedly after his return to the United States, where we discussed at length policies and plans, in order that there might be no lack of continuity in the constructive work under way in the islands.

For years the Philippine Islands and the Filipino people have interested me greatly. It has been my privilege at various times to meet some of your distinguished citizens, and I have not merely studied the material condition of the islands but also your history and culture. I speak with knowledge, therefore, when I say that I have a great respect for the Filipino people, their achievements, character, and valor. Their character to me is epitomized in the aspirations and unselfish devotion of José Rizal, who combined lofty idealism, rare abilities, and practical patriotism.

You should justly be proud of your record. No part of the civilized globe has seen such progress during the last 30 years as these islands. Where one school flourished 30 years ago there are hundreds now, and the students have increased proportionately. Where there were but a few roads, many of which were impassable during the rainy season, the islands are now linked with as fine a system of communication as any country in the Tropics. The 300 miles of first-class thoroughfares in 1907 have grown to

approximately 4,000 to-day. There are sanitary water systems in great centers where none were before. There are railroads, telephones, telegraph, and a dependable postal service. The young men and women at the insular universities are numbered by the thousands, and Filipinos of ability are making their mark in the higher branches of learning, scientific and theoretical, in the centers of learning all over the world. Other endeavors in health, agriculture, and economics have kept pace. A solid foundation has been laid on which to build the future happiness, both moral and material, of your people.

This has been accomplished in but one way—by teamwork. It is this that I shall strive to attain in my administration. Without it nothing can be done. With it everything is possible. I have had the pleasure of discussing with the members of your delegation in the United States the constructive internal policies that you are developing, and I feel confident that together we can make notable progress toward their realization.

All countries are in their essence the average of their citizens. A small group of brilliant men have never made any land permanently great. The well-being, moral stamina, and education of the rank and file of its citizens are what count most in every country.

There are three foundation stones on which these rest. The first of these is health. Without it there is no progress. A man shaking with fever, coughing from tuberculosis, or weak from lack of proper food and from intestinal parasites can not work or raise a proper family. A little child when undernourished can not avail himself fully of the opportunities offered by the school and falls the prey to any disease that may come. Therefore the health service of a nation is all-important and must be considered as one of the underlying policies to be developed.

The second is a sound system of laws, administered without fear or favor, laws based upon the rights of man, which deal equal justice to rich and poor. Every member of the community must enjoy the "right to live by no man's leave underneath the law." On such a system of laws administered by righteous judges, who consider neither private interest nor political advantage, is based personal liberty, the most treasured of human possessions. Where such a judicial system is lacking no form of government can achieve its end.

There are many lands throughout the world where the governments care nothing for the welfare of the poor and where the laws are interpreted by fear or favor. There the people have no protection and no personal liberty. There the rich arbitrarily take the poor man's carabao. When he goes to bed at night he never knows what outrage on his family or property may be perpetrated before morning dawns.

The American and Filipino peoples believe that the poor should be protected. Those autocratic governments do not recognize that the poor have rights. We believe that criticism of the Government is the right of any citizen and breeds reform and progress. They clap into prison, exile, or shoot anyone who protests an abuse. Their people have no conception of the personal liberty that is enjoyed by the humblest of the citizens here or in the United States.

A judicial system which guarantees true personal liberty stands with health in its importance to a people.

Third, and as vital as the two former, is education—education not for the few but for the many, education of a type that builds both morally and intellectually. The idea we are striving to realize has as its basis a school system where all children may have the opportunity for elementary education. That education should include practical or vocational training, as well as theoretical instruction. It should be of such a sort as to give to the children, when they leave school, the means whereby they can make for themselves happy, worth-while lives. It should give them aspirations for better things, and a keen interest in the affairs of their community, not merely in such as may affect them directly, but also in all affairs that touch on the well-being of their fellow citizens. It should be the root from which grows the tree of public opinion, on which all commonwealths depend for their success.

In all of these major policies I know that the Filipino people have made great strides. In all it will be my policy to work with you in every fashion that lies within my power, for I believe that the well-being of the average Filipino depends on them.

Our goal in agriculture and industrial development must be the well-being of the average Filipino. We must foster and protect the small farmer and the little business man, for they are the backbone of a nation.

The measure of strength of a country is not a few great estates, but a multitude of prosperous small independent holdings. A hundred little farm owners are far more valuable to a nation than one large plantation owner. I shall back to the limit the endeavors you have undertaken to secure for the little farmer clear title to his land, and to fence him with safeguards so that he may not be robbed thereof. We should plan in addition to increase the number of small holdings by pressing your policy of homesteading and by such other means as may be practical.

Through the Department of Agriculture, the Bureau of Commerce and other governmental organizations, we should continue to devise new means of bringing to the small farmer knowledge and aid. The islands' resources should be developed for the benefit of the Filipino people, and new policies should be judged primarily from this standpoint.

Above all, we should work to make the islands as close to self-sufficient agriculturally and industrially as circumstances permit. Gifted by nature with a diverse climate, a fertile soil, and great natural wealth, there is no reason why the islands should not grow the necessities of life for their own people. It is necessary that they should do so in order to form the proper economic basis for what the future holds. Our constant endeavor should be directed toward bringing this to pass.

All the work I have outlined takes money, and the islands, like the rest of the world, find themselves in straitened circumstances financially, due to the economic crisis in which all nations are engulfed. That means that if we are to maintain the necessary Government services we must exercise the strictest economy. Expenses that in better times might have been justified can not now be incurred. Above all, we must work for governmental efficiency, for that is the means whereby all nations can make the greatest practical economies. We must press the campaign you have initiated to eliminate inefficiency, duplication, or graft wherever they may be found, in order that the moneys saved thereby may be expended for the benefit of the average Filipino. Let us work together to make the Filipino government a model of efficiency for the rest of the world.

Important as material well-being is, it is not all, for things of the spirit are as important as things of the body. "Where there is no vision the people perish." At the same time that we are building economically we should develop and foster the cultural side. The Philippine Islands have a culture, deep-rooted in the past, a culture that springs from the songs and sayings of the people, as do all true cultures. It has flowered in the philosophical writings and poems of Rizal, in the paintings of Luna and Hidalgo, the statues of Tolentino, the music of countless singers and composers, and the achievements in different branches of learning of many Filipino men and women. It finds its natural center around the universities on the islands. It is a distinctive culture but broad as well, assimilating, as all true cultures should, what is best in the rest of the world—for genius knows no national boundary lines.

To me the Philippines of the future are an inspiring picture. They can be and should be a great center in tropical Asia, a center from which the surrounding countries can draw example and aid. I have spoken of health. Tropical diseases and health problems have not been studied as thoroughly as those of the colder climates. There is need that they should be. Here in the islands is already an excellent health service. It should grow and expand in the future until it serves not merely the islands, but by example the neighboring countries as well. Here might well be the recognized Asiatic school of tropical medicine, to which young men from other parts of the Orient come to study, and which in turn sends out its trained professors to teach other nations.

The same should hold true in agriculture, which is the major industry of the hotter climates. The Philippine Islands should be the Asiatic center of scientific tropical agriculture, where methods, plants, and diseases are studied, and whose experts are recognized the world over.

The advance of a people is indicated by the position that women hold in the community. The islands are a notable illustration of this truth. It is a splendid augury for the future to see the considerable part the women of the Philippines play in community affairs and social relationships.

This has brought its logical result—social-welfare work. History shows that this necessary part of community endeavor is generally attributable to the efforts of women. The government can do much, but the government itself can not do all. An important factor in building up any country is the action of its citizens to one another in their private capacity, their willingness to help one another. The individual who says he is not his brother's keeper and remains callously indifferent to the hardships and sufferings of his neighbors, is unworthy of citizenship. The Filipino people are known for their kind-heartedness and hospitality, and have undertaken successfully much work of this nature. There is room for still further effort, for welfare work is capable of infinite expansion. Through private organizations of the citizens of the islands we should strive to reach into every little home and better the conditions of life of mother and child.

My success in aiding you in the development of these policies will depend largely on the mutual understanding we can develop. I shall seek at all times the advice and counsel of the leaders, both political and intellectual. I shall welcome at all times the frank expression of constructive opinion and suggestions of any citizen. I am confident I shall obtain it. I trust I may obtain friendship as well.

At this moment it would be clearly inopportune for me to outline to you in detail any plans or thoughts that are in my mind. Though I have talked with many people and have read many books on conditions here, I have not seen those conditions myself, and I believe personal inspection is necessary to form sound conclusions. My plan is to start at once to familiarize myself with the islands and the problems. When that is done, and not until it is done, will I attempt to deal specifically with problems.

This is a most solemn moment in my life. Not only have I always had an abiding interest in the Filipino people, but the same held true of my father. When Governor of New York, he wrote to his intimate friend Senator Lodge that he did not wish to be a candidate for the Vice Presidency of the United States because his ambition was to be Governor General of the Philippines. I did not take the oath of office in the United States because I wanted to take it here before all of you. The Bible on which I am taking it is the one used by my father when he was sworn in as Governor of New York and afterwards as President of

the United States. It is the same that I used to take the oath of office as Governor of Porto Rico. I am not taking this oath to-day merely with my lips.

ERADICATION OF GRASSHOPPER PLAGUE

The VICE PRESIDENT. Morning business is closed.

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent for the immediate consideration of Senate joint resolution (S. J. Res. 149) making funds available for grasshopper control.

Mr. REED. May the joint resolution be reported? Is it on the calendar?

Mr. SHIPSTEAD. It is on the table.

The VICE PRESIDENT. Let the joint resolution be reported.

The Chief Clerk read the joint resolution (S. J. Res. 149) making funds available for grasshopper control, as follows:

Resolved, etc., That for the application of such methods of control of grasshoppers as, in the judgment of the Secretary of Agriculture, may be necessary, in cooperation with such authorities of the States concerned, organizations, or individuals as the Secretary may deem necessary to accomplish such purposes, including the employment of persons and means in the District of Columbia and elsewhere, printing, rent outside of the District of Columbia, and for other expenses, the sum of $1,450,000 is hereby appropriated, to be immediately available and to be expended by the Secretary of Agriculture, of which sum not to exceed $8,000 may be expended for personal services in the District of Columbia: *Provided*, That except for general administration and supervision, in the discretion of the Secretary of Agriculture, expenditures under this appropriation shall be limited to the purchase and transportation of poisoned bait, or materials for its manufacture, and that the cooperating States shall be responsible for the local distribution and utilization of such bait, including full labor costs: *Provided further*, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for grasshopper control in any State until such State has provided the necessary organization for the cooperation herein indicated: *And provided further*, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. BINGHAM. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. BINGHAM. In case this joint resolution should be passed, what would be its effect on the appropriation already provided for in the agricultural appropriation bill which has been reported out of conference?

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. That could only be corrected by the adoption of a concurrent resolution after the passage of the agricultural appropriation bill.

Mr. BINGHAM. I ask the Senator from Minnesota if it is his intention, in case the joint resolution shall pass, to present a concurrent resolution which will take out of the agricultural appropriation bill the identical item?

Mr. SHIPSTEAD. Yes.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

CURTAILMENT OF LARGE INCOMES

Mr. LONG. I ask unanimous consent for the present consideration of Senate Resolution 204.

The VICE PRESIDENT. Let the resolution be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 204), submitted by Mr. LONG on the 21st instant, as follows:

Resolved, That it is the sense of the Senate of the United States, and that it accordingly does instruct the Senate Finance Committee, that it reform the revenue act now under consideration (H. R. 10236) so that no person shall have an annual income in excess of $1,000,000, and so that no person during his or her lifetime shall receive by gifts, inheritances, or other bequests more than $5,000,000.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator from Louisiana how it is proposed to prevent persons from having incomes in excess of $1,000,000, and how it is proposed that inheritances shall be limited to $5,000,000?

Mr. LONG. The resolution proposes that no man shall be permitted to earn an annual income of more than $1,000,000 a year, exclusive of taxes, and no man shall inherit legacies or receive gifts during his lifetime, exclusive of taxes, in excess of $5,000,000. It is proposed to put a limit on swollen fortunes in the United States.

Mr. ROBINSON of Arkansas. The idea is to take in the form of taxes all incomes in excess of $1,000,000, and to take in the form of inheritance taxes all amounts bequeathed in excess of $5,000,000?

Mr. LONG. All amounts in excess of $5,000,000; that is correct.

Mr. ROBINSON of Arkansas. I shall not object to the consideration of the resolution, but I do not give it my support.

The VICE PRESIDENT. Is there objection?

Mr. REED. Mr. President, reserving the right to object, I suggest that if the Finance Committee keeps on as it is going, there is no possibility of anybody having an income of anything like a million dollars, and there is not going to be enough left for anybody to inherit anything like $5,000,000. So I think the Senator's apprehensions are almost groundless.

Mr. LONG. Then, the Senator will vote for my resolution?

Mr. REED. No; I think the resolution ought to be sent to the Committee on Finance first, and, if consent shall be given for its immediate consideration, I shall move that it be referred to the Finance Committee.

Mr. BORAH. Mr. President, this is the first notice I have had of the resolution. I wonder if the Senator will permit the resolution to go over a day so that we may have time to study its effect?

Mr. LONG. My only purpose in calling it up was that we might instruct the Finance Committee before it reports the pending tax bill.

Mr. BORAH. I shall not ask that the resolution go over if the Senator desires to urge it, because it is simply an instruction to the Finance Committee.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. SHORTRIDGE. Mr. President, I have never seen the resolution and have never read it. I understand it instructs the Finance Committee along certain lines.

Mr. LONG. Yes, sir; the Senate has been doing that.

Mr. SHORTRIDGE. And the resolution proposes to direct the committee to report favorably on the proposal?

Mr. LONG. Yes, sir.

Mr. SHORTRIDGE. I can not agree to do that, and I object.

The VICE PRESIDENT. The Senator from California objects.

Mr. LONG. Then, I move that the Senate proceed to the consideration of Senate Resolution 204 at this time.

The VICE PRESIDENT. The question is on the motion of the Senator from Louisiana, which is not debatable.

Mr. LONG. I ask for the yeas and nays.

The yeas and nays were not ordered, and the motion was rejected.

THE CALENDAR

The VICE PRESIDENT. The calendar is in order. The Secretary will state the first bill on the calendar.

The bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof was announced as first in order.

Mr. ROBINSON of Arkansas. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 268) to amend subdivision (c) of section 4 of the immigration act of 1924, as amended, was announced as next in order.

Mr. LA FOLLETTE. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1663) to prohibit the sending of unsolicited merchandise through the mails was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2642) to establish a commission to be known as a commission on a national museum of engineering and industry was announced as next in order.

Mr. COPELAND. Mr. President, I ask that this bill go over without prejudice.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 76) authorizing the President to reorganize the executive agencies of the Government was announced as next in order.

Mr. BRATTON. Over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes, was announced as next in order.

Mr. REED. Over.

The VICE PRESIDENT. The bill will be passed over.

ROSCOE MEADOWS

The bill (S. 2375) for the relief of Roscoe Meadows was announced as next in order.

Mr. KING. I ask that the bill go over.

Mr. REED. Mr. President, if the Senator from Utah will withhold his objection for a moment, I should like to explain that for several weeks I have been objecting to that bill, but I have only recently had it made clear to me that my understanding of it was wrong. Meadows was a chaplain in the Navy during the World War, with a sort of temporary-regular status. Since the war it has been ruled by the Navy Department that he was not a regular officer and not entitled to the benefits accruing to a regular officer. The Veterans' Administration has ruled that he was not a temporary officer and is not entitled to any benefits from them. So he is left hanging in the air between the two organizations, getting relief from nobody, and he needs relief.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

Mr. REED. I gladly yield.

Mr. ROBINSON of Arkansas. What is the recommendation of the department touching the bill?

Mr. REED. I do not know, but I think it is favorable. I can give the Senator the information in a moment.

Mr. ROBINSON of Arkansas. I see that the Director of the Veterans' Bureau says on page 2 of the report on the bill:

> It is believed that the committee will be able to judge for itself from the above report the merits of the bill and the propriety of its passage.

And on page 4 of the report I find this statement, quoting the message sent to the Senate by Acting Secretary Jahncke:

> Inasmuch as this bill does not involve any expenditure of funds under the Navy Department, the Navy Department refrains from further comment or recommendation.

Mr. REED. The Navy Department has held that Meadows was not a regular Navy officer, and that is in line with its report. The Comptroller General has held that if he was anything he was a regular, and therefore he is not entitled to the relief that an emergency officer would receive.

Mr. KING. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. KING. Is it the purpose to give him the benefit of retirement?

Mr. REED. I am not sure as to that; he might receive the benefit of the emergency officers' retirement act.

Mr. KING. Then, for the present, I object to the consideration of the bill.

The VICE PRESIDENT. Objection is made.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 2914) to authorize appropriations to pay in part the liability of the United States to the Indian pueblos herein named, under the terms of the act of June 7, 1924, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER (Mr. FESS in the chair). The bill will be passed over.

The resolution (S. Res. 186) to print the pamphlets entitled "Draft of Mooney-Billings Report" and "Appendix Containing Official Documents," was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 2494) to amend section 4 of the legislative, executive, and judicial appropriation act, passed and approved March 4, 1925, relating to the compensation of Members and Delegates to Congress, was announced as next in order.

Mr. JOHNSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2495) to repeal section 17 of the act passed and approved July 28, 1866, relating to mileage of Members of Congress, was announced as next in order.

Mr. JOHNSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3051) to reinstate Lawrence L. Myatt and Miller S. Burgin as midshipmen in the United States Naval Academy was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 276) for the construction and equipment of a hospital on Crow Indian Reservation was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2987) providing for the construction and equipment of a hospital upon the Blackfeet Indian Reservation, in the State of Montana, was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties was announced as next in order.

Mr. LA FOLLETTE and Mr. KING asked that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILLS RECOMMITTED TO COMMITTEE ON FINANCE

The bill (S. 1835) granting disability allowance to Harvey Wilson, which had been reported adversely from the Committee on Finance, was announced as next in order.

Mr. KING. I move that the bill be indefinitely postponed.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah.

Mr. SHORTRIDGE. One moment, Mr. President. This bill, being Order of Business No. 329, and also Orders of Business Nos. 356, 357, 358, 359, 360, and 414, were reported adversely. Owing to my absence, I was unable to appear before the committee in an attempt to justify the bills, and, if it is agreeable, I should like to have those several bills recommitted to the committee.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the several bills referred to by the Senator from California are recommitted to the Committee on Finance.

The bills referred to, recommitted to the Committee on Finance, are as follows:

S. 1835. A bill granting disability allowance to Harvey Wilson;

S. 1836. A bill for the relief of William D. Barbee;

S. 1879. A bill granting compensation to Willard Henry Amlaw;

S. 1881. A bill authorizing the payment of war-risk insurance to Laura E. De Armoun;

S. 1884. A bill granting disability allowance to Dan V. Smith;

S. 1886. A bill granting an increase of compensation to Addie Weeks; and

S. 2190. A bill to amend section 300 of the World War veterans' act, 1924, as amended.

BILL PASSED OVER

The bill (S. 3323) to provide funds for cooperation with the school district at Nespelem, Wash., in the construction of a public-school building to be available to Indian children of the Colville Indian Reservation was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

PHILIPPINE INDEPENDENCE

The bill (S. 3377) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BINGHAM. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3377 notwithstanding the objection, in order that we may start the debate on the bill.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	King	Schall
Austin	Dale	La Follette	Sheppard
Bailey	Davis	Logan	Shipstead
Bankhead	Dickinson	Long	Shortridge
Bingham	Dill	McGill	Smoot
Blaine	Fess	McKellar	Stelwer
Borah	Frazier	McNary	Stephens
Bratton	Goldsborough	Metcalf	Thomas, Idaho
Brookhart	Gore	Morrison	Thomas, Okla.
Broussard	Hale	Moses	Townsend
Bulkley	Harrison	Neely	Trammell
Bulow	Hatfield	Norbeck	Tydings
Byrnes	Hawes	Norris	Vandenberg
Capper	Hayden	Nye	Wagner
Caraway	Howell	Oddie	Walsh, Mass.
Connally	Hull	Patterson	Waterman
Coolidge	Johnson	Pittman	Watson
Copeland	Jones	Reed	White
Costigan	Kean	Robinson, Ark.	
Cousens	Kendrick	Robinson, Ind.	

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. WALSH of Massachusetts. Mr. President, I should like to inquire of the Senator from Connecticut whether his motion has the approval of the members of the committee.

Mr. NORRIS. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. NORRIS. The motion is not debatable.

The PRESIDING OFFICER. The motion is not debatable.

Mr. WALSH of Massachusetts. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WALSH of Massachusetts. May I inquire if the Senator from Connecticut makes this motion with the approval of the Committee on Territories and Insular Affairs?

Mr. NORRIS. Again I make the point of order, Mr. President.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. VANDENBERG. If the motion of the Senator from Connecticut carries and we proceed to the consideration of this measure, will we be under a rule of limited debate?

The PRESIDING OFFICER. No; unlimited debate.

The question is on the motion of the Senator from Connecticut. [Putting the question.] The Chair is unable to decide.

Mr. BINGHAM and Mr. ASHURST called for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JONES (when his name was called). I have a pair with the senior Senator from Virginia [Mr. SWANSON]. I do not know how he would vote on this question. Therefore I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. WATSON (when his name was called). I have a pair with the senior Senator from South Carolina [Mr. SMITH]. Being unable to secure a transfer, I withhold my vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. DICKINSON (after having voted in the affirmative). I have a general pair with the Senator from Kentucky [Mr. BARKLEY]. Not being able to secure a transfer, I withdraw my vote.

Mr. THOMAS of Idaho. I have a general pair with the junior Senator from Montana [Mr. WHEELER]. Not knowing how he would vote, I withhold my vote. If at liberty to vote I should vote "nay."

Mr. THOMAS of Oklahoma (after having voted in the negative). I have a general pair with the senior Senator from Illinois [Mr. GLENN]. Not knowing how he would vote, I shall have to withdraw my vote. If at liberty to vote I should let my vote in the negative stand.

Mr. BULKLEY (after having voted in the negative). Has the junior Senator from Wyoming [Mr. CAREY] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. BULKLEY. Not knowing how he would vote, I withdraw my vote on account of my general pair with that Senator.

Mr. BINGHAM (after having voted in the affirmative). I have a general pair with the junior Senator from Virginia [Mr. GLASS]. In his absence, I transfer that pair to my colleague, the junior Senator from Connecticut [Mr. WALCOTT], and will let my vote stand.

The PRESIDING OFFICER (Mr. FESS in the chair). The present occupant of the chair desires to announce the following general pairs:

The Senator from New Jersey [Mr. BARBOUR] with the Senator from North Carolina [Mr. BAILEY];

The Senator from Rhode Island [Mr. HEBERT] with the Senator from Georgia [Mr. COHEN];

The Senator from Delaware [Mr. HASTINGS] with the Senator from Alabama [Mr. BLACK];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Montana [Mr. WALSH]; and

The Senator from New Hampshire [Mr. KEYES] with the Senator from Georgia [Mr. GEORGE].

Mr. SHEPPARD. I desire to announce that the Senator from Georgia [Mr. GEORGE], the Senator from Illinois [Mr. LEWIS], the Senator from Mississippi [Mr. STEPHENS], and the Senator from Florida [Mr. FLETCHER] are necessarily detained from the Senate on official business.

The result was announced—yeas 39, nays 29, as follows:

YEAS—39

Ashurst	Connally	Kendrick	Robinson, Ark.
Austin	Coolidge	Logan	Robinson, Ind.
Bankhead	Costigan	McGill	Schall
Bingham	Cutting	McKellar	Sheppard
Bratton	Dale	Metcalf	Townsend
Broussard	Hale	Morrison	Trammell
Bulow	Harrison	Moses	Tydings
Byrnes	Hawes	Neely	Wagner
Capper	Hayden	Pittman	Walsh, Mass.
Caraway	Howell	Reed	

NAYS—29

Blaine	Frazier	Long	Shortridge
Borah	Goldsborough	McNary	Smoot
Brookhart	Gore	Norbeck	Stelwer
Copeland	Hatfield	Norris	Vandenberg
Cousens	Hull	Nye	White
Davis	Johnson	Oddie	
Dill	Kean	Patterson	
Fess	La Follette	Shipstead	

NOT VOTING—28

Bailey	Dickinson	Jones	Thomas, Idaho
Barbour	Fletcher	Keyes	Thomas, Okla.
Barkley	George	King	Walcott
Black	Glass	Lewis	Walsh, Mont.
Bulkley	Glenn	Smith	Waterman
Carey	Hastings	Stephens	Watson
Cohen	Hebert	Swanson	Wheeler

So, Mr. BINGHAM's motion was agreed to; and the Senate proceeded to consider the bill (S. 3377) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes, which had been reported from the Committee on Territories and Insular Affairs with an amendment.

CONDITIONS IN RUSSIA

Mr. BORAH. Mr. President, as the motion to take up the Philippine independence bill was made, I presume, without any hope that we would pass the bill between now and 2 o'clock, I want to take a little time on another matter, if it will not be disagreeable to the Senator from Connecticut.

Mr. BINGHAM. Mr. President, in reply to what the Senator has said, I may state that the idea was that there were certain Senators who have quite a little in their systems in opposition to the bill, and I hoped that they might have the opportunity to get some of that opposition out of their systems this morning, so that we might approach the time when we would actually get the bill passed.

Mr. PITTMAN. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. PITTMAN. The pending bill has been placed on the legislative program, I think being made the fifth item, and I realize that there were some votes against taking it up at this time because Senators did not desire to interfere with the calendar to-day. But I really think that possibly we might get a vote on the bill to-day.

Mr. BORAH. I am very much in favor of the independence of the Philippines, but there are a great many things in this bill which will take some time.

Mr. PITTMAN. Personally I am not opposed to having the bill taken up at this time, because it is a matter which will be debated, and the quicker we can get a number of the measures off the calendar which are now to be found on it the more certain it will be that we shall not be here all summer.

Mr. VANDENBERG. Mr. President, if the Senator from Idaho will yield, lest the Senator be unduly discouraged by the suggestion that we give way to the Philippine discussion, I may suggest that it will take at least half an hour for the clerk to read the substitute which is lying on the desk, and which I shall submit as an amendment to the bill.

Mr. BORAH. I have seen the substitute. It will take more time than the reading.

Mr. BINGHAM. This is as good a time as any for reading the substitute.

Mr. KING. Mr. President, I desire also to indicate that I have a substitute which I shall offer in lieu of the amendment of the Senator from Michigan, as well as the pending bill.

Mr. BORAH. Mr. President, I presumed there were certain things lying back of the pending bill on the calendar which had a great deal to do with the motion to take the Philippine bill up at this time.

I hold in my hand an address made by Charles A. Gill, who is superintendent of motive power of the Baltimore & Ohio Railroad. Mr. Gill has spent some months in Russia. Certain self-styled patriotic societies are now engaged in warning the American people of the terrific conditions which prevail in Russia and the imminence of this country being taken possession of by the communists; therefore, I think it might be well to have the view of an intelligent and dispassionate, honest observer of the situation in that country. Mr. Gill says:

I have had the opportunity to cover approximately 25,000 miles of the territory between Archangel and the Black Sea and from the western border of Russia extending through Moscow to the Ural Mountains. Within this territory there are approximately 40 large cities, including Moscow, Leningrad, Vologda, Yaroslavl, Voronesh, Poltava, Odessa, Kiev, Kharkov, Rostov, Minsk, Dnepropetrovsk, Alexandrov, Kazan, and many rural districts. I have, therefore, had an unusual opportunity to witness personally the true situation of the country as a whole.

Speaking then of the labor situation, he said:

Labor turnover continues to be a great problem, as the average Russian desires to travel and see what is going on in the various parts of his country. Increased wages and more attractive living conditions are helping to solve this problem. However, labor turnover in some of the railroad shops with which I was connected was so great that it was necessary to offer premiums and other inducements to keep the men from leaving. We had a total of 200,000 men, divided between the back shops and roundhouses, and a total of over 1,084,000 men in all branches of railroad service, which represents one of the largest organizations in Russia. As I was closely connected with the details of the various departments, as well as with other American engineers who handled different departmental work from time to time, I can freely declare that there was absolutely no evidence of forced labor. From my general observations of labor conditions in the Soviet Union I can state that while in some respects these conditions differ from those in the United States the Russian worker is free at all times to quit his job and apply elsewhere for work.

Speaking of the trade situation, he said, as appears on page 7 of his address:

The purchase of a large amount of machine-tool equipment is necessary to expedite such a large building program, and it would seem to me our American manufacturers would be interested in securing their proportion of this business. In order to make this statement clear I would like to quote some figures issued by the British machine-tool manufacturers covering machine-tool exports to Russia:

	Tons	Value
1929	852	$499,180
1930	1,262	1,079,457
1931 (9 months)	3,993	3,136,860

Orders placed in Germany by the Soviet Union during 1931, largely for machinery and equipment, amounted to $219,184,000, as compared with $135,000,000 in 1930, or a gain of 62 per cent. This increase was the result of better trade relations and a credit agreement between the two countries.

Reports published by the Amtorg Trading Corporation indicate that there is a continual falling off of Soviet purchases on the American market, due largely to the fact that more favorable terms can be secured elsewhere. During my stay in Russia I had the pleasure of recommending several million dollars' worth of machine tools for use in the various railroad shops. On the strength of my recommendations a commission visited the United States during the past year with authority to purchase this machinery, but due to the inability of American manufacturers to extend suitable credit to the Russians the business was transferred to Germany and other countries. It is hard to understand such an attitude, in view of the fact that since 1923 the Soviet Government has purchased in America goods totaling over $600,000,000, and has never failed to meet its obligations when payment came due.

Mr. President, I have made some investigation with reference to trade between the people of our country and Russia since 1923. I have been unable to find where there was a single default in the trade agreements of Russia with reference to those in this country who were selling goods to Russia. I am advised that the agreements have been kept meticulously, and in no instance has there been complaint upon the part of our people.

Mr. Robert P. Lamont, jr., son of the United States Secretary of Commerce, has been for some time in Russia investigating conditions particularly with reference to the cattle-raising industry. In an interview published in the New York Times a few days ago he said:

LAMONT'S SON ASKS TRADE WITH RUSSIA—HE SAYS IN MOSCOW THAT THE COUNTRY OFFERS AMERICANS A VAST FOREIGN MARKET—SOVIET BACKS TWO EX-FOES—ACADEMIES ARE REPRIMANDED FOR DISMISSING PROFESSORS WHO ONCE OPPOSED THE REGIME

Moscow, April 20.—A conviction that American officials and business men should change their policy toward commerce with Soviet Russia was expressed to-day by Robert P. Lamont, jr., son of the United States Secretary of Commerce, after surveying the country's cattle-raising industry at the invitation of the Soviet Government.

The young man, who came to Russia about a month ago from his 15,000-acre ranch in Colorado, made a lengthy report on cattle-raising conditions as he saw them, with specific recommendations of methods necessary for development of the industry. But he

said that the question of whether he would undertake to direct it would not be discussed, if at all, until he returned to the United States.

The administration of the soviet state's large cattle farms was insufficiently trained in modern ranching methods, he said. He indicated that he had recommended the employment of American livestock experts to take charge of the industry, or the training of a number of soviet ranchers in the United States.

LARGE MARKET IS SEEN

"The sooner Soviet Russia builds up itself the better off the rest of the world will be," he said. This country would be a vast market for foreign goods for some time, he added, and the faster it developed the more goods it would need.

Reiterating that his visit was without political significance, he criticized the insistence of many in the United States on withholding long-term credit facilities for soviet purchases and measures against Soviet exports to the United States.

He said he thought American business men were "cutting off their noses to spite their faces" by failing to grasp opportunities for extensive trade with Russia.

"Personally, I should like to see these boys get on their feet," Mr. Lamont added.

In view of the progress the sponsors of the pending bill desire to make, I shall content myself with simply calling attention to the facts which I have mentioned. I shall discuss the matter on a later date.

Mr. ROBINSON of Arkansas. Mr. President, has the Senator stated the relationship of the author of the article he read to the Soviet Republic, if any?

Mr. BORAH. Does the Senator mean the last article to which I referred, the one by Mr. Lamont, or to the address by Mr. Gill?

Mr. ROBINSON of Arkansas. I refer to the address of Mr. Gill.

Mr. BORAH. I understand that he is in the employ of the Soviet Government with relation to the conduct of the railroad business in Russia.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 29) providing for the acceptance of the statute of Charles Brantley Aycock, presented by the State of North Carolina, to be placed in Statuary Hall, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 194) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton, and it was signed by the Vice President.

THE CENTENARY OF AMERICAN RADIOACTIVE SPA, HOT SPRINGS, ARK.

Mr. COPELAND. Mr. President, I regret that the Philippine matter should have been brought before us this morning. Everybody knows it is controversial, that very much time will be occupied when we come actually to consider in a serious way all the questions involved. Since the Senate has chosen to devote itself until 2 o'clock to a matter that could not possibly be settled in that time, I shall take advantage of the opportunity to make some remarks on another subject.

This week marks the one hundredth anniversary of the acquisition by the United States of the Hot Springs Reservation. There is in progress in Hot Springs, Ark., at this time a centennial celebration. I am glad it is being held, because certainly no act of Congress has been more significant nor more important in many ways than that by which the United States acquired this property. Just 100 years ago the Congress passed an act setting aside 1½ square miles of the public domain surrounding and including the Hot Springs of Arkansas.

I do not blame the Senate, which had its mouth all set to enjoy a discussion of the Philippine-independence question, for being a little impatient because of the intervention of a Member to discuss some extraneous matter. I am not doing this because I am opposed to the Philippine independence bill, which I am, but because there are times when the urge comes to each of us to say something; I have the urge this morning. I wish to speak about the Hot Springs of Arkansas and the radioactive waters which come from them.

When the Government took over the Hot Springs of Arkansas it was the beginning of our national-park policy. That was the first of our national parks, and because this is its centenary, as I have said, commemorative ceremonies are in progress at Hot Springs and will continue throughout the week.

Forty years passed before that initial act was followed by the establishment of a second national park, which was the Yellowstone. At the present moment we have 22 national centers of health and recreation. They comprise 12,531 square miles. In addition, we have 12 national military and other parks under the War Department. There are many lesser reservations classified as national monuments.

The Indians knew of the curative properties of Hot Springs. They believed that the Great Spirit was present in the waters. This tradition attached to the springs long before the time of their discovery in 1541 by De Soto. Hostile tribes are said to have fought for their possession. Finally their value to humanity was recognized by the Indians and by reason of a truce made and an agreement entered into between the various tribes they were finally dedicated to humanity as a whole. Because of that truce the blessings of Hot Springs were made available to the sick of all the Indian nations.

Mr. President, if you ever visited one of the healing springs, particularly one of the hot springs of America, you no doubt have been greatly interested in the evidence of Indian occupation of the grounds about the springs. For example, some years ago I visited the springs at Albany, Ga., some very wonderful springs. In the neighborhood of those springs are scores of mounds made up of chippings from flint implements. It was there that the Indians took their old people. The old men of the tribe, and the old women, too, I suppose, spent their time in making Indian arrowheads, as well as articles for domestic use. The remnants of those operations are still to be found there.

Chief of all these medicinal springs was the Hot Springs. As I have said, the virtues of the waters were recognized and the Indians from all the tribes went there in order that they might have the blessings of the healing waters.

Then the white man moved in. If I am rightly advised, the first white settlement was made in the region of Hot Springs about the year 1800. I have learned from a study of the history of those springs that two white men, Dunbar and Hunter, visited the location in December, 1804. At that time, according to the record which I have before me, they found an open log cabin and a few huts built of split boards. It is supposed that these buildings had been used by white persons who had gone to the springs in the hope of regaining health. So the popularity of the springs was widened and extended until in 1832 the Congress itself determined to take over the property and make it a national park.

Since that time knowledge of the waters and their virtues has increased to the extent that now, I am told, more than 300,000 of the citizens of our country visit the Arkansas Hot Springs every year. The Army and Navy General Hospital is maintained there. This is a famous institution, as every Senator knows. It is an institution dedicated to the treatment of serious and obstinate cases which resist the ordinary means of medical relief. The springs are widely advertised, and the reason for their popularity is because of the fact that the waters are radioactive. That is the case with reference to the waters of all the famous spas of the world.

I have in my hand some advertising from the New York Times of Sunday, January 24, 1932. This is an elaborate piece of advertising. In large type I find "Hot Springs,

Ark, radioactive waters, owned and controlled by the United States Government."

Since modern science has traced the curative properties of certain springs to their radioactivity, it was not long before the quacks took advantage of the popular belief in and approval of the public as regards radioactive waters. They foisted upon the public innumerable nostrums in the guise of radioactive cures.

Wherever there is justification for action and authority to act, the Federal Trade Commission has proceeded and is now proceeding against them claims of these and other menaces to the public health. Undoubtedly greater authority is needed by the various governmental agencies which have to do with such matters, the Public Health Service, the Food and Drug Division of the Department of Agriculture, and the Federal Trade Commission. An appeal has been made to me that I might prepare and introduce such bill or bills as would provide for appropriate legislation to guard the public against the claims of radioactive waters or substances which are likely to be harmful. I have under consideration now such measures and am seeking to prepare such legislation as may be needed,

But in the meantime, as I view it, Mr. President, certain clarification of facts seems desirable. I say this because the centennial ceremonies now in progress at Hot Springs, Ark., come on the heels of a distressing incident. Very recently a citizen of the United States, Mr. Eben Byers, met a tragic death, which was attributed to his drinking "radium water." The newspapers were filled with most sensational reports about the death and its alleged cause. These stories have caused misunderstandings and aroused unwarranted fear on the part of many who have been making use of radioactive waters. It seems not inappropriate, in speaking about the centennial at Hot Springs, to say something about this.

The preparation which Mr. Byers used contained, not radon, which is a gaseous emanation of radium, but radium salts in solution. That makes something utterly different in the effects. But the unfortunate circumstance has seriously confused the public regarding the true value and the proper use of all radioactive waters. I want to make clear exactly what I have in mind because I desire to have grow out of my statement something which may be of real value to the American people. To this end I wish to make clear what is found in the natural waters of the Hot Springs and other springs of this country and of the Old World. I want to make clear that their radioactivity is due not to the presence of radium salts in the water, but it is produced by the gaseous emanation of radium known as radon. Because of the confusion of mind on the part of the public, there has been an unfortunate reaction against all radioactive waters. That is a public sentiment which I sincerely regret.

In connection with the warning issued after the Byers poisoning, the opinion of one American authority has received wide publicity. It is not my purpose, Mr. President, of course, to enter upon a medical controversy. On the contrary, it is my desire to urge that there be a scientific determination of the issue.

The question involved in the continued drinking of water made radioactive by radon or radium emanations—and the same question arises whether that radioactivity is induced by a scientific apparatus or as nature provided in the radioactive spring—is: Is it possible that the use of a radioactive water might eventually result in a dangerous accumulation or deposit of radium salts in the system?

The doctor to whom I have referred, who no doubt is sincere in his opinion, is quoted as saying that the benefits of the radioactive spas are due to hygiene and to psychic effect rather than to the radioactivity of the waters. Everyone of us who has visited one of the spas in Europe, at Baden-Baden, Carlsbad, or somewhere else, has been struck by the fact that there are thousands of visitors there "taking the cure." The last time I was at Baden-Baden, two or three years ago, I saw there "taking the cure" more American millionaires than I would be likely to meet in New York City, where I rarely come in contact with one. The authority of whom I have spoken advances the idea that there is nothing in the water, but it is simply the fact that the visitors have the benefit of simplicity of food and the psychological effect of the belief that the springs have virtue. Anyway, millions of Americans have consumed the radioactive waters of these spas in Europe, and also of the Arkansas hot springs and elsewhere in America. If there is sound basis for the opinion that these waters have no value or that their use may result in dangerous deposits of radium salts in the bones, the United States Government should discover it right away. I say this because, as I have indicated, the Government itself is responsible for the popularity of the Hot Springs of Arkansas and the conduct of the Army and the Navy General Hospital there. So if these waters are harmful, it is time we found out about it.

On the other hand, if the radioactive waters of these and similar springs are harmless and beneficent, as the world has believed regarding such springs since the times of the Romans, the mind of the public should be set at ease.

It is a very interesting thing to follow the history of the various spas in Europe. Practically every one of the famous springs in Europe was discovered and made use of by the Romans. During the prosperous days of the Roman Empire wealthy Romans traveled to various springs which they found here and there throughout Europe. We find the remains of the Roman baths; we find the remains of those elaborate marble establishments which were built by the Romans.

I remember one time being at Chester, England. It will be remembered that the name itself, "Chester," comes from a corruption of "castra," meaning "camp," and that Chester was a Roman camp. The very Roman legion, or its predecessor designated by the same Roman numeral, stationed in Rome at the time the Apostle Paul was confined there as a prisoner afterwards went to Britain and camped where modern Chester is located. There are found there the remains of the various baths which were built by the Romans at that time. Wherever they went the Romans carried with them their home customs.

Such springs have had throughout the history of civilization a popularity founded on the belief that the waters themselves contained something which had medicinal virtue and the possibility of the rehabilitation of those who were sick. If I correctly remember my history, Ponce de Leon came over seeking the fountain of eternal youth. I presume he thought he would find a spring somewhere in our country which had marvelous powers, possessing the possibility of physical rejuvenation.

Because of the alarm which has been engendered by the death of this unfortunate man there has arisen a doubt in the minds of the people, not alone as to the value of the waters but as to the possibility that they may actually be harmful. The extent of public alarm and the lack of confidence are indicated in such important publications as the New York Times and the news weekly Time. I have before me clippings from these journals pointing out the possible dangers in the use of radioactive waters. The science editor of the New York Times remarks:

> We shall probably hear less of the virtues of thermal springs.

The news weekly Time states:

> Experts say that, aside from the psychological effect, the only good derived is from the quantities of water imbibed, none from the emanation.

I have just received from the French Chamber of Commerce of the United States, which is incorporated in my State, New York, a letter calling attention to the possible consequences of unjustified public alarm and misunderstanding respecting radioactive spas. Seeking to make available the latest European scientific view of the value of radioactive waters, the French Chamber of Commerce in New York cabled its Paris office on April 19, requesting the office to call upon Professors Rathery and Desgrez, eminent French physicians, to get full replies to certain questions and as to the research made by Dr. Roger Monnery.

I hold in my hand, in the original French, the very interesting monograph by Doctor Monnery on radon, the emanation from radium, and its use in chronic rheumatism. This monograph is dedicated to the great medical authorities whom I have just mentioned—Professor Desgrez, who is professor of medical chemistry of the Faculty of Medicine of Paris, member of the Institute, member of the Academy of Medicine, and incidentally an officer in the Legion of Honor; and Doctor Rathery, professor of experimental medicine of the Faculty of Medicine at Paris; physician to the Hotel Dieu, the municipal hospital; and also an officer of the Legion of Honor. It will be seen that they are very distinguished men. Doctor Monnery dedicates his monograph to these eminent teachers of his.

The French Chamber of Commerce addressed their communication to their Paris correspondent asking that a call be made upon these eminent members of the profession to obtain answers to the questions, as follows:

First, whether the research of Dr. Roger Monnery, based upon clinical observations of the Paris municipal hospital, has been accepted as conclusive by European medical authorities?

Second, what have been the results of any later research?

Third, the present opinion of Professors Rathery and Desgrez as to the value of radioactive waters, and whether, in their opinion, there can be any possibility of radium being deposited in the body as the result of regularly drinking such waters.

I have already told the Senate—and let me repeat before giving the answers—that the men to whom these inquiries were addressed are among the most famous scientists in the world, universally recognized as great scientists. Doctor Desgrez's summary of the research of Doctor Monnery appeared in the bulletin of the French Academy of Medicine a year ago. The Monnery research was conducted under the supervision of Doctor Rathery, who, as I have already told the Senate, is professor of experimental medicine of the Faculty of Medicine and physician at the Paris municipal hospital, where the clinical studies referred to in this monograph were made.

Doctor Desgrez reported to the academy that the hospital patients were given water artificially charged with radon, a radium emanation, and the results were similar to the effects of the cures at the natural hot springs.

The Paris office of the French Chamber of Commerce of the United States replied on April 23. I have here copies of the cablegrams which came in reply to these questions last week. Professors Rathery and Desgrez stated:

First, that the findings of Doctor Monnery have been actually accepted by the medical authorities in Europe; second, that the monograph by Doctor Monnery, a 100-page printed document, which I have before me in the original French, is the latest research document on this subject.

Further, these professors replied that radioactive water—and this is what I want to bring out on the centennial of the Hot Springs—radioactive waters are considered as giving decided therapeutic results, and that it is impossible for radium deposits in the body to result from regularly drinking such waters. They added what all sound medical opinion would confirm, that "like any medicament, such waters should be used in certain doses, and not indiscriminately."

I need not remind you of the good sense of that suggestion. Practically every drug used by the medical profession is a poison if used in large doses. There must be skill and good sense in the application of drugs, I do not care what they are.

Since more of my listeners are lay members of society than Members of the Senate, I can not resist saying that nobody untrained in the use of drugs should make use of them without medical advice. It is a dangerous thing for anybody to have a row of bottles on the shelf in the bathroom, and, if he has the stomachache or the headache or the backache, or some other ache, to make use of these drugs indiscriminately. He ought not to do this without the direction of a physician. Likewise, these radioactive waters should be used as they are used at Hot Springs and at every spa where the waters are radioactive, or where they are alleged to have medicinal properties. They are always used under the direction of a physician. This is true, too, of the prepared waters.

The first thing that happens to you when you go to Mount Clemens in Michigan, or Hot Springs in Arkansas, or Baden-Baden, or Carlsbad, or any other of the spas, is that a physician gives the patient, or the would-be user of waters, a medical examination. He determines just how much of the water may be taken with safety every day.

One of the delightful experiences of visiting a spa is to see the procession of millionaires and multimillionaires and members of the white-collar class, and sometimes of the poverty-stricken class, marching up to the spring every morning to get a liter of some water which, perhaps, is as vile in its taste as if it were brine out of a pork barrel. On the other hand, however, many of the radioactive waters of this country of ours are delightful to the taste as well as capable of bringing healing to the ills of mankind.

In so far as the public can be reassured by research and medical opinion originating at the birthplace of scientific knowledge of radium, this may allay the fears of those who have been taking water made radioactive by radon or radium emanations.

Certainly because of the work in Paris of Madam Curie and of her distinguished husband, if one wished to have information regarding radium and its possible use, Paris is the place to go to get that information.

However, I want it distinctly understood that it does not minimize the danger to have this information if it is proposed to take radium salts in solution. That is where the harm comes. It is not from the use of natural radioactive waters, or water made radioactive by the radium gas, radon.

That is one thing, but actually to take the radium salts into the body is quite another. Certainly it is not enough simply to say, "They are all right." I doubt if they are. We should determine to drive quackery out of business.

To make reassurance doubly sure, I have to-day suggested to the able commissioner of health of the city of New York, Doctor Wynne, the desirability of having some research carried on in this country to parallel the work done by Monnery and others in Europe, and possibly to supplement that of these French experts, this research to be carried out immediately, and the results made public as quickly as may be practicable. I have said, in a letter to Doctor Wynne, which goes off to-day:

Hon. SHIRLEY W. WYNNE,
Commissioner of Health of New York City.

DEAR DOCTOR WYNNE: Permit me to call to your attention the attached copy of a communication I have received from the French Chamber of Commerce of the United States. It relates to current French scientific views on the value and safety of radioactive waters.

Would it not be in the public interest to carry out immediately research parallel, if not supplementary, to that conducted in the Paris municipal hospital?

Monnery's monograph, referred to in the French chamber's communication, is such a remarkable presentation of researches, both clinical and laboratory, that it should attract the attention of scientists everywhere. The author's training in chemistry is unusual, and apparently he speaks with great authority. His views have been confirmed by eminent members of the Faculty of Medicine of Paris. However, it would carry greater weight with the American people if our own research men confirmed these conclusions.

Such distress has been caused by the sensational reports of Byers' tragic death, attributed to "radium water," that many citizens of New York and elsewhere would be reassured by a report of your famous laboratories and hospitals that under proper control radium emanations are harmless. It is a menace to the public welfare to have in our midst so many needlessly frightened persons. If you will permit me to suggest it, I think you can render another important service by acting in the matter.

With kindest regards,

ROYAL S. COPELAND.

It so happens that the New York Board of Health, of which I have some personal knowledge, has attached to it one of the most famous research laboratories in the world, under the direction of Dr. William H. Park, whom I regard as the sanest and the most dependable of all the scientists of the present day. I say that without belittling any other scientist; but if Doctor Park made examination, it would mean much.

It is perfectly astonishing how many persons, including Members of this body, have come to me, since the death of Mr. Byers, in grat distress over the question of whether or not they might with safety continue the use of certain radioactive waters. If that is the attitude of mind of the persons with whom I have talked, I know it must be the attitude of mind of many others in our country. So I am hoping that Doctor Wynne will see fit to have checked up in the laboratories of the city of New York the conclusions reached by Doctor Monnery in his monograph. Then, if an authoritative statement is made, it will allay the fears of thousands of persons who now are needlessly disturbed and distressed over the possibility of harm that may come from radium emanation which they have taken in radioactive waters, or which they may have thought to take in the future.

Nothing short of convincing clinical data, collected under the direction of our own institutions, is likely to remove completely the loss of confidence in all radioactive waters. The alarm caused by the Byers tragedy and its resulting publicity has caused much mental suffering. The facts should be ascertained by American investigators of recognized standing.

I am more and more distressed by the effect of economic stress upon the minds of our people. It is a terrible thing to have the morale of the Nation broken down. I do not care whether you talk to a man who has been rich—because no man knows now whether he is rich or not—to a man who has been a great financier, to a manufacturer, to a clerk, to a carpenter, to a farmer; it makes no difference whom you meet; you find him broken in spirit and distressed over what may happen to our country. There never was a time when peace of mind was so necessary. So when I find now that many persons suffering from rheumatism and arthritis and Heaven knows what are worried and concerned because the favorite radioactive spring water they have been taking has been brought under suspicion by reason of the publicity given to the death of Mr. Byers, it is time that we should do our part to learn the truth and to give publicity to it.

Mr. ASHURST. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Arizona?

Mr. COPELAND. I yield.

Mr. ASHURST. I have been very much interested in the learned discussion of the Senator from New York. I believe he has performed a timely public service by his address on this subject.

Mr. COPELAND. I thank the Senator for what he has said; and I am sure that my genial friend, always so kind of heart, realizes what it means to have a dear one or a friend or acquaintance with loss of mental poise because of the possibility of poisoning and destruction and perhaps death from the effect of a substance which has been prescribed as a dependable one and a useful one and a necessary one.

We all know that depleted bodies are the inevitable sequel of want and worry. As the world emerges from its present stress, it will face new needs for physical and mental rehabilitation, and more than ever before will consideration of public health be a true index of governmental intelligence.

Have Senators thought of what the poverty of our people will mean to the next generation? If the children of to-day are underfed and undernourished, it means that the adults of the next generation are going to have tuberculosis and other ailments which can be traced to malnutrition. No matter how we may economize in other things, Mr. President, we can not afford to economize in all those matters which have to do with the preservation of the public and individual health. No matter how much we may reduce our appropriations for this, that, and the other thing, we must not reduce our appropriations for all those institutions and departments of government which have to do with the physical welfare of the people. I am sure every Senator here joins me in that thought.

Perhaps no better contribution can be made at this moment than to reassure the public—and that I desire to do—that the claims of the Arkansas hot springs and other spas are well founded, are scientifically founded. For myself, I feel that their reputation is well founded. I am glad they are having the celebration in Hot Springs to-day. I am glad that the Government, in its wisdom, a hundred years ago saw fit to take over this valuable property, valuable because it contributes to the health and the well-being and the longevity of those who make use of those waters.

I can think of no greater service the people of Arkansas can render the public than by drawing attention to the fact that those springs for a hundred years, under the auspices of the Government, have been used for the healing of our people.

I am particularly pleased that this opportunity to speak comes on this particular day. Senators will pardon me for saying that this is the anniversary of the day I entered upon public-health work in the city of New York. I shall never lose my interest in this subject. I can think of nothing more important to the human family than to forward every activity which has to do with the lessening of human pain and suffering and with the prolongation of human life. I think the act of Congress a hundred years ago dedicating this great institution at Hot Springs, the first national park, to this work of healing was a beneficent act on the part of Congress and, in many respects, far more important than thousands of other things which we have done and looked upon at the time as very significant.

I desire to express my congratulations to the people of Arkansas on the century of good works under our Government and on the ages of healing previous to that. I hope this water will continue through many centuries to be a source of healing to the sons of men.

Mr. President, if I have said anything to-day that is at all reassuring to those who have been unduly and unnecessarily alarmed over what may happen to them because they have made regular use of radioactive water, I feel that the hour spent in this discussion, which we had to spend, anyway, is far more important than the consideration of granting sovereignty to a people whom I would be glad to serve by granting them independence if it were not for the conviction I have in my mind that to grant them freedom without the consent of the people of the United States would be an unconstitutional act.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. CONNALLY. What the Senator from New York observed in his last remark leads me to ask this question: If the Congress of the United States in its constitutional processes expresses its consent, is not that the consent of the people of the United States?

Mr. COPELAND. No; it is not. We are the agents of the people of the United States, but we have been given no power of attorney to alienate one foot of the property which is the property of the people of the United States.

Mr. CONNALLY. If the Senator will yield further, is it the Senator's view that the Philippines are only chattels—so much property, so much soil and wealth? Are not the people to be regarded as people, even though they do live in the Philippines?

Mr. COPELAND. They are a people, a charming people. If it were not for the conviction which I have regarding the constitutional question, I would be delighted to give them their freedom, because my heart throbs with sympathy for any people seeking liberty.

Mr. CONNALLY. Let me say to the Senator that I am not taking issue with his view, except that I do take issue with his stand that the expression of the Congress under the Constitution with reference to a matter vested in the Congress is not the expression of the people. I have always regarded the voice of the Senator from New York, for instance, as representing the voice of the great people of the State of New York. The doctrine the Senator from New

York is now expressing would indicate that the Senator does not voice the sentiments and the welfare of the people of New York. I want to take issue with him on that. I want to take serious issue with the Senator on that.

Mr. COPELAND. Mr. President, I represent the people of the sovereign State of New York in all matters having to do with their welfare, but no power has been given me to alienate the sovereignty of the State of New York and to give it over to Canada.

Mr. CONNALLY. But the views the Senator expresses can not be confined to that one matter. He said a while ago that we could not secure the consent of the people of the United States even though Congress, under its constitutional power, should express that consent.

Mr. COPELAND. My friend is a great constitutional lawyer, far more learned in the law certainly than I am, but there are limitations even upon the Senator from Texas. There are times when he would like to do something but he can not because the people have not given him the power to act; and the people did not give the power to the Congress of the United States to alienate sovereignty over 1 square foot of American territory.

Mr. MORRISON. Mr. President, will the Senator yield to me for a moment?

Mr. COPELAND. I yield.

Mr. MORRISON. I want to ask the Senator if he will not permit me to interrupt him to have a message from the House of Representatives acted on. It will take but a minute, and, as I understand, it will be too late after 2 o'clock.

The VICE PRESIDENT. Does the Senator from New York yield for that purpose?

Mr. COPELAND. I yield for that purpose.

Mr. CONNALLY. This is not a measure for the purpose of alienating any of the territory of the United States, is it?

Mr. MORRISON. No. It is to dedicate a monument in Statuary Hall.

Mr. CONNALLY. Unless it is to alienate territory, the Senator from New York will yield.

(At this point there was laid before the Senate, and agreed to, a concurrent resolution for the acceptance of a statue from the State of North Carolina to be placed in Statuary Hall.)

Mr. CONNALLY. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. CONNALLY. The Senator from New York has just given an eloquent refutation of the very doctrine which he has been professing. He stood here and allowed to be passed through the Senate without objection a measure which, under the Constitution, is the expression of the consent of the people of the United States to have a statue placed in Statuary Hall. Yet a moment ago he said that Congress did not have the constitutional power to give the consent of the people of the United States to the freeing of the Philippines. He believes that we have the power to deal in marble and bronze and treat them as chattels; on the other hand, he wants to treat the Filipinos in the same way as property, chattels, things of tangible character but divested of any human or intellectual qualities or properties. That is the question on which I am taking issue with the Senator. To take the position of the Senator, we have to assume that we acquired the Philippines just as we would go out and buy a horse, or a house, or a tract of land, and, once having it, we can not divest ourselves of it, because he says we can not get the consent of the people of the United States, even though Congress should give that consent. Having acquired it by conquest, or by purchase, we are to forever have it on our shoulders and around us, like the shirt of Nessus, eating our very vitals, as it were, and we can not divest ourselves of this incubus of a dependency and a colonial possession. I am surprised at the Senator from New York enunciating doctrines of that kind.

Mr. COPELAND. Mr. President, the Senator has correctly stated my position. When once we acquire a piece of property, when once we add to our territory, it becomes fused with our original possessions, and we have no more right to divest ourselves of sovereignty over it than we would have to divest ourselves of sovereignty over the State of Texas, or over all the lands which came in under the Louisiana Purchase, or any other of our additions to territory.

If there is one question which goes back in my recollection to tender memories, it is this question of the conditions which were brought upon us by the Spanish-American War.

Mr. CONNALLY. Mr. President, will the Senator yield again?

Mr. COPELAND. I yield.

Mr. CONNALLY. I would like to have the Senator's reaction to this thought, that when we acquired the Philippines, we did not acquire them in fee simple, that we acquired them as trustees for the Filipino people——

Mr. COPELAND. Oh, no.

Mr. CONNALLY. And that in the discharge of that trust, whenever it occurs to us that the welfare of the Filipino people requires that we relinquish that trust and vest the title in the cestui que trust instead of the trustee, vest it in those people. Why is not that the broader, the more statesmanlike outlook, upon this question than that we bought the Philippines as we would buy a city lot; that we bought them as we would a farm, as we would a tract of land, to dig an oil well or a copper mine upon it. I resent that sort of idea in dealing with the Philippines. We hold the Philippine Islands as trustees for the benefit of the Filipino people, and when we divest ourselves of that trust and put the Philippines back into the Philippine people we are carrying out that trust.

Mr. COPELAND. The only trouble with my friend from Texas——

Mr. CONNALLY. I am glad there is only one.

Mr. COPELAND. Is that in reading the treaty of peace he has mixed up the transfer to us of Cuba with the transfer to us of the Philippines. Apparently he thinks both were the same or else has in his mind conditions of the past relating to the acquisition of Cuba and the acquisition of the Philippines. They are not on all fours.

The VICE PRESIDENT. The Senator from New York will suspend. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

Mr. COPELAND. Mr. President, I would not delay for one moment the consideration of the appropriation bill, because that is of significance to the American people, and therefore I yield the floor.

STATUE OF CHARLES BRANTLEY AYCOCK

During the delivery of Mr. COPELAND's speech,

Mr. MORRISON. Mr. President, I ask the Chair to lay before the Senate the concurrent resolution just received from the House of Representatives, and that it be favorably acted upon.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution from the House of Representatives, which will be read.

The concurrent resolution (H. Con. Res. 29) was read, considered, and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That the statue of Charles Brantley Aycock, presented by the State of North Carolina to be placed in Statuary Hall, is hereby accepted in the name of the United States, and that the thanks of Congress be tendered to the State of North Carolina for the contribution of the statue of one of its most eminent citizens, illustrious for the high purpose of his life and his distinguished services to the State and Nation.

Second. That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of the State of North Carolina.

After the conclusion of Mr. COPELAND's speech,

HOUSE BILL REFERRED

The bill (H. R. 11452) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1933, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice, and for the Judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The VICE PRESIDENT. The pending amendment will be stated.

The CHIEF CLERK. The pending amendment of the Committee on Appropriations is on page 91, line 5, where the committee proposes to strike out "$45,000" and insert "$35,000," so as to read:

Provided, That not more than $35,000 of this amount shall be expended on the coasts of said outlying islands and the Atlantic entrance to the Panama Canal.

The amendment was agreed to.

Mr. HOWELL obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator yield to enable me to suggest the absence of a quorum?

The VICE PRESIDENT. Does the Senator from Nebraska yield for that purpose?

Mr. HOWELL. I do.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Kendrick	Robinson, Ark.
Austin	Dale	Keyes	Robinson, Ind.
Bailey	Davis	King	Schall
Bankhead	Dickinson	La Follette	Sheppard
Bingham	Dill	Lewis	Shipstead
Black	Fess	Logan	Shortridge
Blaine	Fletcher	Long	Smoot
Borah	Frazier	McGill	Steiwer
Bratton	George	McKellar	Stephens
Brookhart	Goldsborough	McNary	Thomas, Idaho
Broussard	Gore	Metcalf	Thomas, Okla.
Bulkley	Hale	Morrison	Townsend
Bulow	Harrison	Moses	Trammell
Byrnes	Hatfield	Neely	Tydings
Capper	Hawes	Norbeck	Vandenberg
Caraway	Hayden	Norris	Wagner
Connally	Howell	Nye	Walcott
Coolidge	Hull	Oddie	Walsh, Mass.
Copeland	Johnson	Patterson	Waterman
Costigan	Jones	Pittman	Watson
Couzens	Kean	Reed	White

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

AGRICULTURAL RELIEF

Mr. HOWELL. Mr. President, on several occasions I have invited the attention of the Senate to the desperate condition of agriculture and to the differential which has prevailed against the farmer for the past 10 years, a differential which was tremendously increased last year and is increasing this year. I propose now to invite attention to the obligations which the farmers of the country have outstanding as compared with their ability to pay.

Mr. President, agriculture can not repay its indebtedness unless something is done to bring the farmers a better price for their products. The farm-mortgage debt in the United States now amounts to the staggering total of nearly nine and one-half billion dollars. It has trebled in amount since 1910. Not only has the total amount of indebtedness greatly increased, but the ratio of the indebtedness to the value of farm lands is more than twice as high now as it was in 1910. The total farm-mortgage debt of the United States now represents about 22 per cent of the value of all farms, compared to only 10 per cent in 1910. This includes all farms whether mortgaged or not. The situation is much worse when only the mortgaged farms are considered. In 1928 the ratio of debt to value on owner-operated farms averaged 46 per cent.

A survey of 17,000 representative farms throughout the United States by the United States Department of Agriculture showed that on January 1, 1931, 38 per cent were mortgaged for more than half their value. In addition to mortgage indebtedness, the farmers owe about three and one-half billion dollars in short-term loans and nearly an other billion dollars in mercantile credits.

The debt situation of the farmers has become progressively worse since 1920. As a result of the deflation in 1920 farmers were forced to refund their store accounts and other short-term debts incurred for current expenses, by transferring these short-term debts into mortgage indebtedness. In addition, the continued unprofitable farming operations during subsequent years, entailing heavy losses, required the farmer to cover these losses by piling up a still higher amount of debt in the form of mortgages against his property.

Consequently, when the deflation of 1929 occurred, farmers were in the most unfavorable position to bear it. In many cases their cash reserves were exhausted and their capital investment mortgaged to the limit of its reduced value—not so much from extravagance as from several years of unprofitable operations due to low prices for farm products and high prices for labor, materials, and other factors entering into the cost of production.

The rapid increase in farm-mortgage indebtedness is shown in the following table which I desire to insert in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The table is as follows:

Farm mortgage debt January 1

[From Farm mortgage Credit, by David L. Wickens, agricultural economist, Division of Agricultural Finance, Bureau of Agricultural Economics, U. S. Department of Agriculture, February, 1932]

United States:	
1910	$3,320,470,000
1920	7,857,700,000
1925	9,360,620,000
1928	9,468,526,000

Mr. HOWELL. Mr. President, while farm debts were mounting upward, farm land values and farm prices declined enormously. Farm land values dropped more than $22,000,000,000 in the period 1920–1931, falling from $66,316,-002,602 in 1920 (census of 1920) to $44,145,210,966 in 1931, or a decline of $22,170,791,636. The index of farm land values in 1931 was 106 per cent of the pre-war level, or only slightly above pre-war values. Farm prices declined from an index level of 205 in 1920 to 60 in February, 1932.

Thus the farm mortgage debt has risen to three times the pre-war level, but farm land values have dropped nearly to the pre-war level and farm prices have dropped until they are only little more than half the pre-war level.

It is apparent that something must be done and be done quickly to restore the level of farm prices to a point where farmers can pay these debts. Thousands of farmers are unable to pay even the interest on their debts, much less the principal, and their homes are being foreclosed. Thousands of farmers are unable to pay their taxes, and their farms are being sold for taxes, but so low has sunk the state of our agriculture that in many cases no one will offer to buy the farms for the amount of the taxes due.

Yet what has this Congress done to remedy this heart-rending situation? Nothing, except to offer to lend the farmer more money to put him deeper in debt. There is not a measure now upon the calendar of the Senate that proposes a constructive remedy for his relief.

Mr. President, measures for loaning money merely postpone for a brief time the evil day. For some it can not even be postponed; they have already lost their farms. Others are so deeply involved that they dare not borrow more. The few who are not in debt naturally hesitate to use borrowed funds when there is little or no prospect of receiving a price high enough for the products produced with this borrowed capital to repay it after paying the necessary costs of production, even if no allowance be made for profit.

What the farmer needs is not more credit but a price for his products that will enable him to pay the debts he already owes.

The only real relief for agriculture and the only real assurance to the creditors of agriculture that the farmers' debts will be paid is to bring about an increase in farm

prices as compared to nonfarm prices. The entire population of this country is equally interested in the return of the farmer to economic equality, because the present depression is largely due to the fact that agriculture has not enjoyed just and fair prices for its products.

It is possible, I believe, to bring this kind of relief to our basic farm products, such as wheat, corn, livestock, cotton, tobacco, rice, and other import products. It is possible to make tariffs on farm crops effective, thereby raising farm prices in the domestic markets above the world prices. Such action would give agriculture a tremendous boost toward a level of economic equality with industry. Both political parties have promised the farmer in the past that they would afford constructive legislation, but nothing has been done. What are we going to do about it? Are we going to adjourn without accomplishing anything of a constructive nature for the farmer?

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. HOWELL. I yield.

Mr. McKELLAR. The statement just made by the Senator from Nebraska comes with some surprise to me when I recall that Congress about two years ago appropriated $500,000,000, and put it in the hands of the Federal Farm Board for the purpose of aiding the farmers. Would the Senator object to commenting upon that legislation?

Mr. HOWELL. I have no hesitation about commenting upon that legislation. It was not the form of legislation for which agriculture asked.

Mr. McKELLAR. That is entirely true.

Mr. HOWELL. Agriculture came here with a constructive plan and proposal, but agriculture was not listened to. I voted for the Farm Board bill because it was the only legislation we could get.

Mr. McKELLAR. So did I. If the Senator will yield to me——

Mr. HOWELL. I yield.

Mr. McKELLAR. I will say that I also voted for the legislation to which the Senator refers, but it will be remembered by us all that, while Congress provided for the equalization fee and the debenture provisions, they were stricken out at the request of the President. The President had his exact way with the farm legislation, and, in my judgment, he emasculated it of all good that might have come to the farmers through it.

Mr. HOWELL. Mr. President, I believe the farm measure to which the Senator from Tennessee referred has done good in the way of aiding cooperatives, but, so far as establishing equality for the farmer is concerned, it has utterly failed. We enacted that law two years ago; we know it has been a failure; but that does not excuse us for doing nothing now.

Mr. McKELLAR. I agree with the Senator that it does not.

Mr. HOWELL. Something must be done now. We have only a little more than a month of this session in which to act. What are we going to do about it? Are we going back and tell the farmer that we did not have the will to act? The situation is serious, and it fundamentally affects the entire Nation, the industrialist as well as the farmer. When it takes two loads of agricultural products to buy industrial products that could have been bought with one load prior to the war, it ought to be realized that this is not merely an agricultural question but it is a question for the whole country to consider. The whole country is affected.

Forty-four per cent of our population are ruralists, and the economic fortunes of those ruralists who are not farmers follow that of the farmer; and with the buying power of 44 per cent of our population cut one-half, what could be expected would be the lot of the rest of the population which is largely dependent upon this outlet for its products?

Mr. President, this is not merely a matter affecting agriculture; it affects every other industry; it is a matter vitally affecting every man, woman, and child in the Nation to-day; and yet Congress is doing nothing. We have been in session for five months, little more than a month of the session remains, and the farmers are asking, "What are you going to do about it?" What is the answer?

Mr. THOMAS of Oklahoma. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Oklahoma?

Mr. HOWELL. I yield.

Mr. THOMAS of Oklahoma. The Senator has just stated that Congress is doing nothing about it. I want to remind the Senator that the Committee on Agriculture is now holding hearings; he himself appeared before that committee on yesterday and was given ample time to be heard, and this morning three great farm organizations presented some recommendations to the committee. The hearings are not as yet completed; they will be this afternoon, in all probability, after which the committee, I understand, will probably go into executive session to consider the recommendations made by the farm organizations and by the Senator from Nebraska. So the statement made that "Congress is doing nothing" is hardly accurate. It may do nothing, but an honest effort is now being made to do something.

Mr. HOWELL. Mr. President, I realize that the Committee on Agriculture is now considering constructive measures before it, and I want to express my appreciation of the courtesy with which I was received when I appeared before the committee yesterday morning; I have no desire to criticize the committee; but I do want to emphasize, here on the floor of the Senate, that something has got to be done besides considering these measures in committee.

CURTAILMENT OF LARGE INCOMES—OUR BLOATED PLUTOCRACY

Mr. LONG. Mr. President, since I undertook to obtain the floor this morning and asked for the consideration of Senate Resolution 204, so much time has elapsed that perhaps I do not recollect what was said by the Senator from Arkansas [Mr. ROBINSON] when I endeavored to secure consideration of that resolution. May I have the statement of the Senator from Arkansas read to me by the reporter, or would that be impracticable at this time?

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. LONG. I yield.

Mr. ROBINSON of Arkansas. I can repeat what I said to the Senator if he desires me to do so.

Mr. LONG. Yes, sir.

Mr. ROBINSON of Arkansas. I said I had no objection to the consideration of the resolution, but that I did not give it my support.

Mr. LONG. Mr. President, I understood that to be the statement of the Senator from Arkansas.

Mr. President, the position announced by the Senator, who so very ably and conscientiously leads this side of the Chamber, is that he can not support the substance of the Senate resolution which I have submitted. The resolution provides that, exclusive of taxes, no man shall earn an annual income in excess of a million dollars, and that no man shall be permitted to receive by gift by inheritance or other bequest more than $5,000,000 in a lifetime.

THE DISOWNED COALITION

When this matter first came up in connection with the tax bill I asked on the floor of the Senate—and the question was answered by the senior Senator from Mississippi [Mr. HARRISON]—had there been a coalition such as had been reported by the press of this city and of the country; had there been a coalition for the purpose of re-forming the tax bill or preventing it from being re-formed in such a way as to dissipate swollen fortunes? The senior Senator from Mississippi spoke at some length to the point that there was no coalition whatever having any such idea in mind.

Prior to that time, Mr. President, I spoke on the floor of the Senate and mentioned the fact that the financial controllers of the oil industry in this country had manipulated taxes in such a way as to put a tariff on everything

that was being bought by the farmers and laborers of this country, but that when a tax had been proposed on oil, such as would have interfered with the dominion of the Standard Oil Co. and affiliated trusts, of which Mr. Mellon is such an important part, the senior Senator from Arkansas rose in his seat and called my attention to the fact that there was a proposal to put a tariff on oil of 1 cent a gallon in the bill that was pending in the House. I made the statement then that I feared that nothing was going to come of that proposition.

The bill has come to the Senate; the newspapers have reported a coalition, and that has been denied. I have stated here that this bill was apparently going to be framed in such a way, if the public press knew what it was talking about, as to give no relief whatever to the country. The existence of that kind of a coalition has been disputed, and I think properly disputed; but apparently water has sought and water has found its level; and now we have a meeting of minds. Although perhaps there was no intent to meet, nevertheless there has been such a meeting as to a common course of action in the Senate and in the House of Representatives of the United States. Where is the leadership of the people of the United States of America in the Democratic Party or in the Republican Party of the United States Senate and of the other House of Congress? If we are going to allow this tax bill to be formed and not undertake to sweat down these swollen fortunes in the United States, how are we going to go back to the people who have cried for bread and have been handed a stone of that kind?

THE DEMOCRATIC CAUCUS

I am not very familiar with the rules of our party caucuses, but I understand that the public press has been given information, more or less, as to what has been considered in our Democratic caucuses. If there is any objection or any offense involved, I do not propose to state anything that has not already become public property; but I gained the impression, Mr. President, from the two caucuses of the Democratic Party of the United States Senate which I attended, that there was almost a unanimity of impression that we had to use this tax bill for the purpose of breaking up swollen fortunes in the United States. I heard a splendid presentation of that matter by the senior Senator from Montana [Mr. WALSH], and I understood that there was more or less unanimity of feeling, without quoting anybody.

Mr. President, I am going to read about three lines from an essay by Lord Bacon. Here is what Lord Bacon said many years ago—and this is the thought of the English-speaking people, the Caucasian race, throughout the world.

I might hesitate to quote Lord Bacon on the floor of the Senate, in view of the disaster which befell him in the latter part of his life, were it not for the fact that when the Supreme Court of the United States in 1910 overturned five of its own decisions in order to write a so-called rule of reason into the antitrust law, it was a decision of Lord Bacon upon which they based their dicta justifying a reversal of five previous decisions of the Supreme Court of the United States. Here is what Lord Bacon said many, many years ago, speaking as President Hoover spoke some days ago, but as he will never speak again until his campaign is over; speaking as the Saturday Evening Post spoke, and as it will never speak again as long as its owner can come here in a $3,000,000 yacht; speaking as men before have spoken. Here is what Lord Bacon said:

> Concerning the materials of sedition, it is a thing well to be considered—for the surest way to prevent seditions (if the times do bear it) is to take away the matter of them; for if there be fuel prepared, it is hard to tell whence the spark shall come that shall set it on fire. The matter of seditions is of two kinds, much poverty and much discontentment. It is certain, so many overthrown estates, so many votes for trouble. * * * This same "multis utile bellum" is an assured and infallible sign of a State disposed to seditions and troubles; and if this poverty and broken estate in the better sort be joined with a want and necessity in the mean people, the danger is imminent and great—for the rebellions of the belly are the worst.
>
> * * * * * * * *
>
> Above all things, good policy is to be used—

I hope I may have the attention of the Senate in reading the next few lines:

> Above all things, good policy is to be used, that the treasures and monies in a state be not gathered into few hands, for otherwise, a state may have a great stock—

And we have the great stock—

> for otherwise, a state may have a great stock, and yet starve; and money is like muck, not good except it be spread. This is done chiefly by suppressing, or, at the least, keeping a strait hand upon the devouring trades of usury * * * and the like.

The United States, Mr. President, if it falls—and God forbid the day when it does—the Government of the United States, if it falls and when it falls, will owe its fall to the Congress of the United States. The United States to-day, with its millions of unemployed and its millions of starving, owes its condition to the Congresses of the United States, past and present, as well as to the fluctuating control of an Executive power that has managed to suppress the desire of Congress if and when the majority of the people of this country, through some sincere expression of popular will, gave this country a Congress upon which they could depend for intelligent action here.

Mr. President, I do not undertake to dispute the Democratic Party's position as enunciated here this morning through our illustrious leader. I do not undertake to question his leadership in the United States Senate on this side of the Chamber. I do not undertake to depreciate the value and the volume that must be attached to the apparent sound of doom from this side of the Chamber for legislation that is going to start this country on the prosperous path of destroying the swollen-fortune system of plutocracy that now has developed a condition where 504 men earn more than 2,300,000 men, and where 485 men earn more than all the people in the United States who are to-day in the clothing industry.

But we can go back and see that Lord Bacon has another authority. I quote another one:

> Woe be to that country that allows house to be joined to house and field to be joined to field until there is no place for habitation in the midst of it.

THE LAND OF PLENTY; LIFE IN THE GRAVE

Here we have a country with plenty. The people of the United States know that they can not get any distribution through the Republican Party. It can not be done. We know as well as we are living that if the Republican Party triumphs this fall it is going to mean the reelection of the present President of the United States. There is no hope for prosperity in this country that can possibly come, regardless of the outcome, through a victory at the polls of the Republican Party this November. All we can do is to get what we have now. Therefore the only thing, the only remedy, the only means of salvation of the people of this country—people who have had to put their own children in the ground to keep them warm, starting their lives in the grave—the only hope for this kind of people has to come through the Democratic Party; and here we have had a Democratic leadership over in the House and a Democratic leadership over in the Senate that imposes sales taxes! There is no such thing as cutting down swollen fortunes. Whatever is proposed that comes from the lords of the realm of Baruch, Rockefeller, and Morgan is going to be sponsored on this side of the Chamber of the United States Senate, as it was sponsored by the leadership of the lower House of Congress.

It is not the will, it is not the wish of the Democratic people of the United States. Although, whenever it comes up to a proposition we are going out here with this Congress standing here and its leaders committing the Democratic Party to principles of the worst kind.

I said we were acting as the outer guard of Wall Street. I once belonged to a lodge. We had an inner guard and an outer guard. The outer guard kept the nondescript from ever knocking on the door. The pronouncement here this morning of our great, illustrious, and patriotic leader on this

side of the Chamber [Mr. ROBINSON] is the announcement of the outer guard. We can not get up to the portal and demand admission for the people of the United States who are demanding relief from this condition that prevails to-day.

When it come to a campaign this fall, Mr. President, with a man running on the Farmer-Labor ticket advocating a reduction of these swollen fortunes against a man running on the Democratic ticket advocating ideas sounded by the Senator from Arkansas [Mr. ROBINSON], I am going to vote for the Farmer-Laborite; and when it comes to a campaign this fall with a man running on the Republican ticket advocating a reduction of these swollen fortunes and a distribution of the profits of this land among the people, as God Almighty demanded and ordained, and as against a Democrat sounding the ideas of Baruch, I am going to vote for the Republican if I am there.

I send to the desk, Mr. President, my resignation from every committee in the United States Senate that has been given to me by the Democratic leadership since I have been here. I want to be fair and honorable and right about it. I ask that it be read by the clerk.

The VICE PRESIDENT. The resignation will be read.

The Chief Clerk read as follows:

UNITED STATES SENATE,
Washington, D. C., April 29, 1932.

TO THE PRESIDENT OF THE SENATE:

I hereby resign as a member of the Committees on Naval Affairs, Manufactures, Commerce, and Interoceanic Canals.

HUEY P. LONG,
United States Senator from Louisiana.

The VICE PRESIDENT. The letter of resignation will lie on the table.

Mr. LONG. Mr. President, these committee assignments have been very gratuitously given me. I have been a politician all my lifetime; and whenever the time came that anyone who had received anything from my political organization felt that he had to go another way, I expected him to surrender whatever the organization gave him. The Senator from Arkansas does not look on it in that light. I do. I think, in fairness and honor to him, there has got to be another leadership sponsored among the people of the United States for the Democratic Party in Congress.

THE PEOPLE NEED LEADERS, TOO

It may take two years. It may take four. It may take six, and I hope I will be here when the sixth is over; but there has got to be another kind of leadership. We can not sit here in Congress and tell the people that they can swap the devil for the witch. We can not sit here in the United States Senate and tell the people, "You can jump out of the frying pan, but you have got to get in the fire when you do it." We can not sit here—and I hope the distinguished Senators from Texas and from Tennessee and from Oklahoma and from Florida will hear me; we all come from the same section of the country—you can not go back to your people with that kind of political philosophy and come out any better this year than you did four years ago.

The people of this country want relief, and they do not have to eat a whole beef to tell when it is tainted. They have bitten off the hoof of this situation in the United States. They know. We have given them no place to go. We have only a few months in which to do any good.

I hope the prosperous country will be here when four more years shall have rolled around, if we do not win at this time. Certainly we ought to win with a government that the people feel means relief from the recommendations which come from Hoover and from Morgan and from Rockefeller and from Baruch. We ought to win with a government that is not a "heads I win and tails you lose" government.

Mr. President, if to-day I were to walk into the United States Senate or into the House of Representatives, recalling the pronouncement that has been made by the leader on this side of the Chamber and the stand that has been taken by the leaders in the other House of Congress, and if I were blindfolded and were required to pick which side of the Chamber was the Democratic side and which side of the Chamber was the Republican side, and should pass by the desk of the senior Senator from Nebraska [Mr. NORRIS], I would certainly have to put my hand on him as representing the Democratic Party here.

I have the highest regard personally for the integrity of the leaders on both sides of this Chamber, and for the leaders on both sides of the House of Representatives. I have no intent to impute to those gentlemen anything but lofty ideals and holy purposes.

NO RELIEF FOR THE MASSES

But I say, Mr. President, that anything that undertakes to get itself through Congress to-day smacking of help to the people has to come through the Democratic Party, and if we adjourn this session of Congress, after disposing of the pending bill, and allow these fortunes which have been amassed at the top to grow bigger and bigger and bigger, then it will not make any difference whether we pass a farm relief bill or not, whether we pass a banking and currency bill or a tax bill or not, if we do not provide a means for distribution of the profits and fruits of this land, if we do not provide for distributing the surpluses which exist, the overproduction of wheat, and of cotton, and of corn, the overproduction of wool, the surplus of houses, when there is nobody to rent them and live in them; if we do not provide a means by which those tangible and intangible properties belonging to the people of this country can be enjoyed and used by the people, Senators need not worry about Congress reassembling; I do not know whether it is going to reassemble or not.

The only way we can go to the people of this country, the only way we can tell them, "Here is a chance, here is relief, here is hope," is to go to them through the leadership of the Democratic Party.

I hope my distinguished colleague the Senator from Arkansas will think a little longer and not irrevocably and irretrievably commit himself to the stand he has taken this morning. His voice could mean so much to the suffering people in his own State and in my State. His position might be the means by which many hungry people could be fed. His position might be the means by which all these surplus goods could be put on the backs of freezing people. His position might be the means by which those without shelter, where the children are put into the ground to keep warm, might start life in a house instead of in a grave.

I am sure, Mr. President, that more mature reflection and consideration of the basic and fundamental facts will appeal to this man with human motives and human emotions, that the light which can not be kept from being seen, and the impoverishment which no one can feel unless he has been in its midst, the hunger which no man can understand until he has been faced with it and known it, that those conditions, which can only be remedied through leadership, will be remedied. I must almost admit that we have reached the time when it is too late to get new leaders in time to do good this year. We have almost reached the point when we have but two or three or four months left. We have not time to train, we have not time for the people to acquire confidence from long years of experience in men as they could have in some of the great leadership the party has had. Therefore, I say that it is almost dependent upon the leadership of this great party, upon these great men, and instead of committing themselves against what could be a distribution and enjoyment of fruits and profits of this land, they should hesitate all the more until they find out some other remedy by which such things could be brought about.

Mr. President, what does my resolution propose? That no man can earn more than a million dollars a year. This "radical" resolution which I introduced would not allow a man to earn more than a million dollars a year. This bolshevistic, socialistic, communistic, radical, revolutionary resolution would not allow a man to have a net earning of more than a million dollars a year.

What else? The Senator from Pennsylvania [Mr. REED] says that we do not need to pass that resolution; that nobody is going to be able to earn a million dollars a year

anyway. Then why should the Senator from Pennsylvania exhibit such opposition to this resolution, if nobody is going to be affected by it? If none of his friends or constituents, or the people of his State, or of the United States, are to be able to make more than a million dollars a year, then what interest or ground can anybody have for assailing a tax designed to prevent an income above a million dollars a year?

WHAT IS ENOUGH?

Is not a million dollars enough? How much more do they want? Are they like the dog described in McGuffey's old second or third reader, that sat back of the hay wagon and would not allow the cow to eat the hay he could not eat himself? Are they to keep the people of the United States from eating the grain and eating the meat and eating the bread they can not eat themselves? Are they going to keep them from wearing the clothes they can not wear, and sleeping in the houses they can not use? What are they going to do with any more than a million dollars a year? What is any man going to do with more than a million dollars a year?

All the palaces a man wants can be maintained in Switzerland or in Rome; works of art and pottery can be bought, lounging rooms can be embellished with all the gold and jewels that can be imported from the Orient; wines can be poured into the golden goblets in every country except the United States under authority of law. Nothing can be denied to a man with an income of a million dollars a year. But if those 540 men who had incomes of $1,185,000,000 had been limited to incomes of $540,000,000, it would have meant to-day something like three-quarters of a billion dollars of money that would have been distributed among the people of this country.

The senior Senator from Iowa [Mr. BROOKHART] stated—and I have not verified his calculations—that in the year 1931 there was an income in this country of $60,000,000,000, and I suppose those figures were verified from some governmental department. I will ask the Senator from Iowa if he will do me the courtesy, just from where he is sitting, to state whether those figures were verified, and by whom.

Mr. BROOKHART. Those are the figures of the National Industrial Conference Board, which is recognized as one of the best authorities in the country. The income for 1930 was seventy-one billion, and their representative testified before the Banking and Currency Committee that the income for 1931 was sixty billion.

Mr. LONG. Mr. President, as we all know, $60,000,000,000 distributed among the families of this country would have given around $2,500 to a family. Cut it down to $1,500 to the family, and give them the extra thousand, and, figuring on the 120,000,000 people of the United States, there would be prosperity in this land to-day, instead of the disaster and economic distress which we have in its stead.

We have another report, and that is why I offered the second part of the resolution, that no fortune shall be inherited by any man in excess of $5,000,000. This radical, impoverishing, distracting, revolutionary, communistic, bolshevistic product of a disordered mind would limit the amount a man could inherit to the pitiable sum of $5,000,000 per person! Yet the leader of the Democratic Party on this side of the Chamber says that this resolution can not receive any support from him.

Mr. President, how much do we want a man to inherit? How much are we going to allow a man to inherit? Is not $5,000,000 enough for a man to receive when he never worked a day for it in his lifetime? Is not $5,000,000 enough for one man to inherit by the chance of his birth? Has that money inured by any rule of right to a man who accidentally had one parent instead of another, so that he is to be allowed to inherit such a tremendous fortune that there will not be over 40 families in the United States with anything like a comfortable living if that can go on to the limit of time?

It is said that these fortunes were honestly acquired by ingenuity, but the battle is not to the strong, nor the race to the swift, but time and chance do interfere in all matters and in all things, we are told by the Scriptures.

If anybody is being done distressful, unrighteous harm in any respect by having been curbed so that he can inherit only $5,000,000, I fail to see where the argument can stand upon any rule of reason.

Gentlemen of the Senate, I do not object to a man inheriting $5,000,000 just to keep him from having $5,000,000 or more. I do not object to any man earning a million dollars or more just to keep him from having that much money. I only object to it because the Federal Trade Commission in its analysis tells us that 1 per cent of the decedents owned 59 per cent of the wealth of this country. I object to it because each year a smaller percentage of the people own a larger percentage of the wealth.

I object to it because back in 1916, 1 per cent of the people owned about 30 to 35 per cent of the wealth and now 1 per cent of the people own 59 per cent of the wealth.

I object to it because that concentration reached such a point that even a little town like the town in which I was born and raised, Winfield, La., a fine little town in the hills of the State of Louisiana, presented this case: I remember the day, Mr. President, when a grocery store stood on a corner. There were two partners in the business making about $5,000 or $6,000 apiece. They had a bookkeeper and credit man making about $2,500 a year. They had two or three clerks making about $1,800 a year, and they had a delivery man making about $1,000 a year. Those two partners making $5,000 a year bought Packards, bought Cadillacs. The bookkeeper making $2,500 a year bought a Buick. The clerks could buy Dodges. The delivery man could buy a Ford.

But instead of that business being there to-day—and the same condition that prevails in Louisiana prevails in Arkansas and all the other States around it, and all around here, too—instead of that store being there, there is another store on that corner doing three times the business that the other store ever did, and the highest salary of any man in it might be as much as $22 to $24 a week. There is no room and margin left above the bare sinews of existence for the top man to buy, and yet here we have the President of the United States yapping over the country that "prosperity is just around the corner." Here we have our own leadership on the Democratic side—and I will not say anything about the Republican side—advocating the cutting of wages of the only men who are getting anything like a living in the employ of the United States Government to-day.

Why have we not prosperity? It is because we have 120,000,000 of people who have not any money with which to buy anything and have not any way to get any money with which to buy anything. The American has no means whatever. I know that the same fears I have felt have been felt by other Members of this body, those of us who have children we are raising in the world. What business are you going to put your boy into to-morrow when he comes up? Working in a chain store? He can not own that store unless he inherits the store, and he will not own it long unless it is a chain store. He can not go into any legitimate business to-day in this country. I defy any man in the Senate now to tell me a place where a man coming up in the world can go into business to-morrow and make a living out of it. I defy any man on the floor of the Senate to tell where there is going to be a place on earth where any man can go into legitimate business in this country to-morrow. The chains have the drug stores, they have the dry-goods stores, they have all the grocery stores. The chains control the purchase and the sale.

Wealth is concentrated. Income is concentrated, where a mere handful of people are the only ones who receive anything with which to buy. Unless we get down to the basic and fundamental situation, free silver is not going to cure it, inflation of currency is not going to cure it, repealing the eighteenth amendment is not going to cure it, reforming the tariff will not cure it. Unless we get down to the basic and fundamental situation and prescribe and remove that which can only be prescribed and given through the Democratic Party of the United States, unless we get down and give the people of the country the sure and safe and right means by which the earnings, by which the income, by which

the fruits of the land can be enjoyed by 120,000,000 people—unless we put some money in the hands of 120,000,000 people to buy—there will be no means and no way by which prosperity can be restored.

Mr. President, sometimes I see how futile it is to undertake anything along this line. How unequal, how feeble, how distressed a man feels who goes back among his friends at home and sees them begging for work, pleading for bread, begging for a place to sleep. How feeble a man feels when he is approached by some friends who tell him that his children in his own house are crying for food to eat and he has not the money to buy it. He comes to the United States Senate, and it is like trying to shoot a bird through a brush heap to find any way under the sun that is hopeful unless and until the Democratic Party that is here in Congress takes this thing by the whip handle, stops these troubadors and crusades and trips to the White House, forgets that it is there, and assure the people that they will have a place to live. Prescribe the bonds; prescribe the limit. What man can exist in the country loaded as it is with all the raw materials it can have? How can you defend the civilization that we have when we have every product under the living creation that man can desire and have and control?

BACK TO GOD'S LAW

Sitting here as the representatives of the great American people, 120,000,000 of them, how can we justify that there is everything in the land that mankind needs and wants and desires? How can we fail to bring about a realization of this perfect dream of America that every man was born equal, endowed with the inalienable right to life, liberty, and the pursuit of happiness? How can we go back and say we failed with all our balms, we failed with all our prescriptions? How, then, can we go back and say, if we fail with everything that we failed with, we will not take the law given by God Almighty to man and follow the law that He gives there when He said that no nation could last that did not follow it? If we have tried and failed, if the Republican leadership knows no way to do it, if the Democratic leadership knows no way to do this, then let us be smart enough to say that we will have to depend upon the Lord God Almighty and let the country live. Why can we not?

What was the rule? Chief among all, the one that would take paragraphs and pages to describe in detail, but that the way to do is to redistribute wealth into the hands of the people and keep the incomes in the hands of all the people; and that otherwise no nation could live; and that if we would follow those rules, we would lie down at night in safety and live in a land of plenty and there would be no hunger and no poverty in that land. The only hope the people have of independence is that this great Democratic Party of Jackson, of Jefferson, will find that kind of leadership. It is not going to be bound up with a Gordian knot in the House nor in the Senate, but will be joined by a coalition of the people's representatives in both of these Houses that will strike down these plutocratic fortunes until they reach something like a reasonable level, and we will go back to the people with a platform, with a program, whereby we have said we are going to provide that the enormous fruits of this land will be enjoyed and will be consumed by 120,000,000 people. Are we going to provide work for the idle, food for the hungry, clothes for the naked? Are we going to give shelter to the man who has none? If so, we are going to do it by prescribing that the wealth of the land shall not be concentrated in the hands of a few people to the extent that there is nothing left for the masses of the country.

Mr. ROBINSON of Arkansas. Mr. President, any man who serves in a position of public responsibility in times like these performs a difficult task. It is not conceivable to me that even the great genius in statesmanship, the Senator from Louisiana [Mr. LONG], if given a free hand and unlimited control, could quickly solve all the problems which embarrass this Government and its people. I have no doubt there are some who believe there are individuals so wise and so capable that the mere enunciation of their views makes it evil for another to contradict them.

I have no doubt from the address which the Senator from Louisiana has just delivered in the Senate that he has the belief that if he were intrusted with the leadership of the Democrats and with the leadership of the Republicans in this body, that by processes and measures which his great mind conceives and designs to put into effect the very difficult situation in which our people find themselves could be made to disappear and that prosperity would be quickly restored.

But, Mr. President, if the measure which prompted the address of the Senator from Louisiana is to be taken as an illustration or definition of his views of Democratic doctrines, I am perfectly ready to concede that it is time for a new leadership on this side of the Chamber, and I am ready for my colleagues who have so highly honored me in years gone by to exercise their power and express their will just as promptly as possible.

Mr. President, I do not intend to discuss some of the declarations made by the Senator from Louisiana. I do not intend to assert that the measure which I have in mind, and which my associates generously support, are calculated to constitute a complete cure for all the ills that afflict mortals. There have been times during the last few months when a sense of overwhelming responsibility and of futility of effort have almost crushed my hopes and destroyed my ambition; and I wish now to say to the Senator from Louisiana that when he can convince a majority of the Senators on this side of the Chamber that he or another whom he designates can perform the functions of minority chairman better than its present occupant can, I shall be glad to surrender the measure of authority which I admittedly so ineffectively exercise.

But, Mr. President, Senators, and hearers, it is one thing to give vent to expressions that are calculated to arouse class hatred and class resentment and to point out evils and suffering that we all know exist; it is a very different thing to find adequate and proper remedies.

Reference has been made repeatedly here to an imaginary coalition leadership in the Senate and in the House of Representatives. Mr. President, everyone but the Senator from Louisiana knows that, difficult as conditions are, it is still necessary that this Government function and that a measure of coalition is unavoidable when the House of Representatives is controlled by one political party and the Senate and the Executive are controlled by a different political party.

The measure of coalition that is imperative is that opposition shall not extend to the point that the Government shall be prevented from functioning. If the House of Representatives, if the Democratic leadership in the Senate, should carry their opposition to the point that legislation may not be enacted, that appropriations may not be made, that taxes may not be levied, there would come a breakdown in the Government. It has not been my policy, and it is not my policy now, partisan though I admit myself to be, to carry opposition to such an extreme.

In determining my attitude on public questions my first thought is to consider the principles set forth in the platforms of my party and announced by its leadership in years gone by. Applying that test, the principle asserted by the Senator from Louisiana to-day can find no support in any Democratic platform adopted since the Constitution came into existence; and he may search the records of public debates throughout the history of the Nation, but he will not find a declaration from the leaders of the Democratic Party in favor of the confiscation of private property by governmental authority in order to limit incomes or fortunes.

The Senator from Louisiana, in characteristic manner, inquires if a million-dollar income is not sufficient. May I ask the Senator, if the principle of confiscation is to be applied to prevent excessive fortunes and incomes, why should $1,000,000 be the limit of income and why should $5,000,000 be the limit of inheritances? Why does not the Senator from Louisiana seek to prescribe a limit that will give comfort or abundance to an individual, and thus taking his property through the process of taxation for the avowed

purpose of preventing the accumulation of large estates or the enjoyment of large incomes, apply the remainder of the property so taken to the benefit of those who are less fortunate? What is the theory that makes a million dollars or $5,000,000 sacred? If the power of government is to be used to reduce fortunes, to restrict incomes, to confiscate excessive earnings and excessive accumulations, the millions of deserving citizens of this country for whom the Senator from Louisiana assumes himself to be the sole and authorized spokesman would find difficulty in understanding why the Senator from Louisiana desires to guarantee an annual income of a million dollars and an inheritance of $5,000,000 immune from his scheme of confiscation. Do they not know that many of them live year by year on only a few hundred dollars? Do they not know that a million dollars is more than they could spend?

Mr. LONG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Louisiana?

Mr. ROBINSON of Arkansas. Yes; I yield to the Senator from Louisiana.

Mr. LONG. I take it the Senator thinks that a million dollars would be too much. Am I wrong in that?

Mr. ROBINSON of Arkansas. Mr. President, I do not care to enter into a colloquy with the Senator. I am trying to point out—and I think every other Senator sees it—that, if it is within the province of government to limit estates or incomes by the exercise of the power of taxation and by confiscation, consideration might very well be given to making the incomes much less than a million dollars and inheritances much less than $5,000,000.

But, Mr. President, this Government was founded chiefly on two fundamental principles—the right of personal liberty and the right of private property. I know it may be said that those rights are limited by law, but, nevertheless, I assert that no political party in the history of this Nation has ever committed itself to the policy of confiscating incomes or estates. Let it be recognized that inheritance is a privilege, that it can be entirely abolished or forbidden by law; nevertheless, once you assert the principle that it is a proper function of government to take all that one has or may make above a fixed amount, you must necessarily recognize the further principle that the amount may be only such as is needed to meet the requirements of the citizen for comfort and for necessities. This Government should not, even under the conditions that now exist, commit itself to the policy of confiscating private property. There is nothing else in this resolution. The maximum was made high by the Senator in an effort to popularize the principle, which is essentially vicious.

The Senator from Louisiana, in dramatic fashion, tendered his resignation from the committees to which he had been appointed on my motion. That was a comic-opera performance that does not do justice to the dramatic talents and powers of the great actor from Louisiana. [Laughter.] He came to my desk this morning and said, as he said on the floor, "Down in Louisiana when I give a man something, when I appoint him to a place, and he does not go along with me, I expect him to give it back. I make him give it back; and so I would like to tender my resignation from the committees to which you had me appointed."

I said, "That is a foolish suggestion"—those words being the most modest language that could be applied. [Laughter.] The Senator from Louisiana said, "Oh, no; that is my way of doing things. I am going to criticize you for not supporting my resolution; and before I do it, I just want to give you back everything you have given to me."

I said, "Why, go ahead and say anything which your judgment and conscience prompt you to say." Perhaps I ought to have modified that to some extent, and said to the Senator from Louisiana, "if you ever respond to the promptings of judgment." [Laughter.] But, Mr. President, the Senator from Louisiana has tendered his resignation from his committee assignments as if I had done him some great wrong by saying to the Senate this morning what every other Senator in this Chamber, save alone the Senator from Louisiana, thought—namely, that the resolution should not be supported.

I said to the Senator from Louisiana that I would not object to the consideration of his resolution, but that I would not give it my support. My object in making the latter declaration was to acquaint him with the fact that I did not think the resolution is sound. I should be glad to have the Senate vote on the resolution now. I should like to know how many United States Senators there are who believe that we ought to fix, by law or resolution, the maximum amount which an American citizen may earn or enjoy, taking everything above that amount for the use of some one else. Whenever the Members of the Senate on this side of the Chamber indorse that resolution, they will have another leader. Make certain of that.

Oh, I know it can be said, as it has been said, that one is in sympathy with big business, one is controlled by big business, merely because he does not approve the proposal to "soak the rich" every time some one makes such a proposal. It is not my theory, however, Senators, that government can rest on such principles. It is my theory that by the laws we have given special advantages to groups of our citizens. I believe it can be established that some of the great fortunes of the country have grown up in that way. When we come to exercise the power of taxation, which is the power to destroy, it is my thought that we ought to levy tribute upon the people in proportion to their ability to pay, speaking with respect to incomes; and I think the rates agreed on by the Finance Committee are high rates for peace-time levies. Whenever we take more than half the amount that a man makes, as the rates referred to will do in the higher brackets, we are exercising the power of taxation very freely and very fully.

Mr. President, I have not the slightest resentment at the course taken by the Senator from Louisiana. He seems to have the feeling that he must do something extraordinary, make some unusual display of himself, in order to have that publicity and notoriety which is his due. I have not the slightest objection. He is a handsome and spectacular figure. [Laughter.] His reference to the way things are run in Louisiana discloses the peculiarities of his mental processes. It is my thought that each Senator here should discharge his duties in accordance with what he believes to be sound principles, coordinating his efforts and activities, wherever he can do so without violation of judgment or conscience, with those of his associates, but always reflecting what he regards to be the best interests of the country.

I can not subscribe to the practice of which the Senator from Louisiana boasts. I have felt that his services on these great committees might be of value to the country. I had hoped that he would render those services according to the best of his ability. I am inclined to think now that it might be an exaggeration to express the opinion that I entertained before the speech of the Senator from Louisiana this morning; but, in any event, I believe that the Senator from Louisiana should go ahead and do his duty as he sees it. If he wishes a contest about the leadership on this side of the Chamber, he is welcome to it. I will call a conference for that purpose whenever he desires, or whenever any of my colleagues desire. I have said that the responsibilities are great. Let me say now that they are greater than I care to bear if I do not enjoy the confidence of my associates. What have I to gain by continuing in a leadership that is associated with very great difficulties and very often with futility of effort?

Reference was made by the Senator from Louisiana to visits to the White House. On another occasion he manifested his conception of statesmanship, dignity, and senatorial propriety by referring to visits to the White House on the part of the leaders in this body. Let me say that from the beginning of the history of this country whenever the President of the United States invites anyone to a consultation, courtesy and fairness require that the invitation be responded to, and I regard it as the exemplification of a smallness that can not be described with propriety in this Chamber for a Senator to rise here and criticize his nominal

leader for going to the White House when the President sends for him. I still feel that it is not only proper but necessary to accord to the head of this Nation that recognition and courtesy which his position has commanded from the beginning.

Regretting as much as I do that such action is distasteful to anyone, that it displeases my good personal friend but my rival for the honor of a leadership which sometimes very few follow, I must inform him that I shall continue to treat the President of the United States courteously and kindly; and whenever my associates desire a leader who will not do that they will have to obtain the services of some one else—and we all know where he can be found. [Laughter.]

I thank the Senate.

Mr. LONG. Mr. President, I did not intend to criticize the visits of the Senator from Arkansas to the White House, nor did I say anything except what I had in mind, and thought I expressed—that a number of conferences have been recently reported between the Economy Committee of the House of Representatives and the President to form a schedule for scalping the wages of Government employees. I am sure that the language used by me did not import anything at which the Senator could take any offense.

The further remark of the Senator from Arkansas is that I have arranged a comic-opera performance by sending in my resignation; but the distinguished Senator followed that with the statement that if he should now say about me what he thought before I made that speech, it would be an exaggeration. So to be honest and fair with the Senator, knowing that he would feel exactly as he now feels, I gave him the resignation; and I have done it in fairness to the leadership. I think that is only proper.

I do not think the Senator has any complaint about the way things are run in Louisiana. We gave the Senator more votes in Louisiana than he got in Arkansas when he ran for Vice President. [Laughter.] I went to Arkansas to speak for the Senator, and he did not have to come to Louisiana to speak for himself.

The Senator and I are not far apart. If he had kept talking, he would not have been far from the kingdom. He was about to nominate me to be leader. It looked as if the Senator would progress far enough to make it by unanimous consent had he carried this thing a little further.

I have not yet, Mr. President, sought the leadership of the Democratic Party except in the State of Louisiana, because if the Democratic Party is going to continue in the two Houses as it has been going since I have been here, there is no one who ought to want the leadership except the Senator from Arkansas, with the result that is going to happen in November.

It was a very generous act of my distinguished personal friend and political associate from Arkansas to have declined to acquiesce in the suggestion that I resign from the committees. But the Senator almost meets himself coming back, and he is going to get back. It just takes time, like the hands of the clock. I know the distinguished Senator started out right, with the hands both straight up. He has almost reached 6 o'clock, and he is on the way back, because he admits two things: He admits that it is not necessary for any man to earn a million dollars in the United States, or to inherit five million; and then he admits that fixing inheritances is not a matter of confiscation but that inheritances are rights which the law can grant or which the law can withhold. Inheritances are privileges of the law, and if there is no law providing for inheritances, then a man when his father dies would inherit none of his fortune. Likewise the Senator, so distinguished and cultured in the art and science of the law and in public performance as he is, further knows that the right of income and of occupation is statutory, which the Government can grant or which the Government can withhold. Yet the Senator admits on the floor of the Senate that there is no confiscation in it, and no reason why these earnings should be so high.

Mr. President and Members of the Democratic side and of the Republican side of the Senate, I think the Senator will accord me a little bit of learning in the science of political maneuvering in public bodies. I think the Senator will know for one thing that I probably have the discretion not to become a candidate, to take away the leadership which he has carried so honorably, and now so disastrously to the party. I have no idea in that respect except the fond hope that I may bring to his shoulders the weight of his own words, written out on a blackboard, as I will undertake to write them for him when I have time. They give the irresistible coordination of cooperation and approval and acquiescence in everything I have said here from the floor of the Senate to-day.

He says that I have constituted myself the sole and only defender of the people of the United States. He says that the party platform never has advocated anything like what I have advocated here.

Mr. President, there are some things above a party platform that did advocate it. I will read to the Senate about five lines from a platform of all the parties of the United States:

> When in the course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the laws of nature and of nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which have impelled them to the separation.
>
> We hold these truths to be self-evident, that all men are created equal.

Is there equality in America to-day when there are great stores of foodstuffs piled so high they can not be seen because they are almost in the way of the sun? Is there equality to-day when there is more wearing apparel in the United States than four generations of the size of this one could wear out in the next two years, yet people are in need of clothing? When there are all the tenement houses and all the landed estates needed by humanity? Is it equality when half are starving and half of the other half are eking out a mere existence, and only a small part of the other half know anything like reasonable convenience and comfort in the land?

It was the Declaration of Independence of the United States I read. Not only that, I will find for the Senator wherein those principles that the rich should not get richer and the poor should not be poorer have been enunciated by practically every standard bearer the Democratic Party ever had, and by most of the standard bearers the Republican Party ever had, since there have been political campaigns in the United States.

I do not undertake to cast any aspersions upon the motives of the Senator from Arkansas. I do not undertake to say that had he stood in his State as we had him stand in mine he would have been as much beloved there as he was in Louisiana. I do not undertake to say that the party principles which he has enunciated were responsible for Tennessee, Oklahoma, and Texas, immediately adjacent to Arkansas, having voted against the ticket upon which he ran, and the only State adjoining the State of Arkansas that went for him was the State of Louisiana, from which I come.

I do not undertake to say that those things were due to his lack of foresight and sagacity, but I do say that unless we offer to the people of the United States a chance, the only means possible by which they can distribute the wealth and the profits and the incomes of this country to the enjoyment of 120,000,000 people; unless we provide against this terrible concentration of wealth, where 1 per cent of the people own 59 per cent of the wealth; unless we provide against a condition where the Mellon, like other fortunes of that size, is one thirty-second of the total wealth of the entire United States, in one family; unless we provide against the conditions of concentration, then how can we exist as a free and independent country, or, worse still for the Democratic Party, how can we expect the people to accept our leadship in national affairs when we go before them in November?

It is a fact conceded on all hands and corners, and in every crack and crevice, that the Republican Party's administration has been a disaster to this country. But is the

Democratic Party to take as its law and inheritance and as part of the responsibility a coworking partnership in this impoverishment and in this poverty and this distress in this day and time? If so, I would urge the Senator from Arkansas not to wait for further invitations from the White House, but to seek them by night and by day, in order that he might carry on his partnership in what is going on in the United States to-day.

I am trying to answer all the things the Senator said. The Senator said one thing not in keeping with the high-minded record and characteristics of the Senator from Arkansas; it is far below the great motives which impel his actions in all matters, public and private; and they are certainly lofty and patriotic in every respect, in line with the distinguished service which he has rendered this country and his State. He said it is far more difficult to prescribe a remedy than it is to arouse class hatred.

Mr. President and Senators, what is the class hatred that has been aroused? I am not appealing for class hatred. If I have ever been a friend of the owners of wealth in this country, I am serving them as the greatest friend I have ever been to them before, and I have not been regarded as other than as a fair and honorable friend of the wealthy interests of any place over which I have had the slightest jurisdiction or where I have participated at all.

My friends, it is a great deal easier to give them the palaces and the comforts, all they can eat and wear and live in, everything they could have for comfort and luxury and convenience; it is a great deal easier to give them all they want, and allow the other twenty, fifty, or one hundred million people to eat, for by this it is a lot easier to guarantee them their continued more prosperity and comfort and life than it is going to be shortly.

Cæsar, Pompey, and Crassus divided the world into three parts, and they wound up by pouring molten gold down Crassus's throat so that he could have all he wanted. History can not simply remain stationary and not show some example of what we may expect.

England, Ark., is not the only place that can have a revolution in the United States of America when people become hungry, and there is plenty in the land wherewith they can be fed, and nothing with which to purchase the food.

I am not departing from the standard rules in what I am advocating. I am advocating what the Lord gave to Moses. I am advocating what Christ said on earth, that it was easier for the heavens and earth to fail than it was for one tittle of the law to fail. I am telling to-day what has been told by every prophet in the Bible, what has been told by every religion, whether one is a Buddhist or Confucianist, whether a Christian or what not, I am telling what has been prescribed by the Declaration of Independence, and what has been prescribed by the writers of England, even by the predecessor in the leadership of the Democratic Party in this body of the Senator from Arkansas, Senator Underwood, of Alabama, when I tell you that unless you provide for a sure, ready means of redistribution of the wealth of this country so that income can be enjoyed by the masses, until you put meat in the mouths of the hungry, clothes on the backs of the naked, and a roof above the head of the man without one, when you see them in this country and can put them above them; that no such thing as prosperity will ever come back to America. There is nobody to sell to, and there will be nobody to sell to. So, I say to-day, as I have said, that the leadership of the Democratic Party in the two houses of Congress does not give relief and does not give hope of relief. I say it is because of the fact that the people of the United States who want to support the Democratic Party this coming November, who want relief at the hands of the Democratic Party this coming November, have been left with no place to go to, when the leadership of these two houses advocates precisely and exactly everything that is advocated by the Republican administration of to-day, that this country has been brought to the disaster which it now suffers.

That is why we have to have something done. So far as the Senator continuing as leader in this body is concerned, I am not asking him to call any conference. I am not asking him for any test of strength in the United States Senate. I never ask a man for a test of strength among elected people. I usually ask for tests of strength before the people themselves. Those are the only kind of tests that count for anything with me. When the people want that kind of a test; when the people in this country voting the Democratic ticket can express themselves as to how they feel relative to what is described by the Saturday Evening Post, relative to what is described by the Federal Trade Commission, relative to what is described by the Scriptures, relative to what is described by Bryan and by Jackson and by Jefferson, relative to what is described by Roosevelt, in the words of the immortals, "a bloated plutocracy, 1 per cent of the people lording it over a starveling horde, with a mere margin of well-to-do in between," that is what I have undertaken to say would lead me to go before the people and to ask for a fair test, maybe in Louisiana, maybe in Arkansas, maybe elsewhere.

I hold a little responsibility for the Democratic Party, too. I represent a great State in this body, but of course that does not entitle me to any equality in this body. In addition to having served as governor of my State, I am also, I believe, national Democratic committeeman from my State. As a man having party responsibility, loving his party, and hoping for the party to prevail in the coming November, I am hoping our leadership in the two Houses of Congress will cease to be enamored by the ideas and principles that wrecked the last part of the Wilson administration and wrecked the Hoover administration. Whose ideas were they? Baruch and Hoover! It was the Hoover-Baruch régime that caused the great disaster to the great works that had been done in the six years preceding, and the Hoover-Baruch régime that we have here now.

As I said before on the floor of the Senate, and I say it again, though I may be mistaken in the view—but I am giving my honest impression—I would rather to-day know that Morgan and Rockefeller and Baruch favored this resolution than to know that anybody else in the two Houses of Congress were in favor of it. I would know that that insured the passage of the resolution. I insist that until they have awakened some morning and have been surrounded by a crowd of men they will never understand that there is no living for the top unless there is a living for the bottom; and when they have been divested of all their properties it will be too late to cry out for what I now advocate, for the abyss is yawning for all.

Mr. COPELAND. Mr. President, I am not fitted by nature or training to engage in rough-and-tumble debate. But when the leadership of my party has been challenged, I think that somebody ought to say just a word of the impression the rest of us have regarding that leadership. I wish one who has been longer in the Senate than I might speak at this moment. But I think some one ought to say a word.

Mr. President, I yield to no man in sympathy for the submerged classes of America. I think no man has a better understanding of those classes than I have. I say that this is no time to create dissension between the millionaires and those who are in poverty, between the rich and the poor.

I say further that in my opinion this is no time for partisanship. The miseries that are upon us are the common miseries. They are common to all parties and to all men. I wish we might go forward in formulating plans for the common good.

I am satisfied that the Senator from Arkansas [Mr. ROBINSON] is doing the very best he can and as much as any man alive could do in his administration of the office of leader on our side. It is a difficult task. It is difficult not only for the Senator from Arkansas, but it is difficult for the leaders on the other side.

Mr. President, these are serious times. I think the Senator from Louisiana [Mr. LONG] is right when he speaks about the unrest prevailing in the country, but we are not allaying that unrest or that distress by calling attention to these distinctions. They are distinctions that are not so conspicuous to-day as they were two or three years ago.

There are not so many millionaires in this country as there were. I think if the truth were known that most of the men who have been accounted multimillionaires would be found to be just about as well off as the average one of us here.

I wish we might go forward with a firm and steadfast determination in every heart to solve the problems which exist. I believe that is the attitude, in fact I know it is the attitude of our leader. I want to say for myself, representing the largest constituency of any Senator except my colleague in this body, that so far as we are concerned we are content with our leadership and we have that humble sense of obligation that it is upon us to follow our leader in order that we may solve the great problems which distress us. I hesitate to say anything, but I do think that something ought to be said on this side, that the Senator from Arkansas [Mr. ROBINSON], our leader, should know that there is no lack of confidence on our part. We know he is doing exactly what one of us would do, no matter how one might feel regarding his own qualifications.

We realize, too, that the President of the United States, whom we hope to succeed pretty soon by a Democrat, has great burdens resting upon him. If the President chooses to send for our leader and discuss those problems with him, that certainly is a compliment to our leadership and the feeling the President has that he recognizes his ability and needs our support.

Mr. President, there are times when partisanship is of little avail. I think such a time is upon us now. We are more concerned, I am sure, with the return of our country to economic prosperity than we are as to what man shall be nominated for this office or that or which party may take control. Naturally, as a Democrat, I hope that our party will do so, and I am confident that it will, but nevertheless, when we are facing these problems, when we have the appropriation bills before us, when we have the necessity of passing a tax bill, when we have confronting us the obligation to balance the Budget, this is a time when each of us must submerge his views regarding party or candidate, regarding leader or leadership, and each of us strive as best he can to help to take the country out of the morass into which it has come.

I hope that our leader knows he has back of him a loyal constituency and a loyal following. We know his burdens are great, as burdens are great upon the shoulders of the leaders on the other side. We have just one obligation resting upon us now, and that is to preserve our own United States and bring it into the prosperity which it had a few brief years ago.

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice, and for the Judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The VICE PRESIDENT. The pending amendment will be stated.

The pending amendment was stated.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. McKELLAR. Mr. President, on yesterday a question arose as to propaganda relating to reductions in the pending bill. I want to read from section 206 of the act approved June 10, 1921, constituting the Bureau of the Budget:

> SEC. 206. No estimate or request for an appropriation and no request for an increase in an item of any such estimate or request, and no recommendation as to how the revenue needs of the Government should be met shall be submitted to the Congress or any committee thereof by any officer or employee of any department or establishment unless at the request of either House of Congress.

Mr. President, I also on yesterday referred to a letter which had been sent out by the Department of Commerce. I was mistaken about it being a letter. It was a telegram. It was addressed to a business man in Memphis, my home city, and I read that part of the telegram referring to this matter:

> Present outlook is that Senate will very probably vote on the reduction Monday or Tuesday of next week. It will have a very serious effect on service of bureau, both domestic and abroad. Suggest you communicate your interest to your Senators and Representatives in Congress.
>
> R. P. LAMONT.

Mr. President, I want to say that under the rule established by the Budget and established by the various committees of the Congress, Cabinet officers are not expected to appear before committees unless invited. The chairman of the Senate Committee on Appropriations, the Senator from Washington [Mr. JONES], a courteous and splendid gentleman, when these reductions were proposed invited Mr. Lamont to come before the committee. He came and gave his views. But I want to say that, in my judgment, it is in absolute violation of the section of the act which I have just read for Mr. Lamont, after having been invited by the committee, after having presented his views to the committee, to undertake to build a fire back home behind the Senators who are asking reductions, which Mr. Lamont, forsooth, does not approve. For that reason I put this telegram in the RECORD. The telegram was dated April 11, and was addressed to a business man of my city, whose name I do not care to give. That is the telegram and, of course, Mr. Lamont will not deny it.

Mr. President, much was said on yesterday about our destroying this bureau if the 10 per cent reductions were made. Let us examine the history of appropriations for the Bureau of Foreign and Domestic Commerce. In 1914 Congress appropriated $174,860 for the entire bureau; in 1915, $446,989.59; in 1916, $419,260. That is for the entire Bureau of Foreign and Domestic Commerce. In 1917 Congress appropriated for the entire bureau $507,640; in 1918, $479,120; in 1919, $563,120; in 1920, $910,510, almost doubling the amount in one year. In 1921 the appropriation was $916,539. It was creeping up all the time. But just look at 1922. From 1921 to 1922 the appropriation jumped to $1,228,570; in 1923, $1,593,624. In 1924 it nearly doubled and went to $2,755,557. In 1925 it was $2,713,234. Ah, but we were prosperous then. But let us come to the next year. For 1926 we appropriated for the bureau $3,117,789.25.

Mr. FESS. Mr. President, will the Senator from Tennessee yield to me there?

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Ohio?

Mr. McKELLAR. I yield.

Mr. FESS. It was in 1925 that the consolidation took place and the Bureau of Mines and the other bureaus were turned over to the Commerce Department.

Mr. JONES. The Senator from Tennessee is referring to appropriations not for the entire Department of Commerce but for the Bureau of Foreign and Domestic Commerce of that department.

Mr. McKELLAR. I refer to the Bureau of Foreign and Domestic Commerce, which started in 1914 with an appropriation of $174,000 and in 1925 received in appropriations $2,713,234.50. In 1927 its appropriation grew to $3,264,922.17, in 1928 it was $3,711,867, in 1929 it was $4,267,982.90, in 1930 it was $4,718,224.69, in 1931 it was $4,893,421.14, and for the current year, 1932, it is $5,349,891.01. In 18 years the appropriations for this bureau have gone up from $174,000 to $5,349,891.01.

Mr. President, much is said about destroying this bureau; if we cut by a small sum we decrease its appropriations. The President recommended an appropriation of $4,100,000 plus; the committee, under the instruction to cut it 10 per cent, has reduced it to only $3,900,000 plus—a very little difference—and yet speeches are made indicating that we are going to destroy the Bureau of Foreign and Domestic Commerce if we reduce the appropriation.

I said yesterday that the opposition to the reduction was due to propaganda, and it is. It begins with the member of the Cabinet in charge of this department and runs through it. Senators ought not to be misled by it. If we are

going to turn over to the departments or to Cabinet members the power and duty to legislate for the people of the country, if we are, in the fact of a bankrupt Treasury—for that is what we have—going to continue to appropriate and to borrow money to make the appropriations good—for instance, appropriations for a bureau that 18 years ago spent only $174,000 and is now spending $5,000,000—it will be only a short time until we shall turn the entire Government over to the bureaucrats. We have come very nearly doing it already. They are specious arguments which are made against these cuts, but we ought to make them more than 10 per cent. In my judgment, Mr. President, this Congress, instead of taxing the American people additionally, ought to cut off a billion dollars of these expenses, these wasteful and inconceivably extravagant expenses, and balance the Budget by cutting down expenses rather than by taxing the already overtaxed people in this country.

I want to say that, so far as I am concerned, as I have before stated, I am infinitely more interested in cutting down the expenses of Government than I am in finding new sources of taxation; and I am not at all sure that I am going, by my vote, to put additional taxes on the American people in this hour of their distress and at the same time let these absolutely extravagant expenses be continued.

So, Mr. President, I hope the Senate will permit this bill to pass with these savings made, because we are going to find, when we get to that point, that unless Congress shall make these savings as they have been begun there will not be any made.

Mr. JOHNSON. Mr. President, I hope I shall never be slow to correct any injustice that I think may be done to any officer of the Government, no matter who he may be. It is, perhaps, rather a peculiar rôle for me to stand here in defense of any part of the administration, but as the chairman of the Committee on Commerce of the Senate, let me say that I have found the present head of the Department of Commerce in the United States Government to be a gentleman who is able, courteous, and cooperative, always endeavoring in every fashion that he can to aid, and one who has responded freely and efficiently to every call that has been made upon him.

Mr. President, in rather bitter fashion the Senator from Tennessee [Mr. McKELLAR] has commented upon telegrams which were sent by Secretary Lamont. Here are the facts, and if these facts constitute a wrong upon his part, I think he and the Senate may make the best of it. Various telegrams were received by the Secretary of Commerce from those who are interested in this particular activity protesting against the cuts which are made in the appropriations for that department. In response to these queries—and only in response to them—he sent a form reply. Telegrams such as the one to which I invite the attention of the Senator from Texas for the instant came to the Department of Commerce and Mr. Lamont. This is from Dallas, Tex.:

Dallas papers carry news item Congress about to abolish appropriation necessary to maintain Dallas office Bureau Foreign and Domestic Commerce. Our observation and work here fully demonstrate to abolish offices anywhere would result loss of millions of dollars annually business interests of country. This is not a theory but is being demonstrated every day through hundreds of merchants, this State being saved from failure result of work of this department. If the town is on fire is it time to abolish the fire department?

H. G. HILD, *President.*
VERNON HALL,
Secretary-Manager Dallas Wholesale Credit Men's Association.

Telegrams of similar import, wholly unsolicited, came to the Secretary of Commerce from different cities affected by the cuts in the appropriation, and finally, in response—and in response alone to these various telegrams that thus came to him—he sent telegrams in reply. The Senator from Tennessee omitted the first sentence of the telegram which was sent to the gentleman of whom he speaks, living in Memphis, Tenn., I believe, who telegraphed Secretary Lamont. The first sentence of the response of Secretary Lamont reads:

Greatly appreciate your telegram protesting against proposed reductions in funds of foreign and domestic commerce for next year.

And after this acknowledgment the reply proceeds:

Present outlook is that the Senate will very probably vote on the reductions Monday or Tuesday of next week. It would have very serious affect on services of bureau, both domestic and abroad. Suggest you communicate your interest to your Senators and Representatives in Congress.

That is the form telegram which was sent in response to the various telegrams and other communications that came to the Secretary of Commerce.

Mr. McKELLAR. Mr. President, may I ask if this form telegram was sent all over the United States?

Mr. JOHNSON. It was sent simply in reply to those who first telegraphed the department. It was not sent at all generally. It was sent as a response, and the response in each instance was the same.

Mr. McKELLAR. Can the Senator state to how many States the telegrams went?

Mr. JOHNSON. I do not know.

Mr. McKELLAR. Because unquestionably the Senator strengthens the case when he adds Texas to the list. Maybe there were other States; I imagine there were.

Mr. JOHNSON. Unquestionably there were. But the places affected were few and the responses therefore necessarily so. I know that, unsolicited, to me there came telegrams that were quite numerous from San Francisco and from Los Angeles. I have no doubt that telegrams were sent to citizens in other communities, and I have no doubt that from the communities that were interested—and there were not so many, as the Senator will remember from the list which I read yesterday—that some of those communities that thought they would be affected telegraphed at once to the Secretary of Commerce. And there is his telegram.

Mr. President, if that constitutes treason to the United States or to the Senate or to the Appropriations Committee or to the Senator from Tennessee, I can only say, in the historic words familiar to all, "If that be treason, make the most of it."

Mr. McKELLAR. Mr. President, all I can say about it, if the Senator will permit me, is that the Secretary of Commerce is, in my judgment, indirectly violating the law as passed by the Congress. Of course, if a Cabinet officer wishes to do that, it is all right with me, because I am not in a position to prosecute him.

Mr. JOHNSON. I can not think that it is a violation of the law nor an ethical violation in any degree on the part of the Secretary of Commerce.

I merely want to say one word about the figures which have been read as to particular years. Just let me say that the cut reported by the Committee on Appropriations in this particular item was from $4,869,531 to $3,905,000, a cut of $964,531, and not of $200,000, as was stated upon the floor yesterday. There are the facts. We have passed the stage, as I understand the ruling yesterday and the action that was taken by the Senator from Tennessee and the Senator from Washington, where there can be any particular remedy applied. I have only risen, sir, in relation to the Secretary of Commerce and in justice to him and his department to make absolutely plain just what occurred in reference to the telegrams that have been complained of by the Senator from Tennessee.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 91, line 10, after the name "United States," to strike out "$273,000" and insert "$200,000," so as to read:

Pacific coast: For surveys and necessary resurveys of coasts on the Pacific Ocean under the jurisdiction of the United States, $200,000.

The amendment was agreed to.

The next amendment was, on page 91, line 15, after the name "United States," to strike out "$22,000" and insert "$20,000," so as to read:

Tides, currents, etc.: For continuing researches in physical hydrography, relating to harbors and bars, and for tidal and cur-

rent observations on the coasts of the United States, or other coasts under the jurisdiction of the United States, $20,000.

The amendment was agreed to.

The next amendment was, on page 91, line 19, after the word "same," to strike out "$6,500" and insert "$5,500," so as to read:

Coast Pilot: For compilation of the Coast Pilot, including the employment of such pilots and nautical experts, and stenographic help in the field and office as may be necessary for the same, $5,500.

The amendment was agreed to.

The next amendment was, on page 92, line 5, to strike out "$58,000" and insert "$40,000," so as to read:

Magnetic work: For continuing magnetic and seismological observations and to establish meridian lines in connection therewith in all parts of the United States; making magnetic and seismological observations in other regions under the jurisdiction of the United States; purchase of additional magnetic and seismological instruments; lease of sites where necessary and the erection of temporary magnetic and seismological buildings; and including the employment in the field and office of such magnetic and seismological observers and stenographic services as may be necessary, $40,000.

The amendment was agreed to.

The next amendment was, on page 92, line 23, after the word "thereto," to strike out "$271,000" and insert "$150,000," and in line 24, after the word "exceed," to strike out "$43,000" and insert "$25,000," so as to read:

Federal, boundary, and State surveys: For continuing lines of exact levels between the Atlantic, Pacific, and Gulf coasts; determining geographic positions by triangulation and traverse for the control of Federal, State, boundary, county, city, and other surveys and engineering works in all parts of the United States; including special geodetic surveys of first-order triangulation and leveling in regions subject to earthquakes, not exceeding $10,000; determining field astronomic positions and the variation of latitude, including the maintenance and operation of the latitude observatories at Ukiah, Calif., and Gaithersburg, Md., not exceeding $2,500 each; establishing lines of exact levels, determining geographic positions by triangulation and traverse, and making astronomic observations in Alaska; and continuing gravity observations in the United States and for making such observations in regions under the jurisdiction of the United States and also on islands and coasts adjacent thereto, $150,000, of which amount not to exceed $25,000 may be expended for personal services in the District of Columbia, and not to exceed $1,500 may be expended to determine the difference in gravity between the international base station at Potsdam, Germany, and that of the United States.

The amendment was agreed to.

The next amendment was, on page 93, line 23, to reduce the total appropriation for field expenses of the Coast and Geodetic Survey from $837,500 to $572,500.

The amendment was agreed to.

The next amendment was, on page 94, line 1, after the words "ship chandlery," to strike out "$78,000" and insert "$60,000," so as to read:

Vessels: For repairs of vessels, including traveling expenses of persons inspecting the repairs, and exclusive of engineer's supplies and other ship chandlery, $60,000.

The amendment was agreed to.

The next amendment was, on page 94, line 6, after the word "law," to strike out "$675,000" and insert "$555,000," so as to read:

For all necessary employees to man and equip the vessels, including professional seamen serving as mates on vessels of the survey, to execute the work of the survey herein provided for and authorized by law, $555,000.

The amendment was agreed to.

The next amendment was, on page 94, line 24, to reduce the appropriation for office force for personal services, in the Coast and Geodetic Survey, from $549,620 to $500,000.

The amendment was agreed to.

The next amendment was, on page 95, line 16, after the word "fares," to strike out "$60,000" and insert "$50,000," so as to read:

Office expenses: For purchase of new instruments (except surveying instruments), including their exchange, materials, equipment, and supplies required in the instrument shop, carpenter shop, and chart division; books, scientific and technical books, journals, books of reference, maps, charts, and subscriptions; copper plates, chart paper, printer's ink, copper, zinc, and chemicals for electrotyping and photographing; engraving, printing, photographing, rubber gloves, and electrotyping supplies; photolithographing and printing charts for immediate use; stationery for office and field parties; transportation of instruments and supplies when not charged to party expenses; telegrams; washing; office furniture, repairs; traveling expenses of officers and others employed in the office sent on special duty in the service of the office; miscellaneous expenses, contingencies of all kinds, not exceeding $00 for street-car fares, $50,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Fisheries," on page 96, line 3, after the name "District of Columbia," to strike out "$198,480" and insert "$175,000," so as to read:

Commissioner's office: For the commissioner and other personal services in the District of Columbia, $175,000.

The amendment was agreed to.

The next amendment was, on page 96, line 11, after the word "therewith," to strike out "$4,180" and insert "$3,500," so as to read:

Administration: For expenses of the office of the commissioner, including stationery, scientific and reference books, periodicals and newspapers for library, furniture and equipment, telegraph and telephone service, street-car fares not exceeding $150, compensation of temporary employees, and all other necessary expenses connected therewith, $3,500.

The amendment was agreed to.

The next amendment was, on page 96, line 18, after the word "exceed," to strike out "$457,550" and insert "$412,550"; and on page 97, line 1, after the name "District of Columbia," to strike out "$986,730" and insert "$886,730, of which $1,000 shall be expended for opening outlets to the Pacific Ocean of the Siltcoos and Takenitch Lakes in Douglas and Lane Counties, Oreg., by dredging, diking, or otherwise, with a view to the improvement of such lakes for fishing purposes," so as to make the paragraph read:

Propagation of food fishes: For maintenance, repair, alteration, improvement, equipment, and operation of fish-cultural stations, general propagation of food fishes and their distribution, including movement, maintenance, and repairs of cars, purchase of equipment (including rubber boots and oilskins) and apparatus, contingent expenses, pay of permanent employees not to exceed $412,550, temporary labor, and not to exceed $10,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith, and not to exceed $10,000 for the purchase, collection, and transportation of specimens and other expenses incidental to the maintenance and operation of aquarium, of which not to exceed $5,000 may be expended for personal services in the District of Columbia, $886,730, of which $1,000 shall be expended for opening outlets to the Pacific Ocean of the Siltcoos and Takenitch Lakes in Douglas and Lane Counties, Oreg., by dredging, diking, or otherwise, with a view to the improvement of such lakes for fishing purposes.

The amendment was agreed to.

The next amendment was, on page 97, line 16, after the word "vessels," to strike out "$316,920" and insert "$200,000"; in line 17, after the word "exceed," to strike out "$48,600" and insert "$32,600"; and in line 19, after the word "exceed," to strike out "$98,820" and insert "$66,000," so as to read:

Maintenance of vessels: For maintenance and operation of vessels and launches, including purchase and repair of boats, apparatus, machinery, and other facilities required for use with the same, hire of vessels, temporary employees, and all other necessary expenses in connection therewith, including not to exceed $1,000 for the purchase of plans and specifications for vessels or for contract personal services for the preparation thereof, and money accruing from commutation of rations and provisions on board vessels may be paid on proper vouchers to the persons having charge of the mess of such vessels, $200,000, of which not to exceed $32,600 may be expended for pay of officers and employees of vessels of the Atlantic coast and not to exceed $66,000 for pay of officers and crews of vessels for the Alaska Fisheries Service, and $10,000 shall be immediately available for the procurement of supplies and equipment required for shipment to the Pribilof Islands for the service of the fiscal year 1933.

The amendment was agreed to.

The next amendment was, on page 98, line 9, after the word "exceed," to strike out "$155,140" and insert "125,000," and at the end of line 12, to strike out "$281,340" and insert "$200,000," so as to read:

Inquiry respecting food fishes: For inquiry into the cause of the decrease of food fishes in the waters of the United States, and for investigation and experiments in respect to the aquatic animals, plants, and waters, and screening of irrigation ditches in fishways, in the interests of fish culture and the fishery industries, including pay of permanent employees not to exceed $125,000, temporary employees, maintenance, repair, improvement, equipment, and operations of biological stations, expenses of travel and preparation of reports, $200,000.

The amendment was agreed to.

The next amendment was, on page 98, line 17, after the word "exceed," to strike out "$40,200" and insert "$36,200," and at the end of line 24, to strike out "$106,790" and insert "$95,790," so as to read:

Fishery industries: For collection and compilation of statistics of the fisheries and the study of their methods and relations, and the methods of preservation and utilization of fishery products, including pay of permanent employees not to exceed $36,200, compensation of temporary employees, travel and preparation of reports, including temporary employees in the District of Columbia not to exceed $1,800, and all other necessary expenses in connection therewith, including the purchase not to exceed $1,250, exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use in the field work of the Bureau of Fisheries, $95,790.

The amendment was agreed to.

The next amendment was, on page 99, line 11, after the word "exceeding," to strike out "$57,000" and insert "$54,000"; in line 21, after the word "exceed," strike out "$92,940" and insert "$87,940," and on page 100, line 2, before the word "of," to strike out "$412,300" and insert "$390,000," so as to make the paragraph read:

Alaska, general service: For protecting the seal fisheries of Alaska, including the furnishing of food, fuel, clothing, and other necessities of life to the natives of the Pribilof Islands, of Alaska; not exceeding $54,000 for construction, improvement, repair, and alteration of buildings and roads, transportation of supplies to and from the islands, expenses of travel of agents and other employees and subsistence while on said islands, hire and maintenance of vessels, purchase of sea otters, and for all expenses necessary to carry out the provisions of the act entitled "An act to protect the seal fisheries of Alaska, and for other purposes," approved April 21, 1910 (U. S. C., title 16, secs. 631–658), and for the protection of the fisheries of Alaska, including pay of permanent employees not to exceed $87,940, contract stenographic reporting service, travel, subsistence (or per diem in lieu of subsistence) of employees while on duty in Alaska, hire of boats, employment of temporary labor, and all other necessary expenses connected therewith, $390,000, of which $100,000 shall be immediately available.

The amendment was agreed to.

The next amendment was, on page 100, at the end of line 10, to strike out "$7,900" and insert "$7,000," so as to read:

Mississippi wild life and fish refuge: For construction of buildings, boats, and ponds, for purchase of equipment, including boats, for maintenance, operation, repair, and improvements, including expenditures for personal services at the seat of government and elsewhere as may be necessary, as authorized in the act approved June 7, 1924 (U. S. C., title 16, secs. 721–731), $7,000.

The amendment was agreed to.

The next amendment was, on page 100, line 19, after the word "station," to insert a colon and the following proviso: "*Provided*, That not to exceed $12,000 of the appropriation in said act for the establishment of a fish-cultural substation in the State of New York shall be available for the purchase of additional land and for improvements at the Cape Vincent, N. Y., station," so as to read:

Construction of stations: The appropriations made under this head in the second deficiency act, fiscal year 1930, and in the act making appropriations for the Department of Commerce for the fiscal year ending June 30, 1932, are hereby continued and made available until June 30, 1933, and the appropriation contained in the last-mentioned act for the purchase of the Mill Creek station in the State of California shall be available for repairs and improvements to said station: *Provided*, That not to exceed $12,000 of the appropriation in said act for the establishment of a fish-cultural substation in the State of New York shall be available for the purchase of additional land and for improvements at the Cape Vincent, N. Y., station.

The amendment was agreed to.

The next amendment was, on page 101, line 5, before the word "of," to strike out "$20,000" and insert "$15,000," and in line 6, before the word "may," to strike out "$3,500" and insert "$2,600," so as to read:

Enforcement of black bass law: To enable the Secretary of Commerce to carry into effect the act entitled "An act to amend the act entitled 'An act to regulate interstate transportation of black bass, and for other purposes,' approved May 20, 1926" (U. S. C., Supp. V, title 16, secs. 851–856), approved July 2, 1930 (46 Stat., pp. 845–847), $15,000, of which not to exceed $2,600 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Patent Office," on page 102, line 12, after the name "Patent Office," to strike out "$36,000" and insert "$30,000," so as to read:

For purchase of law, professional, and other reference books and publications and scientific books, including their exchange, and expenses of transporting publications of patents issued by the Patent Office to foreign governments, directories, and for other contingent and miscellaneous expenses of the Patent Office, $30,000.

Mr. KING. Mr. President, the able Senator from Ohio [Mr. FESS] a few moments ago mentioned the Bureau of Mines, and, as I understood him, attributed part of the appropriation to which the Senator from Tennessee [Mr. MCKELLAR] referred to that organization.

May I say that I have here a statement showing the appropriation for the Bureau of Mines for a number of years.

In 1914 it was $664,000.
In 1915 it was $730,606.36.
In 1916 it was $757,307.23.
In 1917 it was $981,138.45.
In 1918 it was $1,466,773.95.
In 1919 it was $3,145,377.28.

My recollection is that the large increase there was brought about in part by reason of some activities during the war.

In 1920 the appropriation for the Bureau of Mines was $1,307,111.53.
In 1921 it was $1,315,963.79.
In 1922 it was $1,534,671.77.
In 1923 it was $1,581,329.52.
In 1924 it was $1,771,167.46.
In 1925 it was $1,900,821.27.

After it became a part of the Department of Commerce the Bureau of Mines continued to receive appropriations as follows:

1926	$2,100,265.57
1927	2,044,409.91
1928	1,946,354.17
1929	2,635,584.91
1930	1,457,417.49
1931	2,729,480.88
1932	2,973,668.29

So that the appropriations for this small organization have increased from $600,000 plus in 1914 to practically $3,000,000 in 1932.

Mr. FESS. Mr. President——

Mr. MCKELLAR. Mr. President, will the Senator yield to me to say that I imagine the Senator from Ohio was misled by an inadvertent error that I made in calling this bureau a department? I ask that that be corrected. I am sure that is what caused the trouble.

The VICE PRESIDENT. Without objection, that correction will be made; and, without objection, the pending amendment will be agreed to.

Mr. FESS. Mr. President, yesterday there was some discussion about the rapid increase of the appropriations for the Commerce Department. I recognized that up to a certain time certain bureaus were separate, and later became part of the Commerce Department, and naturally the appropriations for the Commerce Department would be increased when those bureaus became a part of it. To-day, when the Senator from Tennessee was running over this list, and came to 1925, I suggested that it was that year that the Bureau of Mines had been made a part of the Commerce Department.

I recognize, as everybody does, that the Department of Commerce is one of the departments that have had a very rapid growth, and also that the particular activity of the Bureau of Foreign and Domestic Commerce has had a very steady growth. I am of the opinion, however, that it did

not grow much more rapidly than the foreign business grew up to 1930. I also think that the Commerce Department has not grown beyond the growth of the business of the country. That is not true, of course, since the depression set in. That is quite obvious.

The only point I was making was that these rapid increases in the Commerce Department can be accounted for by consolidation of bureaus. That is the item I had in mind.

The VICE PRESIDENT. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 102, line 20, after the words "dry mounts," to strike out "$279,000" and insert "$275,000," so as to read:

For producing copies of weekly issue of drawings of patents and designs; reproduction of copies of drawings and specifications of exhausted patents, designs, trade-marks, and other papers, such other papers when reproduced for sale to be sold at not less than cost plus 10 per cent; reproduction of foreign patent drawings; photo prints of pending application drawings; and photostat and photographic supplies and dry mounts, $275,000.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I was called from the Chamber for a few moments. May I ask the Senator from California if he presented any amendments relating to the Bureau of Foreign and Domestic Commerce?

Mr. JOHNSON. Mr. President, I asked yesterday that unanimous consent be accorded, and it was denied; so the amendments have not been presented.

Mr. COPELAND. Does not the Senator intend at some time to present those amendments?

Mr. JOHNSON. We have passed over the items, and they would all have to be reconsidered, one by one, before the amendments could be offered; and that reconsideration would be denied.

Mr. COPELAND. Mr. President, I desire to say again, regardless of all that was said in attempted refutation of my statement yesterday, that in my opinion it will be a calamity to our country, at a time when we are seeking economic rehabilitation, to reduce as radically as we have the appropriations for this bureau.

I have just this moment received from the Buffalo Chamber of Commerce a telegram reading as follows:

BUFFALO, N. Y., *April 29, 1932.*

Hon. ROYAL S. COPELAND,
Senate Office Building:

Congratulate you on stand taken reference closing district offices Bureau of Foreign and Domestic Commerce, particularly Buffalo. Urge you continue efforts. Our chamber supplies and maintains offices without charge for Buffalo district office, saving bureau thirty-six hundred annually, representing 30 per cent cost maintaining office western New York. Present and potential export business from western New York would be seriously handicapped by closing local office. In world competition for business, Government can obtain and distribute information not obtainable through private channels. When American industry is struggling to maintain pay rolls, closing offices which provide definite contact with world business will give foreign manufacturer great advantage. Please hand copies this telegram Senator WAGNER, Representatives MEAD, COOKE, and ANDREWS.

BUFFALO CHAMBER OF COMMERCE.

Mr. President, that telegram is expressive of the feeling entertained by business men everywhere in America.

Yesterday, using the material which was presented by the Senator from California [Mr. JOHNSON], I pointed out that the offices of the bureau in Memphis and Knoxville will be closed, and a lot more of these offices will be closed. It may be that they should be closed, as the Senator from Utah [Mr. KING] has just said. I do not believe it. I do not think it is good business. I do not think it is common sense.

It is all very well for us to make every possible effort to reduce appropriations. We should make those efforts. There can be no doubt that government has become top-heavy. There can be no doubt that our people are staggering under a burden of debt and of taxation. We must find ways to reduce the cost of government; but when we are making those efforts to reduce the cost of government, we must not invade and destroy activities which mean business to the merchants and manufacturers and farmers of the United States.

These district offices of the Bureau of Foreign and Domestic Commerce in a sense are the salesmen of American products. There can be no doubt about that. There can be no question of it.

What would you think of a business man, of a wholesaler or of a manufacturer, marketing his own goods, if he proceeded to do away with his salesmen, his traveling men, his advertising men, and all the other agents that have to do with the disposition of his products or of his goods? Senators, we can not do that. It is an outrage to do it.

I can think of activities where we could make greater economies, I believe, than we anticipate doing; but why do we seek to destroy these activities that have to do with the sale of our goods throughout the world, these gathering-places of information for the benefit of our merchants and our manufacturers and our farmers?

You have heard the appeal of the Buffalo Chamber of Commerce. Ordinarily, I do not find any more heart in chambers of commerce than I do in bankers. They are cold-blooded, glass-eyed individuals when they represent these organizations. They may be human beings when they are home and in their clubs and in social contacts, but every one of them is glass-eyed when it comes to any human appeal. When an organization so effective in a business way as the Buffalo Chamber of Commerce makes an appeal such as I have indicated in the telegram which I have read; when the cold-blooded business men who are in the forefront in demanding economy in government, who are criticising Senators and Representatives because of their failure to cut to the bone, say that we should continue to spend money for activities which have to do with our industrial and agricultural success, there must be a lot of reason why we should. There is not any heart about it with them. There is not any humanity involved in it. There is not anything involved in it except the cold-blooded urge to have business go on.

Mr. President, I share with my friend from California, a sense of hopelessness. I know that the standard has been raised; I know that we must conform to it; but individually I do not intend to conform to that standard without a protest.

I can not see how any Senator here, no matter what he may do as to other items of the bill, can vote to reduce the appropriations for activities which have to do with the very life of our country. May I say to the Senator from California that I suppose that if our tongues were touched with fire from heaven, it would not help any, but we ought to make the Senate understand, if we can, that by cutting off these appropriations and destroying these activities, we are helping to perpetuate and aggravate the economic distress and disease with which we are suffering.

Mr. COSTIGAN. Mr. President, in view of the protests made by the Senator from New York and the Senator from California, what recourse have those who agree, except to vote against the bill as a whole?

Mr. COPELAND. Let me say to my friend from Colorado that I would dislike to vote against the bill as a whole. I think we should pass the appropriation bills. We should pass these appropriation bills and the tax bill, and then go home.

Mr. BORAH. I would like to have an executive session first.

Mr. COPELAND. Just a moment, and I will give the Senator a chance to ask for an executive session, as far as I am concerned. There must be some parliamentary way by which we can get this matter before this body.

A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. There are those of us on the floor who are anxious to have items on pages 63 and following, to page 70, inclusive, to have certain additions made amount-

ing in all to about $450,000, I think. I ask the Senator from California what the total amount of the proposed changes would be.

Mr. JOHNSON. About $450,000 or $460,000.

Mr. COPELAND. Mr. President, is there a parliamentary way by which this question can be presented to the Senate for a vote, without unanimous consent?

The VICE PRESIDENT. Only by a motion to suspend the rules.

Mr. COPELAND. That would require a two-thirds vote, would it not?

The VICE PRESIDENT. It would require a two-thirds vote.

Mr. COPELAND. Then I may say to my friend from Colorado that we might just as well go out and bay at the moon. It is hopeless; and because of the fact that we are bound by that parliamentary law we can not do what we ought to do, and I am sorry. I think, when we have a call of the Senate, we ought to ask unanimous consent, and make a further appeal, because it is an outrageous thing and will be reflected in a very marked decrease in the revenues of the American people, if we permit these offices to be wiped out, as is proposed, and as will be done if the measure is left exactly as it is now.

Now I yield so that the Senator from Idaho [Mr. BORAH] may ask for an executive session.

Mr. JONES. Mr. President, I think that in a moment or two we can get down to the provision for the Bureau of Mines, and I would like to go that far with the bill to-day.

Mr. MOSES. There are a great many individual amendments to be offered, I can assure the Senator from Washington, and the bill can not be completed to-night.

Mr. JONES. I do not think we can finish with the bill to-night, but I would like to get to the item for the Bureau of Mines, which is only a few pages further on, and it would take only a few moments to get to it.

Mr. BORAH. We will see.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 103, line 9, to reduce the appropriation for furniture and filing cases for the Patent Office from $27,000 to $20,000.

The amendment was agreed to.

The next amendment was, on page 103, line 13, after the word "indices," to strike out "$1,110,000" and insert "$1,050,000," and in line 15, after the word "binding," to strike out "$54,000; in all, $1,164,000" and insert "$50,000; in all, $1,100,000," so as to read:

For printing the weekly issue of patents, designs, trade-marks, prints, and labels, exclusive of illustrations; and for printing, engraving illustrations, and binding the Official Gazette, including weekly and annual indices, $1,050,000; for miscellaneous printing and binding, $50,000; in all, $1,100,000.

The amendment was agreed to.

APPOINTMENT OF NAVAL ACADEMY GRADUATES IN 1932—CONFERENCE REPORT

Mr. HALE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8083) providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 7.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, inserting a comma after the figures "1932," and add thereto the following: "and at least 50 per cent of all graduates in subsequent years"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In line 3 of said amendment, after the word "Academy" and before the comma, insert the following: "in 1932"; and the Senate agree to the same.

FREDERICK HALE,
TASKER L. ODDIE,
PARK TRAMMELL,
Managers on the part of the Senate.

CARL VINSON,
J. V. MCCLINTIC,
FRED A. BRITTEN,
GEORGE P. DARROW,
Managers on the part of the House.

The report was agreed to.

EXECUTIVE SESSION

Mr. BORAH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORTS OF COMMITTEES

Mr. ODDIE reported favorably from the Committee on Post Offices and Post Roads sundry nominations of postmasters.

Mr. HALE reported from the Committee on Naval Affairs sundry nominations in the Navy and Marine Corps.

TREATY OF ARBITRATION AND CONCILIATION WITH SWITZERLAND

The Chief Clerk proceeded to read Executive B, a treaty of arbitration and conciliation with Switzerland, signed at Washington on February 16, 1931, which was considered as in Committee of the Whole, and is as follows:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a treaty of arbitration and conciliation between the United States and Switzerland, signed at Washington on February 16, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *February 3, 1932.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty of arbitration and conciliation between the United States and Switzerland, signed at Washington on February 16, 1931.

This treaty embraces without any substantial differences the provisions concerning arbitration and conciliation which, in the relations of the United States with other countries, are contained in separate treaties on each subject.

Respectfully submitted.

HENRY L. STIMSON.

DEPARTMENT OF STATE,
Washington, February 2, 1932.

The President of the United States of America and the Swiss Federal Council

Mindful of the obligations, which have been assumed by the United States of America and Switzerland, that the

settlement of all disputes of whatever nature or of whatever origin, which may arise between them, shall never be sought except by pacific means; desirous moreover of reaffirming the adherence of the two countries to the principle of submitting to impartial decision all juridical controversies in which they may become involved; and eager to demonstrate the sincerity of the renunciation of war as an instrument of national policy in the relations between the United States of America and Switzerland.

Have decided to conclude a treaty of arbitration and conciliation and for that purpose have appointed as their respective Plenipotentiaries:

The President of the United States of America:

Henry L. Stimson, Secretary of State of the United States of America; and

The Swiss Federal Council:

Marc Peter, Envoy Extraordinary and Minister Plenipotentiary of Switzerland to the United States of America;

Who, having communicated to one another their full powers found in good and due form, have agreed upon the following articles:

ARTICLE 1

Every dispute arising between the Contracting Parties, of whatever nature it may be, shall, when ordinary diplomatic proceedings have failed, be submitted to arbitration or to conciliation, as the Contracting Parties may at the time decide.

ARTICLE 2

Any dispute which has not been settled by diplomacy and in regard to which the Contracting Parties do not in fact have recourse to adjudication by an arbitral tribunal shall be submitted for investigation and report to a Permanent Commission of Conciliation constituted in the manner hereinafter prescribed.

ARTICLE 3

The Permanent Commission of Conciliation shall be composed of five members and shall be constituted as soon as possible after the exchange of ratifications of this Treaty. Each of the Contracting Parties shall appoint two members, one from among its own nationals, the other from among the nationals of a third State. The Contracting Parties will, in common accord, appoint the fifth member, who shall not be one of their nationals, and who shall be ex officio the President of the Commission. If no agreement is reached as to the choice of the President of the Commission his election shall be conducted in accordance with the method prescribed in the fourth, fifth and sixth paragraphs of Article 45 of the Convention for the Pacific Settlement of International Disputes, concluded at The Hague on October 18, 1907.

At any time when there is no case before the Commission, either of the Contracting Parties may recall a member of the Commission appointed by it and may designate his successor. The recall of the President of the Commission will be effected at any such time on the request of either Contracting Party, provided that if the President shall have been elected in accordance with the method prescribed in the fourth, fifth and sixth paragraphs of Article 45 of the Convention for the Pacific Settlement of International Disputes, concluded at The Hague on October 18, 1907, no request for his recall may be made within a period of two years from the date of his election. Vacancies, from whatever cause shall be filled as soon as possible in the manner hereinabove provided for the making of original appointments.

Members of the Commission shall receive an adequate honorarium during the time when they are engaged in the performance of duties relating to a case before them. Each of the Contracting Parties will bear its own expenses and one-half of the expenses of the Commission.

ARTICLE 4

After the Contracting Parties shall have agreed to submit a dispute to conciliation, the Commission shall proceed to the consideration of such dispute upon a request sent to its President by either of them.

The Commission shall meet, in the absence of an agreement otherwise, at the place designated by its President.

The Commission may frame its own rules of procedure. In the absence of such rules it shall follow in so far as practicable the procedure set forth in Articles 18 to 34, inclusive, of the Convention for the Pacific Settlement of International Disputes concluded at The Hague, October 18, 1907.

The Commission shall submit its report within one year after the date on which the case shall have been submitted to it, unless the Contracting Parties should, in common accord, shorten or extend the time limit. The report shall be prepared in triplicate, one copy shall be presented to each Government and the third retained by the Commission for its files.

The Contracting Parties agree to furnish the Commission with all the means and facilities required for its investigation and report.

The Contracting Parties reserve the right to act independently on the subject matter of the dispute after the report of the Commission shall have been submitted.

ARTICLE 5

The Contracting Parties bind themselves to submit to arbitration every difference which may have arisen or may arise between them by virtue of a claim of right, which is juridical in its nature, provided that it has not been possible to adjust such difference by diplomacy and it has not in fact been adjusted as a result of reference to the Permanent Commission of Conciliation constituted pursuant to Articles II and III of this Treaty.

ARTICLE 6

The provisions of Article V shall not be invoked in respect of any difference the subject matter of which

(a) is within the domestic jurisdiction of either of the Contracting Parties,

(b) involves the interests of third Parties,

(c) depends upon or involves the maintenance of the traditional attitude of the United States of America concerning American questions, commonly described as the Monroe Doctrine.

(d) depends upon or involves the observance of the obligations of Switzerland in accordance with the Covenant of the League of Nations.

ARTICLE 7

The tribunal to which juridical differences shall be submitted shall be determined in each case by the Contracting Parties but shall, in the absence of other agreement, be the Permanent Court of Arbitration established at The Hague by the Convention for the Pacific Settlement of International Disputes concluded October 18, 1907. Decision as to the tribunal shall be made in each case by a special agreement, which special agreement shall provide for the organization of the tribunal if necessary, shall define its powers, shall state the question or questions at issue and shall settle the terms of reference.

Such special agreement shall, in each case, be made on the part of the United States of America by the President thereof, by and with the advice and consent of the Senate, and on the part of Switzerland in accordance with its constitutional law.

ARTICLE 8

The present treaty shall be ratified by the President of the United States of America by and with the advice and consent of the Senate thereof and by Switzerland in accordance with its constitutional law.

The ratifications shall be exchanged at Washington as soon as possible, and the treaty shall come into force on the day of the exchange of the ratifications. It shall thereafter remain in force continuously unless and until terminated on notice of one year by either Contracting Party to the other.

In faith whereof the respective Plenipotentiaries have signed this treaty in duplicate in the English and French languages, both texts having equal force, and have hereunto affixed their seals.

Done at Washington the sixteenth day of February in the year one thousand nine hundred and thirty-one.

[SEAL.] HENRY L. STIMSON

[SEAL.] MARC PETER

Mr. BORAH. Mr. President, this is an arbitration treaty with Switzerland in the usual, customary form. The two important articles are article 5 and article 6, which I will read. They are as follows:

ARTICLE 5

The contracting parties bind themselves to submit to arbitration every difference which may have arisen or may arise between them by virtue of a claim of right, which is juridical in its nature, provided that it has not been possible to adjust such difference by diplomacy and it has not in fact been adjusted as a result of reference to the Permanent Commission of Conciliation constituted pursuant to articles 2 and 8 of this treaty.

ARTICLE 6

The provisions of article 5 shall not be invoked in respect of any difference the subject matter of which—

(a) Is within the domestic jurisdiction of either of the contracting parties.

(b) Involves the interests of third parties.

(c) Depends upon or involves the maintenance of the traditional attitude of the United States of America concerning American questions, commonly described as the Monroe doctrine.

(d) Depends upon or involves the observance of the obligations of Switzerland in accordance with the covenant of the League of Nations.

There is no other provision in the treaty which I think needs to be called to the attention of the Senate, as the treaty is in the same form as other arbitration treaties.

The treaty was reported to the Senate without amendment, and the resolution of ratification was read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive B, Seventy-second Congress, first session, an arbitration and conciliation treaty with Switzerland, signed at Washington on February 16, 1931.

The resolution was agreed to, two-thirds of the Senators present voting in the affirmative.

TREATY OF ESTABLISHMENT AND SOJOURN WITH TURKEY

The Chief Clerk proceeded to read Executive F, a treaty of establishment and sojourn signed by the plenipotentiaries of the United States and the Republic of Turkey at Ankara on October 28, 1931, which was considered as in Committee of the Whole, and is as follows:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a treaty of establishment and sojourn signed by the plenipotentiaries of the United States and the Republic of Turkey at Ankara on October 28, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *February 25, 1932.*

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty of establishment and sojourn between the United States and the Republic of Turkey, signed at Ankara on October 28, 1931.

Respectfully submitted.

HENRY L. STIMSON.

DEPARTMENT OF STATE,
Washington, February 24, 1932.

The United States of America and the Republic of Turkey, being desirous of prescribing, in accordance with modern international law, the conditions under which the nationals and corporations of each of the High Contracting Parties may settle and carry on business in the territory of the other Party, and with a view to regulating accordingly questions relating to jurisdiction and fiscal charges, have decided to conclude a treaty for that purpose and have appointed their plenipotentiaries:

THE PRESIDENT OF THE UNITED STATES OF AMERICA:
Joseph C. Grew, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Turkish Republic; and

THE PRESIDENT OF THE TURKISH REPUBLIC:
Zekâi Bey, Minister for National Defence

who, having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following provisions:

ARTICLE 1.

With reference to the conditions of establishment and sojourn which shall be applicable to the nationals and corporations of either country in the territories of the other, as well as to fiscal charges and judicial competence, the United States of America will accord to Turkey and Turkey will accord to the United States of America the same treatment in all cases as that which is accorded or shall be accorded to the most favored third country.

Nothing contained in this treaty shall be construed to affect existing statutes and regulations of either country in relation to the immigration of aliens or the right of either country to enact such statutes.

ARTICLE 2.

The present Treaty shall be ratified and the ratifications thereof shall be exchanged at Washington as soon as possible.

It shall take effect at the instant of the exchange of ratifications and shall remain in effect for three years. After this date it shall remain in effect until the expiration of twelve months from the date on which notice of its termination shall have been given by either High Contracting Party to the other.

IN WITNESS WHEREOF the plenipotentiaries have signed the present Treaty and have affixed their seals thereto.

Done in duplicate in the English and Turkish languages at Ankara this 28th day of October nineteen hundred and thirty one.

JOSEPH C. GREW
ZEKÂI

The treaty was reported to the Senate without amendment, and the resolution of ratification was read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, Seventy-second Congress, first session, a treaty of establishment and sojourn with Turkey, signed at Ankara on October 28, 1931.

Mr. KING. Mr. President, may I inquire of the Senator from Idaho the nature of this treaty with Turkey?

Mr. BORAH. Mr. President, there is one paragraph, and that is practically all there is to the treaty. I will read that:

With reference to the conditions of establishment and sojourn which shall be applicable to the nationals and corporations of either country in the territories of the other, as well as to fiscal charges and judicial competence, the United States of America will accord to Turkey and Turkey will accord to the United States of America the same treatment in all cases as that which is accorded or shall be accorded to the most favored third country.

Nothing contained in this treaty shall be construed to affect existing statutes and regulations of either country in relation to the immigration of aliens or the right of either country to enact such statutes.

The Senate will see that the only thing the treaty really accomplishes is to give the most-favored-nation principle to both countries.

Mr. KING. The Senator will remember that a number of years ago, after prolonged discussion, the Lausanne treaty, which I thought very unfair and very unjust, was defeated in the Senate. I was wondering whether this proposed treaty, together with one or two others which have been suggested, are not intended to circumvent the action of the Senate and to give validity to a treaty which was defeated after full discussion.

Mr. BORAH. Mr. President, I can assure the Senator that such a thing is not accomplished, and I do not think there is any such intent. I have talked with Mr. Grew about this matter, and he has said that he had abandoned those controversial matters, and the matters about which we had the extended discussion, and simply contented himself with preserving the most-favored-nation principle and protecting us with reference to immigration. That is all there is in the treaty.

Mr. KING. Would the Senator object to this going over until Monday, or until to-morrow?

Mr. BORAH. I would not object to it going over until to-morrow, but Mr. Grew is very anxious to have it ratified.

Mr. KING. If the Senator will accommodate me so that I can look into it, I will be very much obliged to him.

Mr. BORAH. I will consent to it going over.

The VICE PRESIDENT. The treaty will be passed over.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read sundry nominations in the Diplomatic and Foreign Service.

The VICE PRESIDENT. Without objection, the nominations are confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, the nominations are confirmed.

The Senate resumed legislative business.

BOUNDARY LINE OF THE PANAMA CANAL ZONE

Mr. BORAH. Mr. President, I desire to ask unanimous consent for the consideration of House bill 7119, to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes. It has to do with foreign matters, but about which I think there will be no controversy and no discussion, in all probability. It is a bill for the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, designed to incorporate under the jurisdiction of Panama the territory upon which we are proposing to build an embassy.

The VICE PRESIDENT. The bill will be read for the information of the Senate.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That with respect to that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation, title to which was acquired by the Government of the United States under the conventions concluded on November 18, 1903, and September 2, 1914, between the United States and Panama, the Secretary of State be, and he is hereby, authorized and empowered to effect with the Republic of Panama a modification of the boundary line between the Panama Canal Zone and the Republic of Panama so that such line shall then run as follows:

"Beginning at a concrete monument marked 'E,' which is a point on the line on the north boundary of the Paitilla Point Military Reservation as shown on Panama Canal Drawing No. X-6053-1, whose geodetic coordinates are latitude 8° 58' plus 4,445.6 feet and longitude 79° 31' plus 923.50 feet, and following along a course of south 33° east for 790 feet to a concrete monument marked 'F'; thence along a course of south 21° 45' east for a distance of 490 feet to a concrete monument marked 'G'; thence along a course of south 52° west for 870 feet to a concrete monument marked 'H'; thence along a course of south 76° 30' west for 780 feet more or less to a point marked 'I' on the map, which is an imaginary point located on the center line of the Matasnillo River, which forms the west boundary of the military reservation. All bearings are true. All coordinates are referred to the Panama Colon Datum."

SEC. 2. Nothing contained in this act shall be construed to authorize the Secretary of State to convey or to surrender to the Government of Panama the title which the Government of the United States now holds in that parcel of land which may be detached from the Panama Canal Zone by virtue of the provisions of section 1 of this act.

SEC. 3. No civil or criminal case that may be pending in the courts of the Panama Canal Zone at the time this act shall become effective shall be affected thereby, either as to its present status or as to future proceedings, including final judgment or disposition.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

Mr. McKELLAR. My attention was diverted. What is this bill?

Mr. BORAH. It is a bill which I have asked to have considered, changing the boundary line of the Panama Canal Zone. The purpose is to include within the jurisdiction of the Panama Government a small piece of land which is now owned by the United States, the title to which is to remain in the United States but the control is to be transferred so that we may build thereon an embassy.

Mr. McKELLAR. May I ask the Senator whether there was any difference of opinion in the committee, or whether the report was unanimous?

Mr. BORAH. It was a unanimous report.

Mr. McKELLAR. I have no objection.

There being no objection, the bill, which was ordered to a third reading, was read the third time, and passed.

Mr. BORAH. Mr. President, I ask to have printed in connection with the bill the report upon it.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[Senate Report No. 602, 72d Cong., 1st sess.]

MODIFICATION OF PANAMA CANAL ZONE AND THE REPUBLIC OF PANAMA BOUNDARY LINE

Mr. BORAH, from the Committee on Foreign Relations, submitted the following report (to accompany H. R. 7119):

The Senate Committee on Foreign Relations, having had under consideration the bill (H. R. 7119) to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, reports the same favorably and recommends that it do pass.

The reasons for this bill are fully set forth in a report by the House Committee on Foreign Affairs, which is hereto attached and made a part of this report.

"The Committee on Foreign Affairs, to which was referred the bill (H. R. 7119) to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes, having considered same, reports thereon, without amendment, with the recommendation that the bill do pass.

"The passage of this bill is recommended by the President in his message to Congress on December 10, 1931, as follows:

"*To the Congress of the United States:*

"I inclose a report by the Secretary of State requesting the submission anew to the present Congress of his recommendation for a modification of the boundary line between the Panama Canal Zone and the Republic of Panama, so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation.

"I recommend that the Congress enact the necessary legislation authorizing and empowering the Secretary of State to effect the modification of the boundary line as indicated in the attached draft of a proposed bill covering this matter.

"HERBERT HOOVER.

"THE WHITE HOUSE, *December 10, 1931.*"

"The PRESIDENT:

"I have the honor to refer to my report dated December 19, 1930, concerning the modification of the existing boundary line between the Panama Canal Zone and the Republic of Panama so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation. This report was transmitted by you to the Congress on December 20, 1930, with the recommendation that the necessary legislation be enacted authorizing and empowering me to effect with the Republic of Panama the modification of the boundary line as indicated. Your recommendation and my report were printed as House Document No. 700, Seventy-first Congress. A copy thereof is attached for convenient information.

"Bills S. 5570 and H. R. 15608, Seventy-first Congress, introduced on January 5, 1931, in the Senate and the House of Representatives, respectively, were intended to authorize and empower the Secretary of State to effect the proposed modification. The bill H. R. 15608 was reported favorably by the Committee on Foreign Affairs of the House of Representatives (H. Rept. 2271, 71st Cong.), and was passed by the House of Representatives on February 21, 1931. It was transmitted to the Senate on February 23, 1931, and referred to the Committee on Foreign Relations.

"As the Congress adjourned without further action on the bill having been taken, I have the honor to recommend that the matter be submitted anew to the consideration of the Seventy-second Congress.

"For the convenience of the Congress, I attach a draft of a proposed bill covering this matter.

"Respectfully submitted.

"HENRY L. STIMSON.

"DEPARTMENT OF STATE,
"*Washington, November 11, 1931.*"

"A bill to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes

"*Be it enacted, etc.*, That with respect to that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation, title to which was acquired by the Government of the United States under the conventions concluded on November 18, 1903, and September 2, 1914, between the United States and Panama, the Secretary of State be, and he is hereby, authorized and empowered to effect with the Republic of Panama a modification of the boundary line between the Panama Canal Zone and the Republic of Panama so that such line shall then run as follows:

"Beginning at a concrete monument market 'E,' which is a point on the line on the north boundary of the Paitilla Point Military Reservation as shown on Panama Canal Drawing No. X-6053-1, whose geodetic coordinates are latitude 8° 58' plus 4,445.06 feet and longitude 79° 31' plus 923.50 feet, and following along a course of

S. 33° 00' E. for 790 feet to a concrete monument marked 'F'; thence along a course of S. 21° 45' E. for a distance of 490 feet to a concrete monument marked 'G'; thence along a course of S. 52° 00' W. for 870 feet to a concrete monument marked 'H'; thence along a course of S. 75° 30' W. for 780 feet more or less to a point marked 'I' on the map, which is an imaginary point located on the center line of the Matasanillo River, which forms the west boundary of the military reservation. All bearings are true. All coordinates are referred to the Panama-Colon Datum.

"SEC. 2. Nothing contained in this act shall be construed to authorize the Secretary of State to convey or to surrender to the Government of Panama the title which the Government of the United States now holds in that parcel of land which may be detached from the Panama Canal Zone by virtue of the provisions of section 1 of this act.

"SEC. 3. No civil or criminal case that may be pending in the courts of the Panama Canal Zone at the time this act shall become effective shall be affected thereby either as to its present status or as to future proceedings, including final judgment or disposition.

"The purpose of this bill is the modification of the existing boundary line between the Panama Canal Zone and the Republic of Panama so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation.

"It has been found advisable to use a portion of this land as the site for the erection of a residence for the American minister to Panama. It is necessary that such a residence be located within the boundaries of the Republic of Panama. By Executive Order No. 3322, dated September 1, 1920, the land in question was placed under the jurisdiction of the War Department. This department stated in a letter dated October 3, 1928, that—

"'Relative to the use by the State Department of a part of Paitilla Point Military Reservation the War Department has no objection to the proposed use by the State Department of the area referred to, nor has it any objection to the recession of that area to the Republic of Panama, provided the three following conditions are fulfilled:

"'1. The private title thereto remains in the Government of the United States.

"'2. The military authorities have free and unrestricted use of all roads in the area in question, either existing or to be constructed, that provide access to and from the Paitilla Point Military Reservation through this area to the main highway in Panaman territory.

"'3. Should the property ceded cease to be used by the State Department it shall be ceded back to the United States and returned to the control of the War Department.'

"If this bill should be enacted by Congress it is proposed to effect the contemplated modification by an exchange of notes which will contain the conditions proposed by the War Department. The suggested change in the existing boundary line, therefore, is for the purpose of effecting a technical transfer of jurisdiction. Land now within the Canal Zone and under the jurisdiction of the United States is by this bill placed within the boundary of the Republic of Panama. Upon the erection of a legation by the United States upon this land the jurisdiction thus secured by Panama is again yielded back to the United States in accordance with the practice of diplomatic immunity and exemption from local jurisdiction."

RECESS

Mr. McNARY. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock p. m.) took a recess until to-morrow, Saturday, April 30, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 29, 1932

PUBLIC HEALTH SERVICE

Asst. Surg. Edwin G. Williams to be past assistant surgeon in the Public Health Service, to rank as such from May 21, 1932.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO FIELD ARTILLERY

Second Lieut. Leslie Haynes Wyman, Cavalry, with rank from June 9, 1928.

PROMOTIONS IN THE REGULAR ARMY

To be captain

First Lieut. Edgar Eugene Glenn, Air Corps, from April 26, 1932.

To be first lieutenant

Second Lieut. Narcisse Lionel Cote, Air Corps, from April 26, 1932.

MEDICAL CORPS

To be lieutenant colonel

Major William Bertram Meister, Medical Corps, from April 27, 1932.

CHAPLAIN

To be chaplain with the rank of lieutenant colonel

Chaplain James Miles Webb (Major), United States Army, from April 26, 1932.

POSTMASTERS

ARKANSAS

Edgar G. Gunnels to be postmaster at Emerson, Ark., in place of E. G. Gunnels. Incumbent's commission expired January 23, 1932.

John F. Halbrook to be postmaster at Plumerville, Ark., in place of J. W. Reed, resigned.

Menno S. Klopfenstein to be postmaster at Siloam Springs, Ark., in place of M. S. Klopfenstein. Incumbent's commission expired February 4, 1932.

CALIFORNIA

George P. Morse to be postmaster at Chico, Calif., in place of G. P. Morse. Incumbent's commission expired February 28, 1932.

Daniel McCloskey to be postmaster at Hollister, Calif., in place of Daniel McCloskey. Incumbent's commission expired January 11, 1932.

Edward G. Farmer to be postmaster at Needles, Calif., in place of J. H. Tittle, resigned.

May C. Baker to be postmaster at Paradise, Calif., in place of M. C. Baker. Incumbent's commission expired February 20, 1932.

John D. Chace to be postmaster at San Jose, Calif., in place of J. R. Chace, deceased.

Violet D. Manor to be postmaster at Williams, Calif., in place of H. G. Manor, deceased.

COLORADO

Roy McWilliams to be postmaster at Ault, Colo., in place of Roy McWilliams. Incumbent's commission expired March 16, 1932.

William V. Kerr to be postmaster at Eads, Colo., in place of W. V. Kerr. Incumbent's commission expires May 22, 1932.

GEORGIA

William H. Freeman to be postmaster at Toomsboro, Ga., in place of W. H. Freeman. Incumbent's commission expired December 20, 1930.

IDAHO

Peter W. McRoberts to be postmaster at Twin Falls, Idaho, in place of P. W. McRoberts. Incumbent's commission expires May 7, 1932.

ILLINOIS

Olive G. Woods to be postmaster at Hennepin, Ill., in place of O. G. Woods. Incumbent's commission expires May 12, 1932.

Charles J. Rohde to be postmaster at Lena, Ill., in place of C. J. Rohde. Incumbent's commission expires May 12, 1932.

James W. Corwine to be postmaster at Lincoln, Ill., in place of J. W. Corwine. Incumbent's commission expires May 25, 1932.

Lyle E. Wilcox to be postmaster at McLean, Ill., in place of L. E. Wilcox. Incumbent's commission expires May 25, 1932.

Leon M. Shugart to be postmaster at Pontiac, Ill., in place of L. M. Shugart. Incumbent's commission expires May 25, 1932.

Samuel M. Combs to be postmaster at Ridgway, Ill., in place of S. M. Combs. Incumbent's commission expired January 10, 1932.

Fred A. Meskimen to be postmaster at Robinson, Ill., in place of F. A. Meskimen. Incumbent's commission expired March 22, 1932.

Alta Winn to be postmaster at Saybrook, Ill., in place of Alta Winn. Incumbent's commission expires May 25, 1932.

John Van Antwerp to be postmaster at Sparland, Ill., in place of John Van Antwerp. Incumbent's commission expired April 23, 1932.

Willis A. Myers to be postmaster at Wenona, Ill., in place of W. A. Myers. Incumbent's commission expires May 17, 1932.

INDIANA

Samuel I. Parker to be postmaster at Howe, Ind., in place of N. A. Parham. Incumbent's commission expired January 10, 1932.

Paul R. Reece to be postmaster at Spiceland, Ind., in place of G. R. Brown. Incumbent's commission expired January 10, 1932.

James C. Stott to be postmaster at Westport, Ind., in place of F. R. McCullough. Incumbent's commission expired March 22, 1932.

IOWA

Louis C. Giencke to be postmaster at Guttenberg, Iowa, in place of L. C. Giencke. Incumbent's commission expires May 19, 1932.

Harvey S. Powers to be postmaster at Iowa Falls, Iowa, in place of H. S. Powers. Incumbent's commission expires May 19, 1932.

William A. Grummon to be postmaster at Rockwell, Iowa, in place of W. A. Grummon. Incumbent's commission expires May 19, 1932.

Cora B. Alberty to be postmaster at Thornton, Iowa, in place of C. B. Alberty. Incumbent's commission expires May 19, 1932.

KANSAS

John D. Ferrell to be postmaster at Cedar Vale, Kans., in place of M. W. Sanderson. Incumbent's commission expired December 19, 1931.

Henry B. Gibbens to be postmaster at Cunningham, Kans., in place of H. B. Gibbens. Incumbent's commission expired April 13, 1932.

Merton M. Fletcher to be postmaster at Glasco, Kans., in place of M. M. Fletcher. Incumbent's commission expires May 12, 1932.

Onto R. Linday to be postmaster at Mound Valley, Kans., in place of J. M. Lear. Incumbent's commission expired March 26, 1932.

Callie L. Henderson to be postmaster at Udall, Kans., in place of O. R. Durham. Incumbent's commission expired December 15, 1931.

KENTUCKY

Edgar Renshaw to be postmaster at Hopkinsville, Ky., in place of Edgar Renshaw. Incumbent's commission expires May 23, 1932.

LOUISIANA

John A. Moody to be postmaster at Cotton Valley, La., in place of J. A. Moody. Incumbent's commission expires May 2, 1932.

Lillian P. Gross to be postmaster at Lake Providence, La., in place of L. P. Gross. Incumbent's commission expires May 17, 1932.

MICHIGAN

Thomas S. Shober to be postmaster at Pentwater, Mich., in place of E. W. Shober, deceased.

MINNESOTA

David C. McKenzie to be postmaster at Lake City, Minn., in place of D. C. McKenzie. Incumbent's commission expired March 20, 1932.

James M. Patterson to be postmaster at West Concord, Minn., in place of J. M. Patterson. Incumbent's commission expired April 23, 1932.

MISSISSIPPI

Mitchell E. McLaughlin to be postmaster at Leland, Miss., in place of J. F. Ellard, removed.

MISSOURI

Dorothy M. Ritter to be postmaster at Wellington, Mo., in place of D. M. Ritter. Incumbent's commission expired April 11, 1932.

NEBRASKA

Carl C. Moyer to be postmaster at Ainsworth, Nebr., in place of E. D. Gideon, jr. Incumbent's commission expired February 14, 1931.

Earnest E. Correll to be postmaster at Hebron, Nebr., in place of H. L. Boyes. Incumbent's commission expired December 19, 1931.

NEVADA

James L. Finney to be postmaster at Boulder City, Nev. Office established.

NEW HAMPSHIRE

James H. Fitzgerald to be postmaster at East Jaffrey, N. H., in place of R. B. Henchman, deceased.

Evelyn H. Beane, to be postmaster at Henniker, N. H., in place of J. H. Falvey, resigned.

NEW JERSEY

Harriet C. Rosenkrans to be postmaster at Branchville, N. J., in place of H. C. Rosenkrans. Incumbent's commission expires May 14, 1932.

Tobias V. Chieffo to be postmaster at Cliffside Park, N. J., in place of T. V. Chieffo. Incumbent's commission expires May 26, 1932.

Byron M. Prugh to be postmaster at Westfield, N. J., in place of B. M. Prugh. Incumbent's commission expired March 20, 1932.

NEW YORK

Charles H. Werger to be postmaster at Averill Park, N. Y., in place of F. A. Shoemaker, resigned.

Albert B. W. Firmin to be postmaster at Brooklyn, N. Y., in place of A. B. W. Firmin. Incumbent's commission expired February 19, 1932.

Nellie MacMorran to be postmaster at Firthcliffe, N. Y., in place of Nellie MacMorran. Incumbent's commission expired December 21, 1929.

NORTH CAROLINA

Robert D. Herndon to be postmaster at Chapel Hill, N. C., in place of R. D. Herndon. Incumbent's commission expired February 17, 1931.

B. Ray Cohoon to be postmaster at Columbia, N. C., in place of B. R. Cohoon. Incumbent's commission expires May 25, 1932.

Joseph S. Mitchell to be postmaster at Draper, N. C., in place of J. S. Mitchell. Incumbent's commission expires May 16, 1932.

Frank L. Smith to be postmaster at Drexel, N. C., in place of F. L. Smith. Incumbent's commission expired March 5, 1932.

Ocie O. Freeman to be postmaster at Gates, N. C., in place of O. O. Freeman. Incumbent's commission expires May 10, 1932.

Thomas S. Keeter to be postmaster at Grover, N. C., in place of T. S. Keeter. Incumbent's commission expires May 17, 1932.

Charles M. Rosser to be postmaster at Jonesboro, N. C., in place of J. W. Kelly. Incumbent's commission expired February 5, 1931.

James S. Ware to be postmaster at Kings Mountain, N. C., in place of S. S. Weir. Incumbent's commission expired January 10, 1931.

Christopher C. Snead to be postmaster at Laurel Hill, N. C., in place of C. C. Snead. Incumbent's commission expired April 23, 1932.

Joseph B. Harrell to be postmaster at Marshville, N. C., in place of J. B. Harrell. Incumbent's commission expired March 26, 1932.

Elmer D. Lansing to be postmaster at Montreat, N. C., in place of C. C. Lord. Incumbent's commission expired January 4, 1932.

Frank Dudgeon to be postmaster at Pinehurst, N. C., in place of Frank Dudgeon. Incumbent's commission expires May 17, 1932.

Benjamin F. Griffin to be postmaster at Pineville, N. C., in place of B. F. Griffin. Incumbent's commission expires May 17, 1932.

Lucile L. White to be postmaster at Salemburg, N. C., in place of L. L. White. Incumbent's commission expires May 10, 1932.

Annie L. Stanton to be postmaster at Stantonsburg, N. C., in place of A. L. Stanton. Incumbent's commission expires May 2, 1932.

William E. Kreeger to be postmaster at Pilot Mountain, N. C., in place of W. W. Redman, removed.

James R. Beal to be postmaster at Varina, N. C., in place of L. S. Proctor, removed.

NORTH DAKOTA

Jessie L. Kinsey to be postmaster at Beach, N. Dak., in place of J. L. Kinsey. Incumbent's commission expired April 13, 1932.

Marie Siverts to be postmaster at Dodge, N. Dak., in place of Marie Siverts. Incumbent's commission expired April 23, 1932.

OHIO

Jerome H. C. Goodhart to be postmaster at Brewster, Ohio, in place of J. H. C. Goodhart. Incumbent's commission expires May 25, 1932.

Hugh M. Hay to be postmaster at Coshocton, Ohio, in place of A. C. McDonald. Incumbent's commission expired December 17, 1931.

Edwin H. Garver to be postmaster at Navarre, Ohio, in place of E. H. Garver. Incumbent's commission expires May 16, 1932.

Henrietta Bennett to be postmaster at Tippecanoe City, Ohio, in place of Henrietta Bennett. Incumbent's commission expires May 23, 1932.

OKLAHOMA

Daisy E. Skinner to be postmaster at Adair, Okla., in place of D. E. Skinner. Incumbent's commission expired April 5, 1932.

OREGON

Elizabeth J. Morgan to be postmaster at Corbett, Oreg., in place of E. J. Morgan. Incumbent's commission expired December 17, 1931.

PENNSYLVANIA

Arza R. Bullock to be postmaster at Cambridge Springs, Pa., in place of F. O. Hood, removed.

Edward R. Dithrich to be postmaster at Coraopolis, Pa., in place of E. R. Dithrich. Incumbent's commission expires May 26, 1932.

Bertha S. Kuns to be postmaster at Creighton, Pa., in place of W. L. Brinton. Incumbent's commission expired March 3, 1931.

John J. Nichols to be postmaster at Lansdowne, Pa., in place of J. J. Nichols. Incumbent's commission expired February 4, 1932.

William M. Overholt to be postmaster at Mount Pleasant, Pa., in place of W. M. Overholt. Incumbent's commission expires May 22, 1932.

Clyde G. McMurray to be postmaster at Oakdale, Pa., in place of C. G. McMurray. Incumbent's commission expires May 25, 1932.

Wyndham C. Jones to be postmaster at Titusville, Pa., in place of C. H. Potter, deceased.

Ray J. Crowthers to be postmaster at West Elizabeth, Pa., in place of R. J. Crowthers. Incumbent's commission expires May 22, 1932.

SOUTH CAROLINA

William B. Tarkington to be postmaster at St. George, S. C., in place of W. H. Lott, removed.

SOUTH DAKOTA

Edward J. Groat to be postmaster at Thunder Hawk, S. Dak., in place of E. J. Groat. Incumbent's commission expired April 5, 1932.

TENNESSEE

Carlos C. Davis to be postmaster at Redboiling Springs, Tenn., in place of C. C. Davis. Incumbent's commission expires May 16, 1932.

Alice L. Needham to be postmaster at Trimble, Tenn., in place of A. L. Needham. Incumbent's commission expires April 30, 1932.

TEXAS

Harvey L. Pettit to be postmaster at Bloomburg, Tex., in place of H. L. Pettit. Incumbent's commission expired December 19, 1931.

Zella H. Mitchell to be postmaster at Campbell, Tex., in place of F. R. Ridley. Incumbent's commission expired December 15, 1931.

James A. Morgan to be postmaster at Vega, Tex., in place of J. A. Morgan. Incumbent's commission expires May 12, 1932.

VERMONT

James E. Kidder to be postmaster at Derby, Vt., in place of J. E. Kidder. Incumbent's commission expired February 5, 1931.

VIRGINIA

McClung Patton to be postmaster at Lexington, Va., in place of McClung Patton. Incumbent's commission expires May 26, 1932.

WEST VIRGINIA

Charles Ash to be postmaster at Glen Jean, W. Va., in place of Charles Ash. Incumbent's commission expires May 29, 1932.

Alphonse Leuthardt to be postmaster at Grafton, W. Va., in place of Alphonse Leuthardt. Incumbent's commission expires May 10, 1932.

WISCONSIN

Adolph R. Mill to be postmaster at Kaukauna, Wis., in place of A. R. Mill. Incumbent's commission expires May 26, 1932.

Theodore B. Ottum to be postmaster at McFarland, Wis., in place of T. B. Ottum. Incumbent's commission expired January 13, 1932.

William Frankland to be postmaster at Montfort, Wis., in place of William Frankland. Incumbent's commission expired January 14, 1932.

WYOMING

Frank Breitenstein to be postmaster at Parco, Wyo., in place of H. J. Thompson, removed.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 29, 1932

CONSUL GENERAL

Oscar S. Heizer to be consul general.

SECRETARIES IN THE DIPLOMATIC SERVICE

John McArdle.
Gordon P. Merriam.
John K. Caldwell.
William C. Burdett.
Perry N. Jester.

FOREIGN SERVICE OFFICER, CLASS 5, CONSUL, AND SECRETARY IN THE DIPLOMATIC SERVICE

Paul Trauger Culbertson to be Foreign Service officer, class 5, consul and secretary in the Diplomatic Service.

POSTMASTERS

HAWAII

Joseph Herrscher, Hana.

IOWA

Emma H. Hager, Burdette.
Charles B. Santee, Cedar Falls.
Harlie A. Grantham, Dewitt.
Grace F. Newton, Dickens.
Rose M. Ward, Neola.

MICHIGAN

Elmer C. Clute, Harrison.
Adrian J. Westveer, Holland.
Bird L. Hight, Howell.
Clyde E. Dohm, Sodus.

MINNESOTA

Charles W. Patsold, Cambridge.
Jennie L. Phillips, Clearwater.
Christ Bottge, Correll.
Ida V. Lund, Farwell.
Edwin H. Anderson, Monticello.
Alvin A. Ogren, New London.
George Neumann, Osseo.
Maggie N. Halgren, Wahkon.
Emory B. Linsley, Willow River.

NEBRASKA

Orin J. Schwieger, Chadron.
Wesley E. Snider, Osceola.

NEW JERSEY

George Coleman, Delanco.
Winifred E. Lindstedt, Helmetta.
Jacob D. Roe, Newton.
Ida H. Collom, Pemberton.
Raymond Johnson, Riverside.
G. Raymond Beck, Roebling.
Hillis K. Colkitt, Vincentown.

NEW YORK

Clayton M. Card, Amenia.
Ethel M. Bluestone, Canaseraga.
Margaret M. Senecal, Champlain.
Henry E. Thompson, Chateaugay.
Daniel T. Evans, Chittenango.
Berton G. Johnson, Cooperstown.
Clifford C. Wenzel, Deferiet.
Elmer C. Wyman, Dover Plains.
Clinton H. Card, Fredonia.
Clarence E. Snyder, Glenfield.
William L. Froehley, Hamburg.
Ralph D. Sanford, Hammondsport.
Mary A. Blazina, Harrison.
Albert F. Becker, Livonia.
George W. Millicker, Mahopac Falls.
George B. Bradish, Malone.
Warren C. Edgar, New Hamburg.
Ralph F. Spaulding, Piermont.
Kate L. Holden, Peru.
Austin E. Hummel, Prattsville.
George A. Hager, Watertown.
Thomas Wheatcroft, Watervliet.

NORTH CAROLINA

Ida L. Dennis, Puquay Springs.
James W. Stanton, La Grange.
Nora Stedman, Moncure.
James M. Thrasher, Stoneville.
Fronie L. Perry, Wingate.

SOUTH CAROLINA

Malcolm J. Stanley, Hampton.
Thomas W. Blakely, Langley.
James V. Askew, jr., Lockhart.
William J. Hughes, Loris.
Bessie T. Cooper, Mayesville.
Neely J. Smith, Ridgeville.
Ben Harper, Seneca.

TENNESSEE

Baltis L. Kemp, Adamsville.
Herschel H. Tatlock, Covington.
Samuel W. Ingersoll, Decherd.
James Rogers, Dyer.
William G. Leach, Huntingdon.
Lonnie A. Jernigan, Manchester.
Gertrude Jamison, Millington.
Alvin L. Henderson, Tracy City.
Jesse C. Watson, Waverly.

TEXAS

Lela T. Toone, Brownfield.

VERMONT

Paul W. Higbee, Proctor.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 29, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We would behold the vision of the Most High God. It is only as we rise by faith, by prayer, and by contemplation that evil loses its power. By the majesty of Thy truth, by the attraction of Thy beauty, by the charm of Thy love, and by virtue of the ideals of the Teacher of Nazareth will the embellishments of human life be realized. Deliver us from any false standards and let us see the light in Thy light. Almighty God, breathe into our breasts that power that shall redeem us from any mental confusion. Lift us up into that sphere in which we shall be in unison with Thy purpose. O fill us all with a divine impulse that shall strike any overhanging cloud through and through with light-bearing devotion and sacrifice to our country's needs. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2967. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.

The message also announced that the Senate had agreed to the amendment of the House to a bill of the Senate of the following title:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.).

THE MISSION OF THE PROGRESSIVES IN THE PRESENT CONGRESS

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert therein a speech made by me over the Columbia network on April 4, 1932.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address over the Columbia Broadcasting System by myself, Monday, April 4, 1932, from Columbia's studios in Washington:

The mission of the progressives in Congress—and I speak for my colleagues in the House of Representatives only—is mainly to keep legislation abreast of the times. We seek to translate into legislation promises and pledges made by both parties in platforms and in campaign speeches before election. I say pledges made by both parties, because on popular issues and necessary economic reforms there is very little difference in these campaign pledges and promises. Often we believe that remedies suggested or reforms proposed do not go far enough, and in these instances we seek to set the pace in an effort to reach the mark and effect the desired result.

Progressives believe that a plank in the platform or a campaign pledge is a solemn promise which must be kept. We are not satisfied to talk about issues. We propose remedies and insist upon their enactment into law. We grow tired of platitudes and demand action. We believe in representative government and insist upon Congress functioning as such and in keeping with original American traditions.

The most useful purpose of the progressives is our fundamental belief that legislation should be considered from a national viewpoint and not in accordance with local or sectional interests. We believe in this country as one nation. We have learned by the sad experience of our respective constituencies, whether in the city or on the farms, whether up North or down South. The lesson of long periods of unemployment, of absolute control of commodity prices has taught us that the people in this country have a common interest. Politicians and exploiters have been able for a long time to flame sectional feeling and to array rural

regions against the cities and the workers in the industries against the farmers.

It is our purpose and hope to demolish these artificial barriers. We have learned in discussing our problems that the people of this country have been kept apart by artificially created issues and by local interests while they have been submitted to a systematic exploitation.

The farmer, as well as the skilled and unskilled mechanic, the planters and the wage earners have eventually learned that all the wisdom of financing is not in the possession of the bankers. The people of this country have learned that there is no mystery in a monetary system and that the theoretical gold reserves, while interesting in academic discussions of the classroom, are of no value in the efforts of the unemployed or the underpaid farmer to balance their family budget.

The farmer has learned to view the value of money not in terms of theoretical reserve furnished by high-pressured economists of the banking fraternity, but to weigh his wheat and crops in terms of shoes and clothing, machinery, and the manufactured goods upon which he is dependent. The wage earners of the city now measure their wage in terms of cotton and beefsteak, bread, milk, and rent. They all insist upon a fair and just return for their products and labor.

The time has passed when the producers of this country may be awed into silence by the use of big words or the recital of long columns of figures. They have learned through bitter experience the mathematics of their economics. They demand a square deal, and the progressives will insist that they get it.

The workers and the farmers of this country know that they are not to blame for the present depression. They understand, if big business and the bankers have not yet realized it, that we can not expect to restore prosperity by an increase in our foreign trade. That day is gone, and gone forever, for the reason that other countries are on a production basis themselves in addition to other unsurmountable barriers which need not be discussed at this time. We can only return to prosperity by a complete change of our industrial system along with an economic readjustment.

We can not get out of this depression by proclamations, political speeches, or pep talks. We must so arrange our industries to give immediate employment to all of the willing workers of this country. It means that the working day and the working week must be shortened, thereby giving the benefit of our advanced and efficient methods of quantity production to all the people of the country. Of course this is costly, but nothing can be as costly as unemployment, a destroyed purchasing power, closed factories, and tottering banks and national economic crisis.

Along with this we must provide for a national system of unemployment insurance not only to guarantee economic security to the wage earners and producers of the country but to maintain a certain level of purchasing power, thereby making impossible the recurring cycles of depression under a system which permits of exploitation and overproduction along with unemployment and undernourishment.

The remedy suggested may seem radical and far-fetched to-day, but I venture the prophecy that unless some such constructive change is brought about the remedies we suggest to-day will seem indeed tame and conservative to-morrow.

Much has been said of the activities of the progressives in connection with the consideration of the revenue bill which passed the House last Friday. Indeed, we may well point to this instance in exemplifying the necessity of the exploited and suffering people of this country getting together. In this instance, when bankers and manipulators who were mainly responsible for the present economic crisis were seeking to put upon the backs of the American people the entire cost of paying the deficit which they themselves had created, sectional lines disappeared, partisan affiliations were set aside, and a fine and wholesome coalition was spontaneously formed which succeeded in eliminating the sales tax which had been written into the bill.

It may be well to say in passing that the friends of the sales tax outside of Congress did more than the opponents in Congress to defeat their own measure. The sales tax had no friends in the House. Every Member who took the floor in support of it apologized for so doing. The greed, selfishness, and heartlessness of some of the main sponsors of the sales-tax system were soon brought to light by their gloating over victory which they believed certain. So accustomed were they of controlling revenue bills, they could not imagine a defeat.

Their greed and grasp were such that they could not wait for the proposition to be written into the law, but immediately started a movement, editorialized propaganda, coercion and pressure to bring about the repeal of our income-tax system. They revealed their own insincerity, they exposed their hand, they left no doubt that they were seeking to avoid the payment of their just taxes and passing it on to the great masses of people who were unable to take any additional burden. The vicious attack on the income system, the misrepresentation, the unjustifiable criticism of Congress for standing by this American system of taxation, I will say, and I was in that fight, was one of the main factors which defeated the sales tax.

In order to obtain the passage of the sales tax the slogan of "balancing the Budget" was coined. Yes, we are in favor of balancing the Budget. I have always so stated, but I want to recall to the country last October, when the Treasury Department issued $1,000,000,000 of Government bonds and again in the early part of this year when $900,000,000 of Government bonds were issued, there was no talk of balancing the Budget then. The deficit was just as great. This $1,900,000,000 of long-term bonds was nothing else than making the next generation pay for the current expenses of to-day.

The bankers wanted this additional $1,900,000,000 of Government bonds. As far back as last October I criticised the then Secretary of the Treasury, Mr. Mellon, for issuing long-term bonds for current expenditures. The slogan "balancing the Budget" was accompanied by repeated threats of a panic from supposedly responsible citizens. A threat of a panic brought about the declaration of the moratorium on the payment of our foreign debts. A threat of panic brought about the enactment of the Reconstruction Finance Corporation law when Congress appropriated $2,000,000,000 to aid tottering banks and insolvent railroads.

Last Thursday, when the House had practically finished with the revenue bill, word was sent to Washington from New York City that unless the Treasury Department guaranteed that the Budget would be balanced there was grave danger of a panic. And let it be said to the everlasting credit of the majority members of the Ways and Means Committee they added $80,000,000 that night by placing under the normal tax all stock dividends. Personally I believe that it was not necessary to put this additional amount into the bill. But the committee responded to the last demand made, and there certainly can be no complaint, for the quarter who must pay this tax are responsible for its having been written into the bill.

Just one final word to offset the misrepresentation that is being made as to the cause of the present deficit in the Treasury. It is not the fault of extravagance in the necessary expenditures for the maintenance of the American Government. In the first place, the revenues of the Government from income taxes have fallen because the American investor has been swindled out of money by the bankers in whom he had a right to have confidence. Swindled to the tune of over $2,000,000,000 of South American securities alone and several additional hundreds of millions of dollars in European securities. Again, the revenue from income tax has been reduced because American investors were deceived by the bondmongers and the same bankers into buying securities that were artificially inflated.

In some instances the banks artificially inflated their own securities. This breach of confidence—this imposition—resulted in the loss of hundreds of millions of dollars to the investor and millions and millions of dollars to the United States Government in the shape of taxes. Then the forced moratorium resulted in a loss of $252,000,000 during the present fiscal year and about $270,000,000 in all likelihood the next fiscal year.

In addition to that, we have appropriated out of current expenses $500,000,000 for the Reconstruction Finance Corporation—to do what? To turn over to the railroads and banks.

In addition to that, we are spending $20,000,000 a year in subsidies to aviation companies, $50,000,000 in subsidies to private shipowners. There again is $70,000,000.

One billion dollars is required to pay the interest and sinking-fund requirements on our national debt. It will readily be seen that in these days of talk of economy that little is being said of the main causes of our depression and Treasury deficit. While small savings may be made here and there, it will amount to very little in comparison with the staggering deficit of the Treasury.

In connection with the sales-tax program there was announced a plan for a general reduction of the salaries of Federal employees and it became known that industry and commerce and business would immediately follow with a like reduction.

It is impossible to understand how anyone could be so short-sighted as not to see the folly of any general wage reduction in this country. Such a plan would only result in further reducing the purchasing power of the American people and prolonging the present depression to a point of complete catastrophe.

The progressives do not intend to stay idle and see the country brought to ruin. We can get out of this depression. We shall get out of it. We will do so by bringing up the purchasing power of the American people and by raising commodity prices; by bringing up the level of the producers instead of a destructive plan of bringing everything down except interest rates and the power of monopolies. Along these lines we have patiently been working for years and we expect to continue. The success and progress of our Republic can not be measured in terms of skyscrapers or reserves in banks. It can not be measured in terms of foreign credits. There is only one way and that is to reestablish a well-balanced prosperity by the distribution of employment in keeping with the machine age in which we are living, creating a high purchasing power able to meet increased commodity prices—and in that way bring about the readjustment essential to our future well-being.

BEER AND FARM RELIEF

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address recently delivered over the radio by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOPE. Mr. Speaker, under leave granted me by the House to extend my own remarks in the RECORD I include the following address which I recently delivered over radio station WJSV:

In recent years this country has heard much about farm relief. Many plans have been discussed. Much legislation has been en-

acted. Recently we have heard something about a new plan. We are told that all the farmers' troubles will be over if we legalize beer. In fact, if we are to believe the enthusiastic gentlemen who are now shouting so loudly for beer, it is the magic formula which will solve all our problems, whether they be crime, debts, taxation, unemployment, or farm distress.

I have time this evening to discuss the beer question from one angle alone; that is, as a farm-relief measure. I happen to represent one of the greatest grain-growing districts in the country, and because of the claims which have been made that the legalization of beer would furnish a market for the farmer's grain and start him back on the road to prosperity, I have taken some interest in looking up the facts in that connection.

It is a singular thing that in all the discussion we have had of beer as a farm-relief measure, none of it has come from farmers or those representing farmers. Recently the Committee on Manufactures in the Senate held extensive hearings upon the proposal to legalize beer. The report of these hearings comprises a document of some 574 pages. More than 50 witnesses testified in favor of the measure. A great many of them predicated their advocacy of it on the theory that the manufacture of beer would be of great benefit to agriculture. Yet not one of the witnesses so testifying was a farmer or the representative of a farm organization. Among the witnesses were numerous Members of Congress.

They, too, stated that beer would help the farmer. Yet not one of these Members represented a strictly rural district. On the contrary, on looking over the list we find that they were from Detroit, St. Louis, Buffalo, New York, Chicago, Peoria, and Seattle, to mention only a few. The only representative of a farm organization who appeared was Mr. Louis J. Taber, the head of that great farm organization, the National Grange, who appeared not to support, but to oppose the legalization of beer.

During all the time I have been in Congress I have been a member of the Committee on Agriculture. I am acquainted with the legislative representatives of all the farm organizations in the country. They have been assiduously working here in Washington for legislation which their organizations believe will be of benefit to agriculture. Yet I have never heard of any representative of these organizations advocating beer.

It would seem, therefore, that if beer is a solution of our agricultural ills that the farmers and their representatives have singularly overlooked an opportunity. However, after carefully investigating the matter it is not difficult to see why the farmers of this country are not excited about beer as a solution for their troubles.

The theory upon which it is argued that the legalizing of beer would help the farmer is that it would furnish a market for his grain. However, when we come to investigate the amount of grain which was used in the manufacture of beer, and in fact of all alcoholic liquors, in preprohibition days, we find that compared with the total production it was insignificant. During the five years immediately previous to national prohibition we consumed an average of a little less than 100,000,000 bushels of grain, including corn, rye, barley, oats, wheat, and rice, in the production of all distilled and fermented liquors. About 65,000,000 bushels of this was barley, used in making beer. The average annual crop of all the grains just mentioned is approximately 5,000,000,000 bushels, so that it can readily be seen that in preprohibition days we used only 2 per cent of our present grain crop in the manufacture of all alcoholic liquors and only about 1½ per cent in the manufacture of beer.

Even assuming that a market for 1½ per cent of our grain has been lost because of the prohibition of beer, such an infinitesimal loss is certainly nothing for any farmer to get excited about. As a matter of fact, however, it hasn't been lost.

Most of the propagandists for beer assume that since the coming of prohibition the production of barley has declined. The only thing wrong with this assumption is that it is not true. Mr. August A. Busch, the president of Anheuser-Busch (Inc.), has made the statement that "with the coming of prohibition the barley farmers naturally seeded their lands to wheat and entered into competition with the wheat farmers." Others, following Mr. Busch's lead and, no doubt, without investigating the facts, have made the same statement. The facts, however, are entirely different.

In 1916 the acreage of barley in this country was 7,674,000 and the production was 160,927,000 bushels. In 1917, the year in which more barley was consumed by the beer industry than any other, the acreage was 8,835,000 and the production was 208,975,000 bushels. Contrast these figures with 1929, 1930, and 1931. In 1929 the acreage was 13,068,000 and the yield was 302,892,000 bushels. In 1930 the acreage was 12,437,000 and the yield was 325,893,000. In 1931 the Northwest States, where the greater part of our barley is produced, suffered a very severe drought, which interfered somewhat with the seeding of barley. Nevertheless, in that year, the acreage planted was 11,471,000 and the total yield, in spite of the drought, was 198,965,000 bushels. It can be seen, therefore, that instead of there being a decrease in the production and consumption of barley, there has actually been a very marked increase. It is hard to see how the barley farmer has been injured by prohibition.

Furthermore, the figures reveal that instead of the barley farmers shifting to the production of wheat, thus increasing the wheat surplus, the shift has been the other way. The great increase in barley has been in the Northwest, in the States of Wisconsin, Minnesota, Iowa, Nebraska, and North and South Dakota, and, generally speaking, this region has reduced its wheat acreage since the war period. The great increase in wheat acreage has been in the hard winter-wheat region of the Southwest, and it has not displaced barley, which has never been grown to any extent in that section.

Now, it may be asked what is being done with all this barley? Well, the figures show it is being used as feed for livestock, particularly for dairy cattle and hogs. The States in the Northwest, where the great increase in barley production has taken place, are the premier dairy States of the Union. They have also greatly increased their production of pork. Now, some one may say, What has that to do with beer? Simply this: That instead of converting our barley into beer, we are converting it into milk and pork chops. Figures compiled by the Department of Agriculture show that in 1917 the average per capita consumption of milk and milk products, computed in terms of milk, in this country was 754.8 pounds, while in 1929, the last normal year, it was 997.5 pounds. I do not have the figures for 1931, but for 1930 the consumption of milk and milk products was almost exactly the same as for 1929, only a fraction of 1 per cent less. Now, this great increase in the per capita consumption of milk means the consumption not only of more grain than was used in the manufacture of all distilled and fermented liquors in 1917 but means the consumption of a great additional quantity of hay and other roughage grown by the farmers of this country. This was very clearly pointed out by Mr. Taber in his statement before the Senate committee, in which he showed that in order to produce this increased consumption of milk we consume a total of over 10,000,000,000 pounds of grain and 25,000,000,000 pounds of roughage, whereas all grain used in distilled and fermented liquors in 1917 was but 6,200,000,000 pounds. Furthermore, when a farmer converts his barley into milk or pork, he gets some of the manufacturing profits, whereas if it goes into beer, the brewer and the saloon get all the profit.

If time permitted one might go on and enumerate other economic benefits which have come to the farmer as a result of prohibition. I might call attention to the matter of the corn-sugar manufacturing industry, which has developed so greatly in recent years. Corn sugar is used quite largely in the manufacture of confectionery, soft drinks, and like products, the production of which has greatly expanded during the prohibition era. The return of beer would certainly not increase the consumption of these products.

In 1917 we produced a little over 60,000,000 barrels of beer. I don't know much about the price of beer, but in the discussions in Congress it has been suggested that if beer were legalized it would sell for 15 cents per pint. Sixty million barrels at 15 cents per pint would be $2,232,000,000. Can you imagine that the expenditure of over $2,000,000,000 for beer would help the market for farm products? This is a day of intense competition for the consumer's dollar and past experience has demonstrated that in competing for the dollar no product has a chance with liquor. It gets the first call every time. The farmer knows that the dollar which is spent for beer can not be spent for milk, cheese, pork, or any other product of the farm. Therefore, it is not hard to understand why he is not throwing his hat in the air over the idea of legalizing beer. He knows that a return of beer, while it may afford a market for an insignificant amount of his grain, means losing a much larger market for products which are infinitely more profitable to him.

The farmer's opposition to beer is not alone on economic grounds. He is against it generally speaking on moral and social grounds. Irrespective of these reasons, every thinking farmer can justify his opposition to beer solely on the basis of economics. I am not afraid, therefore, that any of the farmer's would-be friends from the metropolitan centers of this country are going to convince him that beer and farm relief have any connection.

POINT OF NO QUORUM

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count.

Mr. JOHNSON of Washington. Mr. Speaker, I withdraw the point of order.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose last night Title III had been read and is now subject to amendment.

Mr. CANNON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. CANNON: Strike out section 303.

Mr. CANNON. Mr. Chairman, of necessity this bill has been very hastily compiled. Into it has been thrown hodge-podge many diverse propositions relating to numerous governmental activities. It follows, necessarily, that some have been included without adequate consideration. That is particularly true of the proposition to dispense with aid to vocational education. It is difficult to believe that the committee gave the subject more than cursory attention, for this provision is a blow not only at education but at labor and agriculture. At a time when we need—as we never have needed before—and as, I trust, we never will need again—skilled hands and trained minds in the ranks of organized labor; at a time when we need constructive management and trained leadership in every department of agriculture, this bill proposes to discontinue Federal aid and encouragement in the education of the young men and the young women who in a few short years must take over the burdens and responsibilities of solving the vocational problems of both agriculture and labor.

Mr. SIMMONS. Will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Nebraska.

Mr. SIMMONS. The gentleman's amendment, as I understand it, strikes out of this bill that section which in effect repeals during the next 10 years Federal aid for vocational education, and would permit the Federal Government to continue to give the aid that is now being given?

Mr. CANNON. That is true. The effect of the amendment is to continue, unimpaired, the cooperation of the Federal Government with the States in the maintenance of the vocational courses in the public schools, every year turning out future citizens specially trained to meet the practical problems of life.

Mr. SIMMONS. And that ought to be done.

Mr. CANNON. Beyond question. It is a particularly appealing form of education. It involves not only mental training but correlated manual training as well. It is a form of education most needed to-day. It is a direct and practical preparation for life. It is a direct and practical preparation for service. It transforms the street loafer into a skilled artisan. It transforms the irresponsible girl into an efficient home maker. It is a guaranty of the adequacy of the American home and is the ideal preparation for American citizenship.

This provision to eliminate it would deny that training to 92 per cent of the young men and young women of the country, for only 8 per cent come from families which are able at this time to give their children the advantages of the professional colleges, the trade schools, or the technical institutes.

Mr. BRIGGS. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. BRIGGS. Does the gentleman think this training would be possible to these students unless this aid is afforded?

Mr. CANNON. We have information, carefully compiled, that the withdrawal of Federal aid means the discontinuance of 90 per cent of these vocational courses in the schools of my own State, and that is to some extent indicative of the situation in the schools of every State of the Union. To deny this training is to condemn 92 per cent of our young men and young women to a scale of income commensurate only with their mere physical capacities. It chains them to a treadmill of existence in which there can be no hope of progress or advancement. It tends to a condition typified by the Man with the Hoe. It shuts out from their lives—

The upward looking and the light.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. CANNON. Yes. I yield to my friend the gentleman from New York.

Mr. CLARKE of New York. Is it not also a repudiation of an obligation entered into by Uncle Sam with the States and the States through contracts with teachers in the schools, ramifying in all States of the Union?

Mr. CANNON. The gentleman states the situation accurately. It is a repudiation of a contract which was entered into at the suggestion of the Federal Government itself. Cooperation in education was not initiated at the request of the States, but at the sole instance of the Federal Government. In conformity with the implied agreement thus entered into, the States have invested large sums in equipment which can not be used for any other purpose, and have permanently reorganized their schools and their courses of instruction. For the Federal Government to now withdraw from this partnership with the States is little short of a breach of contract and smacks of bad faith.

And it will not save a dollar. This bill is proposed as an economy measure. It is intended to tide over the situation for the coming fiscal year. It is announced as purely temporary. And yet here is a proposition which during the coming fiscal year of 1933 will not reduce Government expenditures a single penny. This is not an economy measure. It is not an emergency measure. It is not a retrenchment. Then why is it included in this bill? The answer is obvious. There is a school of thought in this country that is opposed to the education of the people at the expense of the Federal Government. It means nothing to them that such a policy produces an unintelligent electorate; that it tends to reduce men to the status of beasts of burden in the fields and unthinking human machines in the shops and factories. They are concerned only with lower corporation taxes and larger dividends.

But they defeat their own purpose. Experience has demonstrated that their profits are dependent on the skill and intelligence of their workmen. America is recognized as the foremost agricultural and industrial nation of the world. She has the most productive farms, the most efficient manufactories, and the output of her fields and factories is higher per unit than that of any other country on the globe. Why is Russia's agricultural and industrial program failing? It is because they lack competent man power. Why are other European nations unable to cope with us in the production of commodities? It is because our farmers and artisans have been trained in better schools and therefore have a higher mental capacity and adaptability. That is the secret of American supremacy in the markets of the world. America leads because America educates. And when America ceases to educate, America will cease to lead. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I rise in opposition to the amendment. The suggestion made by the gentleman from Missouri that this provision will destroy vocational education in 90 per cent of the schools of this country certainly must be the result of a lack of understanding of this problem on his part. In the first place, the committee does not interfere with these funds for the year 1933.

Mr. BULWINKLE. Will the gentleman yield?

Mr. McDUFFIE. For a brief question.

Mr. BULWINKLE. We are acting under an economy bill, are we not?

Mr. McDUFFIE. Yes.

Mr. BULWINKLE. This provision does not touch the appropriation for this year, does it?

Mr. McDUFFIE. Not at all.

Mr. BULWINKLE. Then what is the use of reaching out for 10 years?

Mr. McDUFFIE. You can practice economy in other years as well as in this year. This curtailment does not interfere at all with the rehabilitation of those injured in industry. Whenever a man is crippled and must be trained, it does not touch that fund at all. The idea of the committee was—and we gave it careful study—that in the Department of Agriculture you have the Bureau of Home Economics; you have your agricultural extension work and you have your county agents going into the home and into the field teaching the very things that are being taught under the appropriations carried by this bill. There has been an urge from the beginning to get the Federal Government further and further into the business, if you please, of educating the youth of this land. We thought the time has come for the

taxpayers themselves to stop and think—even though the Federal Government puts up a small part of this money, the States putting up about $3 to $1—whether or not it was a proper function of the Federal Government to educate the children in the various States. You are doing this work through your Agricultural Department in so far as agriculture is concerned. We already have an overproduction of agricultural products. Evidently we have been educated to that point where we are producing more than we can consume or sell; yet we are providing high-priced officials in Washington and furnishing money for teaching those things we should have learned by this time.

Mr. GLOVER. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. GLOVER. Is it not true that practically every large school district throughout the country districts of the United States has erected buildings to carry out the agreement they made with the Government?

Mr. McDUFFIE. Not as to this money.

Mr. GLOVER. That is true in my district.

Mr. McDUFFIE. Oh, no. This is the way this money is expended: The States make up their budgets and the local communities raise so much money; they add it to the funds of the States, and then they come to Washington and say, "We have complied with your rules; therefore we ask you to reimburse us about $1 for the $3 or $4 we are putting up for this fund."

It is folly to say that education will be stopped in this country if this fund is discontinued, especially since we are not discontinuing the funds all at once.

Mr. HARE. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. HARE. Under the original act does the State obligate itself in advance, and is a State required to accept this from the Government or can a State reject it if it wants to do so?

Mr. McDUFFIE. A State can reject it if it wants to do so, but when did the gentleman ever know a State to reject anything coming from the Federal Treasury? The States are always ready and willing to accept such aid, and the result of that policy is that communities have incurred bonded indebtedness—and so have States throughout this country—to such an extent that they can not pay it for many years to come. Of course, there are some things in which the Federal Government had to become a pioneer. It is hard to draw the line, but if we continue all the Federal activities and increase them, as the tendency now is, it is only a question of time before the jurisdiction and authority of the States will be merged into the Central Government.

By a gradual reduction of 10 per cent a year for 10 years this bill gets the Government out of the vocational education business, and after much study the committee felt that the Government could well afford to let this responsibility fall where it originally belonged and where it belongs to-day, and that is upon the localities or States affected.

The activities of certain educational organizations now are toward the establishment of a new executive department for education, which will ultimately mean that our common schools will be operated under rules and regulations of some bureau in Washington. Personally I prefer the children of my State educated under regulations of my State rather than under any rules emanating from Washington. I wish to quote the following on very good authority inserted in the committee report:

SEC. 303. Under the bill, the permanent annual appropriations for vocational education (see U. S. C., title 20, secs. 11–28), now amounting to $7,167,000, are reduced in the sum of 10 per cent of that amount, beginning with the fiscal year 1934, and in a like sum for each succeeding year, so that, after the fiscal year 1942, these appropriations will have been abolished. The permanent annual appropriation of $200,000 for administration of the vocational education act is abolished, and, in lieu thereof, authority is provided for an annual appropriation of $200,000 for the purpose.

The authority for the existing annual appropriation of $1,500,000, to supplement the permanent appropriation, is continued for the fiscal year 1934 in the sum of $1,500,000, at which time the law authorizing it expires by its own terms (U. S. C., Supp. V, title 20, secs. 15a–15c). The amount authorized for 1932 is $1,500,000, for 1933 it is $2,000,000, and for 1934, $2,500,000. The Budget estimate for 1933 was for $1,500,000, retaining the level of 1932, and the present bill continues it for 1934 at the same level.

The extent to which Federal legislation has tended to remove final control of education from the States to the Federal Government may be indicated by citing the last important act establishing a new and extensive program of Federal participation, the Smith-Hughes Act of 1917.

This act requires the final approval of the Federal Board for Vocational Education for every State plan adopted. The plan must be initiated by a State, but it can be rejected by the Federal agencies. The act requires that moneys offered by the Federal Government shall be matched by the State or local governments or both. But Federal moneys are not advanced. The State and the community anticipate the grant, spend their own money, and are reimbursed for the moneys advanced, provided the Federal authority believes standards are met. Minimum standards determining hours and minutes of instruction are set up in the Federal acts and must be accepted by both State and Federal agencies.

Recognizing fully that constructive advances in the theory and practice of vocational education have been made because of the activities initiated by this act, it is, nevertheless, a fair question whether these benefits compensate for the inevitable weakening of local responsibility and autonomy that follows continuous applications of the prescriptions of the act.

The existing status of the permanent annual appropriations for vocational education is as follows:

The vocational education act of February 23, 1917 (U. S. C., title 20, secs. 11–28), provides permanent annual appropriations for vocational education in cooperation with the States, as follows:

Agricultural training: For training in agricultural subjects, $3,000,000, to be allotted among the several States on the proportional basis of their rural population, no State to receive less than $10,000 for any fiscal year, a further permanent annual appropriation of $27,000 being provided to care for the minimum allotments.

Training in trade, industrial, and home-economics subjects: For such training there is provided a permanent annual appropriation of $3,000,000, to be allotted among the several States on the proportional basis of their urban population, no State to receive less than $10,000 for any fiscal year, a further permanent annual appropriation of $50,000 being provided to care for the minimum allotments.

Teacher training: For the training of teachers in the foregoing subjects there is provided a permanent annual appropriation of $1,000,000, to be allotted among the several States on the proportional basis of their total population, no State to receive less than $10,000 for any fiscal year, a further permanent annual appropriation of $90,000 being provided to care for the minimum allotments.

Administration: A permanent annual appropriation of $200,000 is provided for expenditure by the Federal Board for Vocational Education for making studies and investigations, and reporting thereon, concerning suitable courses of study and training in the foregoing subjects, and for other administrative purposes.

Total: The total amount of the foregoing permanent annual appropriations for cooperation with the States in vocational education, including the $200,000 for administrative purposes, is $7,367,000.

State cooperation: The act provides that for each dollar expended by the Federal Government, aside from administration, for vocational training the State or local community shall expend an equal amount for the purpose. Under this provision the States and localities are now expending approximately $3 for every dollar expended by the Federal Government, savings approximately a million per year for 10 years.

The following table sets out, year by year, the diminishing permanent annual appropriations as they are provided for by the terms of the accompanying bill:

Year	Agricultural training	Industrial training	Teacher training	Minimum allotments	Administration	Total
1933	$3,000,000	$3,000,000	$1,000,000	$167,000	$200,000	$7,367,000
1934	2,700,000	2,700,000	900,000	150,300	(1)	[2] 6,450,000
1935	2,400,000	2,400,000	800,000	133,600	(1)	[2] 5,733,300
1936	2,100,000	2,100,000	700,000	116,900	(1)	[2] 5,016,600
1937	1,800,000	1,800,000	600,000	100,200	(1)	[2] 4,299,900
1938	1,500,000	1,500,000	500,000	83,500	(1)	[2] 3,583,200
1939	1,200,000	1,200,000	400,000	66,800	(1)	[2] 2,866,500
1940	900,000	900,000	300,000	50,100	(1)	[2] 2,149,800
1941	600,000	600,000	200,000	33,400	(1)	[2] 1,433,100
1942	300,000	300,000	100,000	16,700	(1)	[2] 716,700
1943	0	0	0	0	0	0

[1] The permanent appropriation of $200,000 per annum for administration is abolished entirely, beginning with the fiscal year 1934, and there is substituted for it an authorization of an annual appropriation of not to exceed $200,000.

[2] Together with such annual appropriation for administration as may be made by Congress.

With respect to this section we call the attention of the Members of the House to the fact that within the Department of Agriculture, which is quite independent from the Board for Vocational Education and not affected by the provisions of this section, there are several agencies, viz, the Extension Service, which includes education in agriculture; administration of economics of the home; Bureau of Agricultural Engineering; and a Bureau of Home Economics, all of which perform services not exactly identical but very similar to those performed by the Federal Board for Voca-

tional Education, the difference between the two being largely that in the case of vocational education instruction is carried on in the schools, while in the case of agencies within the Department of Agriculture the education is carried on in the field and in the home. Moreover, it should be noted that the provisions of this section do not at any time reduce the appropriations for vocational rehabilitation of those injured in trades and industries.

In further explanation the situation in detail is as follows:

This section relates solely to appropriations for vocational education. It does not affect in any way vocational rehabilitation of persons injured in industry, which is taken care of in the act of June 5, 1924, and in the act of June 9, 1930. Nor does this section reduce or otherwise interfere with either agricultural extension work or agricultural experiment stations under the Purnell Act or its predecessors. This section relates to vocational education.

The section does not affect any appropriation, either permanent or annual, for the fiscal year 1933. It does not begin to operate until after June 30, 1933, so that the section does not affect contemplated State programs for the fiscal year beginning July 1 of this year.

The existing appropriations for vocational education total $9,102,000. Of this sum $7,367,000 is a permanent annual appropriation made by the Smith-Hughes Act of February 23, 1917. The Smith-Hughes Act allocates $3,000,000 annually to vocational education in agriculture, $3,000,000 annually to vocational education in home economics and trade and industrial subjects, $1,000,000 to the training of teachers, $200,000 annually to the Federal Board for Vocational Education for administrative purposes, and $167,000 annually to provide that each State shall receive the minimum allotment of $10,000 for each of the three separate purposes of the act. These appropriations—amounting to $7,367,000—are permanent annual appropriations, and so do not come to Congress for the usual annual action by the Congress.

The purpose of subsection (b) of section 303 is the gradual withdrawal of the Federal aid to vocational education begun in the Smith-Hughes Act. This is accomplished by reducing the amounts appropriated for each fiscal year by 10 per cent of the amounts now appropriated. As a result, the appropriations for the fiscal year 1934, under that act, will be 10 per cent less than the appropriations for the fiscal year 1933. For the fiscal year 1935 the appropriations will be 20 per cent less than the appropriations for 1933, and so on, until the appropriations for the fiscal year 1942 will be but 10 per cent of the 1933 appropriations, and for the fiscal year 1943 and following years no appropriations whatever will be made under the Smith-Hughes Act. The reduction for each year is spread through the various items, so that the $3,000,000 appropriation for education in agriculture is reduced $300,000 annually, that for education in home economics and trades and industries by the same amount annually, and that for teacher training by $100,000 annually. Likewise the minimum allotment to each State, now $10,000, is reduced $1,000 each year; and the amount appropriated for the purpose of providing such allotments, a total of $167,000, is reduced by 10 per cent in each year.

Subsection (c) of section 303 substitutes for the annual appropriation permanently made by the Smith-Hughes Act to the Federal Board for Vocational Education, for administrative purposes, amounting to $200,000, an authorization for an appropriation of the same amount, the effect, of course, being to permit Congress to reduce the appropriation to the board in such amounts as it may deem proper, as the work of the board is gradually diminished.

The Reed-Moses Act of February 5, 1929, authorized appropriations for the purposes of the Smith-Hughes Act. The authority was for an appropriation of $500,000 for the fiscal year 1930, and for appropriations for the four succeeding fiscal years, increasing by $500,000 each fiscal year. Under this act $1,400,000 was appropriated for the fiscal year 1932. The independent offices appropriation bill carries an appropriation of $1,500,000 for the fiscal year 1933. If the maximum authorized appropriation for this year had been made for the purposes of the Reed-Moses Act, $2,000,000 would have been appropriated. The maximum authorized appropriation for the fiscal year ending June 30, 1934, is $2,500,000. Section 303 (a) of the bill provides that instead of an authorization of $2,500,000 for this purpose for the fiscal year 1934, only $1,500,000 will be authorized—the same amount as is appropriated for this coming fiscal year. Since the authorization contained in the Reed-Moses Act expires by its own force at the end of the fiscal year 1934, the effect of the committee's action is to reduce by $1,000,000 the amount authorized to be appropriated.

The Reed-Moses Act also authorizes an annual appropriation of $100,000 to the Federal Board for Vocational Education for administrative purposes. This authorization will also expire with the remainder of the act, and it is not affected by the bill. The power to reduce this authorization is left with the Appropriations Committee and Congress.

The benefits of the Smith-Hughes and Reed-Moses Acts were extended to Hawaii and Porto Rico by the acts of March 10, 1924, and March 3, 1931, respectively. The latter acts authorize $30,000 annually for Hawaii and $105,000 annually for Porto Rico. The authorization for Porto Rico allocates $30,000 to agriculture, $30,000 to home economics, $30,000 to trade and industrial work, and $15,000 to teacher training.

Subsection (d) cuts $3,000 from the Hawaiian authorization in each successive year for 10 years, beginning with the fiscal year 1934, so that no authority for further appropriations will exist at the end of that time. Porto Rico is similarly treated, the authorization being cut $10,500 each year. The amount allocated to each item of the Porto Rican appropriation is reduced 10 per cent in each year, in conformity with the reduction applied to corresponding items under the Smith-Hughes Act. The policy as to Hawaii and Porto Rico, effected by subsection (d) of section 303, conforms in every respect to the policy as to the States, effected by the other subsections of section 303.

Mr. SIMMONS. Mr. Chairman, I offer a perfecting amendment. On page 15, line 14, strike out the figures "1934" and insert "1935."

The Clerk read as follows:

Amendment offered by Mr. SIMMONS: On page 15, line 14, strike out "1934" and insert in lieu thereof "1935."

Mr. SIMMONS. Mr. Chairman, this is a proposal, as I see it, that has no part whatever in this bill.

As the gentleman from North Carolina [Mr. BULWINKLE] has said, we are dealing with a deficit and the need for economy now, and this proposal is to save nothing whatever during the next fiscal year. It is aimed, however, with all due deference to the gentleman from Alabama [Mr. MCDUFFIE], directly at the public schools of this country. Throughout all of the farming regions, as well as in the cities, the school system has been built up upon the basis of the Federal Government contributing to vocational-education work. It is true that the Department of Agriculture appropriations do carry items that go to agricultural vocational work in the home and on the farm, but that is one thing and the vocational work in the schools is entirely another thing, and this cuts that off effectively after 10 years.

Mr. BRIGGS. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. BRIGGS. Does not the gentleman think this is one piece of cooperation between the States and the Federal Government that pays as large dividends as any investment the Government has ever made?

Mr. SIMMONS. There is no doubt in the world about that. If we are going to stop cooperation with the States, there are any number of places where economy could be effected much better than here, and in this proposal there is no economy during the next fiscal year.

Mr. FULMER. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. FULMER. A few minutes ago the gentleman from Alabama referred to the experiment-station work. Is it not a fact that this is about the only way we have to get back to the boys and girls and the farmers the real work carried on at the various experiment stations?

Mr. SIMMONS. This takes into the schools the type of work that the experiment station takes to the farm.

Mr. MANLOVE. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman from Missouri.

Mr. MANLOVE. Is it not a fact that the amount appropriated for vocational education represents only one-fifth of 1 per cent of the total expenses of our Government?

Mr. SIMMONS. I do not know just how much it is in proportion.

Mr. KETCHAM. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman from Michigan.

Mr. KETCHAM. Has the gentleman given any attention to the particular number of young men and women who are engaged in studying in these schools at night, working during the day in order that they may have an opportunity to advance themselves in the field of education?

Mr. SIMMONS. I only have those figures for my own State.

Mr. KETCHAM. The gentleman, as well as the committee, will be interested to know, I am sure, that for the entire country during the last year there were 153,384 young men and women who took advantage of this particular feature of this law and did the best they could to remove themselves from the handicap of a lack of education; and for this reason alone, if for no other, it seems to me, therefore, that certainly this subtitle should be eliminated and the excellent vocational-education work continued as at present.

Mr. SIMMONS. It is making a contribution toward developing better citizens far beyond what it costs the Federal Government or the States.

Mr. MOUSER. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. MOUSER. Is it not true that a great many of these schools will have to do away with the practical good of vocational education if Federal aid is withdrawn?

Mr. SIMMONS. There is no doubt about that.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. SUMMERS of Washington. I would like to ask the gentleman whether in this comprehensive economy bill there is any place where they skip the fiscal year 1933 and start in on economies for the next 10 years after that?

Mr. SIMMONS. I do not know about that. I know it is being done here and there is no justification for it.

Mr. SUMMERS of Washington. Would it be fair in any sense to economize and not meet our obligation in this respect when the States have already mapped out their programs?

Mr. SIMMONS. The States have already mapped their programs and they are built up with respect to and in reliance upon this contribution.

Mr. ALLGOOD. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. ALLGOOD. I have watched the gentleman vote in this House and I know the gentleman is in favor of economy, but I do not believe the gentleman is in favor of economizing at the expense of the education of the children of the country.

Mr. SIMMONS. Not in this way; no.

Mr. ALLGOOD. And I do not believe the House is in favor of economizing in this way. In fact, I have talked with a great number of the Members of this House since this provision was incorporated in the economy measure and it has been my privilege to urge each one of these Representatives to help defeat this part of the bill, and I know that a majority of the House is now opposed to discontinuing Federal appropriations to vocational education.

There is to-day no industry in this Nation in worse plight than agriculture. There is no class of people whose incomes or purchasing powers are as low and as nearly depleted as those of the farmer. Discontinuance of Federal aid will possibly mean that our rural schools will have to discontinue the teaching of scientific agriculture. To-day I had a letter from a farmer who is a patron of a vocational agricultural school. He told me that his two sons had learned more in two courses in vocational agriculture than he had learned in 30 years of experience on the farm. In my district there are 14 vocational schools, and in each of these communities our citizens have contributed out of their own funds and taxes for the erection and equipment of special buildings. There are more than 1,500 boys and girls being trained in a practical way to meet the problems of home and farm life. We all realize the great necessity of this character of education when there are several millions of men and women in this country who are now out of employment and can not make a living because they do not have this character of education. The old system of education prepared the students largely for white-collar jobs. Vocational education is practical education. It educates the hand as well as the head. It gives the boys and girls pride and confidence in doing things. It is a sound type of Americanism.

I repeat again, I am for economy; but if this section is not stricken, I will oppose the bill and vote against its enactment.

Mr. SIMMONS. No.

Mr. HASTINGS. Will the gentleman yield?

Mr. SIMMONS. I yield to the gentleman from Oklahoma.

Mr. HASTINGS. Of course the motion of the gentleman from Missouri is to strike out the section, while the motion of the gentleman from Nebraska is to change the date for one year. Of course the gentleman from Nebraska is in favor of striking out the section.

Mr. SIMMONS. I offered the amendment in order to get the floor. I am heartily in favor of the amendment of the gentleman from Missouri [Mr. CANNON].

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to withdraw his amendment. Is there objection?

Mr. ALMON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ALMON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. Chairman, I am opposed to section 303 of the bill and I am opposed to the amendment offered by the gentleman from Nebraska, which only postpones the evil day one year, and the amendment ought not to be considered.

The vocational education bill passed by Congress has been so very helpful and popular throughout the entire country that it would be most unfortunate to discontinue the same. It is performing a remarkable service for the tradesmen, the farmers, and all women, both on the farm and in homes of our industrial centers. Education is suffering materially because of lack of funds in many of the States. A further crippling of our educational institutions will accentuate the spirit of unrest which is now broadcast in the country.

The States and localities have incurred heavy expense in the construction of buildings and equipment for these vocational schools. We should improve our school systems rather than eliminate one of the most important departments in the rural schools.

Vocational agriculture is the most beneficial farming agency we have to-day, and is making more progress than any other educational group. To discontinue these Federal appropriations would penalize the rural districts and place the burden on the common people.

The amount contributed by the Federal Government for this form of education encourages the States and localities to contribute to their support, and the three together make a success.

We hear much in this day and time on the subject of farm relief. I do not know of anything that can be done for the farmers that would be more helpful than to educate the young men on the farms in the best methods of agriculture and enable them to make it a success and profitable.

These schools are doing work that meets with the hearty approval of the country people, those who live on the farms and are engaged in the basic industry.

When agriculture succeeds all business succeeds, when agriculture fails and lags all business is affected thereby. I regard Federal aid for vocational schools the most im-

portant thing that is being done by the Federal Government in cooperation with the States. We are spending millions of dollars each year in cooperation with the States in the building of highways, and I am heartily in favor of its continuance. If Federal aid for vocational schools is withdrawn during the next 10 years, it will encourage the discontinuance of Federal aid to roads, which would be, indeed, most unfortunate. We spend millions of dollars in cooperation with the States in all branches of agriculture, animal industry, plant industry, Forest Service, entomology, economics, grasshopper control, and so forth, but none of these activities are more important than the education of the young men and women along the lines of agriculture, trades, and home economics. It would be the poorest form of economy to discontinue this splendid work that is meeting with so much success.

I sincerely trust that this section providing for the elimination of Federal funds for vocational schools during the next 10 years will be voted out of this measure by a practically unanimous vote, so that there will be known and understood throughout the country the views of the Congress in connection with this educational program. It required years of time to make the beginning; now it would be most unfortunate to destroy it when its success and usefulness has been so thoroughly demonstrated.

I am in favor of economy, but this, in my opinion, would not be economy. We can not afford to economize at the expense of the young men and women of the country in destroying their opportunities for education and training that will enable them to make a success in life. [Applause.]

Mr. DYER. Mr. Chairman, I make the point of order that debate on this amendment is exhausted under the rule.

The CHAIRMAN. The point of order is sustained.

Mr. SNOW. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Nebraska.

The Clerk read as follows:

Page 15, line 14, strike out the figures "1935" and substitute "1936."

Mr. SNOW. Mr. Chairman, the original intention of the Economy Committee was to include a provision in this bill, H. R. 11597, which would eliminate for one year the appropriation for vocational education. However, when their bill finally made its appearance on the floor of the House this provision was conspicuous by its absence, but in its stead we find section 303, providing eventual death for this appropriation by slow and polite strangulation. This section should here and now be removed from the bill and thrown out the window.

Section 303 leaves the appropriation as it is for the next fiscal year and then provides for a gradual reduction year by year until the appropriation is practically wiped out at the end of the tenth year. Why this attempt to look so far ahead regarding this activity when provision after provision in this bill relating to such important subjects as pay cuts, suspension of half holidays, reductions and promotions, reduction of travel allowances, and limitations on expenditures for printing and stationery contain a limitation restricting the application of all of these provisions to "during the fiscal year ending June 30, 1933"?

In other words, these provisions affecting many reductions and changes relate only to this present financial crisis, and in no way attempt to hamstring Congress in facing these problems a year hence, at which time we all hope and pray conditions in the United States will be vastly improved. Many of the provisions in this bill will be inoperative after June 30, 1933. Not so, however, with section 303.

The Federal Government by this appropriation for vocational education during the past few years has made it possible for thousands upon thousands of our boys and girls, who for financial reasons were unable to attend college, to prepare themselves for their life work by receiving vocational education, particularly in trade and industry, agriculture and home economics. I am especially familiar with the benefits accruing from instruction thus far given in agriculture and made possible by this appropriation.

For years all kinds of suggestions have been made for farm relief. Some are nonsense, while some are sound. In my opinion, scientific training in agriculture as made possible by this appropriation for vocational education is without question the best and sanest form of farm relief.

A scientifically trained rural citizenry will realize that the problem of farm relief in general, and overproduction and businesslike marketing specifically, is within and among themselves. Farming has arrived at such a condition of skill that persons without proper training will not be able to continue on the farms. Prospective young farmers must be given instruction in production and marketing if we are ever going to have any farm relief, and conditions in this country will never be normal until overproduction ceases to a great extent and the horrible spread between the price the farmer actually receives for his products on the farm and the price the housewife pays for these same products is eliminated.

Speaking of economy, the elimination of this appropriation will be false economy. In recent years this House has passed bills appropriating thousands of dollars for the erection of monuments in honor of Indian chiefs, of whom not one-tenth of 1 per cent of our population ever heard; millions of dollars to dredge and widen streams barely navigable by punts, and untold sums of money to reclaim and irrigate waste land when a vast number of fertile acres were growing up to bushes in other sections of the country, and I might go on and on.

And now when it is proposed to continue an appropriation for vocational education—an appropriation that dollar for dollar has in results accomplished as much as any like amount ever before appropriated by the Federal Government—an attempt is made to strangle it.

Mr. REED of New York. Will the gentleman yield?

Mr. SNOW. I hope the gentleman will excuse me, but I prefer not to be interrupted at this time.

The farm urgently needs the trained man and woman as never before. Eliminating this appropriation would throw many trained teachers out of employment and cause many boys and girls to leave school and return to the farm without the proper education and training for their future welfare. It would greatly curtail the development of a type of education which is bringing values to the life of many communities far in excess of its cost to the town, State, and United States and at a time when those values are most needed.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SNOW. Yes; but for a brief question only, as my time is very limited.

Mr. SUMMERS of Washington. I indorse what you are saying, except that part which refers to 1936. I think the section should be eliminated entirely. It is not in the interest of economy.

Mr. SNOW. The gentleman should realize that the parliamentary situation is such that the only possible avenue open to me in order to be heard in opposition to the elimination of the appropriation for vocational education was to offer the amendment I have just sent to the Speaker's desk. If I could have my way, I would make it the year 2036. [Laughter.]

Mr. WOODRUM. Will the gentleman yield?

Mr. SNOW. I yield.

Mr. WOODRUM. I realize the parliamentary situation and indorse the splendid address the gentleman is making.

Mr. SPARKS. Will the gentleman yield?

Mr. SNOW. Yes.

Mr. SPARKS. Is it not a fact that the Federal Government is contributing to the States for military education, and should not it contribute for vocational education?

Mr. SNOW. Only one answer can properly be made to the question of the gentleman from Kansas.

Mr. REED of New York. Will the gentleman now be kind enough to yield to me?

Mr. SNOW. I yield.

Mr. REED of New York. I simply want to say at this point, that I have followed the record of the gentleman

from Maine on agriculture and public education very closely. He is one of the best-informed men in Congress on agriculture and I think he is to be congratulated in his district and State for the stand he has always taken to protect public education and to advance the interest of agriculture. [Applause.]

Mr. YON. Will the gentleman yield?

Mr. SNOW. Yes; but please be brief.

Mr. YON. Does not the gentleman from Maine think that if the appropriation for vocational education is eliminated it will upset the school system throughout the country?

Mr. SNOW. In the gentleman's State of Florida as well as in my home State it will take away from hundreds of boys and girls the privilege of obtaining instruction in trade and industry, agriculture and home economics.

Please bear in mind that the children of this country are not in any way responsible for the financial crisis we are now passing through.

They still are entitled to and deserve our continued thought and care. If anything, they are entitled to greater educational opportunities and facilities in this period of depression than even during past prosperous years when parents were better able to finance the costs of education.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. PATTERSON. Mr. Chairman, I rise in opposition to the substitute by the gentleman from Maine and in favor of the amendment by the gentleman from Missouri. Mr. Chairman, I feel that this is a sad day in this Congress, when we see some men get up and oppose the continuation of vocational education in our country.

I wish to give you some figures that are interesting. Vocational education last year received an appropriation of $32,000,000, and only about $7,000,000 of that was from the Federal Government.

In the classes enrolled there were more than a million of young people taking vocational education. It is not confined to the rural communities, even though these were doing splendid work in practically every State in the Union. Then there is the vocational trade school in the cities and also the evening classes and part-time schools doing splendid work, where hundreds of thousands of boys and girls are engaged in this work. There are more than a million of these young people benefiting from this work, and it would be a tragedy to break faith with these classes and fail. We can not afford to do it—we must not, we will not. In my own State and other sections which I have visited, the vocational agricultural school is the center of community life in many instances. I know community after community where people have sacrificed and mortgaged their homes in order to help build and carry on this work. They have both the agricultural work for boys and the home economics for girls.

In times like this we ought not to withdraw Federal aid for such work as our vocational schools, for it is not economy during any period, and everyone can see that this provision is entirely out of harmony with the most of the bill, for this proposes to permanently abolish this work, and does not effect one penny of economy for the year 1933. Then what is this measure and its purpose to abolish vocational education for good and for all time and break faith with the States and our people?

I want to say something to some of these economy experts. I favor economy as much as anyone, and can see some very large economies we should make, for I think the waste in government must be cut out and no service of government should be established or continue which does not render more in service than it costs. But I do not believe in reducing the income of a class of people who now have an insufficient income. And I oppose the proposition to eliminate a service which has justified itself like vocational education. This is, in my judgment, some of the most valuable money appropriated by our Government.

Let me say this to some of those economy experts who advocate the elimination of vocational education: Just two years ago practically all of you supported a measure to give back to the income-tax payers, some of whom at that time had net incomes of more than $10,000,000—enough to carry on this work for nearly 25 years. There were less than 40 Members of this House who opposed that, and as I have shown from time to time with a few others the fallacy of this legislation, not one man in the light of years has defended it. O my colleagues, let us not fail the people at this time. It is true the eyes of the people are on us, and we must not fail them.

I hope the Cannon amendment will be agreed to, and then this valuable work will continue to give its benefits and spread to every section of our country.

Can this country, in a progressive age like this, afford to stop education and progress and turn backward 40 years? It can not, and we shall meet the test by carrying forward this valuable work. I hope at an early date, when I can get more time, to give more in detail some facts in reference to this work.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. DYER. Mr. Chairman, I make the point of order that debate is exhausted upon the pending amendment.

The CHAIRMAN. The point of order is sustained. The question is on the substitute amendment offered by the gentleman from Maine.

The substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. LAGUARDIA. Mr. Chairman, I offer a perfecting amendment to the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

The CHAIRMAN. The gentleman from New York will send his amendment to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA as a substitute for the amendment offered by Mr. SIMMONS: Page 15, line 14, strike out "1934" and insert "1939."

Mr. LAGUARDIA. Mr. Chairman, the provision in this bill gradually eliminates the funds for vocational training and is typical of the spirit of the so-called economy under which we are operating. I am sure that the committee in its desperation simply closed its eyes and reached out and grabbed anything it could put its hands on, regardless of the merits of the proposition. It has been repeatedly stated on the floor of the House that as to wages, if we went below the $2,000 exemption, 70 per cent of the employees or 75 per cent would be found to be in that category. Hence the greatest economy is to be made out of the salaries of the lowest-paid employees. There is no recommendation in this bill to reduce the subsidies given to the private shipowners. There is no recommendation in the bill to reduce the subsidies given to the operators of air mail. There is no suggestion here of a moratorium on the interest of Government bonds for one year. After the committee deducted 11 per cent of the wages of the employees, the bill seeks to gradually eliminate all activities of the Federal Government for vocational education. My city alone appropriates for education over $10,000,000 a year. We will get along without this appropriation, but we are interested in education as a national proposition. [Applause.] My State perhaps will pay the greater portion of this appropriation. I take sharp issue with the gentleman from Iowa [Mr. RAMSEYER], usually correct, when yesterday he so forgot himself as to take the floor and revert back 30 years and try to array the workers of the city against the producers on the farms. That speech will ring as a discordant note for a long time, particularly that part where he said, "We farmers must stand for this economy bill because the representatives of the city are opposing these reductions."

In reply to that, speaking for the workers of my city, I say to the gentleman that we are opposed to eliminating appropriations for vocational training for the people of the gentleman's State. The new spirit of this day is the common understanding between the farms and the cities, because as long as we are kept apart each is being exploited by a handful of people who are urging this economy bill.

ACTIVITIES OF THE BOARD

The activities or responsibilities of the Federal Board for Vocational Education are prescribed under the terms of the national vocational education act, the rehabilitation act, and other acts complementary thereto. In general they may be grouped under six different headings:

Administrative: The board is responsible (1) for certifying to the Treasury Department the allotments to the States as provided under these acts; (2) for ascertaining that Federal funds are actually used for the purposes for which they are appropriated.

Advisory: The board is called upon to advise State boards with regard to the proper use of funds, to the preparation of State plans to meet the varying conditions existing in the several States, in order that the work may be best adapted to the situation existing in individual States, and to the development and promotion of programs on a statewide basis.

Service: A general cooperative service is rendered to other Government departments, to State boards for vocational education, to local educational authorities on request of State boards, and to a large variety of national business, industrial, agricultural, and educational associations.

The general character of this service is indicated as follows:

First. Assisting States in developing more effective programs of teacher training.

Second. Assisting industrial, commercial, and business organizations to develop programs for the training of their employees.

Third. Cooperation in vocational education surveys.

Fourth. Making analyses of training needs for specific occupations.

Fifth. Conducting special schools of instruction.

Sixth. Establishing foreman training as a phase of industrial education.

Seventh. Conducting conferences of employers and labor to define local needs for vocational training.

Eighth. Assisting other departments of the Government in connection with their problems of vocational training.

A somewhat detailed list of the organizations and groups with which the board has cooperated is attached to this letter.

Research: The board is responsible under the several acts which it administers for making studies and investigations in the field of vocational education as specified in the act. It is also responsible for bringing the results of such studies to the attention of State and local authorities engaged in the operation and promotion of programs of vocational education through the personal services of its staff and through publications.

Quasi judicial: Under the terms of the vocational education act the Federal board is specifically charged with wide powers of interpretation, in order that situations in different States may be effectively met. This power was conferred upon the board to avoid implanting by statutory provisions a stereotyped program on all States. The law as drawn is very general in its scope because Congress recognized that in the development of this new line of work many adaptations would be necessary as more experience was secured. The way in which this responsibility has been met is shown in the various administrative bulletins of the board.

In addition, the board is responsible for withholding funds in case a State has not expended them in accordance with the provisions of the acts under which they are appropriated.

Regulatory: This activity consists essentially in seeing that all programs where Federal funds are applied are operated in accordance with the general intent of Congress and the spirit of the act.

REASONS FOR ESTABLISHING AN INDEPENDENT BOARD

In enacting the vocational education act it is clearly apparent that Congress had in mind service to that group of young people and adults who were not being reached and efficiently served by the regular public schools. It was emphasized that the contemplated service should be of practical value, and that it should be directed by practical people.

Congress recognized that while generous provision had been made for vocational education for the professions, the great majority of young people and adult citizens who had dropped out of the regular public schools were in need of an opportunity to secure practical vocational education and training of less than college grade to meet their needs.

In view of the existing situation, Congress recognized that the program must be safeguarded if the large group of people, both young and old, who had left school and gone to work, or who were desirous of preparing themselves to go to work, were to be effectively served. The first purpose was to provide serviceable education and training to assist people to get a job, hold a job, or get a better job. The second purpose was to guard against the danger that this work might become so academic in character that it would fail to render the specific service intended.

The third purpose was to insure that the funds appropriated would be used for the purposes intended by Congress and that they would not be diverted to support forms of general education which Congress believed were already adequately financed.

Furthermore, it is apparent that Congress recognized that vocational education is essentially an economic agency in that training for work directly affects the interests of many groups, such as employers, employees, and the general public. In order to secure equitable representations of all interests affected, Congress provided a representative board on which labor, the employer, and other interested parties were represented, and it conferred upon this board advisory, regulatory, and quasi-judicial functions. These intents of Congress are very clearly set forth in statements made on the floor of the House by the Hon. Irvine J. Lenroot and others on December 11, 1916, excerpts from which are attached to this letter.

OPPOSITION MET UP TO THE PRESENT TIME

In general, it may fairly be stated that the opposition which exists is largely the result of misinformation and misunderstandings as to the work of the Federal Board for Vocational Education. As a result of these misunderstandings and misrepresentations the report has been circulated that the board dominates State programs and dictates standards to individual States and local communities within those States. This is untrue. The standards required by the board are only those set up in the acts, and such interpretations as have been agreed to in conference between representatives of the board and official representatives of State boards. The board operates no schools directly, employs no teachers, and enters into the picture only so far as Federal funds are used. Any State is perfectly free to set up any kind of an educational program that it wants without any regard to any Federal standards or interpretations of the Federal board so long as Federal funds are not involved.

In the great majority of cases opposition arising through misinformation or misunderstanding has come from college representatives who have not participated in the program, many of whom are connected with privately owned or endowed institutions and foundations. These individuals have little first-hand information concerning the program and little or no actual experience in public-school work. In many cases educators at first indifferent or even actively opposed have entirely changed their point of view after having come in contact with the programs which have been developed in their States and local communities.

Sources of opposition: Among the specific sources of opposition are, first, those who oppose the act as such, without any regard to the form in which it is administered. This opposition has been based upon the grounds that any form of Federal aid is unconstitutional. Second, that any recognition of any difference between vocational education and general education is socially undesirable.

Third. Certain leading authorities in general education connected with the faculties of institutions which make a

specialty of training school administrators, have taken the position that vocational education is undemocratic because it closes the door of opportunity to some who might desire to go to college, and tends to create class distinctions because vocational education does not satisfy college-entrance requirements. One effect of their teaching has been to affect the attitude of many school administrators unfavorably toward the whole question of vocational education of less than college grade as a part of the public-school system.

Fourth. Some opposition has been expressed to the advisory and service activities of the board carried out through representatives of the board working in various States and communities at the request of the State authorities. This has come mainly from representatives of institutions of college grade who have felt that such advice and service should come from their institutions rather than from the Federal board.

Fifth. Objections to rulings of the board in its quasi-judicial functions. These have not been numerous. In certain cases, however, objection has been raised to the board's rulings because of a belief on the part of certain educational authorities that Federal funds should be placed at their disposal without any accompanying standards or restrictions of any kind as to the use of such funds.

As evidence that this type of opposition has not been important, it may be stated that while the national vocational education act specifically provides that any State may appeal to Congress from rulings made by the Federal board, no appeal has been made during the entire time that the board has been in existence.

Sixth. There has been some opposition to the standards set up in the act itself and to the interpretative rulings of the board. These objections are, in general, due to the fact that certain school administrators fail to see that the standards set up in general education and appropriate for that work are not appropriate for vocational education. Because of its practical character, vocational education calls for the employment of occupationally competent workers as teachers, the securing of time sufficient to insure that thorough education or training can be given to insure ability to make good on some definite job or employment level, and proper restrictions on the number of people trained for employment with regard to those already competent to do the work who are seeking employment and other necessary safeguards of that character. Such standards do not correspond to those set up in the general educational field and must be met in order to insure that the program shall accomplish what Congress expected it to accomplish.

Seventh. Some objection has also been developed with regard to the requirements in the act that the board shall annually ascertain that Federal funds have been used for the purposes for which they were appropriated. This objection has not been serious nor has it been widespread, but it has existed in certain cases, chiefly from a group of individual theorists having no official connection with the program.

REASONS FOR CONTINUANCE OF THE PROGRAM UNDER AN INDEPENDENT ESTABLISHMENT

First. The conditions which existed in 1917 and which led to the passage of the original act still exist to-day. In fact, these conditions have been aggravated by technological displacement and by more rapidly changing conditions.

Second. Such opposition as existed in 1917 on the part of general educators still exists to-day, possibly in a somewhat more intensified form, hence the need for the safeguards set up by Congress, including representative control, are even more necessary to-day than they were in 1917.

Third. The group which Congress had in mind to serve needs protection to-day as much and even more than it did in 1917. The belief by certain persons that this group should not be given vocational training at public expense is as strong to-day as it was in 1917. The safeguards set up by Congress are as necessary to-day as they were 14 years ago. The recognition of the need and the desirability of a protected special service to this group was so thoroughly recognized in 1917 that most employer organizations, the American Federation of Labor, and many other national organizations joined in advocating the act under independent, representative control. The legislation was passed by Congress in both Houses by unanimous vote. In passing this legislation, Congress recognized that a democratic system of education must provide varying opportunities to meet varying needs rather than one standard opportunity leading through the college to the professions.

Wherever the Federal board has worked in cooperation with State boards for vocational education, with national organizations of all kinds, with labor organizations, and with representatives of industrial organizations, the economic value of the service rendered has been acknowledged, as is shown by many statements in the files of the board. The policy of the board in utilizing the principle of conference with parties interested has almost invariably resulted in a settlement of any disputed points to the satisfaction of all parties concerned.

A review of the 14 years during which the board has been in existence has shown no case where the interested parties have protested against anything with which the board has been concerned in the way of the promotion of programs and aiding the States in the carrying on of the work. On the other hand, in the case of such organizations as the American Federation of Labor, the United States Chamber of Commerce, national manufacturers' associations, and many others, resolutions commending the work of the board have been voluntarily adopted on numerous occasions.

PARTISAN POLITICS DID NOT ENTER INTO THE CONSIDERATION AND PASSAGE OF THE VOCATIONAL EDUCATION ACT (SMITH-HUGHES ACT, FEBRUARY 23, 1917)

The national vocational education act passed by Congress February 23, 1917, was in no way a partisan measure. Those who have any misgivings should read the CONGRESSIONAL RECORD during the years 1914 to 1917 and note the debates by many Congressmen of both major political parties and statements inserted in the RECORD by laymen, chambers of commerce, manufacturing associations, agricultural groups, and labor organizations in behalf of this law. From these it is thoroughly evident that at no time did political partisans endeavor to capitalize or claim party credit for the passage of the act.

The facts are that Senator Dolliver, of Iowa, and Representative Davis, of Minnesota, both well-known Republicans, championed the first bill. Senator Page, Republican, of Vermont, and Representative William B. Wilson, a Democrat, later Secretary of Labor in the Cabinet of President Wilson, sponsored the bill in its second stage.

Senator Hoke Smith and Representative Hughes, both Democrats from the State of Georgia, were members of the President's commission of 1914, this commission being created to make a study of the need for such legislation. Senator Smith was chairman of the Committee on Education and Labor in the Senate, and Representative Hughes chairman of the Committee on Education in the House.

When the vocational education act was being considered during the sessions of 1916 and 1917 many Members of the House and Senate, both Democrats and Republicans, vied with each other to advance the measure, and expressed their enthusiasm in its behalf. During the debate in the House Members complimented and praised Mr. Hughes.

Only two Members of the House—Mr. James Slayden, of Texas, and Mr. Finis Garrett, of Tennessee—questioned the advisability of its passage, and they feared it might interfere with certain State rights. On its final passage they did not vote against it.

The RECORD shows that on the final passage of the bill in the House the whole body was so elated that the Members arose en masse and vigorously applauded.

Never at any time were party lines drawn. There is no record of allusion to political party credit in any of the debates. Undoubtedly, the American people should be proud of the fact that this great educational, humanitarian measure passed Congress by a unanimous vote.

REASONS WHY CONGRESS CREATED AN INDEPENDENT REPRESENTATIVE BOARD TO ADMINISTER VOCATIONAL EDUCATION

[From the CONGRESSIONAL RECORD, March 16, 1916]

Resolution from outside organizations in regard to composition of board (64th Cong., 1st sess., vol. 53, pt. 5, p. 4178):

Mr. SMITH of Georgia. Mr. President, we have upon our calendar reported with the unanimous approval of the Committee on Education and Labor the bill providing for vocational education, which was prepared by the joint commission under a joint resolution last year. The bill will be brought to the attention of the Senate in the near future, and I wish to have printed in the RECORD certain resolutions that have been passed with reference to it.

The bill was submitted to the department of superintendence of the National Education Association; also to the American Home Economics Association; and also to the educational committee of the American Federation of Labor. All of these organizations have given, through committees, careful study to the bill, and they have indorsed it with one exception.

The bill as presented to the Senate provides for a board of control consisting of Cabinet members. The department of superintendence, National Education Association, and the American Home Economics Association each recommend that the board of control should be members selected outside of the Cabinet. I ask that the resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolutions

[From department of superintendence, National Education Association, February 24, 1916]

Resolved, That the department reaffirms its approval of Federal aid to vocational education as proposed in the Smith-Hughes bill and now before Congress. It believes, however, that the work to be done is so important and so diversified as to require the creation of a Federal board to administer the act, who shall give their undivided attention to the subject and who shall be representative of the educational interests to be served.

[From American Federation of Labor]

Resolved, That the executive council of the American Federation of Labor indorse the Smith-Hughes bill for industrial education with the declarations made by the National Society for the Promotion of Industrial Education as contained in the quoted parts of the letter to Congress of January 27, 1916.

[From American Home Economics Association, February 25, 1916]

The American Home Economics Association, assembled in Detroit, reaffirms its approval of Federal aid to vocational education as provided for by the Smith-Hughes bill, recommended by the President's Commission on National Aid to Vocational Education and now before Congress.

The association believes, however, that the ends to be served are so important and so diversified as to require a Federal board the members of which shall give their undivided attention to the administration of the act and shall be representative of the interest to be served.

[From discussion in House of H. R. 11250 and S. 703 (64th Cong., 2d sess., vol. 54, pt. 1, pp. 720–721, December 11, 1916)]

Mr. Powers, in considering a section of the proposed bill permitting the Federal board to allot "any part of such appropriation to any United States department or bureau for the purpose of making any study or investigation, or any part thereof, under the provisions of the act," made the following comment:

In other words, if this board should be composed of educators as suggested, with the Commissioner of Education, of course, himself an educator, it would be within the power of the board to allot the entire $200,000, or any part of it, it might deem proper to the Bureau of Education to make these investigations. Those of us who are afraid that a Federal board would be appointed largely of educators believe that this section 6 should be so amended that the great industries of this country that the bill proposes to try to reach and help should have representation on the board, and that they should be called in from the fields of agriculture, and that the commercial interests should be represented. The purpose of the bill is to reach and prepare the students for useful employment. That is the idea of it; that is the foundation of it; that is the reason of its existence.

[64th Cong., 2d sess., pt. 1, pp. 175, 176, 177, December 11, 1916]

Mr. LENROOT. * * * I wish to discuss it now, rather than to wait until the bill shall actually come before us for consideration, because I think it is a matter of such importance that the success or failure of this bill when it is enacted into law will depend very largely upon how Congress shall deal with that fundamental point, and I sincerely hope that, between now and the time when this bill shall be actually considered by us, the membership of this House will give serious consideration to the matter that I propose to discuss. That matter is the method of the organization of this Federal board.

As Doctor FESS has stated, the Senate bill provides for an ex officio board composed of five members of the Cabinet. The House bill provides for a board consisting of five members, four of them to be appointed by the President of the United States, no more than two of whom shall belong to the same political body, and the fifth member, the Commissioner of Education, who shall ex officio be a member of the board. Now, to my mind, neither of these systems or methods will bring about the result that ought to be gained by the enactment of this bill. There are only two grounds upon which Federal aid for this purpose can to my mind be justified: One, to secure the establishment of practical standards of vocational education; second, to stimulate the States by Federal aid to accept these standards. I have no sympathy with the view sometimes expressed that the Federal Government should aid the States in carrying the burdens of vocational education. On the contrary, any State that to-day has any practical system of vocational education can well afford to continue it out of its own funds, for there is no expenditure that the State can make that will bring better or larger returns to it than a practical system of vocational education. But it is necessary to establish practical standards, and in order to secure the adoption of those standards it is necessary that Federal aid such as is proposed in this bill be given.

Now, the House bill provides that the Commissioner of Education shall ex officio be the chairman of the board; that four members shall be appointed by the President. And I am afraid that that is going to mean that the fixing of these standards and the control of this subject will be in the hands of general educators rather than in the hands of practical men. And I want to say very frankly that I do not believe general educators are qualified to fix standards for vocational education such as we ought to have in the United States. It is no reflection upon any general educator when I say that any more than it might be considered to be a reflection upon me if some one should say that I was not qualified to perform a surgical operation.

In the fixing of these standards we will agree that they should be practical standards. They should be standards such as, when adopted by the State, are going to result in training boys and girls for vocations. Is that going to be secured unless those standards are passed upon by practical men? If not passed upon by practical men, they will be fixed by an examination in the field, in the first instance, by trained men, it is true, college graduates, trained investigators in getting raw material, but who have never had any practical experience in industry or in trade. They in turn will send their reports in to the Bureau of Labor or other department, as the case may be. That raw material will be interpreted by experts who have never had any practical experience; and, finally, general educators through these channels will fix the standards, and they themselves are not practical men in these lines. So we have theory from beginning to end as against the fixing of standards by practical men. So it is my purpose at the proper time to offer an amendment providing, as the House bill provides, for five members of this general board, the Commissioner of Education to be a member ex officio, four members to be appointed by the President of the United States, but with the qualifications that one of those members shall be representative of labor, one of them representative of manufacturing, one representative of commerce, and one representative of agriculture. And I want to say, Mr. Chairman and gentlemen of the committee, that this method which I shall at the proper time propose is not only indorsed but it is urged by the United States Chamber of Commerce, by the National Association of Manufacturers, and by the American Federation of Labor.

* * * * * * *

Mr. LENROOT. Coming back to where I was interrupted, where I was stating that the method I proposed has the indorsement of the National Chamber of Commerce, the National Association of Manufacturers, and the American Federation of Labor, I want to suggest that if upon any question the American Federation of Labor and the National Association of Manufacturers can agree, it is a matter of very serious consideration for the membership of this House. With reference to the United States Chamber of Commerce, the Members of the House no doubt have received a pamphlet from them where the Chamber of Commerce specifically asks for the amendment of the bill in the certain particulars that I propose to offer as an amendment here. The National Association of Manufacturers has adopted a resolution declaring that in their opinion that board should be made up of the interests specially to be advanced—labor, employment, and education. The American Federation of Labor in its report to the executive committee made at their annual convention last month used this language:

"We had hoped that the provisions of the act relative to the board would have been changed so that the Secretaries of the several departments of Agriculture, Interior, Commerce, and Labor would not have been delegated as the board. We felt that their duties are already altogether too onerous and too complex to have this additional responsibility thrust upon them. There is, in addition, a double danger in having department Secretaries serve as the Federal Board for Vocational Education—first, administrations and administrative officials are subject to quadrennial changes, and it has happened in the past that sometimes Cabinet members have been changed several times during an administration. This objection in itself should be sufficient for us to object to the Federal Vocational Education Board being so constituted. The second objection is a more serious one, namely, that of the possible injection of partisanship into the administration of this new field of educational effort.

"It is our opinion that this new board should be composed of representative men, but not partisan representatives of the administration in power. Its personnel should represent the great

fundamental activities of life, namely, agriculture, labor, commerce, industry, and education, and the local advisory boards should be equally representative, so that the human activities of the Republic could feel assured that experienced, tested men from their own vocations, such as labor, commerce, agriculture, industry, and education, should be fairly and efficiently represented.

"It is our opinion that when this measure is once launched it should be directed along proper channels at the start. If we permit politicians to direct its energies, there is a danger that it may become a mere political adjunct of the party in power. If we permit the present academic educational group of the Nation to dominate, the whole force and virtue of genuine vocational trade training will be in danger of being lost sight of, and the Nation's appropriations will probably be misdirected along minor lines of endeavor, such as manual training, amateur mechanics, and other trifling, impractical, valueless schemes. Neither can we afford to permit this great measure to be overweighted by any special trade, commercial, or vocational interests. The agriculturists should not predominate, neither should the commercial or even the labor and industrial interests. We should insist that the board be properly balanced to start with, and that the interest of each of the great divisions of activity should be fairly and properly conserved, and unless we are otherwise instructed by this convention we shall make endeavors to change the proposed law according to the lines herein laid down."

That, Mr. Chairman, is the view of the American Federation of Labor. Now, I submit that the views of the manufacturers and of labor, when they agree upon a proposition like this, are entitled not only to weight in this House, but in a matter of this kind ought, it seems to me, to control, rather than the views of the general educators, who very humanly desire to have for themselves all the power that they can get. It is no reflection, as I said a moment ago, upon the general educators that they desire this power; but if this is to be a workable and successful measure, as I hope it will be, we ought to do everything within our power to make it practical in every sense of the word.

[From the CONGRESSIONAL RECORD, pp. 769–770, January 2, 1917]

Mr. BORLAND. Is not a board a rather clumsy method of doing business?

Mr. FESS. No; not if it is a small board.

Mr. BORLAND. There is a tendency to create more boards than we really need. In fact, I very gravely doubt—and it is my one doubt about this bill—whether we need this Federal education board, and whether it would not be entirely better and more efficient and appropriate to have it managed by the Federal superintendent of education or Commissioner of Education.

Mr. FESS. I think the work is so very comprehensive that it ought to have a board of managers well equipped for this particular work.

[From CONGRESSIONAL RECORD, p. 3426—Conference Report No. 1495, February 16, 1917]

The measure as it passed the Senate provided that the Federal Board for Vocational Education be composed of the Postmaster General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor, and the board was authorized to select an advisory board of seven members. A number of experts and specialists were also authorized to assist the board.

The measure as it passed the House provided for the appointment by the President of a representative of manufacturing interests, a representative of commercial interests other than manufacturing, a representative of labor, and a representative of agriculture to act with the United States Commissioner of Education as a board of five to administer the act, and provided for the employment of such assistants as might be necessary.

The provision agreed to by the conferees is a blending of the two proposals, so that the new system is to be linked with the Government by the designation of the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, and the Commissioner of Education as ex officio members of the board, and the appointment by the President, with the advice and consent of the Senate, of a representative of the manufacturing and commercial interests, a representative of the agricultural interests, and a representative of labor to act with them as members of the board.

The House receded from its amendments to the bill, which had the effect of merely "authorizing" the appropriations, and the appropriations are definitely made in the bill as reported from conference.

COST OF REHABILITATING THOSE DISABLED IN INDUSTRY OR OTHERWISE

One of the acts administered by the Federal Board for Vocational Education is the act passed in 1920 known as the act for rehabilitating those disabled in industry or otherwise. During the life of that act 48,502 persons have been rehabilitated and put to work at a total cost of $12,757,457, or an average cost of $263.03 per person. The Federal cost was $6,193,410.20. The States expended $6,564,046.98. These handicapped people were being kept prior to rehabilitation by some taxing district or otherwise at a cost of from $300 to $500 annually. The average age of those rehabilitated was 32 years. The life expectancy of a person 32 years of age, according to the American-Canadian Expectancy Table, is 68 years, or 36 years additional. Fixing the cost of keeping these people at $300 per annum each, which is the minimum, it would have cost some taxing district or otherwise to keep these 48,502 people $14,550,600 annually. Multiply that by 36, the number of years they are expected to live, according to the expectancy table, and you have a total cost of $523,821,600.

Now, what was done? The Federal board, in cooperation with the States, rehabilitated these people at a total cost of $12,757,457. So you have a net saving in that one transaction of $511,064,143; but that is not all. One of the mid-Western States during the last seven years has rehabilitated 1,391 persons. Their average earning power after being rehabilitated over what it was prior to injury was $699.97. If that average would hold good with the 48,502, and fixing their working expectancy at 30 years instead of 36, as used in the first calculation, the increased earning power of those rehabilitated would amount to $1,018,498,348.20. You have saved in the cost of keeping these people $511,064,143 and at the same time you have added to their earning power $1,018,498,348.20, making a total of $1,529,562,491.20 during the life of this act. You have saved enough money in this one transaction alone to pay all the cost of the Federal board in Federal, State, and local money in all of its many activities for a period of 47 years.

That is only one side of the picture—the economic side that the Congress has spent so much time in discussing recently. Now let us look at the humanitarian side. It so often happens when these unfortunate cripples or handicapped people are at the head of a home, with dependents, a wife and children. When the head of the home becomes incapacitated, the home is broken up, the wife is sent to the workshop, the children are farmed out. A home is broken up, an irreparable damage has been done to society. The humanitarian side is even greater than the economic side. I seriously doubt if the Government, either Federal, State, or local, can show such marvelous results as that part of the work now being carried on by the Federal Board for Vocational Education. Will the Congress continue this humanitarian and economic work, or will it consolidate, transfer, or merge it into some other executive department, board, bureau, or commission that knows nothing about it? I hope not. Can any other department do this work as well as it is now being done? I seriously doubt it.

I appeal to you who are interested in your States and are in need of this appropriation to stand with us of the cities who are willing and anxious to cooperate with you in maintaining this splended activity. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, with each passing hour is being demonstrated how futile the efforts of this Economy Committee have been to save some money for the Treasury of the United States. The gentleman from New York [Mr. LAGUARDIA] has just harangued you, trying to make you think that only a few people in this country are asking for economy. I say to you that the taxpayers of this country are demanding that there be a reduction in governmental expenditures, and the only people who are opposing it are those who are selfishly interested. Take the items before us at the present moment. Every one of us has been receiving all sorts of telegrams and letters opposed to it. I hate to vote in favor of reducing this appropriation for vocational training, but it is only a temporary proposition. [Cries of "Oh, no."]

Mr. REED of New York. It has nothing to do with the present emergency; not a thing. It is to be eliminated 10 years hence.

Mr. WOOD of Indiana. It has to do with the present emergency. We got along without this vocational education for a long, long time. It has been productive of good, and it may be productive of good again and will be, but I wish the Members of this House to consider that we are facing an emergency. If we are to balance this Budget, we must make sacrifices all along the line.

Mr. MAY. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. MAY. I will ask the gentleman to state to the House whether there is a graduated scale proposed in this bill

which, at the end of 10 years, will entirely eliminate this appropriation?

Mr. WOOD of Indiana. No. But if it were true, let me state the trouble with this entire business. I may as well state now what I have in mind. My idea is that if we keep up this 50 per cent business we will not only bankrupt the Government but we will bankrupt every State in the Union.

Mr. WOODRUM. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. WOODRUM. I know the gentleman desires to be correct in his statement, but the gentleman is obviously in error about the provision with reference to which he has just spoken. It does not call for any reduction in the next fiscal year, and therefore will not affect the 1933 Budget at all, but it does contain a graduated reduction of the appropriation so as to wipe it all out in 10 years. It does not affect the present depression in any way whatever.

Mr. WOOD of Indiana. Suppose that is true.

Mr. WOODRUM. Well, it is true.

Mr. WOOD of Indiana. And admit that it is true. I want to say that if ever there was a time in this world when the Congress of the United States should be awakened to the danger that we are in, by reason of the Government appropriating money, money, money, it is now. We are not only involving the Government of the United States in debt, but we are involving every State of the Union in debt.

Mr. Chairman, I rose not so much in opposition to this particular item, but on account of the principle that is involved here.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended five minutes.

Mr. DYER. Mr. Chairman, I make the point of order that the debate upon this amendment is exhausted.

The CHAIRMAN. The Chair sustains the point of order.

The question is on the adoption of the substitute amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The substitute amendment was rejected.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. HILL of Alabama. Mr. Chairman, I offer a substitute to the amendment offered by the gentleman from Nebraska, to strike out the figure "1934" and insert in lieu thereof the figure "1937."

The CHAIRMAN. The Clerk will report the substitute.

Mr. DYER. Mr. Chairman, I make a point of order.

The Clerk read as follows:

Substitute amendment offered by Mr. HILL of Alabama for the amendment offered by Mr. SIMMONS: Page 15, line 14, strike out the figures "34" and insert the figures "37."

Mr. DYER. Mr. Chairman, I make a point of order against the amendment, that it is dilatory and is for the simple purpose of securing time to address the committee. That has been repeated in a number of instances. There have been a dozen speeches, at least, in favor of striking out this section. I make the point of order, Mr. Chairman, because otherwise we will go on forever on this section.

Mr. SCHAFER. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. Assuming all the gentleman says is correct, the Chair thinks the gentleman from Alabama has come within the rules.

Mr. DYER. It is evident the committee intends to strike out the section. I think we ought to be permitted to vote upon it now.

The CHAIRMAN. The gentleman from Alabama [Mr. HILL] is recognized for five minutes.

Mr. HILL of Alabama. Mr. Chairman, the gentleman from Indiana [Mr. WOOD] has stated that this provision to eliminate the appropriation for vocational education was put into the bill to meet the present emergency; yet when we examine the language of the bill, we find the provision does not even commence to become effective until one year from July 1 next.

When we consider that this Government has a $4,000,000,000 Budget annually and that the appropriation for vocational education is some $7,000,000 annually we find that if the provision remained in the bill and the appropriation was wiped out, it would be a saving to the Federal Government of less than two one-hundredths of 1 per cent.

Mr. ESLICK. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. ESLICK. May I give the figures of such savings by vocational training in regard to agriculture?

Mr. HILL of Alabama. I yield to the gentleman briefly. He is such a devoted friend of education and is always so able that I hope the gentleman will state for the benefit of the House one or two of the most important figures and let me incorporate all of them in the extension of my remarks.

Mr. ESLICK. In a 10-year period the boys in vocational training in my State deposited $3,823,084.06, a net saving over and above the contribution made of $2,383,485.

Mr. WOODRUFF. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. WOODRUFF. As I understand it, this economy bill is before the House for the purpose of bringing about a balanced Budget at the end of the fiscal year 1933.

Mr. HILL of Alabama. It is all predicated on that proposition.

Mr. WOODRUFF. May I ask the gentleman if this particular provision in this bill in any way contributes one penny to that purpose?

Mr. HILL of Alabama. Not one red cent does this provision in this bill contribute to that purpose.

Mr. HASTINGS. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. HASTINGS. Will the gentleman yield to permit the committee to state whether or not it is agreeable to have this section stricken from the bill?

Mr. HILL of Alabama. In reply to the gentleman from Oklahoma, if the committee wants to strike this provision from the bill, all that is necessary is for some member of the committee to make a motion to strike it. Every opportunity has been given for that purpose.

Mr. HASTINGS. I appeal to the gentleman's colleague to ask him if he will not do that.

Mr. HILL of Alabama. Mr. Chairman, this vocational education was pioneered by that great leader of thought in this country, Theodore Roosevelt, and it was brought into being under the leadership of that other great leader of thought, Woodrow Wilson. [Applause.]

Under the stimulus given vocational education by Federal aid the work is being carried on among children and among men and women in literally thousands of schoolrooms throughout the country. Millions of children and millions of men and women are engaged in vocational education in agriculture, in trades and industries, in home economics, in rehabilitation, and in the most important fields of human labor. The appropriations of many State governments for vocational education are contingent upon the Federal appropriation, and the States have spent thousands of dollars for school buildings and equipment, relying upon the receipt of the annual Federal appropriation. For the Federal Government to now cease this appropriation would be to break faith with these States and would perhaps in a number of States be a death knell to vocational education.

The provision in the bill destroying the appropriation would deprive thousands of farmers throughout the land of education on farm subjects which run the whole gamut from farm accounting to the conservation of the soil. It would deprive these farmers of an education which makes for the emancipation of the farm home through getting larger returns from smaller areas and fewer laborers, and thereby making it possible for the farm women to spend their time on home-making problems and the children to be free to attend school and prepare themselves for life and its battles. The provision would disorganize the program in

evening and day schools of home-making classes composed of mothers and housewives who are striving for better health conditions, more adequate food, better living conditions, and greater happiness. It would disorganize the thousands of chapters of the Association of Future Farmers of America, composed of high-school boys who are to be the agricultural leaders of the future and who are being trained in scientific and practical agriculture.

It would close the door of opportunity to thousands of men and women who were denied the advantages of education and training in their youth and who now are struggling to make themselves better, more useful, and more intelligent citizens. The provision would deny thousands of men out of employment due to new machinery and new technology the opportunity to train and prepare themselves for work in other lines of endeavor. It would even deny the deaf and blind in our institutions that education and training which they must have to prepare themselves for life and its battles. There is no effort here to eliminate the great subsidies paid by our Government to the shipping interests and the other great interests of this country. This Congress voted an extension of the debt of Germany to the amount of $250,000,000 which in the opinion of many is but the first step toward the cancellation of all our foreign debts. Can it be that this House will now deny the small sum of some $7,000,000 to be used throughout the country for vocational education? I appeal to the membership of the House to strike from the bill this provision eliminating the vocational education appropriation and let us take a stand for the people—the people who too often are forgotten.

Under leave to extend my remarks, I include the following statement from the gentleman from Tennessee [Mr. ESLICK]:

May I not quote the record of vocational education in Tennessee, showing what a blessing and profit it has been to the boys of my home State? Since July 1, 1918, the Government has spent there $853,179.55 on vocational education; the State has spent $586,419.37, or a total of $1,439,598.92. This money has been paid to teachers and in supervising training.

From July 1, 1921, to June 30, 1930, the boys taking vocational training in the high schools of Tennessee had from their labors on supervised farms a net income above expenses of $3,823,084.06. Take from this contributions, both State and Federal, leaves the large sum of $2,383,485.14 as a net profit. This is the only branch of the free schools in Tennessee where a boy can earn when he learns.

One other statement, in the last three years the Tennessee Association of Future Farmers of America, who are students of vocational training, have deposited in savings accounts $198,630.17 and have invested in farm land and livestock $706,515.63. Vocational education is doing a great work for the youth of the country. This bill destroys it beginning with 1934 and I am unalterably opposed to the destruction.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. DOUGLAS of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. DYER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

Mr. SCHAFER. Mr. Chairman, I offer as an amendment to that motion that all debate close in 30 minutes.

The CHAIRMAN. The question is on the amendment to the motion.

The amendment was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. DOUGLAS of Arizona. Mr. Chairman, it has been stated that the provisions of section 303 of this amendment will completely eliminate at the expiration of 10 years all appropriations for vocational education. Those who have made that statement are under a misapprehension. The provisions of section 303 reduce in equal amounts over a period of 10 years the permanent annual appropriations for vocational education, but do not in any respect interfere with or reduce the appropriations made annually for vocational education.

The committee in inserting section 303 in the bill was doing nothing more nor less than carrying out the recommendation of a board which had been appointed to investigate the relationship between the Federal Government and the States in so far as education is concerned. That board reported in express language that vocational education and the contributions by the United States for that purpose should be gradually diminished so as to leave the field entirely to the States.

Mr. BULWINKLE. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I decline to yield for the moment.

The board in its report stated that the vocational education act, the act authorizing and making appropriations for this purpose, in effect made the States in conducting their educational activities in this field completely subversive to the United States. The States could not obtain the money appropriated for these purposes unless they complied with the regulations laid down by the board. The commission which had been appointed to investigate this subject stated clearly that such subversion on the part of the United States was not in accord with sound principles of education.

Mr. BULWINKLE. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I have declined to yield, I will state to the gentleman.

And so the commitee, when it inserted this provision in the bill, did nothing more nor less than to carry out the recommendations of the commission authorized to investigate the general question.

Mr. PATTERSON. Will the gentleman yield?

Mr. DOUGLAS of Arizona. Yes.

Mr. PATTERSON. Will the gentleman inform us who paid the expenses of this commission in making its investigation?

Mr. DOUGLAS of Arizona. I have not the faintest idea who paid for the investigation.

Mr. REED of New York. One of the large foundations paid for it and had an ulterior motive.

Mr. BULWINKLE. Now that the gentleman has yielded to the gentleman from Alabama, will he yield to me?

Mr. DOUGLAS of Arizona. Yes.

Mr. BULWINKLE. Will the gentleman name the members of this commission?

Mr. DOUGLAS of Arizona. I can not name them.

Mr. BULWINKLE. Were they not connected with universities, and did they not receive large annuities?

Mr. DOUGLAS of Arizona. The members were appointed by the President of the United States.

Mr. BULWINKLE. Who made up the personnel?

Mr. DOUGLAS of Arizona. The personnel consisted of university presidents.

Mr. BULWINKLE. Name them.

Mr. DOUGLAS of Arizona. I have not here the names of the members. It was a board of some twenty-seven members, as I recall it.

Mr. PARSONS. Was that the board of education that consisted of 52?

Mr. DOUGLAS of Arizona. No; I think not.

Mr. BULWINKLE. Was the Secretary of the Interior on that board?

Mr. DOUGLAS of Arizona. As I recall it, the Secretary of the Interior was on the board.

Mr. CANNON. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. CANNON. Who financed the report and paid the expenses of the board?

Mr. DOUGLAS of Arizona. I do not know who paid the expenses of the board. The only information I have is that the board made a thorough study and investigation and submitted this report.

Mr. CANNON. Is the gentleman aware of the fact that the board was paid from private funds furnished by the Rosenwald Foundation?

[Here the gavel fell.]

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Alabama.

The substitute amendment was rejected.

The CHAIRMAN. The question now recurs on the adoption of the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

Mr. PALMISANO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO: On Page 15, line 8, strike out the entire section 303 and insert in lieu thereof the following:

"To suspend on June 30, 1933, the further operation of vocational education as provided by the act of February 23, 1917, and to suspend also vocational rehabilitation as provided by the act of June 2, 1920."

Mr. PALMISANO. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

Several Members objected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri [Mr. CANNON].

The amendment was agreed to.

Mr. BUCHANAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: Page 18, line 11, strike out the period and insert the following: ", or to the printing and binding of farmers' bulletins under the Department of Agriculture."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order against the amendment on the ground that it is not germane.

Mr. RAMSEYER. Mr. Chairman, there was so much confusion that we could not hear the amendment read. I ask unanimous consent that it may again be reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. BUCHANAN. Mr. Chairman, I feel that when any provision in the economy bill seriously affects any Government department or bureau that the chairman of the subcommittee which makes appropriations for that department ought to advise the Members of the House as to what effect it has. Therefore, in the discharge of that duty, I state to this House that if this reduction of nearly $5,000,000 in the printing appropriation goes into effect there will not be one cent with which to print a single Farmers' Bulletin for the year 1933. Therefore we will have none to distribute and there will be none for the farmers to receive.

Let me call your attention to this fact: Senators and Members of the House distribute about 13,000,000 of these bulletins to farmers every year; the department distributes 2,500,000 every year, and 273,000 are sold by the Government every year. The receipts from these bulletins and other publications of the Department of Agriculture amount to $75,000 a year. The members of this committee ought to do one of two things: They should either provide for the printing of these bulletins and their free distribution, or provide that the Department of Agriculture may print them and sell them to the people.

What position would you be in next year when you get requests from farmers for these bulletins and you could not supply them? Over 2,000,000 farmers write for these bulletins every year, and what position would you be in if you had to tell them they could not be purchased at the Government Printing Office and you could not distribute them because the Congress had not provided for their printing, even though their average cost is only 1½ cents each.

Mr. SNELL. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SNELL. There was such a commotion I did not understand the gentleman's amendment. We can not understand what the gentleman is trying to do.

Mr. BUCHANAN. I have offered an amendment exempting the cost of printing farmers' bulletins from the provisions of the economy bill, just the same as the economy bill exempts the printing fund of the Patent Office.

Mr. SCHAFER. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SCHAFER. This will also exempt the bulletins which are used in the cities because the term "farmers' bulletins" is a misnomer. There are just as many farmers' bulletins distributed in the cities as there are in the country districts, and for a very useful purpose. [Applause.]

Mr. BUCHANAN. That is true. They go to the cities the same as they go to the country districts. In my district a great number of requests for these farmers' bulletins come from the cities.

Mr. SCHAFER. I represent a city district, and I use all of my allotment. I could use two or three times as many more if I could get them. My constituents appreciate these valuable publications.

Mr. BUCHANAN. Unless this amendment is adopted and if this economy bill goes through, the gentleman will not have any.

Mr. SCHAFER. I am going to vote for the gentleman's amendment.

Mr. BUCHANAN. This section would cut $5,000,000 from the printing appropriation. All of the departments are compelled to print their administrative forms, and it will take all of the money to print these administrative forms, so that no farmers' bulletins can be printed. I have investigated it; I have consulted with the department and gone into it fully, and I tell you that will be the result. [Applause.]

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I make the point of order on the ground that the amendment is not germane and on the further ground that on its face the amendment shows it is not an economy but provides for an additional expenditure on the part of the Government.

The provision under consideration is limited to printing and the printing of one function of the Government, the Patent Office. It is fundamental that where there is a limitation applying to only one function you can not extend it by applying it to a second function.

Further as to the point of order that the purpose of the amendment is not economy but expenditure. It is obvious on its face that this proposal is not intended to have the prior provisions of this paragraph apply but to exempt them. The prior provisions would make it mandatory that the printing must be within a circumscribed amount. The amendment offered by the gentleman from Texas seeks to lift that amount and that the $200,000 which was carried in the present appropriation bill shall not be affected by these economy provisions as reported by the Economy Committee.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. BUCHANAN. No. If the preceding paragraph of this bill is in order this is in order.

Mr. WILLIAMSON. Mr. Chairman, I would like to be heard on the point of order. I am not for the amendment, but I think the amendment is in order.

The Chair will observe that the bill provides for certain reductions in the way of printing and binding, and leaves it up to the Director of the Budget as to how the funds for printing shall be distributed among the several departments. Of course he will distribute a reasonable proportion of the money available to the Department of Agriculture. The cost of printing farmers' bulletins is included. The proposed amendment has the effect of excluding the farm bulletins from their proportionate cut under the section. It seems to me the amendment is clearly in order.

Mr. SWING. Mr. Chairman, I desire to be heard on the point of order.

Even if the exceptions were not in the bill regarding the exempting of the Patent Office printing, the amendment would still be in order. Otherwise we would be confronted with the proposition that the bill presented by the Economy

Committee could not possibly be amended in any respect where the result of the amendment would be to reduce the amount of savings which the provisions of the bill are seeking to make, and all the amendments we have heretofore adopted would be out of order because they tend to lessen, in some respect, the total amount of savings which the bill started out to make. Therefore it is proper to offer an amendment which lessens the amounts of the cuts carried in the bill, but which does not increase the amounts authorized by existing law.

The CHAIRMAN. The Chair thinks the point of order is well taken and therefore sustains the point of order.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

Mr. BARBOUR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARBOUR. That does not mean the title.

The CHAIRMAN. It only means section 304.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to proceed for one minute before the motion is put.

The CHAIRMAN. The motion of the gentleman from Arizona has preference.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent, which I submit is always in order, that I may be allowed to speak one minute before the motion is put, because there is involved here the most vital prerogatives of this House and we should amend this proposition.

The CHAIRMAN. The Chair, in the exercise of his discretion, will put the request, although the Chair thinks the motion of the gentleman from Arizona has precedence.

Is there objection to the request of the gentleman from South Carolina?

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, what is the subject matter of the gentleman's statement?

Mr. STEVENSON. I want to call the attention of this House to the fact that, with respect to the appropriation for printing, this limitation will make it absolutely impossible for the Members of the House to have the RECORD properly printed and impossible for them to have the printing done which is absolutely necessary to run the Houses of Congress, and I want to amend it.

The CHAIRMAN. The question is on the motion of the gentleman from Arizona that all debate on this section and all amendments thereto close in 10 minutes.

The motion was rejected.

Mr. STEVENSON. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. STEVENSON: Strike out of line 20, "$9,000,000" and insert in lieu thereof "$10,000,000"; in line 23 strike out "$2,000,000" and insert in lieu thereof "$2,500,000."

Mr. STEVENSON. Mr. Chairman, there are two amendments here, of course. I am only proposing to increase the limit $1,000,000.

The printing last year cost $14,546,000, and this bill proposes to limit the amount that can be appropriated to $9,000,000, a cut of one-third.

All of you are interested in this proposition, because all of you want to get your documents, all of you want the departments to have proper printing done, and all of you want the RECORD properly printed.

The distribution of this fund last year amounted to $2,500,000 for the printing of the congressional proceedings proper, including the hearings and all that kind of thing.

You and I have been importuned, and I am holding down the printing of the hearings and the printing of a great many other things, and it is very disagreeable for me to do it. My colleagues are asking to have charts printed and asking to have duplicates of hearings printed and all that kind of thing, and I have been endeavoring to hold them down. However, this bill proposes to hold down the printing for the Congress, including all its activities, to $2,000,000, when it has been running $2,500,000. I am moving to amend that by fixing the amount at $2,500,000.

Mr. SANDLIN. If the gentleman will permit, this year the cost will be $3,000,000, and $1,000,000 more will have to be appropriated to take care of the printing.

Mr. STEVENSON. It will certainly take at least one-half million dollars more.

Mr. McDUFFIE. Does not the gentleman think we can cut out the printing of a lot of documents, such as committee hearings? This will not interfere with the printing of the CONGRESSIONAL RECORD at all, or interfere in any way with printing the proceedings on the floor of the House.

Mr. STEVENSON. If the gentleman were in the position I am, with the calls I have every day to print extra copies of hearings before this committee or that committee, and to put in extra charts and extra illustrations and all that kind of thing, which I hate to refuse my colleagues, but which I am having to do, he would realize that it is very hard to prevent the expenditures for printing of hearings.

Now, what were the items last year? Miscellaneous publications, $55,000; hearings proper before the committees, $215,000. This leaves $2,000,000 for everything else. If you cut out all the hearings, you would not have quite enough money out of this $2,000,000 to do the printing. When you scan the list that Congress has had printed, in so far as the $2,500,000 appropriation is concerned, it is the least you can get through with, and you will probably have a deficit at the end of the year then.

Mr. McDUFFIE. Binding is very expensive. Could we not cut some of that out?

Mr. STEVENSON. It may be expensive in some instances, but that is a matter Congress regulates, and it has a right to have the matter it has printed bound according to its desire, whether expensive or not. Now, gentlemen, I am only moving to increase this $1,000,000, and that cuts off four and a half million dollars. I do not think we will get through with it, but will have a deficit at the end of the year, and I trust that another body will have a whack at it, and they believe in printing and they furnish a lot of it, and we can not help it.

I am only asking for decent consideration for the rights of Congress to have printed and bound what is necessary. I am permitting a cut of one-third when I offer this amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken, and the amendment was agreed to.

Mr. BARBOUR. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 19, line 19, strike out sections 308, 309, 310, 311, 312, and 313 down to and including line 8 on page 23.

Mr. BARBOUR. Mr. Chairman, I think I can point out some very good reasons for striking out these provisions of the bill which would discontinue the Army and Navy transports and the Panama Railroad Steamship Line.

I propose to confine myself to the Army Transport Service, though what I say is applicable also to the Navy Transport Service and to the Panama Steamship Line.

The Army Transport Service was established in 1898, at the time of the Spanish-American War. It was established because the private steamship companies could not render adequate service to the Government. Since that time the Army Transport Service has continued to operate efficiently and economically. This provision in the bill will not save money to the Government; it will cost money. If we discontinue the Army and the Navy transport systems and the service of the Panama Steamship Line, it will cost the Government more money than these provisions in the bill will save.

I want to submit for your consideration some figures in relation to the cost of the Army Transport Service for the fiscal year 1931. It cost to operate the sum of $3,838,583.58. If we add to that 3 per cent for depreciation of equipment and 3.6 for interest on the original cost, we find the total

cost of operation of the Army Transport Service during the fiscal year 1931 to be $4,868,764.91.

If that same service had been rendered by the commercial lines and the regular commercial rates had been charged for transporting the same passengers and freight, it would have cost the Government $7,403,797.16, so that the operation of the Army Transport Service really saved the Government $2,535,032.25 for the fiscal year 1931.

I hold in my hand an estimate of the cost of the voyage of the Army transport *Republic*, which sails to-day from the Army base at Brooklyn to San Francisco by way of the Panama Canal, to Hawaii, Manila, back to San Francisco, through the Panama Canal, and returning to the base at Brooklyn.

These figures have been carefully prepared. They show that the total cost of this round trip of the Army transport *Republic* will be $300,000. If that same service was purchased from commercial companies and commercial rates were charged, it would cost the Government $716,155.62. Where, then, is the economy in discontinuing this service that has been rendered so efficiently since the Spanish War in 1898? What can we expect from these companies if we discontinue the Army Transport Service and turn this business over to commercial lines? That question was asked before the subcommittee of the Committee on Appropriations for the War Department when representatives of the commercial steamship lines appeared in support of a similar proposal. They were asked what kind of accommodations would be furnished the enlisted men, and we were told that the men would be carried in the steerage. American soldiers will be sent to the Philippines, to the Orient, and to the Hawaiian Islands in the steerage with people of other nations, people of different races. Why, there would be international complications before the transport reached the Farallon Islands, 20 miles off the Golden Gate. Then here is another consideration. The commercial lines when they leave port and get 12 miles out at sea open their bars.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BARBOUR. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for five minutes. Is there objection?

Mr. STAFFORD. Mr. Chairman, I reserve the right to object.

Mr. McDUFFIE. Mr. Chairman, I do not want to object to the gentleman's request, but will he not extend his remarks?

Mr. BARBOUR. This is the only time that I have spoken on this bill, and I hope it will be the only time until it is passed.

Mr. SNELL. Mr. Chairman, I think the gentleman from Alabama should let the gentleman from California go on for five minutes. He has made a study of the subject, and is the former chairman of the subcommittee of the Committee on Appropriations on Army matters.

Mr. McDUFFIE. Very well.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BARBOUR. Mr. Chairman, when one of these commercial steamships, flying even the American flag, gets 12 miles out at sea, it opens its bar. On the Army and the Navy transports liquor is forbidden, and it is a good rule and a good regulation, when you have several hundred men, most of them enlisted men, on board for a long voyage.

Another consideration to which I direct your attention is that if we put our enlisted men into the steerage of these commercial ships, what will become of the secrecy of our military operations? They will be accessible to the representatives and agents of every foreign country. All kinds of information will be gathered from them as they are sailing on these ships.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. McDUFFIE. Is it not a fact that this is the only big nation in the world that maintains a transport service such as ours?

Mr. BARBOUR. I do not care if it is. Because other nations do not maintain such a service is no reason the United States should not. We do lots of things in this country better than they are done in other countries. I understand that to-day Japan maintains its own transport service. That is the information that I have.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. SCHAFER. On pages 8901 to 8905 of the CONGRESSIONAL RECORD of April 25, 1932, the gentleman will find full and complete statements of the Secretary of War and the Secretary of the Navy opposing the abolition of the Army and Navy transport services, from the standpoint of economy, from the standpoint of national defense, and the morale and best interest of the enlisted men. If our American troops are to be carried down in the hold the way we were carried during the World War by private steamship companies, God help them, and I say that from my own actual experience. I sincerely hope that the gentleman's amendment will be adopted, and that we will continue to maintain the Army and Navy transport services, which are just as essential as an arm of our national defense as the ammunition for the guns.

Mr. BARBOUR. Mr. Chairman, in line with the statement just made by the gentleman from Wisconsin, this is no new proposition. At various times in the history of these transport services, this raid has been made on the service by the commercial steamship companies. It was made back in 1920, when Newton D. Baker was Secretary of War and Woodrow Wilson was President of the United States.

I have here a carbon copy of a report that was submitted by Secretary Baker to President Wilson when this question was then raised. I shall not take the time to read the whole report, but I will give you a few of Secretary Baker's conclusions. He found against the discontinuance of the transport service, because he said that transportation is an essential part of military movement; that our ships are highly specialized for the carrying of troops and supplies and that commercial ships are not; that commercial ships are not adapted to rendering this essentially military service; that sound military policy requires complete control of military movements. He further found that the ships are economically operated, and he recommended to President Wilson that the transport service be not discontinued. On May 15, 1920, President Wilson wrote to Secretary Baker acknowledging receipt of the report and saying "the judgment expressed in your letter is my own judgment." The matter also came up when William Howard Taft was Secretary of War, and he reported adversely upon it. It is an old question that is brought up every so often when the commercial steamship companies raid the Army and Navy transport service in order to get control of that little business, which is a special business and a special service that these ships render.

We have been generous to the American merchant marine. The Congress has passed laws that are indeed liberal to the American merchant marine. We grant them liberal loans for the building of new ships and make very liberal subsidies for the carrying of the mails. We may grant them more, if necessary, to properly maintain and operate an American merchant marine, but this Congress should say to the commercial steamship companies of this country that they must keep their hands off the Army and the Navy and our national defense.

Mr. DELANEY. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. DELANEY. Is it not a fact that the adoption of the gentleman's amendment will mean an economy to the Government of about $2,000,000?

Mr. BARBOUR. Yes; if we adopt the amendment. There is no excuse for this provision in the bill, in the name of economy.

Mr. DELANEY. As the gentleman said a little while ago, this is the only country which maintains an Army transport service. Is it not true of the prohibition situation, that this is the only country which maintains a prohibition service?

Mr. BARBOUR. As far as I know, I think that question answers itself.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FREE. Mr. Chairman, I rise in opposition to the amendment.

Unfortunately the gentleman from California [Mr. BARBOUR] has included in his motion to strike out several paragraphs in this bill. I wish to address myself to the paragraph 312 in regard to the Panama Railroad Steamship Line. If this Congress desires to really save money and do away with something that is obnoxious, it will pass favorably upon this section 312.

The Panama Railroad Steamship Line was organized originally to carry supplies to the canal. When the canal was completed, it continued in operation and began operating in opposition to private lines carrying private business. It even extended its lines down to Central and South America; and when this was stopped, it did the un-American thing of contracting for the carrying of freight to Central and South America and carried this freight as far as the canal in its own vessels and entered into contracts with foreign lines to carry the freight on beyond. Here we have a Government line entering into contracts with foreign lines that compete with American lines in the transportation of goods to Central and South America. If you will do away with this service, you will get the same service and you will save $360,000 a year.

The total business of this line in 1931 was $1,870,000. Of that amount $1,263,000 was purely private business. The total business for the Panama Canal Commission, including the carrying of employees, was $384,911 or about one-fifth of its total business. The total freight carried was 163,000 tons, and only 27,000 of that was for the canal.

It admits for 1931 a loss of $244,000, but for freight carried for the Panama Canal Commission they placed a charge of $8 a ton, whereas private companies will haul that for $5.70 a ton. So they credit themselves with $8 a ton for the freight they carry to the canal. They must charge the Government for their services what the private lines would charge, so they charge $5.70 on that, and then they charge for commercial freight at the rate of $7.50 per ton. The private concerns will do all of this for $5.70 a ton. Private lines will handle the freight that is carried for the Panama Canal Commission at a saving of $74,000 a year.

Another vicious thing about it is that this line receives from the Government for carrying mail, $42,373, when, as a matter of fact, we are already paying subsidies to lines that cover the same routes, and whose boats go without mail, in order that this line can get $42,000 a year to try to make up the deficit that exists in the operation of their line.

The losses to the Government are as follows: There is an admitted loss which they put on their books of $244,000 a year. There is a loss of $74,000 in carrying the freight of the Panama Canal Commission, for which it charges $8 a ton, whereas private companies charge $5.70 a ton. Then we have absolutely thrown away $42,000 in carrying the mails, which other lines are ready and willing to carry and are paid to carry.

Mr. SCHAFER. Will the gentleman yield?

Mr. FREE. No; I can not yield.

The claim will be made that this line is conducted for the employees and that they get low rates. They do, and there is a little pap handed out to Members of Congress, free transportation, because those people are politically minded, but I do not believe any Member will vote on this matter because he gets a free trip to Panama. If the Government allowed $30 to each employee, each way, to private companies, the Government would save $210,000 a year in transportation. The Panama Canal employees receive already, in addition to their pay, 25 per cent additional. To illustrate what that means, an employee with a salary of $2,000 receives $400 additional a year, and then it is argued that this line should be maintained to give them cheaper transportation back to the States every two years. One-half the revenues of the Panama Canal is paid by American shipping, and this money is used to pay losses to a competing Government line run on an un-American basis, which assists foreign shipping lines instead of aiding American-owned lines.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CONNERY. Mr. Chairman, I offer an amendment to the Barbour amendment, to strike out section 308.

Mr. Chairman, I am against the entire Barbour amendment. I believe in leaving these committee provisions in the bill. I have heard talk about national defense, and I heard my distinguished colleague, the gentleman from Wisconsin [Mr. SCHAFER], tell about when he went to France. We did not go to France on transports. They did not have them available. We went over on fruit steamers and we were down in the hold and the gentleman from Wisconsin knows—he was a private, as I was—that if we went over on transports we would still have been in the hold.

Mr. SCHAFER. I went on the *Orduna* in July, 1917. This boat was a passenger steamship, and I would not send my dog over in the steerage where we were quartered.

Mr. CONNERY. But the gentleman was down near the water.

Mr. SCHAFER. Well, I guess below the water line, and Uncle Sam paid the regular passenger rates, and the men were herded, quartered, and fed like dogs. If the gentleman wants this kind of treatment for the soldiers, sailors, and marines he can have it. I do not want it.

Mr. CONNERY. In a transport the officer would be up on deck in his stateroom and the men would be down in the hold just the same.

Mr. SCHAFER. Far better to be in the hold of a transport with decent quarters, conditions, and rations than in the hold of one of the private steamship lines mingling, sleeping, and eating with the peoples of Asiatic countries.

Mr. CONNERY. There is no choice between those kinds of holds. They are all the same. [Laughter.] The only time we use these transports is in time of peace. The transports are supposed to be used in time of war to transport troops to the battle front. They did not use these transports in time of war. They used the privately owned vessels.

Now, I am in favor of the merchant marine. I am in favor of doing anything which will build it up and follow the example of England and the other nations which have their merchant marine ready to convert into transports when needed, to carry troops wherever and whenever they want to carry them.

I believe we should have a merchant marine and then in time of war turn the ships into a transport system and turn them over for the use of the Army and Navy.

This is one proposition on which I am in favor of the proposal of the Economy Committee. I am also going to be in favor of consolidation of the Army and the Navy and stopping this jealousy between admirals and generals, and let one man run the war when war comes along, so that the private and the gob will not have to go out and be killed while some general or some admiral is trying to find out whether the Navy should go out or whether the Army should go out. I am going to favor that consolidation. I believe it will save $100,000,000. That is real economy from my point of view.

[Here the gavel fell.]

Mr. JAMES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it so happened on yesterday that the Quartermaster Corps opened bids for the Army Transport Service next year. One of the companies that bid was a certain fruit company. In their bid they stated that all their steamers were under foreign flags except one tanker.

If the amendment of the gentleman from California [Mr. BARBOUR] is not adopted, so far as the Army is concerned, it will be necessary to increase the Army appropriation for the next year $3,000,000. For instance, the lowest bid received to transport a trooper from San Francisco to Honolulu is $65. The cost by Army transport is $15. From San Francisco to China the lowest commercial rate to the Army is $105. The cost by Army transport is $35. The commercial rate to the Army from New York to Panama is $45; the Army transport rate is $14. From New York to San Francisco the commercial rate to the Army is $75; the rate by Army transport is $40. From San Francisco to Honolulu the commercial rate to the Army is $65 as against a cost by Army transport of $15.

In other words, gentlemen, by adopting the Barbour amendment we can save $3,000,000. Not only that, but the hospital facilities on the Army transports are far better than they are on commercial boats. For instance, on the *Chateau-Thierry*, on which many of you have been, there is a 30-bed hospital, including mental ward, 10 bens; isolation ward, 4 beds. It has an operating room with all modern equipment, a dispensary stocked with medicines, one Army surgeon, and five hospital attendants. The hospital is located on the boat deck, with deck space available for convalescent patients.

On commercial boats the hospital facilities usually consist of four beds with no provision at all for restraining mental patients, with one doctor and no hospital attendants; and all these men would be down in the steerage. I beg of you gentlemen to support the Barbour amendment.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. JAMES. I yield.

Mr. HILL of Alabama. The bill provides that the Secretary of War shall dispose of all property in addition to the ships used in connection with the transport service. Can the gentleman give us an idea of some of the other property that would be disposed of?

Mr. JAMES. That would mean that in the ports of New York and San Francisco the docks and piers that should serve the Government in case of war for the transport service would be turned over to somebody else.

Mr. HILL of Alabama. Yes; it would mean, among other things, depots that cost $72,405,480.10, and the whole matter should be stricken out.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. JAMES. I yield.

Mr. LaGUARDIA. That is the very purpose, I will say to the gentleman, of this whole provision in this bill.

Mr. McDUFFIE. The gentleman is not quoting the bill correctly. We have amended that provision in the bill.

Mr. LaGUARDIA. I am absolving the gentleman from Alabama of having anything to do with this, but I am saying to the gentleman from Michigan that this whole thing was started by a bunch of rats in New York who want to sell these piers, and somebody fell for it, and this amendment is here. Does the gentleman from California know anything about that?

Mr. FREE. What?

Mr. LaGUARDIA. You heard me.

Mr. LEA. Will the gentleman yield?

Mr. JAMES. I yield.

Mr. LEA. What would happen if these millions of dollars' worth of ships and piers in the possession of the War Department were thrown on the market at this time?

Mr. JAMES. We could not get any market for them at this time.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLANCY. Mr. Chairman, I have an amendment on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CLANCY: Page 20, line 6, after the word "continuance," insert "The term 'property' as used in this section shall not be considered to include the docks, piers, warehouses, wharves, and terminal equipment and other rights transferred to the Shipping Board by the President under authority of section 17 of the merchant marine act, 1920."

Mr. CLANCY. Mr. Chairman, first I want to thank the gentleman from Alabama [Mr. McDUFFIE], the chairman of the committee, for the consideration he gave me in eliminating the joker in section 308, which I will not designate as a steal, because I do not want to reflect upon the integrity of any Member of this House; but I do say that if that joker had been inserted by a lobbyist that lobbyist, on a 10 per cent commission, would have received from $3,000,000 to $5,000,000 as his fee.

I was the first to reveal this joker to Mr. McDUFFIE and to the War Department.

Col. Frederick H. Payne, Assistant Secretary of War, said that the main purpose of abolishing the Army Transport Service was to give private interests a chance to get these piers at a tremendous bargain and Government sacrifice in New York City, in Boston, in San Francisco, in Manila, and Honolulu. Colonel Payne said Al Capone never planned as big a steal nor a bolder job.

INVESTIGATE PRESENT LEASES

There may be something rotten in Denmark now in regard to the lease of these piers, but because of lack of time I can not go fully into that now.

AN OMNIBUS GRAB BAG

Gentlemen rise here and cry to high heaven to support this alleged economy bill. They blindly appeal to us as Republicans; they appeal to us as Democrats, and they cry to us as lovers of the flag to support this sacred cow.

What is an omnibus bill? It is nothing but some bad measures and some good measures thrown into a carry-all bill. The only way you can get support for the bad measures is to trade with a Member who wants to put his pet measure in. With regard to this particular economy bill, one member of the committee is interested in a tariff item in the Senate, and if he is promised support for that he consents to other measures in this bill. Another member is interested in a certain plan. If he gets that, he consents to much of the rest of the bill.

There are bad provisions in this bill and good measures. Let us weed out the bad and put through the good provisions.

THE JOKER DISCOVERED

I discovered this very vicious joker compelling the sale of piers and terminals, and my point was granted, and I want to compliment the gentleman from Alabama [Mr. McDUFFIE], who will soon offer an amendment to strike out this joker.

I insist, in view of remarks made during this debate, that Mr. McDUFFIE is absolutely honorable and did everything possible to help kill this joker and protect the people's interest by rewriting the section and offering a committee amendment. The gentleman from Alabama said at first he did not think the language of section 308 meant what I charged, but then upon study he admitted it.

The War Department says that the sale of these piers, used in connection with those vessels—which would be thrown on the market at panic prices, at from 5 to 10 per cent of their value—would mean a loss of $100,000,000; in Brooklyn alone, $50,000,000.

Mr. BYRNS. The committee had an amendment curing that.

Mr. CLANCY. I just said that.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman from Tennessee is out of order.

Mr. BYRNS. Mr. Chairman, I insist I am not out of order.

The CHAIRMAN. The Chair overrules the point of order.

HISTORY OF PRICELESS PIERS

Mr. CLANCY. The United States Government obtained four piers and the Brooklyn Army base at the time of the World War mainly through condemnation proceedings. I am informed the total cost was about eight millions of dol-

lars, but these piers have become enormously valuable since, and are worth, according to the estimate of the War Department, over fifty millions of dollars.

They occupy a wonderful position in the greatest harbor in the world—New York Harbor. They have deep water, which some of the New York piers have not, and even as gigantic a ship as the *Leviathan* and also the biggest German ships can dock there.

They are not located up the river as many of the New York piers are, but are down the harbor considerably, and thus the tremendous traffic, particularly of the smaller boats and ferries, is avoided and the danger of collision is largely averted.

Moreover, these piers are singularly free of fog. Fog is prevalent in New York Harbor from time to time and causes delays which run into enormous financial losses through the inability to dock boats. Still further, fog is the chief cause of collisions in New York Harbor, which is very disastrous when they occur, because even if they do not cause the destruction of the ship they may cause such damage that the ship will have to go to dry dock and be laid up for a longer or a lesser period and thus prevent sailings. When a ship which is loaded with passengers and freight and is leaving the harbor for its voyage abroad suffers a collision, the result is particularly devastating, as it means a costly unloading of the cargo and passengers and the making of costly new arrangements.

PECULIAR GOVERNMENT LEASES

In 1921 the Shipping Board insisted upon getting piers 3 and 4 of the Brooklyn Army base transferred permanently. Piers 3 and 4 were loaned to the United States Shipping Board and they, in turn, leased them to the Atlantic Tidewater Terminals for a rental of 55 per cent of the gross receipts with $160,000 minimum. The Shipping Board obtains about $210,000 per year from Piers 3 and 4.

The Atlantic Tidewater Terminals Corporation leases Pier 3 to the Roosevelt, a purely American line, for about $250,000 to $300,000, which is my guess. They leased Pier 4 to the Steamship Terminal Operating Co., which is a Jarka interest, and who, in turn, lease it to the North German Lloyd Line for about $350,000 to $400,000 per year. Jarka was a former boss of stevedores for German lines in New York Harbor.

If the Shipping Board, which has all the facilities for handling leases, leased directly instead of through these sublessees, the United States Government would probably gain several hundred thousand dollars more per year.

From the above leases it is clear that the Atlantic Tidewater Terminal Corporation is making a large profit which the United States Government might make for itself through its ownership of the piers.

It is also probably that the Jarka company, known as the Steamship Terminal Operating Co., is making a large profit which should rightfully go into the United States Treasury. Why all this system of leases and subleases, when there is a large and capable Government division, known as the United States Shipping Board, which could handle these leases directly instead of peddling them out to persons who probably make a barrel of money out of the arrangement?

DEALING WITH FOREIGN LINES

Moreover, the United States Shipping Board was established to aid and develop the American merchant marine and to fight its bitter and unscrupulous competitors in the foreign merchant marine.

I know that the North German Lloyd Steamship Co. enjoys the very highest reputation, and I have never been informed that it indulged in sharp practices in its competition with American ships.

I am a member of the House Merchant Marine, Radio, and Fisheries Committee and know that all our efforts have been to build up the American merchant marine and gain our own ships as many advantages as possible.

Our committee established a ship-subsidy fund of about $250,000,000 to help build and maintain and operate American ships on the ocean, and we were very careful to write language in the legislation and guard the fund so that none of it should go into foreign boats or foreign lines or aid in the building of or operation of foreign lines.

Yet here we have at the United States Army base at Brooklyn a system of subleases whereby a foreign line uses our docks and bases. It is true it does so on a lease at a rental which is presumably high. Undoubtedly the foreign line is made to pay to the limit of the pound of flesh; but if the United States Government wishes to make that arrangement with the foreign line, why does it not do so directly, and why does it allow tens of thousands of dollars of that rental to fall into the hands of the Jarka interests and the Atlantic Tidewater Terminal Corporation?

As a member of the House Merchant Marine Committee, I am going to go further into this matter of leases, which has just been tipped off to me within the past few days.

RETAIN GOVERNMENT TRANSPORT LINES

I now take the position that we should kill all the provisions of this so-called economy bill which provide for the sale and junking of the Army, Navy, and Panama Transport Services.

From what I have said already, it is evident that there is enough indication of sharp practice and scandal to suspect the whole proposed destruction of the Army, Navy, and Panama Railroad transport services.

Proposals of abolishing these Government maritime services have been made time and again within the past 10 years.

They have been rejected by three Secretaries of War, three committees of Congress, by the chief coordinator, and by former President Coolidge.

These emphatic actions of honest and intelligent high officials of the Government should make us proceed very slowly to junk or sell these services now.

Only a few months ago we had to use transports to send troops to China. We have to use them very frequently to send troops to the Latin American countries when rebellions break out. We may have to use transports within a few weeks after they are sold or junked under this so-called economy bill.

It may be that the Panama Railroad transport service does compete with private industry, but that is true only to a slight extent.

I believe that the Army and Navy transport services do not compete seriously with private business and that they are engaged practically entirely in Federal Government business.

Therefore, I will vote for the Barbour amendment to strike out sections 308 to 313, inclusively, and this striking out will preserve the Army, Navy, and Panama Railroad transport services.

If the time has come to change our minds and abolish one or more of these services, then we should proceed through the regular congressional committees of the House covering these activities. We should hold hearings pro and con and arrive at a just and intelligent and economical and patriotic conclusion.

We can not arrive at such a conclusion in the terrific rush and hustle and bustle of consideration of this omnibus economy bill, which was made by logrolling and by trading good and bad measures.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that that part of the section of the bill be read, the amendment on the Clerk's desk which the committee intends to ask be inserted in the bill.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that the committee amendment affecting

this particular matter may be read by the Clerk for information. Is there objection?

There was no objection.

The Clerk read as follows:

Page 23, section 313:

Under sections 308 and 309, neither the Secretary of War nor the Secretary of the Navy shall sell or otherwise dispose of docks, yards, wharves, depots, terminals, or real estate in connection therewith, except that either may lease such properties for periods of not to exceed five years and at rentals which will provide a reasonable return on the cost thereof. The net proceeds from the sale or lease of property by the Secretary of War and the Secretary of the Navy under sections 308, 309, and this section shall be covered into the Treasury as miscellaneous receipts.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, the amendment that has just been read should completely satisfy the gentleman from Michigan and other Members with reference to the desire of the committee to protect the property of the United States. There is no desire upon the part of this committee to make any sacrifice by reason of doing away with the Transport Service, but I want to tell you why it should be done away with. We never had a transport service in this country until the Spanish-American War. We are the only country on the face of the earth that has one. It did not amount to a damn during the late war. There was but one vessel belonging to the Transport Service that went overseas, and it never came back. The transport service of every government is a part of the merchant marine, and we are derelict now because of the fact that we have not the character of transport service which we should have, and we should be building up our merchant marine so that we could have a proper transport service.

Remember that we are the only Nation on earth that has a transport service except the transport service that is given by reason of the fact of the merchant marine. That is true of England, France, and every first-class power on the face of the earth, and General MARTIN knows that.

Mr. MARTIN of Oregon. Will the gentleman permit a statement?

Mr. WOOD of Indiana. Yes.

Mr. MARTIN of Oregon. We are the only Nation, too, that has prohibition, are we not?

Mr. WOOD of Indiana. Oh, yes; but that is aside from this question. The merchant marine of this country is being subsidized by the Government for the purpose of building up something that is worth while, yet we are putting the Government of the United States in competition with the merchant marine.

Mr. SCHAFER. Will the gentleman yield for a brief question?

Mr. WOOD of Indiana. Yes.

Mr. SCHAFER. The gentleman used as a premise for abolishing the Army and Navy Transport Service the fact that we are the only Nation of the world that has that service. If we are going to follow the gentleman's same line of reasoning, since we are the only Nation in the world that has prohibition, does the gentleman say we should abolish prohibition?

Mr. WOOD of Indiana. Let us talk about the question that is before us. However, the gentleman from Wisconsin said he was put down in the hold. He was put down in the hold because of the fact, if it were a fact, that we did not have a merchant marine then. We did not have any, and it was to the shame of this Nation.

I want to say to you that the Army is trying to insist upon keeping this thing going in spite of the fact that they are losing more than $3,000,000 a year, and in doing that we are competing with merchant marine vessels of this country, which we are subsidizing. We are paying out money on the one hand to the merchant marine of this country and then putting Government vessels in competition with them.

I will tell you what ought to be done. We ought to have a merchant marine in this country that would be prepared, in case of war, to take care of our soldiers as they should be, and will be, if you will do away with this transport system.

In case of war the Army would not have the transport business for one single minute. It would go to the Navy, and the Navy is in favor of doing away with this system now. They know they can not keep up a transport service that is worthy of the name. Of the 13 transports we had during the war, only one went over and that was loaded with marines. They thought if anybody was going to get lost, lose the marines. The transport never came back. They made a nice refrigerating arrangement out of it.

True to form, the Army, after it gets hold of a thing, never wants to give it up, and they have the temerity to say to us that they can operate this business cheaper than private companies. They also tell us they have a manufacturing establishment in Philadelphia making clothes, and they say they can make clothes cheaper than the commercial people can do it. They have never surrendered a single thing and never will if they can help it.

[Here the gavel fell.]

Mr. SWING. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one-half minute so I may ask a question.

Mr. DYER. I object, Mr. Chairman.

I make the point of order, Mr. Chairman, that all debate on the amendment has been exhausted.

The CHAIRMAN. The point of order is well taken.

The question is on the amendment of the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I ask unanimous consent to withdraw my amendment because it is covered by the McDuffie amendment.

Mr. DYER. Is the McDuffie amendment pending?

Mr. McDUFFIE. The McDuffie amendment was read as a part of the bill.

Mr. SCHAFER. I object, Mr. Chairman.

The CHAIRMAN. The question is on the amendment of the gentleman from Michigan.

The amendment was rejected.

Mr. TABER. Mr. Chairman, I offer an amendment.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent to proceed for one minute.

Mr. SCHAFER. Mr. Chairman, reserving the right to object, the gentleman gags every other Member of the House on this important matter and I shall have to gag him. I object, Mr. Chairman.

Mr. McDUFFIE. Then, Mr. Chairman, I offer the committee amendment which has been read, if the gentleman will yield.

Mr. TABER. I yield for that purpose, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 23, strike out section 313 and insert in lieu thereof the following:

"SEC. 313. Under sections 308 and 309 neither the Secretary of War nor the Secretary of the Navy shall sell or otherwise dispose of docks, yards, wharves, depots, terminals, or real estate in connection therewith, except that either may lease such properties for periods of not to exceed five years and at rentals which will provide a reasonable return on the cost thereof. The net proceeds from the sale or lease of property by the Secretary of War and the Secretary of the Navy under sections 308, 309, and this section shall be covered into the Treasury as miscellaneous receipts.

Mr. RAMSEYER and Mr. LAGUARDIA rose.

Mr. RAMSEYER. Mr. Chairman, I make the point of order that this language is in the amendment, word for word, as it was offered the other day.

Mr. McDUFFIE. It was a part of the bill.

Mr. RAMSEYER. It is a part of the amendment and it so appears in the RECORD, word for word.

Mr. McDUFFIE. I agree with the gentleman, but some gentleman here thought it was not a part of the bill.

Mr. RAMSEYER. The bill is not the amendment. The amendment is the language which the gentleman offered the other day.

Mr. McDUFFIE. Yes.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield so that I may submit a parliamentary inquiry?

Mr. RAMSEYER. I yield.

Mr. STAFFORD. Will the Chair inform the committee whether we are considering the bill as printed and known as H. R. 11597, or the bill that was submitted by the gentleman from Alabama [Mr. McDUFFIE] for consideration?

The CHAIRMAN. We are considering the amendment offered by the gentleman from Alabama on behalf of the Economy Committee. There are some differences between it and the printed bill to which the gentleman has referred.

The Chair sustains the point of order made by the gentleman from Iowa [Mr. RAMSEYER].

Mr. LaGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LaGUARDIA. Do I understand we are considering a bill which is on the desk which contains something that is not in the copies of the bill that the Members have?

The CHAIRMAN. That is the understanding of the Chair.

Mr. RAMSEYER. So far as these particular provisions are concerned, that is true.

The CHAIRMAN. The Chair will state to the gentleman from New York that the full text of the bill we are now considering as offered by the committee was printed in full in the RECORD upon the day it was offered. The Chair is further informed that there are some minor differences between that and the original bill that was reported by the committee.

Mr. LaGUARDIA. Mr. Chairman, I have a perfecting amendment to offer to this part of the bill just referred to by the gentleman from Alabama.

The CHAIRMAN. The Chair has recognized the gentleman from New York [Mr. TABER] to offer an amendment.

Mr. BRIGGS. Will the gentleman from New York yield so that I may submit a parliamentary inquiry?

Mr. TABER. I yield, if it does not come out of my time.

The CHAIRMAN. It will come out of the gentleman's time.

Mr. TABER. Then, Mr. Chairman, I must decline to yield.

The CHAIRMAN. The gentleman from New York [Mr. TABER] offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 22, line 21, after the word "cost," strike out the period, insert a comma, and add the following: "said contracts to continue over a period of at least 10 years"; on page 22, line 25, strike out the figure "25" and insert in lieu thereof the figure "65"; and after the word "the" insert the word "now."

Mr. TABER. Mr. Chairman, I am not in favor of putting the Government in business, but there are some major activities, such as the Post Office, the Panama Canal, the Army and the Navy, that the Government alone is in a position to carry on.

It was found necessary when the Panama Canal was built that we should take over and operate steamships to carry the men to their work and back to this country, and also the materials that were used in the canal.

The Panama Railroad was taken over by the Government of the United States at the time the canal was built. This operation of the steamships is used primarily for carrying material and supplies down to the canal and carrying the employees to the canal, and the Panama Railroad, and back and forth, at a rate approximately of $30 each way for each employee and members of their families, and freight at 75 per cent of the published tariffs.

If they were required to pay more than that most of them on the wages they receive could not afford to make the trip, and could not keep in shape.

In this bill it is proposed that these employees who now go back and forth in decent quarters, travel in the steerage at rates which are more than double and in some cases more than treble what they are now paying.

It provides in the bill that in the first place they shall get 25 per cent less than the published rate, but it does not say "now published rates." So I have offered an amendment which will make it "now published rates."

I have offered an amendment that if this language goes into effect, the rate for passengers shall be 65 per cent below the published rate, because that is what they are now getting from the Panama Railroad.

The Panama Railroad in normal times is operated without a loss of any kind. In 1928 and 1929 it showed a profit. We are able to operate it at a profit in normal times. There was a loss of $245,000 in 1931, when everybody suffered a loss.

The Government is paying mail subsidies of seven and a half million dollars in 1932 and $9,000,000 for 1933 for ships operating to the Canal Zone. The Panama Railroad does not carry any first-class mail.

These subsidy vessels would not take second and third class mail, but load their junk on the Panama Railroad Co. steamships.

Mr. LEA. Will the gentleman yield?

Mr. TABER. I yield.

Mr. LEA. Three thousand employees annually go back and forth from the United States to the Isthmus.

Mr. TABER. Three thousand nine hundred.

[Here the gavel fell.]

Mr. SCHAFER. Mr. Chairman, a parliamentary inquiry: A few moments ago the membership of the House were advised that we were considering the economy bill effecting a consolidation, and then we were advised that a certain provision did not appear in the bill but was printed in the CONGRESSIONAL RECORD. I rise to ascertain when we may expect a consolidation of the two bills?

The CHAIRMAN (Mr. BANKHEAD). That is not a parliamentary inquiry.

Mr. DYER. Mr. Chairman, I move that at 2 o'clock and 30 minutes p. m. all debate on this section and all amendments thereto be closed.

The CHAIRMAN. The gentleman from Missouri moves that all debate on this section——

Mr. DYER. Mr. Chairman, I withdraw my motion.

Mr. CLANCY. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CLANCY. The chairman of the subcommittee, Mr. McDUFFIE, and a member of the committee, Mr. RAMSEYER, say that the McDuffie amendment was incorporated in the bill as printed. That is not the fact. I am informed by the Clerk that it is due to an error of the Government Printing Office. It does not appear in the bill, and I want to preserve the McDuffie amendment.

The CHAIRMAN. The Chair overrules the point of order. The gentleman from Indiana is recognized for five minutes.

Mr. WOOD of Indiana. Mr. Chairman, I say again, as I said before, that if there is anything that should be in this bill that is not in it to protect the Government, I want it put there. In reply to the gentleman from New York [Mr. TABER] as to whether the Government is operating these transports at a profit, every figure offered by their own department shows that they are operating at a loss. I will show you how they show a profit. It is like a father who buys a farm for his son, paying for the farm, paying for all of the necessary equipment to run it, and then expecting the boy to show a profit at the end of the year without paying for anything connected with the conduct of the farm. Let me impress this thing upon your minds. A great deal of talk has been had, and will be had before we get through, I expect, to the effect that it will cost more by private concerns to bring the men and women who are working down there up to the United States. They come from there to the United States upon the theory that because of the cli-

mate they must come back here at least once every two years.

Under the bill the commercial establishments must furnish a rate 25 per cent lower than they furnish to the ordinary public, and in addition to that we are paying these people who are down there at the present time 25 per cent more than we will be paying them here for doing the same kind of work, upon the theory that we are expecting them to come back here every two years. That is to say, suppose a person in this country is getting $1,200 a year for a certain service. Down there he will be getting $1,600 for the same service. The additional $400 is to make it possible for him to come back here and pay whatever it may cost him to get back.

Mr. PARKER of New York. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARKER of New York. The theory of the $400 extra pay on a $1,200 service is not to bring them back, but the theory is that they are down there from a Temperate Zone in a Tropical Zone where their health is impaired.

Mr. WOOD of Indiana. If the gentleman will read the debates at the time, he will find that the reason for the additional 25 per cent is because the man who is down there is expected to come back here, and it was given him for that purpose. There is nothing of the kind mentioned by the gentleman from New York. We have been talking long and loud about getting your Government out of business, and yet we are keeping it in business all of the while. Each one of these transports is competing with commercial business, which we have been trying to build up by the establishment of an American merchant marine.

Mr. HART. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HART. Does not the gentleman think that we ought to get out of the cotton and the grain business also?

Mr. WOOD of Indiana. I expect so; but we have this thing before us now, and let us get out of one thing at a time. I will go with the gentleman on that proposition, but because we are not out of that cotton and grain business is no reason why we should not get out of this.

Mr. SWING. What I am concerned about is in time of a national crisis, such as happened at Shanghai, how would we function under this bill about getting our troops from Manila to Shanghai in a hurry?

Mr. WOOD of Indiana. Fortunately for the United States Government, a transport was there at that time. If it had not been there, one of the Dollar Lines would have taken the soldiers the next day.

The CHAIRMAN. The time of the gentleman from Indiana has expired. All time has expired. The question is on the Taber amendment.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 65, noes 30.

Mr. McDUFFIE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. McDUFFIE and Mr. TABER to act as tellers.

The committee again divided; and the tellers reported—ayes 123, noes 59.

So the amendment was agreed to.

Mr. LaGUARDIA. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LaGUARDIA: Section 313, after the word "lease," insert "at public auction to the highest bidder," and at the end of the section insert, "*Provided*, That there shall be no renewal clause or right in said lease."

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. DOUGLAS of Arizona. As far as I am concerned, and I am not prepared to speak authentically for the whole Economy Committee, I think the members of the committee are agreeable to the amendment.

Mr. BRIGGS. Does the gentleman understand that the McDuffie amendment which was presented a little while ago and adopted is now in the bill or is not in the bill?

Mr. LaGUARDIA. Mr. Chairman, the most vicious thing in this bill is now before us. Mr. Chairman, I have used some pretty harsh language, and I do not modify it or take back a single word, but in all fairness I want to say that as soon as the committee discovered that there was danger of something having been put over on them they prepared this amendment, which is now part of the bill, and it is due to the gentleman from Alabama [Mr. McDUFFIE] to say that. But the House ought to know that there has been some pretty slimy lobbying going on.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Oh, I have absolved the gentleman.

Mr. McDUFFIE. I want the gentleman to absolve the committee.

Mr. LaGUARDIA. I will not absolve any of the lobbying that has been going on.

Mr. McDUFFIE. I do not know anything about that.

Mr. LaGUARDIA. This whole transport elimination was inspired by some shipping interests in New York City. They were to divide the spoils—one-half the outfit to get the freight and the passenger services to Panama and Hawaii, and the other to take over the leases. There was a slimy lobbyist around the corridors of this building, reeking with liquor, and I know what offices he was in, and that resulted in this provision being put in the bill. If the provision stands, we are protected by the McDuffie amendment, with my amendment to it which simply provides that the property is to be leased at public auction and to the highest bidder, and that we are to have no renewal clause in the lease.

The gentleman must not forget that pier values in New York City run into millions and millions of dollars. The eyes of certain great shipping interests, who are now getting large subsidies from the United States Government, are on that property. They are not satisfied with getting the subsidies, but they want to take this valuable property and they want to get this Government business that the Panama Steamship Co. and the Army and Navy transport services are now operating at a great saving to the taxpayers. The Panama Steamship Co. is economically and efficiently managed, and some of these subsidized political ship companies could learn a great deal from the little Panama Steamship Co.

Mr. SWING. Will the gentleman yield?

Mr. LaGUARDIA. I yield.

Mr. SWING. Why auction off these valuable vessels at a time when there is no market for them and nothing but the lowest possible bid can be received for them?

Mr. LaGUARDIA. We are not going to sell these properties at all. The amendment prevents that. If the sections are not voted out of the bill, the properties could only be leased, and at auction, and only for a short term. Of course, I hope to vote out all sections which would kill these splendid Government services.

Mr. SWING. Absolutely.

Mr. LaGUARDIA. Is my amendment accepted?

Mr. McDUFFIE. As far as I am concerned, there is no objection to the gentleman's amendment, but the gentleman has been pretty severe in his language with reference to this committee.

Mr. LaGUARDIA. Not with reference to the gentleman.

Mr. McDUFFIE. I want the gentleman to straighten himself out. If the gentleman is talking about any slimy lobbyist coming to me, I want to know it, and I want to know it right now.

Mr. LaGUARDIA. I say they were around this building, and I will say I do not think the committee has any knowledge of what was being attempted in this provision of the bill.

Mr. McDUFFIE. And the entire committee corrected it as soon as it was brought to their attention.

Mr. LaGUARDIA. I am giving you credit for it.

Mr. McDUFFIE. And the committee never once thought that it had to do with anything except things other than real estate and depots.

Mr. STAFFORD. I think the gentleman's amendment must be corrected in so far as he proposes to have——

Mr. PARKS. Mr. Chairman, a point of order. I do not think the Members of this House who are running this job ought to go down in the well of the House and talk among themselves without the balance of the House knowing what is going on.

The CHAIRMAN. The point of order is well taken.

Mr. STAFFORD. Will the gentleman yield?

Mr. LaGUARDIA. I yield.

Mr. STAFFORD. The gentleman's amendment proposes to insert a provision about public auction after the word "lease." The word "lease" occurs twice in the proposed section. I assume the gentleman refers to where it occurs first?

Mr. LaGUARDIA. Yes.

Mr. STAFFORD. And the amendment is modified accordingly?

Mr. LaGUARDIA. Yes.

Mr. PARKER of New York. Mr. Chairman, I rise in opposition to the amendment.

I am as much opposed to putting the Government in business as anybody in this House; but here is a proposition where the Government is not in competition with anybody. The Government is doing its own business. The fleet of the Panama Canal is just as essential to the operation of the canal as the canal itself. There are over 11,000 men in the Canal Zone. I ask the attention of the gentleman from Indiana [Mr. WOOD], who said we were giving them 20 per cent because they wanted to come home. That was not the theory for that additional money. I happened to have been chairman of the committee which authorized that increase. The increase was made on the theory that no man from this climate could go and live in the tropics without coming home at least once in two years to preserve his health.

Mr. MANLOVE. Will the gentleman yield?

Mr. PARKER of New York. No; I can not. It is infinitely worse for the wives of the employees.

We have passed a separate retirement bill for those people, recognizing the fact that men who live in the Temperate Zone can not go to the tropics and perform service there and last as long as they would if they were performing service in the climate in which they were born. Now, if this provision is retained, it will impair the operation of the canal. It may be true, as the gentleman from Indiana said, although I have not the figures, as I did not realize it was coming up to-day, that ships of the Panama Canal are operated at a slight loss. That may be true; but the entire operation must be taken together—the canal, the railroad, and the ships. Aside from the depression in 1930 and 1931, the Panama Canal, taken as a whole, has paid the United States Government a profit.

Mr. LEA. Will the gentleman yield?

Mr. PARKER of New York. I yield.

Mr. LEA. As I understand, the only large deficiency in the Panama Canal was last year, during the extreme depression.

Mr. PARKER of New York. Yes.

Mr. LEA. During the last 10 years the average deficiency has not been over $60,000; and if the employees paid only about half the fare that is charged by private ships, there would be no deficiency.

Mr. PARKER of New York. But let me impress upon the membership of the House, although I do not presume it will have any effect, that for the last 18 years I have been either chairman of the committee or a member of the subcommittee dealing with the Panama Canal, and this transportation service is just as essential to the operation of the canal as the canal itself.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. PARKER of New York. I yield.

Mr. WILLIAM E. HULL. Is not the real truth of this matter to get ahold of these docks more than anything else?

Mr. PARKER of New York. I am not accusing anybody of anything. I am stating the plain facts regarding the operation of the canal.

Mr. WILLIAM E. HULL. But I am asking the question. Is that not the truth?

Mr. PARKER of New York. That I do not know.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. PARKER of New York. I yield.

Mr. HILL of Alabama. Is it not a fact that for the past several years the Panama Railroad Co. has paid an annual dividend to the United States Treasury of 7 per cent on its capital stock?

Mr. PARKER of New York. That is perfectly true.

Mr. HILL of Alabama. And there have been no appropriations made by Congress for the operation of the railroad, the steamship line, or any of its subsidiaries?

Mr. PARKER of New York. That is correct.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PARKER of New York. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. DYER. Mr. Chairman, I object.

Mr. WOOD of Indiana. Mr. Chairman——

Mr. DYER. Mr. Chairman, I move that all debate on sections 308 to 313 close in five minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman from Indiana has already spoken. They are gagging us. The gentleman has spoken three or four times. They are going to close debate in five minutes, and are going to give the "gaggers" the five minutes under their own motion.

The CHAIRMAN. The point of order is well taken. The gentleman from Indiana has already spoken.

Mr. WOOD of Indiana. Mr. Chairman, I have not spoken on this amendment.

The CHAIRMAN. For what purpose does the gentleman from Indiana rise?

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

The CHAIRMAN. The gentleman is recognized for five minutes. The point of order is overruled.

Mr. WOOD of Indiana. Mr. Chairman, my only purpose in speaking now——

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman from New York [Mr. PARKER] has consumed the time in opposition.

The CHAIRMAN. The gentleman from Indiana can be recognized if he makes a motion to strike out the last word.

Mr. WOOD of Indiana. Then that is my motion. I move to strike out the last word.

Mr. Chairman, 52 cities represented in Chicago within two weeks have asked this Congress to take the Government out of business, and the thing they emphasized more largely than anything else was this transport proposition. Every chamber of commerce in every State of the Union that has acted at all upon this question has asked us to do the same thing.

Mr. PARKER of New York. Will the gentleman yield?

Mr. WOOD of Indiana. No; I do not yield.

Are we to be responsive to the will of the people, or are we simply to be subservient to the demands of the Army? I have been here for 18 years, and I am getting pretty tired of seeing the Army hold everything it has.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman is out of order. The gentleman is not discussing his motion, which was to strike out the last word.

Mr. BLANTON. Mr. Chairman, "Army" is the last word. Therefore the gentleman is in order.

Mr. SCHAFER. I would like to have a ruling from the Chair.

The CHAIRMAN. What is the gentleman's point of order?

Mr. SCHAFER. The gentleman from Indiana is out of order. He is not discussing the motion under which he so adroitly obtained recognition for about the third time he has spoken on this section. His motion was to strike out the last word. The last word is "receipts." The gentleman is certainly speaking out of order.

The CHAIRMAN. The gentleman from Indiana will proceed in order.

Mr. WOOD of Indiana. Then I am glad to proceed in order.

Mr. BLANTON. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. For just a question.

Mr. BLANTON. As the head of his party, can he not control one of his obstreperous Members over there?

Mr. WOOD of Indiana. I admit that I can not control him. If you can, exercise your ability. [Laughter and applause.]

Mr. PARKER of New York. Will the gentleman yield?

Mr. WOOD of Indiana. No; I can not yield.

Gentlemen, this Committee on Economy has spent eight weeks trying to save some money to the Government of the United States, and incidentally, trying to benefit the Government of the United States or those who make up the taxpayers of this country. The taxpayers of this country are asking you to take the Government out of this business, and we are the only government on the face of the earth that is in it.

Mr. HART. Will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes.

Mr. HART. What about the Mississippi-Warrior service?

Mr. WOOD of Indiana. It is just as bad as this, and the Government ought to be taken out of it.

It is said that the Government is making a profit, but that is by reason of the fact it does not count anything for capital investment, anything for wear and tear, anything for depreciation, anything for interest, anything for insurance; and that is what we are paying to-day to this transport service, in violation, if you, please, of every business principle on earth.

So there is no justification for keeping it, and, as I said before, we are the only nation that is keeping a transport service, and we are doing it in detriment, if you please, to the Army itself and to the Navy itself.

Mr. SCHAFER. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SCHAFER. If the abolishment of the Army and Navy transport system is so essentially necessary, why does the Secretary of the Navy and the Secretary of War strongly oppose its abolition from the economy standpoint, from the national-defense standpoint, and from the standpoint of service to the red-blooded American enlisted men in their establishments?

Mr. WOOD of Indiana. I did not yield for a speech from the gentleman on the other side.

If you will examine the facts, this committee spent days and days in going into this thing, and the evidence shows that we are losing from one million to two and a half million dollars a year in the operation of this business in addition to having this concern in competition with the merchant marine of the United States.

The CHAIRMAN. All debate is exhausted.

Mr. DAVIS rose.

The CHAIRMAN. For what purpose does the gentleman from Tennessee rise?

Mr. DAVIS. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS. Mr. Chairman, I had not expected to say anything upon this question, although I am very much interested.

I am very strongly in favor of economy. Governmental expenditures must be drastically reduced. I am in favor of goting much farther in many respects in effecting reductions in Government expenditures than this bill goes, although I wish to commend the Economy Committee for the arduous and splendid work it has done in many particulars.

However, the purpose and intention of this committee was to effect economies and not to act as a legislative committee otherwise. I object to some provisions that have been drafted into this bill, which are not in the interest of economy and which will not effect any savings but are purely legislative proposals, which certain interested parties have been seeking for years and years to get through, but which could not be enacted when presented before the committees and the Congress upon their merits. [Applause.]

The proposal to dispose of these Army and Navy transport services and to permit private ship lines to perform this service for the Government comes within that class. [Applause.] As already stated, lobbyists of certain shipping interests have been here industriously working in behalf of such legislation all this session.

They are not for the proposal from any standpoint of economy, but in order that private shipping lines may make a big profit off the Government in transporting the troops and supplies for the Government.

I want to say to you, in the light of 12 or 13 years' study of the subject from time to time, that the proposal to abolish the Army and Navy transport services is neither in the interest of economy nor efficiency, but just the reverse. Instead of effecting economy, in my opinion it would cost the Government $2,000,000 or $3,000,000 annually.

This is no new proposal. During the Taft administration private shipping interests attempted to have the Army and Navy transport services abolished, but President Taft and his Secretary of War recommended against it. Then, during the Wilson administration, the private shipping interests renewed their efforts, and President Wilson requested Secretary of War Newton D. Baker to investigate the subject, which he did and strongly recommended against the abolishment of the services, and President Wilson concurred in his conclusions.

I am advised that the Military Affairs and the Naval Affairs Committees have likewise investigated the subject and reached the same conclusion.

The Committee on Merchant Marine, Radio, and Fisheries has had before it bills to abolish these services; this committee has conducted exhaustive hearings, heard everybody on both sides desiring to be heard, and in every instance since I have been a member of that committee, after the hearings before that committee, even the sponsor of the bills was not bold enough to ask that the bills be reported out of the committee. They just died of their own weight. The committee always reached the conclusion that it would not only make for inefficiency but would cost the Government a large amount to abolish these services and pay private lines for the transportation of our troops, supplies, and munitions to and from our various possessions.

I am not in favor of the Government engaging in business in competition with private business where it can be avoided. My position upon that is well known to you colleagues who have been sufficiently interested to note my position; but the Army and Navy transports do not engage in private business, and I want to say to you that the transport service is just as essential to our Army and Navy as are the war vessels. [Applause.]

During the last war there was infinitely more need for transports, and they were infinitely more valuable, than were the war vessels and rendered much greater service.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. WOOD of Indiana. The facts are that in the last war we had but one transport of the Army that went across the ocean and it never came back.

Mr. DAVIS. The gentleman from Indiana has made several speeches and he and I do not agree upon the facts, much less upon our conclusions. [Applause.]

Mr. McDUFFIE. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. McDUFFIE. The information we have is that we had only one transport in the last war, that it went across the ocean and never came back. We also have information to the effect that we could not carry our soldiers on transports.

Mr. DAVIS. And what did we do? We had to go into the open market and pay five or ten times the value of the vessels in order to use them as transports. [Applause.]

It is true that we had but a few small transports when we became involved in the World War. The need of additional transports was so imperative for the transportation of our troops, munitions, and supplies that we had to quickly purchase and charter ships at exorbitant war prices.

During the World War, we paid out over $200,000,000 in charter hire of ships alone. We engaged in the most prodigious shipbuilding program in the history of the world. This program cost upwards of $4,000,000,000. We put into service 2,500 vessels.

That experience is all the more evidence why we should not dispose of the few Army and Navy transports we now have, which are no more than are needed in peace times, and which would certainly afford a nucleus if we should become involved in another war.

[Here the gavel fell.]

Mr. Chairman, under leave granted to extend my remarks, I wish to call attention to the fact that the largest proportionate savings provided in the pending economy bill are those relating to the United States Shipping Board and Merchant Fleet Corporation, which specifically effect a saving for the next fiscal year of more than a third of the present expenses of these organizations and ship operations. As stated in the bill, this is represented by a reduction of $367,000 in salaries of personnel and in the reduction of the cost of the expenses of operation of Shipping Board services of $1,938,240, making a total of $2,305,240. The bill reduces by $367,000 the amount already carried in the independent offices appropriation bill for personnel for the next fiscal year, and provides for the transfer from the operating funds of the Fleet Corporation to the General Treasury the sum of $1,938,240.

The bill further provides for the reduction of the members of the Shipping Board from seven to four and the reduction of their salaries from $12,000 to $10,000, and further provides that no official or employee of either the Shipping Board or Fleet Corporation shall receive a salary in excess of $10,000.

As chairman of the Committee on Merchant Marine, Radio, and Fisheries, I called into conference the chairman of the Shipping Board and the president of the Merchant Fleet Corporation and explained to them that the financial situation was such that drastic economies should be effected in their organizations, and that they knew best where such economies could be effected with the least injury to the public service.

These officials agreed to cooperate and upon my request prepared and submitted to me specific details as to where and how such economies could be effected. Thereupon I called the Committee on Merchant Marine, Radio, and Fisheries into session and invited the entire membership of the Shipping Board and the officials of the Merchant Fleet Corporation to be present. I laid the plans before the meeting, and they were readily approved by the committee. The members of the Shipping Board and the president of the Fleet Corporation were called upon individually, and they all approved the plans. The members of the Shipping Board also agreed to and did adopt a formal resolution approving the plans and agreeing to carry them into effect.

Then we laid the plans before the Economy Committee, which readily approved the same, and the chairman of the Economy Committee requested me to draft the appropriate provisions, which was done under the direction of the gentleman from Virginia [Mr. BLAND] the gentleman from Texas [Mr. BRIGGS], and myself, all members of the Committee on Merchant Marine, Radio, and Fisheries. Such provisions were incorporated in the economy bill as drafted and as heretofore explained and have been adopted by the House without any change whatever.

I here insert two letters received by me from the chairman of the Shipping Board, explaining these reductions and economies, and advising of the formal approval thereof by the Shipping Board.

UNITED STATES SHIPPING BOARD,
Washington, April 16, 1932.

Hon. EWIN L. DAVIS,
Chairman Committee on
Merchant Marine, Radio, and Fisheries,
House of Representatives, Washington, D. C.

DEAR CHAIRMAN DAVIS: In accordance with understanding had between the board and your committee at conference yesterday, there is transmitted herewith statement of economies which have been authorized and are now in process of accomplishment by the Merchant Fleet Corporation indicating total savings of $1,938,240, together with supporting data, as requested by the committee.

In addition to the above the Shipping Board can effect the following economies in connection with personnel of the Fleet Corporation assigned to the board, as follows:

Bureau of Research	$30,000
Bureau of Law	103,000
Bureau of Traffic	9,000
Bureau of Construction	5,000
Bureau of Operations	20,000
	167,000
Engineering experiment-research fund	200,000
Total savings on behalf of Shipping Board	367,000

The grand total of indicated savings which can be effected between the Fleet Corporation and the Shipping Board is $2,305,240.

This represents the amount which under present conditions can be saved, with a prospect that additional savings can be effected when a further survey may be had of possibilities under the reduced operating force.

This report has not been formally agreed to by the board, but such action will be had on Monday, the 18th instant.

Very truly yours,

T. V. O'CONNOR, *Chairman.*

UNITED STATES SHIPPING BOARD,
Washington, April 18, 1932.

Hon. EWIN L. DAVIS,
Chairman Committee on
Merchant Marine, Radio, and Fisheries,
House of Representatives, Washington, D. C.

DEAR CHAIRMAN DAVIS: Referring to letter of April 16, 1932, regarding economies which can be effected by the Shipping Board and the Fleet Corporation, I beg to advise you that the board this morning ratified and approved the letter as delivered to you.

The board particularly desires to call your attention to an additional figure of saving which can be effected if all the lines are sold amounting to $443,945. * * *

This additional figure does not include the advantage to the Treasury of the 25 per cent down payment in cash which would accrue from the sale of the lines the first year. This cash would amount to $1,255,477.56.

To summarize: Whereas our letter of April 16 shows total savings by the board and Fleet Corporation of $2,305,240, we may go farther and say that there will be in addition to that $443,945 and $1,255,477.56, making a total figure of economy through the retrenchment and sales program submitted of $4,004,662.56.

Very truly yours,

T. V. O'CONNOR, *Chairman.*

Under this plan the board consolidated the four shipping services operating out of the Gulf of Mexico, and they already have a satisfactory offer for the purchase of the entire consolidated service, which the Shipping Board has approved. The bidders have filed a certified check as evidence of good faith. If this sale is effected, the second letter from the chairman of the Shipping Board explains the large additional savings which would be effected.

In addition, the plans embrace a consolidation of two services operating out of Hampton Roads, and the Shipping Board has received a satisfactory offer for this consolidated service. This would result in a large additional saving.

This would only leave two Shipping Board services, for one of which the Shipping Board has a tentative offer.

The sale of these services will result in a large additional reduction of personnel and other expenses, besides those specifically provided in the economy bill, and should result in the liquidation of the Merchant Fleet Corporation and further reduction in the personnel of the Shipping Board.

May I be permitted to suggest that if all the congressional committees had proceeded in like manner with respect to the activities of the Government over which they had legislative supervision, very large savings could have been effected?

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The amendment was agreed to.

The CHAIRMAN. The question recurs upon the amendment offered by the gentleman from California [Mr. BARBOUR].

Mr. RAMSEYER. Mr. Chairman, may we have that amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

The question was taken; and on a division (demanded by Mr. MCDUFFIE) there were—ayes 175, noes 32.

So the amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 14, line 11, strike out all of section 301.

Mr. VINSON of Georgia. Mr. Chairman, I trust the members of the committee will give careful consideration to the amendment I have just offered, because this is a very vital section of this bill.

This bill is designed to save money. This section, on the contrary, is a very extravagant and pernicious section. It permits the departments to obtain 15 per cent of the annual appropriation and spend it without Congress having any voice in the matter; in other words, you permit the various departments to have 15 per cent of the amount of money we appropriate and spend it as they see fit instead of spending it in the way Congress has directed.

Just to show you what would happen, a few days ago we appropriated $325,000,000 for the support of the Navy. Under this provision the Navy Department can take $48,000,000 of that amount and spend it as it sees fit, upon the approval of the Director of the Budget.

Mr. RAMSEYER. Oh, the gentleman has not read the section or he would not make such a statement.

Mr. VINSON of Georgia. If the gentleman will read the provision he will see that I am absolutely correct.

Mr. RAMSEYER. It may be transferred from one activity to another activity in the same department.

Mr. VINSON of Georgia. And it can not be over 15 per cent that is transferred from one bureau to another; but my statement is absolutely correct that Congress loses control of 15 per cent of the amount of money appropriated to each and every department of this Government.

Mr. RAMSEYER. Does the gentleman know that in the Department of Agriculture this provision has been permanent law for years and that that department can make such transfers?

Mr. COLLINS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Mississippi.

Mr. COLLINS. It never has been the rule in the Department of Agriculture except within bureaus in the department. They can not transfer from one bureau to another.

Mr. VINSON of Georgia. The gentleman is absolutely correct. If this provision stays in the bill, instead of being in the interest of economy, it is in the interest of extravagance, because no longer will Congress have the right to itemize the appropriations and say how each and every dollar shall be spent. We will confer upon these departments this right, which is a thing that the Navy Department and the War Department and every other department have been seeking for years—to say how the money shall be allocated instead of having it allocated by the Congress.

Has the time now come when Congress no longer wants to exercise its right and its jurisdiction with respect to the distribution of the various appropriations? This is not in the interest of economy, but is in the interest of extravagance.

Let me illustrate further. We itemize every dollar that is spent in the Navy and we say that so much money can be used to buy automobiles. If, in the judgment of the Navy Department, it is desired to do so, under this provision they could take 15 per cent of the $48,000,000 and buy such automobiles as they saw fit to purchase.

We appropriate in the Department of Agriculture bill $125,000,000 for good roads. If, in the judgment of the Director of the Bureau of the Budget and the department, it is proper, they can take a portion of 15 per cent of the total amount appropriated to the department for good roads and use it to kill grasshoppers or the boll weevil or the Mediterranean fruit fly or for any other purpose it may see fit.

Let me say further that this is what the departments have been fighting for year in and year out. They want to have the right to say how the money shall be distributed instead of submitting an itemized statement to Congress each year.

Mr. WOODRUM. Will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. WOODRUM. Is it not true, also, that if a bureau or department should have a surplus, instead of that money being covered into the Treasury it would be immediately transferred to some other bureau and used?

Mr. VINSON of Georgia. Why, of course.

Mr. WILLIAMSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the gentleman who has just left the floor has misunderstood the purport of section 301. It is true that it permits a 15 per cent shift in appropriations, but the gentleman overlooks the fact that not more than 15 per cent can be added to any one appropriation. It would be an impossible thing to take $48,000,000, for instance, from any given appropriation and add the $48,000,000 to any other appropriation.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. VINSON of Georgia. Of course, it is limited to 15 per cent as between one item and another, but the $48,000,000 would be 15 per cent of the total appropriation, and that amount is lost control of by Congress and they could distribute the $48,000,000 as they saw fit.

Mr. WILLIAMSON. The gentleman knows very well that nothing of the sort will be done. No Cabinet officer would take $40,000,000 from any one appropriation and give it to any one bureau, or, for that matter, to groups of them. That is pure nonsense, because you can only add 15 per cent to any one bureau, and there is no place where you could put $48,000,000. The gentleman also said that they could take that money and buy automobiles, if they wanted to do so. That statement is absurd on its face.

I wish you would look at the situation as it actually exists. The Senate has made a 10 per cent flat reduction in many appropriations, and has done so more or less blindly. This has left some bureaus practically high and dry. It has left other bureaus with more money than is indispensably necessary for them to function. The only way the matter can be handled and adjusted upon a sensible and businesslike basis is to allow some transfer of appropriations, and leave it in the discretion of the head of the department. Unless this is done, we are going to have chaos in the departments and the efficiency of the Government service will be destroyed.

This provision applies only to 1933. It is an effort to correct, so far as possible, a situation which has been created by indiscriminate cuts without much reference to the bureaus effected or the merit of the respective activities. There must be some method adopted that will permit some of the most essential activities to function. If cuts have been made injudiciously or if they have been made without reference to merit or if they have been made blindly, manifestly there must be in the hands of some one some degree of discretion to transfer these appropriations from one bureau to another to temporarily tide them over until Congress can remedy the situation. There is not any danger that a large amount of money is going to be transferred from one bureau to another.

You have had such a provision with respect to the Agricultural Department for years. The Secretary of Agriculture has been able to transfer 10 per cent of an appropriation from one activity to another. It has never been charged that this privilege has been abused. It has worked admirably, and been in the interest of efficiency and good government and resulted in a better balancing of the activities of the department. I should not favor the provision under ordinary circumstances, and the only reason it is proposed for 1933 is because of the character of the cuts made.

Of course, every provision of this kind, giving discretion to a department, is susceptible of some abuse, but if we are not able to trust anybody in the matter of appropriations, in view of the cut made at the other end of the Capitol, you are going to have plenty of trouble in all of the departments.

[Here the gavel fell.]

Mr. BYRNS. Mr. Chairman, I move to strike out the last two words. I have felt very keenly about this section, because I know that the departments of this Government for many years have wanted to do this very thing—to secure interchangeable control of at least a portion of the appropriation.

While I regret to differ with the Economy Committee, I am opposed to letting the heads of departments and the Director of the Budget legislate with reference to these appropriations. [Applause.] We carried on the war involving billions of dollars, and no such interchangeability was undertaken or placed into law. There was a bill introduced during the World War seeking to put several billion dollars under the control of the War Department, but Congress overwhelmingly voted it down and made appropriations from time to time in the usual form.

Now, gentlemen, let me tell you, as the gentleman from Georgia says, this means extravagance. It does not mean economy.

Let me tell you what could happen. We have an appropriation of $108,000,000 for public buildings in the Treasury Department. Congress cut the Coast Guard appropriation a million dollars from the Budget estimate against the recommendation of the Treasury Department. If this section becomes law the department could take from your public building fund and practically restore that cut in the Coast Guard appropriation. That could be done by the head of the department, if approved by the Budget, who was frank enough to say a few days ago, "What is sacred about a new post office in times like these?" This remark would indicate that there might not be much hesitation about transferring $16,000,000 from the public building appropriation to other Treasury Department purposes.

But that is not all. Congress has limited the amount for prohibition to something over $10,000,000 for the Department of Justice. If this provision is inserted the Department of Justice might take 15 per cent of other appropriations and increase the prohibition enforcement sum a million and a half dollars.

That is not all; in the Agriculture Department there is $109,000,000 for public roads, and if this provision becomes a law it might be possible for the Secretary of Agriculture to take $15,000,000 and distribute that among other operations in that department.

Mr. RAMSEYER. Will the gentleman read the section and tell us how he can take $15,000,000 and transfer it to other activities?

Mr. BYRNS. The gentleman from Iowa understands that as well as I do. Of course he is not going to take $15,000,000 in one operation, but he could increase appropriations of every bureau in his department and use the 15 per cent of that appropriation, and that is just what I object to.

Congress is in session, and, gentlemen, you should keep your hands on these appropriations. I do not want to see the public-building fund used for any purpose other than what Congress intended. [Applause.]

That is not all. Take the War Department. The War Department appropriation bill has not yet been reported. The Budget estimate for rivers and harbors amounts to $60,000,000. Flood control amounts to $32,000,000. If this provision becomes the law, the Secretary of War, if he sees fit, can take either all or a portion of 15 per cent of $92,000,000 and distribute it among other bureaus in his department, and it is that to which I object.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. RAMSEYER. Mr. Chairman, I rise in opposition to the amendment. This Economy Committee has had its ups and downs for eight weeks. It started out with one chairman and ended up with another. Still the words ring in my ears as we left the Economy Committee the last time. This member says, "I do not like that" and another member says, "I do not like that," but the way it sounds in my ears now is that there was a general understanding that we would come in here and try to stand together.

Mr. BYRNS. The gentleman will not accuse me of entering into any such agreement.

Mr. RAMSEYER. I am not quoting anybody and I am accusing the gentleman of nothing.

Mr. BYRNS. I want to deny that I promised the committee or anybody else that I would stand for this thing. I do not propose to be put in that attitude before the House.

Mr. RAMSEYER. I am not saying that the gentleman did. If he says that he did not, that settles it with me.

Mr. BYRNS. That is true.

Mr. RAMSEYER. All right; but this committee has been kicked around by different groups. Now the committee gets a kick from one of its own members. There is no use of our getting excited about this. Evidently the gentleman from Tennessee [Mr. BYRNS] does not know that we are in an emergency. The country is in a condition such as it never faced before. This is emergency legislation; it is for one year only; and it is to enable the departments to function, to meet situations such as was created in the Interior Department appropriations when this Congress cut the appropriation flat 10 per cent without designating what activities in that department were to be affected, and unless the heads of departments, with the approval of the Director of the Budget, have a right to make some transfers, some functions of government may break down altogether. This does not authorize the heads of departments to take 15 per cent off one appropriation and add it to another, but it does provide that no appropriation can be increased over 15 per cent. You can not take 15 per cent from public roads or rivers and harbors. What can be done is, that if some appropriations are deficient, you can take from others; but the increase of the particular appropriation can not be over 15 per cent. That is a distinction that is important and which the gentleman from Tennessee overlooks. Let us read this language which the motion seeks to strike and get it right. There is no use of getting excited about this. We ought to look at this calmly and remember that we are confronted by a serious situation. We are cutting here and cutting there, right and left, and going at it blindly in some cases.

All this does is for the fiscal year 1933 to authorize the heads of departments, with the approval of the Director of the Budget, to make transfers from one appropriation to another appropriation in the same department, but to any particular appropriation to which the transfer is made, it can not be increased over 15 per cent. Oh, yes; the gentleman from Tennessee, a great dry advocate, had to throw out a sop to you wets warning you that you better look out or else they would increase the appropriation to enforce the prohibition law.

Mr. SCHAFER rose.

Mr. RAMSEYER. No; I do not yield. Let me read:

To any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers.

The inference from the gentleman's speech was that here is the public-roads appropriation—$100,000,000 or more—and that you could take away $15,000,000 and put it somewhere else. That is not in this provision at all. The committee, out of an abundance of caution, wrote in a proviso requiring that—

A statement of all of the transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933 shall be included in the annual Budget for the fiscal year 1934.

That is, that between the 1st of July and the 1st of November of this year it must show in the Budget how much has been transferred and what they contemplate transferring during the remainder of the fiscal year. That keeps the Congress advised. This is simply to meet an emergency situation, and it is for one year only.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate upon this title and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. COLLINS) there were—ayes 107, noes 26.

So the motion was agreed to.

Mr. FRENCH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 14, line 15, after the word "Columbia," insert "the appropriation bill for the support of which may not have been sent to conference between the Senate and the House of Representatives."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. DOUGLAS of Arizona) there were—ayes 77, noes 55.

So the amendment was agreed to.

Mr. LAMNECK. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment by Mr. LAMNECK: Page 17, line 16, add a new section, as follows:

"SEC. 304. No moneys heretofore appropriated for State aid shall be expended during the fiscal year ending June 30, 1933, except the amount appropriated for vocational education."

Mr. RAMSEYER. Mr. Chairman, I make a point of order that the amendment is not germane. The section is out. There is nothing left of the bill about State aid of any kind.

The CHAIRMAN (Mr. WARREN). The Chair thinks that, this being under the miscellaneous provisions, the amendment would be germane. The Chair therefore overrules the point of order.

The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. SWING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. SWING: Page 15, lines 3, 4, and 5, strike out section 302.

The question is on the amendment offered by the gentleman from California.

Mr. SWING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SWING. I do not understand that debate has been closed upon the entire title.

The CHAIRMAN. The gentleman is in error.

The question is on the adoption of the amendment offered by the gentleman from California [Mr. SWING].

The amendment was rejected.

Mr. LONERGAN. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. LONERGAN: Page 24, line 24, add a new section:

"* * * *Provided*, That in the consolidation or merging of Shipping Board activities, employees originally appointed as a result of civil-service examination, or by transfer from such civil-service status in another department, be given preference for retention in the consolidated or merged board or bureau over employees who have no such civil-service status."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

Mr. BOWMAN. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. BOWMAN: Page 28, line 23, strike out all of section 322.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from West Virginia.

The amendment was rejected.

Mr. BUCHANAN. Mr. Chairman, I offer an amendment which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN: Page 17, line 24, after the word "Government," insert "and $225,000 for farmers' bulletins."

Mr. GOSS. Mr. Chairman, I make the point of order that that is not germane. It is increasing an appropriation.

The CHAIRMAN. The Chair thinks it is germane. The situation is entirely different from the former amendment offered by the gentleman from Texas. The Chair thinks the gentleman has now brought the same within the rules of germaneness. The Chair, therefore, overrules the point of order.

The question is on the adoption of the amendment offered by the gentleman from Texas [Mr. BUCHANAN].

The question was taken; and on a division (demanded by Mr. BUCHANAN) there were ayes 62 and noes 78.

Mr. BUCHANAN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. BUCHANAN and Mr. WILLIAMSON as tellers.

The committee again divided; and the tellers reported there were ayes 112 and noes 100.

So the amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 26, line 4, strike out all of subsection (i) and insert in lieu thereof the following: "The United States Shipping Board Merchant Fleet Corporation is hereby abolished effective June 30, 1932, and its activities, authority, powers, and operating funds are hereby transferred to the United States Shipping Board, except $1,938,240 of such operating funds which shall be covered into the Treasury as miscellaneous receipts."

Mr. WILLIAMSON. Mr. Chairman, I make the point of order that the amendment is not germane. This is simply an amendment transferring the Merchant Fleet Corporation to the Shipping Board, and it is clear there is no apparent saving on the face of it, and no economies are involved.

The CHAIRMAN. The Chair overrules the point of order.

Mr. JONES. Mr. Chairman, I ask unanimous consent that I may be permitted to address the committee for two minutes.

Mr. WILLIAMSON. Mr. Chairman, I object.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Texas [Mr. JONES].

The amendment was rejected.

Mr. FRENCH. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 14, line 12, insert a new section reading as follows:

"SEC. 301. Not to exceed 15 per cent of any appropriation for the Interior Department for the fiscal year ending June 30, 1933, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933, shall be included in the annual Budget for the fiscal year 1934."

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Idaho [Mr. FRENCH].

The question was taken; and on a division (demanded by Mr. RAMSEYER) there were ayes 54 and noes 103.

So the amendment was rejected.

The Clerk read as follows:

TITLE IV—REORGANIZATION OF EXECUTIVE DEPARTMENTS

DECLARATION OF POLICY

SEC. 401. In order to further reduce expenditures and increase efficiency in government it is declared to be the policy of Congress—

(a) to group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes;

(b) to reduce the number of such agencies by consolidating those having similar functions under a single head;

(c) to eliminate overlapping and duplication of effort; and

(d) to segregate regulatory agencies and functions from those of an administrative and executive character.

DEFINITIONS

SEC. 402. When used in this title—

(1) The term "executive agency" means any commission, board, bureau, division, service, or office in the executive branch of the Government, but does not include the executive departments mentioned in title 5, section 1, United States Code.

(2) The term "independent executive agency" means any executive agency not under the jurisdiction or control of any executive department.

POWER OF PRESIDENT

SEC. 403. For the purpose of carrying out the policy of Congress as declared in section 401 of this title, the President is authorized by Executive order—

(1) to transfer the whole or any part of any independent executive agency, and/or the functions thereof, to the jurisdiction and control of an executive department or another independent executive agency;

(2) to transfer the whole or any part of any executive agency, and/or the functions thereof, from the jurisdiction and control of one executive department to the jurisdiction and control of another executive department; or

(3) to consolidate or redistribute the functions vested in any executive department or in the executive agencies included in any executive department.

SEC. 404. The President's order directing any transfer or consolidation under the provisions of this title shall also designate the records, property (including office equipment), personnel, and unexpended balances of appropriations to be transferred.

SAVING PROVISIONS

SEC. 405. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any department or executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, powers, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the department or executive agency or other officer of the United States to whom the authority, powers, and duties are transferred.

(c) All laws relating to any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title shall, in so far as such laws are not inapplicable, remain in full force and effect, and shall be administered by the head of the executive agency to which the transfer is made or with which the consolidation is effected.

STATUTORY AGENCIES

SEC. 406. Whenever, in carrying out the provisions of this title, the President concludes that any executive department or agency created by statute should be abolished and the functions thereof transferred to another executive department or agency or eliminated entirely the authority granted in this title shall not apply, and he shall report his conclusions to Congress, with such recommendations as he may deem proper.

DISAPPROVAL OF EXECUTIVE ORDER

SEC. 407. Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be transmitted to the Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission: *Provided*, That if Congress shall adjourn before the expiration of 60 calendar days from the date of such transmission such Executive order shall not become effective until after the expiration of 60 calendar days from the opening day of the next succeeding regular or special session: *Provided further*, That if either branch of Congress within such 60 calendar days shall pass a resolution disapproving of such Executive order, or any part thereof, such Executive order shall become null and void to the extent of such disapproval.

REPORT TO CONGRESS

SEC. 408. The President shall report specially to Congress at the beginning of each regular session any action taken under the provisions of this title, with the reasons therefor.

Mr. BACHMANN. Mr. Chairman, I move to strike out the last word.

I would like to have the attention of the chairman of the committee in charge of the bill. Can the chairman advise the House what he intends to do with respect to a recess or an adjournment this evening?

Mr. McDUFFIE. Mr. Chairman, I want to do what the House wishes to do. [Applause.] I have already learned my lesson along that line. I should like very much to see the committee work until 5 o'clock and then recess until 7.30 this evening.

Mr. BACHMANN. I will say to the gentleman from Alabama that many of the Members on this side would like to recess from 5 to 7.30.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: On page 31, line 15, strike out the period and insert in lieu thereof a semicolon and the word "and," and insert a new paragraph after line 15, as follows:

"4. To designate and fix the name and functions of any consolidated activity or executive agency, and the title, powers, and duties of its executive head."

Mr. WILLIAMSON. Mr. Chairman, this amendment has the approval of the Committee on Economy. It is simply a perfecting amendment offered for the purpose of making sure that the President will have the authority to carry out the purposes of the bill. The amendment gives him authority which he probably has now, but which ought to be made certain, namely, that the President, in consolidating activities, has the right to give the consolidated activity a name, and to designate the title, powers, and duties of the person chosen to administer its functions. That is the only purpose of it. It should be adopted in order to complete the section.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. McDUFFIE. I think that power is already granted in the language as it is, but if the gentleman prefers having additional language to that effect I am not going to object to it.

Mr. WILLIAMSON. His power now is implied. This amendment makes it clear that he has the necessary authority to carry out what the committee has in mind.

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment. As I understand the amendment, it authorizes the President to fix the duties of any new combination agency that he may create. It might mean an additional expense rather than an economy.

Mr. WILLIAMSON. Is the gentleman familiar with the language of the amendment?

Mr. JONES. Mr. Chairman, I would like to have the Clerk read the language of the amendment.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again read the amendment.

Mr. JONES. In other words, he can fix all the powers, duties, and obligations of the new agency. He can transfer any executive or nonstatutory agency or division, or group them under a new head, and then clothe them with additional powers.

Mr. WILLIAMSON. Oh, no.

Mr. JONES. He can. Of course, it might be subject to disapproval.

Mr. McDUFFIE. The gentleman has not read the title, or he would not make that statement.

Mr. JONES. Oh, yes; I have. The gentleman evidently has not thoroughly considered the broad powers of the amendment offered by the gentleman from South Dakota, especially in connection with the terms already in the bill.

The President may make an Executive order under section 407. Sixty days elapse. It then becomes effective. Then under the added power of the amendment under consideration added powers may be given.

Mr. McDUFFIE. If the gentleman will read the definitions under section 402, I am sure that what the amendment comprehends will be clear in his mind.

Mr. JONES. I do not agree with the gentleman from South Dakota. It seems to me it gives blanket authority when read in connection with the other provisions of the title.

I think an effort should be made to eliminate rather than to create new agencies.

Mr. McDUFFIE. That is what we tell him to do.

Mr. JONES. I offered an amendment a while ago to authorize the abolishment of the United States Shipping Board and Emergency Fleet Corporation. They have two organizations, a United States Shipping Board and an Emergency Fleet Corporation. Why have both? Why not eliminate one? They have a division of law and a bureau of law. You might as well have a bureau of fisheries and a bureau of fish. These things should be consolidated.

The portion of this section which authorizes consolidation and elimination is all right; but if I read the amendment correctly in connection with previous and subsequent language, you would authorize him to create a bureau and to transfer the duties, fix the powers and obligations of that bureau. Is not that correct?

Mr. DOUGLAS of Arizona. I think the gentleman is wrong. I call his attention to the language of section 406, which expressly prohibits him from abolishing or transferring the functions of any executive agency or department which has been created by law.

Mr. JONES. Where does the gentleman find that language?

Mr. DOUGLAS of Arizona. That language is in section 406, on page 33. I think the gentleman is in error. If he will read section 406, he will find that whenever, in the opinion of the President, an executive department should be abolished or the functions of that department or agency should be transferred, when that department or agency has been created by statute he can do nothing more——

Mr. JONES. That is limited to statutory agencies. That does not apply at all to the different agencies that may be created under the other definitions and which may not be statutory agencies in any sense. Section 407 transfers legislative power by virtue of the lapse of time. Then linked with this amendment, I fear that additional duties may be conferred.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for three additional minutes.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. Mr. Chairman, I object.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 93, noes 14.

So the committee amendment was agreed to.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: On page 38, line 15, after the word "transmission," insert a comma and "unless Congress shall sooner approve of such Executive order or orders by concurrent resolution, in which case said order or orders shall become effective as of the date of the adoption of the resolution."

Mr. McDUFFIE. Before the gentleman proceeds, may I state that that is not a committee amendment. The committee objects to that amendment very seriously.

Mr. WILLIAMSON. I did not announce that it was a committee amendment. The Chair may have assumed it was such from the fact that I am a member of the committee. Mr. Chairman, the only purpose of the amendment, I may say to the gentleman from Alabama, if he will listen to me, is to make it possible for an Executive order to become effective if both Houses shall pass a resolution approving of the Executive order. Suppose the President sends an Executive order reorganizing a certain department. Why should not the Senate and House be permitted to pass a concurrent resolution approving that Executive order so that it may go into effect as of the date when Congress passes the resolution? Under these circumstances there is no reason why it should wait for a period of 60 days if Congress should determine otherwise.

Mr. McDUFFIE. If I caught the reading of the amendment, it provides for a joint resolution to veto the action of the President?

Mr. WILLIAMSON. Not a joint resolution.

Mr. McDUFFIE. That is what I understood from the reading of the amendment.

Mr. WILLIAMSON. It does not change the language in any way. If the gentleman will look at the point where the amendment comes in——

Mr. STAFFORD. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. WILLIAMSON. This does not in any way limit or affect the two provisos. The House may disapprove the order, in which case it becomes null and void. The only effect is to permit affirmative action by both Houses, if they see fit to take such action, so that the order may go into effect at once without being delayed for a period of 60 days.

Mr. RAMSEYER. Will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. RAMSEYER. The provision in line 15, after "provided," remains unchanged. This is only for the purpose of expediting the order if a joint resolution approving it passes both Houses. Of course, if one House rejects it, that ends the matter.

Mr. McDUFFIE. Could not the order go into effect without waiting the entire 60 days? The gentleman's idea is that it can not be effected until after the expiration of 60 days.

Mr. RAMSEYER. Oh, no.

Mr. McDUFFIE. If both Houses say they want it to go into effect prior to the expiration of 60 days, this amendment permits it to do so?

Mr. RAMSEYER. Yes; and that is all it does.

Mr. McDUFFIE. That is all right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. WILLIAMSON].

The amendment was agreed to.

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: Page 33, strike out section 406 and section 407.

Mr. HOLADAY. Mr. Chairman, in my opinion these two sections are the most important sections in this bill. A great many of the proposed economies we have considered so far in this bill are temporary propositions and are effective for only one year. The sections dealing with the consolidation of bureaus and departments provide for a permanent program; and if any economies are effected, they will continue in the years to come.

On the 19th of February of this year I introduced a resolution giving the President of the United States the power to abolish, combine, and consolidate commissions, boards, departments, bureaus, and divisions of the National Government. The provisions of my resolution are included in the bill we are now considering. The economies possible under the terms of my resolution, as contained in this bill, are curtailed by the two sections my amendment would strike out, as these two sections require that any consolidations that the President may make must come back for the approval of Congress.

During the three days this bill has been under consideration I have wondered how many Members of this House are actually in favor of effecting permanent economies in government. The President, according to newspaper reports, has expressed a desire for authority to consolidate certain departments, claiming that if he had such authority, economies in government could be effected.

I am in favor, in the face of the emergency that confronts this country, of giving such authority to the President.

Under the provisions of the two sections struck out by my amendment the President has but little authority except upon the approval of Congress. Whatever he does must come back here for the approval of the Congress, and has there ever been a better illustration of the difficulty of Congress agreeing upon economies than we have witnessed during the last three days? There is a great difference of opinion in this House, and this is the trouble we have with every effort we make to effect economies. There is a difference of opinion, a difference of interests; and the net result is that on account of those conditions, we are not able to effect the economies we should.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. OLIVER of Alabama. The gentleman would not deny Congress the right to assert such differences and have the membership of this House pass upon them?

Mr. HOLADAY. In the interest of economy, I would.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment is to strike out sections 406 and 407 of Title IV.

Section 406 provides that whenever, in the discretion of the President, an executive department or an agency should be abolished or the functions of such a department or agency, created by statute, should be transferred to some other department or agency, the President shall submit his recommendations to the Congress for approval or disapproval by the Congress.

There is a reason for having inserted this language in the amendment. This reason is that Congress can not delegate to the President authority to abolish an executive department or an agency created by statute. To do so would be to delegate to the President authority to legislate. This clearly can not be done under the Constitution.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. VINSON of Kentucky. Does not the gentleman think that power is given to him in section 407, where you are legislating by negation?

Mr. DOUGLAS of Arizona. No; the gentleman is in error. Section 406 applies only to those departments or agencies which have been created by statute, with respect to which the President thinks certain things should be done.

Section 407 has to do with the elimination or transfer of bureaus or agencies which have not been created by statute. With respect to them it provides that the President may, by Executive order, arrange for their elimination or their transfer, and it provides further, that such Executive order shall not become effective unless Congress, within a period shorter than 60 days, shall have positively approved of such Executive order, or unless within 60 days either House of Congress shall have vetoed or disapproved the Executive order.

The provisions of section 407 are confined only to those executive departments and agencies which have not been created by statute.

Mr. SCHAFER. Will the gentleman yield?

Mr. DOUGLAS of Arizona. I yield.

Mr. SCHAFER. What has the gentleman to say about delegating the power of Congress, in section 604, page 44, where you delegate the power not to the President, but to a Cabinet officer to consolidate, eliminate, restrict, and create?

Mr. DOUGLAS of Arizona. If the gentleman will wait until we consider title 6, I will discuss that question with him.

Mr. SCHAFER. Is the gentleman in favor of giving this superman this broad power?

Mr. DOUGLAS of Arizona. I decline to yield further.

Mr. McCORMACK. Is not the distinction this, that the bill provides for reorganization by Congress, whereas the other is vesting power in the Executive to reorganize?

Mr. DOUGLAS of Arizona. Certainly. The amendment offered by the gentleman from Illinois in effect would delegate to the President legislative powers which can not be delegated by Congress. In the second place, it would deny to Congress the right to disapprove any Executive order the President might issue with respect to a bureau or agency not created by statute. For that reason I am opposed to the amendment, and I hope it will not prevail.

Mr. MAPES. Mr. Chairman, I move to strike out the last word. I agree fully with the position of the gentleman from Illinois [Mr. HOLADAY] that, if we ever have a reorganization of the various departments of the Government really worth while, we must give the President the necessary authority to do the job. The debate on this bill and the action of the House during the last few days are evidence anew of the correctness of that statement. I did not intend, however, to take the floor to discuss his amendment, and would not have done so, except for the positive statement by the gentleman from Arizona that such authority could not be delegated to the President. He made the statement so positively that it seemed to me that it ought not to go unchallenged. I admit that it is a disputed question. My understanding is, and I have given the subject some study, that all lawyers do not agree about it, but some very good lawyers say the passage of legislation giving the President the power to reorganize and consolidate the departments and activities of the Government as contemplated by the gentleman from Illinois [Mr. HOLADAY] would be in itself sufficient repeal or amendment of the statutes which created those activities to authorize or permit the President to make the consolidations and reorganizations without reference to any further action by the Congress.

I merely rose for the purpose of making this statement so that the RECORD would show that there is more uncertainty about the question than the rather definite statement of the gentleman from Arizona would indicate. At most it can only be said that it is a disputed question.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. OLIVER of Alabama. Since the committee appears to have given this matter much consideration and is in agreement as to their title, surely the gentleman is not desirous of raising a controversy about a legal question that might be argued from different viewpoints.

Mr. MAPES. I am not trying to raise any question, but I do not want the RECORD to show that a statement that a disputed question was really not disputed was allowed to go unchallenged. I tried to interrupt the gentleman from Arizona while he was speaking to raise the question, but did not succeed.

Mr. OLIVER of Alabama. Will the gentleman yield further?

Mr. MAPES. Yes.

Mr. OLIVER of Alabama. I assume the gentleman would concede that there is hardly any legal question that has not two sides.

Mr. MAPES. Oh, I do not want to go into any fine hair-splitting discussion of this matter. I am not now discussing the policy of giving the President such authority. I may add, however, that eight years ago the Solicitor of the Department of Commerce investigated the matter and rendered an opinion that the President could be given this authority.

Mr. DOUGLAS of Arizona. I did not undertake to make a positive statement.

I was simply giving what seemed to me to be the opinion of the Economy Committee.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. WHITTINGTON. If Congress created these departments in the first instance, why should Congress absolutely surrender the right to have any views in respect to their policy?

Mr. MAPES. As a matter of policy the gentleman is entitled to that opinion, but I say that the Solicitor of the Department of Commerce eight years ago rendered an opinion that Congress could delegate this power to the President.

While I am on my feet I should like to add that I think this title as reported by the committee is a distinct step in the right direction, but it does not go far enough. The elimination of the two sections, as suggested by the gentleman from Illinois, would improve it greatly.

Mr. McDUFFIE. Mr. Chairman, I move that all debate upon this title close in 10 minutes.

The motion was agreed to.

Mr. LaGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment offered by the gentleman from Michigan. This proposition is very important as well as interesting, particularly in these times when there is a tendency on the part of parliamentary government to delegate powers to the executive. I believe that Title IV is as far as we can safely go under our form of government, if Congress is to retain the powers and rights and prerogatives specifically given to it under the Constitution. The amendment suggested by the gentleman from Illinois [Mr. HOLADAY] to strike out these two provisions would be an absolute delegation of legislative power. I do not say that such a delegation would be abused, but I do say that it would be a most unsafe precedent to establish. I have consistently resisted the delegation of legislative powers to the Executive. Under Title IV, as it now stands, all it does is suggest to the President to make specific recommendations, and he can do that now. It is then up to Congress to act, if it cares to do so. The only change—and I do not like it, although it is in the bill—is that either branch of Congress can veto or reject the President's recommendations in 60 days. If we fail to do that, then the President may put the changes into effect. As far as I am concerned, being a fundamentalist and very conservative in my belief in and attitude toward the Constitution, I would not even go that far, because I believe in our representative form of government; I believe in parliamentary government. I prefer the procedure under existing law that Congress act on its own initiative or on recommendation of the President, and that until Congress does legislate affirmatively, no law is enacted.

Sometimes our form of government is cumbersome, sometimes it is costly, but it is representative government, and the price of popular government must be paid. I think it would be most unwise at this time to strike out section 407 particularly, and give this blanket authority to the President. I would not give that to any executive.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes; to the distinguished chairman of the Judiciary Committee, and an authority on the Constitution.

Mr. SUMNERS of Texas. From the gentleman's investigation of the change in governmental structure, have not these changes arisen usually when people have acted in crises like this, or under stress have violated the basic laws of government?

Mr. LaGUARDIA. Always; and always to their regret and own destruction. We learned in our study of law that hard cases should not be permitted to make bad law. Do not permit bad conditions to destroy good government! This is what Congress will do if we sit idly by and say that we are helpless, that we can not bring reorganization about, and therefore here must give blanket authority and legislative powers to the Executive. It is not the personality of the Executive that enters into it. It is a violent change and such a surrender that we are not justified in sanctioning. That is why I do not like section 106 of the bill, that permits the Secretary of the Treasury to receive from constitutional officers a refund of part of their salaries in place of a reduction, which the Constitution specifically prohibits. That is bad. I wanted to move to strike that out, but I was foreclosed. We should not do indirectly that which the Constitution says we can not do directly. We should not do by coercion or by shaming or coaxing that which the Constitution says we can not do by legislation. I believe section 106 is highly improper, and I am confident it will be stricken from the bill before the bill finally passes both Houses of Congress.

For the same reasons I can not favor any bill or part of a bill which would delegate legislative powers to the Executive.

The CHAIRMAN. The question is on the motion of the gentleman from Illinois to strike out sections 406 and 407.

Mr. WHITTINGTON. Mr. Chairman, I ask for a separate vote on sections 406 and 407.

The CHAIRMAN. The gentleman from Mississippi asks for a division of the question. The question is on the motion of the gentleman to strike out section 406.

The motion was rejected.

The CHAIRMAN. The question now recurs upon the amendment to strike out section 407.

The amendment was rejected.

Mr. BRITTEN. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BRITTEN: On page 30, line 16, add a new subsection, as follows:

"Subsection (e). That each Saturday of each week of the fiscal year ending June 30, 1933, is hereby declared to be a legal public holiday, to the same extent and in the same manner as Christmas, the 1st day of January, the 22d of February, the 30th day of May, the 4th of July, and labor's holiday are now made by law public holidays."

Mr. McDUFFIE. Mr. Chairman, a point of order, that the amendment is not germane to the section or to the title.

Mr. BRITTEN. Mr. Chairman, the section applies to a declaration of policy. Certainly a declaration for a 5-day week can be construed properly as a declaration of policy. It is in line with the desires of the President of the United States.

The CHAIRMAN. The Chair sustains the point of order.

Mr. JONES. Mr. Chairman, I move to strike out the last word. As a matter of information, before we leave this

title, I am still somewhat bothered about the question raised awhile ago. If I understand it aright, the President may recommend changes in statutory agencies, or he may make absolute orders changing nonstatutory agencies, or consolidating them. That, of course, is subject to the approval of Congress. One is a recommendation to Congress and the other becomes effective if Congress fails to act. The question I wanted to ask some member of the committee to answer is whether under the amendment offered by the gentleman from South Dakota [Mr. WILLIAMSON] to authorize the President to designate the power and authority of any of these consolidated agencies, the President may not, after these have been created, then confer any power that he sees fit on that agency. In other words, suppose that under the nonstatutory agency the President should create a consolidated agency, or should consolidate two agencies, then, under the amendment offered by the gentleman from South Dakota, he may thereafter confer any power or authority that he desires upon that agency. I think if the gentleman will read the amendment, he will see it provides that the President may fix the power, authority, and duty.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. JONES. I yield.

Mr. VINSON of Kentucky. Under section 407 there is an abdication and delegation of power to the President of the United States to legislate, and if section 407 becomes law it will be the first time in the history of the Congress that such power was ever given to any President of the United States.

Mr. JONES. It is in connection with section 407 that I raise the question. He is given the authority; and then, under the amendment offered by the gentleman from South Dakota, the President may clothe that agency with any power he sees fit.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. JONES. I yield.

Mr. WILLIAMSON. The amendment, in my judgment, does not give the President any authority which does not already exist.

Mr. JONES. Why did he offer it, then? He offered it under the powers of the President.

Mr. WILLIAMSON. No. Under this bill he can take two similar agencies, whether they be in one department or whether in two separate departments, and group them together under one head. In other words, the work and functions of two separate agencies, two similar agencies, can be put together under one head.

Mr. JONES. And then he may clothe them with any power he sees fit, under the amendment offered by the gentleman from South Dakota.

Mr. WILLIAMSON. Well, these are administrative bureaus, in any event.

Mr. JONES. They may even become statutory bureaus. After they have been changed they are changed. They may become statutory or at least legalized bureaus—legalized by inaction of Congress.

Mr. WILLIAMSON. No, no. Under section 406 he can not change the function of a statutory bureau.

Mr. STEVENSON. Will the gentleman yield?

Mr. JONES. I yield.

Mr. STEVENSON. If he consolidates two agencies, he could confer any power that is conferred upon those agencies, and which those agencies enjoy, but he could not go outside and import new powers.

Mr. JONES. Well, he can, under the amendment. If not, then the amendment means nothing.

Mr. STEVENSON. I do not think so. It will be confined to the range of powers that those agents have.

Mr. JONES. The gentleman may be right were it not for the amendment just adopted, but it makes changes in the meaning of the existing provisions when read in connection with them.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

TITLE V—PUBLIC WORKS ADMINISTRATION

CREATION AND ORGANIZATION

SEC. 501. There is hereby created at the seat of Government an establishment to be known as the Public Works Administration. There shall be at the head of such administration an officer to be known as the Administrator of Public Works, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall hold his office for the term of six years. Such administrator shall receive a salary of $10,000 per year, payable monthly, and under the direction of the President shall have the control and management of the various bureaus, agencies, activities, and services that the President may under this title transfer to and consolidate in the Public Works Administration.

CONSOLIDATION OF PUBLIC WORKS BY PRESIDENT

SEC. 502. (a) The President is authorized, by Executive order, to transfer to the Public Works Administration, and to consolidate and coordinate therein, the whole or any part of all bureaus, agencies, offices, activities, and services, whether now existing in any executive department, independent establishment, or as an independent activity, having to do or that are concerned with the architectural, engineering, surveying, designing, drafting, construction, and/or purchasing activities of the Government relating to public works, and/or that are engaged in the making of plans, specifications, contracts, and/or the supervision of public construction, and the transfer of any activity to the Public Works Administration shall carry with it such property, fixtures, records, and files as may be necessary to the proper functioning of such activity under the administrator, but no provision of this act shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the Chief of Engineers, or of the Corps of Engineers, or of the officers of the Corps of Engineers of the United States Army, with respect to rivers and harbors, navigation, flood control, and other civil functions and activities, all of which shall remain as now provided for by existing law.

(b) The Administrator of Public Works shall utilize the services of the Corps of Engineers, or the officers of the Corps of Engineers of the United States Army, whenever and wherever practicable in all other public works, construction, and activities. The Secretary of War, upon the request of the Administrator of Public Works, may continue, as under existing law, to detail officers of the Corps of Engineers of the United States Army for duty in such other public works, construction, and activities, to the end that the Corps of Engineers of the United States Army and the officers of the Corps of Engineers of the United States Army may be used whenever practicable in such other public works, construction, and activities, and when so detailed with the consent of the Secretary of War and the Chief of Engineers shall be under the supervision and direction of the Administrator of Public Works.

(c) The Bureau of Yards and Docks of the Navy Department shall remain as now provided by existing law, and no provision of this act shall be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the said bureau and the chief thereof, or the officers and engineers therein. The Secretary of the Navy, upon the request of the Administrator of Public Works, may detail officers and engineers of such bureau for other duties in such public works, construction, and activities; and the Administrator of Public Works shall utilize the services of such officers and engineers whenever practicable; and when so detailed with the consent of the Secretary of the Navy the said officers and engineers shall be under the supervision and direction of the Administrator of Public Works.

(d) All officers of the United States Army and/or Navy detailed as aforesaid to serve in the Public Works Administration shall retain their military and naval rank and succession and receive the compensation, commutation, and emoluments provided by law in the case of Army and/or naval officers of the same rank not detached from the regular service; and such payments shall be made out of funds appropriated for use of the Public Works Administration.

(e) All strictly military, naval, and national-defense construction, improvement, maintenance, and administration shall be and remain in the Army and Navy under the Secretary of War and under the Secretary of the Navy, as now provided by existing law.

(f) The provisions contained in this title shall not apply to the power and authority now vested in the Architect of the Capitol and the United States Supreme Court Building Commission.

(g) All authority, power, and duties now vested by law in the head of any executive department, independent establishment, or office in and over any bureau, agency, office, officers, or branch of the public service, or in respect of any function or service transferred to the Public Works Administration under this title, or in or over any contract or business arising therefrom or pertaining thereto, shall be vested in and exercised and performed by the administrator.

(h) All valid contracts and agreements entered into by any bureau, agency, office, officer, or branch of the public service, and in force at the time of transfer to the Public Works Administration, shall be assumed and carried out by the administrator.

(i) Under the direction of the President, the Administrator of Public Works shall have the power, by order or regulation, to con-

solidate, eliminate, or redistribute the functions of the bureaus, offices, agencies, activities, and services transferred, under the provisions of this title, to the Public Works Administration and to create new ones therein, and, by rules and regulations not inconsistent with law, shall fix the functions thereof and the duties and powers of their respective executive heads.

(j) No consolidation, elimination, redistribution, or coordination of the bureaus, offices, agencies, activities, or parts or functions thereof, as provided by this title, shall be effected, and no new ones shall be created under the authority of this title unless such action shall either in itself or in relation to the entire Public Works Administration be clearly productive of economy in public expenditures.

(k) Whenever any Executive order of the President or any order or regulation of the administrator is issued under this section, the President shall thereupon transmit to the Senate and House of Representatives a copy of such order or regulation, except that if the Congress is not in session at the time of such issuance, then the copy of the order or regulation shall be transmitted at the commencement of the next regular or special session of the Congress. Unless an act disapproving the order or regulation issued is enacted within 60 calendar days after the receipt of the copy of the order or regulation by both Houses, the order or regulation issued shall take effect on the day following the expiration of such 60-day period. If the session during which the copy of the order or regulation is received terminates in less than 60 days after the receipt of the copy by both Houses, an act disapproving the order or regulation may be enacted at any time within 60 calendar days after the commencement of the next regular or special session of Congress; but if such an act is not enacted, such order or regulation shall take effect on the day following the expiration of such 60-day period.

APPOINTMENT OF EMPLOYEES

SEC. 503. (a) The Administrator of Public Works may appoint, in accordance with the provisions of the civil service laws, from time to time such assistants, architects, engineers, and experts in design and drafting as may be necessary to carry out the purposes of this title.

(b) The personnel on duty at the time of the transfer of any bureau, agency, office, activity, or service shall be transferred to and given appointment in the Public Works Administration, subject to such change in designation and organization and reduction in personnel, salary, classification, or otherwise, as the administrator may deem necessary.

(c) Such of the employees as have a civil-service status at the time of transfer shall retain that status. The salaries of such employees shall be fixed in accordance with the classification act of 1923, as amended (U. S. C., title 5, ch. 13; U. S. C., Supp. V, title 5, ch. 13).

EXISTING LAW AND REGULATIONS UNCHANGED

SEC. 504. (a) All laws relating to such bureaus, agencies, offices, activities, and services as are transferred to the Public Works Administration, so far as the same are applicable, shall remain in full force and effect, except as herein modified, and shall be administered by the administrator.

(b) All orders, rules, and regulations in effect with respect to any activity at the time it is transferred shall continue in force until modified, superseded, or repealed by the administrator.

(c) All unexpended appropriations in respect of any bureau, agency, office, activity, or service transferred to the Public Works Administration shall be as available for expenditure by the Public Works Administration as though said administration had been originally named in the law authorizing such appropriations.

SERVICES FOR OTHER DEPARTMENTS

SEC. 505. (a) Whenever any executive department, independent establishment, or other agency or activity of the Government shall be in need of any service or matter coming within the purview of the functions of the Public Works Administration, such department, establishment, agency, or activity shall make appropriate request in writing to the Administrator of Public Works, who shall forthwith place his administration at the service of the department, establishment, agency, or activity making the request.

(b) All estimates for public work and construction coming within the purview of the Public Works Administration at the time such estimates are made shall be made by the administrator and all appropriations for public work and construction shall be made directly to the administration: *Provided*, That said administrator shall make a book charge against the executive department, independent establishment, or agency of the Government covering the cost of any services, public work, or construction performed for such department, establishment, or agency. The amount thereof shall be reported promptly to the department, establishment, or agency for whom services, public work, or construction has been done, and such department, establishment, or agency shall enter the cost of such services, public work, or construction upon its books and the amount of such cost shall be treated as a part of its expenditures in making its annual report to the President and/or the Congress.

MISCELLANEOUS

SEC. 506. (a) Quarters for the Public Works Administration shall be provided by the Public Buildings Commission.

(b) It shall be the duty of the administrator to standardize designs, plans, and specifications, so far as practicable and desirable, with a view to effecting the utmost economy consistent with suitable construction.

(c) The administrator, at the close of each fiscal year, shall make a report in writing to the Congress, which shall be printed. Such report (1) shall give an account of all moneys received and disbursed by him and the administration, and shall state for what purpose and on whose account expenditures have been made; (2) shall describe in detail what has been done under section 502 of this title, and shall insert a chart showing the set-up of his administration; and (3) shall make such recommendations with respect to legislation and other matters as to him shall seem appropriate.

(d) The Administrator of Public Works is authorized to make such rules and regulations, in accordance with law, as may be necessary and proper for the purpose of carrying the provisions of this title into full force and effect.

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I make the point of order, Mr. Chairman, against all of Title V, which seeks to create an entirely new department of government; that it exceeds the authority that was given the Committee on Economy; that the Committee on Economy had no authority whatever to propose to create such a new administration of government.

I want to call attention to the fact that if this Title V is passed in this bill it will be organic law that will authorize whatever personnel that may be required, new personnel. That may be 2,500 new employees, or 5,000 or 10,000 extra employees, and at whatever salary the administration sees fit to grant them, because there is no limitation whatever in this committee proposal. We are for abolishing bureaus and are not for creating new ones.

I call attention to the fact that this proposal to create an entirely new Administration of Public Works is different entirely from the title which seeks to consolidate departments. For instance, the title which consolidates the War Department and the Navy Department shows on its face that it effects an economy. It consolidates two departments. This effects economy on its face, and is clearly within the purview and authority of the Committee on Economy. I am heartily in favor of that proposal, for it will save $100,000,000 a year, but this is a proposition that undoubtedly will cost the taxpayers of this Nation much money. This provision of the bill does not abolish all of the bureaus that are supposed to be taken over by this Administration of Public Works. It leaves many of them still functioning, and this will be a duplication of effort and of expense and an increase in high-salaried employees, something that we have been trying to stop.

Mr. RAMSEYER. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. RAMSEYER. Just what is the gentleman's point of order?

Mr. BLANTON. That this provision exceeds the authority that this House gave the Economy Committee.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BANKHEAD. Has the gentleman read the rule under which this amendment is offered?

Mr. BLANTON. Yes; of course; but I do not remember its exact provisions. And I have read the resolution that authorized the creation of the Economy Committee, which is the fundamental law under which the committee acts, and that did not authorize the creation of any new bureaus.

Mr. BANKHEAD. That was not the question that I asked the gentleman. Being somewhat familiar with the rule, I will state to the gentleman that the rule under which we are operating specifically gives to this committee the authority to offer this amendment despite any of the regular rules of the House with reference to germaneness. What has the gentleman got to say to that?

Mr. BLANTON. I believe that is a sockdolager. I had overlooked that, so I withdraw the point of order. But we ought not to permit the creation of this new department of Government, and we ought to vote it out of the bill when we reach the proper stage to do that.

Mr. CONNERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: On page 35, line 23, after the word "practicable," insert "to assist in an advisory or supervisory capacity."

Mr. CONNERY. Mr. Chairman, I am in favor of most of the provisions contained in this bill with reference to the Public Works Administration. My sole purpose in offering this amendment is to safeguard labor. The language in the bill at this point reads:

> The Administrator of Public Works shall utilize the services of the Corps of Engineers or the officers of the Corps of Engineers of the United States Army whenever and wherever practicable in all other public works, construction, and activities.

Under this language it might be possible to delegate the Corps of Army Engineers to build a post office in your home town and thus put labor out of work.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. LAGUARDIA. Of course, I need not tell the gentleman I am in sympathy with his amendment, but I would suggest that we had better strike out all of section (b).

Mr. CONNERY. I am willing to have the Army engineers work in an advisory capacity.

Mr. LAGUARDIA. But what happens to our architects and our engineers? That is their profession, they are organized, and they cooperate with labor and labor gets a squarer deal from them than they do from these Army or Navy engineers.

Mr. CONNERY. The gentleman is correct. Mr. Chairman, I ask unanimous consent to modify my amendment by moving to strike out all of paragraph (b) beginning in line 20, page 35, and running to line 11 on page 36.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to modify his amendment. Is there objection?

Mr. HOLADAY. Mr. Chairman, I object.

Mr. CONNERY. I have brought my idea before the committee. I do not want the Government to come into competition with private contractors or private architects. Especially I do not want the Government to come in competition with our workers. I am particularly interested in the workers and that was the main purpose for offering my amendment. There is a provision in this bill which takes care of flood control and dredging through the Army engineers. We are not interfering with that, but I do not want Army engineers to erect buildings that would be erected by private architects, laborers, and mechanics.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAM E. HULL. At the present time they let outside contracts 25 per cent above the Army engineers. They do that now, and you have your own architects here who are building the post offices for the Government.

Mr. CONNERY. I understand that, and the gentleman can see what I am after.

Mr. WILLIAM E. HULL. I understand what the gentleman is attempting to do.

Mr. CONNERY. It is to prevent these Army engineers and Navy engineers from coming into competition with private engineers and architects, especially labor.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAMSON. I think the gentleman is laboring under a misapprehension as to the number of Army engineers engaged in civilian work. There are only 137 engaged in rivers and harbors work, while there are over 1,000 civilian engineers employed all the time. The number of Army engineers now engaged is very small.

Mr. LAGUARDIA. Then, why the necessity for this section?

Mr. GOSS. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. GOSS. I want to call the gentleman's attention to lines 16 to 25, on page 36. There the same provision is made for the Navy.

Mr. CONNERY. I understand, and I had in mind offering an amendment covering the language on that page also. Mr. Chairman, my sole idea is to protect labor. I offer this amendment at the request of the members of the American Federation of Labor, and I hope the committee will adopt it.

Mr. ARENTZ. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. ARENTZ. What is the phrase the gentleman uses?

Mr. CONNERY. "To assist in an advisory and supervisory capacity."

Mr. ARENTZ. The gentleman wants to prevent the use of enlisted men in construction work?

Mr. CONNERY. Yes; in the construction of post-office buildings, and buildings of that kind.

Mr. ARENTZ. Then why does not the gentleman specifically provide for that?

Mr. CONNERY. That is what my amendment provides. I want to prevent the use of enlisted men in the construction of post-office buildings, because we must remember enlisted men were used in the construction of barracks. That is my idea.

Mr. COCHRAN of Missouri. I think the gentleman from Massachusetts is unduly alarmed.

Mr. CONNERY. I hope I am; but I would like to make sure that labor is protected in this provision.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I rise in opposition to the amendment. I shall try to make clear, if I can, just exactly what subsection (b) does. The rivers and harbors work is excluded entirely from this bill. The only purpose of subsection (b) is to permit, at the request of the administrator of public works, the Secretary of War, and the Secretary of the Navy to detail such engineers of the Army and of the Navy as the administrator of public works desires for his purposes in doing a certain kind of construction. The committee thought that in some cases it might be desirable to use these Army engineers in the construction of dams and possibly in the construction of roads, which are going into the Public Works Administration in all probability. If the administrator desires to use Army engineers in that capacity he can request the Secretary of War to detail those engineers to the Public Works Administrator. While so detailed they are under the Administrator of Public Works, but subject to recall by the Secretary of War or the Secretary of the Navy at any time.

Mr. SCHAFER. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. SCHAFER. Is this language as to public works identical with the public works bill reported by the almost unanimous vote of the Expenditures Committee?

Mr. WILLIAMSON. I do not think there is any change in the bill whatever. I think the gentleman will find it identical with the bill which the committee reported out.

Mr. SCHAFER. We ought to be positive that it is the same if we are going to take any responsibility for voting in favor of the provision because our committee reported it out.

Mr. WILLIAMSON. I yield to the gentleman from Missouri.

Mr. COCHRAN of Missouri. It is identically the same bill as the one reported by the Committee on Expenditures.

Mr. SCHAFER. And the perfecting amendments put in the bill in executive sessions of the Expenditures Committee are in this public-works section of this bill?

Mr. COCHRAN of Missouri. Absolutely.

Mr. WILLIAMSON. They are all in Title V of the economy bill which we are now considering.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. WHITTINGTON. With respect to the observations of the gentleman from Massachusetts [Mr. CONNERY], is it not true that neither this subparagraph nor the next has anything at all to do with the actual construction work; that is done by contract, and this provision will not interfere with such construction?

Mr. CONNERY. It can do it under the language here.

Mr. WILLIAMSON. All public buildings are let to contract, and after they are let to contract the contractors furnish the usual service of architects and everything else connected with actual construction. That is not interfered

with. With the smaller buildings, such as post offices, the plans and specifications are made in the Office of the Supervising Architect of the Treasury and construction let out to bids.

Mr. CONNERY. Under this language they will not be compelled to let it out to contract. They can do it, if they wish, with Army engineers.

Mr. WILLIAMSON. Of course, and in the Bureau of Reclamation, for instance, the Government now does a large part of its own construction in certain cases. If they desire they could call in Army engineers to aid them in such construction work, but there is nothing in the bill that indicates or proposes, much less requires, the Government to do its own construction.

Mr. CONNERY. But the language refers to the Corps of Engineers. I am not worrying about the officers, I am thinking of the men in the corps. If you put in the words "in a supervisory capacity" then you confine it to the officers.

Mr. WILLIAMSON. I have no particular objection to that, but, of course, the officers of the Corps of Engineers are the only ones who can be detailed for work in the public-works administration as the language stands.

Mr. THATCHER. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. THATCHER. The first part of this provision is mandatory and not permissive.

Mr. WILLIAMSON. Yes; and from my standpoint is objectionable. I think the word should be "may" in place of "shall" in line 20, on page 35.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 23, noes 50.

So the amendment was rejected.

Mr. McDUFFIE. Mr. Chairman, I move that all debate on this title do now close.

The motion was rejected.

Mr. McDUFFIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: On page 35, line 12, strike out the word "act" and insert in lieu thereof the word "title," and on page 36, line 12, strike out the word "act" and insert in lieu thereof the word "title."

The amendment was agreed to.

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: On page 39, beginning in line 19, after the word "works," strike out the remainder of page 19 and all down to and including line 9, on page 40, and insert:

"Is hereby authorized and directed to employ by contract, and at the established rates of compensation, outside professional or technical service of competent persons, firms, or corporations, for the architectural and engineering designing and planning of such Federal buildings as are now or may in the future be placed under the jurisdiction of his department, without reference to the classification act of 1923, as amended, or to section 3709 of the Revised Statutes of the United States.

"That such employment shall be based at all times on the highest grounds of proven professional ability in order that our Federal architecture may truly represent our national genius and keep pace with the rapid development of the arts of architecture and engineering. Architects or engineers shall not be employed without prior submission to the Secretary of the Treasury of satisfactory evidence of their qualifications and experience.

"That wherever circumstances warrant, such services shall be contracted for by the employment of the ablest architects and engineers resident in the general sections of the country wherein such Federal buildings are to be erected.

"At the discretion of the Secretary of the Treasury, the employment of outside architects or engineers may be omitted in connection with public buildings of a total cost for building and site of not more than $50,000.

"That all such individuals, firms, or corporations shall render their services subject to the approval and under the direction of the Administrator of Public Works, whose duty it shall be to act for the Government in all matters regarding sites, the allotment and subdivision of space, the control of technical detail, the letting of contracts, and the supervision of the erection of said Federal buildings"—

Mr. COCHRAN of Missouri (interrupting the reading of the amendment). Mr. Chairman, I make a point of order against the amendment. Instead of effecting economy the amendment would increase the cost of government.

The CHAIRMAN (Mr. WOODRUM). Does the gentleman from Florida desire to be heard on the point of order?

Mr. GREEN. Mr. Chairman, the bill provides for the creation of a Department of Public Works, and this amendment to that provision of the bill provides that they are to have local architects and local engineers do the public work for the Government in Federal construction, rather than to let the bureaus do it. It is absolutely germane, because it qualifies the employment of those who will perform the work for the bureau or the new Department of Public Works. It is clearly in order. There is one place where the amendment reads "Secretary of the Treasury," when it should read "Administrator of Public Works." I shall offer that amendment to the amendment, which, of course, would be a perfecting amendment.

It is clearly in order, Mr. Chairman, because it is the same subject, it is the same purpose, but provides the manner in which the purpose of the bill shall be carried out. It provides for local engineers and local architects to be employed and directs that the Public Works Administrator shall employ them instead of continuing the bureaucracy that is now going on in this branch of the Government.

Mr. SWING. As I understand it, the gentleman is merely offering his bill which has heretofore been introduced.

Mr. GREEN. Yes. The bill that has been considered by the Committee on Public Buildings and Grounds and indorsed by the architects' organization or institute. It is clearly in order and should be adopted.

Mr. COCHRAN of Missouri. What action was taken in the committee on the bill?

Mr. GREEN. The committee has held hearings and it has been referred to the Committee on Economy. It has not been acted upon by the committee—it is under consideration. It is indorsed by the profession, and I think is in order on this bill. Its adoption will bring about further economies in Federal construction, and will, I believe, bring better and more satisfactory Federal construction.

Mr. WILLIAMSON. Mr. Chairman, this bill creates a Public Works Administration, and was first reported by the Committee on Expenditures of the House, and, at the request of that committee, was included by the Committee on Economy in the omnibus bill.

The Committee on Expenditures deals with reorganization problems with a view to economy, very much as the Economy Committee. But the Committee on Expenditures has no jurisdiction to change existing law, except so far as is necessary to effectuate the consolidation or reorganization contemplated. The amendment of the gentleman from Florida [Mr. GREEN] contains legislation of substantive law that has nothing to do with reorganization. It provides that public work shall be let out by contract to private parties. The proposed amendment goes beyond the jurisdiction of the Expenditures Committee and also of the Economy Committee. In place of dealing with reorganization and consolidation, it provides a method for handling public construction and completely changes existing law.

I want to call attention to another point which makes it objectionable from the standpoint of germaneness. That is that it would result in unduly increasing the expense of Government contracts. You would be compelled to employ outside local architects, when we have architects in the Treasury Department.

It is well known that in all cases where private architects are used the expense is from two to three times as great as it is when the architects or engineers in the Government service are used. Clearly no economies appear on the face of the amendment, and unless economies would result it is not germane. It seems to me that the point of order is well taken.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. WHITTINGTON. Is it not true that the proposed amendment strikes out subsection (b) in section 503, and subsection (c), which makes provision for the transfer of

employees and bureaus which would be coordinated, and thereby let them out and increase the expense?

Mr. WILLIAMSON. That is true; and it substitutes in their places people outside of the civil service entirely.

Mr. GREEN. Mr. Chairman, in reply to the economy argument I want to say that it was developed in the hearing before the Committee on Public Buildings and Grounds upon this subject that this bill if put into effect would result in economy over the existing practices, because in obtaining local architects and local engineers, the employment of skilled ones only would be had and would result in economy.

It was developed in the hearings that frequently architects and engineers from a distance were employed to carry out work in other cities, and in that case the economies would not be effected, but involve great expenditure. Also the bureaus often have, I believe, more employees than are necessary. By letting local architects and engineers do the work each project would be separately carried out, and, of course, would be paid for individually, thus causing a saving over the annual employment plan now had by the departments.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Yes.

Mr. WILLIAMSON. The amendment to be germane would have to show on its face that it effects economies, and the gentleman will admit that it does nothing of the sort.

Mr. GREEN. I do not admit that, because it does effect economies. Within six weeks after this plan is put into effect there will be great economies in the Department of Public Works.

Mr. COOPER of Tennessee. Mr. Chairman, I regret to differ with the gentleman from Florida upon the matter of economy. It is my privilege to be a member of the same committee which considered this bill, to which the gentleman from Florida refers, for two weeks. On the contrary, it showed definitely and positively that economy would not be effected.

Mr. GREEN. Did not all of the architects and engineers appearing before the committee contend that economies would be effected?

Mr. COOPER of Tennessee. Yes; but to the contrary the Government officials contended there would be no economy.

Mr. GREEN. Oh, certainly; the Architect of the Treasury and his bureau employees said that economies would not be effected. The passage of the legislation would have abolished their positions and salaries, but the architects and engineers, not so fortunate as to be on the Federal pay roll, were unanimious in their contention that the legislation would bring about economy in Federal building.

It will bring about the ultimate use of local building material and local labor, and that is what we want and what the country needs. It will decentralize an existing Federal bureau and effect economy. Mr. Chairman, the amendment is in order.

The CHAIRMAN. The Chair is ready to rule. This title in the bill, Title V, deals with public-works administration, and the particular section to which the amendment is directed undertakes to set out a specific and definite method for the employment and use of existing governmental personnel in the interest of economy. The gentleman's amendment undertakes to set out an entirely different method. Any method which calls for the employment of outside personnel, however desirable it might be, how much it might appeal to us as an employment measure, the Chair is constrained to think is not germane to the section to which it is offered, and the Chair sustains the point of order.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee had had under consideration the bill H. R. 11267, the legislative appropriation bill, and had come to no resolution thereon.

BALANCING THE BUDGET

Mr. STEWART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by the gentlewoman from New Jersey [Mrs. NORTON].

The SPEAKER. Is there objection?

There was no objection.

Mr. STEWART. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by Hon. MARY T. NORTON during Lucky Strike hour, National Broadcasting Co., station WRC, April 28, 1932:

ADDRESS OF HON. MARY T. NORTON, OF NEW JERSEY

I consider it an honor to address this vast unseen audience and desire to express appreciation to the sponsors of the Lucky Strike hour for affording me this privilege.

Congress has recently been working on a problem called "Balancing the Budget." This problem is very interesting to most of us who were members of the preceding Congress, when, under Republican leadership, nobody seemed especially interested in balancing anything—least of all the Budget. Appropriations were supported for every type of unnecessary expenditure from a $75,000 post office in a little town of a few thousand inhabitants to paying huge sums of money to certain wealthy individuals and corporations as rebates on taxes.

Now, suddenly, upon the Democrats assuming control of the House, we are told the Budget must be balanced. Nobody seems able to answer the question why it is so important to do this unpleasant task now in this most depressing of all depression years, when nobody seems able to balance their own Budget; but the fact is everybody around Capitol Hill seems to have become "Budget conscious" to so great an extent that it is now an epidemic.

I believe in balancing my own Budget so far as I can. Therefore, I am naturally in favor of doing the same thing for Uncle Sam—but there are certain lengths to which I would not go. One is to deprive a faithful employee, who has served me in the good years, the necessities of life, because of my lack of wisdom in not providing for the "rainy day" that always follows the day of sunshine. Only the most abject poverty could justify my doing so, and surely no real American believes that the Treasury of the United States can not sustain its obligations and provide decently for those faithful employees who, when prosperity and large salaries were the subjects discussed everywhere, stood four-square for their country by refusing to be stampeded into leaving their posts to go into industry.

During and subsequent to the war Federal employees did not receive a living wage. Not until 1923 were they granted any real increase. During all this time private industry not only increased salaries greatly but paid bonuses in stock and otherwise. It is true that industry has now decreased salaries, but the salaries now paid are greater than are those paid by the Government for the same type of work.

There is so much misinformation regarding Government salaries that I shall endeavor to present to my audience the true story. As a matter of fact, the average pay of all employees is about $1,440 per year. This is divided as follows: 17 per cent receive less than $1,000; 37 per cent less than $1,500; 57 per cent less than $2,000; 84.6 per cent less than $2,500; and 95 per cent less than $3,000 per year. There are a few $10,000 positions and a relatively small number from five to ten thousand.

From these figures you can readily understand that a straight cut of 11 per cent applied to all Government employees would save only about 5½ per cent of the national deficit.

This economy bill is now before the House. At last night's session, while failing in our efforts to defeat the proposed wage cut, we were successful in raising the exemption from $1,000 salaries to $2,500 salaries—taking care of the "little fellow." However, if a teller vote could be recorded, many of those who voted for the decrease would not have dared to do so.

Aside from the small amount of money this may bring to the Treasury, the loss in morale can not be estimated.

The President's plan for enforced furloughs in the Government service, which was defeated to-day in the House, certainly could not provide additional funds. If this were carried through, it would have meant the employment of from 25,000 to 30,000 additional people to substitute for regular employees. How on earth could this be considered economy? It would only cause confusion and inefficiency.

What we require to-day more than anything else is courage and confidence, and surely it does not take any amount of intelligence to understand that both will be destroyed by threatening the country with a general wage reduction. When people lose their courage, they lose their greatest asset; only God can help them then.

While on this subject of wage reduction, it may be well to call your attention to the fact that the pay roll of the recently appointed Reconstruction Finance Corporation—and, of course, this bureau is not under civil service, merely patronage appointments in the hands of the Republican administration—amounts to $500,000 a year, with Utah leading in the number

of special considerations. Not much economy there! I might mention, too, that these salaries will not be interfered with in the event that the real employees of the Government suffer a decrease.

What a stupid method of bringing back prosperity. Curtailing the buying power of about 900,000 people. So much for that kind of economy.

Now let me say a word about the tax bill, which everybody seems to resent and we Democrats were obliged to pass in the House because of the reckless extravagance of 12 years of Republican rule or rather misrule.

We can not escape the conviction that conditions during the past two years have been such as would destroy the courage of even an extreme optimist; and we regret that the House has been obliged to pass a tax bill in order to keep our country solvent.

Those of us who voted for this bill were impelled to do so not only by the urgent necessity for such legislation but because we placed the welfare of the country above every other consideration. In doing so we did not believe that we would be called upon to tax our fellow countrymen to the limit and then vote a decrease in wages.

A much easier and less painful method of taxation was and is available, one that would undoubtedly have been acclaimed by the Nation as a whole. I refer to the bill which would alter the odious Volstead law, so as to permit the working people of this country to enjoy a harmless glass of beer and would at the same time bring millions of dollars to our Treasury in taxes.

May I say that the so-called bear raids we have been reading so much about in the press are peaceful Sunday-school picnics in comparison to raids that have been made upon our Treasury Department in the name of the ignoble experiment that has been misnamed prohibition. The law itself, thrust down the throats of a war-occupied electorate by an unholy alliance of reform racketeers and misguided impractical zealots, has done everything but prohibit. It has transformed a law-abiding citizenry to one that either scoffs at all law or regards violations thereof with indifference. It has dragged our once revered Federal courts from the pedestal of dignified tribunals of justice, respected and feared by the lawless, to the status of police courts. It has brought us the murderous gangster, the kidnapper, the extortionist, and the bootlegger. Its harvest has been one of constant seemingly never-ending evils. And its cost—not reckoned in moral liabilities—has been staggering.

My purpose in addressing you to-night is to beg you to think. The greatest trouble in our country to-day is that we have lost the art of thinking straight; of asking why; of placing responsibility where it belongs. In my opinion, the responsibility for the tax bill; the responsibility for being obliged to balance the Budget is clearly up to the Republican Party. That party holding the reins of Government during 12 years, the greater number of which witnessed our greatest prosperity; the party that spent nearly $62,000,000 a year to stimulate foreign trade with the net result that our foreign trade is exactly in the same position it was in 1914. What can justify this enormous expense to the taxpayer? What has become of the stimulation?

Sound foreign trade policies are essential to the economic welfare of every nation, but the maintenance of a bureau that has become a "white elephant" should cease, even though that bureau is the "fair-haired child" of President Hoover. The child has cost Mr. Average American too much money—and the building that cost our Government nearly $18,000,000 can not be justified when the employees in that building are now to be penalized because of this unnecessary extravagance.

The Democratic leadership in the House has a bare majority. It is trying to find a way out to serve the people of a distressed country. It has been obliged to put through legislation to help a bad economic condition. It has many handicaps because of the load of Republican debts which must be met, but it is not discouraged.

We appeal to the citizens of our beloved country to trust us, and we shall promise to find a way out of this endless misery. We want your confidence, your cooperation, and we ask you to elect a Congress this year that will give us a clear working majority and a President who will know how to lead.

VOCATIONAL EDUCATION

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of vocational education and to present a brief analysis of its uses by the State superintendent of public instruction of Oklahoma.

The SPEAKER. Is there objection?

There was no objection.

Mr. HASTINGS. Mr. Speaker, as my colloquy with the gentleman from Missouri [Mr. CANNON] and the gentleman from Nebraska [Mr. SIMMONS] indicates, I am opposed to section 303 which, beginning in 1934, reduces the Federal contribution for the development of vocational education under the several acts of Congress, and shall vote for the motion of the gentleman from Missouri [Mr. CANNON] to eliminate the section, which will have the effect of continuing the appropriations by the Federal Government for vocational education.

This is one of the most important contributions which the Federal Government makes in aid of the several States.

The most complete and careful analysis I have seen of the benefits of these appropriations is contained in a letter which I received from the State superintendent of public instructions of Oklahoma which, with the permission of the House, I attach hereto.

STATE OF OKLAHOMA,
DEPARTMENT OF PUBLIC INSTRUCTION,
Oklahoma City, April 16, 1932.

Hon. W. W. HASTINGS,
Washington, D. C.

DEAR MR. HASTINGS: The President and the House Economy Committee propose to suspend payment to the States for one year, under the terms of the Smith-Hughes and George-Reed Acts, for vocational education in agriculture, trades and industries, and home economics. Doubtless, you have been deluged with letters and telegrams protesting this move.

Do not confuse civilian rehabilitation, county agents, home demonstration agents, and 4-H club work with vocational education as provided under the Smith-Hughes and George-Reed Acts. These services are not affected by the proposal mentioned.

For the past 15 years the State of Oklahoma has made appropriations in good faith, expecting a permanent allotment annually from the funds created by these acts. The State appropriations are made on a cooperative basis; therefore the withdrawal of Federal funds for one year would destroy the program in this State.

The withdrawal of the Federal allotment to this State would mean—

In vocational agriculture—

(1) Depriving 5,000 adult farmers from receiving organized instruction in problems which confront them locally, including living-at-home readjustment.

(2) Depriving 4,000 farm boys from continuing their training in vocational agriculture, through whose efforts 68,000 acres of home farms were terraced.

(3) One hundred and thirty specially trained teachers of agriculture will be thrown into unemployment in this State.

(4) Would destroy 15 years of effort in developing an efficient training program for future farmers.

(5) Would deprive 130 local communities in this State of funds necessary to provide a systematic and efficient training program.

In vocational trades and industries:

(1) Would destroy educational opportunity for 4,906 boys and girls who are now going to school half time and working half time. They would be out of school entirely.

(2) Would destroy educational opportunity for 3,107 men in training supplemental to their daily employment.

(3) Would destroy educational opportunity for 200 boys who are now taking trade preparatory training.

(4) Would deprive 22 industrial centers of this State from funds necessary to carry on a training program of trade and industrial education.

(5) Would destroy 15 years of earnest effort in building an efficient program of industrial training for those engaged in industry.

In vocational home economics:

(1) Would deprive more than 30,000 home makers from receiving vital instruction in problems relating to the home.

(3) Would handicap the follow-up of the White House Conference on Child Health and Protection in placing its findings and recommendations in every home in the Nation.

(3) Would remove one of the strongest forces for building up the home, which strikes at the foundation of society.

Should vocational education be suspended for one year, as outlined by McDUFFIE'S committee, it would make impossible the reviving of vocational education in Oklahoma for many years to come. We realize full well that Congress must retrench, and the vocational program is willing to take its share of the retrenchment; but to suspend operation of the vocational program as provided by the Smith-Hughes and George-Reed Acts would be ruinous to the program we have developed through 15 years of cooperative effort.

We earnestly solicit your assistance and careful consideration of the interest of the farm people, home makers, and industrial workers of Oklahoma.

Very truly yours,

JOHN VAUGHAN,
State Superintendent.

EXTENSION OF REMARKS—OUR 4-H CLUBS AND EXTENSION WORK

Mr. HOPKINS. Mr. Speaker, the most prized and valued asset of our great Nation is its youth. Great are the problems confronting this Nation. The solution of these problems is largely to be placed at the door of the present generation of our young people. They need a thorough training in order to meet these responsibilities.

The 4-H clubs of this Nation provide a splendid training, not only in good citizenship but in the practical duties

of life about the farm and about the home. Anyone who has had the privilege to attend the meetings of 4-H clubs as I have, and have seen the exhibits of the varied experiences these boys and girls are getting, could not but be impressed by the fact that here is something of real and tangible value that is being given the boys and girls of this country through agricultural extension. Frankly, I do not know of any other activity of the Department of Agriculture that gives so much direct benefit to the people of this country as this type of extension service. I venture to state that if you were to give to the farm homes of this country the right to choose which of the activities of the Department of Agriculture should be cut out, this activity would be one of the last voted out.

This is an emergency economy measure that we are considering. I am strongly in favor of taking full steps to bring about this much-needed economy. I have voted to reduce my own salary and will vote for the major portions of this and other bills to reduce and deflate Government expenses. I firmly believe that from this depression, as tragic as it is, will come a great good to this country in the form of a universal demand to reduce taxes, Federal, State, and local. I realize that the big portion of the taxes paid by the farmers of this country, as well as by the small home owner in the city, is paid to support local, county, and city government. Yet we can set a good example by cutting our own expenses as well.

However, I see no reason why in the name of economy we should here to-day take hurried action to begin in 1934 to discontinue over a period of 10 years this form of extension work that is to-day giving benefit to almost every farm home in America. If this work should be discontinued, we should at least have full consideration of the matter in the regular manner before the Committee on Agriculture. There is plenty of time before 1934 to do this.

Therefore, I urge you, my colleagues, to strike this section from this bill. If I have not convinced you of the value of this extension work, at least vote to strike this from this bill so that it can be brought before us in the regular way, and fair consideration given the whole matter.

EXTENSION OF REMARKS—THE ECONOMY BILL

Mr. KELLER. Mr. Speaker, I am in favor of every economy that can possibly be effected, but the section of this bill which proposes the elimination of all appropriations for vocational education is not economy but destructive parsimony. I am especially sorry that the President has seen fit to urge that this be done.

The generation of which you and I are a part, as well as that of our sons and daughters, has already suffered needlessly from this panic to an extent bordering closely upon the limits of human endurance. By this measure we are now proposing to further penalize the coming generation by taking from the children of the farmer the one thing which will enable them to compete in a life so complex that many have come to despair of a continued existence.

This proposed economy does not come from any desire to save the farmer a single penny, and those of you who go back to your farmer constituents and tell them of your wonderful record in saving him from burdensome taxes ought also to tell him that for every hundred million dollars that you have saved it will save him personally exactly 15 cents. It is not a trade that is likely to impress the farmer.

When it becomes necessary to chisel and pinch the pennies for children's education in order to balance the Budget, those from whom you are taking the pennies ought also to be told why it is necessary. Nearly twice the amount that it is proposed to save by this entire measure will, before the end of the present fiscal year, be taken from the Treasury in the form of loans to industry.

I have no facts to deny that it is necessary to provide this money to industry, neither am I in possession of any facts which assure me that it was necessary to supply it. We are told behind closed doors that unless we supplied $2,000,000,000 to banks and industry the whole country would collapse. It appears that now that the interests demanding these $2,000,000,000 have secured what they want, that all of the advantages which government has afforded the poor man must collapse, anyway. We have denied food to the hungry, and it now appears that we shall deny an opportunity to children for education that they may better fit themselves for the burdens which shall come to them in the form of a national debt a large part of which is now being created because we refuse to put the burden where it belongs.

The blame for an ill-conceived economy measure should not be placed upon the members of the Economy Committee, who have worked so arduously in bringing in this bill. They have done the best they could, no doubt, in the limited time which they had.

The whole program is an effort to patch up the deficiencies of the present administration. On July 1, 1931, our deficiency amounted to approximately $1,000,000,000. Only the Congress has the power to remedy such a situation, either by effecting economies or increasing taxation, or both. Why, then, with a billion-dollar deficit facing us nearly a year ago, did the President not call the Congress into session so that sufficient time might be had to effect real economies? Why are we compelled to consummate in eight weeks a program which the President by his refusal to call Congress into session refused to consider important.

If the Reconstruction Finance Corporation is a good institution, and I grant that it is, why were we not permitted to legislate such a corporation into existence a year ago? We certainly could have saved thousands of banks that have failed since that time because no such agency existed.

Why were we not permitted to free credit as provided for in the Steagall-Glass bill a year ago? If it is good now, it would have been better then. Why is every measure that we have been forced to enact an emergency measure? There can be no other answer than that "these measures are emergency measures because the time for well-considered legislation has expired, so we must act quickly; it is an emergency."

It is now proposed that an emergency exists so grave that it is necessary to take the one means which many of our children have for an education away from them. It took years of fighting to secure national appropriations for vocational training. Are we to throw it away because a President who had ample time to act in the interests of true economy deliberately threw away his opportunity and then comes to us at the last minute with a plea not for economy but for destructive parsimony?

I am not going to vote to deny the children of this country an education to save the very rich people of this country from paying increased income taxes, for the great proportion of our Federal income is from the income taxes of the corporations and the rich individuals. That is where it ought to come from. The farmers and laborers do not pay it and ought not to. I am for protecting the poor and the helpless.

ENSIGNS IN THE LINE OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I present a conference report upon the bill H. R. 8033 providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932, for printing under the rule.

MUSCLE SHOALS

Mr. BANKHEAD, by direction of the Committee on Rules, submitted the following resolution for printing under the rule:

House Resolution 205

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11051, a bill to provide for the leasing and other utilization of the Muscle Shoals properties in the interest of national defense and of agriculture, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the

bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, when does the gentleman intend to bring the rule up?

Mr. BANKHEAD. I can only state to the gentleman what the tentative arrangement is with reference to that. If I am wrong in the statement I trust the majority leader or the Speaker will correct. My understanding is—and that is the understanding of those who are very anxious for the consideration of this bill—that the rule for its consideration will be offered at the conclusion of the pending bill.

Mr. SNELL. Is the gentleman going to put that in ahead of the other appropriation bills, when we are in a hurry to get through with the session?

Mr. BANKHEAD. I think that is the program.

Mr. STAFFORD. Is it the intention of the leaders of the House to have this rule considered on Monday and displace the Consent Calendar?

Mr. RAINEY. We will not displace that calendar.

The SPEAKER. The rule provides for the Consent Calendar on Monday next, and no one can change that rule.

Mr. STAFFORD. Many members of the Committee on Military Affairs who are opposed to the bill are interested to know when the rule will be brought up for consideration.

Mr. GOSS. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. GOSS. Does the rule provide that the two hours' debate shall be confined to the bill?

Mr. BANKHEAD. Yes.

Mr. STAFFORD. Then the earliest time at which the rule would be brought up would be Tuesday next?

Mr. RAINEY. Yes.

ORDER OF BUSINESS

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that the House now stand in recess until 7.30 o'clock p. m.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. SNELL. There has been some suggestion that we might perhaps agree to meet at 11 o'clock to-morrow and avoid an evening session to-night.

Mr. McDUFFIE. If that is the wish of the House, I shall be very glad to comply with it.

Mr. SNELL. We have been driven very hard this week and men's nerves are pretty well on edge. I think you will accomplish more if you will adjourn the House now and meet at 11 o'clock to-morrow than if you attempt to run through until 10 or 11 o'clock to-night.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6662. An act to amend the tariff act of 1930, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.).

ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.), in accordance with the order previously made, the House adjourned until to-morrow, Saturday, April 30, 1932, at 11 o'clock a. m.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Saturday, April 30, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON LABOR

(10 a. m.)

To provide farming opportunities for certain destitute and unemployed persons (H. R. 11055 and H. R. 11056).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EVANS of Montana: Committee on the Public Lands. H. J. Res. 341. A joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska; with amendment (Rept. No. 1153). Referred to the Committee of the Whole House on the state of the Union.

Mr. BANKHEAD: Committee on Rules. H. Res. 205. A resolution for the consideration of H. R. 11051, a bill to provide for the leasing and other utilization of the Muscle Shoals properties, and for other purposes; without amendment (Rept. No. 1169). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GOSS: Committee on Military Affairs. H. R. 5770. A bill for the relief of George Tatum; with amendment (Rept. No. 1154). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. R. 1825. A bill for the relief of William M. Stoddard; with amendment (Rept. No. 1155). Referred to the Committee of the Whole House.

Mr. CHIPERFIELD: Committee on Military Affairs. H. R. 2445. A bill for the relief of Clarence R. Killion; with amendment (Rept. No. 1156). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 6461. A bill for the relief of Frank D. Whitfield; with amendment (Rept. No. 1157). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 9175. A bill for the relief of Clifton C. Cox; with amendment (Rept. No. 1158). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 589. A bill for the relief of Ernest Linwood Stewart; with amendment (Rept. No. 1159). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 1567. A bill to reimburse Dominic Pracapane for injuries sustained in an accident with a Government-owned motor truck; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

Mr. BACON: Committee on Claims. H. R. 4040. A bill for the relief of Horace G. Knowles; without amendment (Rept. No. 1161). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4067. A bill for the relief of John Pitkanen; with amendment (Rept. No. 1162). Refered to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 7040. A bill for the relief of Sadie Bermi; with amendment (Rept. No. 1163). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 7761. A bill for the relief of M. J. Lobert; with amendment (Rept. No. 1164). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 9435. A bill for the relief of Frank A. Fain; without amendment (Rept. No. 1165). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 10113. A bill authorizing adjustment of the claim of Joseph E. Bourrie Co.; without amendment (Rept. No. 1166). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. H. R. 10170. A bill authorizing adjustment of the claim of Joseph T. Ryerson & Son (Inc.); without amendment (Rept. No. 1167). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 11717) providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes; to the Committee on the Territories.

By Mr. HAWLEY: A bill (H. R. 11718) to amend the act entitled "An act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes," approved August 24, 1912, as amended, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER of Ohio: A bill (H. R. 11719) for the relief of William Givens; to the Committee on Naval Affairs.

By Mr. DAVENPORT: A bill (H. R. 11720) granting an increase of pension to Florence M. French; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 11721) providing for a survey of the port of entrance of Tillamook Bay in Oregon; to the Committee on Rivers and Harbors.

By Mr. MAY: A bill (H. R. 11722) granting a pension to Emaline Gambrel; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 11723) granting an increase of pension to Mary A. Smith; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 11724) granting a pension to Joseph M. Harr; to the Committee on Pensions.

By Mr. RAGON: A bill (H. R. 11725) to authorize the presentation of the medal of honor to Dr. Samuel G. Boyce; to the Committee on Military Affairs.

By Mr. SHANNON: A bill (H. R. 11726) for the relief of Helen Marie Lewis; to the Committee on Claims.

Also, a bill (H. R. 11727) granting a pension to David Huffman; to the Committee on Pensions.

By Mr. TURPIN: A bill (H. R. 11728) granting an increase of pension to Lucy Deiter; to the Committee on Invalid Pensions.

By Mr. YON: A bill (H. R. 11729) granting a pension to John Rance; to the Committee on Pensions.

Also, a bill (H. R. 11730) granting a pension to Martha Kimmy; to the Committee on Invalid Pensions.

By Mr. WELCH of California: Resolution (H. Res. 207) to pay Helen Glynn, daughter of Theresa C. Glynn, six months' compensation and an additional amount not to exceed $250 to defray funeral expenses of the said Theresa C. Glynn; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7235. By Mr. ANDREWS of New York: Resolution adopted by the Royalton Township Taxpayers Association, of Niagara County, N. Y., urging reduction of Federal expenditures; to the Committee on Economy.

7236. By Mr. BRUNNER: Resolution of Colfax Gardens Civic Association, approving H. R. 316, known as the Huddleston bill; to the Committee on Banking and Currency.

7237. By Mr. BURDICK: Petition of 189 citizens of Rhode Island, protesting against reduction of Federal salaries; to the Committee on Economy.

7238. By Mr. CULLEN: Petition of the aeries of southwestern Washington, Fraternal Order of Eagles, approving and acclaiming a plan of home ownership and the creation of Federal home-loan banks under the supervision of the United States Government, to provide funds for home building on suburban tracts for the little fellow, or refinancing city homes, and the rate of interest on these loans shall not be more than 4½ per cent per annum; to the Committee on Banking and Currency.

7239. By Mr. FITZPATRICK: Petition of the officers and men of engine company No. 2 of the city of Yonkers, N. Y., protesting against any curtailment of privileges and reduction of salaries of Federal employees; to the Committee on Economy.

7240. Also, petition of the Fleet Reserve Association, Branch No. 26, New York City, J. H. Van Slycke, secretary, urging the complete payment in cash of the soldiers' bonus; to the Committee on Ways and Means.

7241. By Mr. GRANFIELD: Petition of citizens of Springfield, Mass., urging the immediate payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

7242. By Mr. HALL of North Dakota: Resolution of the Commercial Club of Wahpeton, N. Dak., protesting against a discontinuance of the appropriations for vocational education; to the Committee on Education.

7243. By Mr. JAMES: Telegram from L. C. Broyell, Alice Olson, Dorothy O'Brien, Art Uren, Daniel P. Monahan, Lawrence Hartley, Hilding Swanson, and Albert Christianson, opposing pay cuts as embodied in Economy Committee's pay cut bill; to the Committee on Economy.

7244. Also, telegram from Richard M. Jopling Post, No. 44, Marquette, Mich., through George A. Hager, adjutant, opposing any reduction of benefits for disabled veterans; to the Committee on Ways and Means.

7245. Also, telegram from Lodge No. 782, Brotherhood of Railroad Trainmen, of Houghton, Mich., through P. Stinmetz, secretary, opposing any form of sales tax that will impose further burden upon workers of our country, and also opposing reduction of salaries of Government employees; to the Committee on Economy.

7246. By Mr. KVALE: Petition of Order of Railway Conductors of America, Division No. 563, Willmar, Minn., urging enactment of House bill 9891; to the Committee on Interstate and Foreign Commerce.

7247. Also, petition of Post No. 59 of the American Legion, Montevideo, Minn., protesting against any reduction in compensation or hospitalization benefits for disabled service men; to the Committee on Economy.

7248. Also, petition of Minneapolis Typographical Union, No. 42, protesting against the printing by the Government of stamped envelopes for private use; to the Committee on Printing.

7249. Also, petition of Minneapolis Typographical Union, No. 42, protesting against cuts in salaries of Government employees; to the Committee on Economy.

7250. Also, petition of presbytery of Mankato, at convention at Pipestone, Minn., protesting against any change in the present prohibition law; to the Committee on the Judiciary.

7251. Also, petition of Lizzie A. Bigham, Woman's Christian Temperance Union, Russell, Minn., urging enactment of House bill 9986, Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

7252. Also, petition of American Legion Auxiliary, Maynard, Minn., urging immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

7253. Also, petition of American Legion Auxiliary, Maynard, Minn., urging enactment of the widows and orphans' pension bill; to the Committee on World War Veterans' Legislation.

7254. Also, petition of Hamlin Local No. 103, Farmers Educational and Cooperative Union of America, Lac qui Parle County, Minn., urging passage of the Frazier bill, S. 1197; the Wheeler bill, S. 2467; and the Swank bill, H. R. 7797, and protesting against the Federal gas tax, commodity tax, and sales taxes of any variety; to the Committee on Banking and Currency.

7255. Also, petition of 36 residents of Alexandria, Minn., urging immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

7256. Also, petition of Benson Post, No. 1403, Veterans of Foreign Wars, Benson, Minn., urging enactment of the widows and orphans' bill; to the Committee on Pensions.

7257. Also, petition of rural-mail carriers of Litchfield, Minn., protesting against reduction in maintenance allowance to rural letter carriers; to the Committee on Economy.

7258. Also, petition of Minnesota Department, United Spanish War Veterans, protesting against any legislation reducing pensions or benefits to veterans; to the Committee on Economy.

7259. Also, petition of Benson Post, No. 1403, Veterans of Foreign Wars, Benson, Minn., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7260. By Mr. LAMNECK: Petition of C. R. Percival, Hope D. Waltz, J. J. Tharp, and numerous other citizens of the city of Columbus, Ohio, petitioning Congress to enact such legislation at this time as is necessary to curb the activities of the growing monopolistic organizations known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

7261. Also, petition of Mary Tharp, Don W. Craig, W. R. Jenkins, and numerous other citizens of the city of Columbus, Ohio, petitioning Congress to enact such legislation at this time as is necessary to curb the activities of the growing monopolistic organizations known as the chain-store system; to the Committee on Interstate and Foreign Commerce.

7262. By Mr. MEAD: Petition of citizens of the nineteenth congressional district of Pennsylvania, opposing any proposed reduction in salaries of Federal employees; to the Committee on Ways and Means.

7263. By Mr. NIEDRINGHAUS: Petition of 15 citizens of St. Louis, Mo., urging support of House bill 7117 for the repeal of section 15a of the transportation act of 1920 (the recapture clause); to the Committee on Interstate and Foreign Commerce.

7264. By Mr. RUDD: Petition of Ruth M. Earles, legislative chairman, American Legion Post and Auxiliary, No. 142, Jamaica, N. Y., opposing reduction of appropriation as contained in the economy bill for disabled veterans; to the Committee on Economy.

7265. Also, petition of Ancell H. Ball, New York City, opposing the income and inheritance taxes and favoring a sales tax; to the Committee on Ways and Means.

7266. Also, petition of E. H. Outrebridge, New York City, favoring the passage of the Bachman bill, H. R. 1967; to the Committee on Immigration and Naturalization.

7267. Also, petition of William A. Leonard Auxiliary, No. 422, American Legion, Flushing, Long Island, N. Y., opposing the reduction of appropriation for hospitalization and compensation for disabled veterans; to the Committee on Economy.

7268. Also, petition of United Commercial Travelers of America, Jamaica Council, No. 460, favoring the passage of House bill 8688; to the Committee on Ways and Means.

7269. Also, petition of Luckenbach Steamship Co. (Inc.), New York City, favoring the passage of House bills 8688 and 10236; to the Committee on Ways and Means.

7270. Also, petition of Columbia Typographical Union, No. 101, Washington, D. C., opposing section 207, title 2; to the Committee on Economy.

7271. Also, petition of the home-loan resolution of the Fraternal Order of Eagles of southwestern Washington, referring to home ownership and the creation of Federal home-loan banks; to the Committee on Banking and Currency.

7272. Also, petition of Frank B. Irvin, 104–158 Ninetieth Avenue, Richmond Hill, Long Island, N. Y., and 37 other citizens of the Greater City of New York, favoring legislation to regulate motor trucks engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

7273. By Mr. SHOTT: Letters from 44 citizens of Mullens, Bluefield, Princeton, and Tralee, W. Va., opposing as detrimental to the bituminous-coal industry and therefore the coal-carrying railroads, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7274. Also, letter from W. L. Cole, E. M. Campbell, J. H. Sawyers, and J. W. Hare, of Cliff Yard, W. Va., opposing as detrimental to the bituminous-coal industry, and therefore to the coal-carrying railroads, the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7275. Also, resolution of the Warrior Safety Club, of Warriormine, W. Va., composed of 514 employees and signed by G. D. Davidson, president, and Z. S. French, secretary, opposing passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7276. Also, letter signed by Roy Willard, B. C. Courtney, H. H. Coleman, Frank Harmon, Garnet B. Stevens, jr., and Jeff Lockhart, representing 42 shop employees on the Norfolk & Western Railway, Iaeger, W. Va., opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7277. Also, resolution adopted by the Williams Pocahontas Mine Safety Club, of War, W. Va., signed by H. E. Ewing, president, and P. A. Pilkenton, secretary, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7278. Also, resolution adopted by the Sprague Safety Club, Sprague, W. Va., with a membership of 273, opposing the passage of the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7279. Also, resolution of the Price Hill Safety Club, Price Hill, W. Va., representing a membership of 111, opposing the passage of the bill known as the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7280. Also, resolution of the Gilliam Safety Club, Gilliam, W. Va., representing a membership of 120, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7281. Also, resolution adopted by the Cranberry Safety Club, of Cranberry, W. Va., representing 300 members, opposing the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7282. Also, resolution passed by the Skelton Safety Club, Skelton, W. Va., with a membership of 250, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7283. Also, resolution adopted by the Gauley Mountain Safety Club, of Ansted, W. Va., with a membership of 281, opposing as detrimental to the bituminous-coal industry the passage of the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7284. Also, resolution adopted by the Earling Mine Safety Club, Earling, W. Va., with a membership of 200, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7285. Also, resolution adopted by the Mahan Safety Club, Mahan, W. Va., of 180 members, opposing the passage of the Davis-Kelly coal control bill; to the Committee on Interstate and Foreign Commerce.

7286. By Mr. SWANSON: Petition of B. R. Hammond and others, of Walnut, Iowa, favoring the honest dollar bill; to the Committee on Banking and Currency.

SENATE

SATURDAY, APRIL 30, 1932

(Legislative day of Friday, April 29, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.); and

H. R. 6662. An act to amend the tariff act of 1930, and for other purposes.

DEPARTMENT OF COMMERCE APPROPRIATIONS

Mr. SMOOT obtained the floor.

Mr. FESS. Mr. President, will the Senator yield to enable me to suggest the absence of a quorum?

Mr. SMOOT. I would prefer not to yield for that purpose. I am compelled to leave the Chamber soon.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. SMOOT. Mr. President, I have noticed in the RECORD some statements made with reference to the Department of Commerce bill and the appropriations made in the past as compared with the appropriations of to-day. I feel that the RECORD ought to be corrected. Therefore I ask for a few moments to do so.

I notice that the Senator from Mississippi [Mr. HARRISON] on two or three occasions referred to the Department of Commerce as having asked for $54,000,000 in appropriations for the fiscal year 1933. In this he is wrong.

Mr. ROBINSON of Arkansas. Mr. President, has the Senator notified the Senator from Mississippi that he expected to make this address?

Mr. SMOOT. No; I have not.

Mr. ROBINSON of Arkansas. Then I shall suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator just declined to yield for that purpose.

Mr. SMOOT. It is only a question of figures.

Mr. ROBINSON of Arkansas. Very well. I withdraw the suggestion.

Mr. SMOOT. I merely want to put in the RECORD the actual figures.

The figures the Senator from Mississippi was quoting represent the total appropriation for the Department of Commerce for the current year. The total of the estimates submitted to this Congress for the Department of Commerce for next year was $44,700,000. It will thus be seen that the department had made a very material cut and had acted on the basis of the $54,000,000 appropriation just as the Senator from Mississippi suggested it should act.

The Senator also makes reference to the rapid expansion of the department during the period of Mr. Hoover's term as Secretary. A reference to the Budgets shows that for the fiscal year 1913, under the administration of President Wilson, $15,300,000 was the total appropriation, whereas in 1920 the total appropriation was $37,000,000, an increase of practically 150 per cent. This is on the same basis of comparison used by critics of the department. The appropriation for the fiscal year 1921 was $24,200,000, and for the fiscal year 1928, the last one of Mr. Hoover's service as Secretary, the total appropriation was $37,600,000, or an increase of about 56 per cent. It should be borne in mind that during the period that Mr. Wilson was President there were no new activities created in the Department of Commerce, nor were there any bureaus or agencies transferred to the department from other departments of the Government, whereas a large part of the increased cost during Mr. Hoover's term as Secretary can be easily accounted for in view of the transfer of the Bureau of Mines and the Patent Office to the department from the Interior Department and the creation through an act of Congress of the aeronautics branch.

In view of the fact that we are now interested in the forthcoming appropriation bill for the Department of Commerce and many claims have been made as to the great increase in its expenditures, we should consider its appropriations in the light of what causes brought about the expansion. During the past three years, under a specific act of Congress for taking the decennial census, over $39,000,000 have been appropriated in addition to the regular Budget of the Department.

Furthermore, any comparison of this character should take full cognizance of the transfer on January 1, 1923, to the Department of Commerce, under an act of Congress, of 121 employees from the Treasury Department engaged on customs statistics. The Aeronautics Branch, organized through an act of Congress, now has 2,349 employees and requires an appropriation of about $10,000,000. The Patent Office was transferred to the Commerce Department April 1, 1925, and the Bureau of Mines July 1, 1925, both from the Department of the Interior. The employees of those two units now number 1,442 and 1,020, respectively. They should be excluded in making a comparison of costs over an 11-year period. With these additions taken into consideration, there has been an increase in the eight old bureaus of the department of about 1,700 employees in the 10½ years, or 1.7 per cent a year.

Omitting the extra cost of the census carried in 1922, the eight old bureaus had about $21,700,000 appropriated for their use, whereas the estimates for 1933 for these same activities call for $28,250,000, or an increase of about 30 per cent, and practically one-half of this amount is due to the classification of salaries through an act of Congress and subsequent increases on account of what are generally known as the Welch Act and the Brookhart Act. This is exceptionally small for a department which serves the business and marine interests. These increases have been made gradually in response to demands made on the department by industry, and in many instances to take care of duties imposed upon the department by Congress. Secretary Lamont explained this matter in detail before the Appropriations Committee of the House in supporting the estimates for the next fiscal year.

As I mentioned earlier, the increase in the expenditures of the Commerce Department during the past 11 years can be largely explained on the basis of figures over which the Secretaries had no control, but during the eight years under President Wilson there were no factors of this character to be taken into consideration.

In this connection as chairman of the Public Buildings Commission I would like to take occasion to respond to some of the criticisms which have been directed at Mr. Hoover and the present Secretary of Commerce regarding the new Department of Commerce Building in this city. Some critics appear to take keen delight in attempting to hold Mr. Hoover responsible for conceiving the idea of a new building, and for its construction as well as for the expense involved in erection. It would be enlightening to look into the facts.

In the annual report of Secretary Redfield for the fiscal year ended June 30, 1913, there appears a strong appeal for the construction of a new building to house the activities of the Department of Commerce. This recommendation was repeatedly made subsequently by Mr. Redfield, and in his annual report for 1918 he lists among the urgent needs of the department, "A Government-owned commerce building to house all services except the Bureau of Standards and the laboratory-aquarium of the Bureau of Fisheries."

In the annual report of Secretary of Commerce Alexander for the fiscal year 1920, the necessity for a permanent home for the department is again stressed in the following language:

> One of the greatest needs of the department is a permanent home for the proper housing of its several bureaus and divisions. This matter has been repeatedly mentioned by my predecessor, who has covered the subject so thoroughly that I can only em-

phasize what has already been said. The Commerce Building, a rented structure, houses the divisions of the office of the Secretary, three of the department's bureaus, and portions of two others. The building is inadequate to the growing needs of the department, and it is obvious that, with the overcrowding and scattering of activities, results so highly desirable can not be obtained. It is earnestly recommended that steps be taken at an early date looking to the erection of a building suitably adapted to the efficient administration of the department.

Thus it appears that there can be no question as to the unanimous opinion of persons familiar with the activities of the Department of Commerce that the various organizations should be concentrated in one building.

The site upon which the Department of Commerce Building now stands was purchased by the Government in the year 1910 at a total cost of $2,459,831.08. The act of June 30, 1906, which was amended on May 20, 1908, March 4, 1910, and June 25, 1910, was the authority for the purchase of this site. The purchase was made in 75 parcels, the title to the first being acquired January 27, 1910, and the title to the last parcel December 22, 1910.

In 1910 a competition was held in which commercial architects submitted designs and plans for the construction of a new Department of Commerce and Labor building and other Government buildings which were in contemplation at that time. The committee on awards on January 5, 1911, selected the plans and designs submitted by York & Sawyer for the new Department of Commerce and Labor Building. Questions were then raised as to whether existing legislation was sufficient to proceed with the contracts for the work. Numerous delays then occurred, and finally contracts for plans were canceled. The World War then occurred and caused further delay. It was not until the act of May 25, 1926, when the country was in a state of great prosperity, that legislative authorization was secured for the construction of the building. This authorization was on thorough and scientific study as a part of congressional plans to provide modern and efficient housing facilities, to eliminate the use of rented structures and war-time temporary buildings in a dilapidated condition, to protect invaluable records from irreparable loss by fire, and to bring together activities widely scattered over the city. The design of the building was approved August 16, 1927, and a contract for the first work in connection with the erection of a building was signed October 4, 1927.

The statement has been made that the new building contains 52 acres of floor space. This is probably based upon the gross ground area which the building occupies, without taking into consideration the six large courts. The floor space actually amounts to approximately 36.8 acres instead of 52 acres, as claimed.

The reference to a private elevator with two operators for the Secretary is also wholly misleading. The elevator referred to is available for the use not only of the Secretary of Commerce and his immediate staff but the employees in the whole section of the building in the vicinity of his office, including incoming and outgoing visitors to the entire suite of offices located there. It is difficult to understand the necessity for two operators on a single elevator.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. I would prefer not to do so; I am very anxious to conclude.

Mr. McKELLAR. I just want to ask the Senator how much it costs the Government to run that particular elevator?

Mr. SMOOT. No more than any othef elevator that is in the building—not as much as our elevator here in the Capitol.

Mr. McKELLAR. About how much would that be?

Mr. SMOOT. I should think about $375 a month. There are two employees on it, and then there would be whatever cost of upkeep might be attached to it.

While on this subject, it might be well to state that the claims that there is a watchman whose sole duty is to supervise the use of the elevator is untrue. There has never been nor is there now any person exercising any degree of supervision whatever as to the use of the elevator.

The Senator knows there is a private elevator in the Treasury Building, put there when the Treasury Building was first erected. It is operated to-day, and that elevator, I will say to the Senator, is used by the employees of the Government outside of the Secretary of the Treasury's own office.

Mr. McKELLAR. The Senator was addressing his remarks to me, I believe. I want to say to him that this is the first time I ever knew there was a private elevator for the Treasury Department. I do not have as much occasion to use it as the Senator from Utah.

Mr. SMOOT. But statements of various kinds as to the private elevator in the Department of Commerce Building have been heralded all over the United States and bandied back and forth on both sides of the Chamber, and so I thought I would state the facts in the case.

Mr. McKELLAR. Mr. President, I dislike to interrupt the Senator again.

Mr. SMOOT. I am nearly through.

Mr. McKELLAR. The Department of Commerce Building is such an enormous building for a comparatively recently created department that the size of it, as well as the cost of it, has rather astonished me. Why should we have constructed a building with 46 acres of floor space for the Department of Commerce when we have not done that for any other department of the Government?

Mr. SMOOT. Considering the governmental activities which have been transferred to that department, the floor space per employee will be found to be less than in most of the other Government buildings, I will say to the Senator.

Prior to the removal of various governmental activities to the new quarters, the personnel of the Department of Commerce was located in 14 different buildings scattered throughout the city. In every instance they were overcrowded. In many of the structures occupied by the Government the employees suffered from unbearable heat in summer and low temperature in winter, from drafts and poor ventilation, and from lack of natural light, as well as from congestion and other insanitary conditions.

While the loss to the Government because of scattered and inadequate housing can not be computed with any accuracy, some measure of these losses can be determined by considering individual items. The expense of one of several of our bureaus housed in temporary war-time structures which was forced to close on account of the excessive heat during the summer of 1930—and I might also include the summers of 1927, 1928, and 1929—indicates a direct loss of $48,091.26. During one of the days of extreme heat I walked through some of those temporary buildings. The temperature was nearly 100°, and I did not see how people could live if they were compelled to spend the afternoon in those buildings under such circumstances. The conditions became so oppressive that it was decided to lay off the employees, and in one temporary building alone the loss thereby caused was $48,091.26. The same conditions existed during the summer of 1931, and there is no reason to assume that they will not prevail again in the years to come.

The cost of the construction of the Department of Commerce Building has been about $17,500,000, as authorized by Congress. The cost of the building was 62.5 cents per cubic foot. It is estimated that the annex to the House Office Building, now under construction, will cost 77 cents per cubic foot; the addition to the Senate Office Building will average 93 cents per cubic foot; the Supreme Court Building will cost about $1.06 per cubic foot; the United States Chamber of Commerce Building in Washington cost 86 cents per cubic foot; the Empire State Building in New York City cost between 70 and 80 cents per cubic foot; the Chrysler Building in the same city cost 80 cents per cubic foot; the Sterick Building in Memphis, Tenn., cost 73.2 cents per cubic foot; the Philtower Building at Tulsa, Okla., 70 cents; the Watts Building, Birmingham, Ala., cost 75.5

cents per cubic foot. These figures regarding the cost of commercial buildings were taken from one issue of a monthly magazine. Undoubtedly hundreds of other instances could be cited if a review of building costs were to be made.

Instead of being in any sense an extravagance, the new Department of Commerce Building represents a decided economy to the Government. This building contains 1,002,631 square feet of office space and 89,370 square feet of storage space, which is sufficient to house all but one of the bureaus of the department which were formerly scattered about the city of Washington. This space at actual current rental values in Washington of $2.25 per square foot for office space and $0.40 for storage space represents a total yearly rental value to the Government of $2,291,665.

I have been compelled on behalf of the Government to sign authorizations for the payment of such rentals for years and years, until I have become very tired of doing it.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield further to the Senator from Tennessee?

Mr. SMOOT. I yield.

Mr. McKELLAR. Let me ask the Senator what instrumentality of the Commerce Department is not housed in the building now? The Senator said one was not. Are not all the bureaus and services now housed in the one department building?

Mr. SMOOT. All that I mentioned are quartered in the new building to-day.

Mr. McKELLAR. We are not paying any rent on the outside at all?

Mr. SMOOT. Not for the buildings which the Government previously occupied.

Mr. McKELLAR. I mean for the Department of Commerce?

Mr. SMOOT. We are not. The actual cost to the Government, however, is considerably less than the amount I just mentioned. Taking into account complete amortization of the construction cost in 40 years (despite the fact that the permanency of construction insures practically indefinite life), interest on the total cost of the building and land, and annual maintenance charges, the yearly cost to the Government amounts to $1,502,700.

Mr. McKELLAR. How much did we pay in rent?

Mr. SMOOT. Over $2,000,000.

Mr. McKELLAR. As a matter of fact, there is quite a considerable saving that ought to be reflected in the pending appropriation bill, ought it not?

Mr. SMOOT. It has been, and much more than that. I referred to the 10 per cent cut—perhaps the Senator was not here at the time—and it means the death of some of the bureaus of that department of our Government. Taking into consideration, also, the annual taxes which would be paid on the land and building if it were owned and operated privately, and the income tax, based on an estimated return of 6 per cent, which would be paid by private owners, the total yearly cost to the Government is $1,748,032. Thus the saving to the Government, represented by the difference between the total yearly rental value ($2,291,665) and the total yearly cost ($1,748,032) is $543,633, or $21,745,320 in the 40-year amortization period, an amount substantially in excess of the total cost of the building and land.

The Senator from Mississippi also alluded to the increase in the expenses of the White House under Mr. Hoover, and stated that in 1926, under Mr. Coolidge, the expense amounted to $483,000, whereas in 1933, under Mr. Hoover, it was $532,000. This is an increase of $49,000, or practically 10 per cent. Members of Congress should be somewhat careful about the use of such data, for sooner or later some one is going to call attention to the fact that the appropriation for the Senate in 1926 was $2,764,000, whereas for 1932 it was $3,578,000, an increase of $814,000, or nearly 30 per cent, and that the appropriation for the House was $6,541,000 in 1926 and $8,434,000 in 1932, an increase of $1,893,000, or 28 per cent. I wonder whether we will be able to accomplish reductions in the appropriation for the House and Senate to bring it down to only a 10 per cent increase over 1926, like the percentage of increase in the expenses of the White House.

Mr. President, I simply wanted the figures I have cited to go into the RECORD.

TAX BURDENS ON AGRICULTURE

Mr. HOWELL. Mr. President, yesterday I called attention to the mounting burden of farm indebtedness which threatens to engulf our agriculture. To-day I want to call attention to another factor in the farm situation which is equally distressing, namely, the enormous burden of taxation now levied upon agriculture. There is no industry in the country that is so tax ridden as agriculture, and there is no other great industry in this country that is less able to pay these taxes than agriculture.

Farm taxes in 1930 were 266 per cent or more than two and one-half times higher than the pre-war level. Mr. President, I wish to insert here a table showing how rapidly and progressively this tax burden has increased.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table referred to is as follows:

Index numbers of farm taxation

(1910-1914=100)

[Bureau of Agricultural Economics, U. S. Department of Agriculture]

Year:	Taxes
1914	100
1915	102
1916	104
1917	106
1918	118
1919	130
1920	155
1921	217
1922	232
1923	246
1924	249
1925	250
1926	253
1927	258
1928	263
1929	267
1930	266

Mr. HOWELL. This table shows that, assuming the taxes paid by the farmer in 1914 were 100, they had increased to 155 in 1920, and in 1930 they had reached 266.

Mr. COPELAND. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New York?

Mr. HOWELL. I yield.

Mr. COPELAND. Is not a large part of the increase in the farmer's tax represented by an increase in State taxation?

Mr. HOWELL. There is no question that a large part of the increase in the farmer's tax, especially in the Middle West, is due to the school tax, and also State taxes have increased. I was going to refer to the fact that these taxes were local; but, nevertheless, they are taxes, and they are a tremendous burden upon agriculture.

Mr. COPELAND. Mr. President, if the Senator will yield for just a moment further, let me say that in my native town, which the Senator knows well, Dexter, Mich., a man who came there from the country to take charge of a farmers' cooperative told me, if I remember the figures correctly, that when he moved into Dexter 20 years ago the taxes on his farm were $60 a year; they are now $240 a year, and he can not raise as much on that farm, or his tenant can not raise as much, as he formerly did, because the land is depreciating all the time, while all his implements and everything else he has to buy have increased in price. So I know from that one example—and I could cite others—that what the Senator has said is true. The farmer's taxes have enormously increased—increased locally, increased by reason of road appropriations, increased by reason of school taxes, and increased by reason of the enormous advance in the price of implements and materials used by the farmer.

Mr. HOWELL. I wish to say to the able Senator from New York that Michigan statistics afford a glaring example of the high ratios of the farmer's taxes to his income.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BRATTON in the chair). Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. HOWELL. I yield.

Mr. FESS. I was impressed with what the Senator from New York [Mr. COPELAND] said. The country generally is looking to us for a reduction of the burden of taxation on the farmers. I have been examining that question, and I find that in my own State, while the Federal Government during the last 10 years, until the depression came upon us, has reduced taxes almost one-third per capita, my own State has increased State taxes three times. The same thing is pretty generally true throughout the country; and yet the citizens of America seem to feel that Congress is responsible for the increased taxation.

Mr. HOWELL. Mr. President, even before the present depression, farm taxes were absorbing a large percentage of farm returns. Taxes absorbed 32.6 per cent of the rentals on Colorado farms in 1926; 29.8 per cent of the rentals on South Dakota farms in 1926; 20 per cent in Virginia; 54.3 per cent in Michigan in 1925; 41 per cent in Ohio in 1922; 27 per cent in Iowa in 1927. Undoubtedly the situation is much worse to-day.

A study of farm taxes in Wisconsin showed that in 1927 a total of 2,593,163 acres, or nearly one-fourth of the entire area of 17 northern counties in Wisconsin, were offered for sale for tax delinquency. Over five-sixths of this area had not been redeemed by the owners within almost a year following the sale. In one county, for example, delinquent taxes increased 600 per cent since 1919.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. COPELAND. I desire to add just one other note about the Michigan situation.

There is a little weekly paper published in Dexter, my native town, called "The Dexter Leader." I learned to set type in the office of that paper as an office bay and have been interested in it all these years. Prior to the last two or three years I do not remember seeing in that paper more than half a column of mortgage sales. It is shocking to read it now and find whole page and often a page and a half of mortgage sales in that small community, where the farmers have just given up, been unable to meet their payments, and mortgage sales have been advertised.

Mr. LONG. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. HOWELL. I do.

Mr. LONG. The figures which the Senator presents are very striking, showing the amount of taxes, as the Senator from New York calls attention to, that are being placed upon the farmers. Nevertheless, practically none of these taxes, I take it, are such that the farmers do not need to levy them in order to take care of community requirements, such as school taxes.

Does not that suggest—and I should like to have the attention of the Senator from New York on that point, as in line with our President's speech at Indianapolis—that the need of this country is not to take away from these people what they have, but to impose these taxes at the top, so that the big money-makers of this country could supply what is needed in this country, and not to have them falling at the bottom? Does it not suggest the need of such things as surtaxes on annual incomes and inheritance taxes such as would relieve the people at the bottom of farm life and labor life from having to carry such a burden of taxes as that?

Mr. HOWELL. Mr. President, not only have the farmers suffered from increased taxes, but the same condition has been prevalent throughout our cities. I have heard many complaints respecting taxes here in Washington, and yet the people of Washington do not know what taxation means. I can point out cities where the tax rate is 4 per cent on the assessed valuation; but, of course, to interpret such tax rates it is necessary in each case to know what proportion the assessed valuation bears to the actual valuation. I know, however, that in my city, where the assessed valuation is very close to the actual valuation, the taxes this year will be about 3.2 per cent, as compared to about 1.90 per cent here in the city of Washington.

Mr. President, in Mississippi recently, I am informed, 60,000 farm homes, aggregating more than 7,000,000 acres, and constituting one-fourth of the farm lands of the State, were sold or offered for sale by 82 sheriffs for taxes.

Renick W. Dunlap, Assistant Secretary of Agriculture, in an address some months ago visualized the enormity of the farm-tax burden by pointing out that farmers yield every fifth day of their time in support of the Government; or, to put it another way, farmers work one year out of every five years in order to pay their taxes. In certain sections of the country taxes have risen so high, he explained, that they amount to the total value of the land every nine years. "In other words," he stated, "the farmers in those sections must buy their farms and pay for them every nine years." The total tax burden of the farmers is estimated at more than $1,000,000,000 annually, which is equivalent to $3,000,000 a day. "There is not any other industry in the United States whose taxes in any way compare with those of agriculture," he declared.

These tax burdens would be heavy enough in a period of high prices; but with the farm price level so disastrously low, farm taxes in many sections are virtually confiscatory, as shown by the large number of farms which have already been taken over by the States for unpaid taxes. How can the farmers expect to pay their taxes on 30 to 50 cent wheat, 5 to 10 cent eggs, 15-cent butter, and 5-cent cotton?

We hear a great clamor on every hand that the Federal Budget be balanced. I agree that this should be done; but if an equal amount of energy and diligence were applied to assisting the farmers of the Nation to balance their budget, we should have very little difficulty in balancing the Federal Budget. If agriculture were restored to prosperity by restoring its price level, our factories could be reopened, and large numbers of the unemployed could return to work to supply the needs of 44 per cent of our population, including other ruralists than farmers. The restoration of the farm purchasing power, and the revival of industry which would result therefrom, would restore the sources of Government revenue which have dried up as a result of the depression.

The most effective way to balance the Federal Budget and to create a surplus is to restore prosperity to the people of the country. We can not collect taxes from people who have no income. This Congress is spending too much time treating results instead of remedying causes. It is of little avail to give relief for rheumatic pains so long as the infection causing the pain is allowed to run rampant. Similarly, it is of little avail for us to extend credit to distressed agriculture and do nothing to remove the causes of its difficulties.

I recognize that the farm taxes to which I have alluded are largely local, not Federal. However, they are no less a fact; and there must be added thereto the indirect taxes of a Federal origin paid by the farmer.

What I want to emphasize is the enormous burden, in addition to his indebtedness, which the farmer is carrying, notwithstanding his buying power has been reduced one-half. The last report of the Department of Agriculture respecting farm indexes and what the farmer must pay for what he purchases indicates that he is receiving 59, as compared with 100, in 1914, and that he is paying for the things he buys 114, as compared to 100 in 1914. This injustice so far as his buying power is concerned rests squarely upon our national, social fabric, because it is not a question of the production of wealth, but of the distribution of wealth. For that reason the farmer is properly appealing for relief to Congress, the authority which has been created by the politico-social organization we call the United States to deal with such questions and appeals.

Mr. President, what are we going to do about it? As I have stated before, we have been in session nearly five months, and there is little more than a month remaining of the session. Not one constructive measure has been en-

acted into law to aid the farmer. He has been loaned money in certain sections of the country, where, through drought or grasshoppers or other cause, he has not had even the seed with which to plant his farm. But, Mr. President, that is simply treating a symptom, and it is something that might occur at any time. We have authorized the Reconstruction Finance Corporation to loan a certain proportion of its assets to agricultural credit associations; but the farmer has borrowed too much money already. What he needs is to earn some money.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. COPELAND. I think the Senator is entirely right. Those men do not want to borrow money. They want markets for their crops. They want to sell them, and I find that this great problem of the farm is not located west of the Alleghenies alone. I may say to the Senator that I am having most appealing letters from farm homes in my own State of New York. We stand eighth in agriculture. We have diversity of crops in my section; but, in spite of that, there is great distress in the farm homes of New York, and I share with the Senator his thought that some solution must be found.

If the Senator will bear with me for a moment, I was much interested in the bill which the Senator presented the other day, the purpose of which, as I understand, is to make a test in one crop of the McNary-Haugen principle of the equalization fee in order that there may perhaps be a court test to determine its constitutionality. I am correct in that, am I?

Mr. HOWELL. The Senator is correct.

Mr. COPELAND. Every time I had an opportunity—I do not know whether it was two or three or four times—I voted for that bill because, as I see it, the equalization fee, being a variable amount, would act to discourage overproduction. Almost every scheme for farm relief that has been presented here has been one which, in the ultimate analysis, would increase production, and thus increase the evil, certainly not relieve it. It might relieve the symptoms, as the Senator has said, for a little while, but the cause of the disease would not be removed.

I hope the Senator will press that bill. I want to say that, so far as I am concerned, I am glad to support it, because I would like to see that plan tried. I discussed it time and time again with the Senator from Oregon, who worked so diligently at the time it was pending, from the beginning. We ought to make a test of it. All these other things have failed. Nothing we have done so far has been of any value whatever to the farmer.

The farmer's distress has increased from year to year, ever since we have tried to do anything, and it has increased out of proportion to the increase of distress in other walks of life. So I hope the Senator will press that measure, and that we may hope to have the Committee on Agriculture and Forestry report upon it so that it may be enacted into law, if possible, this coming month, because something must be done.

I agree fully with the Senator that the prosperity of the farmer determines the prosperity of the country. When there is an inability on the part of the farmer to sell his products, there are bread lines in my city. We have a common interest. I know I speak for the teeming millions of my city when I say that we realize there the necessity of the farmer, and we want to do what we can to aid him.

As the Senator has said, there is no relief in lending money to the farmer; it simply puts the farmer more into debt. It means he never will work out his problem. So I hope the Senator will press his proposed legislation, and let us have a test of that particular measure, in order that we may see whether or not it will operate to give some measure of relief.

Mr. HOWELL. Mr. President, I have not here on the floor, during the remarks I have made upon several occasions respecting agriculture, advocated a particular measure. I have merely advocated the enactment of some constructive measure for the benefit of the farmer, and I am willing to accept anything that is offered that promises relief. What I am here talking about is that we have not done anything, that there is nothing before us, that the adjournment of Congress is near at hand, and I fear that we will close this session without even attempting to do anything constructive for the farmer. Each political party will have violated its promise to the farmers of the country, as set forth in the 1928 platforms.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. SHIPSTEAD. I beg to differ with the Senator. I think all political parties have kept their pledge to agriculture. They pledged themselves to see that agriculture and industry were placed upon an equality, and they have brought industry down to where agriculture was.

Mr. HOWELL. I beg the Senator's pardon. Industry is getting 114 for its products, as compared with 59 the farmer is getting. Conditions have brought industry down to 114, but while doing so the farmer has been reduced to 59.

Mr. SHIPSTEAD. Industry is on the road to bankruptcy with the farmer. They have not traveled quite so long as the farmer has in that direction, but they are getting down to equality.

Mr. HOWELL. Yes; but it is largely the 59 the farmer is receiving that is causing bankruptcy for industry.

Mr. SHIPSTEAD. Oh, yes; I agree with the Senator. Industry took so much from 1920 to 1930 that they destroyed their own markets, destroying the purchasing power of agriculture and labor as well.

Mr. HOWELL. Yes; the differential against the farmer nearly killed the goose that lays the golden egg.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. HOWELL. I yield.

Mr. CONNALLY. Let me ask the Senator from Nebraska a question. Some of us advocated the export debenture for agriculture. Does he not think that would be a help to agriculture, if we adopted it right now?

Mr. HOWELL. I advocated the export debenture plan when it was before the Senate.

Mr. CONNALLY. Does not the Senator think it would be helpful right now?

Mr. HOWELL. It would be, if the Treasury could stand it; but it would simply be pulling out another bung from the Treasury barrel at this time.

Mr. CONNALLY. Anything is going to cost money that will do the farmer any good, is it not?

Mr. HOWELL. Yes; but the question is not what we want in the way of legislation but what we can get. At this time I have no hope that Congress, endeavoring to fill up the Treasury, will adopt a plan which, as I suggested, would remove another bung from the Treasury barrel.

Mr. CONNALLY. Let me interrupt the Senator further. The Senate on two occasions adopted the debenture, and it would now be the law, except for the administration and the old House of Representatives, which was controlled by the administration. I wanted to call that to the Senator's attention when he was saying that both parties had broken their pledges. We tried to do it, but we could not do it because the administration and the former House of Representatives would not let us do it. Is not that true?

Mr. HOWELL. It is true; but what I am urging now is that we have been in session for five months, and we have not attempted to do anything for the farmer.

Mr. CONNALLY. I agree with the Senator.

Mr. HOWELL. We are about to adjourn; and I ask, Are we going to do anything? What does the Senator think about it?

Mr. CONNALLY. I do not think that the Congress or the Senate is going to do anything, because I do not think the administration will let Congress do anything.

Mr. HOWELL. Does the Senator feel that because he thinks the administration would defeat any plan we passed we should not act?

Mr. CONNALLY. No; and I was calling the Senator's attention to the fact that the Senate did act on two occa-

sions, but the administration defeated the plan. The Senator is stating that the plan he suggests would cost money. Has he any plan that will not cost something? We ought to go on and do our duty regardless of the administration, and I think the debenture is the only thing we could now do to open up foreign channels, and I am for it. I would vote for it to-morrow, and I am wondering whether the Senator would not vote for it to-morrow?

Mr. HOWELL. Mr. President, I am ready to vote for any measure that will aid the farmer. I am talking about a constructive measure. I am not talking about lending the farmer more money, or giving him more money, or donating more wheat.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. HOWELL. I yield.

Mr. LONG. There is a measure before Congress, I will say to the Senator, which would help. The trouble with the debenture is that there is not the money in the Treasury to take care of it. The further trouble is that too much taxes are on the backs of the weak. But we can supply the funds the Treasury needs for the debenture and to relieve the lower crust of this country of tax burdens if we will adopt a resolution instructing the Finance Committee not to allow wealth to be accumulated in the hands of a handful of people. In other words, instead of allowing 504 men to earn $1,185,000,000, if we will let those 504 men earn $504,000,000, and throw approximately $700,000,000 into the Treasury of the United States, we will have money enough to support the debenture, and along the same line, we would have money enough to relieve the people of some of the taxes they are having to pay.

You can form any kind of a law you want to form chipping around at the top of the tree, but the only thing that is going to cure the farm-relief problem is the providing of money in the Treasury of the United States to assist the farmers; and the only way by which we can do that is by putting the taxes at the top. The only way we can cure this situation is to break up this abnormal, criminal, swollen-fortune system of the United States. That is the only cure, and a measure looking to that end is before this Congress. But it has as much chance of passing as a snowball has of going through a fireplace.

Mr. HOWELL. Mr. President, assuming that what the Senator from Louisiana has been saying is true, he admits it could not get through Congress; and I call the Senate's attention again to the fact that it does not make any difference what kind of legislation we want, if we want to get something, we will have to find something that will pass Congress.

As to the suggestion of the Senator from Texas that we apply the debenture plan, that would mean reducing the net income from duties which would otherwise reinforce the Treasury, while we are trying to fill up the Treasury. I do not believe Congress would consent at the present time, or that we could prevail upon the Congress within the next month, to pass a bill of that kind—neutralizing part of our efforts to fill the Treasury.

That is not the only possible form of relief which might be afforded, however. It is a fact that the production of wealth is governed by invariable laws. We can not by legislation change the rainfall, the fertility of the soil, the efficiency of the farmer. There are invariable laws governing those things. But when it comes to the distribution of wealth—and that is the farmer's trouble—the laws governing the distribution of wealth are not invariable. They are just what society makes them.

Mr. LONG. That is right.

Mr. HOWELL. Mr. President, the laws governing the distribution of wealth have been different in different ages; they are different in different countries to-day; and they can be still more different if society sees fit to make the change.

Congress, so far as the United States is concerned, is the agency of society to whom has been given the power and authority to do just that sort of thing. And we have done it. The railroads came to us in 1920 and said, "We are not getting our share of the national income. We want you to fix prices for us so that we will get our share of the national income." And Congress did it, not indirectly but directly, for the first time in our history. By doing so, they changed the distribution of wealth in this country in a measure. They compelled more money to go out of the shipper's pockets and into the railroad's pockets than had gone before.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. HOWELL. Mr. President, in every one of the States, or in nearly all of them, there have been public-service commissions created which have fixed prices for electric-power plants for the past two or three decades. They have indulged in price fixing pure and simple, and what has been the consequence? Notwithstanding the present depression the power plants of this country had their banner year in 1930, so far as income was concerned. Last year the amount of income received by those electric power companies was only 1.2 per cent below what it was in 1930 and was 1.5 per cent more than it was in 1929, the banner year in the matter of gross income for the operating power companies of this country.

Senators will recall that the other day in New York Mr. Insull, president of the Midwest Utilities Co., in a plea in abatement respecting the receivership that had overtaken the Midwest, said that its operating companies had had their best year in 1931. The cause of the failure of the Midwest Utilities Co. was that it had $37,000,000 of short-time paper coming due June 1 which it could not meet.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. HOWELL. I yield.

Mr. SHIPSTEAD. I wanted to call the attention of the Senator, because he mentioned high freight rates and the distribution of wealth, to the fact that before the Commerce Committee, of which the Senator is a member, there is pending a bill to provide for the completion of inland waterways in the hope of bringing an end to the embargo on goods which can not move on account of high railroad freight rates. The Senator talks of a program that the Congress ought to enact to remedy the evils from which we are suffering and to change the policies we have pursued which have brought us to the condition in which we now find ourselves.

I would like to ask the Senator if he does not think that one of the steps that ought to be taken is the completion of the inland waterways, so the people who are suffering from high freight rates may enjoy the lower cost of transportation which those waterways would afford?

Mr. HOWELL. Mr. President, I agree that we should go just as far as practicable in the improvement of our inland waterways for the purpose of reducing the freight that is paid by the agricultural interests upon their products to get those products to the seaboard; but while we are now considering the bill introduced by the Senator from Minnesota we have also been considering a bill to fix the prices for intercoastal shipping, something that has never been done before. We have a measure before the Commerce Committee which proposes another element changing the factors affecting the distribution of wealth in this country, because when we fix prices we necessarily affect the distribution of wealth, or else the fixing of prices would be futile.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Does the Senator from Nebraska yield to the Senator from Florida?

Mr. HOWELL. I yield.

Mr. FLETCHER. The Senator has alluded to the difficulties of agriculture. One of the difficulties is the low price level and the purchasing power of our dollar. I would like to ask the Senator if he does not think this measure would very greatly assist agriculture and solve perhaps our present credit problem? I refer to the bill S. 4229, which I introduced and which declares it to be policy

of the United States that the average purchasing power of the dollar as ascertained by the Department of Labor in the wholesale market for the year 1926 shall be restored and maintained by the expansion and contraction of credit and currency through the powers of the United States and its agencies.

I think if we could enact that legislation it would very greatly assist agriculture, because it would raise the price level of commodities. The bill provides a way of doing it, and makes it the duty of the Federal Reserve Board and other agencies of government to carry out that policy. I think that would be a very great help in fixing the purchasing power of the dollar at the index of 1926. There were 560 commodities examined for the years 1922 up to and including 1929, and the average is the year 1926. If we stabilize the purchasing power of the dollar at that figure and authorize and direct and make it mandatory for the Federal Reserve Board, through its agencies and the other agencies of government, to maintain it by expansion and contraction of credit at that index, I think our financial problem would be largely solved and it would greatly take care of the interest of agriculture.

Mr. HOWELL. I will say to the able Senator from Florida that I agree with him. I think most economists are agreed that whenever there is expansion of currency such as took place during the war, there is a rise in the commodity level, and that with a contraction of currency there is a fall in commodity level. If we are to judge the economic future of man by the past, as we do the political history of mankind, what is our fate?

Considering a comprehensive graph indicating commodity prices, we will note that after the inflation of 1815, following the Napoleonic wars, commodity prices continued to fall for 30 years. I do not mean to say that there were not some periods of prosperity in between, but every 10 years the commodity levels were lower than they were at the beginning of that 10-year period.

What took place in 1864?. For 30 years after that inflation there was a fall in commodity level. If we are to judge the economic future by the economic past of man, what is going to take place? Why, we have just started on a period of fall in commodity prices. We have only covered 12 years of those 30 years. We have 18 years to go. Whereas some of the ablest economists will urge that they hope this will not be our fate, none of them will prophesy positively to the contrary. Unless something is done such as the Senator from Florida has proposed, we are probably in for a period of falling prices during which we may have periods of prosperity, but they will occur on a falling market.

That is what has affected agriculture. But for industrial products we have maintained the prices through the tariff. By effective legislation we have fixed and maintained prices for railroad services so that during the last nine years ending with 1931 they have been able to pay $3,500,000,000 in dividends, and I am merely speaking of class 1 roads, and moreover they put aside $2,500,000,000 of surplus.

But how with the farmer? As I pointed out yesterday, whereas his mortgage indebtedness in 1910 was only a little more than $3,000,000,000, it had risen to $9,500,000,000 last year. We have been fixing prices for others, but there is not the will of Congress, apparently, to do as much for the agricultural industry. True, we say to the farmer "We have given you a tariff just as we have given industry a tariff," but he answers, "A tariff on steel means what to me? It means that an industry with less than 20 concerns in the business is able to control its prices because they can have their managers or other representatives gather together at luncheon every noon for the adjustment of prices." Then he points out that one of those 20 concerns produces more than one-half of all the steel, and the consequence is that the 19 others wisely conclude that intelligent cooperation is the best thing for them.

But the farmer continues and says, "There are 6,300,000 farm factories in this country, and we can not get together." There are certain bovines—among them the yak—that can not consume corn while our domestic cattle can. The situation is like saying to the owner of bovines of that character, "Here is corn, a well-known food for cattle." He answers, "It does not do for my stock." But, we urge, "It is feed." "Yes," he would reply, "it is feed for some, but not for my stock."

So it is with the tariff. It is a help for industry with limited numbers of concerns producing different products, but it is little help so far as price-fixing is concerned, in the case of an industry including 6,300,000 farm factories. We have not treated the farmer with equality in fact; only apparently, that is all.

Mr. President, I had not intended to extend my remarks as I have, but I again want to ask what we are going to do about it. Are we going to adjourn without doing for the farmer? Remember, he knows that if the will is in Congress to act, it can act, and that the excuse that the Executive may not cooperate is not valid—it is merely passing the buck. Only a little more than a month remains of this session of the Congress. Something must be done or we will have to go back and tell the farmer "There is no hope for you. Congress will not act."

The farmer was once a serf. He became a peasant. Not until he came to this country did the farmer develop as we have known him. What took place in this country? For decades upon decades he was subsidized with cheap land, free land, but that subsidy ceased along about the beginning of this century. Now he is dependent for his income upon the profits of the operation of his farm. Those profits have never been large. In fact, such returns have always been below those which are the lot of other industries. Back in the minds of many is the thought, "How can we help the farmer? History will repeat itself; he is on his way down the economic scale; it is his fate. And, Mr. President, history is beginning to repeat itself.

In closing, I want to invite attention once again that the question involved is one of the distribution of wealth and not of the production of wealth. We are affecting the distribution of wealth constantly here in the Halls of Congress, and the question is whether we are willing to alter the rules and laws controlling the distribution of wealth in behalf of the farmer. If not, let us tell him so, and we will tell him so if this Congress adjourns next June without constructive action in agriculture's behalf.

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the next amendment.

The next amendment of the Committee on Appropriations was, under the heading "Bureau of Mines, salaries, and general expense," on page 103, line 23, after the name "District of Columbia," to insert "including maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle for general bureau use"; on page 104, line 1, after the designation "Secretary of Commerce," to strike out "$80,350" and insert "$70,000"; and in line 2, after the word "exceed," to strike out "$72,945" and insert "$63,945," so as to read:

Salaries and general expenses: For general expenses, including pay of the director and necessary assistants, clerks, and other employees, in the office in the District of Columbia, and in the field, and every other expense requisite for and incident to the general work of the bureau in the District of Columbia, including maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle for general bureau use, and in the field, to be expended under the direction of the Secretary of Commerce, $70,000, of which amount not to exceed $63,945 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 104, line 18, after the word "aprons," to strike out "$435,325" and insert "$440,325," so as to read:

Investigating mine accidents: For investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other inquiries and technologic investigations pertinent to the mining industry, including all equipment, supplies, and expenses of travel and subsistence, purchase not exceeding $2,400, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots, and aprons, $440,325, of which amount not to exceed $77,310 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 105, at the end of line 4, to strike out "$10,885" and insert "$9,000," so as to read:

Mining investigations in Alaska: For investigations and the dissemination of information with a view to improving conditions in the mining, quarrying, and metallurgical industries as provided in the act authorizing additional mining experiment stations, approved March 3, 1915 (U. S. C., title 30, sec. 8), and to provide for the inspection of mines and the protection of the lives of miners in the Territory of Alaska, including personal services, equipment, supplies, and expenses of travel and subsistence, $9,000.

The amendment was agreed to.

The next amendment was, on page 106, line 1, before the word "for," to strike out "$17,440" and insert "$15,640"; and in line 2, after the name "District of Columbia," to strike out "$340,355" and insert "$306,000," so as to read:

Operating mine-rescue cars and stations: For the investigation and improvement of mine rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods, including the exchange in part payment for, operation, maintenance, and repair of mine rescue trucks, and motor-propelled passenger-carrying vehicles for official use in field work, the expenditure for the purchase of passenger-carrying vehicles not to exceed $4,200, the construction of temporary structures and the repair, maintenance, and operation of mine rescue cars and Government-owned mine rescue stations and appurtenances thereto, personal services, traveling expenses and subsistence, equipment, and supplies; travel and subsistence, and other incidental expenses of employees in attendance at meetings and conferences held for the purpose of promoting safety and health in the mining and allied industries; the purchase and exchange in part payment therefor of cooks' uniforms, goggles, gloves, and such other articles or equipment as may be necessary in the operation of mine rescue cars and stations, including not to exceed $15,640 for personal services in the District of Columbia, $306,000.

The amendment was agreed to.

The next amendment was, on page 106, line 17, after the name "District of Columbia," to strike out "$136,000" and insert "$155,000," so as to read:

Testing fuel: To conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of mineral fuels, and for investigation of mineral fuels belonging to or for the use of the United States, with a view to their most efficient utilization; to recommend to various departments such changes in selection and use of fuel as may result in greater economy, and upon request of the Director of the Bureau of the Budget, to investigate the fuel-burning equipment in use by or proposed for any of the departments, establishments, or institutions of the United States in the District of Columbia, $155,000, of which amount not to exceed $30,700 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 107, line 9, after the name "District of Columbia," to strike out "$125,000" and insert "$145,000," so as to read:

Mineral mining investigations: For inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and utilization of ores and mineral substances, other than fuels, with a view to improving health conditions and increasing safety, efficiency, economic development, and conserving resources through the prevention of waste in the mining, quarrying, metallurgical, and other mineral industries; to inquire into the economic conditions affecting these industries; and including all equipment, supplies, expenses of travel and subsistence, and the purchase, not to exceed $2,500, including exchange, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, including not to exceed $17,000 for personal services in the District of Columbia, $145,000.

The amendment was agreed to.

The next amendment was, on page 108, line 3, after the word "aprons," to strike out "$146,215" and insert "$200,000," so as to read:

Oil and gas investigations: For inquiries and investigations and dissemination of information concerning the mining, preparation, treatment, and utilization of petroleum and natural gas, including economic conditions affecting the industry, with a view to economic development and conserving resources through the prevention of waste; for the purchase of newspapers relating to the oil, gas, and allied industries: *Provided*, That section 192 of the Revised Statutes (U. S. C., title 5, sec. 102) shall not apply to such purchase of newspapers from this appropriation; and for every other expense incident thereto, including supplies, equipment, expenses of travel and subsistence, purchase, not to exceed $7,000, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots, and aprons, $200,000, of which amount not to exceed $24,940 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 108, line 15, before the word "of," to strike out "$220,000" and insert "$200,000," and in line 16, before the word "may," to strike out "$15,700" and insert "$14,200," so as to read:

Mining experiment stations: For the employment of personal services, purchase of laboratory gloves, goggles, rubber boots and aprons, the purchase not to exceed $3,000, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, and all other expenses in connection with the establishment, maintenance, and operation of mining experiment stations, as provided in the act authorizing additional mining experiment stations, approved March 3, 1915 (U. S. C., title 30, sec. 8), $200,000, of which amount not to exceed $14,200 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 108, at the end of line 25, to strike out "$78,185" and insert "$70,000," so as to read:

Buildings and grounds, Pittsburgh, Pa.: For care and maintenance of buildings and grounds at Pittsburgh and Bruceton, Pa., including personal services, the purchase, exchange as part payment for, operation, maintenance, and repair of passenger automobiles for official use, and all other expenses requisite for and incident thereto, including not to exceed $5,000 for additions and improvements, $70,000.

The amendment was agreed to.

The next amendment was, on page 110, line 1, after the word "including," to strike out "a motor-propelled passenger-carrying vehicle" and insert "motor-propelled passenger-carrying vehicles," so as to read:

Government fuel yards: For the purchase and transportation of fuel; storing and handling of fuel in yards; maintenance and operation of yards and equipment, including motor-propelled passenger-carrying vehicles for inspectors, purchase of equipment, rentals, and all other expenses requisite for and incident thereto, including personal services in the District of Columbia, the unexpended balance of the appropriations heretofore made for these purposes is reappropriated and made available for such purposes for the fiscal year 1933, and for payment of obligations for such purposes of prior years, and of such sum not exceeding $500 shall be available to settle claims for damages caused to private property by motor vehicles used in delivering fuel.

The amendment was agreed to.

The next amendment was, on page 112, line 2, after the word "exceed," to strike out "$20,000" and insert "$17,000," and in line 4, to strike out "$61,020" and insert "$50,000," so as to read:

For investigations of resources of helium-bearing gas and the conservation thereof, and of processes and methods of producing, storing, purifying, and utilizing helium and helium-bearing gas, including supplies and equipment, stationery, furniture, expenses of travel and subsistence, purchase, not exceeding $1,200, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots and aprons, and all other necessary expenses, including not to exceed $17,000 for personal services in the District of Columbia, $50,000.

The amendment was agreed to.

The next amendment was, on page 114, line 12, before the word "of," to strike out "$225,000" and insert "$250,000," so as to read:

Economics of mineral industries: For inquiries and investigations, and the dissemination of information concerning the economic problems of the mining, quarrying, metallurgical, and other mineral industries, with a view to assuring ample supplies and efficient distribution of the mineral products of the mines and quarries, including studies and reports relating to uses, reserves, production, distribution, stocks, consumption, prices, and market-

ing of mineral commodities and primary products thereof; preparation of the reports of the mineral resources of the United States, including special statistical inquiries; and including personal services in the District of Columbia and elsewhere; purchase of furniture and equipment; stationery and supplies; typewriting, adding and computing machines, accessories and repairs; newspapers; traveling expenses; purchase, not exceeding $1,200, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; and for all other necessary expenses not included in the foregoing, $250,000, of which amount not to exceed $221,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 15, line 23, after the word "exceed," to strike out "$3,500" and insert "$2,500," so as to read:

For the purchase or exchange of professional and scientific books, law books, and books to complete broken sets, periodicals, directories, and other books of reference relating to the business of the Bureau of Mines, there is hereby made available from any appropriations made for such bureau not to exceed $2,500.

The amendment was agreed to.

The next amendment was, on page 116, line 6, after the words "in all," to strike out "$3,000" and insert "$1,000," so as to read:

For necessary traveling expenses of the director and employees of the bureau, acting under his direction, for attendance upon meetings of technical, professional, and scientific societies, when required in connection with the authorized work of the Bureau of Mines and incurred on the written authority of the Secretary of Commerce, there is hereby made available from any appropriations made to the Bureau of Mines not to exceed in all $1,000.

The amendment was agreed to.

The next amendment was, on page 116, line 7, to change the total appropriation for the Bureau of Mines from $1,858,335 to $1,895,325.

The amendment was agreed to.

The next amendment was, under the heading "Title IV.—Department of Labor, office of the Secretary," on page 116, line 12, after the name "District of Columbia," to strike out "$201,060; in all, $216,060" and insert "$185,000; in all, "$200,000," so as to read:

Salaries: Secretary of Labor, $15,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia, $185,000; in all, $200,000.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, Department of Labor," on page 117, line 12, after the words "in all," to strike out "$61,800" and insert "$55,500," so as to read:

For contingent and miscellaneous expenses of the offices and bureaus of the department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including the purchase of stationery, furniture, and repairs to the same, carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges, laundry, street-car fares not exceeding $200; lighting and heating; purchase, exchange, maintenance, and repair of motor cycles and motor trucks; maintenance, operation, and repair of a motor-propelled passenger-carrying vehicle, to be used only for official purposes; freight and express charges; newspaper clippings not to exceed $1,800, postage to foreign countries, telegraph and telephone service, typewriters, adding machines, and other labor-saving devices; purchase of law books, books of reference, newspapers, and periodicals, not exceeding $5,000; in all $56,500; and in addition thereto such sum as may be necessary, not in excess of $25,000 to facilitate the purchase, through the central purchasing office as provided in the act approved June 17, 1910 (U. S. C., title 41, sec. 7), of certain supplies for the Immigration Service, shall be deducted from the appropriation "Salaries and expenses, Bureau of Immigration," made for the fiscal year 1933 and added to the appropriation "Contingent expenses, Department of Labor," for that year; and the total sum thereof shall be and constitute the appropriation for contingent expenses for the Department of Labor, to be expended through the central purchasing office (Division of Publications and Supplies), Department of Labor.

The amendment was agreed to.

The next amendment was, on page 118, at the end of line 14, to strike out "$275,000" and insert "$240,000," so as to read:

Printing and binding: For printing and binding for the Department of Labor, including all its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere $240,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Labor Statistics," on page 118, line 25, after the word "bureau," to strike out "$533,337" and insert "$450,000," and on page 119, line 1, after the word "exceed," to strike out "$434,830" and insert "$370,030," so as to read:

Salaries and expenses: For personal services, including temporary statistical clerks, stenographers, and typewriters in the District of Columbia, and including also experts and temporary assistants for field service outside of the District of Columbia; traveling expenses, including expenses of attendance at meetings concerned with the work of the Bureau of Labor Statistics when incurred on the written authority of the Secretary of Labor; purchase of periodicals, documents, envelopes, price quotations, and reports and materials for reports and bulletins of said bureau, $450,000, of which amount not to exceed $370,830 may be expended for the salary of the commissioner and other personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Immigration," on page 120, line 1, before the word "all," to strike out "$10,519,460" and insert "$9,500,000," and in line 3, before the word "may," to strike out "$385,530" and insert "$300,000," so as to read:

Salaries and expenses: For enforcement of the laws regulating the immigration to, the residence in, and the exclusion and deportation from the United States of aliens, and persons subject to the Chinese exclusion laws; salaries, transportation, traveling, and other expenses of officers, clerks, and other employees appointed to enforce said laws; care, detention, maintenance, transportation, and traveling expenses incident to the deportation and exclusion of aliens, and persons subject to the Chinese exclusion laws, as authorized by law, in the United States and to, through, or in foreign countries; purchase of supplies and equipment, including alterations and repairs; purchase, exchange, operation, maintenance, and repair of motor-propelled vehicles, including passenger-carrying vehicles for official use in field work; cost of reports of decisions of the Federal courts and digests thereof for the use of the Commissioner General of Immigration; refunding of head tax, maintenance bills, immigration fines, registry fees, and reentry permit fees, upon presentation of evidence showing conclusively that collection and deposit was made through error of Government officers; and for all other expenses necessary to enforce said laws; $9,500,000, all to be expended under the direction of the Secretary of Labor, of which amount not to exceed $300,000 may be expended for the salary of the Commissioner General and other personal services in the District of Columbia, including services of persons authorized by law to be detailed there for duty, and $2,194,180 shall be available only for coast and land border patrol.

Mr. JONES. I ask that the amendment in line 1, page 120, may be disagreed to and that the amendment which I send to the desk may be adopted.

The PRESIDING OFFICER (Mr. FESS in the chair). The amendment to the amendment will be stated.

The CHIEF CLERK. On page 120, line 1, it is proposed to strike out "$9,500,000" and insert "$9,450,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. JONES. On page 120, in line 7, after the word "and," I move to amend by inserting the words "not to exceed."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 120, line 7, after the word "and," where it occurs the first time, it is proposed to insert the words "not to exceed."

The amendment was agreed to.

Mr. JONES. In the same line I move to strike out the word "only."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 120, line 7, after the word "available," it is proposed to strike out the word "only," so as to read:

Shall be available for coast and land border patrol.

Mr. COPELAND. Mr. President, let me ask the chairman of the committee why he desires to strike out the word "only" in line 7?

Mr. JONES. The bill as reported reads:

And $2,194,180 shall be available only for coast and land border patrol.

It was not thought wise to limit that appropriation to a particular use, but we do authorize the department to use

the $2,194,180 for that purpose unless it deems it wise to use some part of it for some other purpose along the same line. In other words, as the language originally was, the department would have had to use every dollar of it for that particular purpose or not use it at all. So we have left the discretion in the department, but have provided the same amount.

Mr. COPELAND. The money will be used, however, for the coast and land border patrol in the same manner?

Mr. JONES. Yes.

Mr. COPELAND. So it does not change the real effect of the appropriation?

Mr. JONES. No; I do not think so.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, in the items for the expenses of the Bureau of Immigration, on page 120, line 8, after the word "exceed," to strike out "$92,250" and insert "$80,000"; in line 11, after the words "sum of," to strike out "$92,250" and insert "$80,000"; and in line 12, after the word "than," to strike out "$75,000" and insert "$70,000," so as to make the proviso read:

Provided, That not to exceed $80,000 of the sum herein appropriated shall be available for the purchase, including exchange, of motor-propelled passenger-carrying vehicles, and of such sum of $80,000 not more than $70,000 shall be available for the same purposes for the coast and land border patrol.

The amendment was agreed to.

The next amendment was, in the items for expenses of the Bureau of Immigration, on page 120, line 22, after the word "exceed," to strike out "$70,000" and insert "$65,000," so as to make the further proviso read:

Provided further, That not to exceed $65,000 of the total amount herein appropriated shall be available for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat. 818), not to exceed $1,700 for any person.

The amendment was agreed to.

The next amendment was, on page 121, at the end of line 5, to strike out "$50,000" and insert "$30,000," so as to read:

Immigration stations: For remodeling, repairing (including repairs to the ferryboat *Ellis Island*), renovating buildings, and purchase of equipment, $30,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Naturalization," on page 122, line 5, after the word "prescribe," to strike out "$1,075,770" and insert "$975,770," and in line 6, before the word "may," to strike out "$239,260" and insert "$215,000," so as to read:

Salaries and expenses: For the expenses of carrying on the work of the Bureau of Naturalization, as provided in the acts authorizing a uniform rule for the naturalization of aliens throughout the United States, and establishing the Bureau of Naturalization, approved June 29, 1906, and March 4, 1913, and subsequent acts (U. S. C., title 8, secs. 331–416; U. S. C., Supp. V, title 8, secs. 355–384); including personal services; traveling expenses, and not to exceed $400 for expenses of attendance at meetings concerned with the naturalization of aliens when incurred on the written authority of the Secretary of Labor; street-car fare, telegrams, verifications of legal papers, telephone service in field offices and telephone toll service in the bureau; necessary supplies and equipment for the Naturalization Service; refunding of naturalization fees upon presentation of evidence showing conclusively that the collection and deposit was made through error; not to exceed $25,000 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; and for mileage and fees to witnesses subpœnaed on behalf of the United States, the expenditures from this appropriation to be made in the manner and under such regulations as the Secretary of Labor may prescribe, $975,770, of which not to exceed $215,000 may be expended for the salary of the commissioner and other personal services in the bureau in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Children's Bureau," on page 122, line 25, after the word "expenses," to strike out "$395,500" and insert "$375,500," and on page 123, line 1, before the word "may," to strike out "$320,760" and insert "$305,000," so as to make the paragraph read:

Salaries and expenses: For expenses of investigating and reporting upon matters pertaining to the welfare of children and child life, and especially to investigate the questions of infant mortality; personal services, including experts and temporary assistants; traveling expenses, including expenses of attendance at meetings for the promotion of child welfare when incurred on the written authority of the Secretary of Labor; purchase of reports and material for the publications of the Children's Bureau and for reprints from State, city, and private publications for distribution when said reprints can be procured more cheaply than they can be printed by the Government, and other necessary expenses, $375,500, of which amount not to exceed $305,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Women's Bureau," on page 123, line 9, after the word "exceed," to strike out "$149,680" and insert "$134,000," so as to read:

For carrying out the provisions of the act entitled "An act to establish in the Department of Labor a bureau to be known as the Women's Bureau," approved June 5, 1920 (U. S. C., title 29, secs. 11–16; U. S. C., Supp. V, title 29, secs. 12–14), including personal services in the District of Columbia, not to exceed $134,000.

Mr. SHIPSTEAD. I ask that that amendment be disagreed to. I have an amendment on the desk that I should like to offer.

The PRESIDING OFFICER. The Senator from Minnesota offers an amendment to the committee amendment, which will be stated.

The CHIEF CLERK. In lieu of the committee amendment proposing to insert "$134,000," it is proposed to strike out "$134,000" and insert "$136,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota to the amendment reported by the committee.

Mr. JONES. I have no objection to the amendment to the amendment.

Mr. BINGHAM. Mr. President, let me inquire if the amount by which the appropriation is increased would not have to come out of some other item? I have understood that wherever an increase was made in one item there would have to be a corresponding reduction in some other item.

Mr. JONES. This is merely a limitation.

Mr. BINGHAM. It does not affect the total?

Mr. JONES. No.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Minnesota to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 123, in line 11, after the word "expenses," to strike out "$179,900" and insert "$160,000," so as to read:

Purchase of material for reports and educational exhibits, and traveling expenses, $160,000, which sum shall be available for expenses of attendance at meeting concerned with the work of said bureau when incurred on the written authority of the Secretary of Labor.

The amendment was agreed to.

The next amendment was, under the subhead "Employment Service," on page 123, line 7, before the word "of," to strike out "$820,000" and insert "$720,000," and in line 8, before the word "may," to strike out "$54,930" and insert "$48,230," so as to read:

To enable the Secretary of Labor to foster, promote, and develop the welfare of the wage earners of the United States, including juniors legally employed, to improve their working conditions, to advance their opportunities for profitable employment by regularly collecting, furnishing, and publishing employment information as to opportunities for employment; maintaining a system for clearing labor between the several States; cooperating with the Veterans' Administration to secure employment for veterans; cooperating with and coordinating the public employment offices throughout the country, including personal services in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings concerned with the work of the employment service when specifically authorized by the Secretary of Labor; supplies and equipment, telegraph and telephone service,

and miscellaneous expenses, $720,000, of which amount not to exceed $48,230 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 124, line 9, after the name "District of Columbia," to insert the following proviso:

Provided, That no part of this appropriation shall be expended for the establishment or maintenance of any employment office unless suitable space therefor can be found in a Federal building or is furnished free of rent by State, county, or local authority, or by individuals or organizations.

The amendment was agreed to.

The next amendment was, on page 124, line 14, to strike out the following additional proviso:

Provided further, That no part of this appropriation shall be used to pay any salary in any field employment office at an annual rate in excess of $3,000, except one director in each State whose salary shall not exceed $3,000, and 23 managers of the veterans' employment service whose salary shall not exceed $2,400.

The amendment was agreed to.

The next amendment was, under the subhead "United States Housing Corporation," on page 125, line 21, after the words "in all," to strike out "$15,000" and insert "$14,000," so as to read:

Salaries and expenses: For officers, clerks, and other employees, and for contingent and miscellaneous expenses, in the District of Columbia and elsewhere, including blank books, maps, stationery, file cases, towels, ice, brooms, soap, freight and express charges, communication service, travel expenses, printing and binding not to exceed $150, and all other miscellaneous items and expenses not included in the foregoing and necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Secretary of Labor, and to collect the amounts advanced to transportation facilities and others; for payment of special assessments and other utility, municipal, State, and county charges or assessments unpaid by purchasers, and which have been assessed against property in which the United States Housing Corporation has an interest, and to defray expenses incident to foreclosing mortgages, conducting sales under deeds of trust, or reacquiring title or possession of real property under default proceeding, including attorney fees, witness fees, court costs, charges, and other miscellaneous expenses; for the maintenance and repair of houses, buildings, and improvements which are unsold; in all, $14,000.

The amendment was agreed to.

The next amendment was, in the items for the United States Housing Corporation, on page 125, line 22, after the word "exceeding," to strike out "$4,900" and insert "$4,000," so as to make the proviso read:

Provided, That no person shall be employed hereunder at a rate of compensation exceeding $4,000 per annum, and only one person may be employed at that rate.

The amendment was agreed to.

The next amendment was, on page 126, after line 2, to strike out:

SEC. 2. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary, available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act (1) to increase the compensation of any position within the grade to which such position has been allocated under the classification act of 1923, as amended, (2) to increase the compensation of any position in the field service the pay of which is adjustable to correspond so far as may be practicable to the rates established by such act as amended for the departmental service in the District of Columbia, (3) to increase the compensation of any position under such act through reallocation, (4) to increase the compensation of any person in any grade under such act through advancement to another position in the same grade or to a position in a higher grade at a rate in excess of the minimum rate of such higher grade unless such minimum rate would require an actual reduction in compensation, or (5) to increase the compensation of any other position of the Federal Government under such departments and the Judiciary, other than commissioned officers of the Coast and Geodetic Survey; and so much of the acts of February 23, 1931 (U. S. C., Supp. V, title 22, sec. 3a), and February 21, 1931 (U. S. C., Supp. V, title 8, sec. 109), as provides automatic increases of salary, respectively, for Foreign Service officers and immigrant inspectors shall not be operative during the period between the date of the approval of this act and June 30, 1933: *Provided*, That no additional credits for service shall be allowed to any commissioned officer in the Coast and Geodetic Survey for purposes of base or period pay, or for longevity pay before July 1, 1933; any increase of base or period pay for length of service, or longevity pay, which would have been authorized under existing law before that date, shall become effective July 1, 1933, and not earlier, notwithstanding the provisions of any other act: *Provided further*, That from the date of this act to and including June 30, 1933, payment for personal services made in accordance herewith shall constitute payment in full for such services. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes, but shall be impounded and returned to the Treasury, and a report of the amounts so impounded for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

The amendment was agreed to.

The next amendment was, on page 127, after line 22, to strike out:

SEC. 3. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act to pay the compensation of an incumbent appointed to any position under the Federal Government which is vacant on the date of the approval of this act or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply to absolutely essential positions the filling of which may be approved in writing by the President of the United States, or in the case of the positions of officers or employees paid out of the appropriations for the Supreme Court of the United States by the Chief Justice of the United States. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

The amendment was agreed to.

The next amendment was, on page 128, after line 18, to insert:

SEC. 3. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act to pay the compensation of an incumbent appointed to any position under the Federal Government which is vacant on the date of the approval of this act or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filling of which may be authorized or approved in writing by the President of the United States, either individually or in groups, or (b) to temporary, emergency, seasonal, and cooperative positions. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session: *Provided*, That such impounding of funds may be waived in writing by the President of the United States in connection with any appropriation or portion of appropriation when, in his judgment, such action is necessary and in the public interest.

Mr. JONES. Mr. President, I desire to offer an amendment to that amendment. There is a provision which we intended to put in with reference to the Supreme Court that was omitted from the committee amendment.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment on page 129, line 4, after the words "United States," it is proposed to insert "or, in the case of the positions of officers or employees paid out of the appropriations for the Supreme Court of the United States, by the Chief Justice of the United States."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 129, after line 18, to strike out:

SEC. 4. No part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, station wagons, and ambulances) at a cost, delivered and completely equipped for operation, in excess of $750, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for

maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only when the same is approved by the head of the department. This section shall not apply to any motor vehicles for official use of the Secretary of State, the Attorney General, the Secretary of Commerce, and the Secretary of Labor.

And insert:

SEC. 4. No part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, ambulances, and station wagons) at a cost, completely equipped for operation, in excess of $750, except where, in the judgment of the department, special requirements can not thus be efficiently met, such exceptions, however, to be limited to not to exceed 10 per cent of the total expenditures for such motor vehicles purchased during the fiscal year, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment, except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary, and then only when the same is approved by the head of the department. The limitations of this proviso shall not apply to any motor vehicle for official use of the Secretary of State, the Attorney General, the Secretary of Commerce, and the Secretary of Labor.

The amendment was agreed to.

The next amendment was, on page 131, line 17, after the word "provision," to insert a colon and the following proviso: "*Provided*, That this section shall not apply to the appropriation for 'Emergencies arising in the Diplomatic and Consular Service,' or to appropriations containing specific rates for subsistence or waivers of the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto," so as to make the section read:

SEC. 5. No part of any appropriation made by this act shall be used to pay actual expenses of subsistence in excess of $6 each for any one calendar day, or per diem allowance for subsistence in excess of the rate of $5 for any one calendar day, to any officer or employee of the United States, and payments accordingly shall be in full notwithstanding any other statutory provision: *Provided*, That this section shall not apply to the appropriation for "Emergencies arising in the Diplomatic and Consular Service," or to appropriations containing specific rates for subsistence or waivers of the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. The bill is on its second reading and open to amendment.

Mr. REED. I move the adoption of the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 131, after line 22, it is proposed to insert the following:

SEC. 6. Not to exceed 12 per cent of any of the foregoing appropriations for the Departments of State, Justice, Commerce, and Labor may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations for the fiscal year 1933 under the same department, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

Mr. REED. Mr. President, I have submitted this amendment to the chairman of the Appropriations Committee, to the Senator from Tennessee [Mr. MCKELLAR], and to other Senators who have been interested in this matter, and I have the impression that it is satisfactory to all of them. In effect it does not run counter to the action of the Senate in reducing the total appropriation of the bill by 10 per cent. It merely allows transfers between the items of appropriation, with the approval of the Director of the Budget, in the same manner as it is now done and has been done for years past in the National Guard items of the Army appropriation bill. It recognizes that, with the speed with which the Appropriations Committee has had to work, it could not, in all cases, work out a completely satisfactory result, and, for this one year only, the amendment allows these exchanges to be made between the items of appropriation without increasing the total.

Mr. MCKELLAR. Mr. President, may I interrupt the Senator?

Mr. REED. Certainly.

Mr. MCKELLAR. I am wondering what is the meaning of the language in lines 6 and 7 of the amendment, reading as follows:

but no appropriation shall be increased more than 15 per cent by such transfer.

I assume that the Senator means by that that in transferring a maximum of 12 per cent from one appropriation to another the appropriation for that particular item shall not in any case be increased more than 15 per cent?

Mr. REED. Exactly.

Mr. MCKELLAR. I am not sure that that language is sufficiently definite. Will the Senator look at it, and will the chairman of the committee also cast his eye on it?

Mr. JONES. Mr. President, I have examined that amendment, and I think the idea expressed in the amendment is as stated, namely, that a particular appropriation item shall not be increased more than 15 per cent.

Mr. MCKELLAR. Ought there not be the same amount, 12 per cent?

Mr. JONES. I thought so at first, but I came to the other conclusion.

Mr. REED. It will be seen that in dealing with the reduced amount which is to be increased there is a lower base for the calculation of the percentage than on the higher amount which is to be decreased, and I think it comes to about the same result.

Mr. MCKELLAR. I want to say that, of course, I realize this is not good legislation, and ordinarily I would certainly oppose it. I have asked the Senator from Pennsylvania to make it apply on its face only to this year, and that has been done. At this late date there might be some inequalities which we have not ironed out; but the amendment provides that the Budget Director and the department shall furnish the next Congress, or the proper committees of the next Congress, with exact details, and hereafter it will not be necessary, of course, to give this additional authority to the department; but for the first year, in view of the action of the committee and of the Senate in agreeing to these reductions, I am rather inclined to think that a provision of this kind would not be improper provisionally.

Mr. JONES. I agree with the sentiments expressed by the Senator from Tennessee. I think, under the circumstances, this is a very wise provision, and, of course, it applies, as I understand, only to this bill?

Mr. REED. Only to this bill and only for this year.

Mr. JONES. Yes.

Mr. CONNALLY. Mr. President, I want to ask the Senator from Pennsylvania, in case of a transfer from a larger sum to a smaller sum, does his percentage apply to both?

Mr. REED. Yes; it applies to both. The smaller sum could not be increased more than 15 per cent.

Mr. CONNALLY. That is the question I wanted to raise. Under the amendment, if there was a large sum in which there could be made a substantial cut, all of it could not be transferred over to a smaller item, could it?

Mr. REED. Oh, no; by no means.

Mr. CONNALLY. To do so would increase the smaller item more than 15 per cent. Now, what I have in mind particularly is this: Under the cut as made here originally the committee took up with the various departments suggestions as to what they would do in the event of these cuts.

In the case of the Bureau of Fisheries, for instance, the department answered back that if we adopted these 10 per cent cuts, they were going absolutely to abandon, I think, about 11 of the Federal fish hatcheries. Some of those hatcheries have been owned by the Government for 30 or

40 years. They own the property, and they have investments. My thought was that if we are going to have elasticity, the matter ought to be sufficiently elastic that the department could not just arbitrarily injure its own service, because to suspend operations entirely in these plants would mean that the property would deteriorate. There ought to be sufficient elasticity so that they could transfer sufficient funds from other appropriations.

In the case of this particular item, suppose the department could properly take an item out of this appropriation and put it in this one, and take another one from that one, and another one from that one, and by trimming a number they could sufficiently build up the appropriation; yet, under the Senator's amendment, no matter how many savings they could accomplish in other places, they could not increase any one item over 15 per cent. That is not elasticity.

Mr. REED. It is only partial elasticity, I confess; but I do not believe we could get Congress to agree to any greater elasticity.

Mr. McKELLAR. Mr. President, I want to say to the Senator from Texas that I am sure that is the case. So far as the particular bureau he has just mentioned is concerned—the Bureau of Fisheries—of course the department, as long as it has the money to conduct a fish hatchery, has no right to discontinue it, because as yet the Congress still controls the question of whether there shall or shall not be a fish hatchery. On the other hand, by this process it is believed that just such a proposal as the Senator has in mind can be effectuated by the department; and there were considerations of this kind that led me to overcome a rather determined opposition to lump-sum appropriations.

I never have believed in lump-sum appropriations. I do not believe in them now. I think it is unwise legislation to make lump-sum appropriations. At the same time, however, in view of the cuts that are made this late in the year, it does seem to me that there ought to be some leeway. I have so expressed myself to the Senator from Pennsylvania [Mr. REED]; and I think, under the circumstances, it ought to be done.

Mr. REED. I thank the Senator.

Mr. CONNALLY. Mr. President, I want to ask the Senator from Washington, in charge of this bill, a question in regard to the amendment of the Senator from Pennsylvania. I am in sympathy with the amendment. It is only as to the second section of the amendment that I am raising any question. I agree that there ought to be an elasticity whereby the department could allocate these funds, but I do not want to hamstring the department by saying that no one item can be increased more than 15 per cent.

In the view of the Senator from Washington, would this amendment enable the Department of Commerce, in the allocation of these funds, to correct the situation which I called to the attention of the Senate a moment ago with reference to these fish hatcheries?

Mr. JONES. It would be a great deal better than without this amendment. In view of our reduction of 10 per cent under the orders of the Senate, I think this amendment is a very desirable one. I think it will help very much.

Mr. CONNALLY. I agree with the Senator.

Mr. JONES. It may not meet the whole situation. I doubt if it will. As I remember the language of the amendment, it does not allow us to increase a particular item more than 15 per cent.

Mr. REED. That is right.

Mr. CONNALLY. I understand that, and that is what I was complaining about.

Mr. JONES. That is better than the limitation.

Mr. CONNALLY. Oh, it is better than nothing, of course.

Mr. JONES. Yes.

Mr. CONNALLY. Now, let me ask the Senator from Tennessee a question. The Senator from Tennessee has been leading the fight for these arbitrary reductions.

Mr. McKELLAR. Mr. President, I hope the Senator does not think they are arbitrary reductions. We make the reductions, not on an arbitrary plan at all but after going over each item and merely reducing the aggregate.

Mr. CONNALLY. I assume whatever opprobrium goes with that term, because I voted with the Senator.

Mr. McKELLAR. I have had a whole lot of opprobrium, so I am used to it. Go ahead.

Mr. CONNALLY. I take my share, because I voted with the Senator. Knowing his great anxiety to serve the American people by lessening their burdens at this time, I was glad to support his plan.

Mr. McKELLAR. I thank the Senator.

Mr. CONNALLY. Is it the Senator's view that the amendment of the Senator from Pennsylvania will enable the Department of Commerce so to change these figures as to take care of the situation which I mentioned with reference to fish hatcheries?

Mr. McKELLAR. I have no doubt whatsoever of it. If I had any doubt about it, I would be perfectly frank to state it to the Senator; but I think it can be done.

Mr. CONNALLY. The point I make is that the department of hatcheries ought not just to abandon properties in which the Government has millions of dollars invested, but rather it ought to lessen its activities at all of these stations, so as to maintain the present organization everywhere. Lessening the activities at all the stations certainly is to be preferred to abandoning plants which in some cases have been under Government control as long as 40 years.

I want to get into the RECORD the views of Senators, so that the department will know that it is to remedy that sort of a situation that we are adopting the amendment of the Senator from Pennsylvania.

Mr. McKELLAR. I want to say to the Senator that I have not a doubt of it. Instead of lessening their activities if they do not have quite so much money to spend, I think it will probably increase their activities and be better for the service. I believe there will be no abandonment of any of the functions of which the Senator has spoken.

Mr. CONNALLY. I was about to say that I do not regard it as any real economy for the Government now to abandon a project temporarily, and then later have to go back and take it up at the expense of much more money than we will save. If, on the other hand, we can take care of the matter by this amendment, I am heartily in favor of it.

Mr. JONES. I want to say that I am in hearty accord with the sentiment expressed by the Senator with reference to the plan that should be followed in connection with these various plants.

Mr. CONNALLY. That is, of slowing down activities everywhere?

Mr. JONES. Yes; slowing them down everywhere, rather than abandoning one entirely.

Mr. CONNALLY. Rather than abandoning one at any particular point?

Mr. JONES. I agree with the Senator.

Mr. CONNALLY. And that is the view of the committee?

Mr. JONES. That is my view.

Mr. CONNALLY. The Senator is chairman of the committee. Does he not reflect the views of the committee?

Mr. JONES. That matter was never discussed in the committee, I will say frankly to the Senator; but I agree absolutely with that.

Mr. CONNALLY. I thank the Senator.

Mr. BRATTON. Mr. President, in connection with the discussion relating to the operation of fish hatcheries under the Bureau of Fisheries, the item is found at page 97 of the bill. It was reduced from $986,730 to $886,730, a cut of $100,000, practically 10 per cent, and accordingly was in harmony with the resolution adopted by the Senate directing the committee to cut the total of the bill 10 per cent under the House figures.

In my own State we have a new hatchery, just being completed, at a cost of about $50,000. It is almost ready to be placed in operation. I am told by the Director of the Bureau of Fisheries that under this cut as it now stands that hatchery, although it is completed and fully equipped and ready for operation, can not be placed in service for one year, but that with an additional sum of only $3,000 that hatchery could be placed in operation without delay.

Is it the view of the Senator from Washington, chairman of the committee, that under this amendment offered by the Senator from Pennsylvania funds could be diverted from one branch of a department to another branch of the same department to meet an emergency of that kind?

Mr. JONES. I understand so. I think so. It is thoroughly interchangeable.

Mr. BRATTON. Mr. President, I favor the principle involved in the amendment. We are making drastic cuts. I favor making them. Conditions require us to make them. I believe that a provision of this kind would soften the shock and would permit a department to meet the emergencies with less disturbance.

I hope very much that the amendment will be adopted; and I hope, too, that before Congress adjourns we will pass a joint resolution to accord the same privilege to the Department of the Interior. The appropriation bill for that department has passed and been approved and is now a law. It does not contain any such provision as this. I think we should pass a joint resolution giving that department the same privileges that is embodied in the amendment now proposed by the Senator from Pennsylvania [Mr. REED]. I hope this amendment will be adopted. None of us wants to make the administration of a department too inconvenient or too difficult.

Mr. McKELLAR. That would be all right if the provision were made applicable only to appropriations made this year for the ensuing year, just as is provided here.

Mr. BRATTON. Oh, certainly. I think the privilege should be confined to the particular appropriation bills we are now passing for the next fiscal year.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania [Mr. REED].

Mr. COSTIGAN and Mr. TRAMMELL addressed the Chair.

The amendment was agreed to.

The PRESIDENT pro tempore. The Senator from Colorado.

Mr. TRAMMELL. Mr. President, I move a reconsideration of the amendment. The Chair disregarded at least two Senators who were addressing the Chair for the purpose of having something to say, and proceeded with the vote. I move to reconsider the vote.

Mr. REED. I ask unanimous consent that the vote be reconsidered.

The PRESIDENT pro tempore. Without objection, the vote will be reconsidered. Meantime, the Chair has recognized the Senator from Colorado [Mr. COSTIGAN].

Mr. COSTIGAN. Mr. President, confirming what the Senator from New Mexico [Mr. BRATTON] has stated, I hold in my hand responsible protests from Colorado citizens and certain branches of the Izaak Walton League of America, indicating that the appropriation, in the form in which it was reported by the Senate committee, will result in closing important and desirable fish hatcheries in the State of Colorado. I hope, therefore, that the amendment of the Senator from Pennsylvania [Mr. REED] will be adopted and that the interpretation given to it by the chairman of the committee having this bill in charge, will have the effect of keeping those and similar hatcheries open.

AMERICAN WOMEN AND THE CHILDREN'S BUREAU

While speaking, Mr. President, I desire to add that the Senate has to-day acted on an appropriation for the Children's Bureau, just 20 years after that bureau was created and within the shadows of the lamented death at Rockford, Ill., of our eminent countrywoman, Miss Julia C. Lathrop, who was the first chief of that bureau. It is trebly appropriate to pause to have placed in the RECORD an article on the purposes and work of the Children's Bureau in the last two decades, prepared by Miss Grace Abbott, another of America's most distinguished women.

Miss Abbott succeeded Miss Lathrop as chief of the Children's Bureau in 1921. Her public services, like those of Miss Lathrop and of their brilliant recently deceased coworker, Mrs. Florence Kelley, are rooted in the fine traditions of Hull House, Chicago, over which presides Miss Jane Addams, another American woman of world-wide fame. The bureau is, therefore, a living monument to the public devotion and leadership of noble American womanhood. Miss Abbott's admirable mind, heart, and trained efficiency have won respect and honor, here and abroad, for her and for the humane and humanizing governmental activities she directs.

I trust, Mr. President, that unanimous consent will be given to have printed in the RECORD, as part of my remarks, the article by Miss Abbott, which was published in the New York Times of April 10, 1932.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

VICTORIES FOR CHILD WELFARE WON IN THE LAST TWO DECADES—DELINQUENCY, EXPLOITATION, AND DEATH RATIOS LOWERED AND HOME RESTORED TO IMPORTANCE SINCE CHILDREN'S BUREAU STARTED

By Grace Abbott

On April 9, 1912, the bill creating the United States Children's Bureau was signed by President Taft. It had been proposed by the first White House Conference on Child Welfare, and President Roosevelt in his message to Congress recommending its passage shortly after the conference said:

"It is not only discreditable to us as a people that there is now no recognized and authoritative source of information upon these subjects relating to child life but in the absence of such information as should be supplied by the Federal Government many abuses have gone unchecked; for public sentiment, with its great corrective power, can only be aroused by full knowledge of the facts."

Three years after this appeal to Congress by President Roosevelt and after President Taft had also recommended its passage, the Children's Bureau, with Julia C. Lathrop as the first chief, began to function as a national center of information, of research and education as to the needs of the whole child and the interrelated problems of health, dependency, delinquency, and the employment of children. The task which was assigned to the Children's Bureau by Congress 20 years ago is not completed. It meets the proverbial description of women's work—it is never done.

There have, however, been important accomplishments in these two decades, of which the following are examples:

In 1912 the birth-registration area had not been established, and facts about even so important a subject as the number of babies that were born or died each year were not available.

In 1932 the United States birth-registration area comprises 46 States and the District of Columbia.

INFANT MORTALITY DECREASED

In 1912 it was estimated that 300,000 babies died during the first year of life. In 1930, in spite of a large increase in population, it was estimated that about 150,000 died. The mother of the 1912 baby was, as a rule, less well prepared to care for him and expert assistance was much more generally available for the 1932 baby. Because his mother knows more about the value of sunlight, of cod-liver oil, and the importance of milk and fruit and vegetables, the child of to-day is much less apt to have rickets and is more frequently a healthy, well-developed child. The 1932 child is much less apt to die of diphtheria and scarlet fever than the 1912 child.

In 1912 there were some 2,000,000 children over 10 and under 16 years of age employed in gainful occupations in the United States (according to the 1910 census, 1,990,225). Complete figures for 1930 are not yet available, but in 44 States and the District of Columbia 609,729 children of these ages were employed. This decrease can not all be considered a permanent gain, however, because unemployment conditions in 1930 affected children as well as adults.

In 1912 only two States had mothers' pensions laws. Now 45 States and the District of Columbia have such laws. In 1912 in a large number of communities delinquent children were tried, convicted, and punished under our criminal laws. Now all but two States have juvenile court laws and 19 have family courts, and organized juvenile court and probation service has been extended from the large cities, where it first originated, to many small towns and rural communities.

In 1912 only one State had a bureau of child health; to-day 47 States have such bureaus. Only one State then had created a bureau of child welfare to promote the interest of dependent, neglected, and delinquent children. To-day more than half the States have such bureaus or divisions of State welfare departments. In 1912 the movement for country-wide health and social services had not been initiated. To-day approximately one-sixth of the counties have adopted organized county plans for health or social service or both.

In 1912 only one State had a State commission for the study of child welfare legislation; since 1912 more than half the States have created child welfare commissions to consider the needs of children, and State legislation relating to children has been coordinated and modernized.

RELATIVE PROGRESS

Progress is, after all, relative. We want to know not only how far the United States has gone in safeguarding childhood but how our

gains compare with those of other countries. The general trend of the infant death rate has been downward. It is estimated that in 1912 out of every 1,000 babies born alive 124 died during the first year of life; in 1920 the death rate was 86, and in 1930, 64 in the United States birth-registration area. This is very encouraging until one compares these rates with the rates for New Zealand. In that little island 68 babies out of every 1,000 born alive died in 1910, 51 in 1920, and 34 in 1930. The New Zealand rate in 1930 was lower than the lowest rate for any State. It was 47 per cent lower than the rate for the United States birth-registration area. The irreducible minimum for the United States has not been reached when the death rate in New Zealand is 47 per cent lower than in our own country.

The experience of the United States and of other countries with both higher and lower death rates among babies is that while new scientific discoveries have contributed to the great saving of infant life in the last 20 years, the most important factor has been that the parents of 1932 know more about the scientific care of children than did those of 1912, and they are using more intelligently the knowledge and skill of the physician.

PARENTS AND CHILD CARE

Parents of to-day know more because they are given more and better opportunities to learn the best methods of child care. Less expensive and more practical books giving the general principles of child care are now available and widely used. Free distribution of Government publications is traditional in the United States, but the appropriation of the Children's Bureau has never enabled it to meet the demand for its popular bulletins.

The Superintendent of Documents reports that from the date of their publication to 1932 nearly 2,000,000 of these bulletins have been sold and more than 10,000,000 distributed free.

While child specialists a generation ago were usually called only to care for sick children, to-day many of them are devoting as much as a third of their time to the supervision of well children. The great teaching agency is the child-health center. First started by infant-welfare societies in the larger urban centers, their number has greatly increased in recent years. Centers have been established in many small towns and rural communities with the assistance of the State governments and of the Federal Government from 1921 to 1929. But hardly more than a beginning has been made in making these agencies for parental education available to all mothers.

The change in the community and the parental attitude toward the conduct problems of children is even more marked. The juvenile-court movement was well under way at the beginning of the period which we are reviewing. Both the old conceptions of punishment as a preventive and of "justice" as equality of treatment have died slowly. Under the new legal theory of the juvenile court children are all treated alike only when they are all treated differently. The question is not what should be done for particular types of offenses, but what should be done for individual children. The objective is cure, not punishment.

This is, however, a much more difficult theory to administer. Moreover, if the objective is cure, not punishment, we must make sure that the cure is successful. The attempt to prevent or cure delinquency among children has led to study of physical and mental defects of children, to investigation of their mental and personality problems, to examination of their environments for causes of maladjustment, and to experiment in individual or group training during the preschool period. The first psychiatric clinic for the study of child delinquency, established largely through the efforts of Julia Lathrop, was still regarded as experimental in 1912. There are more than 600 psychiatric and child guidance clinics at the present time.

A review of the research of the last 20 years reveals the abandonment of one "cause" after another which was for a time believed to explain the delinquency of children. We have the beginnings of a new technique.

But if the objective is a scientific approach to the conduct problems of the individual child, necessary resources are still lacking for the study and treatment of the great majority of children who pass through our courts and are committed to correctional institutions. Probation officers, physicians, and psychiatrists attached to juvenile courts, child-guidance clinics, visiting teachers, special schools for truants, and classes in child training for parents are all a result of the effort to cure or to prevent delinquency. Information based on annual reports of the courts is available for 13 cities for the years 1915 to 1927, or for a considerable part of that period. In 10 of these 13 cities the delinquency ratio was lower for the last year reported, and in all but 3 of the 10 the decline was significant.

HOMES KEPT INTACT

In spite of all the criticism that has been leveled at the modern home, its importance in the life of the child is more generally accepted in social treatment to-day than 20 years ago and much more generally than a hundred years ago. On the theory that intelligent and affectionate care of children by their own parents is the greatest safeguard of the future welfare of children, every effort is now being made by the best social agencies to preserve the child's home. The "mothers' pension" laws and the great extension of "home relief" and "family-welfare work" have that objective.

As a result of years of practice in the treatment of dependency there is general agreement among social workers to-day that no child should be removed from his own home or from the custody of his own parents or parent because of poverty or illegitimacy alone. This apparently elementary policy has, in fact, worked a revolution in the social treatment of dependency. Money formerly available to care for children only away from their homes is now used to keep the homes intact.

The most significant change is in the number of dependent children who are now cared for in their own homes. Legislation providing for "mothers' pensions" or "allowances" or "assistance to parents' funds," first enacted in Illinois and Missouri in 1911, has now been enacted in 45 States and in the District of Columbia. In the States enacting such legislation there has also been a steady growth in the total number of families aided, in the amount expended, and in the number of counties giving this type of assistance.

For example, in Wisconsin in 1913 aid was given to 187 families, and $9,632 was expended in keeping children with their mothers; by 1928, 6,274 families were being assisted and the cost was $1,533,900. Whereas in 1913 in Wisconsin only 5 counties had taken advantage of the permissive mothers' pension law, in 1928 all the counties (71) were using this method of care.

Wisconsin reflects rural conditions. The urban tendency is even more marked. In New York City the mothers' aid expenditures have increased constantly since 1916, the first year the act was in operation. The $165,000 expended that first year had grown to $6,479,000 in 1929. It should, however, be noted that while the general trend is to safeguard the family unit, the progress is not always constant. At this moment the case-working standards of the family-welfare agencies in many cities are practically suspended because of the widespread unemployment and the consequent emergency relief. Homes are being broken up that in other circumstances would be preserved.

EXPLOITATION REDUCED

The struggle to protect children from industrial exploitation began more than a hundred years ago. In each generation opponents have replied to the demand for legal protection that children are a part of the necessary labor supply. Although it is now generally agreed that a full utilization of our capital and adult labor resources produce more than we can at present consume, nearly 2,000,000 children and young persons under 18 years of age were employed in 1930. During that year, in spite of the unprecedented number of unemployed men and women, it is estimated that some 180,000 boys and girls under 16 left school for work.

Great progress has been made in the century and in the last 20 years in reducing the number of child workers by legal enactment and by a change in public opinion. The Child Welfare Conference in 1919 recommended 16 as the minimum school-leaving age. That is the proposal of the White House Conference of 1930. Some 43 States now require that children attend school until they are at least 16 years of age, though many of the laws contain certain exemptions and all except two authorize their release for employment at a specified age below 16 if they have reached certain minimum standards of education and physical fitness, sometimes with the additional requirement that economic necessity must be shown.

A study of the trends of the last 20 years makes clear that a great change is developing in our conceptions of the part our State governments must play in promoting the welfare of children. Prevention is now the keynote in all our social services. Institutional care, for so long the only rôle of the State, is no longer adequate. For a program of prevention a close working relationship between the State agencies and the local community is necessary. The State departments of health and welfare are now assuming a rôle of leadership in establishing well-organized local services.

ENEMIES OF CHILDHOOD

At the present time, however, many of the gains of the past 20 years are threatened. Unemployment and low wages are enemies of childhood. As Julia Lathrop said:

"Children are not safe and happy if their parents are miserable, and parents must be miserable if they can not protect a home against poverty. Let us not deceive ourselves—the power to maintain a decent family living standard is the primary essential of child welfare."

In his opening address to the White House Conference on Child Health and Protection in the autumn of 1930 President Hoover called attention to the estimate of one of the conference committees that there were 6,000,000 improperly nourished children in the United States. That number has increased by leaps and bounds during the last three years. Security in the home is essential for a happy childhood. Security has gone from homes of the millions of unemployed and fear of economic disaster has destroyed it for many others.

The number of children in institutions for dependent children has increased. Adequate budgets for children's agencies are becoming increasingly difficult to secure. But those who have been given community responsibility for the care of children are determined that hard-won gains shall not be lost. State and local White House conferences are charting the needs of children and making plans for future improvement.

The real basis for hope for greater progress in safeguarding the health and general welfare of the children of the United States lies in a growing knowledge of the widespread preventable suffering among children. The peculiar hardships of these last years may quicken our sensitiveness to such suffering and lead to more effective conservation of our greatest national asset.

Mr. TRAMMELL. Mr. President, I desire to ask the author of the amendment as to its application to items that constitute a general appropriation.

The amendment provides that not exceeding 12 per cent may be transferred. I will illustrate. We have a gross appropriation of $2,000,000 for certain given purposes. Under this provision authorizing a transfer of 12 per cent, should the department, in the exercise of that privilege, be allowed to go in and entirely destroy some activity or some project that has been estimated for as a basis for the appropriation? That is the point that occurs to me—that the department might entirely wipe out some enterprise or some project which Congress had intended should be continued.

Mr. REED. Mr. President, at the very most they could reduce only 12 per cent.

Mr. TRAMMELL. I know; but they could reduce 12 per cent of the appropriation. We have in the bill here what we might call an omnibus appropriation of $2,000,000 for certain purposes. Within that are items numbering probably a hundred or two hundred, which were estimated for.

Mr. REED. Where does the Senator find that total?

Mr. TRAMMELL. The Senator will find quite a good many such items. I do not recall, just for the moment, the one to which I was referring. I saw one a few moments ago amounting to $2,000,000, but I do not remember what page it was on. I find one here for the Bureau of Standards.

Mr. REED. What page?

Mr. TRAMMELL. On page 86, a total of $2,137,280. I merely turned to that in the bill. What if they decided that they wanted to do away with some activity? I am not thinking of the Bureau of Standards in particular, but that will illustrate. Suppose they want to do away with some activity of the Bureau of Standards entirely. They could, by just one brush of the pen, under this 12 per cent provision, do away with that activity, and that would constitute 12 per cent of the entire appropriation.

Mr. REED. No, Mr. President; and I am glad the Senator has pointed out that illustration. The figure to which he calls attention is merely the total of the figures occurring in items which stretch over several pages of the bill. It would be impossible, for example, to abolish the hydraulic laboratory research work, which we find provided for at the top of page 85. The appropriation for that is $40,000. That item could not be obliterated. It could be reduced only 12 per cent.

Mr. TRAMMELL. I think it is a very good idea, of course, to authorize this latitude; and it is probably necessary, making such a sweeping change as we have made; but I did not want the Senate to adopt some amendment which might result in the abandonment of some enterprise which Congress had authorized and which we had had an estimate for and which we do not desire to have discontinued.

Mr. REED. I think the Senator's point is very well taken.

Mr. TRAMMELL. That is the point, and I want that to be pretty well understood in the RECORD. I call the attention of the Senator to the item of light vessels on page 89, "For salaries and wages of officers and crews of light vessels and lighthouse tenders, including temporary employment when necessary, $3,370,000."

What if, under the exercise of the 12 per cent provision, the Lighthouse Bureau, under the Department of Commerce, should say, "We are going to discontinue certain lights." That is the point I want to guard against.

Mr. REED. Of course I think we could safely depend upon it that the necessary lighthouses are not going to be discontinued. I think there is much more chance that that item will be added to, in order to continue in service a lighthouse, than that it will be reduced.

Mr. TRAMMELL. I just wanted to make it plain that we would not want the department to impair some very necessary service which Congress had contemplated having continued.

In my State I think the alarm is unnecessary, but I have had a good many telegrams and letters to the effect that the word had gone out that they were going to discontinue all the beacon lights on the St. Johns River, which is a navigable waterway extending a long distance, which has been in use for years and years, and is quite an important transportation route.

Mr. McKELLAR. Mr. President, I will say to the Senator that the adoption of this amendment would certainly add very much to his chances of getting what he desires for his State.

Mr. TRAMMELL. I thank the Senator. It is not a matter of getting anything; it is a matter of maintaining a system of beacon lights which has been in existence for perhaps a half a century or a century, and it would be absolutely destructive to the navigation on that river, for a distance of some 150 or 200 miles, if the department were, under some plan of economy, to discontinue the use of those beacon lights on the St. Johns River. I have had this matter up with the Lighthouse Bureau, and they have assured me that they do not know of anything of the kind in contemplation. I do not know how the alarm got abroad, but a great many people seem to think that there is cause for alarm.

Mr. McKELLAR. It got abroad just as many of the other alarms got abroad; the Cabinet officers are sending out the alarms.

Mr. TRAMMELL. I thank the Senator from Pennsylvania. I have wanted the matter understood. Of course, I would not want to support some amendment which would result in doing away with a very useful system of lighting such as we have on the St. Johns River. I appreciate, however, the necessity of giving the department some latitude in connection with handling the administration of these appropriations as we have reduced them.

Mr. CONNALLY. Mr. President, the Senator from Florida is not more interested in the maintenance of these lighthouses than are all of us on the Gulf. But, as he says, the service has assured him that it has no purpose of abolishing or lessening that service. Is that correct?

Mr. TRAMMELL. That is what they told me.

Mr. CONNALLY. I understood the Senator to say that. I want to ask the Senator from Pennsylvania, the author of the amendment, if it is his view that his amendment will operate to give the Department of Commerce the power to continue these fish hatcheries which have been referred to, as was disclosed in the debate a moment ago?

Mr. REED. Yes, Mr. President; it is my hope and my belief that it will give them just that power.

Mr. CONNALLY. That, along with other things, was the purpose of the Senator's amendment?

Mr. REED. I make the same answer to the Senator that the Senator from Tennessee made with regard to the lighthouses. I think the adoption of the amendment is calculated to assure the maintenance of these important activities, far more than it jeopardizes them.

Mr. CONNALLY. I am glad to have that from the author of the amendment as evidencing the legislative intent.

Mr. NORBECK. Mr. President, I am deeply interested in this matter, as the Senator from Texas is, and have enjoyed the discussion very much. But I do not think I thoroughly agree that this will have a tendency to prevent the closing down of hatcheries. It might be almost as unfortunate if it resulted in closing them down six months or nine months, as if it resulted in closing them for 12 months in the year. Certainly we can not object to the amendment of the Senator from Pennsylvania, because it will be helpful to whatever extent it goes. But the Senator from Tennessee assures me that he has no desire to shut down these hatcheries, where it will take only four or five thousand dollars a year to operate them.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. NORBECK. I yield.

Mr. CONNALLY. The Senator from South Dakota should not express any fear about it, because it has been developed here in the debate that one of the very purposes of offering this amendment is to maintain these hatcheries.

Mr. NORBECK. Yes; but it has not developed that it will maintain them.

Mr. CONNALLY. If the department does not respect the will and the wishes of the Congress, we will know the reason why.

Mr. NORBECK. I am getting to the point, if the Senator will pardon me.

Mr. CONNALLY. I hope the Senator will not cast any suggestion into the mind of the Department of Commerce that we do not mean exactly what we have been saying we do mean.

Mr. NORBECK. I realize that the Department of Commerce is limited by the provision of the amendment itself to 12 per cent. I want to go farther and suggest that the Senate ought to know, by the time the deficiency bills come before us, whether or not the department is able to keep these hatcheries going, so that we would have opportunity to take care of the item in the deficiency bill. I would like to have the view of the Senator from Tennessee in regard to that matter. Does the Senator think it could be done?

Mr. McKELLAR. As I said before, I take it that there will be ample money to do what has been spoken of here. I have no doubt about it in my own mind at all, and if that money should not be sufficient, of course any Senator will have the right to come before the Committee on Appropriations when we are considering a deficiency bill.

Mr. CONNALLY. Mr. President, let me say to the Senator that when the deficiency bills come in, if it is then apparent that the Bureau of Fisheries has paid no attention to the expressed will of the Congress with reference to this item, it would then be very appropriate to handle the matter by trimming some of the salaries of those who have not respected our wishes.

Mr. NORBECK. Certainly. If we find that under the terms of the amendment of the Senator from Pennsylvania they are not able to keep the fish hatcheries going, we must take up the question of fish hatcheries when a deficiency bill comes before us.

Mr. BRATTON. Mr. President, I want to say, in behalf of the Director of the Bureau of Fisheries, that I talked with him at some length about this matter. He assumed a very fair and a very reasonable attitude about it. I do not believe Commissioner O'Malley has any purpose or any desire to harm the system. Quite the contrary. I think he will cooperate to the fullest in administering the system in the very best way he can under the limitations imposed by this bill. We are cutting the appropriation, we are doing it deliberately, and I am in full sympathy with that. I supported the motion of the Senator from Tennessee to recommit the bill with instructions to the Committee on Appropriations to reduce the appropriations 10 per cent, and I expect to adhere to that action in connection with subsequent appropriation bills, unless it be with regard to certain items in the Army and Navy measures.

I believe that the Commissioner of Fisheries will do the very best possible under the cuts we are now imposing upon this bureau. I believe that with the latitude conferred by the amendment offered by the Senator from Pennsylvania, the Bureau of Fisheries will find a way to continue operating the hatcheries now in the service, and will put into the service the new ones which have been completed and are now ready to be placed in service. I shall insist that the one in my State be placed in service without delay. It must be done. This amendment provides a method to do so.

I do not want the impression to go abroad that we believe the commissioner, out of any spirit of antagonism or lack of cooperation, will willfully injure the system. I think just the opposite. That should be stated, in fairness to him.

Mr. McKELLAR. Mr. President, will the Senator from New Mexico yield to me?

Mr. BRATTON. I yield.

Mr. McKELLAR. I call the Senator's attention to the item on page 96. The estimate is decreased only $45,000, and it would be the easiest thing in the world, under the amendment of the Senator from Pennsylvania, to arrange the matter.

Mr. BRATTON. The item to which I call the Senate's attention is at the top of page 97, which reflects a cut of $100,000.

Mr. McKELLAR. Comparatively that is a very small cut, and it could easily be supplied, if the department so willed, to take care of the item in question.

Mr. BRATTON. It can be easily supplied, and I think it will be readily done. That is why I give my support to the amendment, believing that it can be done, and that the commissioner will do it. I have confidence in his judgment and in his good purpose to cooperate with Congress in meeting the situation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. REED].

The amendment was agreed to.

Mr. FESS. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. The Senator from Ohio proposes to insert at the proper place the following:

For the purpose of defraying the expenses of participation by the United States Government in the Second Polar Year Program, August 1, 1932, to August 31, 1933, $30,000, or so much thereof as may be necessary, for personal services and rent in the District of Columbia or elsewhere, contingent expenses, official cards, printing and binding, purchase of necessary books, documents, and periodicals, camp and field supplies, scientific instruments and equipment, construction of necessary temporary buildings for housing equipment and for observations, hire, maintenance, and operation of passenger-carrying motor vehicles, transportation and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic and other services, and purchase of supplies, materials, and equipment by contract if deemed necessary, without regard to section 3709 of the Revised Statutes, and such other expenses as may be deemed necessary by the Secretary of State in furtherance of the project described; and the Secretary of State may transfer this fund, or so much as may be deemed necessary, to the Department of Commerce, with the approval of the Secretary of Commerce, for direct expenditure by the Coast and Geodetic Survey.

Mr. FESS. Mr. President, I crave the attention of every Senator on the floor of the Senate at this moment.

Congress authorized an appropriation of $30,000 for the second polar program. The only one we have had heretofore was 1882. We hope to have the one in 1932, and then there will not be another for 50 years. If we do not participate in this one, then the United States will not have participated in this service for 100 years.

In 1882 the representatives of a group of nations, 26 in number, in the interest of meteorological situations affecting shipping and other activities, met and outlined the first polar program which sent out 14 different expeditions, 12 into the Arctic and 2 into the Antarctic region. The results of the expeditions are well understood. They are altogether scientific and of tremendous value.

In 1929 the representatives of 34 nations met in what is known as the International Meteorological Conference at Copenhagen. They discussed the feasibility of a second polar program. It was unanimously recommended that it be put in operation. The United States decided that it could not afford to stay out of the program. We thought in view of the meteorological, auroral, electric, and other phenomena of the air and sea, the programs which are put on in the interest of all the nations using shipping on the seas ought to have the support of this Nation. A resolution was introduced and adopted without opposition in the House, came over to the Senate and was approved unanimously by the Committee on Foreign Relations. It was thought to be a proper procedure and we passed it in the Senate with no opposition, granting the authorization recommended by the Geodetic Survey, which stated that it is extremely important and that this Nation ought to be connected with the effort. I assumed the Appropriations Committee overlooked it because some one has failed to call it to their attention. Upon making some investigation I found that it had been presented to the committee. I do not understand on what basis the authorization for $30,000

for this work is ignored by the Committee on Appropriations. It means that in their judgment this is not an important service.

Let me read a brief statement:

In the First International Polar Year Program, from August, 1882, to August, 1883, 14 expeditions were sent to the field, 12 in the Arctic and 2 in the Antarctic, by 12 different countries, fully equipped for comprehensive meteorological observations. The United States took part in this program, establishing stations at Point Barrow, Alaska, and Fort Conger (Lady Franklin Bay), Ellesmere Island.

The International Meteorological Conference held at Copenhagen in September, 1929, with representatives from 34 countries present, proposed a Second International Polar Year Program, which found stimulus in the many new problems that have arisen during the past 50 years requiring additional data for their solution. During the second polar year period, August 1, 1932, to August 31, 1933, it is intended that a number of observation stations in the Arctic and Antarctic regions will be operated for observing and recording magnetic, electric, auroral, and meteorological phenomena during that period according to an internationally concerted schedule. The United States will establish a station near Fairbanks, Alaska, a point accessible at all times of the year by steamer and railway. Twenty-six of the countries represented at the international meteorological organization have made favorable replies regarding the proposed program.

I scarcely think it credible that the Members of the Senate look upon this enterprise as of so little value that they will say the United States shall not participate in the program. The Senator from California [Mr. JOHNSON] has just suggested to me sotto voce that no one will oppose it. The fact is it has been left out of the report of the Committee on Appropriations. I am of the opinion that no one can afford to oppose it, but I am wondering just what it means. I offer the amendment.

Mr. JONES. Mr. President, the Appropriations Committee did not overlook the matter. It was given very careful attention in the committee under the conditions which confront us to-day. The subcommittee, I may say, recommended $20,000 for the purpose; but, when it came to the full committee, the item was stricken out altogether before there was any order made by the Senate with reference to a 10 per cent cut. After the Senate made its order that we must cut 10 per cent below the House figures, of course, we could not put the item back in the bill.

If the Senate should vote this $30,000, it would mean about $27,000 or $28,000 above the amount we were permitted to report under the 10 per cent cut order of the Senate. In other words, the bill now carries about $1,400 less than the limit allowed by the 10 per cent cut. If the Senate sees fit to add this item to the bill, it will carry it $27,000 or $28,000 above its 10 per cent cut order to the committee.

As I said, the subcommittee recommended $20,000; but the full committee, before the Senate gave the order to cut 10 per cent, struck out the item entirely. There is no good that has come to us from the observations of 50 years ago, and there will be none coming from another observation, in my opinion.

Mr. FESS. Mr. President, does the Senator say no good has come out of it?

Mr. JONES. There has been no particular good pointed out and no substantial benefit indicated.

Mr. FESS. I should like to submit to the Senator himself a report which was made on the first polar program and he certainly will not say then that no good has come out of it.

Mr. JONES. I have not any doubt about the scientific reports that would probably be made to scientists, and so forth, but I have not seen any indication of any particular good that can be traced back to the observation of 50 years ago.

Mr. FESS. Let me ask the Senator a question. I recognize the stress under which the Senator is operating. He can not make me believe that he thinks there is no value coming out of this work. I recognize why he is taking the position he does, and I can not criticize him for it; but I would like to keep the way open so that the conferees at least can provide for this second polar program.

Mr. JONES. Let me suggest to the Senator that some item covering the matter could be put in the deficiency appropriation bill, which will be acted upon, of course, before the session is over. To add $30,000 to the bill by this item is for the Senate to act directly contrary to the orders which it gave the Committee on Appropriations.

Mr. FESS. What position would the Senate be in if I asked for an amendment to the amount, recognizing that it is not enough and would amount to nothing? It would leave open the way for the conference to take care of the matter.

Mr. JONES. If the Senator will amend his amendment by making it $1,000, it would be within the 10 per cent cut ordered heretofore by the Senate.

Mr. McKELLAR. Mr. President, if the Senator from Ohio will take that course, or wait until the deficiency appropriation bill comes in, then the matter may be taken care of. I hope he will not upset the plan of the Senate. I have sympathy with the proposal of the Senator from Ohio. The Committee on Appropriations turned down the item long before the bill was recommitted; and yet, as I said to the Senator, I have some sympathy with the proposal. I would like to look into it more carefully, and I hope the Senator will take the course which has been suggested by the chairman of the committee.

Mr. FESS. The only difficulty would be that it would appear that the judgment of the Senator from Ohio might be that $1,000 would be sufficient to do the work, and that would be an outrageous suggestion.

Mr. JONES. It is perfectly clear that $1,000 is not enough to do the work if it is going to be done at all.

Mr. McKELLAR. It seems to me that under the peculiar circumstances that is the course for the Senator from Ohio to take. We are in a bad situation. Let us not complicate it further, but let us see what we can do.

Mr. FESS. My opinion is that it would be very bad psychology for me to do that, and I am willing to let my amendment come to a vote.

Mr. BINGHAM. Mr. President, I have the greatest sympathy for what the Senator from Ohio is seeking to do, and I shall vote for the amendment he has offered; but I do think that the reflections which he made upon the Appropriations Committee, of which I have the honor to be a member, were not justified.

I would like for the sake of the RECORD to call attention to the fact that a number of very important things have been entirely left out of this bill. For instance, an item for the next Pan American conference, which is to be held at Montevideo, Uruguay, and which will be attended by all the countries of the Western Hemisphere, for which an appropriation of $80,000 was provided by the House, has been entirely left out of the bill. It was not the intention of the committee that this action should be any reflection upon that conference or upon the importance of "getting together" with our neighbors on the south. It was merely thought that in these days and under the order of the Senate they ought to cut out the item.

Another very serious cut has been made in connection with the airways. The lighted airways, under the bill as reported by the committee, will have to be reduced. The remark has been made by the Senator from Florida [Mr. FLETCHER] about beacons on the St. Johns River being possibly cut out. I hope under the amendment to which we just agreed, offered by the Senator from Pennsylvania [Mr. REED], that will be avoided. But under the provisions of the bill as it has been reported nearly 2,000 miles of lighted airways will have to be put out of commission because money is not provided for their maintenance. A number of radio operators giving weather reports to aviators as they fly will lose their jobs and their offices will be closed. Lights along about 1,700 miles of airways can no longer be maintained under the bill. It is a very serious situation. It means that pilots flying the mail over these airways will either have to risk their lives by flying in the dark or have to cease operations entirely. That is the kind of thing that has been done in the reporting of the bill. Therefore it does not seem to me the Senator from Ohio is quite fair in the reflections which he made upon the committee.

Mr. FESS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Ohio?

Mr. BINGHAM. I yield.

Mr. FESS. If any suggestion I made was unfair, I withdraw it. What I was concerned about was that I supposed no one had appeared before the committee in connection with the matter; and although an authorization had been granted, the item was omitted anyway. That was the understanding under which I was laboring.

Mr. BINGHAM. I shall be glad to vote for the Senator's amendment, and I only wish we might have had some money for the Pan American conference, but both items were stricken out entirely.

Mr. JONES. Mr. President, there may be some difference of opinion about it, but in my judgment every item cut out of the bill after the 10 per cent order was made was more important even than this one. The question is whether or not we are going to restore this one item and leave all the other items out of the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Ohio. [Putting the question.] The noes seem to have it.

Mr. JOHNSON. I call for a division.

On a division the amendment was rejected.

Mr. CONNALLY. Mr. President, I invite the attention of the Senator from Washington to the fact that a few days ago I gave notice of my intention to submit a motion to suspend the rule for the purpose of offering an amendment for the consolidation of the International Water Commission, United States and Mexico, with the American section of the International Boundary Commission, United States and Mexico. I send the amendment to the desk.

The PRESIDING OFFICER (Mr. FESS in the chair). The amendment will be stated.

The CHIEF CLERK. On page 16, after line 12, it is proposed to insert the following:

That the American section, International Water Commission, United States and Mexico, is hereby consolidated with the American section, International Boundary Commission, United States and Mexico. Hereafter the powers, duties, and functions of such section of such commission shall be exercised by the American section, International Boundary Commission, United States and Mexico.

All records, files, and property of any nature whatsoever (including office equipment) of, and that portion of the unexpended appropriations less $25,000 for the American section of the International Water Commission, United States and Mexico, for the fiscal year 1931–32, are transferred to the American section, International Boundary Commission, and said appropriations shall be immediately available for direct expenditure by the American section, International Boundary Commission, under the direction of the commissioner thereof, and shall continue to be so available until June 30, 1933. The commissioner is authorized to appoint to positions in the American section, International Boundary Commission, such employees of the American section, International Water Commission, or other persons as he may deem necessary in carrying out the provisions of this act, and said commissioner is further authorized to designate and redesignate, as he may determine to be necessary, the duties and headquarters station of all employees under his supervision.

Mr. JONES. Mr. President, the amendment, of course, is subject to a point of order. For that reason, as I understand, the Senator, as he has stated, gave notice that he would move to-day, or when the proper time came, to suspend the rule in order that he might offer the amendment. I myself am perfectly satisfied with the amendment. It will work along economical lines.

Mr. WALSH of Massachusetts. What would the saving be?

Mr. JONES. I do not remember the exact amount, but the adoption of the amendment will result in an economy; it will save some money; and I am perfectly willing for the Senator from Texas to make his motion to suspend the rule, pursuant to the notice given by him, and I am perfectly willing to have the vote taken on that motion without any roll call. Then, if the rule shall be suspended, he may offer his amendment.

Mr. CONNALLY. Mr. President, I move to suspend the rule in order that I may offer the amendment.

The PRESIDING OFFICER. No point of order has been made as yet against the amendment.

Mr. McKELLAR. In order that what the Senator from Texas desires may be done, I make the point of order.

Mr. CONNALLY. I made the motion at the suggestion of the Senator from Washington, who wants to save his face on points of order.

Mr. McKELLAR. In order that there may not be any doubt about it, I make the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. CONNALLY. I now move to suspend the rule pursuant to the notice which I gave.

The PRESIDING OFFICER. The notice submitted by the Senator from Texas will be stated.

The Chief Clerk proceeded to read the notice to suspend the rule submitted by Mr. CONNALLY on the 22d instant.

Mr. JONES. Mr. President, the notice is the regular form provided for the purpose, and I suggest that the reading of it be waived.

Mr. CONNALLY. Very well.

Mr. McKELLAR. Let it be put in the RECORD.

The PRESIDING OFFICER. The notice will be printed in the RECORD.

The notice referred to is as follows:

NOTICE OF MOTION TO SUSPEND RULES

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of Rule XVI for the purpose of proposing to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, the following amendment, viz, on page 16, after line 12, insert the following——

The PRESIDING OFFICER. The amendment has been read.

Mr. CONNALLY. Mr. President, I do not care to debate the amendment, but several Senators desire me to explain it.

Mr. WALSH of Massachusetts. Mr. President, I suggest that the question on suspending the rules may be put, and then the amendment may be debated.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas to suspend the rules in order that the amendment may be offered. [Putting the question.]

There being no adverse vote, more than two-thirds of the Senate voting in the affirmative, the motion is agreed to, and the rule is suspended.

Mr. WALSH of Massachusetts. Mr. President, I suggest that the Senator from Texas now explain his amendment.

Mr. CONNALLY. Mr. President, let me suggest to the Senator from Massachusetts and other Senators that we now have two international commissions that deal with matters between the United States and Mexico. One of them is the American section of the United States-Mexican Boundary Commission and the other is the International Water Commission. At present the same man represents the United States on both commissions; he is American boundary commissioner and also American water commissioner. The purpose of this amendment is to consolidate his forces into one office. It will save the Government money; it will eliminate some of the machinery. I can not tell the Senate just how much it will save, but there is a limitation in line 3, page 2, which provides a saving of $25,000. In other words, the pending bill makes available all the unexpended balance; this amendment makes available all the unexpended balance less $25,000. So the amendment, if adopted, will save the Government at least $25,000.

Mr. WALSH of Massachusetts. Is the salary of the commissioner an annual salary for each position or is he paid on a per diem basis?

Mr. CONNALLY. He draws only one salary.

Mr. WALSH of Massachusetts. For both positions?

Mr. CONNALLY. Yes; for both positions.

Mr. WALSH of Massachusetts. But it will result in the saving of some money?

Mr. CONNALLY. As I understand, it will save at least $25,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas.

The amendment was agreed to.

Mr. NORBECK. Mr. President, I send to the desk and ask for the adoption of an amendment which does not call for an additional appropriation.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 30, after line 8, it is proposed to insert the following:

ONE THOUSANDTH ANNIVERSARY OF THE NATIONAL PARLIAMENT OF ICELAND

The unexpended balance of $3,173.75 of the appropriation of $55,000 contained in the joint resolution approved January 20, 1930 (46 Stat. 57), for the expenses of participation by the United States in the celebration of the one thousandth anniversary of the Alting, the National Parliament of Iceland, is continued available until June 30, 1933, for the same purposes, and for the transportation and subsistence or per diem in lieu thereof (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto) of a representative or representatives of the Government of the United States to make the formal presentation of the statue of Leif Ericsson, including such expenses of entertainment as the Secretary of State shall deem proper.

Mr. JONES. Mr. President, there is an unexpended balance of about $3,000 available, which, under the amendment, is continued. The amendment does not increase the amount appropriated in the bill, and so I do not have any objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. COPELAND. Mr. President, in order that there may be an amendment before us which may be debated, I move, on page 63, line 17, to strike out "$670,000" and insert "$725,000."

Mr. JONES. I make the point of order against the amendment that the committee amendment at that point has already been agreed to.

Mr. COPELAND. Mr. President, I want it understood by all Senators that when we talk here about the amendment which was offered by the Senator from Pennsylvania [Mr. REED], and of which I heartily approve, and think we are going to find money in this already emasculated bill to establish fish-cultural stations and other activities, there will be cruel awakenings. It is all right to have the RECORD show that the appeal was made and the hope expressed that such things might be accomplished, but, of course, they will not be, because there is not money enough in the bill to take care of all these activities, no matter how desirable.

As is well understood, I am here to say one further and probably the last word about the Bureau of Foreign and Domestic Commerce. This morning I received a telegram from Buffalo. That city is interested in this matter, because if this bill shall pass as it is now before us, the office of the Bureau of Foreign and Domestic Commerce there, as well as offices in 18 other places in this country, will be abolished; they will no longer exist.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. COPELAND. I yield.

Mr. WALSH of Massachusetts. I will state to the Senator that I have received similar protests from my State against the possible abolition of some of these offices of the Bureau of Foreign and Domestic Commerce.

Mr. COPELAND. I thank the Senator for the confirmation of my fear. The telegram to which I refer is from the president of the Buffalo Exporters' Association, and no doubt it accords with similar telegrams received by the Senator from Massachusetts. It reads:

BUFFALO, N. Y., *April 29, 1932.*

Hon. ROYAL S. COPELAND,
Senate Office Building, Washington, D. C.:

Appreciate your effort opposing discontinuance Buffalo district office Bureau of Foreign and Domestic Commerce. Our organization, which consists leading exporters of Buffalo, urge you and associates continue efforts. Local office performs indispensable service required by large and small firms alike throughout western New York. Removal of services now would seriously retard rapidly growing export trade from this area.

E. A. FORSYTHE,
President Buffalo Exporters' Association.

Mr. President, I have not before me at the moment the list which was presented here the other day by the Senator from California [Mr. JOHNSON] covering 18 or 20 offices in different parts of the country that will be closed if this bill shall become a law as it now stands in the text before us to-day.

Let me call attention to what is going to happen if the Treasury and Post Office bill should pass as it will have to be written under similar instructions given by the Senate to the committee. It will abolish customs offices in Indiana, Iowa, Colorado, Utah, Nevada, Kentucky, Tennessee, Nebraska, Missouri, Minnesota, Pennsylvania, California, Rhode Island; Rochester, N. Y.; Milwaukee, Wis.; Mobile, Ala.; Hartford, Conn.; Ohio, North Carolina, South Carolina, Texas, Maryland, Georgia, Illinois, Virginia, Michigan, and Washington.

Mr. President, I invited the Commerce Department to give me certain information, and I have that information. I suppose that the Department of Commerce will be criticized, but I asked for this information, and it is perfectly proper for an official of the Government to give information if a Member of Congress asks him for it.

The other day the Senator from Tennessee called the attention of the Senate, after the Senator from California [Mr. JOHNSON] and I had made our representations, in regard to the Bureau of Foreign and Domestic Commerce to the increased appropriations for it in various years beginning with 1921. He pointed out that in 1921 the appropriations for the Bureau of Foreign and Domestic Commerce amounted to $1,211,000; the next year, $1,694,000; then $2,568,000; and so on from year to year, until the present year they have reached the sum of $5,000,000.

I concede that, Mr. President, The record is accurate. The statement of the Senator from Tennessee is correct. It is true that the appropriations for this bureau have increased from year to year until now they are at least four times as much as they were 10 years ago.

That does seem like an enormous increase in appropriations. The casual examiner might regard this is a wasteful use of money and a strange increase in appropriations. But let me show you what has happened.

The purpose of this bureau is to aid manufacturers, farmers, and all producers in this country to find markets abroad for what they have produced here. It is exactly as if a man had a manufactory of furniture, and in order that he might sell his furniture he established showrooms in foreign cities and sent out salesmen to attempt to sell the products of his endeavor.

This bureau has operated in two ways. Through its foreign agencies it has received applications from concerns, establishments, and individuals in Europe stating that a given applicant desired to become the distributor of American automobiles or typewriters or any other kind of factory product, or farm product or foodstuff. Such applications have been brought to the attention of American producers by the foreign offices. The applications have been stimulated by the activities of the agents of the department in foreign lands.

Likewise the local offices in this country have made studies of the various manufacturing and agricultural establishments and institutions and industries in the territories round about the local offices. Perhaps to the local office has gone the man who makes a certain type of shoes or of clothing or of shirts or collars, whatever it may be. This manufacturer has said, "I want to find a market somewhere in the world for these products of mine." By the cooperation of these domestic and foreign offices there have been brought together those on the other side who can use our products and those on our side who make the products.

Let me tell you how popular that has been with our people.

In 1921 and 1922, when the appropriation for this bureau was only $1,211,000, there were 506,000 individual services rendered. That is, 506,000 applications were made by individual concerns for aid in the distribution of their wares. The cost per service then was $2.38.

See how the popularity of this service has increased. See how many more applications have been made for service. It is startling how the demands have grown.

There were 506,000 applications in 1921. By 1923 the number had increased to more than a million—1,169,000. The next year there were 2,000,000 applications. By 1928 the individual services demanded had increased to 3,342,000, and this year 4,000,000 have asked for this service. So, if we take the cost per service, where it was $2.38 10 years ago it has decreased to $1.28 to-day.

There has been that decrease in the cost of individual service because of the demands made upon this bureau. Think of it, Senators! Four million institutions or individuals in this country have made use of the Bureau of Foreign and Domestic Commerce during the past year—4,000,000!

During the past year the bureau has succeeded in establishing 2,873 new agencies and sales connections for American firms as a result of its services. Nearly 3,000 agencies in America made connections with European establishments in order that their sales might be extended by reason of that export service.

During the past year 942,580 trade opportunities were brought to the attention of American exporters. Nearly a million trade opportunities in Europe were brought to the attention of American exporters through the operation of this bureau. Listen to these figures——

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Illinois?

Mr. COPELAND. I do.

Mr. LEWIS. That I might not disturb the presentation of this important question by an independent speech, I take the liberty of offering to the able Senator from New York the full information sent me from my city of Chicago, where the Association of Commerce and the officers of the Continental-Commercial National Bank protest against the omission of this item of appropriation for the Bureau of Foreign and Domestic Commerce on the ground, as they contend, that under the previous system of things the consul represented commerce and to some extent became its advocate, but that now, since we have passed a law that merges the consul into an office where he may any day expect to be made a secretary of legation and therefore a diplomatic officer, he will not deign any further to represent commerce; and therefore we have no representation whatever, as we previously had, by virtue of the new epaulets that have been adjusted to the consul, shifting him into the possibility of a diplomatic career, for which he hopes by day and of which he dreams by night.

Therefore, unless these offices, which are some form of an adjunct to commerce, are in some degree continued, it is represented to me, to bring forth to this honorable body, there would be no one whosoever throughout our European commercial ports to speak in behalf of American commerce.

Mr. COPELAND. I thank the Senator. That bears directly upon the argument I intended to make. What the Senator from Illinois has said so well gives emphasis to my plea.

Let me state that last year we received in this country $57,000,000 in new business, secured for American concerns by the Bureau of Foreign and Domestic Commerce. That was done at an expense of $5,000,000. We received $11 for every dollar we invested. The estimate is that there will be a return of one million and a half dollars in income taxes this year on that same investment of $5,000,000.

Mr. President, it stands to reason that to destroy this bureau is to threaten the life of the American export business. I can not conceive it possible that the Senate of the United States would wish to be a party to that calamity.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. VANDENBERG. Will the Senator permit me to comment on the observation offered by the Senator from Illinois, which at least in some degree must be an inadvertence? The Consular Service of the State Department not only continues to deal in trade reports upon a very substantial basis, it not only continues to make trade contacts, which are reported at a total of $19,000,000 in net advantage to American concerns during the past year, but, in addition, the Consular Service of the State Department, continuing its trade function which it monopolized for so many years, is entirely depended upon by the foreign service of the Commerce Department to formulate the World Trade Directory, which is virtually the Dun & Bradstreet's of the world, involving contacts with 585,000 different foreign firms.

The suggestion I am taking the liberty of submitting, both to the Senator from New York and to the Senator from Illinois, is that there might well be a study to determine whether both of these relatively competitive agencies in the foreign field might not well come to a common basis and be stabilized and unified, so that in all of these respects we have but one spokesmanship beyond our borders.

I thank the Senator for permitting me to make that observation.

Mr. LEWIS. Mr. President, I will ask the Senator to pardon me for making an observation to my esteemed friend from Michigan, to say that as I can not speak of knowledge I can only give the report that the consuls, as the Senator says, make a mathematical and something of a historical report, but the report they make as consuls is gathered from the work done by these commercial individuals of whom the Senator from New York has been speaking; and while the consul assumes to make the report and to take, perchance, the credit of the result, his is but the report of the labors of others, and he has a right officially to present them as the consul. But my eminent friend the distinguished Senator from Michigan fails to observe that it is the report of the consul of what has been done, without any reference or statement of who did it. It is claimed by those who report to me that it is the commercial officials who do it, and the consul merely makes the report of the consequence and the result. I do not know how true that is.

Mr. VANDENBERG. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. VANDENBERG. The Senator from Illinois will readily see that he is describing a precise type of competition which should not exist. If it does exist, as he indicates, that is one more reason why in this economy program the sensible thing to undertake is to consolidate the competing forces of the Government, and thus seek increased efficiency at reduced cost.

Mr. COPELAND. Mr. President, how long would the diplomatic agent abroad have any diplomatic standing if he were using his office to develop business for the United States?

Mr. REED. Mr. President, our consuls abroad, although they are Foreign Service officers, are not considered to be diplomatic officers.

Mr. COPELAND. Nevertheless their work to a great extent is along diplomatic lines. My contention is that if we desire to continue our export business, which even in 1931 was two and a half billion dollars, the largest industry of America, next to agriculture, if we desire to continue that export business and to increase that export business we must have agents on the other side who are devoted to that one thing and nothing else. They should not be diverted at all by the diplomatic activities which are incumbent upon a consul in a foreign country.

Mr. President, I take it the argument made by the distinguished Senator from Illinois is well founded, and certainly his view is the experience and the belief of every export concern I know of in this country. They are begging every-

where that this activity may be continued, in order that this foreign business may be brought to us.

In connection with our export trade, which I have spoken of as, next to agriculture, the chief business of America, there are 1,400,000 workers. More than a billion and a half dollars in wages are paid to the persons engaged in making goods for export trade.

Mr. President, I call attention to this further fact: Great Britain and Canada spend more per capita on export-trade production than the United States spends. Great Britain cut expenses 11 per cent as an economy measure, but did not curtail the expense of activities along this particular line. She made cuts in higher salaries and allowances, but no effort was made to reduce the activities of the British agents developing business for British industries.

I ask that the statement of the facts I have before me regarding the Bureau of Foreign and Domestic Commerce, given to me by the department by request, and also page 3 of the little pamphlet I hold in my hand, which show the relation of the cost of appropriations to the service rendered, be included at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SOME FACTS REGARDING BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Two thousand eight hundred and seventy-three new agency and sales connections made by American firms last year as a result of the bureau's services can be valued at $500 to $1,000 each.

One hundred and ninety-three thousand five hundred sales-information reports distributed annually. Worth $1 each at least.

Seven hundred and thirty-one thousand five hundred and two trade lists distributed.

Nine hundred and forty-two thousand five hundred and eighty trade opportunities brought to attention of American exporters.

Fifty-seven million dollars in new business secured for American concerns by bureau last year. Bureau spent $5,000,000; $11 return for each $1 invested.

One million five hundred thousand dollars estimated income tax on above business.

Two billion five hundred million dollars export trade 1931. Largest industry next to agriculture.

United States leads the world as an exporter despite decline.

One million four hundred thousand workers involved in export trade with more than one and one-half billion dollars in wages.

Nineteen hundred and thirty-one exports declined 37 per cent in value over 1930, imports 32 per cent; on quantity basis much less severe, exports only 20 per cent, imports 10 per cent over 1930. Industrial production fell off 16 per cent; freight-car loadings 19 per cent.

Twenty-five billion dollars in commercial transactions as result of export trade.

Seven million dollars collected annually by Department of Commerce in fees and turned into Treasury.

Twenty-four thousand export firms served currently by bureau.

Forty-six thousand firms make daily use of bureau's domestic trade services.

One hundred thousand dollars' worth of bureau publications sold annually.

Eighty per cent of bureau's services for "little fellow."

Three million nine hundred and sixty-six thousand services rendered by bureau during 1930–31.

Cost per service dropped from $2.38 in 1921–22 to $1.28 in 1930–31.

Appropriations 1930–31 four times 1921–22. Services eight times.

One and one-tenth per cent of total United States Budget for Department of Commerce.

Eleven per cent of total for Department of Commerce for Bureau of Foreign and Domestic Commerce.

Great Britain and Canada spend more per capita on export-trade promotion than United States. Great Britain cut expenses 11 per cent as an economy measure but did not curtail staff or activities. It was applied to cuts in higher salaries and allowances.

One million five hundred thousand dollars contributed by industry for cooperative work with bureau, i. e., Drug Store Survey, 31 trade associations put up $75,000, bureau $25,000.

Details regarding growth of Bureau of Foreign and Domestic Commerce

Appropriations for 1920–21	$1,211,000
Estimated Budget for 1932–33	4,870,000
Increase	3,659,000

But services rendered by Bureau of Foreign and Domestic Commerce increased twice as fast as appropriations:

Fiscal year	Appropriations	Industrial services rendered, representing the "inquiry curve"	Cost per service
1920–21	[1]	[1]	[1]
1921–22	$1,211,000	$306,000	$2.38
1922–23	1,694,000	881,000	1.92
1923–24	2,568,000	1,169,000	2.19
1924–25	2,835,000	2,041,000	1.39
1925–26	2,994,000	2,033,000	1.47
1926–27	3,263,000	2,421,000	1.35
1927–28	3,722,000	2,771,000	1.34
1928–29	4,257,000	3,342,000	1.27
1929–30	4,540,000	3,632,000	1.25
1930–31	5,087,000	3,966,000	1.28
1931–32	5,234,000		
1932–33	4,870,000	[2]	
Increase, 1931 over 1921 (per cent)	[4] 400	[3] 800	[4] 46

[1] No record. [2] Not yet available. [3] Approximately. [4] Decrease.

Mr. FESS. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. FESS. Mr. President, this is the one hundred and forty-third anniversary of the inauguration of George Washington as President of the United States. The situation is not such that I can state what I wanted to say earlier in the day, but I wish to take the privilege on Monday of inserting in the RECORD some very interesting letters of notable contemporaries of George Washington.

I thank the Senator from New York for allowing me to make this announcement.

Mr. COPELAND. Mr. President, I am glad the Senator made the announcement. If George Washington, with his breadth of vision, were alive to-day and here to advise us, I am sure he would be urging us not to make any entangling political alliances with Europe but to get all the business possible from the European countries.

Mr. President, I beg all Senators to give thought to what I have said. I know it is as useless as baying at the moon to make any effort to change the pending bill. It is predestined and foreordained to pass as it has been written. But I do hope that these feeble remarks of mine may be of some use when we come to the conference, and that possibly from the conference may come more liberal support for the Bureau of Foreign and Domestic Commerce.

I do not flatter myself that the amendment presented by the Senator from Pennsylvania, which I fully approved, will in any material way increase the activity of this bureau. But in this time of economic depression in America, American industry and American activities of every sort must be encouraged. Yet by the passage of this bill we are aiding the depression, taking the heart still further from those engaged in business in our country. I am regretful beyond words that it seems necessary that there should be any such economy as this; it is false economy, not true economy.

There are many activities of the Government which can be reduced so far as their appropriations are concerned; but when we do anything to interfere with the spinning of the wheels of the machines in our factories, and the belching of smoke from the chimneys of our factories, we are harming our country. It is the exercise of false economy, which will come back to haunt us.

Mr. WALSH of Massachusetts. Mr. President, I ask to have printed in the RECORD, following the speech of the Senator from New York, some communications which I have received similar to that offered by him.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

BOSTON, MASS., *April 11, 1932.*

HON. DAVID I. WALSH,
United States Senate:

Although believing firmly in governmental economy hope nothing will be done which will cripple the valuable service given by Bureau of Foreign and Domestic Commerce.

EDWIN S. SMITH,
Commissioner of Labor and Industries.

BOSTON, MASS., *April 11, 1932.*

Hon. DAVID I. WALSH,
United States Senate:

The New England Shoe and Leather Association and our manufacturers generally, while believing there is abundant opportunity to eliminate unnecessary activities in most departments of the Federal Government, would be sorry to see any action taken by Congress that would seriously cripple the vital activities of the Bureau of Foreign and Domestic Commerce in its cooperative work with American business.

THOMAS F. ANDERSON, *Secretary.*

BOSTON, MASS., *April 12, 1932.*

Senator DAVID I. WALSH,
Senate Office Building:

While thoroughly in accord with increased Government economy hope you will use all your influence to prevent any panicky action that would cripple Commerce Department; although cost of this department minor factor in Government Budget it is doing wonderful job for American business. Any setback here would be dearly purchased economy.

INTERNATIONAL ASSOCIATION OF BLUE PRINT AND ALLIED INDUSTRIES,
PHILIP B. TERRY, *Vice President.*

SPRINGFIELD, MASS., *April 11, 1932.*

Hon. DAVID I. WALSH,
United States Senate:

Reduction to expenses Government agencies heartily indorsed, but we hope in the case of Department of Commerce reduction will not be so drastic as to eliminate eastern district offices believed to be rendering important service to industry.

SPRINGFIELD CHAMBER OF COMMERCE.

NEW YORK, N. Y., *April 11, 1932.*

Hon. DAVID I. WALSH,
United States Senate:

Understand Senate contemplating reducing appropriation available Bureau Foreign and Domestic Commerce. Respectfully urge you refuse reduce their already small appropriation still further.

C. A. RICHARDS,
President C. A. Richards (Inc.),
Export Distributors for United American
Bosch Corporation, Springfield, Mass.

BOSTON, MASS., *April 11, 1932.*

Hon. DAVID I. WALSH,
United States Senate:

While I believe strongly in economy and all possible reduction of expense, it seems to me that the proposed reduction in appropriation for Bureau of Foreign and Domestic Commerce is relatively excessive and will seriously cripple the good work being done. I commend the matter to your careful consideration.

FRANKLIN W. HOBBS.

NEW ENGLAND COUNCIL,
Boston, Mass., April 16, 1932.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Being in position to know the nature and value of the work of the New England office of the United States Bureau of Foreign and Domestic Commerce, we have to-day telegraphed certain Senators as follows with reference to the Department of Commerce appropriation bill now pending:

"While New England industry and business generally earnestly desire balancing of the Federal Budget and look to the Congress to achieve this as promptly as possible, we urge that provision be made for continuance of district offices of the Bureau of Foreign and Domestic Commerce on a basis that will not entirely deprive business of the practical and valuable assistance they render."

This telegram was sent to Hon. REED SMOOT, chairman Finance Committee; Hon. WESLEY L. JONES, chairman Appropriations Committee; Hon. HIRAM W. JOHNSON, chairman Commerce Committee; Hon. ROBERT M. LA FOLLETTE, chairman Committee on Manufactures.

Sincerely yours,

DUDLEY HARMON,
Executive Vice President.

BOSTON, MASS., *April 12, 1932.*

Hon. DAVID I. WALSH,
United States Senate Chamber, Washington, D. C.

MY DEAR SENATOR WALSH: I have been reading with a great deal of interest the comment that is emanating from Washington relative to the colossal task that is now confronting you gentlemen in the balancing of the National Budget. I thoroughly realize that you are bombarded from all angles with suggestions as to what you should do and what you should not do, and in sending you the word I am now sending, I do so with the sole thought in mind of possibly being helpful in offering information as to something I come in personal contact with practically every day in the week.

I am particularly concerned with the rather drastic cut that is contemplated in the provision for district and cooperative offices of the Department of Commerce. To the merchants of the country these offices have been of distinct value, and I think I am fairly safe in saying that they render more dollar for dollar value than any other governmental activity.

Their business is strictly in the promotion of American trade, both domestic and foreign, and in coming in contact with both domestic and foreign trade, such as I do in my business every day, I have come to look on the district office in Boston as an absolute essential to the proper conduct of trade. As an instance of the value of the district office in Boston, changes are taking place almost momentarily in regulations made by foreign countries as to what they will or will not admit into their country, whether or not the government of any particularly country will allow funds to go out in payment for American goods, changes in rates of duties and what not, all of which information the district office of the Department of Commerce keeps on file for immediate reference, and I very much fear should this service be too seriously curtailed it would work a real hardship on manufacturers in this district, attempting to properly conduct their trade abroad.

For instance, it has not been so long ago that one of our clients was sending a rather large order to Chile. Before letting the order go out, we checked up with the Boston district office of the Department of Commerce and discovered that the Chilean Government had put in a regulation whereby the consignee in Chile could only secure the permission of his government to pay the invoice on this merchandise at the rate of 2 per cent per month, and that if the shipper had made the shipment, he would have had to wait two years for his money. When I got this information, he decided not to ship, and it was a distinct saving of time and money to have such information available.

Of course, it could be said that such information could be obtainable from Washington if there were no such thing as a district office in Boston, and it is probably true, but it is much more convenient, and, in my humble opinion, much more economic that such information be readily available for people in a particular district rather than have to go to Washington for every bit of information that is needed.

As I started out to say in the beginning of this letter, I do not want to take the position of "viewing things with alarm" or burdening you with personal suggestions, but I think you would find on a check up that the sentiments I have set forth in this letter as to the real usefulness of some of the efforts of the Department of Commerce will be agreed to by practically all manufacturers and shippers in the New England district.

This letter is written with the idea of putting information in your hands as to the practical usefulness of something that should be retained if it is at all possible to do so and consistent with the attitude you are taking in regard to the momentous question that is placed on you to decide.

With cordial good wishes, I am

Very sincerely yours,

D. C. ANDREWS & Co.
By A. J. KELLEY, *New England Manager.*

LAWRENCE, MASS., *April 25, 1932.*

Senator DAVID I. WALSH,
Washington, D. C.

HONORED SIR: Am inclosing an editorial from the Telegram regarding the work of the Commerce Department at Boston that might be interesting.

Respectfully,

R. W. EMERSON,
Editor Telegram-Sun.

[From the Lawrence Telegram, April 21, 1932]

AS WE SEE IT

After all, have you ever realized the personal service the Federal Government gives to its citizens? As a general rule we consider Washington too far away to be of interest except once in four years, when the President is elected, and occasionally when some discussion is up in Congress in which we are interested. As far as personal service is concerned, very few people realize there is any such animal. But some people have discovered the difference. Suppose you wanted to ship a Christmas present to some friend in another country. How would you learn of the procedure to send it and whether there is a duty to pay? Some time ago a man wanted to send a piano to his son in Italy. The son preferred an American make and the father desired him to have it. There are a large number of such nice and interesting questions that puzzle the people here, and many of them let the question slip because they do not know how to secure the information.

Washington is too far away, there is too much trouble to write, and no one would pay attention to a question anyway. That is the reaction of the average citizen. But you would be surprised to know that up in the tower of the customhouse in Boston there are offices that are busy every day answering simple questions, but questions of real interest, sometimes vital interest, to the one asking them. Some of these questions require patience, but they are answered by the Department of Commerce representatives.

While talking with an official there recently the phone rang. Only part of the conversation was heard in the office, but apparently the question was answered more readily than the inquirer expected. The inquirer desired to ship something to Canada and wanted to know the duty he would have to pay. Instantly the answer went back over the wires: "The duty will be 35 per cent, plus an excise tax of 6 per cent and a sales tax of 3 per cent." How could the man in the customhouse tower be so sure? He laughed and said he had answered the same question a dozen times that day. And there are plenty other questions.

A man came in who planned to move to Canada. He wanted to know about duty on the property he desired to take and about

an automobile. It took less than five minutes for him to learn that his personal property was not dutiable, but there was a question regarding the auto. If he had owned it six months, there was no duty. He was planning to buy an auto. Well, in that case it could not be a secondhand car, for they are not admissible for settlers, and a new car is subject to duty, plus excise, plus sales tax.

Of course, people and firms in trade understand the great service rendered by this department regarding conditions throughout the world. So complete is the information that there is no trouble to learn of markets in far-off Australia, China, or New Zealand. Department agents throughout the world gather this data for the benefit of the American manufacturer. At the same time, it is gathering a vast amount of information for any citizen who can use that information to advantage.

There are able men who are devoting their time and energy in assisting American industries on the road to prosperity. The prospect of trade expansion, building better local markets, the understanding of the market for the special product of the firm, and a score of others dealing with the intimate business in which a particular firm is engaged. Many a puzzling problem to a new, and often established, firm is solved through the aid of the department.

Possibly there is no more valuable service to the people of this country than that freely given by the Department of Commerce. During this period of world depression the department is of valuable service in advising manufacturers and shippers in their many problems. In fact, this department can be of still greater service with more able and experienced men at its disposal. It is in reality one Government service that is established to aid our industry and trade through such periods as we are passing, and do it safely.

It would naturally seem that, at the present moment, the department is of more importance than at any time of its existence. Foreign trade is important, but it must be safe and productive. Not only the major industries but there are many, many ways in which it helps the little industry; the one just beginning. It works on the theory that there are experiences that can be of value to the man just starting or developing a manufacturing plant. There are the vital questions of market, appropriation of effort and finance, and others, which may mean the difference between success or failure of the enterprise.

It would appear reasonable to presume that the best course for the Government, at this time, is to expand the service of this one department, because of the immense assistance it can be to our depressed industry. Our business men do not require so much help during prosperity. It is then that most any business runs itself. But, it is in times like these that greater effort on the part of the Government should be made to encourage and promote, through proper advice and experience, all industry.

Perhaps you do not know it, but there are services offered by the Federal Government that have the personal touch for every citizen of the country.

The PRESIDENT pro tempore. The bill is on its second reading and still open to amendment. If there be no further amendments to be offered, the question is, Shall the amendments be engrossed and the bill read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MEMORIAL

Mr. WALSH of Massachusetts presented a telegram in the nature of a memorial, signed by Franklin Reece, the Reece Buttonhole Machine Co., and sundry citizens (being manufacturers) of Boston, Mass., protesting against abandonment of the general manufacturers' sales tax in the pending tax bill and indorsing the economy program, which was referred to the Committee on Finance.

TAX ON IMPORTED WOOD PULP

Mr. HASTINGS presented a telegram from the Jessup & Moore Paper Co., of Wilmington, Del., favoring the imposition of a tax on imported wood pulp, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

WILMINGTON, DEL., *April 30, 1932.*

HON. DANIEL O. HASTINGS,
United States Senate, Washington, D. C.:

Understand some doubt whether Finance Committee will recommend tax on imported wood pulp to offset depreciated currency foreign nations off gold standard. Foreign pulp now delivered in this country much less cost than domestic manufacture. We have been obliged shut down our Maryland pulp mill indefinitely. Unless some relief is given immediately we must close our Delaware pulp mill employing several hundred men. Our Delaware mill operating only two days a week. Our former customers buying foreign pulp at low prices. If our pulp mills shut down permanently the farmers and producers in Delaware will have no market for pulpwood. Please confer with Senator JONES and try to help us.

THE JESSUP & MOORE PAPER CO.

SUPREME COURT OF THE PHILIPPINES

Mr. BINGHAM. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Manila High Court Ceases to Function," and ask that it be referred to the Committee on the Judiciary, with the request that they hasten consideration of the nominations of judges for the Philippine high court.

There being no objection, the article was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

MANILA HIGH COURT CEASES TO FUNCTION—WASHINGTON SENATE'S FAILURE TO CONFIRM SIX APPOINTEES LEAVES QUORUM LACKING—TRIBUNAL TO BE ENLARGED—TWO OF THE ORIGINAL NINE RECENTLY RESIGNED AND ONE DIED—ONE APPOINTEE OPPOSED

MANILA, April 29.—The Philippines were left to-day without a functioning supreme court.

The complication, which had been foreseen as a result of the failure of the Senate in Washington to confirm the new appointees, was precipitated when the court held its final session under its old organization with a membership of nine.

The death of Justice Charles Johns and the resignations of Justices Findlay Johnston and Norberto Romualdez left the court only seven members, one of whom is Acting Justice Carlos Imperial, who is filling the vacancy created by the death of Justice Johns.

Justice Ostrand was on a vacation in the United States, thus leaving the strength for the summer session at five.

The present impasse arose as a result of the legislature's action last year in raising the membership to 15. The supreme court is the only appellate body in the islands and was hopelessly overworked.

The first six appointments to fill these places were allowed to lapse in the Senate because of political pressure. Three new appointments were made recently, but confirmation of these also failed.

The court must take an enforced recess until July, since it now requires nine for a quorum, and unless the appointments are confirmed in the meantime the Philippines will continue without a supreme tribunal.

Agitation for action by the Senate on the new Philippine Supreme Court appointees has grown since the resignation of Justice Romualdez on March 16, when it was foreseen that a quorum would be lacking for future sessions.

Delay in the Senate has been attributed in part to opposition to José Abad Santos, one of the appointees. Newspapers have opposed him because he defended a drastic libel law recently passed by the legislature. He was accused by a Manila lawyer of using his position as secretary to Justice Romualdez to influence the trial of an embezzlement case. He filed an action for libel against his accuser.

REPORTS OF COMMITTEES

Mr. KEAN, from the Committee on the District of Columbia, to which was referred the bill (S. 99) to amend section 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913, reported it with an amendment and submitted a report (No. 624) thereon.

Mr. NORBECK, from the Committee on Banking and Currency, to which was referred the bill (S. 4291) to amend section 5219 of the Revised Statutes, as amended, reported it without amendment and submitted a report (No. 625) thereon.

Mr. HASTINGS, from the Committee on the Judiciary, to which was referred the bill (S. 3938) to provide for the transportation of certain juvenile offenders to States under the law of which they have committed offenses or are delinquent, and for other purposes, reported it with amendments and submitted a report (No. 626) thereon.

He also, from the same committee, to which was referred the bill (S. 4020) to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict, reported it without amendment and submitted a report (No. 627) thereon.

BANKING ACT OF 1932

Mr. NORBECK submitted the views of the minority of the Committee on Banking and Currency to accompany the bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, heretofore reported from that committee without amendment, which were ordered to be

printed as part 2 of Report No. 584, and to be printed in the RECORD, as follows:

[Senate Report No. 584, pt. 2, 72d Cong., 1st sess.]

OPERATION OF THE NATIONAL AND FEDERAL RESERVE BANKING SYSTEM

Mr. NORBECK, from the Committee on Banking and Currency, submitted the following views of the minority (to accompany S. 4412):

The Senate Committee on Banking and Currency has had under consideration S. 4412, "To provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes," and reported favorably thereon on April 22, 1932 (Rept. No. 584).

On behalf of the minority of the members of the Senate Committee on Banking and Currency, I am making this report in protest against the proposed extension of branch banking, without taking issue with the distinguished author of the bill, Senator GLASS, on other matters in the bill, in most of which I heartily concur, and some of which I deem very important.

In speaking of our banking system, we must keep in mind that we have (1) a system of national banks chartered and supervised by the Federal Government; (2) we have a competitive system, that of State banks, chartered and supervised by the States.

There is difference of opinion among well-informed people as to their comparative merits, and certainly there is a great desire on the part of certain people to wipe out the State banking system. What can not be done directly by law may be done by giving the national system such an advantage that the competitive State system can not exist.

Aside from the two general classifications, we might make further classifications, as follows: Unit banks, chain banks, group banks, and branch banks.

A unit bank may have a National or State charter. It is generally defined as an institution which is owned, controlled, and operated by residents where the bank is located, and has no affiliated institutions. This is the typical American bank.

The term "chain bank" is generally applied where two or more banks are owned and controlled by one individual and partnership (without a holding company or more centralized control).

"Group bank" is the proper term for institutions that have been growing up in many sections of the country of late years. If not a violation of law, it is certainly an evasion of law. A holding company is generally organized for the purpose of owning and controlling these banks. As a rule, the holding company owns over 90 per cent of such bank stock, but there remains a local organization and a local board of directors, subject, however, to the control of the holding company, which is located in some central place.

It is a well-known fact that shares in a bank carry a double liability with them on the part of the stockholder. As a rule the shares in a holding company do not carry this extra liability, though there are a few notable exceptions to this practice. I have in mind especially the Detroit group, who appeared before this committee and explained their system.

Branch banking is where a parent bank has one financial structure from which it operates the several branches or offices under set rules and instructions issued by the head office. The officers of the several branches have very limited powers of discretion.

FAILING PRICES

Since the war there has been a continual shrinkage in values and this has put a great strain upon our banking structure. Numerous failures have been taking place, and those, who for different reasons prefer the chain bank with the central control, are continually pointing to the banking systems of other countries. But all things considered, the American system has held up wonderfully well. Our Government has not come to the direct aid of our banking structure, such as has been the case in many European countries, where the governmental form of banking exists, where the taxpayers took the losses.

We are often reminded of the losses suffered by depositors in this country. That is true, and it is deplorable; but it is not fair to point to other countries for comparison. The American dollar is still at par, while the bank deposits in foreign lands have dwindled in proportion to the shrinkage of their currency value; in Canada it is 20 per cent, and in France it is 80 per cent. We have much over which to be happy, and do not need to be hasty about importing a banking system from foreign lands.

The so-called safety of the French, Canadian, or English system is simply one of percentage, and we need not be ashamed of the comparison.

It is not believed that the remedy lies in more centralization. When we take the history of the chain bank, group bank, and branch bank, many States in the Union have had debacles which are appalling. The greatest bank failure in this whole depression was in the case of a branch-bank system—a central bank with some 50 or 60 branches. On the other hand, while the losses of unit banks in the United States, due to overbanking conditions and the present financial situation, have been devastating, we have no assurance that such a condition may not arise again under a different form of banking, as each generation must learn its own lesson, and human nature, as a rule, has never been able to capitalize 100 per cent from the mistakes of the past.

BRANCH BANKS

Advocates of the branch banking system ignore the fact that such a system has never been tried in a country of 120,000,000 population 3,000 miles across. They ignore the tendency in this country to centralize control of everything, and especially of credit. I believe the branch banking system would put us at the mercy of the financial centers.

THE CANADIAN SYSTEM

We hear much about the Canadian system, which is the outgrowth of the British system, but we hear only the good side of it. However, we occasionally run across something suspicious even in these presentations. We are told that Canada has only 11 banks, with an average of about 400 branches, and that there have been no failures. This statement is not in accordance with the record, for they have had numerous failures.

An advocate of the Canadian system in a recent magazine article said they had had only 16 failures in 62 years. The branches are not counted when the failures occur, but let us take them at their own statement. They have 11 banks and they have had 16 failures; that is more than a hundred per cent.

We are told that these 11 Canadian bankers have during the last few years had a smaller percentage of failures than the banks in this country, and I think that is true. But we have a large number of banks in this country that have had no failures, and certainly we have one banking system here, not above referred to, that has gone through entirely without losses, and it has done an enormous banking business. The worst thing that can be said about it is that it has not furnished accommodation to the communities where the deposits were received. They have taken no risk. They have not been interested in building up the communities. If we had only such a system, we would make no progress in our development; we would slow down—we would come to a standstill. The system is the nearest comparable to the Canadian system. I have reference, of course, to the postal savings bank that drains the community dry of its cash.

One of our distinguished Senators, who has spent a great deal of time in Canada, told me privately he believed the natural resources of Canada were equal to those of the United States. Their growth has only been one-tenth the growth of the United States. I believe we are much indebted to the unit banking system for this difference.

I feel that section 19 of the Glass bill should be eliminated in its entirety. There is a movement on foot to control the banking industry of the United States by centralization. This movement might be termed not only national but international. Of late years this movement has been becoming more evident. The only way it can be accomplished, apparently, is through nation-wide branch banking and the complete elimination of the unit bank.

The unit banker has had a most prominent place in the development of the United States. By reason of his individualistic characteristics he has been able to mold himself to meet any possible situation. It has been through his foresight, strength of character, and belief in these great United States of ours that our country has become the foremost in commerce and industry. His endeavors have been most outstanding. The history of our country might have been different if our banking system had been controlled from Washington or New York.

Our dual system of banking has been one of the great motivating factors in making the United States the outstanding country that it is to-day. Our country is too large, too widely diversified, to expect one banking system to be so versatile as to deal with so complex a situation efficiently. The American people are individualistic and so should be our banking structure. The unit bank has a most definite position in our national welfare.

Two reasons have been advanced why we should have one system of banking:

First. The commerce of the United States should be financed in an orderly manner; must have a uniform system of banking under Federal supervision. Our past history does not prove the necessity of the same.

Second. That the Federal Government can not rely upon the voluntary cooperation of State banks and trust companies for the execution of a national policy. The record is clear that there has never been a time when the unit bank or the State chartered institutions have not upheld the hands of our Government.

The placing of our banking structure with the now overburdened bureaucracy in Washington is in direct violation of the principle of State rights. So far no tangible evidence has been offered that the passage of this section would be of value to the rank and file of our citizenry or would meet and stabilize the present situation. We have always the matter of politics, change of administration, Government in business, which can not be overlooked. History repeats itself.

The past several years a large amount of propaganda has been fed to the people endeavoring to educate them to national branch banking, and while the resolutions of some of our financial organizations were rabid in their opposition to branch banking, owing to steady pressure from without and within, their position has been gradually changing.

This plan appears to be a part of the preconceived plan for the elimination of the unit State bank and placing the control of our banking structure in financial centers. Those interested in controlling the banking structure of our country will find it far more easy to handle Washington than some 19,000 different banking corporations scattered throughout the United States. When banking and credit are centralized in a few hands, it is easier for

the powerful to get control of such corporations. In fact, Mr. Whitney, president of the New York Stock Exchange, testified before the Banking Committee that with good dollars he could "go out and buy every corporation in the world," and there seems to be no limit to the number of good dollars they control. This is most true.

DEMANDS FOR MORE POWER

Congress first allowed the national banks to have branches within the city in which they were located. The next step was to allow branches in metropolitan areas. Now the demand is made that we have what will mean nation-wide branch banking in its entirety, and plans have been offered which can be utilized in eliminating every unit bank by direct congressional action.

It is in the interest of the United States that a banking monopoly should not be created. The theory of siphoning credits through a branch-banking system has been exploded. Theoretically it functions perfectly until under pressure the pipe springs a leak. When the unit bank closes there is merely a "pop"; when a system of branch banks closes it is a detonation.

We only have to look back to the history of the endeavor to renew the charter of the Bank of the United States, with its branches in the then leading cities, during the Presidency of Andrew Jackson, to prove now, as then, that a banking monopoly headed in at Washington is not for the best interests of the citizens of the United States.

The placing of more power in the national-banking system is dangerous. Additional powers given this system would not redound to its benefit unless it is coupled with legislation that will cripple or eradicate our present State-chartered institutions. This fear of centralization in the hands of a few is possibly one of the factors behind the popularity of State-chartered institutions and general satisfaction of our dual system of banking.

The following figures speak for themselves:

On December 31, 1931, there were in the United States 194 private banks, 587 mutual-savings banks, 546 stock-savings banks, 1,245 loan and trust companies, and 11,240 State banks—total, 13,812.

The national system had 6,368 banks, with capital from $10,000 up, of which less than 225 had a capital of $1,000,000 or over.

As of the same time, national banks had on deposit $19,210,000,000, which included $260,000,000 of funds of the United States; while deposits of State-chartered institutions were $30,486,000,000—a difference of $11,175,000,000 in favor of State-chartered institutions.

Now as to capital structure. State-chartered institutions had $175,000,000 more than national banks and a surplus of $1,700,000,000 in excess of those of national charter. In other words, State-chartered institutions had more millions of surplus above the amount of surplus of national banks than the total aggregate of capital and national banks.

Further, take the period from March 25, 1931, to December 30, 1931. We find that during the intervening period the deposits in national banks decreased $3,100,000,000, while deposits in State-chartered institutions decreased $3,700,000,000. The per cent of decrease in each instance is: National banks, 13 per cent; State banks, 8 per cent.

Now, further, a comparison of national bank suspensions and State bank suspensions:

In 1931, prior to the figures cited above, there were 409 bank suspensions, as against 161 for the year 1930, or an increase of 154 per cent. While the State-chartered institutions had 1,809 suspensions in 1931, as opposed to 1,128 in 1930, or an increase of 60 per cent, there were reopened in 1931, 25 national banks and 250 State-chartered institutions, or 10 to 1. In 1930 there were reopened 5 national banks and 140 State-chartered institutions.

Now as to deposits. Time deposits in national banks, including deposits of the Post Office Department in national banks, in December 30, 1931, were $7,594,000,000, as opposed to time deposits in State-chartered institutions of $18,430,000,000, or, roughly speaking, 2½ to 1 in State-chartered institutions. In the Postal Savings System, at the end of the last fiscal year, June 30, 1931, there was on deposit averaging $500 for each depositor, an aggregate of $347,000,000, an increase of $172,000,000 for the Government's fiscal year. Eight hundred and ten million dollars of the deposit shrinkage in State-chartered institutions were in savings accounts. The number of savings depositors decreased by one and a half million. Now, obviously, the million and one-half depositors who ceased having savings accounts in State-chartered institutions did not rush to the post office, for the increase in the number of postal savings depositors during the same period was 304,000, or less than one-fifth.

LIQUIDATING CORPORATION

It is hoped that a liquidating corporation will be the means of more prompt payment to depositors of some substantial part of their equity as soon as a bank is closed. It is not a guaranty of bank deposits, though it may point in that direction and, therefore, be subject to much criticism.

GUARANTEE OF DEPOSITS

The State banking system is threatened from another angle, and that is the great demand now on the part of the national banks to have guarantee of deposits. The request is based on the plea that it will restore confidence; but I do not hesitate to say there are national banks that would like to unload their losses on the Federal Treasury, and among them are some large ones; and where the bank is a large one, the taxpayer would be assuming a big burden. One of the purposes is to give the national bank a certain advantage over the State bank and destroy our dual system of banking. It is an indirect and an insidious way to do that which they dare not attempt to do directly.

The writer believes that guarantee of deposits may sometime become a reality, but it is quite convincing from the experience of many States that tried the bank guaranty law that a more careful approach to the subject must be made, and certainly it must be considered a form of insurance; therefore the two fundamental principles of insurance must be recognized: (1) No loss must be underwritten which can not be paid; (2) no risk should be assumed at 100 per cent value—75 per cent would be a safer figure. The depositor who could get 75 per cent cash would be fortunate indeed compared to some of those who wait many years on the slow liquidation of a receiver.

There are members of this committee who favor guaranty of bank deposits who would hesitate now to have the Government take over bank losses and also to destroy the State banking system, for State banks would not be included in the program for guaranty.

The depression started in agricultural sections brought down thousands of banks. These people have taken their losses. They protest against helping to pay the losses that are now threatening other sections.

PETER NORBECK
(For the minority).

ENROLLED BILL PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 29th instant that committee presented to the President of the United States the enrolled bill (S. 194) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLETCHER:

A bill (S. 4539) granting an increase of pension to Nathan J. Barwick; to the Committee on Pensions.

By Mr. LEWIS:

A bill (S. 4540) granting an increase of pension to Kittie B. Campbell; to the Committee on Pensions.

By Mr. ROBINSON of Arkansas:

A bill (S. 4541) granting a pension to Lizzie Knight; to the Committee on Pensions.

By Mr. NORBECK:

A joint resolution (S. J. Res. 151) relating to the manufacture of grasshopper poison; to the Committee on Agriculture and Forestry.

RADIO ADDRESS OF EX-SENATOR JOSEPH I. FRANCE

Mr. HARRISON. Mr. President, I ask leave to have published in the RECORD a radio address delivered by ex-Senator Joseph I. France, of Maryland, April 22, 1932, on the Coercive Power of Federal Patronage and Legality and Moral Force of the Preferential Primaries for the Nomination of Candidates for the Presidency of the United States.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

THE COERCIVE POWER OF FEDERAL PATRONAGE AND LEGALITY AND MORAL FORCE OF THE PREFERENTIAL PRIMARIES FOR THE NOMINATION OF CANDIDATES FOR THE PRESIDENCY OF THE UNITED STATES

It has been repeatedly stated that it would be impossible to prevent the renomination of Mr. Herbert Hoover for the Presidency at the next Republican National Convention. Why? Is it because he has made himself popular? No! Is it because his administration is a success? No! Is it because his renomination is desired or thought advisable by the outstanding party leaders? No! It is boldly stated that he will be able to force his renomination through the use and abuse of Federal patronage. How is the power of this Federal patronage exercised? Mr. Hoover implicitly demands that those who have been appointed by him to lucrative Federal positions lay aside the high and important duties, as servants of the Republic, and devote themselves to pernicious, vicious, and possibly illegal activities to promote his renomination. Thus we find the Postmaster General enjoying a high and responsible position and a large salary laying aside his duties and devoting himself to the fine art of political manipulation to secure the renomination of his Chief, by whose grace he holds office. Thus we see, in the State of Maryland, the collecter of internal revenue, Mr. Galen L. Tait, devoting his time, which belongs to the people of the United States, to the perfecting of an organization in the State of Maryland to secure the renomination of Mr. Hoover. By his very official position the collector of internal revenue, by implication, may exercise a certain coercive power over the electorate. He receives the income-tax blanks, collects the revenue, and has general supervisory powers and some discretion as to whether

he should receive those returns as regular and just. As collector of taxes he is in a position of power.

Under all the ancient oppressive governments of earth the tax-gatherers have been the oppressors of the people. Under this new scheme of things the collector of internal revenue is not merely the head of a large organization of subordinates who aid him in the collection of taxes, but through his coersive power over them he makes himself the head of a powerful political organization. Such action can not be defended as moral. It is a question whether it could be defended in a court of law. If, however, the collector of internal revenue, at the time when he appoints a subordinate, demands a resignation in blank in order that he may be able to control the subordinate's political activities, he is then committing a criminal act. I asked a prominent politician this afternoon if the Hoover people had opened any headquarters here. He said, "No; they have no headquarters except the custom-house. Mr. Taft's offices are headquarters."

Moreover, it is believed that in certain instances the promise of office is being used contrary to law to control the political activities of certain citizens. It is reported that the postmastership at Baltimore is being kept vacant and that it has been hinted to a number of aspirants that each may have a chance of appointment. The same condition has been reported concerning other promises of reward. Thus they hope to assist the candidacy of Mr. Hoover by dangling lucrative offices and juicy political plums before the noses of those to whom office means more than an efficient and uncorrupted Republic. By such methods Mr. Taft was renominated in 1912 over that valient champion of good government—Theodore Roosevelt. In the subsequent election Mr. Taft carried but two States. A prominent nominal supporter of Hoover, in answer to a question as to whether Mr. Hoover could be re-elected is quoted as saying, "Mr. Taft carried Vermont and Utah, but Mr. Hoover will not do as well. He will lose Utah."

Such political methods as this resulted in the enactment, by several of the States, of presidential preference primary laws.

There has been a studied and continuous propaganda for weeks, emanating from apparently some one source, to the effect that the preferential primaries in the States for candidates for the Presidency of the United States are not binding. This statement has been so persistently presented to the American public in all of the press articles concerning the popular vote in the States that it becomes glaringly apparent that there are selfish and sinister motives involved, if not the malicious intent to becloud the issue and minimize the sacredness of the ballot in giving expressions to the will of the masses of our people.

In many of the States laws were enacted; the processes of election set up with all the formality of filing candidacies under strict stipulations as to the required number of voters in each State to sponsor each candidate. The elections have been held and are to be held under the strictest legal procedure as provided in the statutes of the States, but it becomes the duty of certain political headquarters to announce that the results of such elections are not binding upon the delegates elected to the national conventions.

Such interpretation of the laws of the States makes them not only a work of deception, if the interpretations are held to be true; not only a camouflage that would direct the public mind from the successful candidate under the preferential primaries; but, more than that, they make the procedure a violation of every moral and ethical principle and a mockery of justice.

In announcing my campaign for the Republican presidential nomination I did not leave the American people uncertain as to my principles, my ideals, and my practical platform of action. There is no public question confronting the masses to-day on which there may be doubt as to my position.

Under the orderly processes of law, those who have sponsored my candidacy have carried out the requirements of the law and my name has been filed in most of the States where preferential primaries are held.

In North Dakota, with 11 votes; in Illinois, with 61 votes; in Nebraska, with 19 votes, three States where the primary elections have been held, my name was filed by my adherents, and the proper official of each of these States must certify my name to the national convention as the popular will of the people in the preferential election for the Republican presidential nomination. In like manner in the other States where the preferential primaries are to be held, the will of the people must be certified by the States to the national convention. In an opinion rendered by the attorney general of the State of Nebraska, he states "There is a moral obligation on the part of the delegates to vote for a person indorsed for President in the primaries."

In an opinion rendered by the attorney general of the State of Illinois, under date of April 14, he quotes paragraph 393 of chapter 46, Smith-Hurd's Revised Statutes, 1931, which is section 29 of the primary law, and reads in part as follows:

"*Provided*, That the vote for President of the United States, as herein provided for, shall be for the sole purpose of securing an expression of the sentiment and will of the party voters with respect to candidates for nomination for said office, and the vote of the State at large shall be taken and considered as advisory to the delegates and alternates at large to the national conventions of respective political parties; and the vote of the respective congressional districts shall be taken and considered as advisory to the delegates and alternates of said congressional districts to the national conventions of the respective political parties."

The deputy attorney general of the State of Maryland in an opinion rendered April 14 said:

"The results of a presidential primary election in this State are binding upon the delegates elected to the State convention, and also the delegates selected by the State convention to the National convention." And further, "the delegates of such party selected by such State convention to the national convention of such party from the State of Maryland shall be instructed and bound to vote as a unit in the national convention for such candidate for President so selected as the choice of the State of Maryland as aforesaid, and such delegates shall continue to vote in such national convention for the choice of the State of Maryland as aforesaid for President as long as in their conscientious judgment there is any possibility of his being nominated."

In the State of Ohio each candidate for election as a delegate or alternate files, along with the declaration of candidacy and certificate, a statement in writing in the following form:

"I hereby declare to the voters of my political party in the State of Ohio that, if elected as delegate to their national party convention, I shall, to the best of my judgment and ability, support that candidate for President of the United States who shall have been selected at this primary by the voters of my party in the manner provided in this chapter as their candidate for such office."

And the attorney general of the State of Ohio in an opinion has said:

"The Secretary of State shall canvass the returns in the manner provided by law for canvassing the returns in the case of candidates for nomination to State offices, and shall forthwith certify the results of such canvass as regards the candidates for nomination in such political party to the persons chosen as delegates or alternates to the national convention of such party."

Invariably the opinion is expressed on the highest authority of the officials of the States that there is the moral obligation for the delegates elected in the preferential primaries to vote for the candidates for President, under the instructions of the people, as expressed thrcugh the ballot, a procedure which is the very bulwark of the fundamental principles of the Republic as enunciated in the Declaration of Independence, in the Constitution of the United States, and in the State papers of the Chief Executives of the Nation who have upheld the principles and doctrines of government formulated by the fathers of the Republic.

Notwithstanding the studied propaganda to which I have referred, in the eleventh hour, so to speak, prior to the primary in my own State—the State of Maryland—Mr. Hoover, the present incumbent of the high office of President, has filed; and notwithstanding further that in all the other States he has not had the courage to submit his cause to the popular vote of the people. He did not file in North Dakota. He did not file in Illinois nor in Nebraska. My name was filed and the votes of these three States in which the primary elections have already been held belong to me by every legal process of the State and by every moral obligation. Mr. Hoover would not file in Pennsylvania. He did not file in Ohio. He did not file in New Jersey. He did not file in West Virginia. He did not file in Oregon. In those States my name was filed by my adherents, under due processes of law. The time limitation for filing having expired, the votes of those States will be certified to the national convention and under legal processes and by moral right the votes of the delegates of those States must be cast in favor of my nomination.

If the preferential primary votes in all of the other States are not binding, then why should Mr. Hoover file in Maryland? Is Maryland the only State where the primary is binding? Is it on the theory that the preferential primary in Maryland will be binding but in all the other States not binding?

It has been asserted by certain party leaders supposedly representing Mr. Hoover that the votes in the other States where the preferential primaries have been held and are to be held, notwithstanding the will of the people, will be whipped into line and cast in favor of Mr. Hoover. Have we reached the time in the United States when our moral fiber is so weakened that the President of the United States would commit the immoral act of demanding or even accepting the votes of the delegates that are legally and morally bound to another? It is being openly stated that the delegates to the Maryland State convention have been pledged, before their nomination, to support Mr. Hoover, regardless of the popular vote. In other words, when I win the votes of the people of Maryland indorsing my candidacy, is it the purpose of those delegates to vote for Hoover, contrary to the law and morals?

Are we ready as a nation to admit that the Republic is dead and that our democracy has yielded to dictatorship and autocracy? God forbid! I submit this question fairly and courageously to the people of my State, and I call upon them to so rededicate themselves to the principles of our Republic that they will repudiate the men, regardless of their high places, as committeemen, national legislators, or Chief Executive, who would violate the simple code of morals and thus undermine our scheme of government and ultimately destroy our institutions and civilization.

ADDRESS BY GOV. GEORGE H. DERN, OF UTAH

Mr. PITTMAN. Mr. President, I have here an address by Gov. George H. Dern, of Utah, delivered at the conference of governors in Richmond, Va., on April 26. It is a very able address of a nonpartisan character, and, I think, will be of interest to the Senate and the country. I ask leave to have it published in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA MARCHING ON

When the governors' conference met last year Pollyanna speeches seemed singularly puerile. By this time, however, we have become so badly bogged in the slough of despond that many of us have forgotten that there is a celestial city toward which we are struggling. I have a feeling that the time has arrived when we ought to brace up and make up our minds that America is marching on.

I suppose a nation's onward march is always intermittent and that when obstacles are encountered there must be pauses and readjustments before the march can be resumed.

I confess that I have lost some of my youthful trust in the old copy-book motto, "Truth is mighty and will prevail," and also in the theory that the world is constantly getting better. I am afraid it is not so automatic as that. If it were, "the glory that was Greece and the grandeur that was Rome" would not have been submerged in the cruel ignorance and superstition of the Dark Ages. The world keeps getting better only so long as there are enough men and women actively working to make it better. An old prophet said, "Where there is no vision the people perish." He, too, saw that progress is not automatic but depends upon leadership.

The United States is still a young nation, full of vitality, with a great destiny yet to fulfill. We have prided ourselves upon the energy, the resourcefulness, the self-reliance, and the hopefulness of the American people. This is no time to lose that energy, that resourcefulness, that confidence, and that optimism. Let our young Nation keep them, and "youth will be served."

How better can we observe the two hundredth anniversary of the birth of George Washington than by emulating his lofty determination to overcome all obstacles? Are our times any more discouraging than were the dark days at Valley Forge? Have we become a nation of cowards and weaklings, who can find no better occupation than to sit and repine? That was not the spirit which won the American Revolution, and that is not the spirit which will carry America forward in 1932.

America must march on. The depression has shown us that there are maladjustments, very serious maladjustments, in our so-called democracy. Perhaps it is well that these parlous times have thrown them out into bold relief so that we can all see them. Perhaps it is well that we have been forced to realize that if America is to march on, these maladjustments must be corrected.

We have two schools of thought in this country. The one merely wants to tinker up the old machine so it will run a little while until it breaks down again. The other wants to let its feet be guided by the lamp of experience and make such changes as to assure us that the machine shall not break down again—at least not in the same weak spot. The one would disregard all the shameful injustice of the past and present, and stand pat. The other would strive for progress and a square deal for all.

I heard an English lecturer recently define a pessimist as one who sees a calamity in every opportunity and an optimist as one who sees an opportunity in every calamity.

Let us not become a nation of calamity howlers. Let us not permit ourselves to become steeped in an atmosphere of defeatism. Sound optimism and healthy common sense are an absolute necessity to-day. Without them we can not cure the ills of our society, and it is certain that democracy can not flourish in a sick society. We have all the symptoms of a sick society.

A friend of mine said the other day that society is like the old woman who dotes on her symptoms: The more she reads the more symptoms she discovers, and the more patent medicines she tries. If we can only exorcise the devils of gloom, fear, and despair, and treat our ills in a rational way, we shall hasten our restoration to economic health.

If, instead of looking for more fancied ailments, or sitting idly by waiting for God, or the weather, or a change of heart in the bankers to bring us relief, we adopt the psychology of health, with a will to do the things that are necessary to bring us back to health, we shall the sooner have America marching on again. The strong, hopeful, courageous, constructive, resourceful individuals who have led America forward to colossal achievement in the past must again exhibit those virtues and lead us out of this morass. The time calls for something more than petty, piddling palliatives.

Is it not a travesty to say that millions of good, stanch Americans must go hungry because there is too much food; that millions must be ragged and scantily clad because there is too much wool and cotton; that millions must be cold because there is too much fuel? And yet that is the kind of foolishness that we have been enduring for the past two years. We can not afford to be smugly content with our present system.

I do not look forward with equanimity to a future when there shall again be seven to ten million men out of work in the United States, with only this difference, that they shall be better supported in their idleness. That might be brought about by unemployment insurance, and would be a great improvement over what we have this year, but it would hardly be a cure at all.

Surely humanity will never be satisfied until business and industry are so stabilized and controlled that this wicked thing called unemployment shall be relegated to the limbo for discarded evils.

That is an easy thing to say but a tremendously difficult thing to accomplish. At any rate, it is a social ideal toward which we should be striving if we want America to become the land of social justice. Perhaps some far-reaching readjustments will have to be made in our business practices. The important thing is to keep thinking about it and working at it. The greatest impediments to progress are apathy and indifference. These resist improvement and reform more effectually than do the interests which think they are going to be hurt by a change.

We must prevent panics. Alternate periods of prosperity and depression, which economists call the business cycle, may be inescapable; but surely man is not so helpless that he can not keep them within some sort of reasonable limits.

One way to prevent panics is to prevent booms, for a panic is merely the reaction from a boom. "What!" cries the individualist, "interfere with a citizen running his own business in his own way? Horrible!" Well, I am an individualist, too, and yet I reply, "What! Let a citizen run his own business in such a way as to drag his fellow citizens down to ruin and misery? More horrible!"

Unless we are willing to put a watchman on the wall to warn us of approaching danger, greed and avarice will again and again cook up their poisonous speculative broth to lay us low.

Unless we are willing to do something toward stabilizing business we shall keep right on letting our people make money and then taking it away from them and reducing them to poverty.

Unless we are willing to take some constructive step toward permitting or enforcing control of production we shall continue to have overproduction, with its aftermath of depression and the cruel suffering of unemployment.

Unless we devise some feasible method of controlling credit, speculative orgies will again bring on panics, with all their human wreckage.

Unless we improve our banking system we shall again, in some future panic, have 8,000 bank failures, with all their tragedies.

Unless we stabilize our monetary system we shall time after time wipe out the debtor class and paralyze the producer class.

We are in the habit of saying that commodity prices are down. It would be more accurate to say that money is up. It is up because it is scarce. We have as much gold and currency as we had three years ago, but gold and currency are only a very small part of our money. Most of our money consists of bank credits. If a bank makes a loan and places the amount to the credit of the borrower so that he may check against it, the result is just the same as if he had so much gold in his pocket. In 1929 we had $40,000,000,000 of bank credits in the United States, and $5,000,000,000 of specie and currency. To-day the bank credits are $13,000,000,000 less than they were two and one-half years ago, which means that we have $13,000,000,000 less money now than we had then. The result is that the dollar has become scarce, and hence dear, and when the dollar goes up in value, God help the poor fellow who owes debts and taxes, for those debts and taxes are still payable in the same old dollar, and he must get that dollar, no matter what he has to pay for it. He must sacrifice his crops, or his manufactured products, or his stocks and bonds, or his real estate, or his labor for whatever they will bring in order to get the dollars with which to pay his obligations.

We scoff at Germany for inflating her currency after the war by means of the printing press, which enabled her debtor class to pay up easily in depreciated money but ruined the creditors and investors. That sounds very unjust, but are we doing any better? We are doing the same sort of thing, only on the other side. We are contracting our currency and ruining the debtor class by forcing payments in appreciated money. Which is worse, to ruin the creditors or to ruin the debtors? Of course, it is a conscienceless proceeding to ruin either one. We shall never make even a pretense of dealing justly by our people until we prevent situations like the present one when, as Prof. Irving Fisher said the other day, each dollar of debt has grown to be a dollar and a half. In other words, we need a stable or fixed dollar, so that when a man pays his debts he shall pay what he promised to pay—no more and no less.

The present depression is not due to any one cause. Indeed, many diagnosticians have a tendency to confuse cause and effect. In other words, they cite certain things as causes of the depression which are actually results of the depression. Nevertheless, some of the effects of the depression have become causes of our failure to recover from it.

I sometimes think every Senator and Congressman ought to have a trained economist on his secretarial staff and ought to listen to his advice rather than to the special pleas of privilege hunters who are looking out only for No. 1. Of course, there are economists and economists, and I do not mean that they should all belong to the same school, but they should all understand economic principles.

Business executives do not pretend to all-wisdom on every subject under the sun—they hire and rely upon experts, engineers, chemists, accountants, appraisers, economists. All our problems are economic problems. Why should they not be solved by experts instead of being messed up by amateurs? Winston Churchill says the task of the statesmen is to decide where to go and then to leave it to experts to figure out how to get there.

Some Members of our National Legislature, after years of service, become specialists on one or two subjects, but they must vote on all subjects. Too often they vote on "hunches" rather than on exact knowledge.

I started out to make an optimistic speech, but not a Pollyanna speech. Perhaps I have put more challenge than optimism into it, but I have not meant to do so. Worn-out and discredited economic and political maxims and fetishes we must cast aside. Constructive measures to overcome existing evils we must not be afraid to try. Social justice must be our goal.

I repeat that I think we have the strong, hopeful, courageous, constructive, resourceful individuals in the United States who will lead out so that before long we shall again see America marching on.

NAVAL BUILDING PROGRAM

Mr. HALE. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maine.

RECESS

Mr. McNARY. I move that the Senate take a recess until Monday at 12 o'clock.

The motion was agreed to; and the Senate (at 3 o'clock p. m.) took a recess until Monday, May 2, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

SATURDAY, APRIL 30, 1932

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou art infinitely worthy, Lord God Almighty, because all Thy judgments are just and true. Vouchsafe unto us this day the presence of Thy Holy Spirit. Let us not be diverted by the immediate aspects and circumstances of life. Take away any distemperature of controversy, of conflicts, of passions, and help us to consecrate to our Republic the whole strength of our honor and wisdom. May we always adorn our estate with manliness and unselfish devotion. O God, lead us to be single-hearted, clear-eyed, without confusion, without haste; thus may we pursue the path of our duty. May we arise as messengers of a better day, of an unconquerable people whose hearts beat in the deepest sympathy with world redemption. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a bill and concurrent resolution of the House of the following titles:

H. R. 7119. An act to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes; and

H. Con. Res. 29. Concurrent resolution providing for the acceptance of the statue of Charles Barntley Aycock, presented by the State of North Carolina, to be placed in Statuary Hall.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 149. Joint resolution making funds available for grasshopper control.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8083) entitled "An act providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932," and for other purposes.

UNVEILING OF MONUMENT TO JOSEPH HEWES

Mr. WARREN. Mr. Speaker, I ask unanimous consent to extend my remarks by including a speech made by my colleague the gentleman from New York [Mr. BLOOM] at Edenton, N. C.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, by permission of the House, I take pleasure in inserting in the RECORD a very able and delightful speech made by the Hon. SOL BLOOM, of New York, at Edenton, N. C., on April 28, at the unveiling of the statue erected by Congress to Joseph Hewes, a signer of the Declaration of Independence. In a large measure the success of the occasion was due to the interest and untiring efforts of Mr. BLOOM as associate director of the George Washington Bicentennial Commission.

The address is as follows:

ADDRESS OF HON. SOL BLOOM, ASSOCIATE DIRECTOR UNITED STATES GEORGE WASHINGTON BICENTENNIAL COMMISSION

I see all about me the pride and pleasure which the good people of this historic city have every right to take on this occasion. But it is my rare privilege to draw from it a pleasure that is probably greater than that felt by anyone else who is present.

On the program of the day I am put down as responding to an address of welcome. I have certainly had a welcome here that stirs every fiber of my being.

But in turn I bring a welcome and a blessing to you—a welcome that comes to you from the entire United States.

The welcome I bring you is for the important addition you are making here to this tribute our people are pouring forth this year. That is why I may claim to enjoy a pleasure even greater than your own.

I feel all the pride that you feel. And to that is added the pride of all the millions of good Americans in our country. For the unveiling and dedication of this monument to Joseph Hewes takes appropriate place among the most important of all the celebrations of the year.

Joseph Hewes played a pivotal part in the life and labors of George Washington, whose friend he was. The shining patriot who lived here, and forever adorns the history of your city, was far more than a mere passive signer of the Declaration of Independence.

We have it on the authority of John Adams that Joseph Hewes cast the deciding vote that led to the adoption of that immortal charter of our liberties.

The Continental Congress had already sent George Washington to chief command on the fields of battle where our national destiny was to be decided. In the Declaration of Independence it placed in Washington's hands full warrant for all he might be called upon to do in the winning of our liberties.

Without the vote of Joseph Hewes that warrant would have been withheld. But with the deciding voice of Hewes history perfected itself, and George Washington was armed with the last great power he needed—the power of an aroused, united, and flaming public opinion.

And the adoption of the Declaration of Independence was no easy matter. We are told by recorders of that great crisis that for months the question of independence had been discussed, and always the majority had been against it.

Clouds and uncertainties surrounded that deliberative body. Dangers hovered over it. What happened we have in the words of John Adams himself.

"For many days," says Adams, "the majority (against the declaration) depended on Mr. Hewes, of North Carolina. While a member one day was speaking and reading documents from all the Colonies to prove that public opinion, the sense of all, was in favor of the measure, when he came to North Carolina and produced letters and public proceedings which demonstrated that the majority in that Colony were in favor of it, Mr. Hewes, who had hitherto constantly voted against it, started suddenly upright, and lifting both hands to heaven as if he had been in a trance, cried, 'It is done, and I will abide by it.'"

And then exulting John Adams says, "I would give more for a perfect painting of the terror and horror upon the face of the old majority [against the declaration] at that critical moment than for the best piece by Raphael."

It is little wonder that George Washington made friends with a man of such courage.

There is, perhaps, little that is new that I could impart to you concerning the great patriot who lived here. The people of Edenton are in a position to give rather than receive information concerning him.

My errand here is rather to give you a sense of how this occasion fits like a jewel into the picture of an entire people. The Nation is rendering this year a great tribute to its greatest man, and to all the lofty-minded men and women who either aided him personally, or backed his efforts with that loyal public opinion which John Adams refers to with such exultation.

This year an entire Nation takes delight in going over its long and honorable history and feeling at one with its past. It gives us all a new dignity, a new feeling of stability, to turn and take note of our increasing age as a people, and watch the lengthening years stretch out behind us.

It enables us to feel that we are no longer a "young" or "new" nation, but now stand as a fixture among the firmest and strongest nations of human history.

And under all this new pleasure that has come to us, I see a deep and wholesome national instinct. It is more than a mere curiosity as to our history that is turning us back to the past, so that we may say to ourselves again: "Yes; these great men, these shining adornments to history, belong to us. They are Americans. We produced them."

We are turning back to them because we know they were leaders who triumphed in a difficult and dangerous time. Now

our country, together with the entire world, is in another difficult and puzzling period. We stand confused and anxious. The cry for leadership arises on every hand. We are troubled for our personal fortunes, and some of us even for our national safety.

So, in the midst of our fears, we have an instinct to turn back and see how Washington and his fellow patriots mastered their trials and discouragements. We feel a need to profit by their example, to study their methods, and refresh ourselves from the spirit of self-giving that made them patriots and made them great.

For many years we have felt that we lived in a wholly new and improved time. We looked upon the America of to-day, with its marvelous inventions and advancements, as something new in the world. By comparison the America of Washington's time looked primitive and old-fashioned. tI seemed to belong to a day that was past.

I believe that if we were honest enough to confess it, we felt toward Washington himself that while he was undeniably a great man in his time, he, too, belonged in the past.

But now we have found that even this most advanced world of to-day is subject to the same shocks and stresses that have afflicted nations since the world began. We have found that not all our wealth could save us from uncertainty and fear and distress. We have found that even this scientific time is in danger without the old human virtues of unselfishness, patriotism, thought of country before thought of self.

And so we are moved by a deep and saving instinct to turn back to the great men who practiced these virtues and built so great a nation. We feel a need to purge ourselves of the vices of greed and selfishness and forgetfulness of country, that have brought us into loss and confusion, and be filled again with the sublime incentives of the fathers.

In my opinion, nothing else than this profound popular instinct can account for the quiet but great and strong enthusiasm which our people are throwing into this remarkable year-long tribute of respect and reverence to George Washington and his great associates. It is more than a passing jubilee; it is the solemn rededication of a people to their ancient standards, and to the mighty souls of old who set us the immortal example of how those standards should be held aloft.

To many of us, no doubt, this return to our ancient history can be hardly more than a refreshing study, an effort to grasp from books and pictures a sense of the reality of our past.

But there are in the country certain privileged localities that are the very birthplaces of that history. There we get a real feeling of the actuality of those days and their great men. For there about us are the very houses where they lived and planned, the very churches where they worshiped, the very streets they passed along on their way to business.

This city of Edenton is such a place. It seems to me that here we see America at its very best.

You have here superbly beautiful natural settings and surroundings. You have here traditions of the finest culture, running back to America's very beginnings. You have a record of patriotism that takes its place beside that of any other community in the original Colonies.

An honored dweller in this colonial town played a decisive rôle in upholding George Washington's arm and in establishing the freedom of all the Colonies. And into this community President George Washington reached for a member of the Supreme Court, so that the work of Joseph Hewes in molding our national structure was continued by James Iredell, his intimate friend and lifelong admirer.

By contributing all this Edenton fixes itself forever in American history, and by celebrating to-day the memory of one of her great patriots your city adds, as I say, a touching and important feature to the Nation's great program of tribute this year.

And in marking the everlasting memory of one of these men you are animated, I know, by something of that same wave of national feeling which I have witnessed everywhere else in the country—this turning back to the ancient spirit for that renewal of purpose which we crave and need so much to-day.

So here, too, the underlying instinct and plan of this memorable bicentennial year is being fulfilled.

And so I, who have come here to receive one welcome, bring you another welcome from an America united this year as never before; rallied as one behind the memory of Washington and of those upon whom he relied for help and support.

Let us remember that while these deeply moving occasions remind us of the dignity of our increasing age, nevertheless, America is always new. It is as new to-day as it was in the days when Washington ordered read to his troops the Declaration of Independence, made possible by the brave and self-sacrificing vote of your famous townsman, Joseph Hewes.

Our Nation is ever new because it has new problems to face and to master every day. For that is the law of progress. If we are to march on, we must be prepared to meet new obstacles at every stage.

The truth of the matter is that every day every one of us has his own declaration of independence to sign. Every day the Nation itself must start a new independence.

In the day of Washington and Joseph Hewes, the independence so passionately desired, so defiantly declared, and so heroically fought for, was independence from a foreign political tyranny.

Washington, with men like Joseph Hewes to support him, forever settled that great question.

But to-day we need independence from the tyranny of distress, from selfishness, and a hundred enemies within our own borders, that have reduced us to fear and uncertainty.

It is high time that we turned back and learned how the fathers won their independence that we may learn how to win ours.

The man to whose everlasting honor and memory this shaft is unveiled to-day was the type of man who could vote a saving measure for this country, though he knew that measure might ruin his business. Long before the Declaration of Independence was discussed, Joseph Hewes voted for nonimportation of English goods, though his whole fortune depended on his ships and his trade.

Joseph Hewes died at the post of duty. He gave his life to his country as truly as if he had lost it on the field of battle. Frail of body, he devoted himself to brave stands in the council chamber and there labored with a fierceness of energy that finally killed him. He thus ends a perfect record of service to his country and his fellow countrymen with the crowning touch of being the first Member of the Continental Congress to die almost at his desk.

In a letter written while the clouds of the Revolutionary War were gathering, Joseph Hewes tells that he has bought a good musket and a bayonet, and that he would rather fall in action than fade away from his lingering malady.

His wish was fulfilled though in a different way. He died for country after labors and achievements that accomplished far more for his people than he could with a musket in the ranks.

Upbuilder of his young country's commerce, faithful representative of his countrymen in their provincial assemblies, fearless upholder of their rights in the Continental Congress, signer of the Declaration of their Independence, first executive head of their Navy, wise and experienced legislator—Joseph Hewes was the perfect example of those self-giving men who made possible George Washington's work for America and for humanity.

It is to the type of patriot represented by your eminent townsman that we are turning back this year, in this national impulse I speak of—this instinct to recapture some of the iron will, the fearless determination, and all the other sturdy virtues that enabled those men to triumph over their dangers and difficulties—so that we may become the masters of ours.

If we would honor Joseph Hewes here and George Washington everywhere this year, this is the one best way we can do so—by bringing the spirit of 1776 into the problems of 1932.

Your welcome here reflects truly the finest traditions of this beautiful Southland. It is the perpetual tie of that fine hospitality that reaches us and binds us with the past. In this glorious season of vernal beauty when all nature joins in a grand chorus of praise to our All Merciful Creator, your welcome blends with that spirit of friendliness that makes us one with Him.

Those who come here, as I do, for the first time, feel that we have gained a certain enrichment in our lives. There is an impression that will last always, not alone of what you do and say to-day, but of the atmosphere which shines like a radiance all about us.

I have a new understanding of your love for this place; your yielding to its charms; your local patriotism. And your welcome seems to breathe a sentiment of all those who have gone before you—a welcome to your lives and to your hearts.

So long as that sentiment prevails, so long as we preserve that strong feeling of attachment to our native land, so long will our Nation last. In honoring an American patriot we honor our land. This reverent act performed here to-day seems to me proof that it is our national impulse this year. It speaks out in this noble tribute of respect. It is speaking wherever the memory of George Washington, or any of his coworkers, is likewise honored during this two hundredth year since Washington's birth.

I therefore stand here moved as never before, because I believe the feeling here and everywhere else exhibited in America this year is a proof that our country is safe, because by such very acts as this, it is refreshing itself from the men and the principles that brought it into being and gave it life.

I believe in the principles laid down by George Washington.

I believe in the wisdom of his compatriots.

I believe in the Americans of to-day.

I believe in—America.

ECONOMY

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the subject of vocational agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. DISNEY. Mr. Speaker, we hear the cry on every hand that the Government must economize, yet at the administration's instance a moratorium was granted to Europe whereby we lost $252,000,000, temporarily at least, and I think permanently. Then the administration brought up the Reconstruction Finance Corporation bill, called by its enemies "the millionaire's dole for big business," which carries an appropriation of $500,000,000, with a possible expenditure of $2,000,000,000.

After having recommended that these amounts be expended, the administration is now looking for places to

economize, and retrenchment against vocational agriculture is suggested by the President in the sum of $8,500,000, which is insignificant compared with the enormous sums I have just mentioned.

There is not a Member of this House who is more deeply sensible of the fact that our Government must economize, or whose every act has been more in that direction, than myself, but I certainly am unalterably opposed to any such means of economizing as that suggested by the President in this instance. Appropriations made for purposes such as the education of our youth in agriculture should not be decreased, as that would be false economy in the long run. There are other means of economizing without taking from the youth of our country the advantages which they have enjoyed and which are of such material benefit to them in future life.

For the past 15 years the State of Oklahoma has made appropriations in good faith, expecting a permanent allotment annually from the funds created by the tax. These State appropriations are made on a cooperative basis; therefore the withdrawal of Federal funds for one year would destroy the program in my State. The withdrawal of the Federal allotment in my State would mean depriving 5,000 adult farmers from receiving organized instruction in problems which confront them locally, including living-at-home readjustment; (2) depriving 4,000 farm boys from continuing their training in vocational agriculture, through whose efforts 68,000 acres of home farms were terraced; (3) 130 specially trained teachers of agriculture would be thrown into unemployment in the State of Oklahoma; (4) would destroy 15 years of effort in developing an efficient training program for future farmers; (5) would deprive 130 local communities in my State of funds necessary to provide a systematic and efficient training program.

The remarks I have just made apply particularly to vocational agriculture, but I desire to extend them to take in vocational education in general and to state that vocational education is justifying the hope of those who sponsored the legislature creating Federal support for this work, and that it would be a serious mistake to permit legislation at this time which would practically destroy the efforts of both the Federal Department of Vocational Education and the State department of vocational education which have been exerted over the past 15 years.

OUR TRANSPORT SERVICE

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to revise and extend some remarks of mine on our transport service.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIBSON. Mr. Speaker, we are proud of our Army and Navy Transport Services. They are well organized, fully equipped for specialized work, and are efficiently operated. The officers and the enlisted personnel are of the highest types. The ships are rendering a peace-time service that is absolutely essential to our far-flung activities. They are operated at a cost considerably less than the amount the Government would be obliged to pay to regular commercial lines for the same work. The proposition of discontinuance of operation would not result in economy. Since 1927 the Navy transports have been operated as a unit at a profit.

The cost of operation of the Army transports from 1908 to and including 1931 has been $70,933,786.40. The lowest commercial rates for the same service would have cost the Government $119,455,859.34. For the year 1931 the cost of the Army Transport Service, including depreciation and interest, was $4,666,576.98. The cost for the same service commercially would have been $6,238,310.74. This represents a saving for the year of $1,571,733.76.

Discontinuance of the Transport Services would be at the expense of reducing the efficiency of national defense by taking away an integral part of the Military and Naval Establishments. Commercial lines are not equipped for the specialized service that is required.

We also take pride in the building of the Panama Canal, through which flows a considerable portion of the commerce of the world. Its construction was one of the great engineering feats of the age and stands as a monument to the genius of American engineers. The Panama Railroad, running from Colon to Panama, connects the east with the west coast and follows, generally, the course of the canal. Practically all of the stock of this railroad company is owned by the United States Government, but it is operated as a separate corporation.

The railroad company operates a steamship line to New York for the transportation of freight and passengers. It is a necessary adjunct to the canal. Passenger business is made up largely of Government employees in the Canal Zone. Life in the tropics is wearing and it is necessary for Americans who live there to come periodically to the Temperate Zone for recuperation. The Government has, in effect, promised transportation to its employees and members of their families at the rate of $30 each way, or $60 for the round trip. Government freight is carried at 75 per cent of the regular tariff fixed by commercial lines, so the Government is a beneficiary of all its freight carried and Government employees have the benefit of a considerable reduction for their transportation. This reduction approximates $500,000 per annum.

The steamship line operated with reduced rates has had an average annual loss of $60,000 during the past five years, but, if the same rates charged by commercial lines had been collected, it would have shown a profit of $440,781.43. It is perfectly clear that the operation is not carried on at a loss to the Federal Government. The railroad company has shown an average annual profit for these five years of $1,769,979.58, after absorbing all of the losses of the steamship lines, so there has been no loss, in fact. The steamship line is not financed by the Treasury, pays no dividends into it, and receives no funds from it.

It was proposed in the economy bill to discontinue the operation of the steamship line, to dispose of the vessels, wind up its affairs, and make contracts with commercial lines for the service. While it is true that as a condition precedent to carrying out this scheme contracts must be entered into with these commercial lines at substantially the same rates as now prevail, there is no question but that the Government, under such a plan, would soon find itself at the mercy of the shipping interests.

The whole move seems to be an attempt, under the smoke screen of economy, to gain control of Government shipping in the Canal Zone by big outside shipping concerns. This plan has been whispered about the tropics for years, and it has been generally understood that the attempt would be made just as soon as a favorable opportunity presented itself. The House did a good thing in the interests of economy to defeat the move. Similar proposals have been rejected within the last 10 years by three Secretaries of War, three committees of Congress, by the Chief Coordinator, and by former President Coolidge.

The Hon. Dwight F. Davis, then Secretary of War, well set forth the situation in a letter to the President, dated April 27, 1928, when he said:

> The line is an integral part of the Panama Canal and indispensable in its discharge of its normal responsibilities. The successful operation of this great enterprise, which is of vital importance to the United States, demands absolute security as to its line of supply to this country.

We must guarantee absolute security in the operation and control of the Panama Canal.

Let us hope that the defeat of the proposal ends for all time any attempt on the part of all greedy interests to gain control of our Army and Navy Transport Services and the Panama Canal service.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11287, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. KETCHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KETCHAM: Page 35, line 20, strike out the word "shall" and insert the word "may."

Mr. KETCHAM. Mr. Chairman, I desire to direct attention to this amendment, which is not of very great consequence but which I think has a sufficient degree of importance to merit a moment's consideration.

I am asking that the word "shall," in line 20, which gives a positive direction to the Administrator of Public Works to utilize the services of the Corps of Engineers or the officers of that corps, when it shall prove practicable, shall be changed from that positive direction to a permissive direction; that is, that he may do it instead of being directed to do it.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. LaGUARDIA. Mr. Chairman, I am sure the gentleman and I have the same thing in mind; but how would the amendment correct the defect and the situation that we are both trying to avoid?

Mr. KETCHAM. Mr. Chairman, when that line is read using the word "shall" followed with the language "whenever and wherever practicable" it will be found that the discretionary power of the administrator of public works is not made very broad. In other words, when he finds it practicable to use these men a positive direction is given him that he shall utilize the services of the Corps of Engineers.

Mr. COLTON. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. COLTON. I had in mind the offering of a similar amendment to the one offered by the gentleman from Michigan. For instance, in the Bureau of Public Roads this amendment would in effect direct that the approving of road projects should be done by the Army engineers. That is not practicable nor for the best interest of the road-building service.

Mr. KETCHAM. The reason I am proposing this amendment is that a reading of this whole section discloses that the Corps of Engineers has not had its activities circumscribed at all as far as rivers and harbors work is concerned. It simply means a positive enlargement of the duties and responsibilities of the Corps of Engineers in a number of other directions where construction work is to be done.

Mr. COCHRAN of Missouri and Mr. ENGLEBRIGHT rose.

Mr. KETCHAM. I yield first to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. The committee of which I am chairman originally handled this bill. Knowing the attitude of the other members of the committee, and in view of the fact that the gentleman from Utah [Mr. COLTON] has just expressed himself, I do not see any objection to the gentleman's amendment. However, I would suggest that on page 36, line 20, he also strike out the word "shall" and insert the word "may." That also applies to the Engineer Corps.

Mr. KETCHAM. That should be changed as well.

Mr. WILLIAM E. HULL. The gentleman wants to change it from "shall" to "may"?

Mr. KETCHAM. Yes.

Mr. WILLIAM E. HULL. That is agreeable to me.

Mr. KETCHAM. Mr. Chairman, I yield now to the gentleman from California [Mr. ENGLEBRIGHT].

Mr. ENGLEBRIGHT. It is not the gentleman's idea to carry the supervision of this board so far as to say that they shall take charge of construction work of garages and matters of that kind, is it?

Mr. KETCHAM. It is not. The only thing I am seeking to accomplish by this amendment is to untie the hands of the administrator by relieving him of a distinct command in the word "shall" and give him the discretion that would be carried by the use of the word "may"; that he may use these services if it is desired. If we leave the language of the bill as it now is with the word "shall," his discretionary authority is sharply circumscribed.

Mr. CONNERY. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. CONNERY. The language of the bill reads:

The Administrator of Public Works shall utilize the services of the Corps of Engineers or the officers of the Corps of Engineers.

Why does not the gentleman strike out the words "of the Corps of Engineers" and leave in the words "the officers of the Corps of Engineers"? Does the gentleman not think those men could be put to work building post offices?

Mr. KETCHAM. I have a great deal of sympathy with the views expressed by the gentleman yesterday, but that is not the thing I am seeking to reach at this time.

[Here the gavel fell.]

Mr. LaGUARDIA. Mr. Chairman, I offer a perfecting amendment. I move to strike out paragraphs (b) and (c) on pages 35 and 36.

Mr. McDUFFIE. Mr. Chairman, may I have a moment in opposition to the amendment offered by the gentleman from Michigan? Gentlemen, I recognize that there seems to be a very slight difference between the word "shall" and the word "may." Of course, we are going to yield to the wishes of the committee, because we are not arbitrary in our views, but the thought of the Economy Committee was that we have a great many Army engineers whose services might be most valuable in supervising public construction. When we find an engineer whose services are not essential otherwise, and there is a road project on which he can be used, or his services can be utilized in connection with the construction of a bridge, or any public construction, then it should become the duty of this administrator to have that engineer proceed to supervise or direct that work. Of course such an engineer will act in a supervisory capacity. Now, why should he not be so employed? Why should you leave it discretionary if you really want to use the services of these highly trained men who are thoroughly capable of doing this work? Why should you refuse to say that they shall do it? That was the idea of the committee.

Mr. SNELL. Will the gentleman yield?

Mr. McDUFFIE. I will be glad to yield to the gentleman.

Mr. SNELL. It seems to me lines 22, 23, and 24 give all the leeway necessary, provided you want to take advantage of these Army engineers.

Mr. McDUFFIE. The gentleman means that we should use their services?

Mr. SNELL. Exactly. The language is whenever and wherever practicable. That is all that is necessary.

Mr. McDUFFIE. It seems to me that is broad enough, and I am glad the gentleman has made that observation.

Mr. KETCHAM. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. KETCHAM. I think all of us are very proud of the splendid work done by the engineers. Nevertheless, we know there is a disposition to crowd the Army engineers in on all kinds of work. I have no manner of question in my own mind but that when the appointment of the administrator is made it will be a very distinguished Army engineer. Then what would he do? I want to say to you that he would find more opportunity to make it practicable than you could imagine.

Mr. McDUFFIE. I do not agree with the gentleman at all.

Mr. COLTON. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. COLTON. Take, for instance, the case of the Bureau of Public Roads. This will give the administrator of public works the opportunity—and in effect direct him—to use Army engineers for examining and approving road projects.

Mr. McDUFFIE. Where it is practicable.

Mr. COLTON. The gentleman knows that there are great road organizations in all of the States. Would not the administrator take this as a direction that he should change

the present set-up of the Bureau of Roads and use Army engineers?

Mr. McDUFFIE. I do not agree with the gentleman as to that conclusion.

Mr. HASTINGS. Will the gentleman yield for one statement?

Mr. McDUFFIE. Yes.

Mr. HASTINGS. That would not apply to the Bureau of Public Roads throughout the country for the reason that the allotments are made to the several States and the roads are laid out and constructed in the several States under State direction. So this subdivision (b) would not apply.

Mr. McDUFFIE. The gentleman is undoubtedly correct.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. WILLIAM E. HULL. Is it not true that two-thirds or three-fourths of the present engineers are civilian engineers?

Mr. McDUFFIE. I think that may be true. I hope the committee will allow this language to remain in the bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan?

Mr. LaGUARDIA. Mr. Chairman, I offered a substitute.

The CHAIRMAN. The Chair did not understand the gentleman to state he offered a substitute for the amendment offered by the gentleman from Michigan. Without objection, the Clerk will again report the amendment offered by the gentleman from Michigan.

There was no objection.

The Clerk again read the amendment.

Mr. LaGUARDIA. Mr. Chairman, as a substitute, I move to strike out all of paragraph (b), and on page 36, paragraph (c), line 16, commencing with the words "the Secretary," strike out the balance of paragraph (c).

Mr. STAFFORD. Mr. Chairman, I make the point of order that is not in order at this time.

The CHAIRMAN. The Chair sustains the point of order. That is a motion to strike out. The question is on the amendment offered by the gentleman from Michigan [Mr. KETCHAM].

The amendment was rejected.

Mr. LaGUARDIA. Mr. Chairman, I move to strike out all of paragraph (b), commencing on page 35, and on page 36, paragraph (c), line 16, commencing with the words "the Secretary," strike out the balance of paragraph (c).

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LaGUARDIA: Page 35, line 20, strike out all of paragraph (b), and on page 36, line 16, after the word "therein," strike out the remainder of the paragraph.

Mr. LaGUARDIA. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question as to whether or not there will be any economy under Title V? Does it not depend entirely on the President? Will the gentleman answer that?

Mr. LaGUARDIA. I will answer it, but do not take my time when I have only five minutes. We have had a night's rest and I think we can discuss a matter of this importance calmly without the gentleman from Texas getting unduly excited.

When we talk about labor we not only include the man with the pick and shovel, but we include skilled labor, engineering, and management, and here we are changing the whole policy of the Government in the construction of public works.

If it is the intention of the committee and the House to replace engineers and architects in civil life with Army and Navy officers, the House is free to vote such a fundamental change in policy, but let us know what we are doing. Under paragraph (b) the latitude is so broad and the direction in the law is so specific as to make it mandatory upon the Director of Public Works to first call in Army and Navy engineers, to the exclusion of all professional men in private life.

We must consider the hundreds and thousands of engineers and architects who have educated themselves at their own expense, who are established in their professions and who are entitled to some consideration in rendering services on public works. I submit that within a few years you would have exactly the same situation in respect of all public works as you have now in respect of rivers and harbors. If this is what the House desires to do, all right, but let the RECORD show that this section is so specific in its directions that the Administrator of Public Works would first have to utilize every available Army and Navy officer before a private architect or engineer could be given a retainer for public works.

Mr. COLTON. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. COLTON. And the language in lines 21, 22, and 23 do not take away the mandatory provision as suggested by the gentleman from New York [Mr. SNELL] a few minutes ago.

Mr. LaGUARDIA. Of course not, and it also permits them to call in sergeants of the Corps of Engineers or corporals and use them as foremen; and while the gentleman from Utah is on his feet, is it not true that the Committee on Expenditures considered this very proposition for seven weeks, and is it not true there was a minority report against any such provision in the bill?

Mr. COLTON. That is absolutely true.

Mr. SNELL. I admit it is not mandatory, but I supposed we were trying to put through here an economy measure to use the men that are already on the pay roll in preference to hiring some one outside.

Mr. LaGUARDIA. Would the gentleman from New York use the Army cook school to put into a cheese factory—we have good chemists there?

Mr. SNELL. That is nothing like the proposition that we have before us.

Mr. LaGUARDIA. It is the same thing. An officer in the Engineer Corps is not necessarily an engineer.

Mr. SNELL. Let us discuss the matter on its merits.

Mr. LaGUARDIA. Exactly.

Mr. SNELL. These engineers who are trained for specific work, in my judgment, should be used if we want economy. If we do not want economy, then vote it out.

Mr. LaGUARDIA. But our experience has been that it is not economical, that they are slower in the preparation of their diagrams and plans and specifications. The cost of river and harbor work is the complete answer to that.

Mr. SNELL. The gentleman is wrong about that.

Mr. LaGUARDIA. I submit this provision ought to be voted down.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on section 502 and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. COCHRAN of Missouri. Mr. Chairman, I think the gentleman from New York has gone a little too far in his argument with respect to what this section would do. The gentleman goes all the way down to the enlisted men and the cooks and states it would be possible to use them. The fact of the matter is that efforts were made when this bill was under consideration by the Expenditures Committee to put the entire administration under the engineers of the Army. The committee very wisely refused to approve such a plan.

You have the engineers of the Army and the commissioned personnel of the Bureau of Yards and Docks of the Navy, and the Government is paying these officers large salaries to perform work for the Government. The Engineer Corps of the Army and the commissioned personnel of the Bureau of Yards and Docks of the Navy must secure some training to be of value in time of war. Both are most important arms of our national defense.

Now, what do you want them to do—sit in their barracks and hold their hands—or do you want them to perform

some service to the United States for which they are now paid?

Mr. JAMES. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. JAMES. The Corps of Engineers consists of over 5,000 enlisted men. Are you going to use the enlisted men?

Mr. COCHRAN of Missouri. Absolutely not. There is no intention of that.

Mr. JAMES. If the gentleman will read the language, he will find that they could use them, and the Corps of Engineers consists of 5,000 men.

Mr. CONNERY. If the gentleman will yield, right along that line, under the language of this section, you could use those 5,000 enlisted men to build a post office if they saw fit to do so.

Mr. COCHRAN of Missouri. I do not agree with the gentlemen from Michigan and Massachusetts. Now I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that the language of this bill is used in all river and harbor work?

Mr. COCHRAN of Missouri. The gentleman from Mississippi is correct.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. HILL of Alabama. Would the gentleman have any objection to an amendment to make sure the definite statement that he has made?

Mr. COCHRAN of Missouri. What is the amendment that the gentleman proposes?

Mr. HILL of Alabama. Page 35, line 21, strike out the words "of the Corps of Engineers," and have it read, "shall utilize the services of officers of the Corps of Engineers."

Mr. COCHRAN of Missouri. Personally, I have no objection to such an amendment, if that will satisfy the opposition. I have no desire to touch any man in the Engineer Corps except to have the officer render some service for which he is being paid.

Mr. HILL of Alabama. Will the gentleman offer that amendment?

Mr. COCHRAN of Missouri. If it is agreeable to other members of the committee, I will be pleased to offer the amendment. I am as anxious as any other Member to make sure the enlisted men in the Corps of Engineers do not get in this set-up. They have no place here and I can not conceive that they would be used, under the language contained in the bill.

Mr. COLTON. Mr. Chairman, I move to strike out the last word of section 502 as a pro forma amendment, to get some information from the gentleman from South Dakota. I am very much interested in the building of minor roads and trails in the Forest Service, and I feel sure that the Forest Service can build these roads and trails much cheaper. I would like to ask the gentleman from South Dakota if he understands that under the provisions of 502 (a) the work now being done by the Forest Service on roads and trails will come under the bureau of public works?

Mr. WILLIAMSON. The Administration of Public Works will be composed of such construction activities as the President may consolidate. As far as the Bureau of Forestry is concerned, it will occupy the same relation to the Administration of Public Works as it now occupies to the Bureau of Public Roads. There is no intention of taking the construction of forest roads and trails away from the Forest Service. If the Forestry Service of the Department of Agriculture is in need of technical engineering services in the construction of forest roads, it now calls upon the Bureau of Public Roads for the engineering skill required. The same will be true with respect to the Public Works Administration. It is essentially a service organization which will be at the disposal of every other department for such construction as it requires. It is not intended, and the bill does not contemplate, that the new administration shall take over minor construction projects that are merely incidental to the proper functioning of some other bureau of the Government. Roads and trails are incidental to fire protection, and their construction will undoubtedly continue with the Forest Service, except for major projects, if any, where expert roads engineers may be required.

Mr. COCHRAN of Missouri. Will the gentleman yield? I want to see if this will be acceptable. I will offer an amendment striking out on page 35, line 21, the words "of the Corps of Engineers or," which will remove the objection of the gentleman from New York.

Mr. COLTON. That will help some; but, nevertheless, the whole debate this morning has shown the danger with which we are confronted.

This whole subject was considered for many weeks by the Committee on Expenditures; and here in a few moments we are, with little debate, writing permanent law which will have a far-reaching effect on the building activities of this country. These building activities include roads, public buildings, and many others of a similar nature.

For instance, the gentleman claimed a few moments ago that the road projects were engineered in the various States. That is true. The Bureau of Public Roads, however, supervises and passes upon all work, and no project is accepted on which Federal aid is expended until the Bureau of Public Roads passes on it. Under this provision of the bill we are saying that this work may be done by the Corps of Engineers of the Army. I have great respect for the Army engineers; but we also have an efficient Bureau of Roads. They are doing their work well. They are acquainted with road-building activities in every State of the Union. They have experts in all lines of road building; and, with due respect for the Army, are more expert in building roads. They are acquainted with road commissions in all of the States, and no one is complaining that they are wasting money.

Now we propose to grant authority to make a complete change, with no hearing or nothing on which to base such action. It all shows that we ought not to take matters of such tremendous importance and legislate upon them in this way. This bill covers so many subjects. We have not the time, we have not the opportunity to consider them as they should properly be considered.

I hope the interpretation of the language of the gentleman from South Dakota [Mr. WILLIAMSON] will be accepted. Because of the position he has taken I shall not offer an amendment. I had in mind to offer an amendment to this effect:

Provided, That this section shall not apply to minor roads and trails and other improvements for the protection and administration of the national forests.

If the gentleman's interpretation is correct, it is unnecessary.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. BLANTON. Mr. Chairman, on many subjects the gentleman from New York [Mr. LAGUARDIA] is as sane as a philosopher, and his judgment thereon is good, but on the foolish question of the Government employing and furnishing jobs for everybody, he is as wild as a March hare. [Laughter.] And when I say that, I am talking about one of my friends.

The gentleman from New York would have this Government employ and give a fat job to every engineer in the United States. He would have the Government of the United States employ and give a fat job to every architect in the Nation. He would have the Government employ at big wages every painter and every bricklayer and every hod carrier and every financier in the United States.

The Government can not do that. I want the Government of the United States to employ just as few people as possible, not just as many. [Applause.] This is the people's government. The people have to pay its bills. The Government of the United States does not owe a job to anybody. All it owes is protection and equal opportunity, so that all may have an equal chance to get jobs. The Government of the United States ought to stop handing out

jobs. The taxpayers are getting tired of paying Government salaries.

If we can use in Government business these highly trained Army engineers on whom we spend $18,000 merely in putting them through the academy and then $25,000 more on intensive education after they come out, we ought to use every mother's son of them on every Government work in the Nation. The private architects that were employed on this Hoover Department of Commerce Building had fees paid to them that are simply outrageous. The big fees that this Republican administration has paid outside consulting architects on every big building that this Government has constructed stink to high heaven, and we ought to stop it.

Mr. LaGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. The gentleman would not yield to me, but I am more courteous to my friends than is the gentleman, and I shall gladly yield to him.

Mr. LaGUARDIA. Yes; I think the gentleman is more courteous than I. The gentleman the other day made one of the most forceful arguments I ever heard.

Mr. BLANTON. All of my arguments are forceful.

Mr. LaGUARDIA. As to lawyers who had had no experience. These men in the Engineer Corps are not engineers, they have had no engineering experience except on rivers and harbors.

Mr. BLANTON. Why, we have the finest engineers in the world in the United States Army, and we ought to use them. This whole Title V, which seeks to create another big bureau, ought to go out of this bill. I am not in favor of creating another bureau. I am in favor of abolishing these useless bureaus that are fettering the Public Treasury and causing deficit after deficit. It is all left to the President, and we have learned by sad experience that we can not trust him to effect any real economy whatsoever.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I do not want any "beer" injected in this speech. If the President wants to, under this provision he can consolidate, and if he does not want to, he can create one of the biggest, highest-priced bureaus in the history of the Government, which will cause much additional expense. When he prepared his special reconstruction bill for us to pass, the limitation that we put on the salaries of $10,000 he had stricken from the bill, so that he could have appointed high-salaried officials. That is an emergency bureau, and right now, out of that tax fund, they are paying as high as $18,000 a year salaries.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Oh, I am talking about more serious matters than the gentleman has in mind.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer the amendment which I agreed to offer a few minutes ago.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN of Missouri: Page 35, line 21, after the word "of" strike out the words "the Corps of Engineers, or" and on page 36 strike out all of line 4.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on Title V and all amendments thereto, close in 20 minutes.

The motion was agreed to.

Mr. SWING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWING: Page 34, strike out section 501.

Mr. SWING. Mr. Chairman, I wish to take this opportunity to defend this House and Congress against the charge that it is proceeding without due regard to all possible proper economies, and before I complete my statement I will refer to what Congress is actually doing in the way of cutting the Budget in amounts that will probably aggregate around $600,000,000. But, notwithstanding this, I call your attention to the fact that organized propaganda is being put out by big business in an effort to excite the people of the country against Congress and turn them against their own Government.

I hold in my hand three letters, one sent out by the Commercial Investment Trust Co., of New York, another by the Du Pont Co., of Delaware, and another by the Standard Oil Co. of California. Notwithstanding the fact that these companies are located in widely separated parts of the country the letters are identical, figure for figure and word for word. After referring to the breakdown of industry, increased unemployment and want, the letters proceed to say:

Your Senators and Congressmen are in a position to know whether a continuation of this deplorable condition is necessary.

And urge their stockholders to get their friends and their chambers of commerce to immediately write their Congressmen saying, "The future of industry and employment will be affected by your action."

Think of the brazen effrontery of these big corporations trying to transfer from their own to our shoulders the blame for present business and economic conditions, for which the bad practices of big business are solely responsible. This same crowd has all along insisted that nothing must be done to retard or in any way restrict the free concentration of great wealth in the hands of the few, until to-day 90 per cent of the purchasing power is in the hands of those who possess less than 10 per cent of the consuming power, with the resulting breakdown of the normal relation of consumption to production.

Wall Street for years picked the pockets of honest American investors, selling them stocks and bonds at highly inflated and artificially created prices while the international bankers bled this country white of its money, sending billions out of the country in exchange for worthless foreign securities.

And after the inevitable crash came, what have these so-called captains of industry done toward putting their house in order? They have given a most pitiable exhibition of their utter inability to meet a crisis of their own making. And yet, they now undertake to throw the blame on us, in order to protect themselves from criticism for the condition in which the country is.

Furthermore, it is untrue that the future of industry or the relief of unemployment can be assured by any cuts we can make in Government expenses by this bill. On a moment's reflection it is obvious that even if we could suddenly suspend every Federal tax for one full year, it would not, it could not end the depression, because its origin lies deep in our present economic system. The man who promises to restore prosperity by cutting is like the doctor of long ago who promised to restore health by bleeding. Business is anæmic, and any further restriction of the circulating medium may prove fatal to the patient.

However, whether wisely or not, the Government expenses are being drastically cut. To begin with, let me say that the President cut the Budget more than $350,000,000 under last year's expenses. Then this House cut that 5 per cent. Then the Senate cut that 10 per cent, with the result that without regard to what we do with reference to this so-called economy bill, if the present policy of Congress is followed through, and apparently it will be, there will be a cutting by Congress under what the President thought was the lowest amount the Government could get along with, of approximately $600,000,000.

I resent the effort of big business to try to save its hide from the righteous anger of the public by diverting the indignation of the people from itself and its own misconduct and its own utter failure to put its own house in order, to Congress and the American Government, and trying to make us appear responsible for conditions for which it is solely responsible. It is a strange thing that big business never thought of demanding this extreme econ-

omy in Government appropriations until it first wheedled Congress out of the $2,000,000,000 which it wanted the Reconstruction Finance Corporation to have available for its own use and benefit. [Applause.]

The letter referred to in my remarks is as follows:

E. I. DU PONT DE NEMOURS & Co.,
Wilmington, Del., April 8, 1932.

To the Stockholders, Employees, and Friends of E. I. du Pont de Nemours & Co.:

The situation at Washington deserves your active and immediate attention. The National Government is spending more money every year than the previous year, and you are one of those who must eventually pay the bill.

According to the December estimate of the Secretary of the Treasury, the expenditures of the major departments and commissions of the National Government will, for the fiscal year ending June 30, 1932, exceed by $1,231,100,000 those of 1927, when industrial activity was nearly at its peak and when prices of substantially all commodities and services were considerably above those of to-day.

The following tabulation, prepared from the latest annual report of the Secretary of the Treasury, sets forth a comparison of governmental expenditures by main subdivisions for the fiscal years 1927 and 1932:

[Figures to nearest hundred thousands]

	1927	1932	Amount of increase	Per cent increase
Total expenditures	$3,493,600,000	$4,482,200,000	$988,600,000	28
Less interest and sinking fund payments (statutory)	1,120,500,000	1,016,800,000	[1] 103,700,000	[1] 9
Less miscellaneous not included in budgets of major departments	409,100,000	270,300,000	[1] 138,800,000	[1] 34
	1,964,000,000	3,195,100,000	1,231,100,000	63
Balance which was expended by major departments, commissions, etc., as follows:				
Department of Agriculture	156,300,000	333,500,000	177,200,000	113
Agricultural marketing fund—net (Farm Board)		155,000,000	155,000,000	
Post Office deficit	27,300,000	195,000,000	167,700,000	614
Treasury Department	151,600,000	312,900,000	161,300,000	106
War Department	360,800,000	483,700,000	122,900,000	34
Navy Department	318,900,000	378,900,000	60,000,000	19
Shipping Board	19,000,000	60,800,000	41,800,000	220
Department of Justice	24,800,000	53,800,000	29,000,000	117
Department of Commerce	30,900,000	54,700,000	23,800,000	77
Other independent offices and commissions	35,400,000	57,600,000	22,200,000	63
Legislative establishment	19,700,000	32,400,000	12,700,000	64
Department of Labor	9,900,000	14,100,000	4,200,000	42
Adjusted-Service-Certificate Fund	115,200,000	200,000,000	84,800,000	74
Veterans' Bureau (Veterans' Administration since 1930)	391,500,000	784,400,000	[2] 392,900,000	100
Interior Department	302,700,000	78,300,000	[1] [2] 224,400,000	[1] 74
Total of major departments, commissions, etc.	1,964,000,000	3,195,100,000	1,231,100,000	63

[1] Indicates decrease.

[2] Since the Bureau of Pensions was transferred from the Interior Department to the Veterans' Bureau in 1931, in order to make a fair comparison with 1927 it is necessary to combine the expenditures of the Interior Department and the Veterans' Bureau for each period, which results in an increase in expenditures in those 2 divisions of $168,500,000 for 1932 as compared with 1927.

To finance these ever-increasing disbursements Congress is now planning huge additional taxes to be paid out of the already shrunken income of prostrate industry and individuals.

Taxes levied upon corporations and other producers increase the cost of their products. Higher costs lessen sales, slow down industry, increase unemployment and want—all of which drive costs still higher and further increase distress.

Taxes upon individuals have a similar effect by curtailing their capacity to purchase the products of industry.

It is lower costs and higher purchasing power which we need to-day perhaps more than ever in our history. Why are industries and individuals, which must reduce their expenditures to meet the depressed conditions, saddled with ever-mounting taxes to cover the ever-increasing expenditures of the National Government? Why should the confidence in the financial security of the Government itself be jeopardized by extravagance? Why does not Congress balance the National Budget by reduction of expenditures through efficient operation and the curtailment of nonessential services and functions?

Since the ways and means of curtailing governmental expenditures are the responsibility of Congress, these questions should be answered by Congress. Your Senators and Congressmen are in a position to know whether the continuance of this deplorable condition is necessary. The future of industry and employment will be affected by your action. If you feel as I do, make your feelings known immediately to your political representatives directly through your friends, your newspapers, your chamber of commerce, your trade associations, or other groups or individuals in a position to impress Congress.

L. DU PONT, *President*.

Mr. SWING. The comparison of expenditures used in the Du Pont letter has been analyzed and shown to present an unfair picture by the Director of the Budget in the following statement:

BUREAU OF THE BUDGET,
Washington, April 30, 1932.

Hon. PHILIP D. SWING,
House of Representatives.

MY DEAR MR. SWING: In accordance with our telephone conversation this morning I am inclosing herewith copy of the memorandum which I read to you over the phone.

Sincerely yours,

J. CLAWSON ROOP, *Director*.

MEMORANDUM.

APRIL 27, 1932.

In a recent printed circular letter issued from the executive offices of a prominent industrial corporation comparison is made between the Federal expenditures of the fiscal year 1927 and the estimated expenditures of the fiscal year 1932. The letter deducts from the total expenditures of each of the two years the interest on the public-debt and sinking-fund payments, together with certain miscellaneous items, and arrives at balances expended by the major departments and commissions, etc., of $1,964,000,000 for 1927 against $3,195,100,000 for 1932, an increase of $1,231,100,000.

It is to be noted that the comparison is made between a year in which expenditures were the lowest since 1917 and the estimated expenditures of a peak year when unusual expenditures were being made during the emergency in the interest of agriculture and in aiding employment through an extensive enlargement of the public-works program, increased vessel and aircraft construction, and similar activities involving employment in various departments. For example, in 1927 the expenditures for public works were approximately $188,000,000; the estimated expenditures for that purpose in 1932 are $623,000,000, an increase of $435,000,000. This public-works item includes the Federal-aid highway system in the Department of Agriculture, the enlarged public-building program in the Treasury Department, as well as river and harbor and flood-control work and other nonmilitary construction activities in the War Department.

Other increases over 1927 are: Agricultural marketing fund, $155,000,000; postal deficiency, $167,000,000; vessel construction and alteration in the Navy and Shipping Board construction loans, $75,000,000; aircraft construction and aeronautical activities in the Army, Navy, and Department of Commerce, $47,000,000; care of veterans, including adjusted-service certificate fund, $246,000,000; settlement of war claims act, 1928, in the Treasury, $37,000,000. These increases account for substantially the whole of the increase of $1,231,100,000 referred to in the letter with the exception of about $69,000,000, which represents the net amount of increases and decreases scattered throughout the various departments and is largely for such purposes as aids to agriculture, strengthening the activities of the Department of Justice in the detection and prosecution of crimes, in providing better facilities at penal institutions, increased expenses of the Department of Commerce in completing the decennial census of 1930, immigration and naturalization activities in the Department of Labor, etc.

Because of these unusual activities in the fiscal year 1932, a fairer comparison with the 1927 figures is the estimated expenditures for 1923 as contained in the Budget submitted in December last. Using the same items as were used in the comparison of 1932, the increase would be approximately $772,000,000 as compared with $1,231,100,000. Looking into the causes of this increase, as is done above in 1932, the increase is accounted for by approximately $273,000,000 in public works; $15,000,000, agricultural marketing fund; $128,000,000, postal deficiency; $46,000,000, vessel construction and alterations in the Navy and Shipping Board construction loans; $36,000,000, aircraft construction and aeronautical activities in the Army, Navy, and Department of Commerce; and $243,000,000, care of veterans, including adjusted-service certificate fund, leaving an increase in 1933 of only $32,000,000, which

represents net amount of small increases and decreases throughout the departments for purposes similar to those indicated in the miscellaneous increase of $69,000,000 referred to in the preceding paragraph for 1932.

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the amendment.

The Economy Committee was created to promote economies in the Government. We have under consideration the bill reported by the committee and it consists of 10 titles.

Its important provisions are reduction in the salaries of Federal employees, legislation affecting personnel, miscellaneous provisions for economy, reorganization of executive departments, creation of a Public Works Administration, creation of a Department of National Defense, special consolidations, interdepartmental economies and provisions applicable to veterans. Several of the titles deal with legislation that should not be considered in an economy program. The creation of new offices and any economies resulting are speculative.

ECONOMY

The most important title in the bill and the real opportunity for economy is in the reduction of the salaries of Federal employees. The Federal Budget is approximately $4,000,000,000. One-half of this Budget is for fixed charges, while more than one-third of it covers the salaries of Federal employees.

Federal salaries aggregate $1,341,670,730. A 10 per cent reduction will result in a saving of approximately $135,000,000. It is said that the minimum salaries and compensation should not be reduced. I am interested in those who receive small salaries. The action of the committee respecting small salaries meets my approval. It is to be remembered that the vast majority of those receiving salaries and compensation of $1,000 and less are furnished their subsistence by the Government. They do not have to pay rent nor do they have to pay for their meals.

Where actual living expenses are paid by the Government there is an opportunity for saving.

Those who oppose salary reductions insist that the buying power of Federal employees will be reduced and that there will be a delay in the return to normal conditions, but the dollar to-day will purchase, generally, as much as $1.50 would purchase three years ago. The purchasing power of Federal employees will be relatively larger in the event the reductions proposed by the Economy Committee are adopted than the purchasing power of similar employees in private life.

There is much dissatisfaction in the country to-day. People feel that they are called upon to economize personally while there is no reduction in governmental costs. An emergency confronts the Nation. Federal employees have had no reductions in salaries during the past two years, while those in private employment have had reductions from 10 to 50 per cent.

It is said that business and big business will follow the example of the Government. The reply is that business and commerce have already reduced salaries. States have reduced salaries. I recall the anomalous and contradictory instance during the debate of one city that has reduced materially the salaries of its city employees where the mayor is asking Congress to make no reduction of salaries of Federal employees in that city. This is a fair illustration of the fallacy in the arguments of those who oppose reduction of salaries.

Those who oppose reductions in salaries argue that the standard of living will be reduced. If the dollar is worth $1.50, the standard of living has been raised 50 per cent among Federal employees during the depression. If such argument is permitted to obtain, the way to promote prosperity would be to increase Federal salaries rather than reduce them. The only way to pay salaries is to tax citizens. If those who oppose reduction are sound in their reasoning, the way to promote prosperity would be to increase taxes during the depression.

FALLACY

States and cities have reduced salaries. Salaries have been reduced in private employment. The sound thinking and the clear reasoning of the country approve salary reductions in all walks of life because living expenses have been reduced. The purchasing power of the dollar has increased. Can it be that citizens in all the walks of life, can it be that public officials in municipalities and counties, can it be that governors and members of State legislatures are wrong when they advocate economy, retrenchment, and reductions of salaries? Can it be that everybody in the United States except the Members of Congress opposing reductions is dead wrong in demanding reduction of salaries of Federal employees? Has it come to pass that some Members of Congress alone are infallible in dealing with economic conditions? Have we reached the point where we must disregard the sound thought of the patriotic citizenship of the Nation in this time of stress?

What is the situation with respect to Federal employees? It is a question of a reduction in salaries or the discharge and elimination of tens of thousands of employees. Which is the fairer way, which is the better way, a reduction that affects all or a slash that destroys many?

Moreover, I am always in sympathy with a fair wage and a reasonable salary. The laborer is always worthy of his hire. Federal employees had a right to ask for an increase in their salaries in prosperous times. If they now oppose a decrease in abnormal times, what right would they have to advocate an increase in prosperous times?

We might as well face the facts. Some are opposing reductions in the salaries of Federal employees on the theory that there are other titles in the bill that will effect economies. Of course, there are some other items in the bill that will promote economies, but in many cases the economies are purely speculative. The creation of new departments, the establishment of new staffs, and the appointment of additional officers will not promote economy. At best, I repeat, such economies are doubtful. There will be no real economies unless salaries are reduced.

I resent any insinuation or statement that Federal employees are unpatriotic. I deny that they are unwilling to share in the burdens of the Government. Citizens are being taxed more than ever. Surely Federal employees would be less than patriotic if they decline cheerfully to share in the economies of Government in the greatest of all depressions. [Applause.]

The Classification Board of the Federal Government has made careful investigations. They report that Federal employees receiving salaries of $2,000 and less are receiving larger compensation than is paid for comparable work in private employment. Personally, I believe in graduated taxes. I believe in graduated reductions in salaries. I should like to see greater percentage of reductions in the larger salaries. I know that all legislation is the result of compromise. I think that all employees should really share in the reduction. However, I am willing to go along with the committee. I know that there must be economies, and I trust that on a record vote the reductions recommended by the Economy Committee will be approved and restored.

DUPLICATION

Many who oppose reduction in Federal salaries advocate the elimination of duplication. What do they mean? Duplication and waste involve one or more departments doing the same or similar work. What does elimination mean? It can mean nothing more nor less than the reduction of the number of Federal employees. Those who oppose overlapping are utterly inconsistent when they oppose reduction. If our sympathy for those who may lose employment is to get the better of our judgment, there will never be any elimination of waste and duplication. Waste and duplication mean unnecessary Federal employees. Let us stop and think. If we mean to match our preachments with our deeds, there is no escape from the conclusion that we must face the issue. Federal salaries must be reduced, and they must be reduced to the point where the taxpayer will be

relieved. I maintain that there should be adjustments, and adjustments with reductions that should aggregate from $75,000,000 to $135,000,000.

I come now to the pending title. Much was said a few minutes ago about the meaning of the term "Corps of Engineers" in paragraph (b) of section 502. The language of the section is the language generally used in river and harbor acts. When we speak of the Corps of Engineers of the Army in public works we mean the officers of the Corps of Engineers. The amendment of the gentleman from Missouri [Mr. COCHRAN] clarifies probably but does not change the meaning of the paragraph. The intent and purpose of the committee that originally reported the bill are still clear and evident.

PUBLIC WORKS ADMINISTRATION

Title V provides for the creation of a Public Works Administration. It is the bill reported by the Committee on Expenditures in the Executive Departments. There has been much agitation for this legislation. I am a member of the Committee on Expenditures in the Executive Departments. Two bills were considered by this committee. Extensive hearings were conducted. I believe that as a general policy it is well to play safe in periods of distress. The creation of new departments ordinarily means the expenditure of additional public moneys. We oppose additional bureaus and we denounce additional commissions. We are asked here to create another independent executive department. The better policy is that all administrative work should be under a Cabinet head. Independent establishments are more conducive to extravagance and contribute more to the dangers of bureaucracy than any features of our Government. I think it is a fair conclusion, from the hearings before the Committee on Expenditures, that there are certain improvements that can be made in the construction of public works. There is certain duplication, and there are instances where the overhead can be reduced. Economies can be promoted. I doubt, however, that the creation of an independent establishment without responsibility to any member of the Cabinet is the solution of the problem. However, as a compromise, I am supporting the bill.

The public works of the Federal Government have grown in importance. They have developed particularly in certain departments. There are, however, two departments of the Government that have had supervision of most of the public works. These are the Treasury Department, in which the Supervising Architect constructs public buildings, and the War Department, in which the Corps of Engineers has been charged with the improvement of rivers and harbors, with navigation, and flood control. It is worthy of note in passing that no work by the Supervising Architect and the Corps of Engineers has been tainted with fraud or corruption. When the United States departed from the policy of having public buildings constructed by the Treasury Department, there was extravagance. We recall the fraud and corruption in the administration of veterans' affairs 8 or 10 years ago. It is better to profit by such experiences than to run the risk of extravagance by establishing a new department when there should be economy on every hand. We had better economize than to enlarge with probably increased expenditures.

DUPLICATIONS

The chief duplications in public construction are the public works by the Veterans' Administration, by the Department of Justice, and by the Department of the Interior that could profitably and economically be transferred to the Treasury Department.

There are certain construction works now conducted by other departments that could be transferred to the War Department and executed by the Corps of Engineers. There is no reason why the Bureau of Public Roads, the Geological Survey, and the Reclamation Service should not be transferred to the Corps of Engineers.

Economies in the pending title are somewhat speculative. Independent establishments promote extravagances. They mean additional staffs and additional personnel. They mean additional organizations. The better plan is to place departments under Cabinet officers.

CORPS OF ENGINEERS

Navigation, rivers and harbors, and flood control are under the supervision of the Corps of Engineers. The Corps of Engineers is an important part of the Army. It is the construction department in time of war. There must be buildings, there must be bridges, and there must be highways for the successful prosecution of war. Under our representative government the officers of the Army should be trained in preparation for war and should be utilized in the Government. Navigation is essential to the winning of war. There must be adequate harbors at all ports and there must be navigation in the main waterways.

In all of its history the Corps of Engineers has been jealous of its good name. Its record is above reproach. It is and has been most efficient. No other agency of the Government now does the work performed by the Corps of Engineers. Why change? There is no duplication. Mere change is not progress. Motion is not advancement. Change is not improvement. I maintain that we should continue to utilize the Corps of Engineers in the services of the Government.

There is training in engineering at West Point. The honor graduates of West Point most frequently enter the Corps of Engineers and take postgraduate courses in the best engineering schools of the United States and other countries. The members of the Corps of Engineers of the United States Army are the most proficient engineers in the construction of river and harbor improvements, in the building of flood-control works, and in the improvement of navigation in the world.

GOVERNMENT ENGINEERS

Congress is repeatedly asked to appropriate large sums of money for internal improvements. There is much propaganda for appropriations for internal improvement. Flood control is a national problem. The advantages are sometimes local and sometimes national. There is the matter of reclamation and irrigation. There is the utilizing of water power of the United States. Selfish interests would obtain control of all the great water-power resources. It is important that the Government have careful and competent engineers, who are impartial, to furnish Congress and the country with accurate engineering facts and statistics in the consideration of all questions of internal improvement. The Corps of Engineers should be preserved for this very purpose.

I am thoroughly familiar with the title for the establishment of a department of public works. Personally, my solution of the problem would be to utilize the agencies of the Government that have had the most experience in public-works construction and to correlate such work so as to prevent duplication and overlapping.

I urge that there should be three engineering and construction organizations in the Government, under the Corps of Engineers, the Supervising Architect of the Treasury, and the Bureau of Yards and Docks in the Navy. The building activities of the Government should center around these three departments. Economy would result by transferring to the War Department, to be supervised by the Corps of Engineers, the Bureau of Public Roads, the water-resource branch of the Geological Survey, the mapping activities of the Geological Survey, the Reclamation Service, the Bureau of Lighthouses, the Office of Public Buildings and Public Parks, the National Capital Park and Planning Commission, the Federal Power Commission, and the Board of Road Commissioners for Alaska.

There should be transferred to the Treasury Department, to be administered by the Supervising Architect of the Treasury, all construction work now performed by the Bureau of Indian Affairs, all construction work now performed by the Department of Justice, and all construction work now performed by the Veterans' Administration. There should be transferred to the Navy Department the United States Coast and Geodetic Survey.

My solution would eliminate all independent departments. It would utilize existing agencies. It would promote economy.

The solution that I propose is embodied in a bill which I have introduced, H. R. 11715, which is substantially the same as the bill H. R. 11178, introduced by the gentleman from Texas [Mr. MANSFIELD].

I am supporting the department of public works construction for the reason that the three essential departments of construction are preserved. The administrator of public works will really take the place of the Supervising Architect of the Treasury. Army and Navy construction will be continued. The integrity of the corps will be preserved.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am heartily in sympathy with this section in the bill to create a public-works administration and to consolidate and coordinate the public works of the United States, but it seems to me there is something else lacking, that this is a mere gesture if we go ahead and establish a public-works department and then do not provide some means to relieve unemployment in the United States. There are 8,000,000 of unemployed; there are many millions more on part time; there are millions more who are scared to death that they are about to lose their jobs. Members of Congress have been deaf, dumb, and blind to these facts that are known to everybody in the United States. We have done practically nothing to relieve human misery which stalks throughout the Nation, yet the Congress refuses to recognize the existence of appalling unemployment and the most acute and distressing economic condition that has ever confronted the American people. We have proposed nothing, and yet every newspaper and every person in the country is talking about unemployment, which is the biggest and most important issue in the United States. All that Congress has done up to date was to donate 40,000,000 bushels of wheat to partially relieve hunger and undernourishment. The American wage earners are not asking for charity or doles; what they want is work and wages and a square deal for labor.

Soviet Russia, with $200,000,000, or less, in gold, is able to set up an enormous public-works program, but we hesitate to spend a dollar or even to plan in advance for an emergency building program. The policy of the Nation should be to spend millions or billions if necessary for public works but not a cent for doles. We are still the richest nation in the world, yet we have done nothing to even attempt to relieve unemployment, and I propose that the Congress of the United States after three or four months of session should spend a little time to consider ways and means of relieving unemployment in this country.

Mr. McDUFFIE. Will the gentleman yield?

Mr. FISH. I am sure the gentleman does not want to object to discussing the question of unemployment. That comes ahead of the question of economy, or at least should be considered at the same time.

Mr. McDUFFIE. Not at all; but we must get along with this bill.

Mr. FISH. I have only five minutes and part of it is already gone.

Mr. McDUFFIE. Mr. Chairman, I make the point of order the gentleman is not speaking to this section of the bill.

Mr. FISH. I have but five minutes, whereas the gentleman has spoken many times. The gentleman himself might save a little time.

Mr. McDUFFIE. But I spoke to the bill.

Mr. FISH. The gentleman has taken up a lot of time. I can not yield just now.

Mr. McDUFFIE. Mr. Chairman, I make the point of order the gentleman is not discussing the section.

Mr. FISH. I am discussing the question of public works.

The CHAIRMAN. The gentleman from New York will proceed in order.

Mr. FISH. Mr. Chairman, I will proceed in order. I am discussing the question of public works. That is what is needed in the United States, not merely an administration of public works, but public works themselves; and I propose to offer the following resolution. It will take but one minute to read it, and I hope no one will object. I am going to ask the Rules Committee for immediate consideration of it, and not only ask, but demand, consideration in behalf of 8,000,000 unemployed Americans and of many millions of others who are interested, the American Federation of Labor, the veterans' organizations, and many civic, fraternal, and church groups, and of most of the women's organizations, as private and municipal relief is almost exhausted and we must plan immediately for a 2-year public-works program, backed by a bond issue of $1,000,000,000. Such a plan must not permit the expenditure of a cent on public works that are not needed or will create a further overproduction in any commodities in which there is already an overproduction. I would appreciate support from all those who are interested in a constructive public-works program to relieve unemployment, to help in securing speedy and favorable action on the following resolution:

Resolved, That the Speaker of the House of Representatives is hereby authorized to appoint a special committee of five Members of the House, whose duty it shall be to immediately survey needed public works, such as post office and other Federal buildings, construction and maintenance of highways, and improvement of rivers and harbors, and Federal projects that will not create further overproduction of basic commodities, with authority to report to the House at any time with recommendations for a 2-year plan for emergency construction of public works throughout the United States to relieve unemployment. Said committee shall submit an estimate of the cost of each project contained in its recommendations, an estimate of the number of workmen to be employed on each project, and the ways and means of financing the projects recommended in its report.

Resolved further, That the special committee shall have the power to investigate the advantages of the 40-hour work week, or fewer hours of labor per day on public works, and recommend a definite plan to relieve the present distressing economic conditions by providing for the employment of a maximum number of unemployed American workmen on Federal works.

[Here the gavel fell.]

Mr. LOZIER. Mr. Chairman, neither the President, Members of the House and Senate, nor any other officers and employees of the Government have a vested right or indefeasible title to the office or position he or she holds. They are all mere agents, employees, attorneys, in fact, or, if you please, servants of the United States Government. They hold their positions at the will of the Government and people. The Government has the legal and moral right to fix their wages, which I am sure will always be liberal and reasonable and such as to justify faithful and efficient service.

We have on the Government pay rolls more than 1,000,000 men and women, or 1 person in every 125 of our population is drawing a salary from the Government. These salaries aggregate $1,300,000,000. Excluding the personnel of the Army, Navy, and Marine Corps, the civil list contains the names of approximately 800,000 persons, whose annual salaries exceed $1,000,000,000. The pending economy bill, if enacted in the form in which it was introduced, will effect the saving of at least $200,000,000 in our Government expenses. After exempting the first $1,000, the bill would save $67,000,000 in salaries. I voted against the Britten amendment to exempt salaries of $2,500 or less because that amendment cuts the life out of the bill, as 74 per cent of all Federal salaries are under $2,500 annually. The Britten amendment costs us $55,000,000, as it reduces the salary savings from $67,000,000 to $12,000,000. So, if you are going to exempt all salaries of $2,500 and under, you might as well exempt the others.

In voting to exempt only the first $1,000 of salary, I think I was fair, not only to the public but to the Federal employees as well, as under that exemption the reduction would not be burdensome to anyone, and certainly every Government employee wants to contribute something to relieve the present unprecedented emergency. Everybody must help in this crisis.

Congressional salaries and salaries of Government employees in excess of $1,000 should and must be reduced all along the line during this present emergency period. Poor

as I am, I am glad to take a reduction in my salary, although I strive to earn every dollar of it; and I believe every other patriotic person in the Government service will cheerfully accept such reductions as may be just and proper under existing unprecedented conditions.

The proposed reduction is not burdensome in the low-salaried positions, in some of which the present salary is not excessive, but those in higher-salaried positions should be and are called upon to make a more substantial contribution. As a sincere friend of the Federal employees, and as one who has in season and out of season championed the cause of fair wages, proper working conditions, and modern standards of living, I make bold to say that the present and future interests and financial welfare of Federal employees will be promoted by the willingness and cheerfulness on their part to contribute their mite to pull Uncle Sam out of the quicksands of insolvency. As they have shared in the Nation's prosperity, I am sure they want a part in the necessary and all-important task of relieving its present financial distress.

The Government has been good to its employees. Many of the present salaries would not be excessive if business and economic conditions were normal, but under present calamitous conditions Government employees are better paid and have much more desirable positions than those who perform similar services in the commercial, industrial, and professional fields. Then again, these Federal positions are, as a rule, permanent, with assurance of liberal retirement benefits when age separates them from the service. Governments, like individuals, enjoy periods of prosperity and experience times of depression. After eating the white cake of prosperity for years, we should be willing occasionally to take a slice of the black bread of adversity, especially if our paymaster, the United States Government, is in economic distress. By cheerfully submitting to a moderate reduction in salaries during this period of national emergency, the Federal employees will not only do the just and proper thing, but they will thereby create a spirit of good will on the part of the public the future value of which to the employees can not be computed in dollars and cents.

Because of a bankrupt Treasury and the ever-increasing burden of taxation, there is a widespread demand for a substantial reduction in Government salaries. The masses of the American people believe that the million men and women who are on the Government pay rolls should make some contribution toward balancing our National Budget. If Government employees are wise, they will not disregard this condition of the public mind. The will of the people is the supreme law. Members of Congress, Government officials, and Government employees are agents or servants of the people. People pay the taxes out of which Government salaries are paid. And the people have not only legal but a moral right to regulate the salaries they pay their agents and employees.

Obviously the interest and welfare of Federal employees will be promoted by working in harmony with, rather than against, the will of the people. By the terms of the bill the proposed reduction is effective only for the year beginning July 1, 1932, and ending June 30, 1933. If the employees cheerfully accept the proposed cut, which is not unreasonable, they will by such attitude prevent a permanent, more drastic, radical and perhaps unreasonable reduction of their salaries.

I am convinced that Federal employees are making a very serious mistake and jeopardizing their future interests by opposing any and all reductions in Federal salaries. I believe I understand the sentiment of the American people on this question, and I fear an unwillingness on the part of the Government employees to contribute anything toward balancing the Budget and helping Uncle Sam get on his feet again, will awaken a spirit of resentment among the masses which will sooner or later compel a more radical and drastic reduction in Federal salaries. If the oak did not ever and anon bend to the winds that blow, it would be broken or uprooted by the tempest. We can not with safety disregard or ignore public sentiment on this or any other question, especially in periods of national emergency and peril such as now confront us.

The interests and financial welfare of all Government employees are inseparably bound up with the interests and welfare of the Government they serve. Federal employees are members of Uncle Sam's family and household. He has nurtured them, given them permanent employment under favorable working conditions, paid them, not princely but good salaries, granted liberal annual and sick leave, and provided generous retirement privileges. Now the head of the household is in financial distress. It is but natural that he should ask the members of his family, not to bear all of his burden, but to bear a part and be indulgent with him until he can get his financial affairs balanced. If those who sit at his table and enjoy his bounty will not respond to his appeal, then to whom can he turn?

We have built up in America in the last 100 years a bureaucratic system that not only subverts the fundamental principles and conceptions of those who established our constitutional Government, but, in the language of John C. Calhoun, a system that has grown so powerful that it arrogantly and contemptuously defies the Government that created it. [Applause.] Here in Washington, a power has risen up in the Government greater than the people themselves, consisting of many, and various, and powerful groups, combined into one mass by the cohesive power of self-interest. Congress has been in a state of siege since we began consideration of the economy bill.

We witnessed a few nights ago a lamentable spectacle in this Chamber when the galleries were filled with officers and employees of the Government, outpourings from the departments in Washington, members of Uncle Sam's household, beneficiaries of his bounty, by their presence and applause dominating, overawing, and insidiously influencing the action of this House. I gazed into that sea of faces and wondered if we had reached the point in our national life when Government officials and Government employees had become so numerous and powerful that they could dominate legislation and dictate their own salaries. As I looked on that scene, I was reminded of the time—and my illustration is not far-fetched—when during the decadent period of ancient Rome the officeholding classes and the Prætorian Guard raised and deposed emperors at will, and put the royal purple and scepter on the block, and auctioned off the Empire to the highest bidder.

I repeat that I am a sincere friend of the Government employees. I would deprive them of no fair and just compensation, but their salaries are not sacred in this period of national emergency. They are making a fatal mistake and committing an irretrievable blunder when they place themselves in the attitude of hostility against a fair and reasonable reduction in public pay rolls. [Applause.]

Federal employees are members of Uncle Sam's family circle. He has furnished them with what are practically life jobs and has paid many of them large salaries and all of them good salaries. He has certainly been a kind, indulgent, and agreeable master. Now Uncle Sam is in financial distress. He is unable to balance his Budget. For the first time in 150 years he has appealed to his employees to help him out of a bad situation.

Like the head of any other family, he comes to the members of his household, to his working force, and respectfully requests that each and all contribute something toward replenishing his bankrupt Treasury. Unless his employees heed his request, he can not continue to give them employment and pay their wages. He does not ask them to bear all of his burdens, or to make up the entire deficit; but he does what he has a right to do—he asks the beneficiaries of his generosity and the members of his own household to submit to a fair and reasonable temporary reduction in their salaries. [Applause.]

Because I am a friend of the Federal employees, I speak frankly, and I protest against their following an unwise and self-serving leadership, making the blunder of opposing a reasonable reduction in their salaries for the ap-

proaching fiscal year. They will prejudice their case if they place themselves in the attitude of hostility against a reasonable reduction in their salaries. Such action on their part defies public sentiment and will create a spirit of resentment among the masses of the overburdened American people, which I fear will result in the election of the next Congress under a mandate, not only to reduce salaries but to reduce them in a more drastic, radical, and permanent manner than is proposed under the present bill. [Applause.]

I know the dangers that now threaten certain groups of Federal employees. I am trying to protect them from a menace more serious than a slight temporary decrease in salary. I am frank with them, because I am their friend and have their interests at heart. Their true friends will fight their battles when they are right, and frankly tell them when they are wrong or when they are pursuing a policy that will in the end injure them and breed serious future troubles. The time will come—and it is not far distant—when the Federal employees will realize that their true friends are those who are trying to prevent them from doing an unwise thing, something that will tremendously injure them in the future. For the small amount involved in this temporary reduction the employees can not afford to create a spirit of lasting antagonism on the part of the Government and people that will embarrass and plague them for years. If there ever was a time when Federal employees should not lose their heads but should go along with the Government and people, that time is now.

I can not state too strongly that in this period of national emergency, Federal employees who oppose all salary reductions are standing in their own light, and will thereby create conditions that will ultimately result in more drastic reductions, and perhaps revolutionary changes in methods of Government service. If they defeat the salary reduction program, they will make it the one big issue in the coming campaign. I know of no class of our people who have more to gain by balancing Uncle Sam's Budget than the Federal employees. I have confidence in them and believe that on second and serious thought they will cheerfully contribute their part toward placing their employer, the United States Government, on a basis where he can continue to give them employment at good wages. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Texas: On page 84, line 6, strike out Title V.

The question was taken; and on a division (demanded by Mr. JOHNSON of Texas) there were—ayes 20, noes 91.

So the amendment was rejected.

Mr. JONES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. To what title?

Mr. JONES. A new title, Title V (a).

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I have an amendment of that kind pending, which I offered on yesterday.

The CHAIRMAN. The gentleman, of course, knows it is not pending when he did not offer it. The Clerk will report the amendment offered by the gentleman from Texas [Mr. JONES].

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 43, line 2, after the word "effect," insert a new title to be known as Title V(a) as follows:

"The President is authorized to abolish the United States Shipping Board Merchant Fleet Corporation, effective June 30, 1932, and to transfer its activities, powers, and operating funds to the United States Shipping Board except $1,938,240 of such operating funds, which shall be covered into the Treasury as miscellaneous receipts.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DOUGLAS of Arizona. The substance of the amendment offered by the gentleman from Texas has already been acted upon by the committee.

Mr. JONES. Mr. Chairman, I desire to be heard on the point of order if there is any doubt about it.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the point of order.

Mr. JONES. Mr. Chairman, the amendment that was offered yesterday provided for completely abolishing the United States Shipping Board Merchant Fleet Corporation. Under this title—Title V—the President is authorized by executive order to transfer to the Administration of Public Works and consolidate and coordinate therein the whole or any part of all bureaus, agencies, activities, and services of the Government. This amendment simply authorizes the President to abolish the United States Shipping Board and the Federal Trade Commission. The amendment covers an authorization for the abolishment of the United States Shipping Board Merchant Fleet Corporation, effective July 1, 1932. The former amendment would have abolished it, as a matter of law. This amendment simply authorizes the President to abolish it and it follows the title as a new title, which authorizes the President to consolidate in whole or in part certain bureaus. Then it is followed—the whole amendment was not read—by subdivision (b) which authorizes the President to abolish the Federal Trade Commission effective June 30, 1932, and to transfer the unexpended funds of that commission to the Treasury as miscellaneous receipts.

As I understood the point of order, it was simply leveled at the fact that the same amendment was offered on yesterday. If there is any further point of order under consideration by the Chair, I would be willing to discuss that.

Mr. CLARKE of New York. Will the gentleman permit an inquiry?

Mr. JONES. Yes.

Mr. CLARKE of New York. What is the difference in practical accomplishment in getting rid of the vermiform appendix by the gentleman's amendment and the other provision?

Mr. JONES. I do not care how it is done, but there is a vast difference from a parliamentary standpoint in abolishing a bureau or department as a matter of law and authorizing the President to do the same thing.

Mr. CLARKE of New York. What is the advance in the gentleman's proposition?

Mr. JONES. It authorizes the President to absolutely abolish the board; and would that the will of the Congress be it should be abolished. It gives an expression of sentiment on the part of the House that the United States Merchant Fleet Corporation should be abolished as well as the Federal Trade Commission, the activities of the Merchant Fleet Corporation being transferred to the United States Shipping Board, which is another branch of the same thing. Why should there be a shipping board and a fleet corporation, when both have to do with operating a fleet? Why have two bureaus, two sets of officers, two sets of lawyers? Oh, I understand it is claimed that one shapes the general policies and one operates the fleet. But why have them run from one bureau to another? This amendment provides for one directing head of the entire project, with but one organization. This is strictly in line with an economy bill. It is in accord with the general purposes both of the preceding title and the entire bill.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard on the point of order?

Mr. McDUFFIE. Yes, Mr. Chairman.

Mr. Chairman, in the first place, we have delegated to the President under a former title the right to make many changes and consolidations. I think the gentleman from Texas will agree with me that as to any board or bureau or commission which has been set up by an act of Congress the President could only recommend, and could not abolish,

and it will have to be abolished by affirmative action of the Congress itself. We have authorized the President already to take such steps as he may deem necessary.

The committee went into the question of the Shipping Board and the Merchant Fleet Corporation. I think the committee has been a little extreme, if we may use that term, when it comes to the Shipping Board. We have cut their number from seven to four, we have authorized and directed practically certain economies in their personnel, and with respect to their pay roll, and I think we have treated this matter as well, and have gone as far, as is practicable at this particular time.

Mr. JONES. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. JONES. I want to suggest to the gentleman that the former authorization, which the gentleman points out, simply authorized the President to make recommendations to the Congress, and they do not become effective at once but are subject to the veto power of the Congress. This amendment gives him absolute authority to do away with or abolish these activities, and with respect to the point of order, I think the gentleman has been discussing the merits rather than the point of order.

Mr. McDUFFIE. May I ask the gentleman from Texas whether he thinks the Congress can delegate such authority?

Mr. JONES. They can authorize the discontinuance of any agency of the Government. I do not regard this as delegation of legislative authority.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule.

The gentleman from Texas, when Title III was under consideration, offered this same amendment in a different form to Title III. A point of order was made against it at the time by the gentleman from South Dakota [Mr. WILLIAMSON], and the Chair overruled the point of order and held that it was germane to Title III. The Chair does not think it is germane as a new title or as a new section, and therefore sustains the point of order.

Mr. JONES. Mr. Chairman, I offer the second part of the amendment as a new title.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 43, line 2, after the word "effect" insert a new title to be known as Title V (a) as follows:

"The President is authorized to abolish the Federal Trade Commission effective June 30, 1932, and when so abolished its unexpended funds shall be covered into the Treasury as miscellaneous receipts."

Mr. STAFFORD. Mr. Chairman, I make the point of order that the amendment is not germane to this part of the bill. It should have been offered as an amendment to Title III or IV. As the bill is framed, the House considered the subject of the Shipping Board under Title III, and under Title IV we considered certain authority to be vested in the President as to consolidation of governmental bureaus.

It is fundamental parliamentary law that the object of parliamentary law is expedition in the consideration of legislation, and to center the attention of the House or the parliamentary body upon the subject under consideration. If the rule is to be established that we are to be privileged at any time to revert to some subject, we get nowhere, make no progress, and do not save time. I insist on the point it is not germane and that it is too late for the amendment to be offered now.

Mr. JONES. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. JONES. I want to call the attention of the Chairman to the fact that in section 502—

The President is authorized by Executive order to transfer to the Public Works Administration and to consolidate and coordinate therein, the whole or any part of all bureaus, agencies, offices, activities, and services, whether now existing in any executive department, independent establishment, or as an independent activity.

A few days ago, when an amendment was offered to abolish the Farm Board, the ruling was to the effect that when the law was touched in any way an amendment was in order which abolished the activity or which transferred it to another department of the Government.

This is offered as a new title, not merely to a new section but a new title. If it is in order as to almost any part of the bill, it can be offered at the end as a new title, if it is germane to a preceding title.

The CHAIRMAN. Title III provides for certain miscellaneous provisions, and section 502 in Title IV authorizes a consolidation of certain public works. The amendment of the gentleman from Texas now proposes in the form of a new title to abolish the Federal Trade Commission. Certainly the Chair can not hold it germane as a new section. The Chair thinks it would have been germane if offered under the miscellaneous provision in Title III, and the Chair therefore sustains the point of order.

Mr. JONES. Mr. Chairman, I ask unanimous consent to return to Title III. The Chair understands that the debate had been closed on Title III before I could get recognition. Without an explanation the House would not adopt an amendment. Otherwise I should have offered it at the place suggested by the Chair.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WILLIAMSON and Mr. STAFFORD objected.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I offer the following amendment as a new title:

Page 43, after line 2, insert:

"TITLE 5A. BOARD OF AFFAIRS

"That for the purpose of preventing waste and duplication in making purchases for the United States, there is hereby created a centralized purchasing bureau which shall be known as the board of affairs. Such board shall consist of three members to be selected by the President: *Provided*, That the President is hereby authorized to fill any vacancy that may occur.

"That such board shall have complete jurisdiction in making purchases for the executive departments of the Government, except articles that would be classed as ordnance affecting the War, Naval, and Coast Guard activities, and supplies for the bureau of public works.

"That each department of the Government shall make inventories every 30 days of all supplies coming under the jurisdiction of the board of affairs, and it shall be the duty of such board to standardize, consolidate, coordinate, and to distribute such supplies so as to prevent duplication in future buying.

"That the board shall prescribe forms, make rules and regulations, and require requisitions to be filled out by the proper officials of each department before making such purchases as may be desired, and when such requisitions are made the same shall state the amount of such article on hand, if any.

"That no purchases amounting to more than $500 shall be made without asking for sealed bids, and the lowest responsible bidder complying with all regulations and specifications shall be giving the award: *Provided*, That in the case of an emergency the President of the United States may suspend for any given period any or all of the provisions of this act.

"That the President is hereby authorized to transfer from any department of the Government such employees as may be necessary to carry on the business of this bureau, without changing their status with respect to pay.

"That each member of the board shall execute a surety bond in such sum as may be directed by the President for the purpose of taking care of any irregularity that might occur.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order on the ground that the proposed amendment is not germane, in that it creates an additional bureau and a charge on the Treasury of the United States.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, on page 34, under title of "Public Works," the language provides for the consolidation and coordination of the whole or parts of all bureaus, agencies, offices, activities, and services or bureaus necessary to bring about economy.

This amendment does not provide for the employment of a single additional person, but it does provide for a combined agency of the different bureaus, that they shall be consolidated under one bureau, and that that bureau shall be under the jurisdiction of the President.

This amendment will not cause an increased expense to the Government by a single penny. It will not cause a single bureau employee to be put on the pay roll, and it

will prevent 35 independent establishments and 124 bureaus from buying the same articles through independent bureaus. There is no excuse on earth for 124 different bureaus making a requisition to buy articles necessary to carry on the Government. It does seem to me that this House ought to be willing to consolidate wherever it would result in economy.

The CHAIRMAN. The Chair thinks the amendment offered by the gentleman from Oklahoma is germane, and therefore overrules the point of order. The question is on agreeing to the amendment of the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. HARLAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARLAN. In this title and throughout the bill, there are provisions creating new offices, reducing salaries, and establishing salaries. Will these new provisions for new salaries and reductions, and so forth, be subject to the general provisions that we provided for in Title I, or are they independent of that?

The CHAIRMAN. The Chair does not think that is a parliamentary inquiry, and frankly, the Chair is unable to inform the gentleman even if it were.

Mr. HARLAN. Will the committee agree to an amendment providing specifically that the Economy Committee on salaries shall apply to the salaries created in this bill?

Mr. McDUFFIE. We will take that matter up after we are through with the bill. We will take it up when we get to it.

The Clerk read as follows:

TITLE VI—NATIONAL DEFENSE REORGANIZATION ACT

SHORT TITLE

SEC. 601. This title may be cited as the "national defense reorganization act."

ESTABLISHMENT OF DEPARTMENT OF NATIONAL DEFENSE

SEC. 602. (a) There is hereby established at the seat of government an executive department to be known as the Department of National Defense, at the head of which shall be a Secretary of National Defense, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive the same compensation as other heads of executive departments.

(b) There shall be in the department of national defense three assistant secretaries, to be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as may be required by law or prescribed by the Secretary of National Defense. The assistant secretaries shall receive compensation at the rate of $10,000 per annum. The assistant secretaries shall be known, respectively, as the Assistant Secretary for the Army, the Assistant Secretary for the Navy, and the Assistant Secretary for Aviation.

TRANSFER OF WAR AND NAVY DEPARTMENTS, AND COORDINATION OF ACTIVITIES

SEC. 603. (a) The Department of War and the Department of the Navy and all that pertains thereto are transferred to the department of national defense, and the Department of War and the Department of the Navy shall cease to exist as separate executive departments.

(b) The offices of Secretary of War, Secretary of the Navy, Assistant Secretaries of War, and Assistant Secretaries of the Navy are abolished, and the functions, powers, and duties vested in and imposed upon such officers are hereby vested in and imposed upon the Secretary of National Defense.

SEC. 604. The Secretary of National Defense is authorized—

(a) For the purpose of perfecting the organization and coordinating the activities of the Department of National Defense (1) to consolidate, eliminate, or redistribute the functions of offices, bureaus, or agencies, to create new ones, and fix the powers, duties, and functions of their executive heads, and (2) to take such other action, not inconsistent with the provisions of this title, as he may deem necessary;

(b) To consolidate or to coordinate the activities of the Air Corps of the Army and aviation units, services, and organizations of the Navy and Marine Corps; and

(c) To recommend to Congress from time to time such legislation as he deems necessary to perfect such organization and coordination of the activities of the Department of National Defense, or of such consolidation or coordination of the Air Corps of the Army and aviation units, services, and organizations of the Navy and Marine Corps.

MISCELLANEOUS

SEC. 605. (a) The Secretary of National Defense shall cause a seal of office to be made for the department, of such device as the President shall approve, and judicial notice shall be taken thereof.

(b) The administration of the Department of National Defense shall be governed by the laws in force with respect to the Department of War and the Department of the Navy at the time of their transfer under this title, in so far as such laws are not inconsistent with the provisions of this title and are not inapplicable.

(c) All orders, rules, regulations, and permits or other privileges made, issued, or granted by or in respect of the Department of War or the Department of the Navy, and in effect at the time of the transfer of such departments under this title, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed.

(d) All unexpended appropriations in respect of the Department of War or the Department of the Navy shall be available for expenditure by the Department of National Defense and shall be treated as if the department had been originally named in the laws making the appropriations.

TIME OF TAKING EFFECT

SEC. 606. This title shall take effect upon the enactment of this act, except that sections 603 to 605, inclusive, shall take effect when the Secretary of National Defense and the assistant secretaries of national defense have taken office.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate upon Title VI and all amendments thereto close in one hour.

Mr. BYRNS. Mr. Chairman, this title, in my judgment—and I am not going to argue it now—is the most important from an economic standpoint in the bill. Not one word of discussion has been had of it. It does seem to me that this House can not afford to put itself in the attitude before the country of undertaking to limit debate upon this title to one hour. I think there should be at least three hours upon this matter. If gentlemen are afraid to have this put before the country, they can object, but I do insist that we ought to proceed in an orderly way and not limit this to an hour.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order that my motion is not debatable.

Mr. STAFFORD. Mr. Chairman, I make the point of order that the motion the gentleman makes is not in order, because there has been no discussion of the title.

The CHAIRMAN. The Chair agrees with the gentleman from Wisconsin.

Mr. SNELL. Mr. Chairman, I suggest a compromise of two hours.

Mr. VINSON of Georgia. One hour is sufficient.

Mr. McDUFFIE. Mr. Chairman, with the permission of the gentleman from Arizona I ask unanimous consent that we have two hours' debate upon this title. Several gentlemen have made a study of the matter. It is a radical change and I think the House should have some opportunity for discussion. I regret to see the House utilize two hours upon it, but I think it is nothing but fair and I believe we will make time if we agree to two hours. Then at the end of that two hours we will endeavor to cut off debate.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that all debate on this title and all amendments thereto close in two hours. Is there objection?

Mr. VINSON of Georgia. Reserving the right to object, if this request is granted, will the two hours be consumed under the 5-minute rule?

The CHAIRMAN. That is the only way that they could be consumed, and it is within the province of the Chair as to whom he will recognize. Is there objection to the request of the gentleman from Alabama?

Mr. BYRNS. I submit that by unanimous consent we can give a Member additional time if it is wished.

The CHAIRMAN. The committee is operating under the rule adopted for the consideration of the bill. The request of the gentleman from Alabama, if granted, would carry two hours' discussion under the 5-minute rule, with recognition by the Chair.

Mr. BYRNS. Do I understand that no Member on the floor of the House will have more than five minutes to discuss an important matter like this?

The CHAIRMAN. Except by unanimous consent.

Mr. SNELL. And if a man has a message, I am sure that the House will give him more time.

Mr. McDUFFIE. Mr. Chairman, then I amend my former request and ask unanimous consent that the gentleman from Tennessee may have 30 minutes within which to explain the proposition, as he is the author of this particular provision.

The CHAIRMAN. Does the gentleman mean 30 minutes within the 2-hour period?

Mr. McDUFFIE. Yes.

Mr. JOHNSON of Washington. I object.

Mr. BANKHEAD. Do I understand that the gentleman from Washington objects to the 30-minute proposition?

Mr. JOHNSON of Washington. I object to the 30-minute proposition.

The CHAIRMAN. Then the Chair will put the original request. The gentleman from Alabama asks unanimous consent that all debate upon this title and all amendments thereto be closed in two hours. Is there objection?

There was no objection.

The CHAIRMAN. Before we proceed with the discussion and amendments to this title, the Chair has examined the title, and he doubts very much if it is divisible or could be affected by amendment. Therefore, he will recognize first the gentleman from Georgia [Mr. MARTIN], who will offer an amendment to strike out the title.

Mr. MARTIN of Oregon. Mr. Chairman, I offer the following amendment, which I send to the desk.

Mr. WHITTINGTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITTINGTON. I respectfully submit a perfecting amendment would be in order on this proposition.

The CHAIRMAN. The Chair did not announce that perfecting amendments would not be in order. The Chair simply stated he would recognize the gentleman from Oregon [Mr. MARTIN] to strike out the section.

Mr. RAMSEYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAMSEYER. Two hours have been granted for debate. If during the two hours perfecting amendments are offered, will they be voted on before the two hours are consumed, or may we understand that perfecting amendments will not be voted on until debate has closed?

The CHAIRMAN. As soon as the two hours is consumed, then a vote will be taken on all amendments that have been offered to the title. Of course, there will be no further discussion.

Mr. ARENTZ. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon may proceed for 15 minutes.

Mr. DOUGLAS of Arizona. Reserving the right to object, Mr. Chairman, I shall not object if the gentleman from Tennessee, who is one of the fluent advocates of this title, be given 30 minutes in which to present his side of the case.

The CHAIRMAN. The Chair will recognize only one gentleman at a time.

Is there objection to the request of the gentleman from Nevada?

Mr. SNELL. Mr. Chairman, I object for the present, because I did not understand what it was.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oregon.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Oregon: Beginning on page 43, line 3, strike out all of Title VI.

Mr. PARKER of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon be permitted to proceed for 15 minutes, and that the gentleman from Tennessee [Mr. BYRNS] be permitted to proceed for 15 minutes in reply.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The gentleman from Oregon [Mr. MARTIN] is recognized for 15 minutes.

Mr. MARTIN of Oregon. Mr. Chairman, I feel that I have some authority to speak on the subject of national defense. When the distinguished Senator from my State, the late Hon. George E. Chamberlain, was sponsoring the wonderful national defense act of 1916, the only real constructive military legislation we had had by Congress since 1798, I was in close association with him, more or less. During the administration of that great Secretary of War, the late John Weeks—God bless his memory—I was in the War Department, part of the time as Assistant Chief of Staff, so that I claim a right to be very familiar with this subject.

This section of the bill is presented as a measure of efficiency and economy. I tell you solemnly, from my experience, that it is one of the most deadly blows to efficiency that could be struck at the national defense. [Applause.] As a measure of economy, it is a measure not of economy but of extravagance. I tell you frankly that it is the greatest piece of humbuggery in this bill. [Applause.] If any Member of this House believes that this grave matter has received that attention from the Economy Committee sufficient to merit a vote, then I say to that Member that he either fails to grasp the significance of the national defense and its organization, or he is willing to follow the dictates of expediency.

Early in this session the chairman of the Committee on Appropriations introduced the part of this bill which I have moved to strike out. It was referred to the Committee on Expenditures in the Executive Departments, of which I am a member. It was a queer place to have sent it, but it was sent there.

My distinguished colleague appeared before that committee and made the statement that it would add to the efficiency of the Army and the Navy and would save $100,000,000. Our committee met for three months on that question, and because of the prominence and in view of the statement of the gentleman we gave it most careful consideration. The committee was anxious to be convinced. I think all members of the committee were anxious to be convinced that it would save $100,000,000 and would add to the efficiency of the Army and the Navy, but from the beginning of those hearings to the end there was not a scintilla of evidence that it would save $100,000,000 or that it would add to the efficiency of the Army or the Navy. On the other hand, there came before us men who should know about those things. If we were discussing a merger of this House and the Senate, who would we turn to? We would go to the Vice President and the Speaker of this House and the old Members of long experience. It might be asked why we did not bring some of us youngsters in. We youngsters would not attempt to tell you what would be the effect of a merger. We brought before that committee both the Secretary of War and the Secretary of the Navy. We brought before that committee the Chief of Naval Operations, the Chief of Staff, the Chiefs of the Air Service and Supply, and we had a most enlightening letter from the Chief of Staff of the Army. What was that testimony? That testimony universally was that this measure would be a fatal blow to the efficiency of the Army and would be extravagance. Still we waited and waited for the protagonists of the $100,000,000 saving and efficiency to appear. We closed those hearings, and we laid this outrageous bill on the table by a vote of 12 to 8, a nonpartisan vote; and if one member of the committee who was absent, the distinguished gentleman from Pennsylvania [Mr. CAMPBELL], had been able to be present, the vote would have been 13 to 8. That shows how the committee was convinced on this question.

Mr. COLTON. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. COLTON. Is it not a fact that there was not any evidence brought before the committee which showed any specific saving?

Mr. MARTIN of Oregon. Not a scintilla, and in my opinion it could not be done.

Four times during the past decade has this matter been the subject of extensive investigations by committees of national importance. Not one has recommended that this Government set up the air services as an independent body coordinate with the Army or the Navy. Only one has recommended that there be created a department of national defense, and that committee's concern was primarily that of the proper organization for our air services. The scope

of the past investigations have been broad. To disregard their conclusions is a hasty effort to meet political demands in the face of the probable dire circumstances is beyond my comprehension.

By favoring this bill we are fostering a severe blow to the morale of our national-defense forces. The spirit of the Army and of the Navy, built up to its present high state during the past century and a quarter of our Nation's history, is of utmost value to the Nation. To rip it asunder by creating a chaos in their organization, particularly now when national defense again assumes an intimate aspect on the stage of world affairs, would be a distinct contribution to military impotence. Impair the morale of the Army and the Navy, which is the foundation of their efficiency in the preparation for war and in the conduct of war, and you have done an irreparable damage, one that can not be measured in money or other material things.

The saving of money is secondary in the matter of national defense. Efficiency in war is what we demand of the Army and the Navy. This proper relationship of efficiency and economy was clearly enunciated before the Committee on Expenditures in the Executive Departments. Yet some Members of this House appear to be in a mood to disregard the testimony of witnesses who were in high places in the World War and who to-day hold the most important positions in the Army and the Navy. These witnesses were emphatic in their statements that efficiency of the Army, the Navy, or the air forces would not be served by the propositions of this bill; they are equally as firm in their convictions that the efficiency would suffer.

Economy is secondary. Let us view the proposal from that angle. No line of this bill carries any concrete proposal for economy. It has been claimed that this consolidation will yield an economy of as much as $100,000,000. This was the figure publicly stated by Chairman BYRNS. Why, if such economies are possible, are they not outlined in this measure? The answer is clear—because there is no such economy in sight! If any single item had presented itself to the proponents of this bill which would concretely show a saving, it is unquestionable that they would have inserted it into its framework.

This bill places the entire subject of a possible economy in the hands of the President of the United States. He has clearly stated in his message to Congress that he does not favor such an amalgamation. His Secretary of War reiterated that no economy is possible. His Secretary of the Navy has testified to the same effect. The Chief of Staff of the Army, the Chief of Naval Operations, and other professional men have given their expert opinion to this effect. How absurd, when the entire executive branch of the Government says that no economies are possible, that this bill should place in the hands of the President the carrying out of such economies without enumerating their possibility in detail! This anomaly is answerable by the simple fact that no such economies are possible. This bill will eventually be an extravagance and not an economy.

Mr. GARBER. Will the gentleman yield for a question?

Mr. MARTIN of Oregon. I yield.

Mr. GARBER. The gentleman is a recognized authority upon military organization. Did the hearings disclose any military authority supporting the consolidation?

Mr. MARTIN of Oregon. Not one whom I would consider a military authority; and since the dawn of history you can find no responsible soldier or sailor who would recommend this thing.

The only real authority they ventured to claim was Hunter Liggett. So I telegraphed that great general in San Francisco, as follows:

Are you in favor of a Department of National Defense or have you ever expressed favor of a united Army and Navy under one department?

From General Liggett I received this telegram in reply:

Have never expressed favor of a united Army and Navy under one department. I am not in favor of Department of National Defense, as I do not think it practical or economical.

Mr. ARENTZ. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. ARENTZ. The time of the gentleman is drawing to a close. Before he finishes will he tell us whether any economies can be effected by this consolidation? [Applause.]

Mr. MARTIN of Oregon. I was in hopes I would have time to go thoroughly into that subject to show the House what a farce this whole thing is.

Mr. SCHAFER. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. SCHAFER. The gentleman from Oklahoma [Mr. GARBER] asked if any military authority appeared before the Expenditures Committee and testified in favor of the consolidation. I will say there were not, but by innuendo the committee hearings show that officers now on the pay rolls in our national-defense organizations indicated in the dark that they were in favor of it. It was anonymous testimony. Those people ought to come out in the open or be removed from the pay roll of the Government.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. JOHNSON of Washington. Might not this proposed consolidation develop in time to the point that it might have at its head a superman?

Mr. MARTIN of Oregon. Most dangerous.

Mr. JOHNSON of Washington. A man with too much power.

Mr. MARTIN of Oregon. It would be fatal in war when prompt decisions must be made.

Mr. JOHNSON of Washington. It might lead to the very kind of militarism which nearly all citizens are trying to avoid.

Mr. MARTIN of Oregon. For instance, when I was in the War Department frequently some delicate question would come up, and I can now see Secretary Weeks reaching for that black slouch hat of his, marching across the street to the President, and he would be back in five minutes with a decision.

General MacArthur's letter to the committee, to which I have referred, is as follows:

GENERAL M'ARTHUR OPPOSES AMALGAMATION OF WAR AND NAVY DEPARTMENTS

The Chief of Staff, Gen. Douglas MacArthur, has sent the following letter to the Hon. CHARLES H. MARTIN, Representative from Oregon, with reference to the project for amalgamation of the War and Navy Departments into a single bureau of the Government:

"You have asked for an informal expression of my views concerning the project for amalgamating the War and Navy Departments into a single bureau of government.

"No other measure proposed in recent years seems to me to be fraught with such potential possibilities of disaster for the United States as is this one. The proven agencies which have successfully conducted this country through six wars in a period of 125 years are now under the apparent dictation of a measure of economy to be launched on an adventure which, under certain conditions, might involve the very life of the Nation.

"Not only the military history of this country but of every other country gives indisputable proof of the advantages of maintaining in time of war the integral control of the two great branches of national defense—the Army and the Navy. Each must be free to perform its mission unhindered by any centralized and ponderous bureaucratic control. To those who have had practical experience in the conduct of war this principle is so basic and clear that it seems almost impossible that serious thought could be given to any other arrangement.

"I know of no responsible soldier or sailor in the whole gamut of history who has advocated such a plan as is now proposed. From the beginning of armies and navies the whole mass of testimony, not only of the great captains of history but of all those students who have written upon the subject, has been practically unanimous in this matter. When the Congress of the United States, in 1798, for specific and cogent reasons, abandoned the unsuccessful attempt to administer the two great fighting services through a single department, it was but conforming to the lessons of history, to the accumulated experience of civilized peoples, and to the dictates of logic. Fighting on the sea and fighting on the land have no elements in common except in so far as they are both engaged in the ultimate mission of victory. Separate commanders, specialized staffs, particularized training, and individual supply arrangements must remain as essentials for each. I will not attempt to burden you with a repetition of the manifold arguments along this line which have already been advanced. I

merely wish to emphasize that I give it as my fixed opinion that such an amalgamation as proposed would endanger victory for the United States in case of war.

"As I understand it, however, the motivation of the proposition is not efficiency but economy. This feature of the subject has been discussed for weeks by your committee, and by other similar groups at various periods during the past decade; yet I challenge anyone to show a single major line of operation along which important economies could be effected without dangerously impairing efficiency. The proponents of economy have been unable to develop a concrete program outlining its factors. The basic hope they have advanced seems to be built upon the thought that the amalgamation will do away with certain overhead expenses. Small and trivial concrete cases have been cited of possible overlapping and from these trivialities an opinion has been expressed that great economies may be accomplished by their elimination. The contrary result would obtain. Formation of the great organization proposed would not materially lessen the necessity for the separate logistical, administrative, and training staffs now existing, but would at once attract to itself a group of officers, civil officials, clerks, and others, which would probably exceed in cost and size during the course of time anything that this Nation has ever experienced. The history of government demonstrates that the parasitical development of bureaucracy spring from the setting up of superfluous échelons of control, such as the one proposed. Although I recognize the possibility of effecting relatively unimportant economies in isolated activities, the ultimate cost of this superimposed structure would, in my opinion, exceed by millions any economies that could be safely effected. The super-Cabinet officer at its head could not fail to be the acquisitor of one of the largest and undoubtedly the most powerful governmental organization the United States has ever known. New buildings, new schools for the training of the composite soldier-sailor, new staffs, all with their additional cost, would be built up at the top of such a groupment. Rather than economy this amalgamation would, in my opinion, represent one of the greatest debauches of extravagance that any nation has ever known.

"The nations of the world have not all been wrong for all time. If it had been advantageous for governments to accomplish such organization as is now suggested, it would have been done decades, or even centuries, ago. The ingenuity of man has never found such outlet in any other channel as in that concerning war. This bill would run counter to the experience of the world.

"I can not emphasize too strongly the inadvisability of the serious consideration of this change in the face of the international situation that now exists. The instability, the uncertainty, the loss of morale among the combatant forces that would be entailed by acrimonious discussions along this line, seem to me to be fraught with such peril to the Government that even if everything that were said in favor of this bill by its proponents were true, I still would give my most solemn counsel to suspend action until the world has reached a condition of approximate normalcy.

"I am not going to burden you with a further detailed discussion, but this note represents the epitome of my professional opinion, in accordance with your verbal request. Pass this bill and every potential enemy of the United States will rejoice."

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. STAFFORD. Mr. Chairman, the distinguished retired officer of the Army who has just addressed you calls for some evidence by those who favor this merger. I will say that General Economy favors it. Also the experts on the Appropriations Committee, who have had 20 years or more experience in service on that committee. I cite them as authority for the statement that economies will result because of the merger of these two great services. In addition to that, I cite one other service in Army and Navy, and that is the Air Service. What justification have we for having two or three respective air services, one in the Army, one in the Navy, and one in the Marine Corps?

I served back in 1921 to 1923 as a member of the subcommittee handling War Department appropriations, and there my attention was called to the duplications of activity, particularly in the Air Service. I became convinced that the Government would save millions and millions of dollars if those three air services were directed by one head.

We are appropriating $25,000,000 or more for aircraft construction in the Army, more for the Navy, and a large amount for the Marine Corps. Each service maintains its own technical force of highly paid civilian employees. How can anyone in the face of that condition say that economies will not result by the merger of those services? The Navy maintains a large force of technicians for naval aircraft at South Philadelphia, the Army a still larger force at Dayton, and the Marine Corps its independent unit at Quantico.

I know there is a studied effort on the part of the navy yards and others favorable to the existing system to have no economies whatsoever. They are in favor of the existing order. It can not be expected that the favored personnel, which is nicely intrenched in these three respective services, would come here and advocate giving up their berths.

Those who followed these services during the war know that we suffered by reason of conflicts between the Army and the Navy.

Great Britain has one unified service. Can anyone—even the retired Army officer who has just addressed you—cite any instance where Great Britain suffered in the World War by reason of having one unified service as is proposed here?

Take the subject of hospitalization. We had that subject up the other day. A great saving in hospitalization would result and as many other economies.

Naval hospitals and Army hospitals are independently established, with consideration only as to the need of their respective services. Here, too, the same service could be rendered to both services with saving from duplication.

In our work on the Committee on Military Affairs we find rivalry between the two services. Last year the War Department recommended that the Government abandon and sell a valuable tract of land on the Potomac, near Alexandria, that they no longer needed. I felt it was my duty to write to the Secretary of the Navy that we were about to give up this valuable tract of land and sell it at public auction. I thought that piece of land might be needed by the Navy. I wrote to Secretary Adams and called his attention to it. In reply he stated he would have need for it, but immediately the War Department woke up and found they would have need for it. Everywhere we find this rivalry.

Another instance of duplication: During the war the War Department at great expense established a proving ground of great extent along the Chesapeake Bay to test out our various guns and armament. A range of 30 miles was required. Shortly thereafter the Navy was securing an expensive tract on the Potomac for a similar activity, when that of the Army was entirely available for that purpose—original duplicate investments running into the millions and now expensive costs of maintenance.

The proposal now before us is to have a coordinating head for these two branches. Would not any private interest have a coordinating head for all of its various branches? Take the General Motors Corporation. That corporation not only manufactures automobiles but refrigerators and many other kinds of manufactures; but they have one manufacturing head, Mr. Sloan.

If you are in favor of economic management as in private industry, where one coordinating head controls, you will favor this proposal, and it will do away with bureaucracy in the Army, in the Navy, and the Marine Corps. You will have one head who will strike out all false extravagances and save the Government, the Air Service alone, millions and millions of dollars.

Mr. DE PRIEST. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. DE PRIEST. The gentleman has indulged in general statements on economy. I would like to ask him to cite one instance in figures where economy will result from the adoption of this proposal.

Mr. STAFFORD. The Air Service alone will save $25,000,000. When I served on that committee 10 years ago I was convinced it would save $10,000,000 or $15,000,000 if those two services were combined. But the figures now suggested are $25,000,000. As I have said, the respective Air Services have their own technical men, engaged in the same study and employed with the same problems. You take dirigibles. The Army has one sort of dirigible and the Navy has another sort of dirigible. Why, the barest consideration of the similarity of the two services in so many fields

will suggest economies by merger of like activities running into the millions. Those who favor economy should certainly approve this proposal.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. VINSON] for five minutes.

Mr. VINSON of Georgia. Mr. Chairman, under the name of economy this proposal to consolidate the Army and Navy into a single department of national defense, with subsecretaries for Army, Navy, and aviation, has been brought before the House. If the committee had deliberately tried to devise a scheme that would decrease the efficiency of the Army and Navy and cause increases in the cost of national defense, they could scarcely have devised a better scheme.

Bills of a similar nature were considered by the Committee on Expenditures in the Federal Government. That committee held long hearings and had before it, among others, the Secretary of the Navy, the Secretary of War, the Chief of Naval Operations, the Chief of Staff of the Army, the Chief of the Bureau of Aeronautics, and the Chief of the Army Air Service. Both Secretaries opposed the measure, as did the Chief of Naval Operations and the Chief of Staff and the Chief of the Bureau of Aeronautics in the Navy. That committee, after protracted discussions, finally tabled the measure by a vote of 11 to 8. After mature consideration they had seen the unwisdom and gross extravagance which was involved in the plan.

The measure was then taken up by the Economy Committee of this body. While I do not wish to reflect upon the intelligence of the distinguished members of that committee, it is apparent they know little or nothing of the organization and operation of the Navy and the Army. Otherwise they could not have included in this omnibus bill a proposal so fatal to the efficiency of the national defense as the one under discussion. Apparently they have been influenced largely by the fact that in a few minor instances similar activities are operated by both the Army and Navy in the same locality, completely overlooking the fact that Navy activities are primarily designed and operated for the support of the fleet, whereas Army activities are designed and maintained for the support of land forces.

To believe that economy would be promoted is to indulge in an evanescent dream. In place of economy, the formation of a department of national defense and the establishment under that department of a separate aviation subdepartment would result in huge additional expenditures. In the first place, the secretary of national defense would have to have as his advisers a staff composed of Navy, Army, and air officers, and that staff would require clerical and other help. In addition, the air force would have to establish a headquarters of its own. In Great Britain, where a separate air force has been established, such headquarters cost 3.11 per cent of the total expenditures on the air service. Such headquarters was relatively much more expensive than the admiralty headquarters or the war office headquarters.

If adjacent air fields are to be consolidated into a single field and the hangars and machine shops consolidated, it will mean that buildings now occupied by the Navy must be moved away from their most convenient location on the water front, or that Army facilities must be moved to the water front. The equipment of the Navy fields is no greater than is needed for Navy needs, and the equipment of the Army fields is no greater than required for Army needs. For the sake of the theory, they may be consolidated and made inconvenient for either or both services; but it will not promote economy, it will not promote efficiency, and will involve increased costs. A separate air force will inevitably require the establishment of an air academy similar to West Point and Annapolis. This requires money. It is not an economy.

A separate air recruiting service will be required, and training stations for the air force enlisted personnel will inevitably follow. If we can judge anything from the experience of foreign countries, an additional medical corps for the air service will inevitably follow, a supply corps for the air service will follow, and a construction corps for the air service will follow, and sooner or later all the staff corps will be reestablished in the air force. These things inevitably cost money. There is no economy in it.

It has generally been recognized that aviation is a young man's game. After an officer reaches the age of 45, he has not the fire and dash that is requisite for the most efficient combat flying. As a result, the great numbers of young officers must either be retired at a relatively low age or promoted and assigned to duties which are more or less nominal in character. Either procedure involves a huge economic waste. In the Navy, aviators after they have been employed during their younger years, are assigned duties on board ship, but their services may be profitably used by the Government until they reach the retiring age. This is the most economical use of their services, and the present system has resulted in the attainment of an aviation service second to none in the world. From the standpoint of economy, the proposal for a department of national defense is grotesque, and did it not involve the expenditure of millions of dollars, which must be raised by hard-earned taxes, it might be regarded as farcical.

Let us now look at the question from the viewpoint of efficiency. Military forces are maintained in order to render the most efficient service possible to the country in the event of war. Any action which tends to decrease that efficiency is in itself the greatest form of extravagance. It is vitally necessary that an admiral commanding the naval forces of this country at sea should have the control and direction of all forces in order to coordinate their efforts and bring about the defeat of the enemy. He must be able to give directions not only to the battleships, the cruisers, the destroyers, and the submarines, but he must also control the air forces, in order that they may work in conjunction with the surface and the subsurface craft to defeat the enemy. It is not enough that he should have a nominal control or that he should rely upon cooperation. He must have the absolute military control over the aviation units. He must be in a position, not to request them to do something, but to order them to do something. That is the only way in which victory at sea can be achieved. If you, gentlemen, wish to destroy the efficiency of your Navy, if you wish to insure the defeat of this country upon the sea in the event of war, then you should support this bill; but if you wish your Navy to be strong, if you wish it to bring victory to your country, then you should oppose this department of national defense.

The condition in the land forces is little different from that in your Navy. The general commanding an army must have control, not only over the infantry and the cavalry and the artillery, but he must have control over the air forces. That control must be as absolute and as certain as that which an admiral should have over the forces under his command at sea. It is essential that he must not only direct the efforts of those branches, but he must have absolute control over them.

Time is a matter of vital importance in naval and land warfare. The artillery effort must be accurately timed to support the infantry in its advance, and the support which aviation can give will be valuable if it is timed and almost useless if it is not timed so as to fit in with the effort of the other branches. To divorce aviation from the Army or Navy is to strike a vital blow at the efficiency of those services and to go far toward destroying the efficiency of both the Army and the Navy.

The proposal contained in this bill has been considered by neither the Military Affairs Committee of this House nor by the Naval Affairs Committee, but by the Committee on Economy, whose members know little of the Army or Navy. Some years ago a similar proposal was considered by the Military Affairs Committee of the House and definitely rejected. This very proposition was considered by the Committee on Expenditures and rejected. A separate air department was considered at great length by the Morrow Board and definitely rejected.

The present system has brought about the most efficient naval aviation in the world. This is generally conceded even by foreign observers. On this subject Admiral Beatty had the following to say:

The Royal Navy to-day is the most up-to-date and efficient navy in the world, except in one respect, and that is its air equipment. The air wing of the United States Navy, owing to the single control exercised over the United States Navy, is far ahead of our fleet air arm. They carry out exercises on a scale quite impossible in our fleet. I view with dismay the grim prospect of superimposing expenditure for the air service on the already heavy expenditure of the army and navy. We are the highest-taxed country in the world and yet we commit ourselves to the extravagance of having three fighting services. Reduce them to two and we should save millions of public money with greater efficiency, as in the United States.

If you gentlemen wish to destroy the efficiency of your Army and the efficiency of your Navy, then you should vote for this section; but if you desire to maintain the efficiency of those services, in my opinion, you should unhestitatingly vote to strike this pernicious section from this bill, and you should remember that there is scarcely a representative of the Army or Navy who has been heard on the matter who does not unqualifiedly recommend against this pernicious proposal. [Applause.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, if there was ever a time on earth when efficiency should be the thought uppermost in the minds of legislators, it is now. The condition of the people everywhere is far worse than at any time during my recollection. In all the mail that you and I are receiving the people are wondering why we do not do something to reduce the expenses of this Government.

We appointed an Economy Committee that has worked long hours for the purpose of bringing to the House a program which would enable us to save some money, but every time any proposition comes before this body to save money then the class that is affected immediately refuse to contribute in any way in bringing about the desired result.

I am a member of the Naval Affairs Committee, and I want to tell you something about the activities of that department of Government. We have in the Navy and in the Army about 21,000 officers, and the appropriation necessary to take care of these 21,000 officers is approximately $100,000,000 per year. In the Navy there are about 8,000 or 9,000 officers, and we have only about 80,000 enlisted men for them to look after; in other words, it requires 1 officer to look after every 10 enlisted men. The proportion is wrong, and I want to say to you that as long as we have our Army and Navy scattered all over this Nation and all over our different insular possessions, divided up as they are, we are going to continue to have the same kind of jealousy and animosity that is apparent now.

A short time ago it was my privilege to go down to Australia and New Zealand, and while there, in a conversation with the Minister of Defense, who is the head of the combined army, navy, and air service, I asked him the question whether he had any jealousy or animosity on the part of the different services, and he replied, "Certainly not; why should I? I am the boss."

During the World War our allies found it was not possible to maintain the right kind of efficiency over in Europe until we selected some one officer and placed him at the head of all the different kinds of activities. The same thing that was true then is true now, and just as long as you have this divided authority just so long will you have jealousy and animosity; and when you have jealousy and animosity in any bureau that has for its purpose the serving of a common interest, just that long will you have inefficiency.

I want to call your attention to the enormous increase in appropriations that are being made for the Navy on a peace basis.

During the year 1914, prior to the World War, our total appropriation for naval activities was $148,254,322.41. In 1915 it was $151,033,908.03. At that time we had approximately 55,000 enlisted men. This year the appropriation has been increased until the amount is practically doubled, it being more than $320,000,000. The number of enlisted men has increased only approximately 50 per cent, while the amount of money we are expending represents an increase of more than 100 per cent. This same situation is true with respect to the Army.

Prior to the World War the activities of the Navy could be housed in a portion of one of our public buildings. At present it requires at least fifty times more space for such purposes, and instead of being on a peace basis the activities have increased until between 500 and 1,000 different articles are being manufactured in competition with private industry. These plants are located at a number of cities throughout the Nation; and if this consolidation were brought about, an enormous amount of expense could be saved in this activity alone.

The Secretary of the Navy on February 24 furnished to me a statement that showed some of the articles that were being manufactured by the Navy, which is as follows:

FEBRUARY 24, 1932.

Special manufacturing facilities exist at the industrial navy yards as follows:

Portsmouth, N. H.: Electrical fittings and fixtures; submarine propellers; aluminum castings.

Boston, Mass.: Rope (Manila and hemp); chain cable (forged steel); kenter shackles; chain-cable tests.

New York, N. Y.: Diesel engines and parts; flags and hammocks; valves, H. P. and L. P., and parts; pipe flanges; mattresses, hammock; centrifugal castings; laboratory tests of material and equipment.

Philadelphia, Pa.: Steel castings; atomizers; registers and parts for oil-burning burners; mattresses; ship propellers; the naval aircraft factory is located in this yard.

Washington, D. C.: Guns, mounts, and turrets; ship models and model tests; propeller models and tests; catapults; bomb racks; radio equipment; optical instruments; steel castings; model basin and wind tunnel are located at this yard.

Norfolk, Va.: Motor-boat engines and parts; paints, cements, varnish, shellac, wax, and putty; metal furniture; cans and receptacles; kenter shackles; cast-steel chain cable; gyro-compass parts; turbine blading; steel and aluminum castings; boilers for naval vessels; reconditioning of gas cylinders.

Mare Island, Calif.: Motor-boat engine parts; paints, cements, varnish, shellac, putty, and wax; clothes lockers; centrifugal castings; flags; rubber products; chain-cable tests; reconditioning of gas cylinders; mattresses; paint buckets and receptables; propellers, ship and motor boat; coils, evaporator.

Puget Sound, Wash.: Canvas work, hammocks; chain cable; valves and flanges; steel castings; chain-cable tests.

Cavite, P. I.: Flags and canvas work; rope; mattresses; paints.

It is reasonable to suppose that the Army has just as many manufacturing industries, and I venture to assert that there is no cooperation between these departments in furnishing such articles as are manufactured by one branch of our national defense to the other. It will be said that some of the articles manufactured could not be used by the Army; yet, the fact remains that the labor and machinery could be used to manufacture a large number of the articles adaptable to both the Army and the Navy, thus enabling millions of dollars to be saved, if it is necessary to continue this policy.

The Navy maintains two different kinds of recruiting stations, and the Army one. Oftentimes all three of these are located in the same city. At present some of these stations are not enlisting over three individuals per month, and each one of them maintains a separate bureau and, as a rule, maintains a commissioned officer in charge of the activity. Enormous sums of money are wasted by this kind of duplication. There is no coordination to speak of with respect to the purchasing of supplies. At the end of the World War the Army had on hand 10,000 Liberty motors and the Navy had over 7,000. Many millions of dollars were wasted because neither activity had information concerning what was being bought by the other department. This same thing is true with hundreds of other articles that could be enumerated, and in my opinion there never will be proper efficiency until our national defense is divided into three heads—the Army, the Navy, and a unified air service—and all placed under one department to be known as the Department of National Defense. The nations of the world that are the best off financially and the ones that have the greatest sea powers have recognized the necessity of having their national defense under one head. No one can say

that France and England do not have a proper knowledge with respect to war activities, as their very existence depends on having the most efficient method of handling their national defense. At present both the Navy and the Army have the United States and our insular possessions divided into corps areas. There is extreme jealousy between these two different services as to the line of demarcation separating the jurisdiction between land and sea. Evidence has been given in hearings held before House committees which showed the jealousy existing between the Army and the Navy activities, among those stationed in our insular possessions, and so long as the Army and Navy have equal jurisdiction this condition can not be remedied.

This world is suffering because of abnormal and excessive military expenditures. In this Nation it is estimated that more than 75 cents out of every dollar is expended for national defense, pensions, hospitals, and other expenditures incident to the results of war. The Government at the present time has over a million employees, which brings about an annual expenditure of over $1,000,000,000. The time has come when our citizens will not very much longer put up with the policy now in effect, which is causing the expenses of the Government to go forward in leaps and bounds. Therefore, it would seem to me that any Member of Congress could see the wisdom of creating these three separate bureaus and placing them under one head, so that duplication, jealousy, and inefficiency could be put to an end and at the same time bring about an enormous reduction of costs amounting to many millions of dollars annually.

Mr. CHINDBLOM. Mr. Chairman, no one knows better than I do the demand throughout the country for retrenchment and reduction of expenditures by the Congress. It has been heralded that this entire proposal of the House Economy Committee will save the taxpayers $200,000,000 without impairing the efficiency of the Government. Even if that be so, the saving will be far below the expectations of the people. Large reductions can be made only by the actual elimination of activities and services which are not absolutely essential for the proper and necessary functions of the Federal Government. On March 15 last, I made a speech in the House, in which I called attention to the fact that for the current fiscal year, 1932, Congress appropriated for direct payments to the States, for subsidies pure and simple, for purposes not Federal or National, but State and local in character, the total sum of $249,246,144.76, and for cooperative work with the States, for similar purposes, the further sum of $15,380,040. These and similar expenditures should have received attention and action at the hands of our Committee on Economy.

However, I for one shall support the proposals which this committee has made. We have so far in Committee of the Whole largely emasculated the work of the Economy Committee. When the time comes for separate votes on the propositions which have been before us, we will have an opportunity to redeem the reputation and standing of the House before the country on these questions. [Applause.]

I have taken the floor to say I shall support every proposition for real economy, but I can not believe that there is any meritorious economy in the proposal to consolidate the War and Navy Departments.

The report of the committee shows no real saving in this proposal, and in the very nature of things the mere consolidation will not reduce expenses materially. Besides, I would do nothing that impairs any or all branches of our national defense. I can not take my authority for legislation upon national defense from those who have not given their lives to the work and study of national defense. I propose rather to take it from men in our Government and among our people who have given the subject their thorough and sympathetic consideration. Such men are universally opposed to this consolidation, and believe it will work injury to the efficiency and morale of our Military and Naval Establishments.

Of course, as the committee report states, there will be saving of one member of the President's Cabinet, by substituting one Secretary of National Defense, but there will be added, instead, three Assistant Secretaries, one for War, one for Navy, and one for Aeronautics. The report of the committee goes on to say that "it makes no changes with reference to the Army and Navy, but does provide that the Secretary of National Defense may consolidate" the various air forces. The resulting economy is altogether problematical; in fact, the report says that "it is impossible to state just what amount will be saved as a result of this consolidation," but upon an undisclosed basis the report adds that it is "estimated" that from $50,000,000 to $100,000,000 "may" be saved. Equally reliable estimates show no real saving, but even probable increase of expenditures with a larger unit of diversified activities. In all events, there are many things we can do as a matter of economy rather than emasculate and destroy the national defense in this hour, when the conditions of the world certainly do not encourage such a procedure.

The national defense is, in my opinion, the most important activity of the Federal Government. The Constitution makes national defense one of the main purposes of its existence, and it is one of the last things we should in any way throw into jeopardy. At least we should be certain of the effect of any action we may take regarding it.

I repeat I am for economy. I shall support the work of the Economy Committee, but this particular question must be subjected to expert knowledge; this is a matter that involves the existence and the perpetuity of the Republic; and I can not make myself believe that I should set up my judgment against the universal opinion of those who have devoted their lives to the matter of national defense. [Applause.]

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the amendment. Stop and consider what is the objective of the Army and the Navy. It is the same—national defense. If we had any other two branches of the Government that had the same objective, we would say, put them together and place them under one head.

In five minutes one can not say much concerning this proposition, to create a Department of National Defense. The Committee on Expenditures held hearings for several weeks upon this bill that you are now going to be asked to vote on.

Mention has been made of the Air Corps. The gentleman from Oregon, General MARTIN, would like to know who says that we should have a united Air Corps. In answer to him I say that the present Chief of the Air Corps of the Army stated that eventually we would have to have one Air Corps. Further, General Patrick, former Chief of the Air Corps, wrote a book, which can be obtained in the Library, and in conclusion he recommends a united Air Corps. Let me show you the disposition of the Army toward the Navy. Small matters, but they make my point.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. I regret I can not yield. I do not have the time. For three years there has been a dispute between the Army and the Navy Air Corps over an air field in Hawaii. Gentlemen say that the President is the Commander in Chief of the Army and the Navy and that he can settle arguments. Why has it not been settled before this? The matter is still in dispute. The Navy wants that air field and the Army refuses to give it to the Navy. If you had one head for the Army and Navy, that dispute would have been settled.

The former chairman of the Committee on Military Affairs [Mr. JAMES] told me of another matter which gentlemen will probably say is trivial, but, small as it is, it will give an idea of how they are working together.

He told me that on one of his inspection trips, which resulted in his coming back to the House and giving us wonderful information relative to the activities of the Army, and I will say I think he knows as much about the Army as any man, he was flying into a field in California, the Navy having one side and the Army having the other side. He told his pilot to fly in a certain direction. The pilot informed him that he could not fly in that direction, because he would be required to go over the Navy side of the field, and the

Navy would not let Army planes fly over the Navy side of the field. Mr. JAMES told him that he was the commander of the ship, and instructed the pilot to enter that field over the Navy side. By the time his machine landed on the field a bunch of Navy officers were running across the field to chastise the pilot for flying over their side of the field. Some one ran out and told these officers who was in the ship, and they immediately turned around and went back.

Mr. HORR. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. I am sorry I can not yield. We had a discussion yesterday about transports. Does anyone know of any reason in the world why the Navy transports should not carry the Army men? If anyone does, let him give it.

Mr. HORR. Will the gentleman yield for an answer?

Mr. COCHRAN of Missouri. Please answer in your own time; I have but five minutes. Let the enlisted men in the Navy man the transports that carry the personnel of the Army to different sections of the world. Will that save money? Of course it will.

Mr. HORR. Is the gentleman sincere in wanting an answer to his question?

Mr. COCHRAN of Missouri. Certainly, but I do not have the time to yield to the gentleman.

Mr. BARBOUR. Will the gentleman yield?

The CHAIRMAN. The gentleman declines to yield.

Mr. COCHRAN of Missouri. Gentlemen, you can start at the bottom, and that is the recruiting stations. Any one of you gentlemen who comes from a city where they have a recruiting station will know that there are three recruiting stations—the Army, the Navy, and the Marine Corps—each with a separate assignment of officers, doctors, noncommissioned officers, and enlisted men on duty. Why could you not get along with one recruiting station for the Army, Navy, and Marine Corps? Small, but it shows how money can be saved.

You will hear much to-day about the Army and the Navy getting together, that they are on good terms. They get together once a year, and that is when the President invites them to the White House to the Army and Navy reception, and that is the only time they ever get together. They will not get together, and this extends from the enlisted man to the door of the Cabinet officers. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WILLIAM E. HULL. Mr. Chairman, I just listened to my friend speak about the Hawaiian situation. I was over there myself and made a study of it. What the gentleman said is absolutely without any foundation. There is no fuss between the Army and the Navy over there in respect to where they shall land. The only difficulty is that the field is a little too small. The time is near when they will have to make a new field on the other side, so that the Army will be able to land there. The statement that there is a dispute between them is without foundation.

I have been making a little study of this in a business way. I am not particularly anxious to put my opinion above that of anyone else, but you are now getting into a situation where you are either going to make money for the Government or lose it, and my judgment is that you will lose it twice as fast the way you are trying to arrange it now.

Mr. MARTIN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM E. HULL. Yes.

Mr. MARTIN of Oregon. Talking about this dispute between the Army and the Navy, I suppose the gentleman is familiar with the joint board, organized in 1903?

Mr. WILLIAM E. HULL. Yes.

Mr. MARTIN of Oregon. Does the gentleman know how many disputes there have been before that board in the last 30 years? Five hundred and four, and all of them have been settled.

Mr. WILLIAM E. HULL. Everyone knows that who has made any study of the matter. They make these settlements, and I know there is nothing in this story about the fuss between the Army and the Navy.

By the formation of a Department of National Defense a serious blow would be struck at the efficiency of our national-defense forces in time of war. We maintain the Army and the Navy solely for the emergency of war; if we can not be assured that they will be efficient to maintain the security of our country in war we might as well dispense with them entirely.

To those who have made a life study of military and naval affairs we should turn when we want advice for the defense of a nation. The officers of the Army and the Navy are charged with grave responsibilities of maintaining the efficiency of the defense forces. During the World War it will be noticeable that governments were reorganized to cope with the demands of that war and still not a single power turned to a consolidation of the Army and Navy to bring about efficiency in any nation's fighting power.

The confusion of such legislation would create a disastrous effect. Remember, the President is the Commander in Chief of the two great departments and they are both under his direct control. In war he directs each in conformity with the national policies, each—the Army and Navy—in its distinctive strategical rôles.

What good would a Secretary of National Defense be? He could not decide the great questions of coordination between the Army and Navy. The President could not possibly delegate to him the power of decision with respect to the Army and Navy. If he should do that, he would renounce his responsibilities of the Commander in Chief. Direct action is essential in time of war. That is a fundamental of military organization. The new structure loses advantage of direct action. The secretary of national defense will only hinder and delay action when it is vital.

This bill, as you will notice, proposes a separate department for aviation. Would not common sense teach the Congress of the United States that the Navy needs its own particular kind of aviation and the Army needs theirs. In fact, why should not the Navy control their aviation and the Army control theirs? That is good common sense. If we should set up a Secretary of Aviation in the Department of National Defense, we would only be adding another bureau to the United States Government, and in my judgment you would have to go to the Army and Navy Building and build two more stories on top of it to take care of the bureaus that would occur under this consolidation. The aviation would need at least one floor and there would be more stenographers and clerks employed than there would be sailors.

You must realize that you will not take away any of the members of the War Department. They will all have to remain in their offices. So, naturally, those offices are to be filled by the personnel of the Army.

Then you would have to have another floor built for the benefit of the Secretary of National Defense and he would again be surrounded by clerks and stenographers instead of soldiers.

So, taking it all together, I think that it would be a very serious mistake for the Congress of the United States to make a consolidation of the Army and Navy, and this title should be stricken. There could not possibly be any economy in consolidation; it would be a dissipation of public funds and the efficiency of our national defense forces, would jeopardize our national security, and therefore I believe that the Congress of the United States in their vote to-day should disqualify a consolidation. [Applause.]

Mr. HILL of Alabama. Mr. Chairman, I have the highest regard for the officers of the Army and of the Navy, and I am always glad to have their opinions on any matter pertaining to national defense, but I would no more accept their opinions as final in a matter such as the one now before us than I would permit them to write their own pay bill. [Applause.] For eight years I have had the honor to serve on the Committee on Military Affairs of this House, and I have seen so much evidence of overlapping, of duplication, of friction between the two services, costing the taxpayers of the country millions of dollars, that I am convinced that a

single Department of National Defense would be a great economy move.

I am supporting this Department of National Defense not only because of economy but because I believe it would make for more efficiency and a more effective national defense.

Mr. BARBOUR. Will the gentleman yield?

Mr. HILL of Alabama. Not now. I only have five minutes. I do not want to be discourteous.

Let me say that during the Sixty-ninth Congress, after weeks of hearings and of study on the question, every Democrat on the Committee on Military Affairs voted for a single Department of National Defense. We must remember that our responsibility is to provide for the national defense, and the Army and the Navy and the Air Corps are merely instrumentalities with which we provide national defense. To-day there is a serious lack of correlation between the missions and the rôles of these different services. All kinds of overlapping and duplication, all kinds of animosities and petty jealousies are present between them.

Mr. PARKER of Georgia. Will the gentleman yield?

Mr. HILL of Alabama. I can not yield at this time.

The animosity and jealousy and feeling between those two services is such that they can not even get together and play a game of football. [Applause.] What is the practical proposition to-day? The Navy comes to Congress, appearing before its Naval Committee, and there presents its side as to what it wants and what it says it must have, an entirely ex parte proceeding; the Army does the same thing before the Military Committee, and as a consequence the Congress never has a full picture. It just gets one side of the proposition in ex parte proceedings.

The idea of a single Department of National Defense is no departure from the fundamentals of the defense policy of our Government. In the very beginning the thought was that we would have our Army and our Navy, and that the President of the United States would be the Commander in Chief. Our Government, however, has grown and expanded so much, and there are so many duties imposed upon the President, that he simply has no time for bringing about an equilibrium between the services. Furthermore, as has been well said, the advent of the airplane revolutionized the science of warfare more than did the invention of gunpowder. To-day we not only have the Army for land warfare and the Navy for sea warfare but we have the air forces which operate either over the land or sea. Only through a single Department of National Defense can the air forces with economy take their proper place in the scheme of national defense, and the nation that controls the air will win the next war.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. WHITTINGTON. Mr. Chairman, I rise in support of the amendment.

Title VI, in my judgment, has no place in this bill. [Applause.] The Army and Navy are for common defense. The Union was established to promote the national defense. The title provides for consolidating the Army and the Navy. It also provides for an independent air force.

The Committee on Expenditures in the Executive Departments, of which I am a member, has carefully considered during the present session of Congress two bills to consolidate the Army and the Navy. One was introduced by the gentleman from Tennessee [Mr. BYRNS] and the other by the gentleman from South Dakota [Mr. WILLIAMSON]. Both of these gentlemen are members of the Economy Committee, which reported the bill under consideration for a Department of National Defense.

The Byrns bill is embraced in the pending economy act, but it is just as deficient as the Williamson bill. Both were rejected after hearings by the Committee on Expenditures.

The program for economy should provide economies in departments that already exist. It is hazardous to create new ones. Matters of major importance should have the careful consideration of Congress as independent propositions. [Applause.]

The Army and Navy are the most important departments of the Government. A bill for their consolidation, particularly where it has been rejected by the proper committee of Congress, should not be embraced in the economy program.

CONSOLIDATION

The so-called national-defense title combines the Army and Navy with one Secretary as a member of the Cabinet, and provides for three Assistant Secretaries for the War, Navy, and Air Forces, respectively. Two departments are combined and one new department is created. The bill makes no provision for the lopping off of duplications or for reduction of expenditures in either department. It merely provides, I repeat, for combining the existing departments of the Army and Navy.

In behalf of consolidation it is urged that economy and savings will result. It is asserted that with one executive head there would be greater efficiency in the Army and Navy. As a member of the Committee on Expenditures in the Executive Departments, I am familiar with the hearings. Three advocates of consolidation appeared before that committee, Mr. BYRNS, of Tennessee, Mr. MCSWAIN, of South Carolina, and Mr. WILLIAMSON, of South Dakota. All other witnesses, including the Secretary of War and the Secretary of the Navy, opposed the consolidation.

I take it that the gentleman from Tennessee [Mr. BYRNS] submitted the very best arguments at his command for the consolidation. His statement disclosed that he was unable to show any definite economies that would result from the consolidation. I quote from the hearings and from his statement on page 5 of the hearings. In response to a question by a member of the committee, among other things, the gentleman from Tennessee said:

> You can not tell what savings you can make until this goes into operation.

The Army and Navy ought not to be consolidated on uncertainties. There should be something besides guesses. There should be some basis besides opinion. The only real suggestions for economies made by the gentleman from Tennessee related to the civilian personnel, the contingent expenses and the expenditures for printing and binding for the Army and Navy in the city of Washington. I may also add that the only argument for a separate and unified air force was an alleged reduction in the civilian personnel. The gentleman from Tennessee referred to the naval air station and the Army air station at Bolling Field. He insisted that there should be a reduction in the civilian personnel at this field. He pointed out that the combined cost of the civilian personnel, the contingent expenses, and the expenses for printing and binding in the city of Washington for the Army and Navy aggregated $10,700,000.

The annual appropriation for the maintenance of the Army and the Navy is between $600,000,000 and $700,000,000. The cost of the civilian personnel is comparatively small, but this fact should not deter the reduction of the civilian personnel where it is justified. I advocate economy in both the Army and the Navy.

The gentleman from Tennessee also stated that there were certain overlappings and duplications. If such be the case, they should be eliminated. The remedy is to eliminate and lop off the duplications rather than destroy the efficiency of the two great departments by combining them. It was suggested that there are duplications in matters of communication. The Army and the Navy have their radio ground service. Both have cablegram service. I am not familiar with war, but my reading of military history confirms me in the view that communications are important in warfare. The lack of communication at the first battle of the Marne resulted in the defeat of the German Army. Communications may be costly, but they are important in war.

There was nothing submitted to show that greater efficiency would result by combination. It was suggested that there should be one secretary for the Army and the Navy. At present, however, the President of the United States is Commander in Chief of the Army and the Navy. He is the final executive. The Army and the Navy are immense de-

partments. There are Army posts and stations along the coast and in the great interior of this mighty country of ours. The Navy confines its operations to the sea. Its bases are along the coast. The Army and the Navy are too large for consolidation.

The so-called savings and economies are more fanciful than real. The combining of the two departments would result in the establishment of a superdepartment, with a new staff and with new personnel. The creation of a new department generally results in extravagance. No facts have been advanced to show that any real economies would result, nor have any facts been shown to prove that greater efficiency would obtain by combining the two departments.

JEALOUSIES

It has been said that there is some friction and some jealousy between the two departments. I see no reason to combine them if such exist. The Army has its traditions, and the Navy is entitled to its views. They both function for the national defense. There may be differences between the two, but both the Army and the Navy are patriotic. Their loyalty and their devotion have never been questioned.

The gentleman from Missouri [Mr. COCHRAN] stated that their jealousies prevent the annual football game that formerly obtained. I happen to be a member of a large family. I have several brothers. As boys, we had our differences. They frequently resulted in combats, but it was another question when an outsider engaged my brother in combat. We may have differed among ourselves. There may have been jealousies, but as against all others, we were united. So it is with the Army and the Navy. They may have their differences, they may have their jealousies, but they have been and always will be united for the defense of our common country.

OPPOSITION

I have referred to some of the arguments in favor of combining the Army and the Navy. It has been said that some of the leaders on the Democratic side favor the consolidation. As I have stated, I am a member of the Committee on Expenditures in the Executive Departments. Notwithstanding the views of others or of the leaders, I construe it to be my duty as a Member of Congress to consider carefully all propositions submitted to the committees of which I am a member, and to be able to justify by the facts of the hearings any conclusion that I reach. My colleagues would have little respect for my conclusions, if I were unable to justify my course by the facts developed at the hearings.

The proposed consolidation runs counter to human experience. [Applause.] In all ages, among all nations, there have been soldiers and sailors. The soldier functions on the land and the sailor on the sea. Such consolidation not only runs counter to the experiences of all nations, but particularly to the experiences of the United States. When the Union was formed, there was a single department of national defense. There was no separate Navy Department. After George Washington retired from the Presidency to Mount Vernon, it was thought that there would be trouble with France. It was immediately recognized that a consolidated department could not properly function. As a matter of necessity, at the first appearance of war after the Union was formed, the Navy was organized in 1798. The United States has tried the experiment. It has failed. It can not be that the world has been wrong all the time. What soldier or what sailor, what man of experience in war, has advocated the combining of the two departments?

In this connection, Great Britain, France, Japan, and Italy have separate war and navy departments. We have no use for these departments, except for war and for national defense; but if we are to have them, they should be properly maintained and the departments should properly function. We should profit by our experience and by the experience of human history before we cripple our national defense. Armies and navies have always been independent. The one fights on the land, the other fights on the sea.

There has been vast improvement in both the Army and Navy Departments in the past 30 years. Mention has been made of the purchasing and storekeeping activities. Reasonable coordination and cooperation now obtain with respect to both of these matters. There is the War College in the War Department and the Naval College in the Navy Department. There has been organization and correlation of the activities in the two departments. It was while Elihu Root was Secretary of War that there was a complete reorganization of the War Department, in the interest of both economy and efficiency. We should stop and think before we depart from the course that has made our Nation great as well as the course adopted by the leading nations of the world.

SEPARATE AIR SERVICE

The bill not only provides for combining the Army and the Navy but it provides for a separate air service. This is no new question. It has been thoroughly investigated by committees of Congress. The Lampert Committee made an investigation in 1922 or 1923. Neither Congress nor the country was satisfied with the report of this committee. As a result, the President appointed the Morrow board in 1925. This board was composed of some of the leading business executives of the country and some of the most capable officers of the Army and the Navy. Its unanimous report was against the consolidation of the Army and Navy and against the establishment of an independent air force.

Aviation is expensive. If we are after economy, and if false economy is to obtain, we could eliminate not only much of the Air Service but much of the Army and the Navy. Such economy, however, would be worse than false. The Air Service is important. It is an adjunct of the Army and it is also an adjunct of the Navy. It is valuable. It will play an important part in future warfare. Our experience demonstrates, however, that the air forces should be subject to the Army and subject to the Navy. Greater efficiency obtains by the air forces being subject to the Army and the Navy, rather than being independent.

It is said that there is a separate and unified air force in Great Britain and France. The condition in those nations, however, is different. There are geographical differences. The capitals are no farther apart than the capitals of the States of the Union. They are likewise located not very far from the sea. The situation is different with the United States. We are isolated. The same situation obtains with respect to Japan. It is regarded as one of the major powers. Both the United States and Japan have air forces as adjuncts to the Army and the Navy, rather than as independent departments.

It occurs to me that much confusion would result if the air forces were unified. We have in the Navy the aircraft service. If the aircraft service were under the control of a separate department, it strikes me that there would be much confusion. How could the *Lexington*, the *Saratoga*, and the *Langley* be handled? These are the principal aircraft carriers. They are valuable adjuncts of the Navy, but if the carriers were under different departments, inefficiency would surely follow.

Not only has Congress given consideration to the consolidation of the Army and the Navy, but other nations have given consideration to the matter. In 1922 Great Britain appointed a technical committee to investigate proposals for the consolidation of the Army and Navy. After careful consideration this committee reported that a consolidation was not advisable. Moreover, it stated that it was very doubtful if any substantial economies would be effected.

The investigations heretofore made by the committees of Congress, as well by other committees to which I have referred, have demonstrated that by consolidation a superdepartment would result in increasing the number of officers employed in administrative duties, and would not result in any economy. There is now cooperation, not only in the purchasing and storekeeping activities of the Army and Navy, but there is cooperation in the Army and Navy in what are called joint planning boards, in the aeronautical board, and in the Army and Navy munitions board.

DANGEROUS

It is no time for change. Mere change is not progress. The universal experience is that the establishment of a new

department results in extravagance. Our dual system has been perfected through the years. Why should the United States embark upon the hazardous and dangerous policy of combining the Army and Navy? Why not advocate combining the Department of Agriculture and the Department of the Interior?

We have one Executive. He is supreme in war and peace. The President of the United States is Commander in Chief of both the Army and the Navy.

Separate departments promote progress. The Army and Navy try to excel each other. A consolidated department would call for new schools. Neither Annapolis nor West Point would be in order. New institutions for training the soldier-sailor would be required. The consolidation would really be foreign to economy.

The two departments have existed and functioned well for 125 years. Neither is perfect, but we have fought six wars successfully. In this period of unrest at home and abroad there is no time for experiment. Preparedness is the goal. Separate departments have been justified by our experience in every war we have ever fought.

The World War is still fresh in our minds and the achievements of the Army and the Navy are vivid in our memories. It was the greatest war in which the American soldier and sailor ever participated. We had better play safe. For any imperfections, for any duplications, for any excess of personnel the remedy is for the legislative committees to modify existing law. The remedy is for the Appropriations Committee to prevent waste and extravagance. Mere consolidation is not economy. It may hinder rather than promote the national defense.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, during the World War the allied armies, including the American Army, were trying their best to bring victory to the allied forces. They had a great deal of difficulty until finally at the suggestion of the different generals and the prime ministers and the President of the United States, they agreed on a unified control, putting all of the armies of the Allies under the control of General Foch. A short time after that was done, the war was prosecuted to a successful conclusion on the part of the Allies.

While they were waiting for this unified control, you had the picture of many men at Cambrai in the English Army and in the French Army going to their deaths as a result of no reserves being brought up from other armies to reinforce the army attacked. The British general would ask for reserves from the French when attacked and would not get them, but would be told: "We have got to keep our reserves down here at this point of the line and we can not give them to you." You have all read that history; you know that is so. Finally unified control was secured and General Foch was able to order the American troops here, the French troops there, and the British troops some other place, as they were needed.

Mr. WHITTINGTON. General Foch did not have charge of the navies, did he?

Mr. CONNERY. What applied to the Army at that time could very easily apply to the Army and the Navy combined. During a war the President of the United States surely has enough on his hands without calling in Admiral This and General That and trying to compose their differences and getting them to get together to prosecute a war.

I am in favor of this consolidation of the Army and Navy on the principle of national defense.

We had General Mitchell testifying on the Air Corps proposition and then getting out of the service, resigning, because he felt it his duty to bring to the attention of the people the fact that the air force of the United States was not functioning as it should function.

Any future war which we might be unlucky enough to get into would be fought in the air and under the sea, and I believe that we should have a unified air corps in the United States. I believe that we should have a Secretary of National Defense whom the President can call in and say: "This is your job; call in your Army secretary, call in your Navy secretary, call in your Air Corps secretary and tell them what you want done." It would then be a case of not what some admiral wants done or what some general wants done, not the jealousy and the inactivity, and the waiting for the Navy to do this, the Army to do that, and the Air Corps to do something else; but the secretary of national defense would say to the officers: "We are going to attack the enemy. You with your air force will do this; you with your Navy will do that; you with your Army will do that. There is nothing further to be said. You will go out under a unified command and help win this war." [Applause.]

I am in favor of this proposition because I feel it is for the best interest of national defense and the American people. Furthermore, I believe it gives us some real economy. [Applause.]

[Here the gavel fell.]

Mr. DREWRY. Mr. Chairman, this bill is an illustration of a legislative panic. For the last 10 years the United States has spent its funds extravagantly and uneconomically. There have been great waste and lack of economy. The country is now facing the result of such procedure. Many individuals have done the same thing. As a matter of fact, probably 95 per cent of our people have been engaged in an orgy of spending. The result is the same to each so far as the Government and its citizens are concerned. Now, the time has come when we must "pay the fiddler." We have danced to a money-mad tune.

It is now being forced upon our attention that there is no more money to throw away and that we must work harder and save more. The people "back home" have directed Congress to stop its wastefulness, its extravagance, and to cut down expenses.

In our effort to obey their commands Congress has been engaged in a valiant effort to retrench. In an effort to cut down expenses in an orderly, sane, well-thought-out manner it was soon found that the majority of the people thought the ax should fall on the tree in the other fellow's yard. "You mustn't touch my pet project or disturb my salary—cut the other fellow first," was the cry. Congress became confused, and maybe a little reckless. The final decision to strike everywhere is evidenced by this bill.

With a few weeks of discussion and without hearings a bill has been brought into the House providing changes in our governmental structure that if properly considered would have taken months. Regardless of fixed economic policies concerning the reduction of the purchasing power of the people, ruthlessly an arbitrary slash of all salaries is made. Regardless of world conditions, this time, when the whole world is upset and no man knows what the next day will bring forth, has been selected as the time to try an experiment with the national defense. Such proceedings can only be the result of panic conditions.

As a further evidence that the condition of panic has swept over Congress as a prairie fire, all party responsibility has been relegated to the rear and normal leadership has been disregarded. Every man is looking out for himself and his own political interests. While I deplore the panic condition that caused this, yet this absence of partisanship seems to afford the only ray of light. With "party" in the rear, patriotism may come to the front as the only guiding motive in our determinations. "What is for the good of the country?" is the sole question. Opinions of men may differ, but the subject can be approached without being beclouded by any partisan charges or motives. This is the spirit in which we should consider our national defense. That is one subject that affects us all—all people and all parties. There is nothing personal or partisan about the defense of the Nation.

This bill provides for the creation of a new executive department to be known as the Department of National Defense, at the head of which shall be a Secretary of National Defense, and under him three assistant secretaries, one for the Army, one for the Navy, and one for a new branch, aviation. At present we have, as you all know, two Secretaries for two departments, the War and the Navy—each depart-

ment controlling its own aviation functions. Which is the better system, the most efficient, and the most economical? My own opinion is that the present system is far superior.

There could be only two reasons to change our system of national defense. First, to make it more efficient, and, second, to decrease expenditures. Really there should be only one controlling factor—efficiency; for an inefficient system could not be an economical one. If economy was the controlling factor, then scrap our Navy, dismiss the Army, and not spend any money at all. The argument for economy as to the national defense could be reduced to an absurdity.

The proponents for this consolidation say such an argument is unfair to them, that they do not want to destroy our Army and Navy but merely to cut out useless or extravagant expenditures. Then this bill is not necessary, for Congress holds the purse strings and the War and Navy Departments can receive only what is given them by Congress. Committees of Congress have sat patiently for four months working out this very problem after exhaustive hearings and testimony from experts. What experts on the subject of military defense appeared before the Economy Committee and urged such a consolidation as is proposed? How long was this particular subject considered by the Economy Committee? There are 10 titles in the bill, and the Economy Committee has not been in existence two months. There is no way to find out the answers to these questions, for I have not been able to get a copy of the hearings, if there were any. The report of the committee is not very illuminating. It merely says:

> It is expected that such savings as may be effected will arrive by reason of a reduction in the administrative expense and the cost of material and supplies. It is impossible to state just what amount will be saved as a result of this consolidation, but it is estimated from $50,000,000 to $100,000,000 per annum may be saved should the provisions of this title be put into effect.

Who estimated this saving, and upon what did he base it? The President, who is the head of our Army and Navy, is quoted by the papers as being against it, so he could not have given the committee the benefit of his great knowledge on the subject. The naval and military experts of the country are not in favor of it, so it is not reasonable to say that the committee based their decision upon the full and accurate knowledge of military experts. Could the members of the Economy Committee in a few weeks, without any information from our military authorities, have decided this question among themselves? It would hardly appear reasonable that any committee would suggest that the House pass this proposal without further authority than this.

And how was the estimated saving obtained? There are no figures given. There is no reference to the various items of the saving or the particulars of same. Did the committee pluck the wide variation of fifty millions of dollars—"from $50,000,000 to $100,000,000"—out of thin air and put it down? Surely not. They would not have done that. But they must have had some figures somewhere in order to make up this total saving. No; they themselves admit that "it is impossible to state just what amount will be saved." Never before in my experience in this House has any committee come before the House with such a striking and unusual statement.

But the committee says the saving will be effected by a reduction in (1) administrative expense, and (2) the cost of material and supplies.

As to saving expenses by the proposed plan of administration, there will be five departments where there are now three. We have now a "head of the national defense" in the person of the President of the United States. Our Constitution says, "The President shall be Commander in Chief of the Army and Navy of the United States." He is the controlling and responsible head of our Military Establishment, and the Secretaries of the Army and Navy must report to him. Under this experimental plan a new department—aviation—is created, so that three instead of two heads of departments must report to a new head, the secretary of the national defense; and he in turn must report to the President. Such roundabout procedure could not be conducive to economy. The Army and Navy are now reduced to a minimum of expense, dependent upon the appropriation of Congress as to the amount they expend, and here it is proposed to create another department as an intervening division between the President and the Army and Navy heads, and claim there will be less money spent. The amount necessary to set up this new department will of itself prevent economy. This new department must have its staff and its quarters and a large force of employees, and it can safely be estimated that such a department would result in an added expense of maybe half a million dollars instead of a decrease.

The creation of a new department of aviation would also tend to increase expense of administration necessarily for the same process of reasoning applies. There would have to be an enlarged staff, enlarged quarters, and more employees for it to function properly. It is the experience of all bureaucratic government that the more bureaus there are the greater the expense. Now when we are trying to eliminate some departments, it is strange that the proposal of creating new ones should be brought up.

As to saving expense in the purchase of materials and supplies, this would require a very exhaustive study of the entire question, for there are many angles to it. It has been studied for years by military experts, but it has been found almost impossible to arrange for a central purchasing system for both because of the varied uses of the materials needed for each arm of the service. The small arms, machine guns, and fieldpieces for the Navy are already manufactured by the Army, and the Navy obtains them from the Army. The President, as the Commander in Chief, might work out a trial of such a system, with the assistance of the Army and Navy chiefs, and such a plan might be studied in detail and recommended to Congress at the next session. No law is needed for the President to direct such a study and base his recommendations thereon after due deliberation. It is not necessary to set up a superstaff to have this done. There are, however, already in existence "several agencies for avoiding duplication and insuring coordination." To mention some: The Joint Army and Navy Board, the Aeronautical Board, and a joint Army and Navy planning committee. We also have a General Supply Committee.

The plan proposed would undoubtedly result in such confusion that no economy could or would ensue.

As to efficiency resulting from this plan, the contrary would result. Some go so far as to say that efficiency should not be decreased even if economy might be served. There is a great deal in the view that economy should not be achieved at the expense of efficiency. You must remember that a military service is constituted for purposes of defense in time of need. If it is not efficient, the resultant damage for lack of an efficient fighting force is greater—far greater—in the end than if it had been kept in a state of efficiency. The very efficiency of our Military Establishment stands for economy when the necessity arises for its use. Its efficiency is an insurance that there will be less damage, less cost, and less loss when and if the system has to be put into operation.

There are certain places where the Army and Navy have adjacent locations, but there are not many. Even where they are adjacent, few of these locations have sufficient area for expansion. The Navy must have its operations near the sea, and many of the operations of the land forces are inland. If the land forces were brought to the Navy locations, there would be such congestion that neither economy nor efficiency would be promoted, and, of course, the naval operations could not be carried inland.

When the creation of a third branch of the service is brought into the picture, the confusion becomes greater. Admiral Moffett, United States Navy, Chief of the Bureau of Aeronautics, Navy Department, made such a convincing statement before the Committee on Expenditures of the House of Representatives on February 6, 1932, that I take the liberty of quoting him. He said, in part:

> The proposed plan would result in greater expense, because the creation of a separate air service would require a large additional

air department or organization, similar to the War and Navy Departments, including auxiliary services—supply, medical, etc.

The amalgamation of naval air stations with Army air stations and repair depots will not decrease operating personnel. It will neither decrease military operations nor work to be done.

In the continental limits of the United States, the Navy is restricted by law to 6 heavier-than-air stations, and of these 6, 2 are fleet air bases fronting deep water where fleet vessels load and unload. The personnel of these two repair bases is composed almost entirely of enlisted men who are being trained as able naval aviation mechanics and are rotated periodically between the fleet and air stations. Such is not the case in the Army. In the time of an emergency, they are the available trained nucleus around which rapid technical-personnel expansion takes place for providing the necessary force for commandeered fleet aviation-repair vessels, improvised carriers, and advanced war repair bases.

The general supply problem is distinctive for each service. Military aviation operates under the Air Corps separately in procedure and personnel from the Regular Army. Its system is excellent and well adapted for military aviation. Naval-aviation supply operates directly under the general naval supply system.

The general supply problem for military and naval aviation, especially in peace time, is distinctly different. The Army's set-up is separate from the Regular Army; in the Navy the regular naval supply officer functions for both the regular naval supplies and naval aviation supplies. The same disbursing officer pays the naval aviator that pays the regular naval officer.

To be of real value, the personnel in both the Army and Navy air forces must not only be aviators but must be also soldiers and sailors, thoroughly conversant each with his own arm. Flying of itself alone is of no value. The personnel in the planes are what count, and they must be either soldiers or sailors; they can not be both. It takes years of training to make a Navy man, and additional training to make a naval aviator of real value. We must not forget that a naval aviator is also required to be a naval officer—navigator, seaman, gunnery officer, engineer, radio, and line officer. They must pass the same kind of examinations for promotion as is required of other naval officers.

It would be easier and more practicable for soldiers to man ships than to have Army aviators man naval aircraft, and vice versa. Each is a naval or military specialty in itself. The combination of the two services—the Army Air Corps and the Naval Air Service—would result in inefficiency for both and disaster during war. Aviation is a new war arm. It is, therefore, necessary that both the Army and Navy become thoroughly acquainted with it, and that especially all the personnel of the Navy become familiar with this new weapon and its use. The only way to do this is not to separate aviation and its control in any way from the Navy.

Defeat and disaster due to an undue stress on economy would be more expensive than an efficiency that would function properly and prevent disastrous and calamitous results. The people of this country have been taught this lesson more than once, but as long as we must have a military establishment, then let us have an efficient one.

Peace is greatly to be desired—everyone wants peace—but men have fought since the time of Cain and Abel, and there are more portents and signs of war to-day than there were in 1914. The United States has never fought a war of aggression and it never will. But it must be prepared to defend its flag, its commerce, and its people. The United States will make every effort for disarmament in agreement with the other nations of the world. It will agree to reduce its armament to an equality with any other nation and it will not regard its agreement as a "scrap of paper," but it will not throw away its arms and leave itself defenseless from attack by other nations who do not agree to discard their arms, notwithstanding some misguided pacifists are willing to court disaster in this manner.

In conclusion, this plan is not necessary. Our Army and Navy are in a high state of efficiency and every economy is being used by agencies already in existence. Such agencies are promoting economy far better than could be done under the proposed plan. As it now stands the President is the head of the national defense and does not need a subhead through whom reports may be transmitted from the Army and Navy.

Nor is a separate department for aviation necessary. Good results are being obtained under the present arrangement. England, it is true, has a separate air force, and Admiral Beattie was forced to conclude that if the three forces were reduced to two that "we should save millions of public money with greater efficiency as in the United States."

For more than a century and a quarter we have gone along under our present system. In that time many studies have been made of this question and after each investigation it has been decided that any change of the system would be less economical and less efficient. The report of the Morrow Board was to that effect. This board was composed of Members of the House and Senate, high-ranking officers of the Army and Navy, and three distinguished citizens of the United States. This board unanimously disapproved such an organization as is proposed. The War Department and the Navy Department have made exhaustive studies of the subject and reached the same conclusion. Other nations have studied the subject and turned it down. Have we civilian Members of Congress studied it sufficiently to disregard the unanimous verdict of all military experts throughout the world?

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. DREWRY. Certainly.

Mr. VINSON of Georgia. Is it not a fact that neither Great Britain, France, Japan, or Italy has a department of national defense, as suggested in this bill, and is it not a fact that they have a separate army head and a separate navy head?

Mr. DREWRY. Unquestionably that is a fact. The reason they have a system of that kind is that they have very largely adopted the system of the United States.

In 1798 we changed our ideas of national defense as far as the system went and since that time other countries have followed us, and we have to-day the countries that are standing foremost in the world with this kind of defense.

Mr. HOUSTON of Hawaii. Will the gentleman yield?

Mr. DREWRY. Yes.

Mr. HOUSTON of Hawaii. May I make this one observation? That the German Government is the only one which had any semblance of a national defense department, which was headed by the Kaiser himself, and it was because of that very same fact that the Germans lost the war?

Mr. LAGUARDIA. But it took the whole world to lick them.

Mr. DREWRY. I did not yield to more than one gentleman.

It is purely an experiment. Surely this is no time to be experimenting with the national defense. Our economic situation precludes us from experiments. Experiments are costly. If it should be tried and the result were unfavorable, the loss would be so great that we should be pushed just that much deeper in the mire of the present depression.

Every authority says that the proposed plan is not economical and not efficient. I for one am forced to the conclusion that they are right. It would not promote economy nor efficiency.

Mr. COLLINS rose.

The CHAIRMAN. The gentleman from Mississippi is recognized against the amendment for five minutes.

Mr. COLLINS. Mr. Chairman, in the consideration of this proposition there are two principles which ought to be borne in mind by the membership of this House. The first is to provide a larger measure of national military defense than we have now and the second is to accomplish that at a lessened cost.

During the war we had in existence substantially just what is being proposed here to-day. We found that the Army was placing orders with the industries of the country and prescribing independent priorities as to such orders. We also found that they were asking priorities of the railroad companies of the country.

The Navy was doing identically the same thing without any consideration whatever as to the orders or priorities thereon that were asked by the Army, with the result that industry and transportation were so completely tied up in this country that President Wilson was forced to establish the War Industries Board to regulate and supervise procurement and transportation so as to enable this country expeditiously to get its commodities to ports and so that the industries of the country could cooperate intelligently and avoid having everything tied up in a confused mass that seemed for a time impossible to untangle.

The proposal here is to create an orderly, business method of national defense. That is the first proposal. And

whether you like it or not, whether it is done here to-day or not, the next time we have a war, if such an unfortunate thing should happen to us, we are going to carry on that war as we carried on the last one, by a unified service.

It was testified this summer before the War Policies Commission, of which I happened to be a member, that if Mr. Baruch had continued his activities one month longer, he would not have been Mr. Baruch but General Baruch, showing that the tendency was continually toward a unified control.

Now, with reference to the second proposal, the one of economy. Considerable has been said about the Air Service. Let me read you what General Fechet last year told the Appropriations Committee of the House:

Mr. COLLINS. I want to ask one more question, before I forget it. The Government appropriates money for the Air Corps of the Army and the Air Corps of the Navy. I imagine that the appropriation for the Navy for all air activities is about the same as the appropriation for the Army, around $70,000,000. What is your opinion about the adequacy of that sum of money to provide an adequate air force for this Government?

General FECHET. I am firmly convinced that the United States is spending enough money to-day to provide it with an adequate national defense; but, in my opinion, it is not being properly spent.

There is an indictment of your system that you can not get away from. We are spending enough money and we are appropriating enough money, but it is being spent in a manner that should not be encouraged. There is duplication of experimentation, duplication of air activities, duplication of procurement; in fact, duplication confronts us practically at every turn—in radio communication, in the manufacture of clothing, in the production of munitions, in hospitalization, in water transportation, in public-works personnel, and in disbursing and accounting.

Out here at Bolling Field you have two airports immediately adjoining. The same is true at San Diego and at Pearl Harbor. That means duplicated guards, duplicated everything. Go to New York City and see your port facilities there. You have an Army base and a Navy base. Anybody that is conversant with the two knows very well that the Army base is adequate to accommodate both the Navy and the Army.

It is said that the President is opposed to this consolidation. I wonder to what extent that is true. As recently as April, 1924, Mr. Hoover, as Secretary of Commerce, in a letter to Representative MCSWAIN, of South Carolina, relative to a bill in respect to organization and mobilization of industry and the civil population generally in war, stated:

* * * I would, therefore, create an administrator of munitions * * * and would provide that the munitions division of the Army and Navy should be immediately transferred to his direction * * *.

When you remove munitions from dual administration, little else besides personnel remains.

Mr. Chairman, I do not know of but one excuse for the failure of this provision, and that is that the social lobby in Washington does not want it. I fear that this factor has much to do with some of the opposition that has been manifested.

[Here the gavel fell.]

Mr. GRIFFIN. Mr. Chairman, I rise in support of the Martin amendment and ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Chairman, I would like to announce that I do not want to be put in the embarrassing position of declining to yield in the limited time I have to present my views, and therefore beg to be pardoned if I request that I be not asked to yield.

The consolidation of the War and Navy Departments is a favorite obsession with so-called efficiency experts. The Economy Committee has evidently fallen under their spell.

The argument for the plan purports to stand on two grounds—economy and efficiency in actual service.

As to economy, not a single speaker for this proposal has given any satisfactory detail to show how the alleged economies may be effected; but even if it did appear that a few economies in administration might ensue, the disadvantages and dangers involved would more than overbalance any alleged saving.

There is something higher and nobler than economy when the interests of our country are involved. Economy can not enter into this problem. This is a problem that will not yield to any mere formula of business thrift or penuriousness.

There is not a single suggestion for saving in administration and in the purchase of supplies that has not been answered and adequately met in the exigencies of war, even under the existing arrangement. It is rather far-fetched and straining at a gnat that because we had a war-purchasing board in the World War we ought therefore to consolidate the two branches of defense.

No one has shown where any substantial saving can be made. Is it in personnel? Hardly. It is surely not intended under the unified plan to reduce the personnel either of the Army or Navy. Is it ordnance? We will still need the same number of guns, the same amount of supplies, of rifles and ammunition, of shot and shell. Is it uniforms or equipage? We will still need the same number of uniforms, the same equipage and equipments. Narrowing the inquiry down, we find that the only avenue in which any savings whatever might be made lies in administration—and some even question whether that is either a probability or a possibility.

The last speaker, the gentleman from Mississippi [Mr. COLLINS], emphasized the difficulties that we were in during the World War and made a good argument for unity; but have we not unity under the existing system? The President of the United States is the Commander in Chief of both forces—the Army and the Navy—and in every war he has exercised his prerogative to coordinate the two branches of defense, and particularly in the World War. This is sufficient. It is not necessary to divide and segregate these departments. Such a plan, if carried into effect, would imperil the future of our country. You would be putting all your eggs in one basket.

My theory, viewing the proposal from the standpoint of history, is that two heads are better than one. In our political system, as heads of executive departments are selected, there is a better chance of getting one good head; that is, making one good shot out of two tries than a bull's-eye out of only one try. The Navy Department deals with problems of the most difficult and intricate character. You might get a man in the Navy who would properly control both departments, but it might be impossible to get a man from the Army to properly control both departments.

The Navy in our history has always been efficient. It has always been prepared. In the War of 1812 General Hull surrendered his army without firing a shot, while his nephew in the Navy, fought the *Constitution* to a great victory over the *Guerriere*.

In the Spanish-American War we witnessed a glaring instance of how our success was imperiled by the inefficiency of the heads of the War Department. The soldiers were improperly armed, equipped, fed, and cared for. Whole regiments were sent to the front with obsolete Springfield rifles to combat an army that was equipped with the latest magazine rifles and smokeless powder. The medical department was a disgrace, and thousands of men were sacrified to disease owing to the want of proper preparation.

On the other hand, the Navy Department was adequately equipped and prepared for action; so that, within a few days after war was declared, Dewey was on his way to the Philippines. The men of the Navy were adequately clothed and fed. There were no complaints about embalmed beef or lack of medical supplies and attention. Suppose the Navy Department had the same sort of brains at its head as politics vouchsafed to the Department of War!

I would recommend that the Economy Committee and others interested read the Martial Spirit, by Walter Millis.

In the Civil War, if it had not been for the efficiency of the Navy, under separate control, General Grant would

never have been able to make his historic capture of Forts Henry and Donelson. General Halleck was a skilled militarist. He had written books on military strategy, and was supposed to know how campaigns should be planned and conducted, but he could not grasp the proposal of Grant to capture Forts Henry and Donelson. General Grant got in touch with Admiral Foote, and Foote was prepared to take Grant's Army down and make the attack. So it was all through the Civil War—blunders on the part of the Army, efficiency on the part of the Navy. Better keep them separate and allow the President, as Commander in Chief, to coordinate them as the occasion requires.

In the World War the same conditions of inefficiency prevailed until the President intervened and brought order out of chaos. Read Pershing's Memoirs on that subject. [Applause.]

Mr. CHIPERFIELD. Mr. Chairman, I consider Title VI now under consideration to consolidate the operations of the Army, Navy, and air forces under a single department of national defense, as about the most unfortunate proposition that could be presented to Congress at this time, and particularly when it comes in this form and with the slight consideration and discussion that can now be given to it.

The proposition to make such a consolidation is refuted by all of the glorious history of our country, on land and on sea. [Applause.]

I am well aware there are those who would seek to minimize the accomplishments of our Armies and our Navies, but every war has shown us that as to both the Army and Navy a divided responsibility, a separate command for each, but yet with the fine cooperation between them that history records, has produced outstanding results to which the whole world had paid acclaim and of which every American citizen may be proud.

I am not going to consider now the question of economy, as time forbids, but it is the consensus of opinion of those who are informed that to maintain an air force for the Army and an air force for the Navy and an independent air force will cost just as much, whether they are under unified control or operated separately. Likewise the cost of feeding, clothing, and transporting soldiers and sailors would be no less if they should be placed under a single department of national defense.

The reason I am not going to consider the alleged economy involved is because I do not propose to set off proposed and uncertain economy against the lives of our soldiers and sailors, against their blood, and against the security of our shores and the welfare of our Nation in time of war. [Applause.]

We have had experiences from the past that it seems to me should guide our steps now. All of them are against the proposed consolidation.

I lay down the proposition without the slightest hesitation that there is no man on this continent to-day who is large enough or who is so constituted mentally or by reason of training and education that he could exercise at the same time unified control and command over the Army and the Navy and the air forces of the Nation. There is no man living so constituted that he is mentally and temperamentally sufficiently unbiased with reference to the various branches of the service that he could apply principles of justice and fairness to each of them without displaying a preference for one over the other.

It is true that there is no man of such gigantic capacity who could successfully and at the same time direct in time of war our forces on land and those on the sea; nor could he understand the perplexing problems of each and the principles of combat which would apply to both.

It is true, Mr. Chairman, there is nothing that is more serious and nerve racking to contemplate or witness in its operation than the staff of either an army or a navy in time of national stress and warfare, and that is all we are maintaining an army and a navy for—to provide security and protection for the days when the life and the welfare of the Nation are threatened by war. Such a situation demands the last atom of capacity and ability and attention and energy which is possible to be given by each and every man constituting such a staff. They well know and understand that the welfare and safety of those engaged in warfare, as well as the security of the Nation, depends upon the successful accomplishment by them of their task.

A staff engaged in the problem of furnishing supplies, conducting transportation, making available munitions for battle, and working out the problems of combat for a force which may extend over a front of many miles, has no time under such conditions to deal with the problems that may confront the Navy and a combat on the seas.

The proper conduct of an efficient staff in time of war means that every man is being used at his highest power, and to the greatest advantage for the purpose of solving the problems that lie before it.

It is perfectly apparent there is no staff or organization that could be perfected that would be competent in time of war to handle the manifold problems of the Army and at the same time those of the Navy and air forces without breaking down, signally failing, and bringing disaster to our Nation. [Applause.] This of necessity comes from the varied and different conditions under which an army and a navy would operate and from the great distance that frequently would separate them in their respective activities.

I say to you, that an organization which places an army under a competent leader and staff, and a navy under a competent leader and staff can deal better with the perplexing problems of war than would be possible under a single department of national defense.

We should not engage in an untried experiment that is fraught with such terrible consequences at this time when the judgment of the military experts of the world and our own experience is recorded against it.

Can any man conceive how the pages of history would be changed if Wellington had been in command of the land and naval forces of England; and likewise what might have been the result if Lord Nelson had not only commanded the navy but the army? It would have been a "confusion worse confounded."

One can not contemplate such a situation with the slightest composure. [Applause.]

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, during the last Congress a commission was appointed consisting of 6 Cabinet members, 4 Members of the Senate, and 4 Members of the House, known as the War Policies Commission.

I had the privilege of serving on that commission. There appeared before that commission, introduced by the present Secretary of War, Barney Baruch, who during the war was chairman of the War Industries Board. He was a man who performed signal service for his country and was honored by his country and by foreign nations. In five minutes it is impossible for me to go into his testimony at any great length, but I believe it would be worth while for every Member of this House, and, for that matter, for every man and woman in the country, to read the statement and testimony of Barney Baruch.

It was given more than 10 years after the war closed, made calmly; and with the interest of his country at heart, he pointed out to the commission the handicap under which this country entered the World War.

While the commission was limited by authority of the resolution appointing it, and they gave consideration more especially to supplies, yet I believe there is no man that can read the testimony of Barney Baruch and fail to come to the conclusion that the thing we need in the interest of public defense and economy is the combination of all arms of defense into one general department of national defense. [Applause.]

I do not know how much money can be saved, but let me say to you gentlemen that the man who had charge of the purchasing of war supplies for the World War testified before our committee that if we had had a uniform system of purchasing supplies—and the gentleman from Oregon [Mr. MARTIN] says that this bill would ruin the efficiency of

the Army and Navy. Listen to the words of the man who purchased the supplies in the World War. He says:

It would reduce the cost of war by 50 per cent and I believe by an even greater figure.

[Applause.]

Mr. BRITTEN. Will the gentleman yield?

Mr. HOLADAY. No; I can not yield. I have only five minutes. I am giving you his statement, the statement of the man who had the duty of purchasing these supplies, a statement made 10 years after the close of the war.

Have you ever stopped to think that if another war comes the thing that is proposed to be done in this bill will in effect be done, and that it will be absolutely necessary before all of our arms of national defense can begin to function that there be a single head to direct?

Combining the War Department and the Navy Department into one department of national defense should be done not only in the interest of economy, but in the interest of our national defense. [Applause.]

Mr. SCHAFER. Mr. Chairman, I rise in support of the amendment. In five minutes one can barely scratch the surface of this important proposition. It is ridiculous to expect the Members of Congress to vote to change drastically the old established policy of our national defense, which carried us successfully through the World War, after a brief consideration allowed under this economy bill. If, as the previous speaker stated, Mr. Barney Baruch indicated that we must follow this proposition in order to maintain an adequate defense, then why during the World War did not the Democratic administration of Mr. Baruch consolidate the Army and the Navy? The gentleman from Massachusetts [Mr. CONNERY], in support of the Army and Navy consolidation, indicated that the allied forces on land were under the concentrated direction of General Foch.

Is that an argument in favor of consolidating the Army and the Navy? The navies of the nations engaged in the conflict on the side of the Allies in the World War were not united with the armies under the central, unified control of General Foch. Therefore, if Mr. CONNERY looks to the World War for a precedent upon which to predicate his position on the pending consolidation, he should oppose it instead of supporting it. As the gentleman from Oregon [Mr. MARTIN] has indicated, the Committee on Expenditures in the Executive Departments held extensive hearings on this Army and Navy consolidation proposition. Only two witnesses appeared in favor of the bill, Mr. BYRNS, the author, and Mr. WILLIAMSON, who is the real author of this consolidation, whose bill Mr. BYRNS copied practically in toto.

Mr. BYRNS. The gentleman ought not to make that statement, because it is not so.

Mr. SCHAFER. Who else testified before that committee in favor of the consolidation?

Mr. BYRNS. I am talking about the bill and the statement about it that the gentleman just made.

Mr. SCHAFER. In the last Congress Mr. WILLIAMSON introduced a bill.

Mr. BYRNS. The gentleman said that I copied that bill, and that is not true.

Mr. SCHAFER. Well, your bill was introduced after his, anyhow, and the gentleman can not deny that. The latest author of the Army and Navy consolidation bill, the gentleman from Tennessee [Mr. BYRNS] appeared before the Committee on Expenditures in the Executive Departments with the cry of economy and testified how much savings were going to be had. If any Member of the House ought to know if any savings can be had and where, then the chairman of the Committee on Appropriations, who has been on that committee for many years, appropriating for the Army and Navy, ought to have some tangible, definite idea; but he, in answer to a question, indicated that he could not put his finger on any tangible saving.

The Expenditures Committee, after careful and lengthy consideration, voted to kill the Byrns consolidation bill.

In the Economy Committee report on this drastic policy of overturning our national-defense policy there is but one paragraph with reference to this title of the economy bill. The report of the Economy Committee does not even inform the Members of the House that they could obtain a copy of those hearings which the Committee on Expenditures held. It is rather remarkable that on this radical change of our policy of national defense, the Economy Committee report on this bill was not available until the morning that the bill was first considered. There is just one brief paragraph on the Army and Navy consolidation in that report and no printed hearings on the economy bill available, and the Members of the House of Representatives are now asked to vote for the Army and Navy consolidation monstrosity, which was killed after hearings and many days of executive sessions in the Committee on Expenditures in the Executive Departments. Is it any wonder that many people in America are tempted to hold this Congress in disrespect? No one except the gentleman from Tennessee [Mr. BYRNS], the author, and the gentleman from South Dakota [Mr. WILLIAMSON] testified in favor of this consolidation.

Are we going to follow that kind of economy hysteria? Mr. BYRNS stands one way to-day on the consolidation and another way to-morrow, just as he did on the Interior Department appropriation bill. Before our committee he was going to save $200,000,000, but could not definitely point to where one penny could be saved, and a couple of weeks later he signs the report of the Economy Committee and indicates that only about $50,000,000 will be saved. If we want to follow that sort of economy, then we might just as well provide for an appropriation of $1 for these establishments; and if there is a future war, hire the Mexican Army and the Chinese Navy and put all of our admirals and generals who know something about fighting into the ranks of the unemployed, place the Mexican Army and the Chinese Navy in charge of Admiral BYRNS, Gen. Barney Baruch, and General WILLIAMSON and tell them to fight the enemy, save the lives of our people and the Nation. This consolidation gives one Cabinet officer unlimited authority to consolidate, eliminate, expand, and create, and practically do anything he desires with the War Department and Navy Department, and almost a billion dollars a year expended for our national defense. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. LaGUARDIA. Mr. Chairman, if there is one subject in this bill that any Member of this House who is studious and follows legislation could obtain information about, it is this subject. The matter of the consolidation of the Army and the Navy has been before Congress for many years. It became very acute and has been discussed from the time of the General Mitchell court-martial. I can not in this minute discuss the strategy of the next war, but anyone who keeps informed on modern weapons of warfare must know that the safest place in the next war will be in the first-line trench. Every city will be the target of attack. Every woman, child, and noncombatant under continuous danger of life. The next war will be terrible, terrifying, and cruel. In every emergency we have had, we have had considerable loss of time, energy, and money by reason of the conflict between the two branches of the national defense. Mr. Chairman, one of the first orders issued after a few months of wrangling in the World War was to put a unified command in every place where it was possible. The marines fought at Chateau-Thierry just as well under a military command as the Army transport cooperated under naval command for the transportation of troops. The Navy manned the big siege guns on the western front efficiently and effectively under the Army. If there is one subject that we have complete information on, it is this item in the bill. Gentlemen have been asking for a bill of particulars. The cost of ordnance in the Army alone is $10,000,000, and $12,000,000 in the Navy; considering obsolescence, repairs, experiment cost, necessary reserve, we could save in those items alone $5,000,000. In the Medical Corps maintenance, supplies, housing, hospitals, we could save at least $1,000,000, and that is a conservative estimate.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. LaGUARDIA. I am sorry. I can not.

Mr. WILLIAM E. HULL. Tell us how it could be saved.

Mr. LaGUARDIA. In the purchase of supplies, food and clothing, nonmilitary supplies, or let us call it the business end of the Army and Navy, there is an item of $110,000,000 in the Army and Navy. Conceding a saving of 5 per cent alone, there is $5,500,000.

In aviation, preliminary training, supplies, equipment, maintenance, we are spending during the current fiscal year for Army, $31,000,000; Navy, $31,000,000. We can save from fifteen to eighteen million dollars there. No one can contradict that figure, with the experience we have had in aviation.

Mr. BULWINKLE. Will the gentleman yield?

Mr. LaGUARDIA. I am sorry. I do not have time.

In the matter of transportation and communication there would be a saving. The total cost is $19,000,000. There would be a saving of at least $1,000,000.

In overhead and administration, a combined cost of $11,000,000. Surely we can save $1,100,000.

For years, by reason of the new weapons of warfare, there has been a conflict as to who should take jurisdiction over the coast defense. The Navy claims jurisdiction over the coast defense. The Army claims jurisdiction over the coast defense. We know that the attack will be from the air and under the water, and the only way to solve that controversy is to establish one national defense, and let that unified command have complete power and responsibility of our coast defense.

Mr. Chairman, so much has been stated to-day on this item, and some of the chief opponents of Army and Navy consolidation have been those who are willing to vote economies on matters with regard to which we had no information at all, let me say to my colleagues who have been criticising me for trying to save the American family and the American scale of wages, if you want to economize, if you want to increase the efficiency of our national defense, here is the opportunity to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FRENCH. Mr. Chairman, I rise in favor of the amendment.

Mr. TABER. Will the gentleman yield for a question?

Mr. FRENCH. I yield.

Mr. TABER. I have been a member of the Subcommittee on Army Appropriations for four years and the Subcommittee on Navy Appropriations for nine years. I believe there is no saving that can be made by consolidation that can not be made without it, and I believe that consolidation will result in terrific increases in cost. [Applause.]

Mr. FRENCH. The great respect that I hold for the chairman of the committee, Mr. McDUFFIE, and his associates who have labored so earnestly in the preparation of a measure that seeks to reduce the expenditures of the National Government makes it exceedingly difficult for me to make any suggestion that is not in complete harmony with the recommendations of the committee.

However, when it is proposed that the two national defense arms of the Nation, the War and Navy Departments, be combined, the problem becomes so definite, so serious, that I must indicate to the House my thought upon the proposition.

From very close association with this subject during the last 10 years, and as one who believes in teamwork looking to the reduction of national armaments, I can not feel that the recommendation that is made by the committee is in the interest either of sound national policy or economy from the standpoint of the coming year or from the standpoint of any considerable number of years.

I am opposed to it because I believe that the essence of our Government institutions, with relation to any crisis, should be efficiency. I am opposed to it because there is to-day not a divided but a united national defense in our country, under one head, namely, the Commander in Chief, the President of the United States. [Applause.]

I am opposed to it because I believe that from the standpoint of economy it is a false trail.

The burden of proof is upon those who urge this title to show, item by item, where economies can be made.

CONTRARY TO EXPERIENCE OF NATIONS

The proposition of combining the War and Navy Departments is not new.

When our Government was organized, these two agencies of defense were one; but as the question was studied, it became apparent to the fathers within a very few years that a better plan would be to separate the two activities, with the result that during the administration of John Adams the Navy Department was created as a department distinct from the Department of War. Thus for 135 years it has been the established policy of the Government to maintain these two definite arms of our country's defense.

The policy of the United States is the policy that is followed by most great powers. I do not mean that this factor alone should be controlling, but I do mean that it should be impelling as a challenge to be sure of our ground before we make a change.

Following the World War Great Britain found herself burdened with enormous indebtedness and confronted with heavy annual financial responsibilities. How to reduce the expenditures of government was a serious problem, and in 1922 a committee was appointed by the British Government which gave intensive study to this question, with the result that the committee reported adversely upon the proposed union of the military and naval defenses of the British Government. A later study was made of the question. You will recall that during the last year the British Government was face to face with an economic crisis. Expenditures had to be reduced; ways had to be found for the budget to be balanced. Another examination was made to determine whether or not upon further consideration the war and navy departments of Great Britain could be combined. In spite of the stress of necessity for the saving of every expenditure, the decision was adverse upon this proposition.

Mr. PARKER of New York. Will the gentleman yield?

Mr. FRENCH. Briefly.

Mr. PARKER of New York. Does the gentleman know that the so-called Morrow Board, appointed by President Coolidge in 1926, which gave two months' study to the effect of consolidation of aviation in the Army and the Navy, a board of which the gentleman from Georgia and myself happened to be practically the only legislative members, found unanimously against the efficiency of consolidating those two services?

Mr. FRENCH. The statement is true, and I was about to refer to the study and the conclusion.

WHAT DOES THE PROPOSAL MEAN?

As we turn then to the proposition in the bill of combining the War and Navy Departments of Government we naturally ask, What does it mean? Does it mean reduction of officers and men? Does it mean the elimination of naval craft? Does it mean material modification of these two establishments? I think not.

These objects can be sought equally as well with the departments separate as though they were combined.

NOT IN THE INTEREST OF SOUND ECONOMY

In my judgment the proposed amalgamation of the departments is not in the interest of sound economy. If it were found to be contrary to best national policy, then any combination that we would make to-day would necessarily be temporary. If temporary, no justification in the name of economy can be urged.

It can not be sustained upon the basis of a temporary expediency for the reason that greater expenditures would need to be met in making adjustments between the two services than would be the cost of continuing the two services as they now are with whatever adjustments properly may be made to meet the present economic situation.

Economies can not be effected unless reductions may be made in personnel, in ships, in abandonment of plants and warehouses, in abandonment of matériel; but all of these

modifications would mean expenditures and not economies if the program were to be but temporary.

If, as I believe, the program is contrary to sound policy, then not only would ineffectual efforts be made to reduce the burden of expenditure during the next year or during the next several years, but added expenditures would be required in reassembling the disturbed branches of the establishment when separate departments again would be established.

WHERE WOULD ECONOMIES BE FOUND?

Would economies be found in personnel? Pay is the largest item of expense that enters into each branch of the service. Unless reduction in numbers of officers and enlisted and civilian personnel be made, this item would not be disturbed. As to pay, which is to-day more than two-thirds of the entire budget of the Navy and considerably more than that of the Army, the item would be no more, no less.

Would economies be found in construction or repair of ships? With the exception of a few transports or supply ships, tugs, dredges, and small harbor craft connected with the engineering work of the War Department, practically all the craft of the United States in her military establishments belong to the Navy. Ships are built in navy yards by private contract. Ships are repaired for the most part in navy yards under the Government, though the War and Navy Departments draw to some extent upon private establishments for this service. Each particular job is complete within itself. Whether bids or estimates be called for by an officer called the Secretary of National Defense or the Secretary of War or the Secretary of the Navy, it is difficult to see how there could be any differences whatever in this item.

More than that, under existing law, amplified in another section in the particular bill which we have before us for consideration, provision is made for the utilization of utilities and facilities of one department in the handling of work of other departments.

Would reduction be made in aircraft? In large part the air services of the Army and Navy are distinct; in part they are common. The Navy, generally speaking, has to do with activities at sea; the Army with activities over land areas. The Navy must have its airplane carriers, its repair ships, its flying decks, its catapults, its shore bases; with all of which the Army has nothing to do. On the other hand, the Army has its great landing stations or bases, its planes, its shops, its fields. There may be some duplication in certain types of planes that are interchangeable between Army and Navy.

To the extent that this may be true and to the extent that fields and training stations may be used in common, the problem of working out a united use is one that can be handled by the two departments quite as well as by the amalgamation of the two departments into one. It may be that upon this subject further studies should be made, but I believe that if we can work out a program of utilization of planes for certain types of Navy work that can be used interchangeably for Army and for Navy, the problem can be met quite as effectively under existing institutions as through the amalgamation of the two services.

Pilots must be trained differently. Navy pilots must be well versed in navigation, must know problems of the sea, must know technique not required of Army pilots; while, on the other hand, the Army pilot must know in a broad way problems that are peculiar to the Army.

Is it proposed to amalgamate the great training academies of the two institutions, West Point and Annapolis? This has been suggested. At West Point and at Annapolis the Government has invested millions of dollars.

What economy could possibly be served by the amalgamation of the two plants by the education for distinct careers of two groups of students as one? In order that Annapolis might take care of the enrollment at West Point you would need to enlarge the physical plant at Annapolis, or for West Point to handle the present enrollment at Annapolis you would need to enlarge the physical plant at West Point. Surely this course is not in the interest of economy.

Is it proposed that economies be effected in supplies? If so, I ask how? Clothing, shoes, uniforms for the different branches of the service—these articles are required in such abundance that upon the basis either of contract or of fabrication in shops, under the management of either department, it is difficult to see how economies could be served through amalgamation of the departments.

As to food supplies the problem is much the same. The great food stores necessary for the Army and for the Navy are purchased upon the basis of competitive bidding, and it is quite beyond reason to suppose that economies could be served through a united service.

It does not seem that economies could be served in the fabrication of guns or powder or other munitions. Establishments are already in existence under both departments. Investments have been made. And where we purchase, we do so by calling for bids and in large quantities. Were the particular products identical for both institutions, even then it would not be clear that economies could be attained through amalgamation. The War and Navy Departments do teamwork in purchases and the great guns of the Army were manufactured by the Navy.

This is a problem of administration, and it can be handled under present conditions with the effectiveness that it could be handled under a united service.

I have given considerable attention to the study of proposals that in the flying fields of the two services and in the warehouses economies might be effected through amalgamation. It is very possible that there is some slack here that but for present investments could be saved. But again the problem, in my judgment, can be handled by administration. We must approach the question from the standpoint of present investments, and in handling the problem we must determine whether we have not more to lose through the scrapping of established landing fields and buildings and the expansion and modification of other fields and plants so that they will meet the needs of both services.

As regards medical officers and hospital facilities, where it has been suggested that we have an excessive number of both, and in the latter an unjustifiable investment, may I say that the medical departments of both services are not maintained upon the basis of existing officer and enlisted strength of either service. Adequate hospitals can not be maintained that have bed capacities that under normal times are absolutely filled. There ought to be free beds at all times, so that in event of epidemic, in event of emergency, those who are afflicted may receive care. What is true of hospital facilities is true of medical and dental officers. It would be true under any plan.

THE PRESIDENT AND NATIONAL DEFENSE

Consider again the question of holding these two services separate or amalgamating them from the standpoint of the President of the United States. The President of the United States by the Constitution is the Commander in Chief of the military and naval forces of our country.

The defenses of the United States involve a problem of such magnitude that unquestionably recognition of Cabinet rank should be given to the one immediately responsible to the President.

In part, the two services are alike; that is, both services exist for the defense of the United States; but, in part, they are distinct. From the standpoint of technique, they are separate services and must always remain so. But from either standpoint, either that of technique of the two services or the magnitude of the problem of the welfare of our country, it is sound policy that two strong men, and not one, constitute the President's responsible advisers.

More than that, were you to amalgamate the two departments into one and create one Cabinet officer you would have confused the issue. You would have removed the War and Navy Departments one step further from the President of the United States, and thus you would have lessened his responsibility.

That the activities might function with highest efficiency there would need to be not only one strong man—a sort of

superman—to fill the office of secretary of national defense but there would need to be three strong assistant secretaries to the secretary of national defense who would be at the head of their respective services, but who would not have places at the President's table. The Commander in Chief of the forces of the United States thus would be compelled to listen, so far as the Cabinet meetings were concerned, to the Cabinet officer who might be impressed unduly with the Army or with the Navy or with the air service, whereas he ought to have as his advisors Cabinet officers capable of viewing both the Army and the Navy together, with the effect that the air service of each would have upon the situation.

So important and fundamental do I regard this aspect of the question that in my judgment the President would be compelled to have a sort of private conference table where would sit from time to time not the Secretary of National Defense but the Assistant Secretary for War, the Assistant Secretary of the Navy, and the Assistant Secretary for Air that you propose to create, and it might be that he would need to rely more upon the judgment of these advisers than upon the adviser who would fill the position of member of the Cabinet.

Finally, in my judgment, we must have regard for the esprit de corps of officers and men. We must respect at least the traditions of the past. We must have regard for that friendly and admirable rivalry that exists, that always has existed, and that for the attainment of greatest efficiency ought to carry on. Nothing is more fundamental than that when men, even of considerable ability and genius, have been stripped in large measure of the necessity of constantly being upon their toes in order that they may attain the greatest success and outdo their competitors they slump back, they retrograde. It would be true here. One of the finest factors making for the success of the Army and Navy of the United States is the healthy rivalry that has as its objective not personal preferment but exceptional attainment in a great program that strives to answer the question which of these activities can serve best, which can give most to the country to which they are dedicated? [Applause.]

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. COLTON. Mr. Chairman, I presume that a large majority of the members of this committee were in the same frame of mind when we started consideration of this amendment that I was, as a member of the Committee on Expenditures in the Executive Departments when we commenced our hearings on this same bill. If I had any inclination or any bias in the beginning, I was inclined to consolidate the Army and Navy. We went into this matter for many, many weeks. We studied the question with a view of effecting economies and from the standpoint of efficiency. It is a big problem and can not be lightly treated. The future welfare of this country, in some respects, is at stake. I therefore trust you will weigh well your action on this amendment.

Our committee gave careful study and careful consideration. It was an intensive study. At the end I came to the conclusion that there is no real justification for the consolidation of these two great departments. Suppose there is a little overlapping here and there, as perhaps there is in the purchasing of supplies. When you go into that, however, you will find it has been greatly magnified. The unnecessary duplication of expenses has been greatly exaggerated. There is very little that could be said in criticism along that line, the statement of the gentleman from New York to the contrary notwithstanding. He took his figures, I am sure, from the hearings of the Appropriations Committee. They show appropriations and not savings.

I am also persuaded that this matter of little differences that have arisen between these two departments is a minor matter. There are already constituted and organized in the Army and Navy joint boards which handle these problems, which work out these differences; and over a long series of years, since the creation of these boards, very, very few disputes have ever gone up to the President for settlement. These joint boards of the Army and Navy are doing good work.

These boards are working together. Surely the Secretary of National Defense could not do more than the President can do. Moreover, the Chief Executive is already in a position now to settle these troubles any time anything of importance or moment arises. The greatest test, after all, is whether we get results. Our history in war times and in peace times shows that we do get results. With all our little mistakes our record is a glorious one and one of which we can be proud.

The creation of this supersecretary, or the Secretary of National Defense, with all his necessary help, would not save anything that we could find. As I said, we were unbiased and unprejudiced and went into the proposition carefully. What would follow? You would have to have an Assistant Secretary of War with his staff; you would have to have an Assistant Secretary of the Navy with his staff; an assistant Secretary of Aviation with his staff; then you would have to have the Secretary of National Defense with his staff, and the sum total is, you have added to, instead of subtracting from, the personnel and expense.

Other nations have made investigations and studies of this and they have discarded it as not being a proper method of handling the Army and Navy.

Mr. BRITTEN. Will the gentleman yield?

Mr. COLTON. I yield for a very brief question.

Mr. BRITTEN. Does not the gentleman agree with me that if it were not for the advocates of a combined air service this proposition would not get 15 votes in the House of Representatives?

Mr. COLTON. I think there is a good deal to what the gentleman has said. I feel sure that if careful study is made of the whole subject, this motion to strike out the title will prevail.

These are two distinct services. There is overlapping, ladies and gentlemen, between the Interior Department and the Agricultural Department. In the very nature of things they do similar work in some lines. Would you combine them because of that? We have given the President, in a previous title, the right to organize coordinating services, services along the same line, but do hope you will not mistake this proposition and say that because the Army and the Navy are both engaged in national defense, that they run along the same lines. Some make the mistake in believing that the two departments do the same work.

They do not. The basic unit of the Army is the man with the gun. Around the Infantry we build our plan of defense. Other branches are aids to the man in the Infantry. He serves a distinct purpose in the plan of defense. In the Navy you have an entirely different proposition. The basic unit in the Navy is the vessel or the battleship. The two engineering propositions are entirely different. You might just as well take any other two departments of government and combine them.

Mr. Chairman, the men on the Expenditures Committee were disinterested. There is not a Navy activity in my district; there is not an Army activity in my district save a practically unused arsenal. We had no favors to ask; we had none to extend. We went into it carefully, and I say to you again, as has been said time and again, not one single concrete bit of evidence came before our committee that would show a saving, but, on the other hand, a great deal of evidence came to show that there would be an increased expense.

[Here the gavel fell.]

Mr. HARLAN. Mr. Chairman——

The CHAIRMAN. The Chair will state for the information of the committee that all time has expired except 16 minutes. The gentleman from Massachusetts, opposed to the amendment, yielded back one minute.

The Chair will recognize the gentleman from Ohio for one minute.

Mr. HARLAN. Mr. Chairman, in view of the statements that have been made as to the impracticability of this plan,

and that is the only thing I care to discuss in this one minute, I will say that this statement appears in the New York Times under a Paris date line of March 2, in which is discussed the organization of the ministry of Andre Tardieu. This newspaper article follows:

The council approved a plan submitted by François Piétri for the organization of the new ministry of national defense. This far-reaching change in the political structure of the Government comprehends the coordination of the functions of the former Ministries of War, Marine, and Air, rather than their fusion.

In the new ministry there will be three directing bodies—command, administration, and armaments—under the common authority of the minister of national defense. All questions of command will come under the minister, aided by the vice presidents of the superior war council and the three chiefs of the general staffs of the army, marine, and air forces. One of the under secretaries of state will direct the administration of the ministry and another will supervise questions concerning war materials of all sorts.

France is the most militaristic nation on the globe. Her problems are far more similar to ours than are those of England; and what is good for a nation like that ought to be good for us.

This provision to consolidate the Army, Navy, and Air Corps under one head is the only provision left in this bill that affords any opportunity for real economy. I feel that if this provision is defeated we might just as well defeat the whole bill and declare our efforts at economy futile.

Mr. BYRNS. Mr. Chairman, I am speaking under difficulty, and I would like to ask the members of the committee kindly to give me their attention, and I want to make the further request that I be not interrupted. I would be glad to yield if I had more time, but I will be able to present only some of the facts to which I would like to call to your attention if I had more time.

Something has been said about this bill. Let me say for the second time that I did not draw it. I have never claimed any credit for the preparation of it. It was too intricate and involved for me to undertake myself, so I asked the legislative counsel to prepare it, and the title that is incorporated in the economy bill is the bill which was prepared by that office.

I take particular pleasure in making that statement now, because I want you to know that when you come to vote you are voting upon a bill which has been carefully prepared by your own counsel.

For 10 or 12 years there has been an effort to consolidate the War and Navy Departments. It has been recommended during that time by a President of the United States, and presumably with the concurrence of his entire Cabinet, with the exception of the Secretary of War and the Secretary of the Navy. It has been indorsed by prominent students of national affairs throughout the country. Several boards have been appointed. Gentlemen have referred to the Morrow Board. I have always understood that the Morrow Board was constituted for the purpose of giving particular attention to aviation. There was the Lampert committee appointed by this House, which recommended consolidation. Then there was the reorganization committee headed by the present Postmaster General, Mr. Brown, to which President Harding made his recommendation for a consolidation. I do not vouch for its correctness, but a gentleman told me he had seen with his own eyes the original draft of the report of that committee which included the recommendation of President Harding for a consolidation of the War and Navy Departments. Afterwards, and before it was made public, opposition appeared. In this report, in the minority views, is a statement by Senator HARRISON and Judge Walton Moore, who were members of that committee, that the recommendation made by President Harding was not concurred in because of Cabinet interference; and that is your trouble to-day, gentlemen.

The thing that has defeated this proposal during the entire 10 or 12 years has been the social contacts here in the city of Washington. [Applause.]

The Secretary of War and the Secretary of the Navy are vigorously opposing it just as their predecessors defeated the recommendation for consolidation in 1924.

It is a singular fact that while we always have a civilian at the head of these departments, the most of them immediately upon assuming office become little more than the mouthpiece of the higher officers in their respective departments. The surprising thing about it is that even the President of the United States, who has been pleading for consolidation, has openly expressed his opposition to the consolidation of the War and Navy Departments, notwithstanding more money could be saved in this way than by any other consolidation which might be effected, and in spite of the fact that back in 1923, when he was a member of President Harding's Cabinet, he was understood to be in entire accord with his chief on the subject.

The most powerful lobby in Washington to-day is the social lobby [applause], and there is not a man on the floor of this House who does not know it. The inarticulate voice back home, to which many have referred, when it comes in conflict with that kind of a lobby has not much chance to be heard.

The gentleman from Oregon criticized the Economy Committee because this proposal is included in the pending bill.

I wonder what the constituents of my friend the gentleman from Oregon [Mr. MARTIN] and the gentleman from Illinois [Mr. CHINDBLOM] are going to say when they learn of their position that these so-called experts in the Army and the Navy should alone be consulted with reference to national-defense legislation. That is a very peculiar position for anyone to take on this floor. It is just as logical as to say that these officers should alone be consulted with reference to the amount of pay which they receive and that Federal employees should alone have a voice with reference to salary reduction.

I introduced a consolidation bill and the gentleman from South Dakota had previously introduced one. Those two bills were before the Committee on Expenditures. Groups of high-ranking Amy and naval officers—and I have great respect for them—congregated, as you know, at every hearing held by that committee, so that on the day I went over there I could hardly get into the committee room in order to present my views upon the bill. Your Committee on Expenditures, after weeks of hearings, rejected it by a small vote. Then the Economy Committee, acting in accordance with the resolution which created it, very properly placed it in the pending economy measure.

I want to tell you, gentlemen, that there is not a provision of this economy bill which will save anything like the amount of money that will result from the proper administration of a consolidation of these two departments.

You are saving considerable money by your salary cut, but that is temporary. Various estimates have been made as to what will be saved by this consolidation. Some say $40,000,000, some $50,000,000, and some $100,000,000. I have had Army officers and naval officers tell me confidentially—and they asked me not to mention their names, because they said they would be plucked or punished in some way if it were known—it would save 20 per cent of the cost of the Army and the Navy to this country when it was fully in effect.

Oh, the propaganda that has gone out over the country! As you know, that is the way they defeat these things. They say, "Oh, you are trying to break down our security against attack; you are trying to tear down the national defense of the country." There is not one word of truth in it. This proposal provides—as you will find if you read it—for one Secretary of National Defense. Under him is an Assistant Secretary for War, an Assistant Secretary for the Navy, and an Assistant Secretary for Aviation. It does not seek to combine the Army and the Navy and it will not serve to combine the Army and the Navy. You will still have your General Staff in the Army and you will still have your Office of Naval Operations in the Navy. The only difference this makes, so far as your national defense is concerned, is the unification of your air corps, which will bring about coordination between those two services now in the Army and in the Navy. It will make for coordination and efficiency in both the

Army and the Navy in purchasing, equipping, supplying, hospitalization, recruiting, manufacturing, and so forth.

The Government is spending this year around $60,000,000 specifically for aviation in the two departments. This is exclusive of pay and maintenance of military and naval personnel and other incidental expenses amounting approximately to $70,000,000 more.

Twenty-seven million dollars is being expended this year on new equipment.

Will anyone question but what there would be immense saving by the unification of the air activities in these two departments in the purchase of planes, equipment, and the maintenance and operation of air stations?

Talk to me about present cooperation and coordination. They can not even agree upon a football game, and you gentlemen know it. [Applause.] Only a few years ago the head of the Army activities in Hawaii and the head of the naval district in Hawaii, living there upon the respective reservations, almost side by side, did not even speak to each other. They would not recognize each other on the street, and I am told that if it were known one was going to a social gathering the other made it a point to stay away. Then talk to me about coordination and cooperation. That could not have happened if they had both been under one department head. I wish I had an hour and a half so I could tell you of many things in connection with this proposition.

Where does this saving arise? It is going to come from one source alone. It will not affect your Army; it will not affect your Navy; and it will greatly strengthen and improve aviation. I am not claiming reductions in so far as these fighting forces are concerned, nor am I seeking it. The saving is going to come in the administrative expenses.

Now, gentlemen, I am talking earnestly to you. You have talked about economy. We have all talked about it. This bill, the papers tell us this morning, has had $67,000,000 taken out of it. Now you have a motion to take from $50,000,000 to $100,000,000 more out of it.

How much is paid the civilian personnel in your War and Navy Departments down in Potomac Park? You pay the stupendous sum of over $10,000,000. Think of it, over $10,000,000, and in addition to that you have 1,085 officers of the Army and Navy down there doing office duty, costing in all approximately $15,000,000 in administration represented here in the city of Washington. Will anyone be so foolish as to contend that expense can not be saved by a consolidation of that overhead. That is not all. How much do you suppose the Government is spending on matériel in the Army and Navy under two separate heads? There is not a business concern in the world that would pursue our present policy, and you know it. Gentlemen here say it will not save any money. I can not believe they know what is being spent or they would not make statements like that.

The Government is spending on matériel for the Navy, under the appropriations just passed by the House, $158,876,075. In the Army, on the basis of estimates submitted, it will spend $88,631,092, or a total for supplies and matériel of $247,507,167. Now, can you look a man seriously in the face and say that if you combine the supply activities of both under one purchasing authority you will not save money? It is ridiculous in the extreme, and I repeat that there is not a commercial concern which could last for one minute if it had a great business like this pursuing our present methods. A saving of only 10 per cent would amount to $25,000,000. And pray tell me how such a combination and such a saving would in the slightest manner affect the efficiency or the strength of your national defense?

I ask you, gentlemen, how many recruiting offices there are in your cities. I have three in mine—an Army, a Navy, and a Marine Corps recruiting station. Is there any reason in my city or in yours to maintain three such separate stations?

Over here at Bolling Field you will find two air stations side by side, and no one can tell where the dividing line is, but let an Army plane happen to land with one wheel over on the Navy side, and there is trouble. You have two machine shops over there, and one machine shop will hardly lend a tool to the other.

I know that you will save money if you combine these departments. Why have all your Navy shore stations and all your Army posts and depots running under different heads? When you stop to think about it, and when you think about the consolidations that can be made, the statement of a saving of from $50,000,000 to $100,000,000 will impress you as a reasonable sum.

The gentleman from South Dakota [Mr. WILLIAMSON] appeared before his own Committee on Expenditures, and, as will appear from the hearings, enumerated just what savings could be made by way of consolidations. The following is an excerpt from his testimony:

The points advanced by Hon. Patrick J. Hurley, Secretary of War, against the bill (H. R. 4742) contain little that has not already been answered in my analysis of the statement of the Secretary of the Navy, and for that reason I shall not take time now to discuss them, as I desire to call the attention of the committee to some of the advantages which I conceive might be realized by the consolidation of the War and Navy Departments into a Department of Defense.

The general objects to be attained by the proposed creation of a Department of Defense may be summarized, as follows:

1. Economies in administration, standardization, purchases, and transportation.

2. Added efficiency through unity of supervision, closer cooperation, and singleness of command in time of war.

3. The development of an air force commensurate with its importance in modern warfare.

We shall have made out a case for the establishment of a Department of Defense if we can prove either of the following propositions:

1. That the consolidation proposed will effect economies without weakening our defense against a possible enemy.

2. That such consolidation will result in a more powerful defense with no increase of expenditures.

3. That with less expense we may develop a more powerful defensive machine than is possible with the present set-up.

It will not be possible for me to discuss all of the above propositions in detail without unduly wearying you, and I shall, therefore, not attempt it, but I do want to go into them sufficiently to justify my belief that the set-up proposed in the bill is sound in principle and in the interest of economy and efficiency in both peace and war. If this can not be shown our case fails.

That large economies can be realized with competent administration seems to me almost axiomatic. Under the arrangement, the General Staff of the Army and the General Board of the Navy would be abolished and a new general staff set up, composed of representatives of the Army, Navy, and air force, of which the under secretaries would be members. This staff would become the controlling administrative and policy-forming group acting under the immediate direction of the Secretary of Defense. Under such a set-up it would be possible to—

(a) Relieve a considerable part of the present civilian personnel of the Army and Navy;

(b) Standardize equipment, such as guns, ammunition, torpedoes, aircraft, and engines;

(c) Consolidate purchases, stocks, supply depots, airports, experimental and manufacturing plants, and disbursing agencies; and

(d) Consolidate and completely reorganize the transportation system.

If the matters just enumerated were undertaken in good faith, it is inconceivable that large economies would not result. In the extension of my remarks some of these subheads will be treated in detail in an effort to show just what can be done in the way of effecting economies by proper consolidation and reorganization.

The consolidation of purchases and stocks will not only effect initial savings by buying in larger lots, thereby reducing costs of goods and transportation, but it will enable the Government to buy comparatively less for each unit, thereby resulting in a smaller investment, a more rapid turnover, and hence, less spoilage and obsolescence.

The gentleman from South Carolina [Mr. MCSWAIN], the distinguished chairman of the Committee on Military Affairs, appeared before the same committee and made a most illuminating statement advocating and earnestly insisting upon these two departments being consolidated. The opposition, as the hearings will show, was confined alone to the two Secretaries whose Cabinet jobs are at stake and a few high naval and Army officers.

Mr. MCDUFFIE. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. MCDUFFIE. Does the gentleman know of any reason why one clothing factory could not make the clothing for both of the services, instead of having a separate establishment for each service?

Mr. BYRNS. Absolutely not. You have clothing establishments at Jeffersonville, Ind., at Philadelphia, and in New York City making clothing, one for the Army, one for the Navy, and one for the Marine Corps. Do not tell me that you can not consolidate and save money, and it ought to be done. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon.

Mr. VINSON of Georgia. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. BYRNS and Mr. MARTIN of Oregon.

The committee divided; and the tellers reported that there were—ayes 153, noes 135.

So the amendment was agreed to.

Mr. McDUFFIE. Mr. Chairman, for the information of the committee, it is our hope and our purpose to complete the next title, then read the title with reference to veterans, without offering amendments, and adjourn for the day.

The CHAIRMAN. The gentleman evidently means the next two titles, and then read Title IX.

Mr. McDUFFIE. Yes; in other words, my intention was to say that we would complete this bill up to the title dealing with veterans. We would read that title, but not offer any amendments to it, and then adjourn for the day.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield? Could the gentleman state for the information of the committee whether or not the bill will be taken up for further consideration Monday or Tuesday?

Mr. McDUFFIE. I do not know. Monday is Consent Calendar day.

The CHAIRMAN. The Chair may state that the bill can not come up before Tuesday, under the rules.

Mr. McDUFFIE. It could be taken up Monday by unanimous consent.

The Clerk read Title VII, as follows:

TITLE VII—PARTICULAR CONSOLIDATIONS EFFECTED

BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION

SEC. 701. The Secretary of Commerce is authorized and directed to consolidate and coordinate the Steamboat Inspection Service and the Bureau of Navigation of the Department of Commerce in a bureau in such department to be known as the Bureau of Navigation and Steamboat Inspection, to be under the direction of a chief of bureau who shall be appointed by the Secretary of Commerce.

SEC. 702. (a) The Secretary of Commerce is authorized and directed to transfer to the Bureau of Navigation and Steamboat Inspection the records and property, including office equipment, of the Bureau of Navigation and the Steamboat Inspection Service.

(b) The Secretary of Commerce is authorized and directed to transfer to such bureau such officers and employees of the Bureau of Navigation and the Steamboat Inspection Service as in his judgment are indispensable to the efficient operation of such bureau. Such transfer of officers and employees shall be without changes in classification or compensation, but the Secretary may make such changes in the titles, designations, and duties of the officers and employees transferred as he may deem necessary to carry out the purposes of sections 701 to 704, inclusive, of this title. The Secretary is authorized to dismiss such officers and employees of the Steamboat Inspection Service and the Bureau of Navigation as are not, in his judgment, indispensable to the efficient operation of the Bureau of Navigation and Steamboat Inspection.

(c) The consolidation and coordination herein provided for shall be effected not later than July 1, 1932, and when the Secretary of Commerce declares such consolidation and coordination has been effected, the duties, powers, and functions vested in the Steamboat Inspection Service and the Bureau of Navigation shall be exercised by the Bureau of Navigation and Steamboat Inspection, and the Steamboat Inspection Service and the Bureau of Navigation shall cease to exist.

SEC. 703. All proceedings, hearings, or investigations commenced or pending before the bureau and the service abolished shall be continued by the Bureau of Navigation and Steamboat Inspection. All orders, rules, regulations, permits, licenses, enrollments, registrations, and privileges which have been issued or granted by the bureau and the service abolished and which are in effect shall continue in effect until modified, superseded, revoked, or repealed. All rights, interests, or remedies accruing or to accrue out of any provision of law or regulation relating to, or out of action taken by, the bureau and the service abolished shall be valid in all respects and may be exercised and enforced.

SEC. 704. Appropriations and unexpended balances of appropriations available for expenditure by the bureau and the service abolished shall be available for expenditure by the Bureau of Navigation and Steamboat Inspection in the same manner as if such bureau had been named in the laws providing for such appropriations, except that such parts of such appropriations and such unexpended balances as may not be absolutely necessary for the purposes of such bureau shall not be expended but shall be impounded and returned to the Treasury.

TRANSFER OF PERSONNEL CLASSIFICATION BOARD TO CIVIL SERVICE COMMISSION

SEC. 705. The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Personnel Classification Board to the Civil Service Commission, and upon the issuance of such order—

(a) the Personnel Classification Board and the position of director of classification shall be abolished;

(b) all records and property, including office furniture and equipment, of the board shall be transferred to the Civil Service Commission; and

(c) such of the officers and employees of the board as, in the judgment of the President, are indispensable to the efficient operation of the Civil Service Commission shall be transferred to such commission, and all other officers and employees of such board shall be dismissed.

SEC. 706. Any transfer of officers or employees under section 705 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 705 to 708, inclusive, of this title.

SEC. 707. (a) All orders, determinations, rules, or regulations made or issued by the Personnel Classification Board, and in effect at the time of such transfer, shall continue in effect to the same extent as if such transfer had not been made until modified, superseded, or repealed by the Civil Service Commission.

(b) All provisions of law relating to the Personnel Classification Board and the director of classification shall continue in force with respect to the Civil Service Commission, in so far as such provisions of law are not inconsistent with the provisions of sections 705 or 706.

SEC. 708. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Personnel Classification Board as the President deems necessary shall be available for expenditure by the Civil Service Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

INTERNATIONAL WATER COMMISSION ABOLISHED

SEC. 709. The International Water Commission, United States and Mexico, American section, is hereby abolished. The powers, duties, and functions of such section of such commission shall be exercised by the International Boundary Commission, United States and Mexico, American section. This section shall take effect July 1, 1932.

TRANSFER OF RADIO DIVISION OF THE DEPARTMENT OF COMMERCE TO THE FEDERAL RADIO COMMISSION

SEC. 710. The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Radio Division of the Department of Commerce to the Federal Radio Commission, and upon the issuance of such order—

(a) the Radio Division shall be abolished;

(b) all records and property, including office furniture and equipment, of the division shall be transferred to the Federal Radio Commission; and

(c) such of the officers and employees of the division as, in the judgment of the President, are indispensable to the efficient operation of the Federal Radio Commission shall be transferred to such commission, and all other officers and employees of such division shall be dismissed.

SEC. 711. Any transfer of officers or employees under section 710 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 710 to 713, inclusive, of this title.

SEC. 712. (a) All orders, determinations, rules, or regulations made or issued by the Department of Commerce in respect of the Radio Division or by the Radio Division and in effect at the time of such transfer shall continue in effect to the same extent as if such transfer had not been made until modified, superseded, or repealed by the Federal Radio Commission.

(b) All provisions of law relating to the Radio Division shall continue in force with respect to the Federal Radio Commission in so far as such provisions of law are not inconsistent with the provisions of sections 710 or 711.

SEC. 713. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Radio Division as the President deems necessary shall be available for expenditure by the Federal Radio Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

Mr. WOLCOTT. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 46, beginning with line 12, strike out sections 701, 702, 703, and 704.

Mr. WOLCOTT. Mr. Chairman, I believe that every Member of the House is actuated by a conscientious desire to economize to the fullest extent in Government expenditures. I do not believe there is one of us who would want to economize to the extent that it would place in jeopardy the lives of American citizens who travel upon the high seas and the Great Lakes and their connecting waters.

I look with some suspicion on the attempt to consolidate the Steamboat Inspection Service and the Bureau of Navigation. This, I believe, is the third or fourth attempt to consolidate these two bureaus.

The Bureau of Navigation, as I understand it, is administrative in its character. The personnel of the Steamboat Inspection Service does the actual field work of inspecting our ocean liners and lake vessels with particular reference to the safety of lives on those boats. There is no more splendid personnel than that making up the present Steamboat Inspection Service. Every man is, and of necessity must be, under civil-service regulations, a seafaring man of recognized experience. If he is to be an inspector of hulls he must have either served as a master or first-class pilot on a ship of specified tonnage before he can take the examination. If he is to be an inspector of boilers he must have served for a certain length of time as a chief engineer or an assistant engineer on a ship of recognized tonnage.

When the load line law was passed the operation of this law should properly have gone to the Steamboat Inspection Service. These men have the actual knowledge necessary to determine what the load of a vessel should be. The operation of the load line law was, however, placed under the Bureau of Navigation, with the result that this bureau contracted with the American Bureau of Shipping to do this work. It is almost a certainty that if the Steamboat Inspection Service is placed under the Bureau of Navigation the ultimate result will be the gradual reduction of force in the Steamboat Inspection Service, with its ultimate disintegration. The American Bureau of Shipping will then in all probability be called upon to do the steamboat inspection. Where is there any economy in this?

Some time ago, in 1922, to be exact, the Secretary of Commerce recommended this consolidation. His recommendation, on page 35 of his report, is as follows:

The present double system of inspection of the hulls of ocean cargo steamers should be modified because of the expense and loss of time involved in this supervision by the Government and by the private insurance agencies. The staff of officers engaged in measuring tonnage of vessels should be transferred from the Treasury Department to the Department of Commerce as stipulated in a bill approved by both departments and now pending.

Now, gentlemen, I hope the time will never come when you will have to put the safety of the lives of American citizens in the hands of the people and companies who write insurance on these vessels. This inspection is a Government function and responsibility and it should be maintained as such.

This is merely a movement to authorize the Secretary of Commerce to do away with the worthy and efficient services that we are giving our citizens to-day through the Steamboat Inspection Service and put it in the hands of people not qualified to pass on these matters.

The Bureau of Navigation is hiring schoolboys and teachers in the summer to do this work, and at the present time on many vessels it has been found that blocks of wood have been substituted for cork and kapok in life preservers.

Now, the insurance does not protect the lives of persons on these vessels; it reaches the cargo, but not a cent of insurance is placed by the owners on anybody that travels on the boat. The only recourse they or their estates have is against the salvage of the vessel, which they may find at the bottom of the seas or the Great Lakes.

We are for economy, but not if it must be accomplished at the sacrifice of American lives. We could better afford to lose a billion dollars than to have a recurrence of the *Eastland* disaster or the foundering of another *Vestris*. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, the Secretary of Commerce appeared before our committee and stated that he saw no reason why these two services should not be combined. They both have to do with the safety of life and property. Both services were represented before the committee. No one who has given any thought to the provisions of this bill, no one who has read the bill, can come before the House and say that it gives the Secretary of Commerce the power to disband the Steamboat Inspection Service. I beg my friend from Michigan [Mr. WOLCOTT] to read the language of the bill. I live much of my time on the coast line myself, and in one of the major ports of the Gulf. I know something about the duties of both of these bureaus. I know that a substantial saving may be had by their consolidation. The country is clamoring for just such consolidations as we make in this instance.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. McCORMACK. I want to have it specifically stated in the RECORD that it is not the intention of the Economy Committee to permit any contracts to be made by the new bureau with any private persons or corporations to perform the duties at present performed by the Steamboat Service.

Mr. McDUFFIE. There is nothing in this bill that would permit any such construction, in my opinion, with all due deference and respect for the ability of the outstanding statesman from New England.

Mr. McCORMACK. I am not differing with the gentleman, but I want to have it inserted in the RECORD that the committee does not intend to do any such thing.

Mr. McDUFFIE. The committee did not intend to do it, nor will this Congress do it.

Mr. THATCHER. How much saving will there be?

Mr. McDUFFIE. It is impossible to state, accurately, what the saving will be under any consolidation. No one could know how much saving we might have by consolidating the Army and the Navy under one head of national defense, but this does effect a saving of anywhere from $100,000 to $250,000, in accordance with its administration. The gentleman, having been the Governor of the Panama Canal Zone, knows himself that often by consolidating bureaus that deal with hundreds of activities, by the elimination of certain activities, and possibly of personnel, more efficient and better results may be had by the consolidation. The savings depend upon how this can be administered. There is no objection to this in the Department of Commerce, there is no objection upon the part of anybody that I have heard speak, except the gentleman from the Great Lakes section, who is laboring under a misapprehension.

Mr. WOODRUFF. Is it the opinion of the chairman of the committee that this inspection service will be carried exactly as it is now with the same personnel?

Mr. McDUFFIE. Exactly as it is now, yet in the course of administration, of course, it might be found feasible to avoid duplication or have one employee do what two are now doing. However, the essentials of both services are intended to be preserved.

Mr. SWING. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SWING: Page 46, strike out all of section 701 after the abbreviation and figures, and insert:
"The Secretary of Commerce is authorized and directed to transfer to the Bureau of Steamboat Inspection Service the duties and functions of the Bureau of Navigation."

Mr. SWING. Mr. Chairman, for the purpose of preserving whatever there is of economy in the consolidation of these two services, and yet to prevent the frittering away and destruction of the efficiency of the Bureau of Steamboat Inspection, which is the active operating efficient service on the job, I have offered this amendment to have the consoli-

dation reversed, so that the Bureau of Navigation is transferred to the Bureau of Steamboat Service to lay the emphasis of Congress upon the fact that we do not want the efficiency of that service, which has made a splendid record and which this Congress has repeatedly refused to hamper in its activity, to be submerged in some new activity where that efficiency may be greatly impaired or destroyed.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. SWING. Yes.

Mr. McDUFFIE. As I understand the gentleman's amendment it resolves itself into a question of which one of these bureaus you want to name first, when we put the merger into effect. They have both performed wonderful, effective service. No one criticizes that. It was the hope of the committee simply by joining these two services that the work of neither should be affected and that the work would proceed as it has always proceeded, whether it be called the Steamboat Inspection Service or the Bureau of Navigation. I hope the gentleman will not insist upon an amendment of that kind. I do not care which you name first in the language of the bill.

All we are interested in is putting them together. I can not see any excuse for changing the language of the bill. I do not think the gentleman's apprehension is well founded. The work is going on just the same.

Mr. SWING. The only purpose of my amendment is to make certain that the efficient work heretofore done by the Steamboat Inspection Service shall continue unhampered and not be submerged and commingled with something else where its efficiency will be destroyed.

Mr. McDUFFIE. The Secretary of Commerce said to the committee that he saw no reason in the world why they should not be consolidated, but that he did not have the authority to do so, intimating that he might have done it himself had he that authority.

Mr. SWING. I am not opposing consolidation, but I do oppose putting the cart before the horse.

Mr. McDUFFIE. Which is the horse and which is the cart?

Mr. SWING. The Steamboat Inspection Service is the horse. It is doing the vitally necessary work to-day.

Mr. McDUFFIE. Some gentlemen may think the other way.

Mr. STAFFORD. The Bureau of Navigation is the big thing.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on section 701 and all amendments thereto be closed in 10 minutes.

The motion was agreed to.

Mr. BLANTON. I rise, Mr. Chairman, in opposition to the pro forma amendment offered by the gentleman from California.

All this preachment of our friends across the aisle about retrenchment and consolidation is ridiculous when we watch them vote. When it comes to consolidating the Army and Navy Departments, something that would save $100,000,000, the entire Republican Party follow the distinguished retired general from Oregon. That gentleman is a fit leader for them. When a question comes up that takes away any of the perquisites of the Army or Navy, we always find some retired general or some retired admiral leading the forces back to extravagance. Every mother's son of these Republicans followed him, including the big Republican leader, but you will have to go on record on that vote when we get back in the House. That is one amendment upon which we are going to put every one of you individually on record. You will have to go down with your John Hancock in black and white. [Applause.] It does seem as though you would take some warning from what is going on in the country.

Mr. TABER. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. BLANTON. Mr. Chairman, I am proceeding in order. Here is a motion to strike out an economy provision, a motion made by my friend the gentleman from California [Mr. SWING]. He is the gentleman who the other day got up here and defended William Wolff Smith. [Laughter.] Just think of it! I have had 50 letters from California within the last week asking me to send them Mr. PHIL SWING's speech defending William Wolff Smith.

Mr. SWING. I have had a hundred write for it.

Mr. BLANTON. The gentleman from California had better get up here and disconnect himself from William Wolff Smith or some of those boys out in California are going to disconnect themselves from PHIL SWING. Now, Phil was talking through his hat.

Mr. GOSS. Mr. Chairman, I make a point of order.

Mr. BLANTON. He did not know anything about William Wolff Smith when he defended him here on the floor. He just got up here and defended him on general principles. He is running for the Senate and he has to make friends, but I am the gentleman's friend, and I want him to disconnect himself from that fellow before he is harmed by it.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. CAMPBELL of Iowa. Whose general was it who led these Members on the Democratic side of the aisle?

Mr. BLANTON. It was the Army and the Navy Club's general. It was the general of the Army and Navy Club, the biggest lobby in Washington. It is the Army and Navy Club that will not let Congress do one thing that it wants to do to effect sane economy. It sends word here, and it will have a retired general or a retired admiral here to carry out its wish every time it wants something done. Some of you know of the lobbying done here by Gen. James G. Harbord, who also draws his $6,000 retired pay as a general and his salary as the head of the Radio Corporation of America, which is said to be $50,000 per annum.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. No. This is not beer.

I made a speech in New York before some of the biggest business men of the city. One of the leading financiers of this Nation was toastmaster. I discussed this provision of the consolidation of the Army and Navy Departments. That was in my platform when I came to Congress. I showed what could be saved by it. The greatest applause I ever received in my life I got from that bunch of big business men in the city of New York on that proposition. They are for it because it would save $100,000,000 per annum.

You Members who have followed this retired general in striking that economy provision out of the bill to-day will hear from your constituents before we have this roll call on that elimination and before that is knocked out of this bill on final passage.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert a letter which Mr. JOHN J. MCSWAIN wrote on the subject of my resolution (H. J. Res. 355).

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Mr. Chairman, it was contended by my colleague from California [Mr. SWING], at the time he defended William Wolff Smith, that some of the allegations of fact in my said resolution, House Joint Resolution 355, might not be correct. Let me tell him that when William Wolff Smith testified under oath before the Committee on Military Affairs, he admitted that said allegations of fact were correct. And when Gen. Frank T. Hines, Director of the Veterans' Administration, testified before said committee, he also admitted the allegations of fact in my said resolution were correct.

There is a preacher at Water Valley, Miss., named G. C. Schwartz, who was a chaplain, who has had himself retired upon a presumptive disability, who, without knowing anything about the facts in the resolution, has been worrying the chairman of the Military Affairs Committee with his numerous letters, in one of which he blatantly stated that it

was marred by prejudice, hatred, and injustice, and that the resolution was the work of "a demagogue or a fool." He did not know a thing about the matter. But he knew that he had succeeded in getting himself retired at $125 per month on a presumptive disability, and he was dreadfully afraid that "knocking out William Wolff Smith might also knock out him," so he proceeded to denounce the resolution and to call its author "a fool or a demagogue." So to quiet him it was necessary for Chairman McSWAIN to write him and advise that General Hines, director of all veterans' affairs, had testified before the Committee on Military Affairs that the allegations in said House Joint Resolution 355 are true and correct, and he intimated to this retired chaplain that all was not well on the Potomac between him and some of the Mississippi delegation. Here is what our friend Chairman McSWAIN wrote him:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C., April 21, 1932.

Rev. G. C. SCHWARTZ,
Water Valley, Miss.

DEAR SIR: I have received your fifth communication in the last few days and I have been too busy to acknowledge receipt of the others.

If you desire to be heard before the Committee on Military Affairs, and if you will come to Washington, I am sure the committee will give you an opportunity to say anything you wish concerning H. J. Res. 355.

You say that that resolution is a scurrilous document marked by prejudice, hatred, and injustice, and is the work of a demagogue or a fool. General Hines has just finished his testimony and he has admitted that the allegations of the resolution are true. Perhaps you know more about it than General Hines, and if you do, you ought to come to Washington and tell about it. I understand that several members of the Mississippi delegation would be glad to see you up here and also Judge J. J. MANSFIELD, of Texas, wants to have an interview with you, so I am informed by a member of the Mississippi delegation.

Yours sincerely,

JOHN J. McSWAIN.

So it behooves neither my colleague from California [Mr. SWING] nor this retired chaplain from Water Valley, Miss., G. C. Schwartz, who draws his $125 per month on a presumptive disability, to ever again insinuate that the allegations in H. J. Res. 355 are not authentic, because William Wolff Smith has himself admitted they are true, and Gen. Frank T. Hines, Director of Veterans' Affairs, has testified before the committee that such allegations are true, and I understand that Mr. G. C. Schwartz has all of his time taken up in Water Valley just now straightening out his own affairs.

Mr. TIERNEY. Mr. Chairman, I ask unanimous consent to extend my remarks on this bill.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TIERNEY. Mr. Speaker, I have taken a stand in the House of Representatives against the cutting of Federal salaries, at least below $2,500 a year.

While it costs me more than my Federal salary as Congressman to carry out my congressional expenses and live, a cut in my salary or salaries of Cabinet officers and other Representatives and the higher paid officials would be far less of a hardship than cutting down those in the lower levels.

I have official information as to the number of Government employees in Fairfield County as well as the aggregate salaries received by them. This has been supplied to me by the different secretaries of the respective departments. There are approximately 1,000 Government employees receiving an aggregate salary from the Federal Government amounting to approximately $2,000,000, of which it is proposed to cut 11 per cent or take out of circulation from Fairfield County over $200,000 a year. This money is received by the employee who is paid a salary of around $1,400 or $1,500 a year.

By the tabulation furnished me by the Bureau of the Budget, I find there are in the United States 336,541 Federal employees whose salaries run between $1,000 and $2,000 a year, and 259,262 Federal employees whose salaries run between $2,000 and $2,500 a year. The average annual Federal employee's salary of the United States is $1,441.

These Federal employees may be fairly divided into three groups: One, the Army and Navy; two, strictly political appointed officeholders; and three, men and women who have availed themselves of the nonpartisan plan of civil service and are in this branch for life. This includes mostly postoffice clerks, carriers, rural carriers, and some of our postmasters.

The Army and Navy can pretty well take care of themselves and do not figure in this bill. Those who have strictly political appointments take their changes and I am not worried about them; there are some drones in the service and departments that should be abolished and people working at a salary that they do not earn; the way to treat them is to abolish the departments and discharge the employees and not merely cut their salaries.

Mr. Speaker, I am more particularly interested in the third class, the civil service employees who have given up opportunities of more lucrative employment and award in other fields of work, who work on a lower grade of salary, who make it a life work, deducting pension for their old age from their pay. They are the backbone of Government work. A cut of 11 per cent or one month furlough in the salaries of these approximately 600,000 employees would involve not only them but perhaps a million or more members of their families living with or dependent upon them.

The amount of this year's huge tax need is approximately $2,000,000,000. The Economy Committee salary cut (90 per cent of which comes from people earning under $2,500 a year) would net about $60,000,000. President Hoover's plan would net about $80,000,000. Eighty million dollars is approximately 4 per cent of the total tax. I think it is a poor policy of the American Government at this time to cut down these small salaries, and for such small comparative yield in tax.

At best this depression is only a temporary one. America has never succumbed under a depression and will not at this time. It is only a question of time. We are the victims of overproduction, underconsumption, our economic distress is very largely mental. A change in heart and courage and sentiment would restore work for the seven or eight million men out of work.

We are simply overcome with a psychological condition of fear, and before we can return to normal conditions we must substitute for this fear a condition of confidence. We shall never drive out this fear by bringing about a sharp reduction in the wage of our poorly paid and hard-working Federal employees of the civil service class.

Many people feel that the evil will not be merely a cutting in the lower wages of Federal employees, but that many manufacturers and employers are looking for and will use this as an example and excuse to further reduce and bring about wage cuts in private employment.

At best we are only hitting the surface by this cutting of the small man's wages and spreading further fear and expectation of further cuts throughout several millions of our people. If the administration wishes to render a real service it might take the pattern from a service rendered to the State of New York some years ago by a well-known governor when he cut down some 90 overlapping departments to something like 14 to 17 and thereby saved the State of New York many millions. We have to-day 10 major Federal departments, over 150 bureaus, and nearly one-half that number of separate establishments, unconnected, antiquated, and outgrown through 100 years of Government, full of dry-rot, and costing the taxpayers almost enough yearly in unnecessary charges to meet our heavy tax bill this year.

Ogden Mills, Secretary of the Treasury, in his speech before the Associated Press in the Waldorf-Astoria yesterday, said that—

> The only way I know to bring adequate relief to the people of the United States is to set in motion forces that will make economic recovery possible; this means for the Government drastic economy.

Let me say to Mr. Mills and the administration that an honest, serious, and genuine attempt has not been made to correct the inefficient and uneconomic bureaucratic condition

existing in Washington. The administration not only does not attempt to correct this great evil, but little, if any, aid is given to Congress by the administration in efforts to cut down the expenses. We are only hitting the surface and exasperating a large part of our population by these foolish and injurious salary cuts and lowering American standards of living by taxing the little man $100 to $200 a year. In some instances a real loss of $500 to $600, under the administration plan of enforced vacations and travel charges, would be suffered. By an increase of fear and a lowering of these standards we delay the day when prosperity will start back again.

Mr. Speaker, I am opposed to these salary cuts, whether they take the form of a reduction of 11 per cent or the more damaging and greater cut in the form of forced vacation and other losses recommended.

Mr. LAGUARDIA. Mr. Chairman, I want to appeal to the chairman of the committee if he will consider the amendment offered by the gentleman from California [Mr. SWING]. It may sound captious, but it is not; there is a great deal more underneath this consolidation than may appear on its face. The proposed amendment, I believe, would obviate any misunderstanding later on.

The Bureau of Navigation, of course, is favored by steamship interests; but the Steamship Inspection Service, although functioning under antiquated laws and limited appropriations, is rendering splendid service. Countless lives are saved yearly by the good work of this service. The greed of shipowners under obsolete laws limiting their liability must be curbed by an efficient, honest inspection service.

I refer to a statement which I made on December 14, 1928, which is on page 632 of the bound RECORD; I there reviewed the history of our navigation laws. I urged at the time the necessity of bringing our laws up to date and increasing the inspection service. If the House will remember the *Vestris* disaster four years ago, it will bring home the necessity of such inspection. If we are to submerge the Steamboat Inspection Service in that of the Bureau of Navigation, I am so fearful that the tremendous influences of the steamship interests will destroy this very useful service——

Mr. McDUFFIE. Will the gentleman yield?

Mr. LAGUARDIA. Yes; I yield.

Mr. McDUFFIE. The gentleman is always fearful of some hidden sinister interest.

Mr. LAGUARDIA. Yes. That has been my experience.

Mr. McDUFFIE. I wish the gentleman, when he makes such charges, would call names and be fair to the House and say who is crooked and who is straight.

Mr. LAGUARDIA. That is a fair statement. I will be glad to answer that, if time permits.

Mr. McDUFFIE. But I want the gentleman to point out in this bill, if he will, for the benefit of the House, where one of these services is submerged in another.

Mr. LAGUARDIA. The bill provides that the Bureau of Steamboat Inspection is merged with that of the Bureau of Navigation.

Mr. McDUFFIE. I beg the gentleman's pardon. The bill reads "consolidated and coordinated," in the very first paragraph.

Mr. LAGUARDIA. Well, the gentleman must understand that the very nature and the very purpose of the two bureaus are such that the Steamboat Inspection must remain unimpaired and uninfluenced and unhampered by that of the Bureau of Navigation.

Mr. McDUFFIE. I make the statement that the committee—I will repeat it, I have said it once, and I probably have said it twice—that the commission had no thought of impairing the wonderfully effective service of the Steamboat Inspection Bureau. We do not expect it to be done. We think the country would frown on it if it should be done, and we do not think any Secretary of Commerce would be so unwise as to do it.

Mr. LAGUARDIA. Of course, the gentleman's statement is very helpful in developing the intent of Congress. If we did nothing else, I am sure that this discussion bringing forth that statement is very helpful. It establishes the intent of Congress.

The gentleman from Alabama says I am always seeing something sinister. I did not see anything sinister when I voted with the gentleman on the consolidation of the Army and the Navy.

Mr. McDUFFIE. That is not the question here.

Mr. LAGUARDIA. In this instance I know, and so does the gentleman from Alabama who is familiar with maritime conditions, that the owners of ships are always resisting inspection under this service. They do not like it; and when we tried to modify the law after the *Vestris* disaster it was resisted. Anyone who is familiar with our navigation laws must know that they are antiquated, that they are obsolete, and we ought to bring them up to date.

We have been trying for 14 years to do it, but have been unable to do so. The steamship interests prevent it. I shall continue my efforts to have our navigation laws and our maritime laws revised and brought up to date. The law on hull inspection must be revised. Stability tests at regular intervals must be made compulsory. The personnel of the Steamboat Inspection Service increased. Above all things, I repeat, the work of the service must not be permitted to be hampered or curtailed in any manner. If, notwithstanding the assurance given by the gentleman from Alabama [Mr. McDUFFIE], we find that it is, I guarantee the House right now that it will be brought to their attention again. I shall continue my efforts to repeal the law which limits the liability of ship owners—a law which permits them to pocket insurance money for the loss of a ship and permits them to plead the limitation of liability and refuse to pay for loss of life. Gentlemen, that is the law to-day—a law several hundred years old. This consolidated service will surely be kept under vigilant observation.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. SWING].

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was rejected.

Mr. LEHLBACH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH: On page 48, line 21, strike out section 705.

Mr. LEHLBACH. Mr. Chairman, I offer this amendment, not in behalf of any official or any employee of the Government, because not a single employee or official of the Government can possibly be affected by the provisions of section 705. Neither can $100 a year be saved by it. I oppose the section solely in the interest of efficacy in administration of civil-service affairs, and in having effective checks in order to prevent, by perversion of existing law, undue increases in salary. Therefore, I rest my objection to this section on a basis of sound economy.

The Personnel Classification Board is comprised of the Chief of the Budget Bureau as chairman, the Chief of the Bureau of Efficiency, and a member of the Civil Service Commission. When the classification act of 1924 was adopted, the functions to be performed by the Personnel Classification Board were of such importance and depended so much upon the integrity and the intelligence of the administration of this personnel classification that no one official was intrusted with it, but the Budget Bureau, the Bureau of Efficiency, and the Civil Service Commission were each given authority, one to check the other in the performance of these duties.

At first the Efficiency Board did not function as it was intended and was subject to severe and just criticism, but that is not the condition at the present time. The members of the board draw no salary. Their functions are dealing with policy. The actual work under the policy laid down by the Classification Board and under its supervision is performed by a skeleton organization which is eked out

by detail of employees from time to time from the various departments of the Government.

Now, it takes many, many more men to do the classification work than are on the pay roll of the Classification Board, and that work is done by detailed employees who draw no money. Therefore the result of this section would be simply to transfer bodily the working force of the Classification Board to the Civil Service Commission, and I doubt whether authority exists for detailing from departments in the city of Washington employees to work in the Civil Service Commission. So the Civil Service Commission would have to increase its personnel, and this section would thus increase the Government expense.

The main objection I have is that the Civil Service Commission may, if it sees fit, by an interpretation of its functions and by exercising certain functions which they may claim the law gives them, unduly increase the general level of salaries throughout the service. For that reason, sitting side by side with the representative of the Civil Service Commission is the Director of the Budget to protect the Treasury.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it matters not what consolidation of Government agencies is suggested, immediately following the introduction of a bill propaganda starts. It comes from sources that do not understand the situation but simply protest because some job or jobs might be affected. The personnel affected naturally is disturbed, but that situation will always exist when consolidations are brought about. It seems to me there is opportunity for vast savings if the two agencies mentioned in this paragraph are placed under one roof. The Classification Board will, I think, function with a higher degree of efficiency. Records, many of which are duplications, will be placed together. Both agencies will find their work curtailed during the next year. The bill provides for the suspension of promotions and increases in salaries. That slows up the work of the Classification Board. No appointments are to be made, so that means no civil-service examinations and no certifications can be made unless authorized by the President, so the Civil Service Commission will find itself without work. There are other agencies that should have been placed in this set-up, but the Economy Committee would not agree with my suggestion along this line.

The Committee on Expenditures considered a bill to merge the personnel activities of the Government and reported it favorably. It was suggested that the Civil Service Commission, the Personnel Classification Board, the retirement division of the Veterans' Administration, the Bureau of Efficiency, and the United States Employees' Compensation Commission, all having to do with personnel, be placed under one head. Objection was immediately made to the inclusion of the United States Compensation Commission because that commission administers the longshoremen's act and also the District of Columbia liability act. The question of including the Employees' Compensation Commission is, I admit, debatable, but I favored including that in the bill and leaving it for the House to decide. It was in the bill when it was reported by the Expenditures Committee. I looked for strong opposition if that bill had been called up, but I said I favored the House speaking on the question. If the House wanted to eliminate it I would have been satisfied.

The gentleman from New Jersey speaks of the Personnel Classification Board. Less than a year ago the President issued an order to discontinue promotions on account of the condition of the Treasury. Then, instead of promoting an employee, they put him in another grade. An appeal to the Classification Board was made, and the hearings before the independent offices subcommittee of the Committee on Appropriations will show that the Classification Board practically raised the salaries of employees to the extent of several hundred thousand dollars after the President's order has been issued.

The Classification Board to-day is doing another job. It is making surveys, reclassifying the employees of the Government, and seeing if it can not place those doing the same class of work into a different grade—that is, a lower grade. The Classification Board must confine itself to this work during the next year. There will be a general shake-up in personnel and many to hold a position will accept a reduction and therefore must be reclassified.

Mr. LEHLBACH. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. LEHLBACH. Does not this bill already authorize the President to make this consolidation if, after investigation and consideration, he deems it wise?

Mr. COCHRAN of Missouri. It probably does; but it is a question as to whether or not he will have to come to Congress to do what we ask you to do here. There will be a saving here. Not so much, but a saving. It is my hope that the President will even go farther than the Congress is going.

I believe if there is one thing in this bill that is going to be beneficial to this country, if it is administered properly, it is the power which you place in the President to reorganize Government agencies, because unless you give the President that power it will never be done. [Applause.] Congress has tried for 20 years to do it and failed.

Mr. LEHLBACH. Why not leave it to him, then?

Mr. TREADWAY. Why pick on one particular board, known as the Classification Board, and insist that the consolidation be made?

Mr. COCHRAN of Missouri. Because the hearings developed a need for this, and the President in a message suggested that Congress consolidate the personnel activities. We were ready. It means a saving, so why not do it by law now?

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. DOUGLAS of Arizona. Under the authority granted in Title IV of the amendment the President has no authority to consolidate or to merge an agency created by statute, and the Personnel Classification Board was created by statute.

Mr. COCHRAN of Missouri. That is just what I indicated in my reply to the gentleman.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. LEWIS. Mr. Chairman, I understand that this particular agency of the Government has already come under the consideration of the committees of Congress with a view to economy; that the appropriation has been reduced from $200,000 to $150,000, or by 25 per cent. If the same economies were realized generally in the Budget, $1,000,000,000 would be lopped off of the charges against the Government in the coming year.

I have looked at the report of the committee in this matter, and without making the statement in any purpose to criticize, I find no explanation or supporting statement whatever for this change of a statute, a statute that must have been enacted after that degree of attention which is usually given these matters by the committees of the House. In the absence of any evidence that further desirable economy can be accomplished by abolishing this particular agency or shifting it to some other function in the administrative part of the Government, I myself will feel constrained to vote against its adoption.

Mr. SCHAFER. Mr. Chairman, I rise in favor of the amendment. I did not intend to speak, but I happen to be a member of the Committee on Expenditures in the Executive Departments. Our chairman spoke in behalf of abolishing the Classification Board and called the attention of the committee to the fact that his committee had reported out a bill, which is on the calendar, providing for its consolidation with the Civil Service Commission. That is true, but several of the members of the Expenditures Committee filed dissenting opinions.

The chairman of the Expenditures Committee did not advise you that a majority of the Expenditures Committee, when they recommended the consolidation of the Classification Board with the United States Civil Service Commission, also recommended that the consolidation include the United States Employees' Compensation Commission. Upon careful reflection the members of the Economy Committee, including the chairman of the Expenditures Committee, I believe, reached the decision that the small majority of the Expenditures Committee erred in asking for the consolidation of the United States Employees' Compensation Commission; in fact, they admit it, because they know it is impossible, either in the name of efficiency or economy or in compliance with a sound fundamental public policy, to consolidate these agencies.

The Civil Service Commission appeared before the Committee on Expenditures; they wanted the entire consolidation. They wanted to swallow the United States Employees' Compensation Commission and they wanted to swallow the Classification Board. Why? Because they know that by reason of the fact that Government employees are not resigning in great numbers and also because they have large eligible lists now, in the name of economy, they could remove about one-half of the employees from the Civil Service Commission rolls. They want to consolidate and swallow these other agencies and keep many of their own employees whose services are not needed now and cut off the Government pay roll the employees of these other agencies.

As the former chairman of the Civil Service Committee indicated, it is sound from the economy standpoint and from the efficiency standpoint to have a check upon the Civil Service Commission. The Civil Service Commission has its functions and the functions of that commission are not similar to the functions of the Classification Board, which is an appellate body. The functions of the Civil Service Commission are not related to the functions of the United States Employees' Compensation Commission, whose functions are of a judicial nature. All the great labor organizations in this country are opposed to consolidating the United States Employees' Compensation Commission with the Civil Service Commission. If the chairman of the Expenditures Committee is going to use the report of the Expenditures Committee as an argument in favor of consolidating the Classification Board with the Civil Service Commission, why then did he not explain to the House the failure of the Economy Committee to report the proposition in its entirety as recommended by the Committee on Expenditures, of which he is chairman?

Why did not the gentleman and the Economy Committee recommend the entire bill, as they did in the case of the provision with respect to the Public Works Administration, if the action of the Expenditures Committee is suggested as a reason to consolidate the Classification Board?

Mr. LaGUARDIA. Will the gentleman yield?

Mr. SCHAFER. Yes; I yield.

Mr. LaGUARDIA. The gentleman might also state that originally this board was part of the Civil Service Commission, but it did not work out.

Mr. SCHAFER. The gentleman is absolutely correct. It did not work out, and that is why the Classification Board is now an independent agency. Its duties are different, and because of economy and efficiency we had to have a separate agency, and yet the Economy Committee includes its consolidation in the bill, and in their committee report they do not indicate one word or give one reason why this unusual action should be taken or how it will save one penny. There are only three lines in the committee report with reference to their recommendation on this consolidation.

I hope the amendment will be adopted in the name of efficiency and in the name of economy. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 30, noes 74.

So the amendment was rejected.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on Title VII and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 49, at the end of line 2, add the following: "That the rates of compensation for positions to which, prior to the effective date of this act the provisions of the classification act of 1923, as amended (U. S. C., Title V, ch. 13) applied, shall be the rates in force on the day preceding the effective date of the classification act of 1923 for positions involving the same or substantially similar duties."

The CHAIRMAN. The Chair does not think he can recognize the gentleman except by unanimous consent. All debate on section 705 and all amendments thereto was closed some time ago by order of the committee.

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes, because I was also under a misapprehension about the time.

Mr. BLANTON. I shall only ask for three minutes.

The CHAIRMAN. If the request is granted the gentleman from Texas, the Chair would suggest that the same amount of time be granted the gentleman from Maine.

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, for what purpose does the gentleman from Maine desire to address the committee?

The CHAIRMAN. The gentleman from Maine has an amendment to offer and wishes to speak on his amendment.

Mr. DOUGLAS of Arizona. For the information of the Chair and the committee, I think the amendment of the gentleman from Maine will probably be offered as a committee amendment.

The CHAIRMAN. Is there objection?

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, the request, as I understand it, is that the gentleman from Texas be permitted to speak three minutes on the amendment he has offered. I shall not object provided there is coupled with that request the additional request that there be an equal amount of time granted to anyone who wishes to speak in opposition to the amendment.

The CHAIRMAN. The Chair is afraid the gentleman from Arizona does not quite understand the situation. Under the motion of the gentleman from Arizona, which was agreed to, all debate on this title and all amendments thereto was ordered closed in 10 minutes. Prior to that all debate had been closed on section 705. The gentleman from Texas now offers an amendment to section 705. Of course, the amendment is in order, but the Chair holds that he will have to ask unanimous consent to address the committee on that particular section, and the time occupied, of course, would be included in the 10 minutes now remaining.

Mr. DOUGLAS of Arizona. The Chair is quite correct in his statement of the matter. The unanimous-consent request was made, and the gentleman from Arizona rose and reserved the right to object and stated he would not object provided three minutes were given to one opposed to the amendment offered by the gentleman from Texas.

Mr. BANKHEAD. Mr. Chairman, let me make a unanimous-consent request. I ask unanimous consent that the gentleman from Texas may be allowed to proceed for 3 minutes, and the gentleman from Arizona be allowed 3 minutes to reply, the 6 minutes to be taken out of the 10 minutes' debate.

Mr. McCORMACK. Reserving the right to object, I would like to have the amendment again reported.

Mr. STAFFORD. Mr. Chairman, I object.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent for one minute to explain my amendment to the gentleman from Wisconsin.

Mr. WILLIAMSON. I object to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. BEEDY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 54, line 4, strike out paragraph (c) and insert in lieu thereof the following:

"Such of the officers and employees of the Radio Division of the Department of Commerce and the Federal Radio Commission as, in the judgment of the President, are indispensable to the efficient operation of the consolidated bureau shall be retained under the consolidation, and all other officers and employees affected by such consolidation shall be dismissed."

Mr. BEEDY. Mr. Chairman, I have not taken any time in the discussion of this pending bill. If this amendment serves to carry out and make more effective the purpose of the committee, I shall not take any time, unless some Member present desires an explanation.

Mr. DOUGLAS of Arizona. Under the language of the committee, only those employees of the Radio Division will be subject to dismissal. That would be an injustice to others who may have served longer than those who under the language are subject to discharge. The language of the gentleman from Maine places them all on an equal basis, equal footing.

Mr. BEEDY. Exactly.

Mr. WILLIAMSON. I would like to ask the gentleman why you use the term "bureau" instead of "commission"?

Mr. BEEDY. I consulted the legislative draftsman, and we thought it would be best to use that language. It can be corrected in the Senate.

Mr. LOZIER. Mr. Chairman, I do not know who is responsible for this language, but I think it is a reflection on the American people to write into substantive law the language embodied in this provision. I think it is a reflection on the intelligence of the American people to incorporate in this bill an implication that any officer or employee of the present Radio Commission is indispensable to the efficient administration of the commission. Certainly no man or set of men now connected with the Radio Commission has a monopoly on the radio science to such an exteut that his services are indispensable. We are not so poverty stricken in ability and scientific attainments of our people as to require Congress to write into substantive law language which implies that the radio science would go to the "demnition bowwows" if some of the present officers or employees of the Radio Commission should be separated from the service.

Mr. BEEDY. Mr. Chairman, if the gentleman will yield me 30 seconds of my own time, I will say to him that I adopted that word because it was in the act. It was put in there by the legislative draftsman. If that is an objectionable word and the gentleman from Missouri has a better one, as far as I am concerned I will accept his.

Mr. LOZIER. I am not criticizing my friend from Maine, but I am complaining of the practice of Congress in anchoring members of boards and commissions to their jobs by using language in bills which implies that a few swivel-chair administrators have a corner on efficiency and capacity for the proper discharge of the public business. Why, gentlemen, you could discharge every man connected with the Radio Commission and replace them with men selected at random from any one of a thousand communities without impairing the efficiency of the commission one iota.

This bill justifies the implication that certain officers and employees of the Radio Commission are indispensable to its efficient operation.

Mr. BEEDY. I do not think there was any such intention upon the part of those writing the bill.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. This provision in this bill with regard to the Classification Board and the ratings it has been making and the committee's action in proposing to abolish the board should have been amended so as to abolish the inexcusably high salaries now being paid. It should have provided that all of these unreasonably high salaries that wrongfully and unjustly have been established be stopped, and the action of the board granting them repealed, and the men who draw them put back on their former basis, so that Congress may regain control of the fixing of salaries.

I proposed an amendment here that would have done that very thing. But our Republican brethren defeated it. The other day I put in the RECORD a list of a bunch of the employees who, when this act was passed by our friend from New Jersey [Mr. LEHLBACH], drew small salaries, but who now draw $5,000, $7,000, $8,000, and $9,000 a year because they have been rated by this board—with no reason for it at all. Look at pages 8248, 8249, 8250, and 8251 of the RECORD for April 14, 1932, and you will see some of these salaries. Hundreds of them were raised overnight by this board from $1,800, $2,000, and $3,000 to $5,000, $6,000, $7,000, $8,000, and $9,000. My amendment would have stopped it. I sought to correct that. Yet the so-called economy advocate from Wisconsin [Mr. STAFFORD], our friend who preaches economy so much but never votes for it——

Mr. STAFFORD. Mr. Chairman, I rise to a question of order.

Mr. BLANTON. The man who is always wanting it but who, when the time comes to get it, goes with the other bunch; he had to be the one to prevent my discussing my amendment.

Mr. STAFFORD. Mr. Chairman, I rise to a question of order. The gentleman is not discussing the question before the committee but is discussing me.

The CHAIRMAN. The point of order is sustained, and the gentleman will proceed in order.

Mr. BLANTON. When I proposed this amendment it seemed that everybody wanting sane economy and desiring retrenchment ought to be in favor of it, and yet the gentleman from Connecticut [Mr. GOSS] refused to let me have even one minute.

Mr. GOSS. Mr. Chairman, I rise to a question of order.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. The gentleman from Texas is not discussing the amendment but is discussing me.

The CHAIRMAN. It is quite evident that the gentleman from Texas was discussing the gentleman from Connecticut.

Mr. BLANTON. I was diverted by reason of the gentleman keeping me from speaking for one minute on an economy proposition. I presumed, Mr. Chairman, that when I was proposing to stop $1,800 clerks from drawing $8,000 and $9,000 salaries that I would surely have the aid of my friend from South Dakota [Mr. WILLIAMSON], but he objected to my having one minute, hence these three gentlemen are responsible for these $1,800 clerks still getting their $8,000 and $9,000 salaries.

Mr. WILLIAMSON. I am wondering why the gentleman insists on discussing a case after it is out of court. He did not allow attorneys in his court to do any such thing.

Mr. BLANTON. I want to pin down the responsibility for my amendment not being adopted to the men who kept it from being adopted. There must be some responsibility fixed here in the House when a Member offers a good amendment and it is not adopted. My amendment would have stopped these $1,800 men from drawing $9,000. There is some reason why it did not prevail, and the three men who stood on the floor and kept it from being passed were my friend the gentleman from Wisconsin, Mr. STAFFORD; my friend from Connecticut, Mr. GOSS; and my friend from South Dakota, Mr. WILLIAMSON.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DAVIS. Mr. Chairman, do I understand that all debate is exhausted on this amendment?

The CHAIRMAN. That is the order of the committee. The question is on the amendment offered by the gentleman from Maine.

Mr. McDUFFIE. Mr. Chairman, the gentleman from Tennessee [Mr. DAVIS] has studied the radio problem more than any other member here, I think. I ask unanimous consent that he have five minutes in which to discuss this amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Tennessee is recognized for five minutes.

Mr. DAVIS. Mr. Chairman, I appreciate the courtesy extended by my colleagues.

I am heartily in favor of the transfer of the Radio Division to the Federal Radio Commission. In fact, in the last Congress the Senate, as I understand, unanimously passed a resolution to that effect, and the House committee unanimously reported the resolution, although it never came up for action in the House. The reason it was not permitted to be considered by the House was because of propaganda that was carried on by certain parties who were wanting to make secure their jobs. A similar resolution has passed the Senate this session. The omnibus radio bill which passed the House has been amended in the Senate so as to provide for this transfer.

I do not think the amendment offered by the gentleman from Maine [Mr. BEEDY] ought to be adopted, because I think it is entirely too broad. The only function performed by the Radio Division is an inspection service, and as it stands now they are hanging in midair without being under the responsibility of the commission or anybody else that has anything to do with the regulation of radio. This Radio Division should be under the direction of the commission, which is authorized by Congress to perform all of these regulatory functions.

As I say, the Radio Division does not contain any officials who are conflicting with any of the officials of the Federal Radio Commission. There are no officials whatever except inspectors. I think they have about 40 inspectors—doubtless too many—and then there is an office force in addition to that. It is estimated that this transfer will effect a saving of at least $120,000. It will promote efficiency and cooperation.

As the Federal Radio Commission under the law is made responsible for the proper regulation and supervision of radio, I think the authority should rest with them and the obligation be imposed upon them to select the officials who shall perform that service.

I am in thorough accord with the idea that all of the officials and employees shall be dispensed with in so far as possible. The President is authorized to do that under the language of the bill before us, but the amendment offered by the gentleman from Maine, if you will read it carefully, is so very far-reaching as to authorize the discharge of any of the officials in either the Federal Radio Commission or the Radio Division.

With respect to the matter of expense, the omnibus radio bill which passed the House and which is now pending in the Senate has been reported favorably to the Senate with a provision imposing radio licenses and fees which will practically cause the radio industry to pay the cost of Federal regulation and supervision. I am heartily in favor of that. As that is to be done I do not think it should be hampered as indicated.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

The question is on the adoption of the amendment offered by the gentleman from Maine.

The question was taken; and on a division (demanded by Mr. BEEDY) there were ayes 38 and noes 39.

So the amendment was rejected.

Mr. McLEOD. Mr. Chairman, I offer an amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: Page 52, after line 9, insert a new Title VII–A, as follows:

"Nothwithstanding the provisions of section 204, the President is authorized to retain in the civil service beyond the retirement age civil-service employees whose separation from the service would in his opinion not be in the public interest."

Mr. WILLIAMSON. Mr. Chairman, I make a point of order that the amendment is not germane.

The CHAIRMAN. The Chair is ready to rule. The Chair thinks the amendment offered as a new title is clearly not germane. It would have been germane had it been offered to Title II. The Chair therefore sustains the point of order.

Mr. McLEOD. Mr. Chairman, I ask unanimous consent to proceed for one minute for the purpose of explaining what is in this amendment, as I shall later ask unanimous consent to refer back to Title II, page 9, to insert this section. I do not believe the Members appreciate what has been done.

Mr. BLANTON. Mr. Chairman, reserving the right to object, and I do not object, I think the gentleman ought to have a right to speak for one minute. I think all gentlemen should have a right to speak for one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. DOUGLAS of Arizona. Mr. Chairman, I am constrained to object.

The Clerk read as follows:

TITLE VIII—INTERDEPARTMENTAL WORK

SEC. 801. Section 7 of the act entitled "An act making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes," approved May 21, 1920 (U. S. C., title 31, sec. 686), is amended to read as follows:

"SEC. 7. (a) Any executive department or independent establishment of the Government, or any bureau or office thereof, if funds are available therefor and if it is determined by the head of such executive department, establishment, bureau, or office to be in the interest of the Government so to do, may place orders with any other such department, establishment, bureau, or office for materials, supplies, equipment, work, or services, of any kind that such requisitioned Federal agency may be in a position to supply or equipped to render, and shall pay promptly by check to such Federal agency as may be requisitioned, upon its written request, either in advance or upon the furnishing or performance thereof, all or part of the estimated or actual cost thereof as determined by such department, establishment, bureau, or office as may be requisitioned; but proper adjustments on the basis of the actual cost of the materials, supplies, or equipment furnished, or work or services performed, paid for in advance, shall be made as may be agreed upon by the departments, establishments, bureaus, or offices concerned. Bills rendered or requests for advance payments made pursuant to any such order shall not be subject to audit or certification in advance of payment.

"(b) Amounts paid as provided in subsection (a) shall be credited, (1) in the case of advance payments, to special working funds, or (2) in the case of payments other than advance payments, to the appropriations or funds against which charges have been made pursuant to any such order, except as hereinafter provided. The Secretary of the Treasury shall establish such special working funds as may be necessary to carry out the provisions of this subsection. Such amounts paid shall be available for expenditure in furnishing the materials, supplies, or equipment, or in performing the work or services, or for the objects specified in such appropriations or funds. Where materials, supplies, or equipment are furnished from stocks on hand, the amounts received in payment therefor shall be credited to appropriations or funds, as may be authorized by other law, or, if not so authorized, so as to be available to replace the materials, supplies, or equipment, except that where the head of any such department, establishment, bureau, or office determines that such replacement is not necessary the amounts paid shall be covered into the Treasury as miscellaneous receipts.

"(c) Orders placed as provided in subsection (a) shall be considered as obligations upon appropriations in the same manner as orders or contracts placed with private contractors. Advance payments credited to a special working fund shall remain available until expended."

SEC. 802. (a) Notwithstanding the provisions of this title, such section 7, as in force prior to the date of the enactment of this act, shall remain in force with respect to the disposition of funds transferred thereunder prior to such date.

(b) Nothing in this title shall be construed to authorize any Government department or independent establishment, or any bureau or office thereof, to place any orders for material, supplies, equipment, work, or services to be furnished or performed by convict labor, except as otherwise provided by existing law.

(c) The provisions of this title are in addition to and not in substitution for the provisions of any other law relating to working funds.

Mr. BRIGGS. Mr. Chairman, I would like to ask the chairman of the Economy Committee what change this title makes in existing law, particularly the amendment of section 7 of the act making appropriation for fortifications and other works of defense.

Mr. McDUFFIE. I would like to ask the gentleman from Idaho [Mr. FRENCH] to answer the gentleman's question.

Mr. BRIGGS. What change does this Title VIII, particularly the amendment of section 7 of the so-called fortification act, make in existing law?

Mr. FRENCH. The essential provisions in the new language carry the idea of the law that has been on the books for 10 or 12 years into application as to all departments and bureaus of the Government, and permits one bureau or department to do work for another when it had facilities and the requesting bureau was without them.

I would say to the gentleman that the matter came to the attention of the Subcommittee on Appropriations handling the Navy Department appropriation in connection with hearings, where we found that the Navy Department was hampered when it undertook to do certain work for certain bureaus and departments of the Government, chiefly in the matter of not having funds with which to finance the work itself, and inability to arrange for the other department to transfer funds. To correct the situation in part we carried upon an appropriation bill a few years ago an authorization under which the Navy Department could set up a fund that should be known as a working fund for the purpose of handling work for other bureaus and departments of the Government. It worked well. It meant economies, and the fund would be used as a working fund to begin a job, and then moneys would be transferred from other bureaus or departments to this fund to replace the funds advanced.

Mr. BRIGGS. Is this an interchangeable fund? I mean is it a fund which is built up and available to some other department of the Government without being charged to the other department of the Government that is utilising it, or not?

Mr. FRENCH. No; on the contrary, the money is chargeable to the department that received the appropriation from Congress; but it might call upon another department that has facilities to do the work.

Mr. McDUFFIE. May I ask the gentleman a question, with the permission of the gentleman from Texas?

The thing I am interested in most in reference to this section is whether or not the effect of this section would put the Government any farther into any kind of business than it already is with reference to these various departments.

Mr. FRENCH. It would permit one department that is doing a particular line of work, and is qualified to do that work, to do the work upon the request of another department and upon an agreement between the two departments to do that specific work. For instance, the Navy Department has navy yards. The Interior Department has no navy yards, but has one or two craft like the *Boxer*. The *Boxer* is used in connection with the work of the Indian Service in Alaskan waters, and under language carried in the appropriation a few years ago it was permitted to be overhauled for the Interior Department in one of the Government navy yards.

Mr. McDUFFIE. May I ask the gentleman further if, under the language of this bill, we have sufficiently provided that contracts may be let to private interests in the event those interests can do the work more cheaply than either of the departments can do it?

Mr. FRENCH. I think the whole matter is left to the discretion of the two departments involved as to whether or not the departments will avail themselves of the authority here granted.

Mr. McDUFFIE. But does not the gentleman think we ought to carry the same provision we have always carried on our appropriation bills, both for the building of ships, naval ships and others, that would give private interests an opportunity to do the work if they can do it as cheaply or more cheaply than the Federal Government?

Mr. FRENCH. I have no objection to the language carried heretofore.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may have five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRIGGS. Mr. Chairman, I am grateful for the time, for I am getting some real information. I want to ask the gentleman from Idaho this question: In the discussion we had over the consolidation provisions of the Army and Navy it was brought out that there were separate plants maintained by both the Army and Navy for the manufacture of clothing for the use of those services. Does this provision of the bill permit utilization of only one of those plants or factories without the utilization of both of them in the manufacture of clothing and enable the Government thereby to save substantial sums?

Mr. FRENCH. I should think that it would be possible to do just that thing under the language here.

Mr. BRIGGS. Does the gentleman know whether it has ever been utilized for that purpose?

Mr. FRENCH. No; because for many years the different services have had establishments of their own.

Mr. BRIGGS. Is it not possible, through the Appropriations Committee itself and by the regulation of appropriations, to force that sort of economy?

Mr. FRENCH. It would be possible; yes.

Mr. BRIGGS. The question in my mind is why it is not done, why the Army and Navy maintain two establishments for making clothing when one would do? This presents quite a different question from that involving the consolidation of the Army and the Navy into one unit for national defense. It seems to me, if this provision is capable of being utilized to promote savings and economies, it ought to be adopted; and such savings and economies ought to be encouraged as far as possible by action of the Appropriations Committee in denying any duplication of service.

Mr. FRENCH. I think the gentleman is correct; and may I say that the subcommittees of the Appropriations Committee have recognized from year to year that proposition, but on account of the fact that committees during the last 10 or 12 years did not initiate the projects, but rather found shops and plants in operation by different departments, with investments made by the Government, we could not effect the economies that would have seemed possible many times because of investments already made.

Mr. BRIGGS. This is an economy program; and when it comes down to fundamentals I think that everybody wants to have carried into effect throughout this Government the utmost economies of every kind which can be effected properly and still let the Government be carried on efficiently. Does not the Appropriations Committee think that with this support they can effect still further economies in the appropriations?

Mr. FRENCH. It is my judgment that it would be possible; yes.

Mr. BRIGGS. And they will pursue that course?

Mr. FRENCH. I should hope so.

Mr. STAFFORD. Mr. Chairman, the pending title should have some safeguarding provision. The ultimate purpose may be worthy, but I think it is not the intention of the committee or of the House to favor every Government utility being utilized to its maximum extent. Under this phraseology the departments would be relieved from calling upon private industry to meet the requirements of the Government. If, perchance, there was any activity in the governmental service, it would be forced to call upon that governmental activity for the performance of that work and not upon private contractors. I understand the gentleman from South Dakota [Mr. WILLIAMSON] has an amendment which will not prevent the Government from calling upon private industry to compete in Government work if, perchance, there happens to be any utility in the departmental service that can perform the work. It is not the intention of the Government to go into all kinds of work and to deprive private industry of work.

Mr. McDUFFIE. If the gentleman will yield, the gentleman from South Dakota and myself have just completed an amendment which we think will take care of that objection.

Mr. STAFFORD. Will the gentleman from South Dakota read his amendment for the information of the committee?

Mr. WILLIAMSON. I will read the amendment:

Provided, however, That if such work or services can be as conveniently or more cheaply performed by private agencies, such work shall be let by competitive bids to such private agencies.

Mr. STAFFORD. Where does the gentleman propose to offer that amendment?

Mr. WILLIAMSON. At page 53, after the word "payment," in line 12.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: On page 53, after the word "payment" in line 12, strike out the period, insert a colon and the following:

"*Provided, however,* That if such work or services can be as conveniently or more cheaply performed by private agencies, such work shall be let by competitive bids to such private agencies."

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment to the amendment:

And provided further, That the Government department or any employees thereof would not be kept idle by so doing.

Otherwise you have no saving at all. The whole point is that if we have a Government department to do the work and we let out that work, even though it may be done slightly cheaper, and the employees of that Government department sit there idle, there will be no saving.

Mr. WILLIAMSON. I will say that as far as this interdepartmental work is concerned, the only purpose of it is to expedite Government work and permit it to be done by the agency best equipped. For illustration, several departments outside the Navy have vessels. Under this title they may go into a navy yard and have repair work done there. The Navy Department has very fine inspection service. Other departments use this inspection service for the inspection of materials and supplies.

Mr. LaGUARDIA. I think the amendment is too rigid, because if it only provides for economy we can only take into consideration the cost of that one job and overlook the cost of the overhead of that department.

The CHAIRMAN. Does the gentleman from New York desire to offer an amendment to the amendment?

Mr. LaGUARDIA. Mr. Chairman, I will not press my amendment, because it is involved; but, I submit, gentlemen, there will be no economy here at all.

Mr. McCORMACK. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. McCORMACK. Does not the gentleman think that instead of using the words "more cheaply" we should use the words "more conveniently and effectively"? That would cover everything.

Mr. WILLIAMSON. The amendment reads "conveniently or more cheaply."

Mr. McCORMACK. But would not the word "effectively" cover everything that the gentleman seeks to do?

Mr. McDUFFIE. If the gentleman will yield, I think the whole idea, as far as the gentleman from South Dakota and myself are concerned, was not to tie up all of this work so that the taxpayers with shipyards would have it all, but that some of those people who might be idle would have an opportunity to do some of the work.

Mr. LaGUARDIA. That was my point this morning in connection with the use of Army and Navy officers on public works.

Mr. McDUFFIE. But the gentleman now proposes to destroy the effect of this amendment by the words he wishes to add to the amendment.

Mr. LaGUARDIA. The gentleman thinks my amendment would do that?

Mr. McDUFFIE. I think so, absolutely.

Mr. LaGUARDIA. Then I withdraw the amendment.

Mr. WILLIAMSON. Mr. Chairman, the proviso I have offered should follow the word "concerned," in line 10, page 53.

The CHAIRMAN. Without objection, the correction will be made.

There was no objection.

Mr. FRENCH. Mr. Chairman, may I make this suggestion? We have carried in various appropriation bills where money has been appropriated for the doing of work, sometimes within establishments under the Government and sometimes by contract, language something like the language proposed in the amendment; but, as I recall the language, it usually has had a safeguarding clause to the effect that this could be done when the interests of the Government would not be disturbed. It seems to me that if we could let this language lie over we would have time to examine the language in acts where it has worked effectively in doing what the gentleman wants to do. I am agreeable to doing what the gentleman has in mind; but this language might have the effect of compelling the Government or some bureau to do work by contract and letting an agency of the Government stand idle, as the gentleman from New York has suggested, because it would be possible to have the work done by contract somewhat cheaper on a particular job than to have it done, for instance, in the Brooklyn Navy Yard or some other Government institution, although Government interests and convenience would be served by the latter course.

Mr. McDUFFIE. But the gentleman is overlooking some other workers who are not fortunate enough to be on the pay roll of the Government, but are in private shipyards, and there are a number of them walking the streets. They have added much to the long line of unemployment in this country.

Mr. FRENCH. I think, perhaps, the amendment goes too far.

Mr. McDUFFIE. If the amendment gives the men to whom I have referred an opportunity to do some of this work, certainly the gentleman does not want to deny it to them.

Mr. FRENCH. Not at all; but I think the amendment probably goes a little too far, and that the suggestion of the gentleman from New York [Mr. LaGUARDIA] is correct. It might be construed so rigidly as to tie up a navy yard or tie up an activity that could reasonably do the work, and ought to do the work.

Mr. McDUFFIE. But if we say, "If it can be as conveniently" that covers a lot of territory and if we add "more cheaply" that is going a long way.

Mr. WILLIAMSON. Perhaps we should add the words "as expeditiously" to the words "more cheaply."

Mr. McDUFFIE. That would be a matter of discretion with the head of the department.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, would the gentleman object to a unanimous-consent request that we may return to this matter at the next session of the committee for the consideration of this bill and then perfect this language?

Mr. McDUFFIE. I do not want to get in the habit of turning back, if I can prevent it. I am having enough of a struggle to go forward, but in view of the difference of opinion about this item, I am willing to agree to that.

Mr. FRENCH. Then I ask unanimous consent, Mr. Chairman, that this amendment be considered as pending upon the reconvening of the committee.

Mr. McDUFFIE. With the understanding, if the gentleman please, that it is the only thing under this title that can be considered when we return to it.

Mr. FRENCH. Yes.

Mr. DOUGLAS of Arizona. Mr. Chairman, for this afternoon I move that all debate on this title and all amendments thereto do now close.

Mr. CONNERY. Mr. Chairman, a parliamentary inquiry. Has the Chair put the unanimous-consent request?

The CHAIRMAN. The Chair has not, because this is a preferential motion. The Chair will later put the request.

The gentleman from Arizona moves that all debate on this title and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] asks unanimous consent that when the House again goes into Committee of the Whole that permission be given to return to this title for this one amendment only.

Mr. FRENCH. And any amendments thereto.

The CHAIRMAN. And any amendments thereto.

Mr. CONNERY. Mr. Chairman, reserving the right to object—and I dislike to object—but when the gentleman from Michigan [Mr. McLEOD] made a similar request a short while ago, it was objected to.

Mr. FRENCH. I think the gentleman will be quite interested in the point of view I am pointing out, if I understand the district the gentleman represents.

Mr. CONNERY. In fairness to the gentleman from Michigan, who was refused a similar request, I feel constrained to object.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from South Dakota.

The question was taken; and on a division (demanded by Mr. McDUFFIE) there were—ayes 52, noes 16.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read Title IX.

The Clerk read as follows:

TITLE IX.—PROVISIONS APPLICABLE TO VETERANS

GENERAL ADJUSTMENT OF VETERANS' BENEFITS

SEC. 901. Notwithstanding the provisions of law in effect at the date of enactment of this act, except as to those persons who have attained the age of 65 years, or those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty as a result of and directly attributable to such service, or those persons who, in accordance with the World War veterans' act, 1924, as amended, or the laws granting military or naval pensions, are temporarily totally disabled or permanently and totally disabled as a result of disease or injury acquired in, or aggravated by, active military or naval service, or those persons who while in the active military or naval service engaged in actual combat with, were under actual fire of, or served in the zone of active hostilities against, the armed forces of the enemy in any war in which the United States was engaged, no allowance, compensation, retired pay, pension, hospitalization, or domiciliary care under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, the laws governing the granting of domiciliary care by the Veterans' Administration, or the emergency officers' retirement act of May 24, 1928, shall be payable or granted to any person whose net income as defined by the Administrator of Veterans' Affairs, was $1,500 or over, if single, and $3,500 or over, if married, for the year preceding the enactment of this act or the year preceding the filing of application for benefits, whichever is the later. The minimum amounts above specified shall be increased by $400 for each person dependent upon the applicant during the period prescribed. Such benefits shall not be paid or granted during any year following that in which the net income plus allowance for dependents exceeds the prescribed amounts: *Provided*, That irrespective of the income for a preceding year, upon submission of proof satisfactory to the administrator of reduction in income during the current year below the amounts specified herein, when prorated monthly, such benefits as may otherwise be authorized shall be allowable from the date of administrative determination. Payments of Government insurance, allowance, compensation, retired pay, or pension shall not be considered as income within the provisions of this section. The Secretary of the Treasury is hereby directed, upon request, to transmit to the administrator a certificate containing the information required by the administrator to carry out the purposes of this section regarding each person who is applying for or receiving such allowance, compensation, retired pay, pension, hospitalization, or domiciliary care, and such certificate shall be conclusive evidence of the facts stated therein. As to allowance, compensation, retired pay, or pension being paid, or hospitalization or domiciliary care being furnished, at the date of enactment of this act, this section shall take effect six months after such date, and no continuance or granting of allowance, compensation, retired pay, pension, hospitalization, or domiciliary care shall thereafter be authorized except in accordance herewith. As to pending claims and claims filed after the date of enactment of this act, the provisions of this section shall take effect on such date: *Provided*, That this section shall not apply to such persons as are entitled to benefits described in this section on account of the death of any person who served in the active military or naval service.

VETERANS IN INSTITUTIONS

SEC. 902. The first two paragraphs of subdivision (7) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 480), are hereby amended to read as follows:

"Effective as of the first day of the third calendar month following the month during which this amendatory act is enacted, where any person shall have been maintained as an inmate of the United States Soldiers' Home, or of any national or State soldiers' home, or of St. Elizabeths Hospital, or maintained by the Veterans' Administration in an institution or institutions, for a period of 30 days or more, the compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, shall thereafter not exceed $20 per month so long as he shall thereafter be maintained: *Provided*, That if such person has a wife, a child or children, or dependent parent or parents, the difference between the $20 and the amount to which the veteran would otherwise be entitled except for the provisions of this subdivision may be paid to the wife, child or children, and dependent parent or parents in accordance with regulations prescribed by the administrator.

"All or any part of such compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, of any mentally incompetent inmate of such institution may, in the discretion of the administrator, be paid to the chief officer of said institution to be properly accounted for and to be used for the benefit of such inmate: *Provided, however*, That in any case where the estate of such mentally incompetent veteran without dependents, derived from funds paid under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, or the emergency officers' retirement act of May 24, 1928, equals or exceeds $3,000, payment of compensation, pension, allowance, or retired pay shall be discontinued until the estate is reduced to $3,000, and this proviso shall apply to payments due or accruing prior or subsequent to the date of enactment of this amendatory act: *Provided further*, That if such person shall be discharged from such institution as competent, such sum shall be paid as is held in trust for him by the United States or any chief officer of an institution as a result of the laws in effect prior and/or subsequent to the enactment of this amendatory act: *Provided further*, That if in the judgment of the administrator a mentally incompetent person without dependents, receiving compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, requires institutional care for his mental condition and his guardian or other person charged with his custody refuses to accept or permit the continuance of the institutional care offered or approved by the administrator, compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, payable, shall not exceed $20 per month so long as the need for such institutional care shall continue. The administrator in his discretion, upon showing of proper treatment in a recognized reputable private institution may waive the reduction provided by this subdivision."

EMERGENCY OFFICERS' RETIRED PAY

SEC. 903. (a) In the administration of the act of May 24, 1928, entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War" (U. S. C., Supp. V, title 38, secs. 581 and 582), no officer or former officer shall receive retired pay thereunder, unless he served as a member of the Military or Naval Establishment between April 6, 1917, and November 11, 1918, inclusive, and within such period actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to such service, or unless he served a period of 90 days or more between April 6, 1917, and November 11, 1918, inclusive, and actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to service between November 12, 1918, and July 2, 1921, inclusive, and unless he has been or is found by the former Veterans' Bureau or the Veterans' Administration to be not less than 30 per cent permanently disabled as a result thereof prior to May 24, 1928, or within one year thereafter, in accordance with the rating schedule and amendments promulgated pursuant to subdivision (a) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 477), in force at that time, and unless he is found by the Veterans' Administration to be not less than 30 per cent permanently disabled at the time of the enactment of this act under such rating schedule as amended and in effect at the date of the enactment of this act: *Provided*, That no person shall be retired without pay except in accordance with the foregoing provisions of this section, except that the degree of disability required for retirement without pay shall be less than 30 per cent and more than 10 per cent permanent disability.

(b) The Veterans' Administration is hereby authorized and directed to review all claims heretofore filed under the emergency officers' retirement act of May 24, 1928, and to remove from the rolls of retired emergency officers the names of such officers as are not found to be entitled to retirement under subdivision (a) of this section. The Administrator of Veterans' Affairs is further authorized and directed to cause to be certified to the Secretary of War or the Secretary of the Navy, as the case may be, the names of those officers who are removed from the rolls, and the Secretary of War and the Secretary of the Navy are hereby authorized and directed to drop from the emergency officers' retired list and the Army and Navy Registers the names of such officers. Payment of emergency officers' retired pay, in the case of any officer whose name is removed from the rolls or transferred to the list of those retired without pay by reason of the provisions of this section, shall cease on the first day of the third calendar month following the month during which certification or transfer is made, as the case may be. The Administrator of Veterans' Affairs is hereby authorized and directed to transfer the name of each officer removed from the rolls of those entitled to emergency officers'

retired pay, to the compensation rolls of the Veterans' Administration, and to pay, commencing with the first day of the third calendar month following the month during which certification is made by the administrator of the name of the officer removed from the rolls, as herein provided, compensation in accordance with the provisions of the World War veterans' act, 1924, as amended, notwithstanding that no previous application for compensation has been made.

(c) The review of all claims authorized and directed under subdivision (b) of this section shall be final, except for one reconsideration. No rerating or review shall thereafter be authorized in such claims.

(d) After the expiration of one year following the enactment of this act no review, appeal, or other consideration shall be authorized in connection with any claim for emergency officers' retirement upon which a decision has at any time been rendered by the Veterans' Administration or Bureau.

(e) No person shall be entitled to benefits under the provisions of this section, except he shall have made valid application under the provisions of the emergency officers' retirement act of May 24, 1928.

(f) All provisions of the emergency officers' retirement act of May 24, 1928, in conflict with or inconsistent with the provisions of this section are hereby modified and amended to the extent herein specifically provided and stated as of the date of enactment, May 24, 1928.

REPEAL OF PER DIEM ALLOWANCES

SEC. 904. Section 203 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 492), is hereby amended to read as follows:

"SEC. 203. That every person applying for or in receipt of compensation for disability under the provisions of this title and every person applying for treatment under the provisions of subdivisions (9) or (10) of section 202 hereof, shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of the United States or by a duly qualified physician designated or approved by the administrator. He may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the administrator, be paid his reasonable traveling and other expenses. If he shall neglect or refuse to submit to such examination, or shall in any way obstruct the same, his right to claim compensation under this title shall be suspended until such neglect, refusal, or obstruction ceases. No compensation shall be payable while such neglect, refusal, or obstruction continues, and no compensation shall be payable for the intervening period."

LIMITATION OF RETROACTIVE BENEFITS

SEC. 905. Section 205 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 494), is hereby amended to read as follows:

"SEC. 205. The Veterans' Administration may at any time review a claim for benefits under this act, or the laws governing the granting of Army and Navy pensions, and in accordance with the facts found and the law applicable, award, end, diminish, or increase allowance, compensation, or pension, but no allowance, compensation, or pension shall be awarded as a result of such review for any period more than six months prior to date of administrative determination. Where the time for appeal prescribed by regulations has expired a claimant may make application for review upon the evidence of record at the time of the last adjudicatory action but no allowance, compensation, or pension, or increased allowance, compensation, or pension, as a result of such review, shall be awarded for any period more than six months prior to date of application. No review of any claim shall be made except as provided herein. Except in cases of fraud participated in by the beneficiary, no reduction in allowance, compensation, or pension shall be made retroactive, and no reduction or discontinuance of allowance, compensation, or pension shall be effective until the first day of the third calendar month next succeeding that in which such reduction or discontinuance is determined. The proviso in the paragraph under the heading 'Pension Office,' in the act entitled 'An act making appropriations to supply further urgent deficiencies in the appropriations for the fiscal year ending June 30, 1894, and for prior years, and for other purposes,' approved December 21, 1893 (U. S. C., title 38, sec. 56), is hereby repealed: *Provided*, That as to those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty and as the result of and directly attributable to combat with the enemy during war service, the limitations of this section shall not apply."

TRANSFER FROM COMPENSATION TO PENSION ROLLS

SEC. 906. The first paragraph of section 200 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 471), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That where no active military or naval service was rendered between April 6, 1917, and November 11, 1918, no compensation shall be payable for disability or death resulting from injury suffered or disease contracted during active service in an enlistment entered into after November 11, 1918, or for aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered or contracted in, or such recurrence was caused by, the active military or naval service in an enlistment entered into after November 11, 1918: *Provided further*, That the Administrator of Veterans' Affairs is hereby authorized and directed to transfer to the general pension rolls for the Regular Establishment the names of those persons in receipt of compensation who, by reason of the enactment of this amendatory act are no longer entitled to compensation, and to pay such persons pension in accordance with the rates provided for under the general pension laws, but this transfer shall not take effect until six months following the date of the enactment of this amendatory act: *Provided further*, That this act, as amended, and the laws governing the granting of Army and Navy pensions shall not be construed to deny the right of any person to receive pension on account of active military or naval service subsequent to November 11, 1918: *Provided further*, That the provisions of section 602 of this act, as amended, shall not be construed to authorize the payment of compensation contrary to the provisions of this amendatory act."

TESTIMONY IN SUITS UPON INSURANCE CLAIMS

SEC. 907. The first paragraph of section 19 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 445), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"*Provided further*, That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of denial of the claim, except that if in a preliminary proceeding prior to trial of the claim sued upon, it is shown by the plaintiff to the satisfaction of the court that relevant and material testimony is available from any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, the court shall stay all proceedings in the suit until the statement of such person is submitted to the Administrator of Veterans' Affairs who shall cause the claim to be immediately reviewed, and in case the administrator allows such claim, the suit shall be dismissed, but if the administrator disallows the claim, such person may be a witness in the trial of the cause: *Provided further*, That the last preceding proviso shall apply to all suits pending on the date of the enactment of this amendatory act against the United States under the provisions of the war risk insurance act, as amended, or this act, as amended."

REVIVAL OF GOVERNMENT INSURANCE RESTRICTED

SEC. 908. Sections 305 and 309 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, secs. 516, 516b), are hereby repealed as of the date of their enactment, and notwithstanding the provisions of section 602 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 571), no additional payments shall be made under such sections or the third proviso of section 408 of the war risk insurance act, as amended, except to those persons actually receiving payments on the date of enactment of this act, or in those claims where, prior to the date of the enactment of this act, it has been determined by the Veterans' Administration that all or part of the insurance is payable under such sections and the interested person or persons entitled thereto have been informed of such determination: *Provided*, That where a beneficiary receiving insurance payments under such sections dies and there is surviving a widow, child or children, or dependent mother or father, of the veteran, the remaining unpaid installments shall be paid to the following permitted class of beneficiaries in the following order of preference: (1) To the widow of the veteran if living at date of death of the beneficiary; (2) if no widow, then to the child or children of the veteran, share and share alike; (3) if no wife, child, or children, then to the dependent mother of the veteran; (4) if no wife, child or children, or dependent mother, then to the dependent father of the veteran, but no payments under this proviso shall be made to the heirs or legal representatives of any beneficiaries in the permitted class who die before receiving the monthly installments to which they are entitled, and the remaining unpaid installments shall be paid to the beneficiary or beneficiaries in the order of preference prescribed in this proviso: *Provided*, That this section shall not be construed to affect any claim wherein it is determined by the Administrator of Veterans' Affairs that the insured actually contracted disease or suffered injury in line of duty between April 6, 1917, and November 11, 1918, inclusive, as the result of and directly attributable to actual combat with the enemy during war service, and as the result of such disease or injury, dies or has died or becomes or has become permanently and totally disabled, and as to those cases adjudication shall be made under the law in effect prior to the enactment of this act, in the same manner as if this act had not been enacted, except that the first proviso of section 305 of the World War veterans' act, 1924, as amended, limiting the class of beneficiaries, shall be applicable to any case payable under this section: *Provided further*, That the uncollected compensation available under the provisions of the law in effect prior to the enactment of this act must be based upon disease or injury as described in this section.

LIMITATION UPON ATTORNEYS' FEES IN INSURANCE SUITS

SEC. 909. The proviso preceding the last sentence in section 500 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 551), is hereby amended to read as follows:

"*Provided, however*, That wherever a judgment or decree shall be rendered in an action brought pursuant to section 19 of Title I of this act the court, as a part of its judgment or decree, shall determine and allow reasonable fees for the attorneys of the success-

ful party or parties and apportion same if proper, said fees not to exceed 10 per cent of the amount found due under the judgment or decree and to be paid by the Veterans' Administration out of the payment made under the judgment or decree."

JOINT COMMITTEE ON VETERANS' LAWS

SEC. 910. There is hereby created a joint congressional committee which shall be composed of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Such committee shall conduct a thorough investigation of the operation of the laws and regulations relating to the relief of veterans of all wars and persons receiving benefits on account of service of such veterans and report a national policy with respect to such veterans and their dependents. The committee shall report to the Senate and House of Representatives not later than February 1, 1933, the results of its investigation, together with such recommendations for legislation as it deems advisable.

The committee is authorized to sit and act, whether or not the Senate or House of Representatives is in session, at such times and places as it may deem advisable, and to call upon various departments of the Government for such information and for such clerical assistance as may be necessary, using the services of employees on the Government pay roll.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11267, the legislative appropriation bill, and had come to no resolution thereon.

EXTENSION OF REMARKS—NATIONAL DEFENSE REORGANIZATION ACT

Mr. WIGGLESWORTH. Mr. Speaker, I am opposed to the proposed consolidation of the Department of War and the Department of the Navy embodied in title 6 of the pending bill. I am opposed to it as a member of the Committee on Expenditures in the Executive Departments, which, after almost 300 pages of hearings, by emphatic vote, recorded its opposition to the consolidation. I am opposed to it on broad policy and for the very simple reason that in my judgment its proponents have failed entirely to date to sustain the burden of proof which is rightly theirs. They have failed to show any substantial economy not otherwise obtainable. They have failed to show that consolidation can be effected without risk of impairment of national defense as a whole.

The testimony of proponents of consolidation appearing before the Committee on Expenditures in the Executive Departments was entirely inconclusive and for the most part sheer generalization. It is true that our colleague from Tennessee, the chairman of the Committee on Appropriations [Mr. BYRNS], stated to the committee that he was prepared to stake such reputation as he then enjoyed that savings amounting to one hundred millions of dollars could be realized through consolidation in a comparatively short time. He filed no bill of particulars, however. He offered no evidence as a basis for any such opinion. No authoritative evidence was offered by any witness of substantial economy through consolidation which could not be effected without it. Opponents of consolidation characterized the suggested savings as absurd. They referred to substantial savings already effected in each of the two departments, to further and substantial savings resulting from cooperation between the departments, and indicated that in their opinion the suggested consolidation might well result in an actual increase rather than a decrease in expenditure.

Proponents of consolidation had little to offer the committee in respect to possible injury to our system of national defense other than their individual opinions that no impairment would result. Opponents of consolidation brought to the committee a wealth of opinion from important nations in the world, indicating a serious risk of impairment if the proposed consolidation should be adopted.

In Great Britain, for example, in March of 1931, a committee on national expenditure was appointed by the Chancellor of the Exchequer, at the request of Parliament, to make recommendations for effecting forthwith all practicable and legitimate reductions in the national expenditure consistent with the efficiency of the services. The committee was composed of a very able body of men under the chairmanship of Sir George Ernest May. Their report was submitted in July of 1931. Here is what the committee had to say in respect to consolidation such as is now proposed:

We have given very careful consideration to this question, because there is undoubtedly a widespread impression in the public mind that large savings might be made in the cost of national defense by some form of amalgamation of the three services under a single minister. We are, of course, primarily interested in the question from the point of view of its effect on the actual cost of the fighting services, but we can not forget that in the search for true economy it is essential to take the wider view and consider the effect of any far-reaching change of system on the efficiency of the service.

Our conclusion, after careful review of all the evidence, is that no substantial reduction of cost would follow from the creation of a ministry of national defense, and that, on the contrary, there would be a serious risk that the efficiency of the services might be impaired by the alteration of system involved. We have therefore rejected any idea of economy by this method, and we hope that our conclusion will be accepted as finally disposing of the suggestion that millions of money could be saved by the formation of a ministry of defense.

A similar finding in Great Britain was reached in 1922 by a committee set up by the British Cabinet under the chairmanship of Sir Alfred Mond to make proposals for amalgamation of the common services of the navy, army, and air force, such as intelligence, supply, transport, education, medical, chaplains, and any other overlapping departments in order to reduce the cost of the existing triplicate system. I quote from the report of the committee:

After a preliminary discussion, we were disposed to think that by the complete amalgamation of some of the common services, if practicable, substantial economies could be effected. After careful consideration we came to the conclusion that the amalgamation of the common services of the three departments is not advisable, and we doubt if any substantial economies would therein be effected.

Our own findings have been to the same effect. Two congressional committees have investigated the matter within the past eight years. Neither recommended consolidation. The so-called Morrow board, appointed in 1925 and consisting of nine members under the chairmanship of the late Hon. Dwight W. Morrow, with representation from both Senate and House, also investigated the matter thoroughly. By unanimous vote the committee recorded its opposition to the proposed consolidation. I quote from the report of the committee:

We do not recommend a department of national defense, either as comprising the Army and the Navy or as comprising three coordinate departments of Army, Navy, and Air. The disadvantages outweigh the advantages.

Should there be formed a separate department for air, coordinate with the present departments of War and Navy?

Our answer is no.

The quoted opinion of General Pershing and the direct testimony of General Summerall, General Hines, and General Ely, of Admiral Sims, Admiral Eberle, Admiral Robison, Admiral Coontz, and Admiral Hughes stressed the need of the Army and of the Navy for their own services. Modern military and naval operations can not be effectively conducted without such services acting as integral parts of a single command. Moreover, the training of these air services that are to act with the Army and with the Navy must be under the continuous direction and control of the command which is ultimately to use them. In these conclusions and principles we concur.

The experience of the world generally speaking is opposed to consolidation. No great country with problems similar to our own has embarked on a permanent policy of consolidation. It is true that the Government of France has recently attempted consolidation by decree, but the attempt is of such recent date as to be entitled to consideration only as an experiment and is said to be the source of acrimonious discussion at this time in Parliament and elsewhere.

The Secretary of War is opposed to consolidation. The Secretary of the Navy is opposed to it. The Chief of Staff of the Army, the Chief of Naval Operations, and many others whose experience and qualifications fit them to give expert testimony in the matter are unalterably opposed to it. The brilliant officer who now serves as Chief of Staff of the Army goes so far in a letter addressed to a member of the

Committee on Expenditures in the Executive Departments as to state that he knows of "no responsible soldier or sailor in the whole gamut of history who has advocated such a plan as is now proposed." He writes as follows:

You have asked for an informal expression of my views concerning the project for amalgamating the War and Navy Departments into a single bureau of government.

No other measure proposed in recent years seems to me to be fraught with such potential possibilities of disaster for the United States as is this one. The proven agencies which have successfully conducted this country through six wars in a period of 125 years are now under the apparent dictation of a measure of economy to be launched on an adventure which, under certain conditions, might involve the very life of the Nation.

Not only the military history of this country but of every other country gives indisputable proof of the advantages of maintaining in time of war the integral control of the two great branches of national defense—the Army and the Navy. Each must be free to perform its mission unhindered by any centralized and ponderous bureaucratic control. To those who have had practical experience in the conduct of war this principle is so basic and clear that it seems almost impossible that serious thought could be given to any other arrangement. I know of no responsible soldier or sailor in the whole gamut of history who has advocated such a plan as is now proposed. From the beginning of armies and navies the whole mass of testimony, not only of the great captains of history but of all those students who have written upon the subject, has been practically unanimous in this matter. When the Congress of the United States in 1798, for specific and cogent reasons, abandoned the unsuccessful attempt to administer the two great fighting services through a single department, it was but conforming to the lessons of history, to the accumulated experience of civilized peoples, and to the dictates of logic. Fighting on the sea and fighting on the land have no elements in common, except in so far as they are both engaged in the ultimate mission of victory. Separate commanders, specialized staffs, particularized training, and individual supply arrangements must remain as essentials for each. I will not attempt to burden you with a repetition of the manifold arguments along this line which have already been advanced. I merely wish to emphasize that I give it as my fixed opinion that such an amalgamation as proposed would endanger victory for the United States in case of war.

As I understand it, however, the motivation of the proposition is not efficiency but economy. This feature of the subject has been discussed for weeks by your committee, and by other similar groups at various periods during the past decade, yet I challenge anyone to show a single major line of operation along which important economies could be effected without dangerously impairing efficiency. The proponents of economy have been unable to develop a concrete program outlining its factors. The basic hope they have advanced seems to be built upon the thought that the amalgamation will do away with certain overhead expenses. Small and trivial concrete cases have been cited of possible overlapping, and from these trivialities an opinion has been expressed that great economies may be accomplished by their elimination. The contrary result would obtain. Formation of the great organization proposed would not materially lessen the necessity for the separate logistical, administrative, and training staffs now existing, but would at once attract to itself a group of officers, civil officials, clerks, and others, which would probably exceed in cost and size during the course of time anything that this Nation has ever experienced.

The history of government demonstrates that the parasitical development of bureaucracy springs from the setting up of superfluous echelons of control, such as the one proposed. Although I recognize the possibility of effecting relatively unimportant economies in isolated activities, the ultimate cost of this superimposed structure would, in my opinion, exceed by millions any economies that could be safely effected. The super-Cabinet officer at its head could not fail to be the acquisitor of one of the largest and undoubtedly the most powerful governmental organizations the United States has ever known. New buildings, new schools for the training of the composite soldier-sailor, new staffs, all with their additional cost, would be built up at the top of such a groupment. Rather than economy, this amalgamation would, in my opinion, represent one of the greatest debauches of extravagance that any nation has ever known.

The nations of the world have not all been wrong for all time. If it had been advantageous for governments to accomplish such organization as is now suggested, it would have been done decades, or even centuries, ago. The ingenuity of man has never found such outlet in any other channel as in that concerning war. This bill would run counter to the experience of the world.

I can not emphasize too strongly the inadvisability of the serious consideration of this change in the face of the international situation that now exists. The instability, the uncertainty, the loss of morale among the combatant forces that would be entailed by acrimonious discussions along this line, seem to me to be fraught with such peril to the Government that even if everything that were said in favor of this bill by its proponents were true, I still would give my most solemn counsel to suspend action until the world has reached a condition of approximate normalcy.

I am not going to burden you with a further detailed discussion, but this note represents the epitome of my professional opinion in accordance with your verbal request. Pass this bill and every potential enemy of the United States will rejoice.

In the light of opinion of this character, in the light of experience at home and abroad, in the light of the testimony at the hearings before the Committee on Expenditures in the Executive Departments, it is impossible for me to support the proposed consolidation.

Under title 4 of the bill under consideration the House has authorized the President, by Executive order subject to veto by either Senate or House, to reorganize, consolidate, or eliminate existing Federal agencies or their functions. This should make possible the elimination of minor duplications of activity or expense by the two departments.

To adopt the proposed consolidation is to embark upon a radical change of policy in our system of national defense. To make this radical change at this time in the absence of convincing proof of substantial economy not otherwise obtainable without injury to our national defense is, in my judgment, foolhardy. Considerations of economy can not be allowed to jeopardize adequate national defense. The present time is no time for crippling the organization upon which the safety and very life of the Nation may depend.

I hope sincerely that the amendment offered by my distinguished colleague from Oregon, General MARTIN, striking from the bill the whole of title 6, providing for consolidation of the Department of War and the Department of the Navy, will prevail.

LEAVE OF ABSENCE

By unanimous consent, the following leave of absence was granted—

To Mr. BOYLAN, indefinitely, on account of illness; and

To Mr. CORNING, indefinitely, on account of illness.

ORDER OF BUSINESS

Mr. TINKHAM. Mr. Speaker, I desire to withdraw a bill that was referred to the Committee on the Judiciary April 26, H. R. 11640. It was introduced by error of a clerk in my office.

The SPEAKER. The bill has been introduced, referred to the committee, printed, and sent to the libraries all over the country. The Chair does not see what the gentleman can accomplish by withdrawing it. Is there objection to the request of the gentleman from Massachusetts?

Mr. LaGUARDIA. The chairman of the Judiciary Committee is not here, and I ask the gentleman to withdraw it for the present.

Mr. TINKHAM. I will withhold the request.

Mr. McDUFFIE. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. McDUFFIE. Under the rules of the House, can we by unanimous consent proceed with this legislation on next Monday?

The SPEAKER. The House can do almost anything by unanimous consent.

Mr. McDUFFIE. Then I ask unanimous consent to proceed with the economy program on Monday next and set aside unanimous-consent day.

Mr. CONNERY. Reserving the right to object, I have heard Members who have left say that this bill would not be taken up again until next Tuesday.

Mr. McDUFFIE. Mr. Speaker, I withdraw the request.

Mr. LaGUARDIA. I understood the Speaker to announce that next Monday was unanimous-consent day.

The SPEAKER. Unanimous-consent and suspension day.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1196. An act authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have, or claim to have, against the United States, and for other purposes; to the Committee on Indian Affairs.

S. 4123. An act to amend the District of Columbia traffic acts, as amended; to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7119. An act to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes.

ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until Monday, May 2, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Monday, May 2, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON WAYS AND MEANS

(10 a. m.)

To continue hearings on soldiers' bonus.

COMMITTEE ON LABOR

(10 a. m.)

Providing farming opportunities for destitute and unemployed persons (H. R. 11055 and H. R. 11056).

COMMITTEE ON AGRICULTURE

(10 a. m.)

Hearings on bill providing for grasshopper control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on Indian Affairs. H. R. 8328. A bill to provide funds for cooperation with the school district at Nespelem, Wash., in the construction of a public-school building to be available to Indian children of the Colville Indian Reservation; without amendment (Rept. No. 1172). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 10274. A bill to amend the act approved March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes" (45 Stat. 1512); without amendment (Rept. No. 1173). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARE: Committee on Insular Affairs. H. R. 10867. A bill to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock; without amendment (Rept. No. 1174). Referred to the House Calendar.

Mr. BOWMAN: Committee on the District of Columbia. H. R. 9065. A bill to supervise and regulate the sale of securities within the District of Columbia; with amendment (Rept. No. 1175). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 8619. A bill for the relief of Nellie Oliver; without amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 8620. A bill for the relief of Catherine L. Merrill; without amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREGORY: A bill (H. R. 11731) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Women's Club of the city of Paducah, Ky., the silver service in use on the U. S. S. *Paducah*; to the Committee on Naval Affairs.

By Mr. McSWAIN (by request): A bill (H. R. 11732) to amend section 2 of an act approved February 25, 1929 (45 Stat. 1303), to complete the acquisition of land adjacent to Bolling Field, D. C., and for other purposes; to the Committee on the District of Columbia.

By Mr. CABLE: A bill (H. R. 11733) to exclude and expedite the deportation of alien communists; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 11734) to provide for payment of drainage assessments upon certain restricted Indian lands in Stephens County, Okla.; to the Committee on Indian Affairs.

By Mr. COLTON: A bill (H. R. 11735) to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation, and for other purposes; to the Committee on Indian Affairs.

By Mr. FISH: Resolution (H. Res. 208) creating a Special Committee on Public Works with a view to the relief of unemployment; to the Committee on Rules.

By Mr. KELLY of Pennsylvania: Joint resolution (H. J. Res. 376) to authorize the Reconstruction Finance Corporation to extend loans to counties, cities, and other subdivisions for unemployment relief; to the Committee on Banking and Currency.

By Mr. SIMMONS: Joint resolution (H. J. Res. 377) making funds available for grasshopper control; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 11736) granting an increase of pension to Jennie M. Knopp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11737) granting a pension to Edith Albers Leonard; to the Committee on Pensions.

By Mr. CRAIL: A bill (H. R. 11738) for the relief of Cairo Davis; to the Committee on Military Affairs.

By Mr. ESTEP: A bill (H. R. 11739) for the relief of Maj. Edwin M. Scott; to the Committee on Military Affairs.

By Mr. KURTZ: A bill (H. R. 11740) granting an increase of pension to Miranda C. Imler; to the Committee on Invalid Pensions.

By Mr. McREYNOLDS: A bill (H. R. 11741) granting a pension to Amanda Tate; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 11742) granting an increase of pension to Philip Eichhorn; to the Committee on Pensions.

By Mr. MILLIGAN: A bill (H. R. 11743) granting an increase of pension to Lucy F. Alley; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 11744) granting a pension to Fannie Spigle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11745) granting a pension to Haden M. Klinefelter; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 11746) granting a pension to Ethena T. Weeks Cowan; to the Committee on Invalid Pensions.

By Mr. SCHAFER: A bill (H. R. 11747) for the relief of Joseph Pofek; to the Committee on Military Affairs.

By Mr. WATSON: A bill (H. R. 11748) to place Frank Schoble, jr., on the retired list of the United States Army as a captain; to the Committee on Military Affairs.

By Mr. WHITE: A bill (H. R. 11749) granting an increase of pension to Margaret Mulvihill; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7287. By Mr. BEAM: Resolution by Group No. 1570 of the Polish National Alliance, memorializing Congress to enact House Joint Resolution 144, directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

7288. By Mr. CRAIL: Petition of substitute postal clerks of Los Angeles, Calif., favoring legislation designed to give relief to substitute postal employees; to the Committee on the Post Office and Post Roads.

7289. By Mr. GARBER: Petition of citizens of the eighth district and of Oklahoma, urging passage of bonus bill; to the Committee on Ways and Means.

7290. Also, petition of citizens of Fort Wayne, Ind., urging passage of the Keller bill, H. R. 9891; to the Committee on Interstate and Foreign Commerce.

7291. Also, petition of citizens, urging support to prevent any reduction in salary or any change in working standards now pending against post-office employees; to the Committee on Economy.

7292. By Mr. JAMES: Petition from 45 members of the Fritz Frederickson Post, No. 350, of the American Legion, Ramsay, Mich., protesting against the proposed $80,000,000 cut in the disabled veterans' compensation, disability allowance, and hospitalization fund; to the Committee on World War Veterans' Legislation.

7293. By Mr. KADING: Petition signed by citizens of Dodge and Jefferson Counties, Wis., protesting against the enactment of legislation of compulsory Sunday observance; to the Committee on the District of Columbia.

7294. By Mr. KELLER: Petition of C. L. Baker, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7295. Also, petition of J. H. Smith, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7296. Also, petition of B. F. Rushing, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7297. Also, petition of Luther H. Meininger, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7298. Also, petition of Homer C. Cutler, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7299. Also, petition of Hugh E. Stearns, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7300. Also, petition of J. Earl Johnson, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7301. Also, petition of C. R. Stevenson, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7302. Also, petition of F. E. Deason, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7303. Also, petition of George L. Gher, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7304. Also, petition of Mary J. Smith, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7305. Also, petition of William H. Whitaker, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7306. Also, petition of Charles E. Glass, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7307. Also, petition of W. J. Gillespie, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7308. Also, petition of Eliza Z. Redman, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7309. Also, petition of Cecil O. Franklin, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7310. Also, petition of Lawrence Allen, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7311. Also, petition of Frank Dorris, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7312. Also, petition of Margaret Drake, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7313. Also, petition of Wesley Briley, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7314. Also, petition of C. N. Williams, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7315. Also, petition of Dr. N. J. McCollum, of West Frankfort, Ill., protesting against the proposed reduction of Federal salaries; to the Committee on Economy.

7316. Also, petition of J. O. Davis, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7317. Also, petition of Oral L. Davis, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7318. Also, petition of Helen Absher, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7319. Also, petition of M. C. Nolen, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7320. Also, petition of H. O. Absher, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7321. By Mr. MEAD: Petition of employees of the post office at Paris, Tex., concerning wage reduction; to the Committee on Economy.

7322. By Mr. PARKER of Georgia: Petition of W. M. Rocker, of McBean, Ga., and eight other citizens of Georgia, urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

7323. By Mr. PARTRIDGE: Petition of Frank H. Gray and other railway telegraphers of Wiscasset, Me., and vicinity, urging enactment of House bill 9891 and opposing the enactment of House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7324. Also, petition of A. W. Dean and 75 other residents of Leeds Junction, Me., and vicinity, urging the enactment of House bill 9891 and opposed to the enactment of House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7325. By Mr. RUDD: Petition of the Disabled Emergency Officers of the World War, with reference to section 903 of the proposed economy bill; to the Committee on Economy.

7326. Also, petition of Central Supply Association, Chicago, Ill., favoring the balancing of the Budget; to the Committee on Appropriations.

7327. Also, petition of Commander Elmer Bennett Post, American Legion, New York City, protesting against proposed World War veterans' disability reduction; to the Committee on Economy.

7328. Also, petition of Murray Klein, Brooklyn, N. Y., protesting against the elimination of Federal aid for vocational education; to the Committee on Economy.

7329. Also, petition of Rand McNally & Co., New York City, favoring striking out section 5 of House bill 10976; to the Committee on Patents.

7330. By Mr. SMITH of West Virginia: Resolution of the Price Hill Safety Club, of Price Hill, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7331. Also, resolution of the Slab Fork Safety Club, of Slab Fork, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7332. Also, resolution of Earling Mine Safety Club, of Earling, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7333. Also, resolution of the Gauley Mountain Safety Club, of Ansted, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7334. Also, resolution of the Mahan Safety Club, of Mahan, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7335. Also, resolution of the Stirrat Safety Club, of Stirrat, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7336. Also, resolution of the Mabscott Safety Club, of Mabscott, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7337. Also, resolution of the Winding Gulf Safety Club, of Winding Gulf, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7338. Also, resolution of the Amherst Safety Club, of Amherstdale, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7339. Also, resolution of the Kiwanis Club, of Charleston, W. Va., opposing the Evans bill (H. R. 5840); to the Committee on the Public Lands.

7340. By Mr. SUTPHIN: Petition of Joyce Kilmer Post, No. 25, American Legion, opposing reduction of veterans' compensation; to the Committee on Appropriations.

7341. By Mr. WILLIAMSON: Petition of 394 citizens of South Dakota, protesting against the passage of House bill 8092, or any other compulsory Sunday-observance legislation; to the Committee on the District of Columbia.